

FACTORS AFFECTING CONSUMER PURCHASE
INTENTION THROUGH ONLINE SHOPPING
AMONG UT_eM STUDENT

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DECLARATION

I acknowledge this is the result of any own work except the summaries and except that I have described each of the sources.

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DEDICATION

I would like to dedicate to my beloved mother who is Habibah binti Sabtu and my family. I also dedicate to my friends. Moreover, I would like to dedicate my appreciation to my supervisor Prof. Datuk Dr. Izaidin Abdul Majid.

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First of all, I would like to thank the best and most loving GOD, who has given me the courage and health to complete this task.

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ABSTRACT

Today, internet usage is growing rapidly and everyone is using it. Online shopping is easier because it can save you time and money for a busy customer's life one of the solutions to buy online. Users can order items online and they will be sent home and where they are. The demand for online shopping consumer purchases is important as consumers are more likely to choose products that have a good appeal if they have a positive or negative effect. The three objectives of UTeM students purchase online shopping. First, to study the vast online consumer purchasing platform, the second to know the factors that influence the purchase of consumer spending among students and the ultimate goal of studying the effect of consumer purchasing factors. Next, factors of consumer buying intention measure among students in online shopping such as pricing, viewing usage, trust and website design. For this purpose, a survey will be conducted on the basis of questionnaires and Krijcie & Morgan tables distributed among UTeM students.

Keyword: Price, Perceived ease of use, trust, website design

ABSTRAK

Hari ini, penggunaan internet berkembang pesat dan semua orang menggunakannya. Membeli-belah dalam talian adalah lebih mudah kerana ia menjimatkan masa dan wang untuk kehidupan pelanggan sibuk salah satu daripada penyelesaian untuk membeli dalam talian. Pengguna boleh memesan item dalam talian dan mereka akan dihantar ke rumah dan di mana mereka berada. Permintaan untuk pembelian pengguna membeli-belah dalam talian adalah penting kerana pengguna lebih cenderung untuk memilih produk yang mempunyai daya tarikan yang baik jika mereka mempunyai kesan positif atau negatif. Tiga faktor untuk membeli tingkah laku pengguna di kalangan pelajar UTeM. Pertama, untuk mengkaji platform pembelian pengguna dalam talian yang luas, yang kedua mengetahui faktor-faktor yang mempengaruhi pembelian perbelanjaan pengguna di kalangan pelajar dan matlamat utama untuk mengkaji kesan faktor pembelian pengguna. Langkah-langkah pengguna membeli faktor empat faktor antara pelajar dalam membeli-belah dalam talian seperti harga, melihat penggunaan, kepercayaan dan reka bentuk laman web. Untuk tujuan ini, tinjauan akan dijalankan berdasarkan soal selidik dan jadual morgan yang diedarkan di kalangan pelajar UTeM.

Kata kunci: Harga, kemudahan penggunaan mudah, kepercayaan, reka bentuk laman web

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LIST OF ABBREVIATION

B2C	Business to Consumer
GDP	Gross Domestic Product
MCMC	Malaysian Communication and Multimedia Corporation
SPSS	Statistical Package for the Social Sciences

CHAPTER 1

INTRODUCTION

The first chapter to introduce about background of this study relate to research questions and research objectives. In addition, it also discusses the scope and objectives of the study as well as the importance of the study. The topic of research is about the factors that influence the intention of purchasing consumers through spending on UTeM students. Now, online shopping is an easy solution for their busy lives. The scope of this study is to determine the frequency and factors affecting the purchase of online students. Furthermore, research is also conducted to evaluate trust is the dominant factor that buys online shopping students. In this case, research need identify factors influence consumer purchase intention of among students and who contribute to purchasing online. This factor intention such as product prices, online shopping facilities, trust designs and websites. The expectation results of the study, researchers will get information and decision on whether online purchases are accepted or not by students.

1.1 Background of the Study

According to (Boon Liat & Shi Wuan, 2014), university students partly represented by the younger generation are now the major buyer segments as they have high-literate computers and internet literacy. They are also influenced by the pattern of spending from their parents and will have the potential of their own expense in the future. The growth technology especially internet has a huge effect to global business. With the Internet creating a new business environment and has provided various opportunities when connected via the internet around the world (Ahmad, 2018). The internet usage has risen due to the essential tool for delivering quick information to users as well as providing more browsing options in the shortest time possible. Today, internet is used for some the purpose of online shopping is the population. Research by (Ahmad, 2018) the consumer purchase online opens a new window for businesses where business to consumer (B2C) then are known to where the benefit of individuals using the internet technology to buying and sell products with electronic. It is because they can get the product directly from the seller without going through a third person.

The Internet is provided new benefit and opportunity for seller to offer and provide product the innovative ways. After that, the seller will promote product, deliver and information to their consumer targets. With the growth internet speed on the World Wide Web, the online shopping has become to popular of among youth. Therefore, young people rely entirely on the internet as they use the internet to find everything what they want (Al-Jahwari, Rahman Khan, Al Kalbani, & Al Khansouri, 2018) Online shopping has attracted more customers as it is considered an easy way to buy a home and everywhere at a lower price than traditional store. The online purchases, it is easier because customers do not have to go to one store to another store to buy items and waste time if they do not find what they want.

Online purchases over the internet have been widely accepted as the way purchases of products and services are becoming more popular and simpler (Bourlakis et al., 2008). Purchase through online also provides users can get more information and choice of compare products and prices, more options, convenience, easie to find anything in online with classic theory Katawetawaraks & Wang (2015).

Online shopping has been created to provide more modern customer satisfaction to the facilities and speeds that affect their lives (Pham, Tran, Misra, Maskeliunas, & Damaševičius, 2018). Online purchases of among university students are a question how they can buy in online store because the majority of them rely on education loans and pocket money from get their parents (Aziz & Wahid, 2017). Therefore, this study aims to examine the factors that influence the intentions of online purchases in the context of Universiti Teknikal Malaysia Melaka students.

1.2 Problem Statement

According (*Internet-Users-Survey-2018*, n.d.) to studies by the Malaysian Communications and Multimedia Corporation (MCMC), each year the percentage of internet consumer will increase nationally from 76.9% in 2016 to 87.4% in 2018. In addition, the percentage of online Internet buyers increases from the e-commerce Marketplace Malaysia has a positive and acceptable impact on everyone, with value added e-commerce contributing 6.3% to the country's Gross Domestic Product (GDP) in 2017, a strong growth of 4.6% in 2010. Sophisticated technology can receive electronic wallets and Mobile has also contributed to an increase in the number of online buyers and banking users about 28.7 million Internet users, up from 24.5 million in 2016.

Today the use of internet is growing rapidly. Online shopping is easier, providing solutions to a busy life as well as those who are hard-pressed to buy physical goods like no vehicles, save time and money that consumers can buy through apps like Shopee, Lazada, Instagram and others. The consumer can order items online and they will be sent home, workplace, and everywhere. Shopping in the internet can provide attractive rates. Most online stores provide discounted prices that will bring more savings to buyers. Also, it allows buyers to compare prices in various online expenses. Online purchases allow consumer to order items from other

countries such as China and send them home. According to (Bastam, Lotfabadi, & Kouchakzadeh, 2017) the growth seen in online purchases and sales can be considered as part of the internet's benefit of providing fast and inexpensive provision of information to all groups.

Every seller needs to know about online purchase consumer if they want to gain competitive edge and are strong in the market. Therefore, online retailers are essential to identify and analysis factors that influence consumers buying online for consumer needs. Moreover the factors affecting consumer spending online, the seller need to research demographics in terms such as age, gender, and experience are important to attract attention using business platform claims by (Manwaluddin et al., 2018)

Other than that, the student purchase intention online shopping become important because the student are more likely to select the product have a good capture their intention whether will give impact positive and negative. There are also risks to those who buy online as internet users cannot afford to spend online because of credit card fraud, slow delivery and late to receive, lack of privacy and quality assurance of product and services. So to overcome this problem, the developer need created business platform based consumer expectation. In this research study the researcher will focus on the factors affecting purchase intention through online shopping of among student UTeM.

1.3 Research Question

The Research Question aims to obtain the relevant information required to meet the objectives. The purpose of studies is to identify the factors that influence the consumer purchase intention online shopping among UTeM students. The questions for this study are as follows:

1. To what extensive do student purchase through online business platform?
2. What are the factors that influence among student to purchase intention online shopping?
3. Which factor affect most on student purchase online shopping?

1.4 Research Objective

The objective this study aims to identify the factors that influence purchase intention through online shopping of among UTeM students. Three goals have been set to reach and focus more on this study. They are:

1. To investigate the extensive student purchase online business platform.
2. To investigate the factors influences consumer purchase intention online shopping of among student.
3. To examine the factor affect on students purchase intention through online shopping.

1.5 Scope and Limitation of the Study

In this study, the researcher focus at UTeM student who had online shopping experience was chosen as study subjects in order to provide a broader scope for the project. The factor affecting purchase intention is price product such as lower cost, convenience, trust toward online shopping and website design influence student purchase online. Consumers of among students have become an online shopping trend. The experienced learners with online purchases can provide useful information while studying factors that affect their online purchase intention. Online purchases have become popular among students. This is because students with higher education where they have knowledge in technology and e-business have had a positive influence on online purchases. This argument is further reinforced by (Rahman, n.d.) who demographically demands, the use of the internet is usually among youths who are rich and educated, comprising teenagers and university students.

In this limitation study, the researchers found some constraints to be addressed do this investigation. The first limitation may be that the researcher faces some problems during the process of gathering information and data for research work obtained respondents answered. This is because respondents cannot give full collaboration when researchers disseminate questionnaires as in the study when the data analysis got some respondents not answer the questionnaire completely. In addition, researchers use questionnaires as a data collection tool, respondents cannot answer questions accurately according to what they think and act. Furthermore, there are many factors that influence among student purchase intention through online. In this study the time constraints of the researcher did not examine all the factors affecting the consumer purchase intention online of among UTeM students. Each student has a different rating features and behaviours for online purchases.

1.6 Significance of the study

This chapter is to determine the relationship between variables that factor influence affect purchase intention of among at UTeM students. Understand the variables such as product price, convenience, trust and website design will help to better understand how these variables affect student to purchase online. In addition, seeing buying online behaviour factors is important as it allows retailers and online buyers more focus where they can get the results they want. Online merchants or retailers will provide consumers with better goods and services when they know the factors that influence online purchases. Better goods and services make more sales and profits.

Today, the success of any company depends on consumer satisfaction. Therefore, in order to satisfy the purchase of among students, the company needs to know about purchase intention. In addition, the understanding of consumer such as students is a difficult task due to changing technology, innovation, and changing lifestyle changes. In addition, online purchases can potentially offer consumer a number of benefits that can increase the value of the purchase. Students do not run away from using the internet to perform various tasks, indirectly allowing students to buy items online.

Learning the purchasing factor of consumer online shopping behaviour is also important as it allows online sellers and shoppers to focus their efforts on satisfying the tastes they want. Online merchants or retailers will provide consumers with better goods and services when they know the factors that influence purchase intention of online shopping products. The better products and services will affect sales and more profits. Sellers need to know the types of products offered to student generation are appropriate.

1.7 Summary

This chapter provides a brief introduction and background on young people among UTeM students to intention online purchase. Additionally, this chapter also proposes some research objectives and questions to examine the factors impact the consumer purchase intention of among students. The importance of this chapter is also discussed.