

THE EFFECTIVENESS OF THE T-SHIRT BUSINESS START-UP BRANDING
THROUGH ONLINE PLATFORM

AZWIN BINTI KAMARULARIFIN

Report submitted in fulfilment of the requirement for the degree of Bachelor of
Technopreneurship with Honours (BTEC).

Faculty of Technology Management and Technopreneurship
Universiti Teknikal Malaysia Melaka

JUNE 2016

I hereby acknowledgement that I have read this and in my opinion this work sufficient in terms of scope and quality for the award of Bachelor Degree in Technopreneurship

Signature :

Supervisor name : En. Hasan Bin Saleh

Date :

Signature :

Panel name : Dr. Mohd Syaiful Rizal Bin Abdul Hamid

Date :

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 for any degree and is not concurrently submitted in candidature of any other degree.”

Signature :

Name : AZWIN BINTI KAMARULARIFIN

Date :

DEDICATION

Specially dedicated to my father and mother, Kamarularifin and Omi Kalsom, thank you for your prayers. To my beloved friend Zarifatul Akmal Mohd Dahalan, thank you for your concerns. Lastly, special thanks to my supervisor En. Hasan Bin Saleh, for all the encouragement.

ACKNOWLEDGMENT

Alhamdulillah. Thanks to Allah, whom with His willing giving me an opportunity to complete this research paper entitled “The Effectiveness of The T-shirt Business Start-up Branding through Online Platform” to fulfil the compulsory requirements subject research methodology of Universiti Teknikal Malaysia Melaka (UTeM) and the Faculty of Technology Management and Technopreneurship (FPTT). I would like to express my deepest thanks to En. Hasan Bin Saleh a lecturer at FPTT and also assign as my supervisor who had guided me for the task during the semesters 1 in session 2015/2016.

I would like to thank, without implicating, to my fellow classmates, supervisor, lectures, family and friends for helping me working on this research paper. Also sincere appreciation and thanks to Prof. Dr. Salleh Bin Yahya for sharing their experience and knowledge in the Research Methodology and Marketing Research subject that really helped me through the writing of this research.

Lastly, deepest thanks and appreciation to my family members, their endless support, encouragement, and full support during the report completion from the beginning till the end.

Thank you very much.

ABSTRACT

With the growth in popularity of t-shirts businesses, there's no doubt to new comer in t-shirt industry facing some stiff competition. To break through, the entrepreneur need to have fresh marketing idea as a secret weapon to sustain the competitive advantage. The rapid growth of business process is affected by technology development at the time. Online platform or Social Media such as Facebook, Twitter, LinkedIn and others reflects the age-old social need for human to communicate and connect with one another, which is a relatively new form of information technology development. It has a potential to bring revolution or huge changes at this time and for the future, a development which has to be noticed by the business owners so they can keep growing in this rapidly changing of business situation. Selling t-shirts online has become a popular business choice. For many entrepreneurs, starting an online t-shirt brand is a great and inexpensive way to start an online business. In this study, we will go through to do a research about the relationship between the effectiveness of the T-shirt business start-up branding at online platforms.

Keywords: Online branding, Internet marketing, Business Start-up

ABSTRAK

Dengan pertumbuhan dalam populariti t-shirt perniagaan, tidak ada keraguan untuk pendatang baru dalam t-shirt industri menghadapi beberapa persaingan sengit. Untuk memecahkan, Pengusaha perlu mempunyai idea pemasaran segar sebagai senjata rahsia untuk mengekalkan kelebihan daya saing. Pertumbuhan pesat proses perniagaan dipengaruhi oleh perkembangan teknologi pada masa itu. Platform dalam talian atau media sosial seperti Facebook, Twitter, LinkedIn dan lain-lain mencerminkan keperluan usia tua sosial bagi manusia untuk berkomunikasi dan berhubung dengan satu sama lain, yang merupakan satu bentuk yang agak baru dalam pembangunan teknologi maklumat. Ia mempunyai potensi untuk membawa revolusi atau perubahan besar pada masa ini dan untuk masa depan, satu perkembangan yang perlu disedari oleh pemilik perniagaan supaya mereka boleh terus berkembang dalam yang pesat berubah keadaan perniagaan. menjual t-shirt dalam talian telah menjadi satu pilihan perniagaan yang popular. Bagi kebanyakan pengusaha, bermula dalam talian t-shirt jenama yang adalah cara yang baik dan murah untuk memulakan perniagaan online. Dalam kajian ini, kita akan melalui untuk melakukan penyelidikan tentang hubungan antara keberkesanan T-shirt memulakan perniagaan penjenamaan di platform dalam talian.

Kata kunci: Penjenamaan dalam talian, pemasaran Internet, Permulaan Perniagaan

TABLE OF CONTENTS

CHAPTER	TITLE	PAGE
	DECLARATION	ii
	DEDICATION	iii
	ACKNOWLEDGEMENT	iv
	ABSTRACT	v
	<i>ABSTRAK</i>	vi
	TABLE OF CONTENTS	vii
	LIST OF FIGURE	xi
	LIST OF TABLE	xii
CHAPTER 1	INTRODUCTION	
	1.0 Introduction	1
	1.1 Background of Study	2
	1.2 Problem Statement	5
	1.3 Research Questions	5
	1.4 Research Objectives	6
	1.5 Scope of Study	6
	1.6 Significant of Study	6
	1.6 Summary	7
CHAPTER 2	LITERATURE REVIEW	
	2.0 Introduction	8
	2.1 T-shirt Business	9

2.2 Brand-Building	11
2.3 Online Advertising	14
2.4 The Entrepreneur's Knowledge	17
2.5 Social Networking	18
2.6 Viral Marketing	22
2.7 Theoretical Framework	25
2.8 Hypothesis Testing	26
CHAPTER 3	RESEARCH METHODOLOGY
3.0 Introduction	27
3.1 Research Design	28
3.1.1 Research Flow	30
3.2 Methodological Choice	31
3.3 Primary and Secondary Data	31
3.4 Location of the Study	33
3.5 Research Strategy	33
3.6 Questionnaires Design	34
3.9 Summary	34

CHAPTER 4 DATA ANALYSIS

4.0 Introduction	35
4.1 Frequency Analysis	36
4.1.1 Respondents Profile	36
Gender	36
Age	37
Occupation	38
Experience buying or selling online	39
Experience selling T-shirt online	40
Duration of online experience	41
T-shirt business through online platform	42
4.2 Reliability and Validity Test	43
4.3 Descriptive Analysis	45
4.3.1 Online advertising	45
4.3.2 Social networking	46
4.3.3 Viral Marketing	47
4.3.4 Effectiveness of online platform	48
4.4 Research Objective and Hypotheses Testing	49
4.4.1 Objective 1	50
Hypothesis 1	51
4.4.2 Objective 2	52
Hypothesis 2	55
4.4.3 Objective 3	56

	Hypothesis 3	59
	4.5 Summary of Hypotheses	60
	4.6 Conclusion	60
CHAPTER 5	DISCUSSION AND CONCLUSION	
	5.0 Introduction	61
	5.1 Discussion	62
	5.2 Conclusion of Objective	63
	5.2.1 Objective 1	63
	5.2.2 Objective 2	64
	5.2.3 Objective 3	66
	5.3 Limitation of study	67
	5.4 Suggestion to Future Researcher	68
	REFERENCES	69
	APPENDIX	76

LIST OF FIGURES

Figures	Title	Page
1	Diagram theory for the technology acceptance model (TAM)	3
2	Theoretical Framework	25
3	Research Flow	30
4	Gender	36
5	Age	37
6	Occupation	38
7	Experience buying or selling online	39
8	Experience selling T-shirt online	40
9	Duration of online experience	41
10	T-shirt business through online platform	42

LIST OF TABLES

Table	Title	Page
1	Table for Determining Sample Size	32
2	Gender	36
3	Age	37
4	Occupation	38
5	Experience buying or selling online	39
6	Experience selling T-shirt online	40
7	Duration of online experience	41
8	T-shirt business through online platform	42
9	Cronbach's Alpha Coefficient alpha value	43
10	Reliability Statistic	44
11	Descriptive analysis (Online advertising)	45
12	Descriptive analysis (Social networking)	46
13	Descriptive analysis (Viral Marketing)	47
14	Descriptive analysis (Effectiveness)	48
15	Reliability Testing	50

16	Regression Analysis of Model Summary	52
17	Multiple Regression Analysis of ANOVA	53
18	Multiple Regression Analysis of Coefficients	54
19	Model Summary of Objective 3	56
20	Regression Analysis of Model Summary	56
21	Multiple Regression Analysis of ANOVA	57
22	Multiple Regression Analysis of Coefficients	58
23	Summary of Hypotheses	60
24	Gantt chart PSM 1	85
25	Gantt chart PSM 2	86

CHAPTER 1

INRODUCTION

1.0 Introduction

This chapter will give a brief explanation about this study, starting with the background of the project title, “The Effectiveness of The T-shirt Business Start-up Branding through Online Platform”. This chapter also discuss about the problem statement, the objectives and the scope for this project.

1.1 Background of the Study

Online marketing platform (OMP) is an integrated web-based platform that combines the benefits of a business directory, local search engine, search engine optimisation (SEO) tool, customer relationship management (CRM) package and content management system (CMS). Ebay and Amazon are used as online marketing and logistics management platforms. On Facebook, Twitter, YouTube, Pinterest, LinkedIn, and other Social Media, retail online marketing is also used. Online marketing refers to a set of powerful tools and methodologies used for promoting products and services through the Internet. Online marketing includes a wider range of marketing elements than traditional business marketing due to the extra channels and marketing mechanisms available on the Internet.

In recent years, a social media phenomenon called “online branding” has sprung up and become a prevalent aspect of the e-commerce scene in some parts of Southeast Asia including Malaysia. William K. Holstein, (2007) stated that online branding is the creation and development of communications strategies specifically for brands to have meaning and context from the virtual view. Online branding is a way to get more exposure for your brand on all levels of online platforms, especially search and social. Building authority takes online branding to the next level by making each online presence for a brand authoritative. It goes beyond just about creating a blog or social media account.

Most Malaysians entrepreneur engage in online business because they wants to have their side income, apart from that it because their spirit in business. There are several types of business that is suitable to be traded through online like affiliates, dropship, sell a services, digital or physical product. However, the online business trend today's is to be the owner of the product. The new branding in fashion has growth very fast through online. In light of this, it comes as a surprise that statistics show that clothing is one of the most common product categories purchased online (Statistics Denmark, 2007).

Building a brand is a core business activity, just as important as leasing office space, recruiting the right people or developing your product or service. To provide all this should involve lot of money. Anyone who does sales and owned the brand knows that this is not easy. As we know, new business owners typically don't have a lot of money to invest in business. Therefore, the purpose of this study is to examine how to be the owner of the product in apparel industry with start-up business t-shirt branding through online platforms with low cost and risk.

The term "online boutiques" has become familiar among customers days by days. It refers to simple online retail shops created out of freely available blogging software. The arrival of Facebook as a popular social networking destination has also assist the entrepreneur to branding their product through online. Ryan Pinkham, (2013) with his research, proves that even when your customers plan on visiting your store personally, they are bound to visit your company website first.

To prove the internet's promotional power, researcher refers to the Technology Acceptance Model (TAM) theory to explain it. The Technology Acceptance Model (TAM) is an information systems theory that models how users come to accept and use a technology. The model suggests that when users are presented with a new technology, a number of factors influence their decision about how and when they will use it.

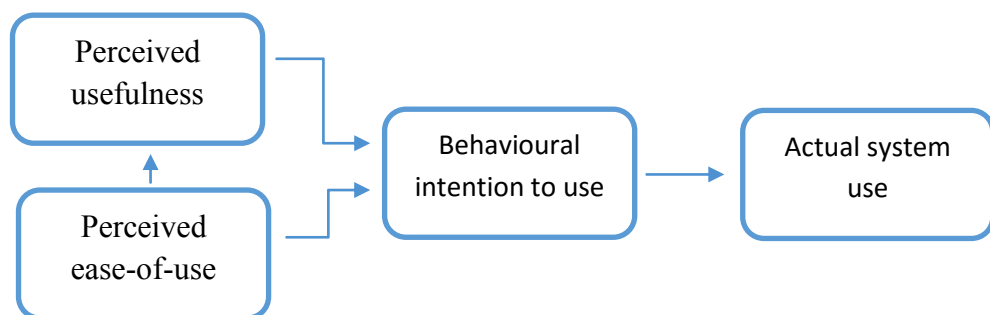


Figure 1: Diagram theory for the technology acceptance model (TAM)

Source: Davis et. al. (1989), Venkatesh et. al. (2003)

Figure 1.1 shows the diagram theory for the technology acceptance model (TAM). Based on this diagram, this model develops and validates new scales for two specific behavioural beliefs, perceived usefulness (PU) and perceived ease of use (PEOU), which are hypothesized to be fundamental determinants of user acceptance. The first belief is PU was defined by Fred Davis (1989) as the degree to which a person believes that using a particular system would enhance his or her job performance. This study believes that the power to enhance job performance and attract online shoppers lies in the technology's usability and usefulness when we use online platform as the tools to market the product.

In this context, the performance would be centred in the benefits of marketing a product through Internet retailing minus the trade-off of a physical retailing. This is in line with this belief that using the application would increase one's performance. Similar to PU, PEOU plays a major role in online platform too. It was defined as the degree to which a person believes that using a particular system would be free from effort (Davis 1989). When using online platform to market the product, it will ease worker to update the content, stock product or database anywhere and anytime. Internet technology will help workers to reach organizations goal. In this era, online platform a very helpful to market the product.

Online marketing isn't something new for all businesses to consider anymore. Yet, far too many new businesses owners neglect how important online marketing for their business success. Online marketing is to drive the direct sales via electronic commerce. The Internet provides an important platform for building relationships with customers and increasing customer retention levels. This is good for new business to build their branding. Today T-shirts market is highly competitive and the constant need to refresh marketing plan.

1.2 Problem Statement

Cost of living in Malaysia is a major concern for the population. The citizen takes various measures to overcome the problems to accommodate their daily lives including start the business through online. One of the famous niches offered through online is apparel and fashion niche. The clothing and fashion sector show a big increase in profits with a year-on-year statistics showing a rise of 24% when compared to May 2010 (Sarah McCormick, 2011). Most of the apparel seller must have intention to build their own branding product. But it is not easy to be realized due to some problems as per below:

Capital - New businesses typically don't have a lot of cash to spend on branding whereas it should be very costly to positioning, logo, design, website design, inventory and so on.

Time - When we talk about timing, the answer lies in the importance, need and positioning of the product to solve a very real problem. The well-known brands took many years to build and make money

Risk - Each business will have a significant risk. The difference is whether it is small or large risk. One risk is not saleable product.

1.3 Research Question

This study examined the following key issues:

- RQ₁: Does the T-shirt business start-up branding is suitable to use online platform?
- RQ₂: What is the relationship between the Effectiveness of the T-shirt business start-up branding at online platforms?
- RQ₃: What is the most effective online platform that influences the effectiveness of start-up T-shirt business branding?

1.4 Research Objectives

Research objectives for this study are:

1. To identify whether T-shirt business start-up branding suitable to use online platform.
2. To describe the relationship between the effectiveness of the T-shirt business start-up branding at online platforms.
3. To identify what is the most effective online platform that influences the effectiveness of T-shirt business start-up branding.

1.5 Scope of Study

The scope of this study is about the effectiveness of online branding to the new brand in Malaysia market. Other than that is the relationship between the effectiveness of the T-shirt business start-up branding and online platforms. The study is focusing to entrepreneurs which have the interest to be the owner of the product on apparel industry.

1.6 Significant of Study

This study is significant to the new entrepreneurs which have the interest to T-shirt business Start-up branding. Other than that, it is importance to the entrepreneurs to know what factors that leads to the effectiveness of the T-shirt business start-up branding through online, and they are convinced enough for online platforms. This study also can guide the new entrepreneurs on how to start-up a T-shirt business branding through online platforms.

1.7 Summary

Chapter 1 is about the development of the framework for the study. The framework acts as guidelines for the researcher to ensure the research align with the objective of the research includes basic information about the research, purpose of doing this study and the expected outcome is also were discussed. This chapter tells about the scope and limitations of the research and key assumptions of the result of the study. Finally, it also covers the importance of the research.

CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

This chapter discussed about the overview of T-shirt business, brand-building and online advertising. The entrepreneur's knowledge, social networking, and viral marketing also being discussed in this chapter which each of the variable is explained on how it will affect the T-shirt business start-up branding through online. Lastly, theoretical framework of the study had been drafted in this chapter.

2.1 T-Shirt Business

Clothing industry is a main sector for both the industrialised and the lesser developed economies, contributing both to wealth generation and employment (Bruce et al., 2004). To enhance the commercial competitive advantage in a constantly fluctuating environment, clothing companies must improve their supply chain management, which requires sales forecasting systems adapted to the uncertain environment of the clothing industry. The accuracy of the demand forecast significantly affects inventory levels, costs and customer satisfaction levels. To set up all of the logistic steps required for producing and selling a product, clothing manager must rely on professional and accurate forecasting systems (Thomassey et al., 2002). The effectiveness of the supply chain optimisation depends on the forecast precision of the finished product sales (Graves et al., 1998). In recent years, the clothing industry has faced many changes in the areas of supply chain management and consumers' attitudes (Barnes and Lea-Greenwood, 2006). Changes in buyer demand for the retailing industry are also forced the manufacturers in the supply chain to adopt new strategies to cope with the new environment (Tan, 2001).

The clothing industry is well diverse and heterogeneous. Retailers source globally for clothing products to acquire the cost benefits and must do so in time to meet their fast-moving and demanding consumer needs. Managing the logistics and supply chain for clothing suppliers and retailers has to be synchronised and is driven by the exigencies of the dynamic patterns of demand, especially for style items (Bruce et al., 2004). The important variables used in consumer behaviour, such as loyalty, time and commitment, have not been applied to fashion clothing phenomena. For instance, the fashion literature investigates how consumers become loyal to a store and what the antecedents and consequents of this construct are (Carpenter and Fairhurst, 2005). Although this kind of research helps to improve fashion theory, it does not investigate the loyalty construct from the store's perspective. If there was information about the association between patronage and fashion involvement, managers could understand the relevance of fashion tendency more, and looking to retain customers.

Today's competitive apparel market, clothing companies must work hard to produce a profit. People are more frequently shopping for themselves than ever before, necessitating a shift in how clothing is designed and marketed. When shopping, men are loyal to brands and stores, very price conscious, and usually choose comfort over fashion (Frith and Gleeson, 2004). Several studies agree that men ranked fit as the most important clothing selection criteria (Liu and Dickerson, 1999). To gain that competitive advantage in the apparel market, it is important for designers, manufacturers, and retailers to know what fit issues are being encountered by people.

Today's with high competition, pressure of global marketplace on organizations finding new ways to create and to deliver value to customers grows ever stronger. The forces of powerful market are demanding manufacturers transform their traditional way to satisfying consumer needs through process of production and delivery of goods. The characteristics of the fashion clothing market include short lifecycles, high volatility, low predictability and high impulse purchases. The way to meet this challenge is through lead-time management to decrease the logistical lead-time and capture information simultaneously on actual customer requirements. The clothing industry lead-time management established the speed-to-market (STM) model, using information technology, work improvement and re-engineering the supply chain process to shorten the clothing manufacturing and lead-time of cloths purchasing.

Juliana (2006) explored one way of reducing time-to-market through process transformation through services globalization and also explored the question: "How can process transformation be performed more effectively, more cheaply, and more quickly" to develop time-to-market supply chain networks, so streamlining the rules of traditional process, exploring the short-supply list, and coordinating custom procedures should be amended from the traditional systems (Oh and Kim, 2007).