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'I hereby declared that I had read through this project paper and in my opinion, this project paper was adequate in term of scope and quality, which is fulfilling the requirement of Bachelor of Technology Management (High-Technology Marketing)'

Signature: _____

Supervisor's name: Mrs. Mislina Binti Mohd Salleh@Atan

Date: _____

Signature: _____

Panel's name: Dr. Mohammed Hariri Bin Bakri

Date: _____

THE FACTORS THAT AFFECT THE CUSTOMERS BUYING INTENTION OF
HERITAGE FABRICS IN SOCIAL MEDIA

MAHIRAH BINTI MOHD RUDI

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DECLARATION OF ORIGINAL WORK

‘I hereby declare that this project report the results of my independent works except for the summary and experts that had been specifically acknowledged’

Signature: _____

Name: Mahirah Binti Mohd Rudi

Date: _____

DEDICATION

This project paper was dedicated to my beloved father, who taught me to always search and improve my knowledge for my own sake and my loving mother, who constantly urged me to seek recognition in my study. Followed by my siblings, who were continuously motivated and enlighten me during the slumber period and my friends for generous information sharing during project report completion. I also would like to express my heartfelt gratitude for my supervisor, Mrs. Mislina Binti Mohd Salleh@Atan for her guidance and time.

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ABSTRACT

The current trending of social media had progressed the use of social media for business interaction and medium for completing the business. The social media gave assistance for these entrepreneurs to reach their target customers extensively and more coverage of audience for their advertisement and promotion in social media. However, the entrepreneur failed to understand the reason of customer's preferences in choosing particular social media when they had the intention to buy certain products. The purpose of this study was to find out the reason why customers had chosen particular social media platform when they intended to buy heritage fabrics like songket and batik. The factors that affect the customer intention to buy the heritage fabrics in social media would be further tested with factor analysis and multiple linear regression. Then, the result of the finding would be explained in the descriptive method. With the assistance of the social media, the heritage fabrics would have new mean of reaching the customers across the Malaysia, easily. The result of the study could assist the heritage fabrics entrepreneur to use social media as their tools for business interaction and fully utilized the social media by expressing the significant factors that affect the customers buying intention for heritage fabrics through their respective social media.

Keywords: Social media, heritage fabrics, songket, batik

ABSTRAK

Mengikut trend semasa, perkembangan penggunaan social media telah beralih kearah medium interaksi perniagaan. Dengan bantuan media sosial, entrepreneur boleh mencapai sasaran pelanggan mereka dengan lebih meluas melalui iklan dan promosi di media sosial. Bagaimanapun, enterpeneur gagal untuk memahami citarasa pengguna apabila mereka mempunyai niat untuk membeli di media sosial. Tujuan kajian ini adalah untuk mengetahui faktor-faktor kenapa pelanggan memilih sosial media tertentu apabila mereka berniat untuk membeli fabrik tradisional seperti songket dan batik di sosial media dan faktor-faktor tersebut akan diuji menggunakan analisis faktor dan regresi linear. Kemudian, keputusan yang diperolehi akan dijelaskan dalam kaedah deskriptif. Jadi, penjual fabrik tradisional akan mempunyai cara baru untuk merangkumi pelanggan diseluruh Malaysia dengan mudah dengan penggunaan media sosial dan melalui kajian ini, entrepreneur fabrik tradisional boleh menggunakan media sosial sebagai alat untuk berkomunikasi dalam perniagaan dan menggunakan media sosial sepenuhnya dengan mempamerkan faktor-faktor yang mempengaruhi niat pembelian fabrik tradisional di media sosial mereka.

Kata kunci: Media sosial, fabrik tradisional, songket dan batik

TABLE OF CONTENTS

| CHAPTER | CONTENT | PAGES |
|------------------|---|--------------|
| | DECLARATION | ii |
| | DEDICATION | iii |
| | ACKNOWLEDGEMENT | iv |
| | ABSTRACT | v |
| | TABLE OF CONTENTS | vii |
| | LIST OF TABLES | x |
| | LIST OF FIGURES | xii |
| | ABBREVIATION | xiii |
| | APPENDICES | xiv |
| CHAPTER 1 | INTRODUCTION | 1 |
| | 1.1 Background of the Study | 2 |
| | 1.2 Problem Statement | 2 |
| | 1.3 Research Question | 4 |
| | 1.4 Research Objective | 4 |
| | 1.5 Scope and Limitation of Study | 5 |
| | 1.6 Significant of Study | 6 |
| | 1.7 Summary | 6 |
| CHAPTER 2 | INTRODUCTION | 7 |
| | 2.1 Heritage Fabrics | 7 |
| | 2.2 Heritage Fabrics in Malaysia | 8 |
| | 2.3 Social Media | 9 |
| | 2.4 Buying Intention | 10 |
| | 2.5 Factors Affect the Customers Buying Intention | 11 |
| | 2.5.4 Loyalty | 11 |

| | | |
|------------------|-------------------------------------|-----------|
| 2.5.1 | Website Quality | 12 |
| 2.5.2 | Trust | 13 |
| 2.5.3 | Security | 14 |
| 2.6 | The Conceptual Framework | 15 |
| 2.7 | Research Hypothesis | 16 |
| 2.8 | Summary | 16 |
| CHAPTER 3 | INTRODUCTION | 17 |
| 3.1 | Research Design | 17 |
| 3.2 | Methodological Choices | 18 |
| 3.3 | Data Collection Method | 18 |
| 3.3.1 | Primary Data | 18 |
| 3.3.2 | Secondary Data | 19 |
| 3.4 | Sampling Design | 19 |
| 3.5 | Research Strategy | 20 |
| 3.5.1 | Questionnaire Design | 21 |
| 3.6 | Data Analysis | 22 |
| 3.6.1 | Reliability Test | 22 |
| 3.6.2 | Factor Analysis | 22 |
| 3.6.3 | Multiple Linear Regression | 23 |
| 3.7 | Time Horizon | 23 |
| 3.8 | Summary | 24 |
| CHAPTER 4 | INTRODUCTION | 25 |
| 4.1 | Description of Respondents | 26 |
| 4.2 | Discussion of Analysis | 26 |
| 4.2.1 | Reliability Test | 26 |
| 4.2.2 | Descriptive Analysis | 27 |
| 4.3 | Factor Analysis | 46 |
| 4.4 | Hypothesis Testing | 56 |
| 4.5 | Multiple Linear Regression Analysis | 60 |
| CHAPTER 5 | INTRODUCTION | 62 |
| 5.1 | Summary of Main Finding | 62 |
| 5.2 | Suggestion to Overcome Weaknesses | 65 |
| 5.3 | Conclusion | 66 |

| | |
|--------------------------------------|-----------|
| 5.4 Recommendation for Further Study | 67 |
| REFERENCES | 68 |
| APPENDICES | 74 |

LIST OF TABLES

| TABLES | CONTENTS | PAGES |
|---------------|--|--------------|
| 1 | The Case Processing Summary | 27 |
| 2 | Reliability Statistics | 27 |
| 3 | The Demographic Details of the Respondents | 28 |
| 4 | The Gender of Respondents | 29 |
| 5 | The Range of Age of Respondents | 30 |
| 6 | The Occupation of the Respondents | 32 |
| 7 | The Income Level of Respondents | 33 |
| 8 | The Social Media that had been Registered by Respondents | 35 |
| 9 | The Social Media that had been used frequently by Respondents | 36 |
| 10 | The Social Media that had Attractive Interface | 37 |
| 11 | The Social Media had been Used to Shop Online by Respondents | 38 |
| 12 | The Frequency of Respondents Experienced Waiting for Their Order Delivered | 40 |
| 13 | The Frequency of Respondents Experienced Damaged Item Delivered | 41 |
| 14 | The Frequency of Respondents Experienced Difficulty in Returning Process | 42 |
| 15 | The Frequency of Respondents Experienced Receiving Item Not List as Their Purchasing | 43 |
| 16 | The Frequency of Respondents Experienced the Scam | 44 |

| | | |
|----|--|----|
| 17 | The Frequency of Respondents Experienced the Untrusted Vendor | 45 |
| 18 | The Item Listed According to Each of the Independent Variables | 47 |
| 19 | The KMO and Bartlett's Test | 48 |
| 20 | The Communalities (Extraction: Principal Axis Factoring) | 49 |
| 21 | Total Variance Explained (Extraction: Principal Axis Factoring) | 50 |
| 22 | The Factor Matrix (Extraction: Principal Axis Factoring) | 52 |
| 23 | The Pattern Matrix (Extraction: Principal Axis Factoring, Oblimin with Kaiser Normalization) | 53 |
| 24 | New Item Listing as Extracted From Pattern Matrix | 54 |
| 25 | The Coefficients | 56 |
| 26 | The Hypothesis Testing Results | 59 |
| 27 | Model Summary | 60 |
| 28 | The ANOVA (Analysis Of Variance) | 61 |
| 29 | The Results of Hypothesis Testing | 63 |

LIST OF FIGURE

| FIGURE | CONTENTS | PAGES |
|---------------|---|--------------|
| 1 | The Proposed Conceptual Framework of Factors Affect The Customers Buying Intention | 15 |
| 2 | The Gender of The Respondents | 29 |
| 3 | The Range of Age of Respondents | 30 |
| 4 | The Occupation of Respondents | 31 |
| 5 | The Income Level of Respondents | 32 |
| 6 | The Frequency of Respondents | 34 |
| 7 | The Social Media Registered by Respondents on Social Media | 35 |
| 8 | The Social Media Used Frequently by Respondents | 36 |
| 9 | The Social Media with Attractive Interface | 37 |
| 10 | The Social Media Used to Shop Online | 38 |
| 11 | The Frequency of Respondents Experienced in Social Media Shopping | 39 |
| 12 | The Percentage of Respondent Experienced Waiting to Received Their Order | 40 |
| 13 | The Percentage of Respondents Experienced Damaged Order | 41 |
| 14 | The Percentage of Respondents Experienced Difficulty in Returning Order | 42 |
| 15 | The Percentage of Respondents Experienced Receiving Item Not List as Purchased | 43 |
| 16 | The Percentage of Respondents Experienced Scam | 44 |
| 17 | The Percentage of Respondents Experienced Untrusted Vendor | 45 |
| 18 | The Scree Plot | 51 |

ABBREVIATION

| | | |
|-------|---|--|
| ANOVA | = | Analysis of Variance |
| Cum. | = | Cumulative |
| NGO | = | Non-government organization |
| SPSS | = | Statistical Package for the Social Science |
| μ | = | Mean |

APPENDICES

| APPEN. | CONTENTS | PAGES |
|---------------|--|--------------|
| A | The Questionnaire | 74 |
| B | The heritage fabrics vendor in Social Media: Facebook | 78 |
| C | The heritage fabrics vendor in Social Media: Instagram | 79 |
| D | The heritage fabrics vendor in Social Media: Twitter | 79 |
| E | The heritage fabrics vendor in Social Media: Google Plus | 80 |
| F | Gantt Chart PSM I | 81 |
| G | Gantt Chart PSM II | 81 |

CHAPTER 1

INTRODUCTION

The heritage industry in Malaysia continued developing to suit the current availability of the technologies either in production or commercialization. The heritage industry consisted of wide range of area either from heritage tourism to heritage production. In heritage production, it could be handicrafts, fabrics and foods and one of the highlights of heritage products were heritage fabrics like batik and songket. The root of batik was ancient and it was hard to trace with conflation from many countries, claiming to be the original cradle of the art. According to Shotwell (2012), the word batik come from the Javanese word for ‘amba’ and Malay word for ‘tik’, which meant to draw with a broken dot or lines. The local batik industry was estimated about RM370 million in 2003 but with government support and subsidiaries, it was generating RM400 millions profits in each year through commercialization and events held (Mokhtar and Wan Ismail, 2012). While, songket was a piece of Malaysian traditional fabric, which belonged to the brocade group of textiles. It was woven in silk or cotton threads with gold threads or metallic threads pattern using the supplementary technique (Kheng, 2011). According to Bahauddin et al. (2015), the songket was well known as the symbols of power, societal class, graciousness, racial identity, beauty, high creativity, religion and historical roots to Malaysian.

1.1 Background of the Study

With the existence of the internet and its related technologies, there was encouragement for new and different forms of business with high level of richness to reach the customers. The term of online shopping existed due to the used of internets, enabling customers to buy anything, anywhere and any products, regardless of their location in all around the world, (Jigyasya and Japneet, 2017) and it was also saving money, effort and time to customers (Al-Debei et al. 2014). The customers could compare among the online retailers in term of product prices, features and benefits clearly and practically during their online shopping.

It was important to understand the reason why customers tended to prefer specific vendor in the social media besides others existing social media since the understanding would help these vendors to develop further their special features and improved their flaws accordingly. This wide spread of internet technologies along with their advancements not only had a revolutionary impact on people's life but also on business operations, encouraged new and different forms of business which customers could enjoy higher levels of richness and reach.

1.2 Problem Statement

The existence of social media had been improving our current ways of life since they had a lot of benefits and high potential medium for interaction within the society. The social media had become one of the most understanding platforms for businesses medium for entrepreneur especially small businesses who were seeking market share to fulfill the customers need and wants. These small businesses ought to create competitiveness and uniqueness in order to compete in the fierce market and ensure their survival using the advertisement and promotional tools provided by the social media. Moreover, the songket and batik were one of the heritage products that need to be industrialized further (Ahmad Badawi, 2006).

Some of the traditional marketing methods suffered from changes in consumer communication patterns. As social media supplant communication methods such as telephone and even email, researchers had diminished capacity to reach consumer subjects. As a result, the social media had spawned a number of research techniques that overcome the problems that had started to affect the old techniques (Patino et al. 2012).

The reason of why customers were using this medium was identified to support the development of the small enterprises in the market due to the huge potential of social media as the medium for businesses transaction. It was likely to be developed further by the social media like Facebook, Instagram and Twitter in the future. The factors of customers buying in social media could be used to improve the current situation by the small entrepreneur. Furthermore, they could fully utilize the information and adopt the finding of the study to their businesses since most of the people nowadays were using the social media.

The current information of the factors that affected the attribute of customers buying heritage fabrics in social media was further addressed by revising the available information of the current studies. Then, the utility of the social media as the medium of the business transaction was improved in hope to identify the most relevant factors that affect the customers buying heritage fabrics online. Besides, the most relevant factors were identified through past studies on social media capability and the reason customers tended to choose certain vendors in the social media so the relationship between the factors that affects the customers buying heritage fabrics in social media and the purchase intention was studied effectively.

1.3 Research question

The research question was the fundamental aspects of this research since it would focus on the area of concern, research purpose, determine the suitable methodology for this research, emphasize the importance of this research and continuously guide this research into the stages of research which mainly consisted of inquiry, analysis and reporting. The research questions of this research were:

1. What are the factors that affect customers buying intention of heritage fabrics through social media?
2. What are the most significant factor of the customers buying intention on heritage fabrics in social media?
3. What is the relationship between the factor that affects customers buying heritage products and their purchase intention on the social media?

1.4 Research objective

In order to fully achieve the study purpose, research objectives were developed to guide through this research. The research objectives were:

1. To identify the factors that affect customers buying heritage products in social media.
2. To identify the most significant factor of the customers buying intention in heritage fabrics through social media.
3. To determine the relationship between the factors that affects the customers buying attributes and the purchase intention of the customers in buying heritage fabrics in social media.

1.5 Scope and Limitation of study

This study was carried out within the population of Malaysian who were using the social media to purchase products in order to find out why customers were using specific vendor when purchasing products. It could be trusted, convenient, time-saving, security and other however, it must be proven either it was valid or not within 300 customers who were online shopping in Malaysia. This study was carried out in one year period with the guidance of the supervisor, Mrs. Mislina Binti Atan.

The limitation of the study could affect the result of the study significantly. There were unseen players who were responsible for the result. The limitation for this study existed when the respondents failed to understand the topic of the study due to lack of knowledge within the area of the study. Most of the respondent tended to be quite passive in answering the questionnaire so when they were having difficulties during answering, they tend to abandon the question without inquiring the researcher.

Then, there was no integrity in respondents answers by responding to the questionnaire abruptly. So the honesty of the respondents in the questionnaire could be questioned. Furthermore, the situation could make the finding slightly or significantly off the marks. The limitation of the study could be controlled by the researcher by providing the countermeasure method to attend this situation so the limitation would only effect the finding of the study slightly.

1.6 Significant of the Study

This research would help the heritage industry, especially in heritage fabrics so the entrepreneur could know about the most significant impact of social media that encourage the customers to buy the products. They could use the finding of this research to identify their weaknesses and strength of their social media platform so there would be room for improvement to the businesses. The social media would be known as the new means to reach their potential customers across the country, so the marketing of heritage fabrics could be developed further.

1.7 Summary

In this chapter, there was brief introduction of heritage fabrics such as songket and batik. Then, the background of the study, research problem, research question and research objective was further addressed in the first chapter. The research scope, limitation and the significant were also discussed in the first chapter.

CHAPTER 2

INTRODUCTION

There was literature review on the past studies related to the topic of research. The literature review helped to increase the understanding of the research and supported the proposed conceptual framework in the chapter. Then, the hypotheses of the research also proposed to this study.

2.1 Heritage Fabrics

The artistic motifs of the songket were based on goodness, such as the philosophy of life, positive attributes, inspiration, guidance to good morality and conduct as it was continued to be preserved and developed by creating innovation (Bahauddin et al. 2015). The notion of “cultural industries” underlined those industries whose inspiration originated from heritage, traditional knowledge, and artistic elements of creativity through the individual and his or her creativity, innovation, skill and talent in the exploitation of intellectual property (Maiwada et al. 2012). The industry equally met the essential goals of wealth creation and income generation of a country.

The difference of ethnicity present in Malaysia brought different local knowledge ranging from its architecture, handicrafts, traditional attire, music and dance, which reflected a colorful heritage and an amalgamated culture. The existence of heritage fabrics created positive economic, social impact as well as established and reinforced the identity of Malay ethnic while it helped to preserve the cultural heritage in Malaysia.

Heritage fabrics were crucial to people's identity, self-respect, and dignity, which applied to both affluent and poor societies. It helped to protect our nation's natural and cultural treasures and improve the quality of life for residents and visitors. So, heritage fabrics would play a significant role in sustainable cultural, social, economic development of communities and also in need to be maintained.

2.2 Heritage Fabrics in Malaysia

Recognized for its valuable heritage for Malaysia, batik industry had been supported by the government and non-government organization NGO through multiple local and international program, like Annual Piala Seri Endon, Piala Seri Iman Design Competitions, Batik Festivals, Annual Malaysian Week in London, Annual Kuala Lumpur International and Batik Convention and Exhibition (Mokhtar and Wan Ismail, 2012). These programs gradually helped the heritage industry to elevate significantly preparing a wider platform and providing larger target market for heritage fabrics in Malaysia. These programs also helped the heritage industry in Malaysia as the advertising and the use of media for promotional tools continued creating values in the audience.

2.3 Social Media

The internet and its related technologies had stimulated new and different forms of business which enjoyed higher levels of richness and reach (Al-Debei et al. 2014). When it came to retailing business, online spending, and the number of online shopping websites were significantly amassed (Vazquez and Xu, 2009; Çelik, 2011).

The social media was a group of Internet-based application, where it built on the ideology and technological foundations of Web 2.0 and allowed the creation and exchange of user-generated contents, (Kaplan and Haenlein, 2010) in order to nurture the connection, build communities and advance democracy, (Dijck, 2013). This was due to the advent of Web 2.0 proven when the online services lifted from offering channels for network communication to becoming interactive two-way communication for network sociality.

Social media's effects were so far reaching that they represented a revolution in communication. Most of people almost abandoned the traditional written mail in favor of e-mail to interact with their family and friends. In addition, they had reduce their use of traditional media by adopting social media technologies. Social media had changed marketing by shifting the scalability of influence, and the ways in which consumers share, evaluate and choose information (Smithee, 2011).

Customers could be found where they congregated, on websites like Facebook, Twitter and online communities, where they could share their ideas with each other, or with companies that made the product and service offerings of interest to them. Such users had a need to be heard and would discuss their preferences and problems openly. According to Woodall and Colby (2011), there was excitement of sharing when they used social media to share their experiences with others. Social media and the ability of consumers to refer each other instantly had overturned the traditional brand manager or consumer power relationship (Christodoulides and Jevons, 2011). The internet expanded the reach of communication to include others in their circle.