FACTORS INFLUENCING STUDENTS INTENTION TO CHOOSE ONLINE PURCHASING IN CLOTHING

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SUPERVISOR'S DECLARATION

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This report is submitted in fulfillment of the requirements for the Bachelor Degree of Technopreneurship

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DECLARATION PAGE

"This declaration is to clarify that all of the submitted contents of this project are original. I hereby declare that the work of this report is mine except for the quotations and summaries that have been duly acknowledge"

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DEDICATION PAGE

I exclusively dedicate this project to my beloved parents, Mr. Shamshul Joehari bin Zainal Mokhtar and Rosnani binti Abdul Wahab for their never ending moral support and prayers which give me strength in my academic life.

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In the name of Allah, the Most Beneficent and The Most Merciful. It is the deepest sense the gratitude of the Almighty that gives me strength, health and determination to complete this Final Year Project (FYP), which is a compulsory to all Universiti Teknikal Malaysia Melaka (UTeM) students in order to complete our degree.

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Moreover, I also would like to appreciate all the respondents who spend their precious time and patience in helping me to fill up the questionnaire. Appreciation is also directed to all involved whether directly or indirectly assisting in the success of this research project.

ABSTRACT

This study is conducted to identify the factors influencing student's intention to choose online purchasing in clothing. There are three objectives in this study (i) to determine the factor influencing students' intention to choose online purchasing in clothing (ii) to investigate the relationship between the factors that influencing students' to choose online purchasing in clothing and their intention (iii) to identify the most significant factor influence students' intention to choose online purchasing in clothing. This research used quantitative research methods, which it is distributed to a total of 310 respondents targeted at UTeM students. In this research, the researcher analyzed the factors by using the Pearson Correlation and Multiple Regression.

Keywords: Students intention, Perceived Ease of Use, Perceived Usefulness, Subjective Norm

ABSTRAK

Kajian ini dijalankan untuk mengenalpasti faktor-faktor yang mempengaruhi niat pelajar untuk memilih pembelian atas talian dalam pakaian. Terdapat tiga matlamat dalam kajian ini (i) untuk menentukan faktor yang mempengaruhi niat pelajar untuk memilih pembelian atas talian dalam pakaian (ii) untuk menyiasat hubungan di antara faktor-faktor yang mempengaruhi pelajar memilih pakaian atas talian dan niat mereka (iii) untuk mengenal pasti faktor yang paling penting mempengaruhi niat pelajar memilih pembelian atas talian dalam pakaian. Kajian ini menggunakan kaedah penyelidikan kuantitatif, yang diagihkan kepada 310 responden, yang disasarkan kepada pelajar UTeM. Dalam kajian ini, penyelidik menganalisis faktor dengan menggunakan Korelasi Pearson dan Regresi Pelbagai.

Kata kunci: Niat Pelajar, Kemduahan Penggunaan yang Dirasakan, Kesesuaian yang Dirasakan, Norma Subjektif

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ABBREVIATIONS

ANOVA	Analysis of Variance
PBC	Perceived Behavior Control
PEOU	Perceived Ease of Use
PU	Perceived Usefulness
SPSS	Statistical Package for Social Science
TAM	Technology Acceptance Model
TRA	Theory of Reasoned Action
UTeM	Universiti Teknikal Malaysia Melaka

CHAPTER 1

INTRODUCTION

1.0 INTRODUCTION

The objective of this research study is to determine factors influencing the students' intention to choose online purchasing in clothing. In this chapter, it will discussed on the research background, problem statement, research objectives, research questions, scopes of study, limitation of study and significance of the study.

1.1 BACKGROUND OF STUDY

Internet has revolutionized how consumer shopping these days. The total number of world internet users in 2018 is 4,312,982,270 (Internet World Stats, 2019). This shows that countless individuals are utilizing the web these days to communicate with each other and purchasing goods. Due to numerous advantages and benefits, more individuals would like to purchase things online over the conventional method, which is going to shops. We can see that online and offline are both two different things.

Nowadays, most companies have adopted a globalization strategy and expanded their business worldwide. Therefore, the Internet now is not only used to connect people wherever they are but it also serves as a platform that enables people to conduct business. The Internet is increasingly getting popular in the business world because people easily can search for information about something from all around the world (Fu et al., 2006). This makes shopping more convenience since people can directly purchase the products and services they need at any time from all over the world.

The usage of internet in Malaysia has developed quickly and has transformed into a typical way for the transaction of products and services (Boon Liat & Shi Wuan, 2014). The percentage of Internet users aged 15 years and above has increased year by year from 71.1 percent in 2015 to 80.1 percent in 2017 (Department of Statistics Malaysia, 2019). Consumers in Malaysia are showing interest in Internet shopping nowadays and online retailers can take this opportunity to promote their business using online platforms. It is crucial know better on how to use this online platform for their products and their targeted customers before entering this web based retailing.

Statistics show that percentage people using the Internet for online shopping increasing from 48.8 percent in 2016 to 53.3 percent in 2018 (Malaysian Communications and Multimedia Commission, 2019). This shows that Malaysian people are slowly adapt to online shopping due to the benefits that they see when purchasing using the Internet. Malaysia are still at the early stage of development for online shopping therefore, understanding the customer's attitudes are important in order to adopt online shopping.

University students have a higher education background and become one of the major Internet users at the moment (Hu et al., 2009). University students these days are commonly technological savvy and depend mostly on the Internet for different purposes involving online shopping. They are showing more interest in online marketers due to the significant purchasing power and a heavy Internet user since they have the ability to use E-Commerce site. Therefore, it is crucial for the online shopping owner to know and understand the factor that influences the student's intention to choose online purchasing in clothing.

1.2 PROBLEM STATEMENT

Nowadays, the existence of the Internet has changed the way people buying goods because it provides an alternative that enables retailers to sell their products instead of traditional brick-and-mortar stores. Online purchase intention is consumers desire to make real purchases through online retail outlets (Yen Chi et al., 2014). Therefore, the purpose of this research is to identify the factors influencing the student's intention to choose online purchasing in clothing.

Online shopping platform is easier to use to compare the prices for each item therefore the consumers expect a high quality of online services from it and thus, the quality of online services play an important factor for consumers (Teng, 2014). To enhance the competitiveness of online stores, an deep understanding on factors influencing students' intention to choose online purchasing should be given preference.

The majority of Malaysians (46.7%), were using internet for activities other that shopping activities such as playing games, searching for information, government services and watch a video or online TV (Malaysian Communications and Multimedia Commission, 2018). Some people browsing internet for products and services but they are not making online shopping. Therefore, this objective of this research is to determine factors influencing students' intention of online shopping in clothing.

According to Aziz & Wahid (2018), online methods prevent additional costs to the consumers such as transportation that includes fuel, tolls, and parking while it also providing convenience since they do not have to queue when paying or through the crowd. As a student, they do not have a lot of money and they have to manage their financing wisely so that they will not overspend the money. The main reason they choose online shopping is to save money since online retailers offered prices cheaper than physical stores even though it is the same products.

1.3 RESEARCH OBJECTIVES

This research consists of three objectives that look into the factor influencing the student's intention to choose online purchasing in clothing. Following are the main objectives:

- To determine the factor influencing students' intention to choose online purchasing in clothing.
- 2. To investigate the relationship between the factors that influencing students' to choose online purchasing in clothing and their intention.
- To identify the most significant factor influence students' intention to choose online purchasing in clothing.

1.4 RESEARCH QUESTIONS

There are three research questions in this research. It can be achieved from the research objectives by answering research questions that consists of:

- 1. What is the factor influencing students' intention to choose online purchasing in clothing?
- 2. What is the relationship between the factors that influencing students to choose online purchasing in clothing and their intention?
- 3. What is the most factor influence the student's intention to choose online purchasing in clothing?

1.5 SCOPE OF STUDY

The study focused on the factors influencing a student's intention to choose online purchasing in clothing. It is important to conduct this research if have the main scope. The main scope is that the researcher focused on university students to answer the questionnaire. The focused is only for Universiti Teknikal Malaysia Melaka (UTeM) students only. This research used the Technology Acceptance Model (TAM).

1.6 LIMITATION OF STUDY

There is some limitation that should be noted while conducting this research. Firstly, limited time. The researcher needs to complete this research within one year. Secondly, inadequate information gained from the respondents. The questionnaires that have been distributed to the respondent are lack of information. Some of the respondents also unwillingness to take part in the study make it harder for the researcher to collect data. Lastly is a financial problem. Since the method that the researcher use is quantitative, they need to print the questionnaire and distribute to the respondent.

1.7 SIGNIFICANCE OF STUDY

Internet technology updates quickly in which purchases nowadays are made through the internet. This makes life easier since people can purchase products right through their mobile phones as long as it is connected with the internet. The main problems that retailers are facing are how they want to maintain a good relationship with their customers since there is no physical contact with each other. Sellers are having a problem in identifying the important factors assessed by customers. Hence, the significance of this research is to help online retailers to identify the causes that drive students to use the online platform to make a purchasing. The results of this study will advise online retailers on factors that should be taken to improve their performance in the market.

The research can also help online retailers build their competitive advantage over potential competitors. Since Internet usage will increase year by year, the number of users who want to make online purchasing will also increase. Hence, this research enables them to have a clearer view and to create a more effectively business.

CHAPTER 2

LITERATURE REVIEW

2.0 INTRODUCTION

In this section, the researcher will discussed on the theories models and theoretical framework related with the topic which are factors influencing student's intention to choose online purchasing in clothing. First, the definition of the keywords and the literature review of each factor influencing students' intention to choose online purchasing in clothing has been discussed. Next, a theoretical framework based on the theory of previous research had been studied with the relationship of the variable. Lastly, the hypotheses between the variables had been predicted.

2.1 **DEFINITION OF TERMS**

In this research, understanding the meaning of keywords is relevant, which are the students' intention, online purchasing and clothing. With a clear concept of those keywords, it will help the researcher achieve the research objectives successfully.

2.1.1 Consumer Intention

As indicated by the Theory of Planned Behavior, human behavior is determined by intention and perceived behavior control (PBC) (Ajzen 1991). Consumer intention is related to consumers' behavior, perception and attitude. The intentions are affected by the attitude towards the behavior, subjective norms and perceived control over the behavior. The behavioral intention of a person to make a move will decide the real individual behavior. Consequently, purchasing intentions in certain websites or online platforms are factors that foresee the real behavior of consumers.

According to Rahmawati (2013), intentions are defined as personal subjective probability status consisting of a relationship between a person himself and some behavior. A single behavior can be determined by the intention to conduct the behavior being referred to (Ajzen & Fishbein, 1977). This means that one act can be predicted from the attitude towards that act, if there is a high connection among intention and behavior. The behavior of consumer purchase intentions is to purchase the products, take the product, and acquire the preferred brand based on their past experience.

Consumer intention is a loyalty, action, or choice of a person to make a purchase decision or use something tangible and intangible products. Marketers always use consumer intention as a way to predict future behavior in the forecasting models because buying intention referred as an element to predict consumers' future purchasing behavior (Morwitz, 2012). However, previous research shows that consumer intentions do not perfectly or accurately in predicting behavior since sometimes it may differ with the actual purchase behavior.

As a conclusion, consumer intention on choosing online purchasing can be defined as the consumers' willingness to buy in an Internet shop. In this research, as a dependent variable, consumer intention had influenced by multiple factors.