

THE FACTORS WHICH INFLUENCING USERS' BEHAVIOURAL INTENTION
TOWARDS USING ONLINE BOOKING SYSTEM FOR CAR SERVICE AT CAR
SERVICE CENTRE IN MALACCA

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This thesis is submitted in partial fulfilment of the requirements for
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APPROVAL

I/ We hereby declare that I/ we have read this dissertation/report and in my opinion, this dissertation/report is sufficient in terms of scope and quality as a partial fulfillment the requirements for the award of Bachelor of Technology Management
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DATE :

DECLARATION

I hereby declared that this thesis entitled
**“THE FACTORS WHICH INFLUENCING USERS’ BEHAVIOURAL
INTENTION TOWARDS USING ONLINE BOOKING SYSTEM FOR CAR
SERVICE AT CAR SERVICE CENTRE IN MALACCA”**

is the result of my own research except as cited in the references. The thesis has not been accepted for any degree and is not concurrently submitted in the candidature of any other degree.

SIGNATURE :

NAME :

DATE :

DEDICATION

I would like to bid a million thanks to my precious parents; Baharin Bin Mohd Yusof and Che Norlia Binti Salleh who never failed to educate me, motivate me and always support me through thick and thin until this level, and also all the lecturers and friends that help me a lot in giving opinion, support, advice, and information throughout the research. Without their blessing and encouragement, this research is impossible to complete in short period of time.

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ABSTRACT

In today's global age, online booking system has been used by many industries from hotel, tourism and airlines. Online booking system is viewed as a systematic process for the company to enhance their organizational performance. This study investigated the factors which influencing the users' acceptance towards using online booking system for car service centre. Survey data was collected from 350 respondents were analyzed using Statistical Package for the Social Science (SPSS 23.0). The findings were obtained based on the key constructs from UTAUT 2 which are performance expectancy, effort expectancy, social influence, facilitating conditions, hedonic motivation, price value and behavioral intention. This study objective is to find the factors which influence the users' acceptance towards new technology for booking appointment. From the results obtained, performance expectancy, effort expectancy, social influence, facilitating condition, price value and habit are found to be significant. While the factor of hedonic motivation is rejected. The results of this study can be useful to understand users' acceptance from new perspective which can be used by authorized car service centre.

Keyword –*online booking, car service centre, users' acceptance, UTAUT 2, behavioral intention*

ABSTRAK

Dalam era global hari ini, sistem tempahan dalam talian telah digunakan oleh banyak industri sebagai contoh industry perhotelan, pelancongan dan syarikat penerbangan. Sistem tempahan dalam talian dilihat sebagai proses sistematik bagi syarikat untuk meningkatkan prestasi organisasi mereka. Kajian ini menyiasat faktor-faktor yang mempengaruhi penerimaan pengguna terhadap penggunaan sistem tempahan dalam talian untuk pusat servis kereta. Data tinjauan yang diperolehi daripada 350 responden dianalisis dengan menggunakan pakej statistik untuk Sains Sosial (SPSS 23.0). Penemuan diperolehi berdasarkan pembinaan utama dari UTAUT 2 yang merupakan jangkaan prestasi, jangkaan usaha, pengaruh sosial, keadaan memudahkan, motivasi hedonik, nilai harga dan niat tingkah laku. Objektif kajian ini adalah untuk mencari faktor-faktor yang mempengaruhi penerimaan pengguna terhadap teknologi baru untuk pelantikan tempahan. Daripada hasil yang diperolehi, jangkaan prestasi, jangkaan usaha, pengaruh sosial, kemudahan memudahkan, nilai harga dan tabiat didapati signifikan. Walaupun faktor motivasi hedonik ditolak. Hasil kajian ini berguna untuk memahami penerimaan pengguna dari perspektif baru yang boleh digunakan oleh pusat servis kereta yang diberi kuasa

Kata Kunci - *tempahan dalam talian, pusat perkhidmatan kereta, penerimaan pengguna, UTAUT 2, niat kelakuan*

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CHAPTER 1

INTRODUCTION

1.1 Chapter Overview

This chapter presents the background of the research subject and the discussion of the current problem of the background study and the purpose of the research with research questions, significance of the research, research scope and organization of the remaining chapters.

1.2 Research Background

With the use of the Internet, people can access the information easily and make the reservation online. The revolution of the Internet has transformed the service transaction from direct contact to online service exchange (Mou, Shin and Cohen, 2017). Recently, booking services have transformed from manual to online service even in the area that has not yet been penetrated by digitization (Schaarschmidt and Höber, 2017) for instance, booking a hotel or flight online has become “habitual” (Kaushik et al., 2015; Khare and Handa, 2011). Since many people have recognized the importance of going online, business around the world starts to give their attention on the virtual business environment to improve their competitive advantage (Sam and Tahir, 2009).

This is because online service can offer the user with low cost, more convenience and greater accessibility for service by removing time and space barriers (Mou, Shin and Cohen, 2017; Rust and Kannan 2003). Hence, Internet act as a medium to increase the opportunities for doing business with partners and customers regardless of where are they located. The effective marketing tool which is the internet helps to transfer information communication between sellers and customers efficiently (Buhalis and Law 2008). Thus, a platform such as website can be used in order to promote products and services to attract more customers and generate revenue (Chiou et al., 2010).

With the increasing number of internet users, online reservation method has been widely accepted and used by many business fields and customers. The significance usage of the Internet as information platform particularly in tourism has been recognized and discussed by numerous researchers. However, the other research found out that the Internet is not fully used to its full extent as a medium for bookings system (Klein, Köhne and Öörni, 2004). Online reservation system does not only assist the company to achieve higher quality but it also helps to simplify the booking process and raise the efficiency in management.

While many industries have started to apply online booking system, the automobile industry has started to offer online booking. Automotive industry is related to many aspects of car ownership, which the product must come up with after sale service since maintenance has become a service that comes intact with the car sales, which usually is offered through the authorized service centre (Salsabila et al., 2016). The automotive industry plays an important role in daily activities, not just providing the transportation but also important for economic, social and environmental activities around the world (Xia, Govindan and Zhu, 2015). The significant growth in the number of vehicles registration and licensed drivers has caused the huge demand for motor vehicle repair and service industry in Malaysia (Malaysian Road Transport Department, 2013).

Some of automobile company have started to implement online booking system for car users since Malaysia has reached about half a million units per year for new car sales with 10 million unit of existing cars already in the community (Jawi et al., 2012). This a proof that a huge population of cars that need to be maintained. However, most car service centre in Malaysia specifically in Malacca still use the manual booking system where the customers have to wait and call the operators to book a date for car service. The manual booking system is time and energy consuming, this process is not efficient especially for a big and well-known company (Oloyede, Alaya S M and Adewole, 2014)

The limitation for manual booking system also because of the office only operates during office hour and the reservation can only be made at that time (Oloyede M et al.,2014). Sometimes, business should consider the usage and implementation of technology in daily procedures. New technology is important for manufacturing and service company to increase competitive advantage and for organizational growth (Pikkemaat and Zehrer, 2016). By implementing an online booking system for the customers, it will provide a better solution to the problems that customer faces daily. If car service centre provides online booking website or application, it will help their customers to reserve their car services at any time they want. The study was done by Li Li et al., (2017), also found that many consumers are preferred to book online compared to manual booking.

In addition, in airline industries the market research shows the growth of online booking of air tickets since the first time it was introduced, the tickets mostly bought by the internet user from well-developed countries such as Japan, United Kingdom and United State (WNS, 2014). The internet has been used by many businesses to go online and it has been proved by various studies from retail perceptions (Bai et al., 2008; Lee and Kozar, 2006), education side (Lin, 2010) and also online ticket booking (Sam and Tahir, 2009). From the perspective of new technology, many researchers have studied by using theoretical theory to explain users' behavioral intention of new technologies (Kucukusta, 2015; Davis and Venkatesh, 1996).

Various researchers have proposed mixed theories to determine what is the user's intention towards the usage and behavioral intention of Internet technology. Most theories state that the behavioral intention of a technology is determined more by the attitude and behavior of the users themselves rather than the technology characteristics (Kim et al. 2009, Kim and Garrison 2010, Jang and Noh 2011, Chang and Yang, 2013). The researcher intends to understand the factors that influence the behavioral intention towards using online booking system for car service centre in Malacca by using 7 constructs from UTAUT 2.

UTAUT 2 consist of independent variables which are performance expectancy, effort expectancy, social influence, facilitating condition, hedonic motivation, price value and habit to investigate the relationship with users' behavioral intention. The following factors have been widely used by various researchers for new technology behavioral intention (Dwivedi et al., 2017). This research will review the factors which influence users' behavioral intention towards new online booking system for car service by using UTAUT 2 model. However, the moderators such as age, gender and experience and will not be used by the researcher according to the appropriateness of the research objectives.

1.3 Problem Statement

In Malaysia, not many car service centre has taken the leap to provide online booking system for customers. Since consumer's mobility depends upon the conditions of their motor vehicle, the area of car servicing is one of the examples of consumer services (Abu Bakar. E and Amin. N, 2011). The role of the Internet within society has become increasingly important. Not only is there a growing frequency in its usage, but also the expanding user base on the internet where almost everything is done online. The Internet is a tool which provides low cost for business communication and marketing purposes (Buhalis, 2003; Chiang and Jang, 2006; Hudson and Gilbert, 2006).

Even though automobile industry is still new with this kind of technology, since not many automotive company providing online booking but the research should be done to see how the customers' acceptance towards the new technology. If reflect on other industry such as travel industry, travel bookings made on the internet has achieved around 148.3 million (Statistic Brain, 2016). More and more people start to use the Internet to find information and make a booking online. Consumers prefer to use online website for booking products because it can save time and convenient for them to request service needed (Toh, Raven and DeKay, 2011). However, this booking system at car service centre still new and not recognized by many people, where the customers usually just call or walk in to book and wait for their turn to service their car.

Since the manual system is quite troublesome for every customer, since they have to book through operators, operators have collect information about the customers that they got through telephones and sometimes, there is problem in update customer information if any changes occurred. Hence, the research is made to study the customer behavioral intention towards the usage of new technology for booking system at car service centre in Malacca. Thus this study is conducted to understand the factors of users' behavioral intention towards online booking system for car service centre in Malacca.

1.4 Research Objectives

Based on Saunders et al. (2012), research objectives will explain “how” the researcher intends to form the research process to answer the research question. In addition, the objective should relate to the research questions because it might affect the results. Thus, research objectives have been determined by the researcher based on the research topics and problem. The study is intended to achieve the research objectives as stated below:

1. To investigate the factors that can influence users’ behavioral intention towards using online booking system for car service among car users in Malacca.
2. To study the relationship between each independent variable with users’ behavioral intention towards using online booking system for car service
3. To define the most influencing factor for users’ behavioral intention towards using online booking system for car service in Malacca

1.5 Research Questions

A research question is a foundation for every research study, which focuses on the research and the methodology used besides guiding all stages of analysis and reporting the results. The objectives of this research focuses on the specific issues to be answered such as:

1. What are the factors that can influence the users’ behavioral intention towards using online booking for car service in Malacca?
2. What are the relationship between each independent variable with users’ behavioral intention towards online booking system for car service?
3. What is the most influencing factor of users’ behavioral intention towards using online booking system for car service in Malacca