



**ADVERTISING AS A POWERFUL INSTRUMENT FOR  
ONLINEPURCHASING DECISION AMONG UTeM  
STUDENT**

A project report submitted in fulfillment of the requirement for the award  
Bachelor of Technology Management (High Technology Marketing) With  
Honours



BY

**KALAIVANI A/P RENGANATHAN  
B061910225  
990703-03-5820**

FACULTY OF TECHNOLOGY MANAGEMENT AND  
TECHNOPRENEURSHIP 2023

## SUPERVISORS' DECLARATION

I certify that this thesis entitled "ADVERTISING AS A POWERFUL INSTRUMENT FOR ONLINE PURCHASING DECISION AMONG UTeM STUDENT" was prepared by KALAIVANI A/P RENGANATHAN (B061910225) has meet there quired standard for submission in partial fulfillment of requirement for the award of Bachelor of Technology Management (High Technology Marketing) With Honours at Universiti Teknikal Malaysia Melaka.



Approved by,

اونيورسيتي تيكنيكل مليسيا ملاك

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

Signature:

Supervisor's Name: DR. L. GANAGAMBEGAI

Date: 31/01/2023

**To, DR GANAGAMBEGAI LAXAMANAN**  
Senior Lecturer  
Faculty Of Technology Management and  
Technopreneurship  
University Technical Malaysia Melaka

Signature:


Panel's Name: DR. HASAN BIN SALEH

Date: 31/01/2023

## STUDENTS DECLARATION

'With the exception of citations and quotations that have been properly acknowledged,I hereby declare that this thesis is based on my original work.' I further declare that it has not been submitted for any degree or award at Universiti Teknikal Malaysia Melaka or any other institution earlier or concurrently.'



Signature :   
Name : KALAIVANI A/P RENGANATHAN  
Matric No : B061910225  
Date : 31/01/2023

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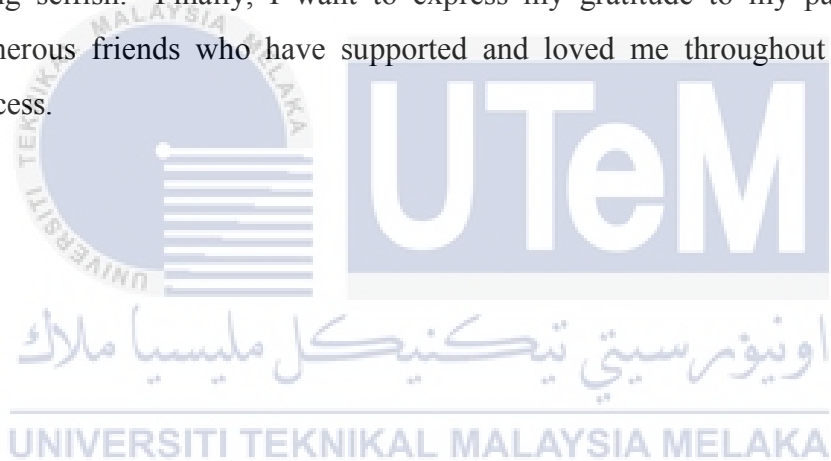
## DEDICATION

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## ABSTRACT

Many firms have included the internet into their advertising mix in order to profit on digital resources as technology continues to pervade our everyday routines. Shopping on the internet has proven to be a great strategy to improve global trade by increasing demand, increasing expenditure, and creating new jobs. Although customers will refuse to make purchases if they cannot mentally see or visualize how it will look once it is unpacked, they are compelled to return to the old method of purchasing things because stores do not provide complete product information through online, they are compelled to return to the old method of purchasing things because product brands do not provide complete product information through online. The purpose of this research is to determine the best online purchasing tool for consumer decision-making and to determine the most important aspect in advertising that attracts customers to make online purchases. This research used a range of online purchasing decisions between interpersonal utility, information seeking, entertainment, passing time, and convenience. As a result, surveys will be prepared using Google Forms and distributed to 150 people. This study would provide most importance factor through advertising for online purchasing decision and how it helps to promote their brands in a better way and focused on UTeM students in Melaka, Malaysia.

## ABSTRAK

Banyak firma telah memasukkan internet ke dalam campuran pengiklanan mereka untuk mendapatkan keuntungan daripada sumber digital kerana teknologi terus merangkumi rutin harian kita. Membeli-belah di internet telah terbukti sebagai strategi yang hebat untuk meningkatkan perdagangan global dengan meningkatkan permintaan, meningkatkan perbelanjaan dan mewujudkan pekerjaan baharu. Walau bagaimanapun, pelanggan akan menolak untuk membuat pembelian jika mereka tidak dapat melihat atau membayangkan secara mental bagaimana ia akan kelihatan sebaik sahaja ia dibongkar, mereka terpaksa kembali kepada kaedah lama untuk membeli sesuatu kerana kedai tidak memberikan maklumat produk yang lengkap melalui dalam talian, mereka terpaksa untuk kembali kepada kaedah pembelian barang lama kerana jenama produk tidak memberikan maklumat produk yang lengkap melalui talian. Tujuan penyelidikan ini adalah untuk menentukan alat pembelian dalam talian yang terbaik untuk membuat keputusan pengguna dan untuk menentukan aspek terpenting dalam pengiklanan yang menarik pelanggan membuat pembelian dalam talian. Penyelidikan ini menggunakan pelbagai keputusan pembelian dalam talian iaitu utiliti interpersonal, mencari maklumat, hiburan, meluangkan masa dan kemudahan. Hasilnya, tinjauan akan disediakan menggunakan Borang Google dan diedarkan kepada 150 orang. Kajian ini akan memberikan faktor yang paling penting melalui pengiklanan untuk keputusan pembelian dalam talian dan cara akan membantu mempromosikan jenama mereka dengan cara yang lebih baik dan memberi tumpuan kepada pelajar UTeM Melaka, Malaysia.





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# CHAPTER ONE

## INTRODUCTION

### 1.0 INTRODUCTION

This chapter will be discussed the study's outline. Chapter 1 consists of 1.0 introduction, 1.2 background of study, 1.3 research's problem statement which will be stated and discussed, followed by 1.4 research questions and 1.5 research objectives. Besides, 1.6 scope of research, 1.7 significance of study, and end of this chapter 1, 1.8 summary of this chapter will be given.

### 1.1 BACKGROUND OF STUDY

Shopping over the online has shown to be an excellent way of strengthening the world's trade through boosting demand, raising spending, and creating jobs. Its operations have significantly improved of increased usage of electronic budgeting and record keeping. Due to constant modification and customization to match new platforms and consumers, the growth of promoting has experienced some key turning points over the years. The ancient Egyptians' steel carvings from around 2000 BC are thought to be the oldest known instances of advertisement. According to sources, the first print advertising appeared in 1472. (Tyson. 2021). The first newspaper advertisement in the United States was published in 1704. Following that, in 1835, circus banners larger than 50 square feet in size were shown on the American billboards. The enormous direct mail marketing was then started in 1892. Then came the "Golden Age of Advertising," or television advertising, which spanned from the 1960's until the late 1980's and was characterized by great concepts and huge personalities.



Then, one of the most noticeable improvements that technology is delivering to people's life, according to (Jamanath Jha 2019), is the ability to purchase without leaving the house. The increase in online sales then spurs new economic growth and motivates business owners to innovate by figuring out what made their brand different and developing an appealing design that keeps readers satisfied. The economy will prosper as a result of customers becoming more willing to shop online. Despite of store hours or location, customers may purchase online anytime, wherever, and on any gadget, they desire (Miva, 2021). Consumers have access to an almost limitless number of items and services, and they can readily examine pricing, quality, brands, and businesses. Consumers have become more internet, linked, and invested as a result of this easier access. An increased focus on customer experience has resulted in expectations and rules for more online connectivity.

Besides, as technology continues to touch our daily lives, many businesses have included the internet into their advertisements mix in order to capitalise on information tools. Because marketers discovered that the internet gives them with more visibility and efficiency over their advertising materials, it has become a popular promotional platform. (Shakib.S, 2017) defines advertising as the compensated outcome of visibility or media attention by a partner that achieves through a variety of media, including television, newspapers, commercial radio advertisements, publishing mail, personal selling, or mass culture like blogs, internet sites, texts, and email messages. In the late 1980s, periodicals, radio, broadcast, and posters became the sole outlets for advertisements. Businesses rely more and more on digital advertising in today's society. Businesses have concentrated on mobile devices and social network promotion, and it's feasible that they will eventually replace television advertising. In Bangladesh, the electronic advertising trend is just getting ready to take off in terms of online shopping (Shakib.S, 2017). The majority of huge domestic and worldwide mega firms are now actively involved in digital marketing to assist the financial system.

Furthermore, internet shopping will contribute for 11% of all purchases in the United States in 2018, and online sales in the United Kingdom will account for 15% of total sales in that year (Ramanath Jha, 2019). According to China's Ministry of

Commerce, online shopping has transformed daily life (Hong.N, 2019). People in larger cities buy until they want, how they choose, and have it delivered at a cheap rate in their everyday life. With an increasing number of Chinese consumers having more spare money, comparability, especially for busy city dwellers, are driving online purchases in China. Thailand, as Southeast Asia's second-largest economy, is an attractive market for both big and small firms. It has become a successful market for internet enterprises as a result of the nation's recent digital effort. According to Thailand business news, broadband and smartphone banking transactions increased to 33% of monetary transactions volume in 2017 from just 8% in 2010. (Leong.B, 2019). This contributes to the growth of online commerce in Thailand since quicker and more safe digital payment alternatives make online purchasing more comfortable for both customers and merchants.

Then, in Malaysia, shopping is a national passion. Malaysia appears to be the e-shopping king in the region (Ganesan.V, 2021). According to a recent retail survey, 22 million Malaysians are digital shoppers, and digital platforms now play a four-fold larger role than conventional channels. Not only does the target population spend 80% of their screen time prior to deciding to buy, but most of Malaysian people do their shopping online. In short, the world is rapidly changing and current market system the exception to the progression. Because it saves time, shopping online is much better than going to markets and shops to buy things and make customer inquiries. Aside from that, online shopping allows customers to quickly search through various online stores using smartphone. Online advertising is also advantageous for those who do their purchasing online because it enables them to communicate with their vendor in a quick, meaningful, and cost-effective manner.

## 1.2 PROBLEM STATEMENT

45 percent of US buyers will leave an online purchase if they cannot get a solution to their question quickly (Tyrrell.P, 2017). Returns irritate customers just as much as they irritate retailers and brand manufacturers that conduct business online. The target audiences will be rejected to make a purchase online if they cannot mentally see it or visualize how it will look once it is unpacked. Customers were compelled to return to the old method of purchasing things since stores did not provide complete product information through online. Therefore, advertising is a powerful instrument for convey the brand's message for online purchasing customer. There are some difficulties to publicity about their brands through advertising in Malaysia is one of the problems in this research. When making an online purchase, it is possible to pick up products that do not match the description, resulting in negative feedback from customers who are hesitant to buy (Mujiatun.S 2021).

Other than that, the target audience is tactile is one of the reason, sensory encounters are an important aspect of their buying experience. One of the most significant disadvantages of internet shopping is the inability to personally try out and touch a product. To compensate for this disadvantage, internet sellers must go above and above and provide an experience in addition to their products. Therefore, advertising is best tool the share directly the retailers' ideas to the customers. According to studies, 73 percent of mobile internet users are concerned with delayed websites, with 53 percent of visitors leaving a page that takes more than 3 seconds to load in one of the problems through online purchase.

Furthermore, a smart site search system should be able to track client behavior and adapt to the needs of the online business. However, if on-site behaviors not observed, customers may see useless products in their searches and will not be able to take advantage of current brand offers is one of the issues faced by customer when they do online purchase. According to by (Jeremie, 2019), advertising is a means for marketers to interact and reach their target market by providing information to viewers and encouraging them to buy a product or service. Therefore, advertising can

make changes when customer do online purchase.

Future research on adoption, according to (Shaouf.A 2019), future research may assume relationships to investigate the direct and indirect effect of online advertising design and content on consumers' emotional responses. In short, due to growing internet usage, online shopping has become more popular and social media has drastically influenced and modified customer attraction and decisions to buy from online businesses due to traditional marketing take too long time to attract perfect online customer. As a result, researcher will focus on the effectiveness of advertising during customer online purchasing decision.

### 1.3 RESEARCH QUESTION

RQ1: What are the roles of advertising in buying process among UTeM students?

RQ2: What are the factors that influencing through advertising impact students for prefer online purchasing decision?

### 1.4 RESEARCH OBJECTIVE

RO1: To study the role of advertising in buying process among UTeM students.

RO2: To identify the most importance factor through advertising that influences the students for online purchasing decision.

## 1.5 SCOPE OF STUDY

The goal of this study is to emphasize the roles of online shopping advertising among UTeM student, Malaysia. This study is being carried out in particular by this state because Melaka was listed as a World Heritage Site by UNESCO, in 2008. It is a city that involve colleges and universities in Melaka area. As a result, students choose to shop online and did not prefer go to physical shopping. Therefore, researcher decided to do research in UTeM, Melaka which is one of the public universities in list of Malaysia. Social media users, internet users among UTeM students were participants in this study. For the purpose of answering the questionnaire, 150 participants will be gathered via a Google form. Data will be collected within 5 to 7 weeks and will take 5 to 10 minutes. It took roughly six monthsto completed this study.

## 1.6 SIGNIFICANCE OF STUDY

Large enterprises will benefit from this research on the usage of advertising. To begin, embracing digital advertising helps enhance brand awareness, reach out to a niche audience has become easier, cheaper, and measurable, resulting in increased sales and lower expenses for online firms. Following that, this research will boost the economy. Because internet firms form the backbone of Malaysia's economy, the economy sector will develop as well as Covid-19. Furthermore, as the economy grows, online commerce benefits both the government and society. After that, students are one of the bug users of online shopping. Finally, this research will help the economy, government, society, and all online businesses when students take good decision about online purchasing.

## 1.8 SUMMARY OF CHAPTER 1

The researcher discusses the role of advertising for increase the online purchasing in Chapter 1. The issues that customers when do online purchasing might overcome these obstacles, were also covered. The significance of this study, as well as stated in chapter 1.



## **CHAPTER TWO**

### **LITERATURE REVIEW**

#### **2.0 INTRODUCTION**

This study's outline will be discussed in this chapter. Chapter 2 consists of 2.0 introduction, 2.1 literature review, 2.2 the concept of independent variables, 2.3 the concept of dependent variables, followed by 2.4 conceptual framework and 2.5 research hypothesis. Finally, conclusion of this section 2, 2.6 summary of this chapter will be given.

#### **2.1 LITERATURE REVIEW**

Writing that synthesizes, evaluates, and summarizes the literature found during a literature search is known as a literature review. For primary research, it can serve as a setting or context. This chapter explores how a customer's decision to make an online purchase may be influenced by digital advertising. This study has included some earlier research on the topic. This literature review, which provides an overview of the article and discusses theoretical ideas and previous studies, supports the theory of the research question, which is the significance of digital advertising on online shopping.

Employing online platforms like Facebook media, websites, blogs, and any other application that can be accessed to release promotional content The best tool for client purchasing decisions to support online purchases is digital advertising. The dependent and independent variables will each have supporting data in their own area

of this literature study. In this overview of literature, the decision to purchase goods online is referred to as the dependent variable, and factors that affect it are referred to as independent variables. Interpersonal usefulness, information seeking, entertainment, passing time, and convenience make up the study's five independent variables.

## **2.2 THE CONCEPT OF INDEPENDENT VARIABLES**

### **2.2.1 Interpersonal Utility**

Personal usefulness, sometimes referred to as social interaction, is one of the factors that encourages people to converse and connect among others on social media (Whiting & Williams, 2013). According to Whiting and Williams (2013), Social media platforms are where consumers typically spend a lot of time, when they interact with people in their social circle and stay up to date on current events, which subtly affects their choice to make to make an internet purchase according to media platforms marketing. According to Liani and Rina, interpersonal value in using socialmedia includes people's goals to engage in conversation, help others, build a feeling of community, acquire extra perspectives in another's, make new friends and receive assistance from others (2020). In addition, individual dealer on social media generally advertises their items by uploading clips or pictures of the products, enabling possibility customers to get to know the vendor better before purchasing the seller's goods. This is comparable to social media use's objective. Because users' motivation to spend time online has been proved to be interpersonal utility.

### **2.2.2 Information Seeking**

An essential objective for Internet users is information seeking, which is the process of looking for knowledge or educating oneself (Whiting & Williams, 2013). (Hur, 2017). For a multitude of reasons, including convenience, freedom, and speed of access, consumers seek knowledge online (Liani & Rina, 2020). Customers believe that ads convey crucial details about a good or service, which motivates them to do