

FACTORS EFFECTING CONSUMERS' PURCHASE  
INTENTION IN SOCIAL COMMERCE

BY

CHIN SOK CHENG  
FOONG POH MUN

A Research project submitted in partial fulfillment of the  
requirement for the degree of

BACHELOR OF INTERNATIONAL BUSINESS  
(HONS)

UNIVERSITI TUNKU ABDUL RAHMAN

FACULTY OF ACCOUNTANCY AND  
MANAGEMENT

DEPARTMENT OF INTERNATIONAL BUSINESS

APRIL 2018

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## DECLARATION

We hereby declare that:

- (1) This undergraduate research project is the end result of our own work and that due acknowledgement has been given in the references to ALL sources of information be they printed, electronic, or personal.
- (2) No portion of this research project has been submitted in support of any application for any other degree or qualification of this or any other university, or other institutes of learning.
- (3) Equal contribution has been made by each group member in completing the research project.
- (4) The word count of this research report is 15,658 words.

Name of Student:

Student ID:

Signature:

1. Chin Sok Cheng

1303753

2. Foong Poh Mun

1102031

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Date: 1<sup>st</sup> April 2018

## ACKNOWLEDGEMENT

First and foremost, we would like to express our great gratitude to our university, University Tunku Abdul Rahman (UTAR) by providing us a great environment to conduct our research. We have gained a great knowledge and experience throughout the process of doing the research project. If without the resources provided by UTAR, this research will be very hard to proceed.

Secondly, we would like to thanks to our research project supervisor, Dr. Komathi A/P Munusamy. She is a supervisor who very responsible, knowledgeable and patience in guiding us. Dr. Komathi had given a lot of advices to guide us during whole research process. We highly appreciated the valuable time that she had spent and the professional knowledge that she had shared with us.

Thirdly, we would like to express our gratitude to the respondents in this research who willing to express their opinion in our survey questionnaires. They were willing to spare out their times to answer the questions detailed and helps in our data collection. It will be hard if without their cooperation to obtain an accurate data in our research.

Lastly, we would like to thanks to our group members. Each of our group members had put in their efforts and spent a lot of times in order to complete our research project. We have developed mutual trust and teamwork throughout the process doing our research project. Without the cooperation, our research project would not be able to be completed.

## DEDICATION

Firstly, we would like to dedicate to our supervisor, Dr. Komathi A/P Munusamy who always helpful and supportive when we conducting this research project. She has spent her time to listen to our problem faced in our research project and guided us with her knowledge and experience.

Moreover, we would like to dedicate to our friends and families. They had provided their assistance and give us motivation during conducting the research project. Without their assistance and support, it will be hard to complete this research project.

Lastly, we would like to dedicate to the respondents who spared their time to provide their feedback in our survey questionnaire. We have highly appreciated their cooperation and this helps us to complete our research project smoothly.

## Preface

This research project unit UKMZ3016 Research Project is compulsory done by UTAR Bachelor of International Business (Hons) students in order to accomplish study of Degree program. This is an original work done by two Bachelor of International students. The topic for the thesis is Factors Effecting Consumers' Purchase Intention in Social Commerce. This project has assembles the intellectual interest and critical thinking of the student. This enhances the integration of capabilities and abilities of the postgraduates in the application of theoretical elements.

The purpose of researcher to conduct out this project is to investigate the significant relationship between the independent variables that effect the consumers' purchase intention in social commerce. Throughout this project, there are four independent variables has been examined which are word-of-mouth, subjective norm, perceived risk and trust. Thus, this research study can give a better understanding and clear information on the consumers' purchase intention in social commerce.

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## **CHAPTER 1: INTRODUCTION**

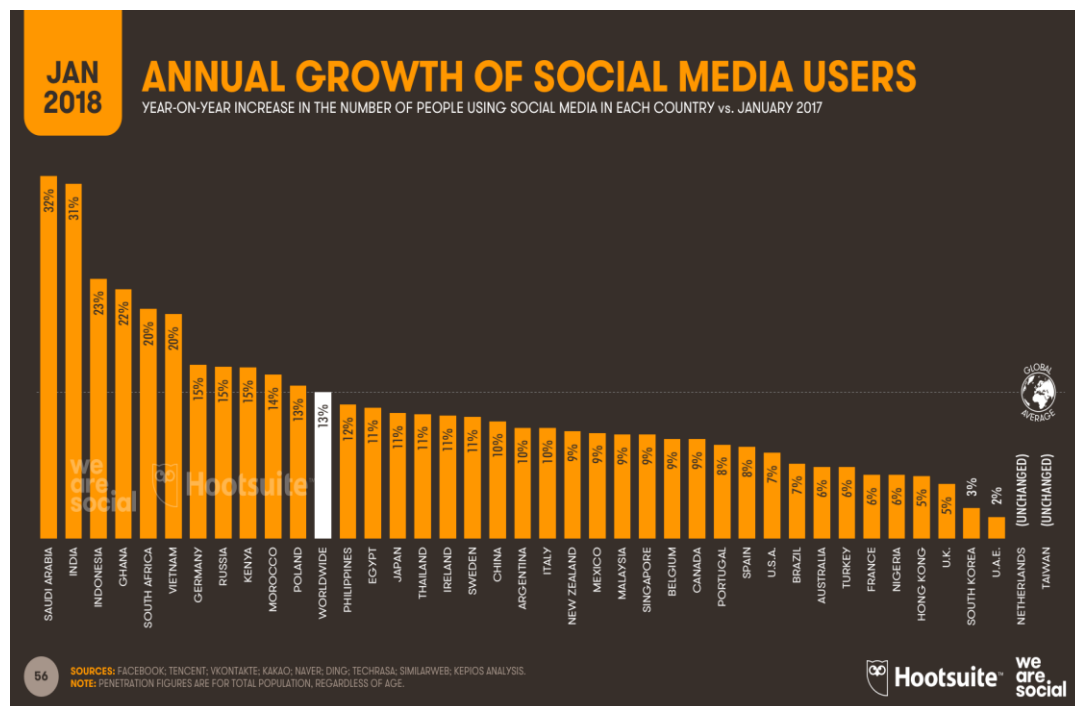
### **1.0 Introduction**

According to Business Dictionary online website, social commerce has been defined as a form of electronic commerce that assists in the buying or selling of products by using social network. The user ratings, referrals, online communities and social advertising have become the determinants in this kind of commerce to facilitate online shopping. Facebook, Pinterest and Twitter have been perceived as few of famous social commerce platform. These social media sites act as a third party platform for the buyers to purchase items or services from those particulars companies or parties. As an example, buyer able to browse and purchase the items from other companies on the Facebook while Facebook not the seller.

In this study, the researchers would like to find out the relationship between the independent variables, which are word-of-mouth, subjective norm, perceived risk and trust, and the dependent variable, which is purchase intention in social commerce. In this chapter, the research background will be introduced and followed up will be the problem statement, research objective and research questions. Beside theses, the significance of the research will be introduced and following will be chapter layout and conclusion.

## 1.1 Research Background

The term 'social commerce' has been introduced by the internet giant which is Yahoo on November 14, 2005 with the meaning of internet platforms system for people to come together in order to give and receive advices from people they trust, to search for goods and services and then buy them (Oleynikovaa & Zorkin, 2016). The term of social commerce is originated from the word "social media" and "electronic commerce", the two big digital trends. Social commerce is a commerce that with a context of electronic commerce by using the social media to assist with commerce transaction and deal online (Linda & Lai, 2010) In other words, the term social commerce also can be defined as a subset of electronic commerce using social media and web 2.0 software (Gonalves & Zhang, 2013).



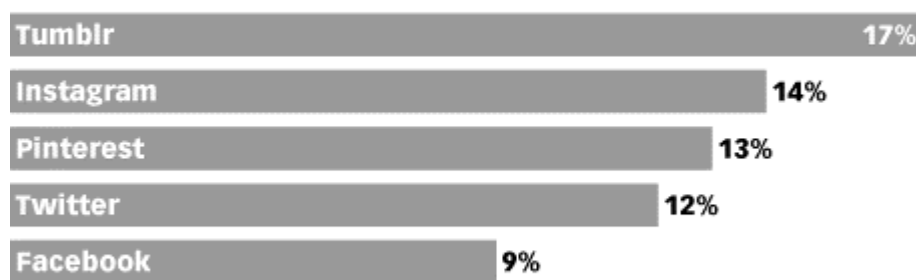
Retrieved from We Are Social (2018)

During year to year, the increasing of social media users is depicted referring to statistics above. Due to the popularity of social media, the consumers able to interact to each other in order to exchange the information of products or services and give their opinions. The consumers able to enhance their evaluation on the products or services and have a better understanding before make their purchase

decision (Wang & Zhang, 2012). The increasing of social media usage could be an opportunity for the sellers to enhance their business and increase sales by retaining current customers and developing new customers' market (Hajli, 2015). Nowadays there are several kinds of developed social networking sites are very popular in the world, such as Facebook, Youtube, Whatsapp, WeChat, QQ, Instagram, Tumblr and so on.

### **Social Media Users Worldwide Who Are Interested in Using Buy Buttons on Social Media, by Site, Nov 2015**

% of respondents



*Note: ages 16-64; among active users of each site*

*Source: GlobalWebIndex as cited in company blog, Nov 16, 2015*

201187

www.eMarketer.com

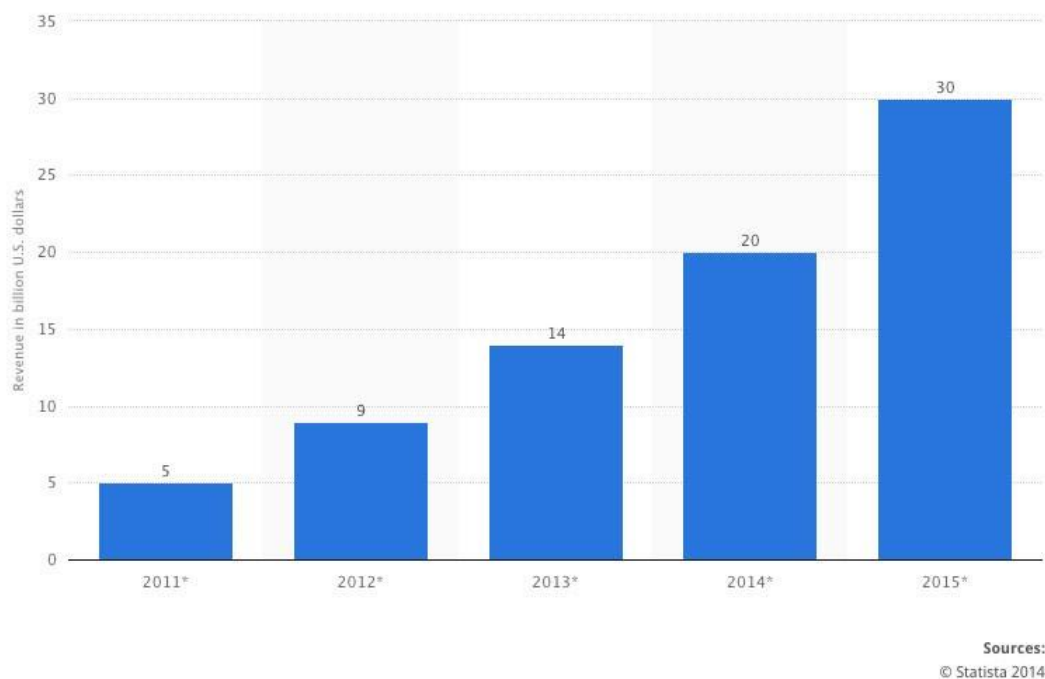
Retrieved from Social Commerce 2018: It's Influence in the Path to Purchase (2017).

The trend of combine the electronic commerce and social media can't be avoided, as the sellers are think of to add buy button on the social media or add their own social network homepage link to their electronic commerce shop. The above statistics shows study on the percentage of social media users worldwide who are interested in using buy buttons on social media. According to GlobalWebIndex site in year 2015, it shows that the consumers were active to make the purchase by using different kind of social media. The social media sites which are most popular for social commerce shown in this statistics are Tumblr, Instagram, Pinterest, Twitter and Facebook. Firms are able to interact with consumers directly and sell products and services at lower prices to increase brand loyalty (Labrecque, 2014; Laroche, Habibi, & Richard, 2013).

The customers not flocked to social networking sites to make purchase, however social media has played an important role along the path to purchase, such as act

as a research tool and general influence (Social Commerce 2018: It's Influence in the Path to Purchase, 2017). According to the study of Gabriela et al. in year 2014, the information and reviews shared by other customers will be considered when user is lack of experience with the particular product or service, the advices and reviews might influence their purchase intention and decision towards the product or service.

**Worldwide social commerce revenue from 2011 to 2015 (in billion U.S. dollars)**



Retrieved from Statista (2014).

The statistics above acts as an evidence that shows the influence of social commerce to global economic. The social commerce in year 2011, the worldwide social commerce revenue was starting on 5 billion U.S. dollars and the revenue was steadily growing during next 4 years. Referring to the above statistics, the growing trend is able to be observed and during year 2013, the revenue amount has been tripled which is 14 billion U.S. dollars if compared to year 2011's revenue. The worldwide social commerce revenue in year 2014 was projected to 20 billion U.S. dollars. Due to this statistics was made in year 2015, hence the expected revenue in this year has been raised to 30 billion U.S. dollars. However in this statistics, the growing in the influence of social commerce to the global economy can be seen and the need to have a deeper understanding in this kind of commerce method.



## 1.2 Problem Statement

According to the study of Mohd & Rosli (2015), the reason why social media able to affect the business mode is the availability of real time feedback. The instant customer interaction response was made with the sites of Facebook, Google+ and Twitter (Zheng, Wu, & Bolivar, 2009). Consumers able to acquire the information of the products before purchase referring to online expertise or experiences' reviews through a recommender system. Word-of-mouth is defined as any kind of comments and statements made based on experiences of customers toward a product or services or the sellers, which is made available to a mass of people and institution using the Internet (Hennig et al., 2004). However the review could be positive or negative (Hayashi, Wang, Sumiya, & Kawai, 2018). Social media provided a platform for all kinds of conversation join this made the difficulty for the business to track their negative or detractive reviews (Catherine, n.d.). This becomes the challenge for the business and hard tracking of the reviews that could lead to loss of word-of-mouth would become a problem for the business in Malaysia.

In other words, the subjective norms also could be influenced in this case. Subjective norms has been defined as the perceived social force for carrying out a particular behaviour, is a function of referent's beliefs, constituting social pressure placed upon consumers by their families, relatives, or close friends and is considered before an individual performs their own behaviour (Ajzen, 1991). When the surroundings of individual read or heard negative comments and reviews from the other people, such as online users or their friends. The negative impressions towards the business could be formed and they will release the social pressure to the consumers to avoid them from make the purchase in social commerce.

Based on the research of Eric Holm (2014), according to OECD (2007), in order to increase business exposure to consumers, the social networking is utilized to advertise, promote, share out their information and make their own marketing position in broader market. This makes them susceptible to identity crime on

social networking sites. For individual, the victim will not be able to aware of their information stolen issue as the identity criminal could acquire the information without consent or knowledge of victim (Saunders & Zucker, 1999). The victim only able to be aware when they found out they are exposing to financial liability issue. Therefore this also become an issue concerned which increases the perceived risk that will leads to the financial loss and reputation loss of individual and businesses. In addition, according to Yahia (2017), the lack of face to face in social commerce caused the increase of perceived risk in online shopping. Besides due to this reason, the consumers will suspect the reliability of the sellers and this makes the consumers hard to trust to online sellers (Kaiser & Seitz, 2008). The trend of social commerce has made it challenge to understand how to operate the social commerce platform and develop the trust of consumers.

## **1.3 Research Objective**

### **1.3.1 General Objective**

The overall objective is to study the factors that influence the purchase intention on social commerce.

### **1.3.2 Specific Objectives**

- 1) To determine whether there is a significant relationship between word-of-mouth and purchase intention in social commerce.
- 2) To determine whether there is a significant relationship between subjective norm and purchase intention in social commerce.
- 3) To determine whether there is a significant relationship between perceived risk and purchase intention in social commerce.
- 4) To determine whether there is a significant relationship between trust and purchase intention in social commerce.

## **1.4 Research Question**

The research questions are mainly about the correlation between the few determinants with the consumers' purchase intention in social commerce. Thus, the following questions shall be answered:

- 1) Does word-of-mouth has significant relationship with purchase intention in social commerce?
- 2) Does subjective norm has significant relationship with purchase intention in social commerce?
- 3) Does perceived risk has significant relationship with purchase intention in social commerce?
- 4) Does trust has significant relationship with purchase intention in social commerce?

## **1.5 Hypotheses of Research**

The hypotheses have been developed as followed based on the questions:

H<sub>0</sub>: To determine whether there is a significant relationship between word-of-mouth and purchase intention in social commerce.

H<sub>1</sub>: To determine whether there is a significant relationship between subjective norm and purchase intention in social commerce.

H<sub>2</sub>: To determine whether there is a significant relationship between perceived risk and purchase intention in social commerce.

H<sub>3</sub>: To determine whether there is a significant relationship between trust and purchase intention in social commerce.

## **1.6 Significance of the Research Study**

The main purpose for the study is to determine the factors that influence the purchase intention in social commerce. There are few factors that can help to have more understanding on the perception of consumers toward the purchase intention. The factors determined are word of mouth, subjective norm, perceived risk and trust.

By having the feedback from the respondents, the marketers would able to have more understanding on the market and able to position their market accurately and efficiency. The deep understanding on the market will helps to improve in development of the economy.

## **1.7 Chapter Layout**

### **1.7.1 Chapter 1: Introduction**

Chapter 1 will outline the research study which provides an overview to understand the factors that affect the purchase intention on social commerce. The introduction of research background, research problem, research objectives, scope and significance of the study, chapter layout and conclusion of Chapter 1 would be included in this chapter.

### **1.7.2 Chapter 2: Literature Review**

Chapter 2 provides a literature review related to the purpose of the study. We will gather the information from the secondary data such as journal, article, magazine and network and do analyzing. The conceptual framework will be introduced also able to make a clearer picture of the study and lastly will be end by the conclusion.

### **1.7.3 Chapter 3: Methodology**

Chapter 3 is an overview of the research methodology which shows how will be the research design, data gathering, research instrument, construct measurement, data process, data analysis and conclusion of this chapter.

#### **1.7.4 Chapter 4: Data Analysis**

Chapter 4 would be analysis the data which gathered in Chapter 3 and show the results which related to the study and hypotheses.

#### **1.7.5 Chapter 5: Discussion, Conclusion and Implications**

Chapter 5 would be summarize the data analyzed based on previous chapter. Discussion of major findings will be discussed and some suggestion will be advised in the part of implications of study. The limitation of study also will be introduced in this chapter and list the recommendation out. The conclusion of the whole research project will be introduced under this chapter.

### **1.8 Conclusion**

The aim of the study is clearly stated in this chapter which is to the study the factors effecting the consumers' purchase intention on social commerce. The independent variables that included would be word of mouth, subjective norm, perceived risk and trust. With this study, a better understanding on social commerce could be achieved and this could make an innovation on the global economy. This chapter has shown the basic concept and objective of our study. In following chapters, the study of the research will be more detailed.

## **CHAPTER 2: LITERATURE REVIEW**

### **2.0 Introduction**

Under this chapter, the literature of the study was reviewed for a relevant theoretical model. Theoretical framework was provided and showed the relationship between the independent variables (trust, perceived risk, word of mouth, and subjective norm) and dependent variable which is purchase intention in social commerce.

### **2.1 Review of Literature**

This chapter examines the various determinants effecting the consumers' purchase intention in social commerce. Supporting points from secondary data such as scholar articles, journals, database, dissertations and published report are being evaluated to justify the research.

#### **2.1.1 Dependent Variable: Purchase Intention**

According to Ramayah, Lee and Mohamad (2010), intention defined as the decision to perform in a particular way in the future. Purchase intention also defined as consumer plan to buy a product (Yoo, Donthu, & Lee, 2000). Motivational factors were captured in the intentions which could influence action or behaviour. The higher the intention to undertake in an action or behaviour, the larger the likelihood that particular action or behaviour may occurs (Ajzen, 1991). Thus, based on Lee and Mohamad (2010) claimed that purchase intention can forecast or lead an actual future



action and behaviour which that is a foreseeable purchase engaging from the customer.

Purchase intention is often study by some researchers or authors in the past research studies such as the topic of online purchase (Pavlou & Fygenson, 2006; Lin, 2007; Ajzen, 2011) and also the acceptance or use of information technology (Davis, Bagozzi, & Warshaw, 1989; Venkatesh, Morris, & Davis, 2003). Hence, Pavlou (2003) indicated that online purchase intention is refers to the willingness of customer that has the intention on purchasing a particular product through online platform from internet (Pavlou, 2003).

Based on Xu, Summers and Belleau (2004), customer purchase intention is a key factor that acts as marketing strategy in considering for any product, service or brand. Platform on the internet has potential to affect intention and buying decision of customer affects so it have to be further understood and studied (McGaughey & Mason, 1998). Therefore, internet not only acts as a marketing tool that influence the purchase intention of customer but also medium which to allow the customer to make purchase at.

According to Park and Kim (2016), it is important to identify customers' purchase intentions this is due to a customer's behaviour normally can be expected by the individual's intention (Park & Kim, 2016). Based on Wu et al. (2015) also indicated that purchase intention is a correlation of consumers' possibility of purchasing and the concentration on purchasing a product. As the result, the variable of purchase intention is constructed as a dependent variable in the framework model because it perceived as a significant effect variable in this research study.

### **2.1.2 Independent Variable: Word-of-Mouth**

Word-of-mouth is defined as any kind of comments and statements made based on experiences of customers toward a product or services or the sellers, which is made available to a mass of people and institution using the Internet (Hennig et al., 2004). Word-of-mouth also could be exists between the people who are no related to the benefit with the business (Taylor et al, 2012). The people can be the family, friends or whoever without benefit on the business. There is a large portion of people will choose to listen the opinion of surroundings before they make the purchase. This kind of people will make a more stable or secure decision usually (Ren et al., 2013).

In a traditional society, the traditional word-of-mouth has been defined as an oral form of interpersonal non-commercial communication among acquaintances according to Arndt on year 1967. However, word-of –mouth is having its evolution trend in nowadays and electronic word-of-mouth is taking place of the traditional word of mouth. The technology advancement is providing a platform for the people who come from different place and have different experience interact with each other and exchange product information (Lee, Park, & Han, 2008).

### **2.1.3 Independent Variable: Subjective Norm**

Subjective norm has been defined as the perceived social force for carrying out a particular behaviour, is a function of referent's beliefs, constituting social pressure placed upon consumers by their families, relatives, or close friends and is considered before an individual performs their own behaviour (Ajzen, 1991). The perception of others can pressure the people to perform a particular action (Brouwer et al., 2009; Vermeulen

et al., 2011). Therefore, they are tends to perform the expected or recommended actions of other parties.

There is a more precise definition of subjective norm introduced, which is the opinion that the important people believe the individuals should do (Finlay, Trafimow, & Moroi, 1999, p. 2015). Besides, subjective norm also measured as a normative belief without including motivation to comply (Ajzen & Fishbein, 1972, p. 4).

#### **2.1.4 Independent Variable: Perceived Risk**

Perceived risk can be defined as a form of nature and level of risk perceived by a consumer in a certain purchase decision (Cox & Rich, 1964). Risk will be perceived by customers when they are facing two conditions which are negative consequences and uncertainty. According to Hong and Cha (2013), the higher the unfavourable consequences and the less the control of the consequences by customer, the higher the amount of risk perceived by customer. Besides, the higher the uncertainty faced by customer, the higher the level of risk perceived by customer. Customer perceives the uncertainty based on the selection of retailer, channel or product that viewed it as the nature of risk. Thus, a more information is needed for a product when the customer perceived a high level of risk.

According to Bauer (1960), customers' perceived or subjective perception on the risk that might be happen will affecting their behaviour instead of the "real world" or objective risk. Based on Ashur (2016), customers perceived risks can be focused on seven risk dimensions that include financial risk, time risk, social risk, product risk, delivery risk, privacy risk and after-sale risk. Financial risk refers to the likelihood of monetary loss as a result of additional charge, high selling price or online fraud while time risk refers to the likelihood of time loss as a result of time spent on troublesome transaction process.

In addition, social risk refers to the likelihood of purchase product influencing other consumers' points of view whereas product risk refers to the likelihood of the performance of purchased product does not match with the consumer's expectation. Furthermore, delivery risk refers to the likelihood of loss and failure that occurred during delivery process whereas privacy risk refers to the likelihood of loss suffered by customer due to private data being misused or abused. After-sale risk refers to the likelihood of loss that customer faced such as defective product without warranty or guarantee (Ashur, 2016).

According to Gunawan and Huarng (2015), perceived risk is defined as how consumers would feel if there were negative consequences of a particular behaviour and also what they would loss. The authors pointed out that uncertainty in perceived risk that incurred in social commerce sites can be caused by the ability of consumers for judging the result of experience accurately. The uncertainty in perceived risk also drives from the difficulties of consumers in deciding entire evaluation on the media sites and the discrepancy of experience and expectations in a particular product or service.

### **2.1.5 Independent Variable: Trust**

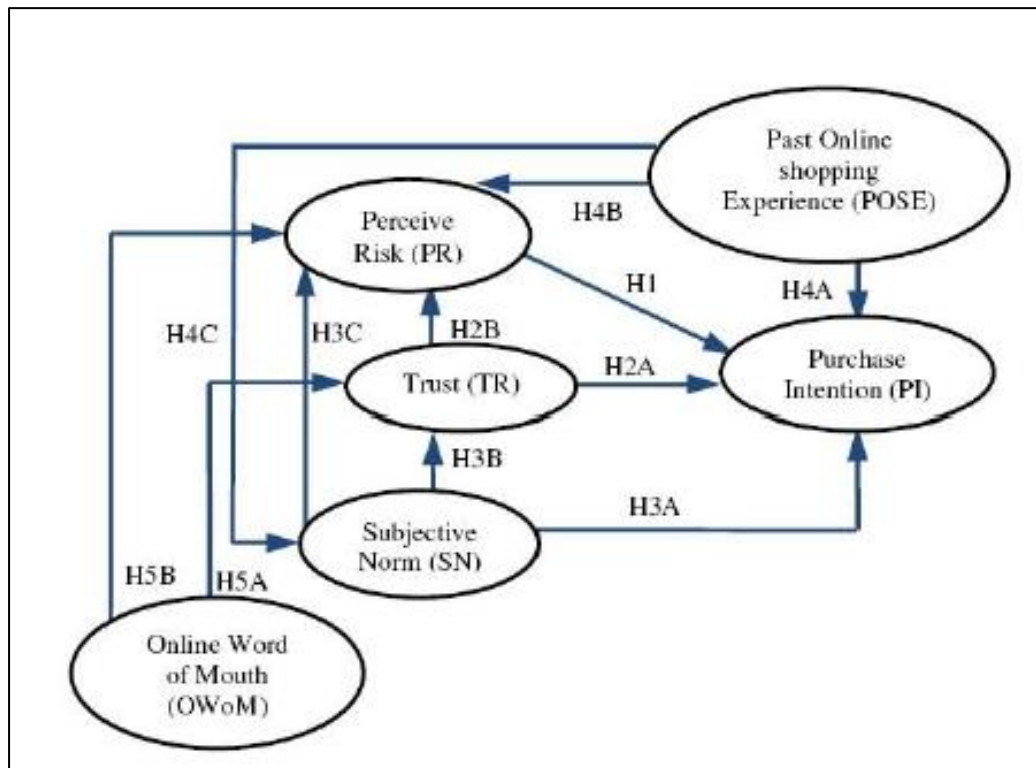
In online context, trust considered as an important issue in most social and economic transaction (Pavlou, 2003). Trust consist different definition as it depend on the different dimensions concerned (Hajli, 2015). Gefen (2002) indicated that trust has a three dimensional definition which include benevolence, integrity and ability. Benevolence is refers to the intention of the ethical individual that behaviour well for his or her consumer. Meanwhile, integrity defined as the quality of keeping promises and being honesty of the sellers whereas ability defined as the skills and capabilities of the trusted sellers (Gefen, 2002; Gefen, & Straub, 2004).

Furthermore, according to Aiken & Boush (2006), there are two key types of trust which are affective trust and cognitive trust. Affective trust is refers to an individual's belief about bonding relationship based on the care, concern and emotion. While, cognitive trust is refers to an individual's belief in and likelihood of dependency on a seller based on how reliable and competence the seller can rely on and trustable (Kim & Park, 2013).

Nowadays, people are familiar and exposed to the social technologies. Therefore, there is a need for some kind of trust to maintain the interconnectivity of people and reduce their perceived risk in both social and economic transaction on internet (Hajli & Lin, 2014).According to Ng (2013), past studies indicate that trust may be transferable where from one source to another. Trust can transferable between organizations, individuals or contexts. The prospective consumers could believe or trust that the online environment is safe and well managed and the sellers are trustworthy.

## 2.2 Review of Relevant Theoretical Models

Figure 2.1

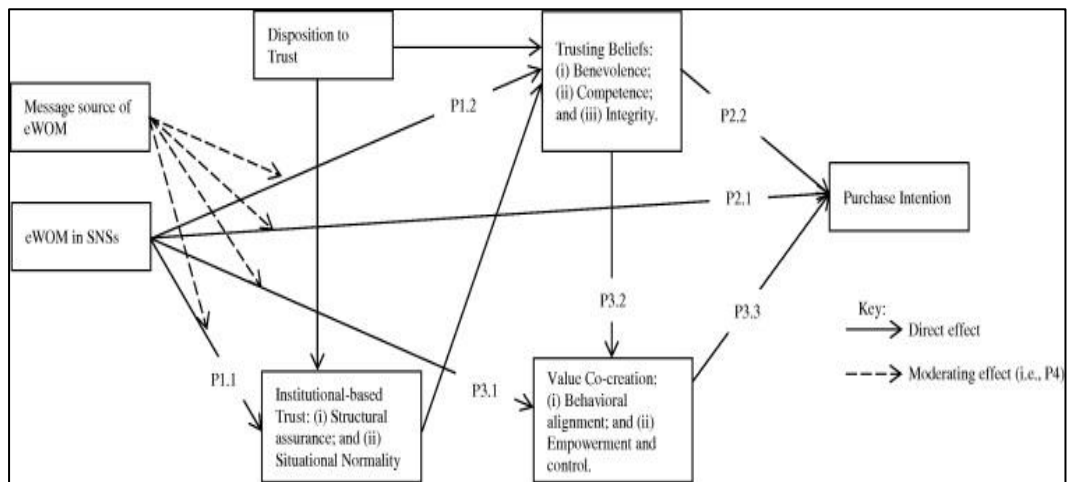


Retrieved from the journal of “Trust and Risk in Purchase Intention through Online Social Network: A Focus Group Study of Facebook in Thailand” (Leeraphong & Mardjo, 2013)

Through analysing the existing literature, by using the theoretical framework in Figure 2.1 as this research basis, four constructs have been captured in order to show the uniqueness of purchase intention in social commerce.

In the journal, online word-of-mouth did not included as one of the independent variables which have significant relationship with the dependent variable, purchase intention through online social network. However based on the reference from other journal, word-of-mouth was found out the existence of significant relationship with purchase intention in social media.

Figure 2.2

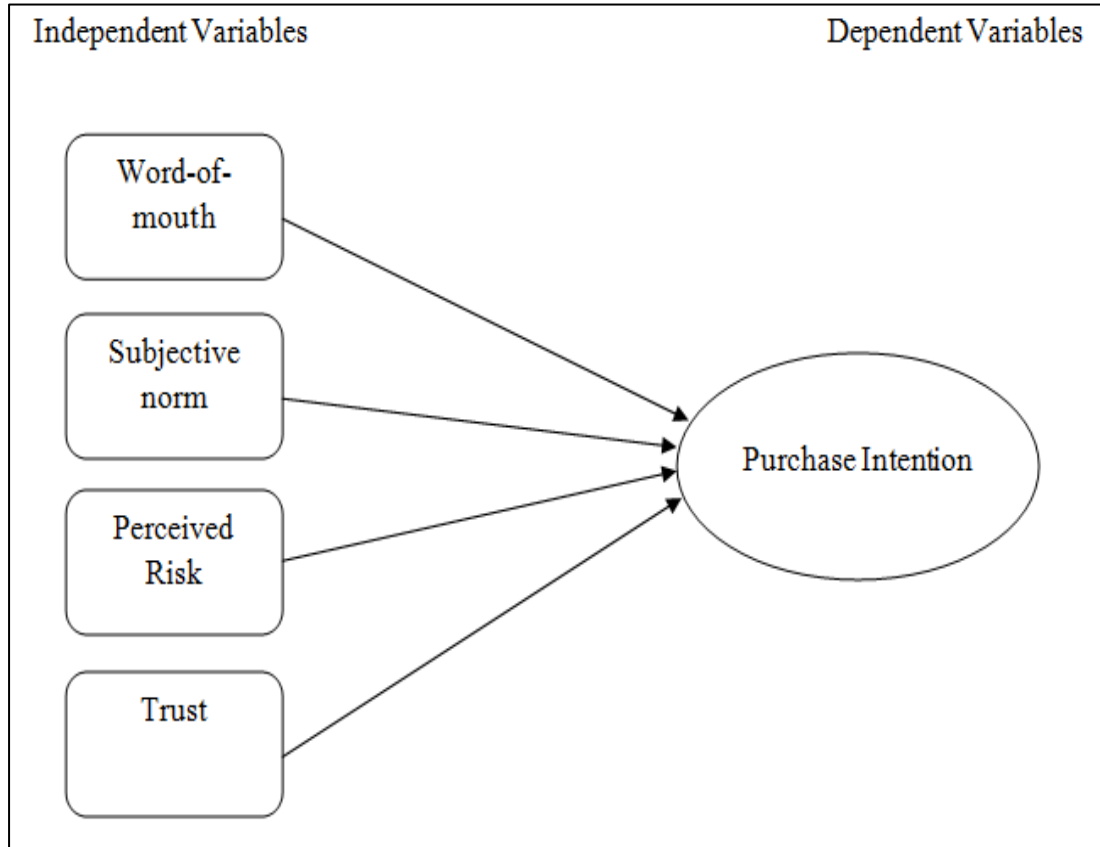


Retrieved from “Value co-creation and purchase intention in social network sites: The role of electronic Word-of-Mouth and trust – A theoretical analysis” (Eric & Ho, 2014).

Therefore four new constructs that captured the uniqueness of purchase intention in social commerce have been setup in this study, which are subjective norm, trust, perceived risk and word-of-mouth.

## 2.3 Proposed Theoretical Framework

Figure 2.3 Proposed Theoretical Framework



Source: Developed for the Research

Figure 2.3 depicted the relationships between the independent variables, which are word-of-mouth, subjective norm, perceived risk and trust, with the dependent variable, purchase intention on social commerce. There is no mediating or moderating variable been used in this study and this theoretical framework will be served as a guideline for our further study.



## **2.4 Hypothesis Development**

### **2.4.1 The Relationship between Word-of-Mouth and Customer Purchase Intention**

According to the research of Kim and Park (2013), they have claimed that there's a main difference between s-commerce and e-commerce. S-commerce buyers will share what they have experienced and comments with other users. Besides, in this research, they perceived that the complexity of online word-of-mouth is higher than traditional word-of-mouth due to the range of information and the directionality of online word-of-mouth intentions while online word-of-mouth is more effective than traditional way (Kim & Park, 2013). Therefore word-of-mouth has been assumed as a critical role in s-commerce's purchase intention.

Based on Berger and Iyengar (2013), the ideas and contents in the online posts that where sellers have to think what they are going to write and an interesting products or services usually will become the topics of audience more often if compared to the normal or boring post, products or services. S-commerce channels is having less continuously conversations apparently when compared with the channel with more continuously conversation such as face-to face on phone calling, those channels might distract the focus from the products promoted and influence their purchase intention (Berger & Iyengar, 2013).

Based on the research of Hajli and Khani (2013), social word-of-mouth, through social media and social commerce constructs such as communities, ratings, and referrals, overcomes the barriers and provides opportunities to consumers for interacting online and getting to know peers. Consumers' review in an online context is informants and recommenders and is influenced by sales (Hyung et al., 2007). The positive or negative of word-

of-mouth could influence the attitude and purchase intention from the consumers.

According to the research of Hajli, Lin, Mauricio and Yichuan (2014), the social word-of-mouth was constructed by the social interaction between the users and it has become a valuable source for them to determine the trustworthiness of the sellers. Social word-of-mouth has helped the buyers in the decision to purchase and develop their purchase intention. The results of this research show that potential buyers would check on textual information such as comments and reviews, especially when they would like to purchase a new product (Hajli, Lin, Mauricio, & Yichuan, 2014).

The negative reviews that expressed by one discontented customer has very big capacity to reach a huge amount of potential customers (Beneke, Mill, Naidoo, & Wickham, 2015). In order to solve their uncertainty toward the products or services, the consumers will seek the information in the websites to fulfill their personal needs. However, when the negative reviews are found during the information searching, this could lead distrust and negative attitude from the consumers (Wang, 2010). The purchase intention would be hard to develop due to the negative word-of-mouth.

**H<sub>0</sub>: To determine whether there is a significant relationship between word-of-mouth and purchase intention in social commerce.**

#### **2.4.2 The Relationship between Subjective Norm and Customer Purchase Intention**

Based on Afendi, Azizan and Darami (2014), their research found that there is a positive relationship between subjective norm and purchase intention. Malaysia is assumed as a country where family members, friends and colleague are individual strong referent point (Afendi, Azizan, & Darami, 2014). Therefore, subjective norm has been assumed as a

powerful factor that could influence or affect the purchase intention of the buyers.

In the study of Aldhmour (2016), it was found that subjective norm had a positive direct impact on intention to use online shopping. The result shown was implied the important role played by friends, family and media in online shopping. These individuals were assumed powerful in reinforcement of openness and engaging in online interactions (Aldhmour, 2016). Therefore subjective norm variable was considered as an influential point in shaping the purchase intention online.

According to Gunawan and Huarng (2015), subjective norm is significant and strongly to affect the behavioural intention. In this research, subjective norm variable was assumed to be influenced by social integration and social influence, however social integration showed a very weak effect on subjective norm and not significant to purchase intention. The credible source and social integration in the form of review transparency leads to users' subjective norm, which is sufficient to achieve good performance on affecting users' purchase intention on social network marketing sites (Gunawan & Huarng, 2015).

In the research of Liat and Wuan (2014), the research was showed the result that subjective norm as the most significant factor on online purchase intention among university students in Malaysia. The opinions of experts and media had become determinants on university students' perspective. The testimonials and comments on the products or services in social commerce sites were searched by buyers to know the collective voice from other people. Sellers also used this method as their promotional tools as they hired people to spread a good comment and testimonial in social media.

Based on the study of Amaro & Duarte (2015), as a general rule, individuals will perceive social pressure to do what their referent perceives

they should do (Ajzen, 1985). However they perceived that subjective norm variable has not performed well in explaining intentions to purchase online based on few historical studies. Therefore instead of subjective norm variable, they chose another form of social commerce as an indicator to determine the online purchase intention, which is communicability.

**H<sub>1</sub>: To determine whether there is a significant relationship between subjective norm and purchase intention in social commerce.**

### **2.4.3 The Relationship between Perceived Risk and Customer Purchase Intention**

Based on a focus group study of Facebook in Thailand found that perceived risk has a significant negative impact towards purchase intention (Leeraphong & Mardjo, 2013). There are two important reasons for counting the perceive risk as one of the variables in this research. First reason is there is no specific policies requirement is required to become a seller in Facebook. Second reason is sellers did not perform as what they have promised to their consumers as there are no consumer protections in social commerce. These eventually lead to a circumstance where the consumers view purchasing through Facebook is consider risky. Therefore, the consumers would not make any purchases through completing the transaction if they perceive the amount of risk associated with a product is too high (Leeraphong & Mardjo, 2013).

As indicated in the literature of Milan, Bebbber, Toni and Eberle (2015), according to Brosdahl and Almousa (2013) perceived risk defined as the probability of the customer who suffers from some kind of financial lost. This financial cost can be caused by additional and future costs from maintenance of the product or the lack of guarantee or replacement with the defective product. Besides, with the perception that the product will

not perform the expected or needed way will causes the customer to suffer loss in relation to the desired benefits, as well as the preoccupation that the credit card information may be used in an unlawfully way and, still, that the customer incurring some control lost in relation to his personal information. Thus, this study upholds the claim that perceived risk will impact a buyer purchase intention.

**H<sub>2</sub>: To determine whether there is a significant relationship between perceived risk and purchase intention in social commerce.**

#### **2.4.4 The Relationship between Trust and Customer Purchase Intention**

People are likely to adopt trust as a method to minimize the social complexity. According to Lu, Fan and Zhou (2015), this is due to the reason of there are no effective rules and regulations against the sellers' opportunistic behaviours in a social commerce environment. A substantial degree of trusting beliefs in sellers' traits of integrity, benevolence and competence is needed by online buyers before making purchase decision. Thus, based on this study there is a significant correlation between trust and buyer purchase intention.

According to Hajli (2015), social technologies' features such as experiences and information of others that posted in communities and forums as well as rating and customer reviews will stimulated the trust. For example, other people are more likely to have a good impression on the seller and possess a high level of trust when a reputable influencer gives a good review and feedback to the seller in community or forum (Lu et al., 2010). Thus, high level of trust is important at influencing the buyer purchase intention.

**H<sub>3</sub>: To determine whether there is a significant relationship between trust and purchase intention in social commerce.**

## **2.5 Conclusion**

The independent variables and dependent variable which involved in this study were defined and investigated the relationship by using several of secondary data. The hypotheses that proposed in previous chapter were supported by the journal from different author. The relationship between the independent variables, which are trust, perceived risk, word of mouth, and subjective norm, and dependent variable, which is consumers' purchase intention in social commerce was clarified in the proposed theoretical framework.

## **CHAPTER 3: METHODOLOGY**

### **3.0 Introduction**

Research methodology is refers to the process that applied to collect relevant data and information for the purpose of understanding the existing issues and solving the problem of research systematically. Under this chapter, different kind of methods can be used by researchers for solving the specific problem. The methodology consists of interviews, publication research, surveys and other research methods. Apart from explaining, describing and forecasting the phenomena, researchers also determining and explaining the channels and procedures that were used to collect the data and information.

The objective of this research study is to identify and determine the factors that effecting consumers' purchase intention in social commerce. Researchers had implemented online survey method by using Google survey form to collect and gather the required information.

Meanwhile, pilot test had been carried out to identify the mistake that could potentially impact the study result before the questionnaire was distributed to an actual sample size of respondents. These potential mistakes that might incurred in the questionnaire which include the mistakes of sentences, phrase, grammar and spelling.

After the data collection through questionnaire, Statistical Package for Social Science (SPSS) has been used to carry out the data analysis. Furthermore, the data collection methods, sampling design, construct measurement, data processing and data analysis were discussed and explained in detail in this chapter.

### **3.1 Research Design**

Research design defined as a blueprint for conducting a study with maximum control over factors that may interfere with the validity of the findings (Burns and Grove, 2003). Parahoo (1997:142) describes a research design as “a plan that describes how, when and where data are to be collected and analysed”. A statement of “Plan your work and work your plan” is quotes by Napoleon Hill. The foundation of the whole research study was developed from research design. So, it is a need for a researcher to create a clear research design. This is due to research design provides a guideline for performing a particular work easily and in a systematic way.

The basic research design that can be applied comprise of qualitative or quantitative or even both. Quantitative business research is focus in addressing the objectives of research through detailed evaluation that consist both numerical measurement and analysis of amount or quantity. In other word, quantitative research uses statistical method which it consists of attached numbers such as percentages, quotas and averages.

While, qualitative business research is refers to business research that addresses business objectives through techniques that allow the researcher to provide elaborate interpretations of phenomena without depending on numerical measurement, its focus is on discovering true inner meanings and new insights. In other word, non-statistical method is used in qualitative research which it do not consists of any attached numbers. Generally, it is used to seek and investigate the why and how of a small group of respondents' decision making.

Quantitative research approach was adopted under this research study. Online survey questionnaires have been distributed to public respondent in order to collect and gather the relevant information and feedbacks for the research study. These retrieved data will be further analyzed through carrying out a sophisticated calculation.



## **3.2 Data Collection Methods**

Data collection is defined as the process of collecting and estimating information from respondents that allows researchers to evaluate the results (Hox and Boeije, 2015). Data collection is important for the researchers to create final fact and statistics through what kind of methods the data can be acquired and what explanations can be developed after acquiring the data. Data can be categorized into two key sources which are primary data and secondary data. Primary data collection is one of the sources of data collection methods that can collect data through interviews, questionnaire surveys and experimentation. Besides, secondary data can be collected from published or unpublished article, journal, online database and book. These two sources of data collection were used in this research study.

### **3.2.1 Primary Data**

According to Hox and Boeije (2015), primary data refers to raw data collected by researcher for a particular research purpose. Basically, the data collection is conducted by researcher and the primary data is used to solve the problem in question. Primary data is different from secondary data where the primary data cannot be found in existing sources such as books, published articles and journals. So, primary data may be collected and acquired through several ways such as in-depth or focus group interviews, surveys and so on.

Survey questionnaire method was adopted and conducted by researchers in this research in order to improve the validity of study. Meanwhile, survey questionnaire via the internet which is Google Form was used to collect and gather the data from respondents. The internet survey is considered a time and cost saving method of data collection than the other survey methods. This is due to most of the web survey hosts provide the features

in analyzing the data for the users who do not have strong statistical skills and any previous surveying experience.

There are 200 sets of survey questionnaire have been distributed through online. The survey questionnaire consists of two sections which are Section A and Section B. In section A, it consists of questions like prior purchase experience and demographic information (age, gender, race). While, section B consists of a list of questions which related to the independent variables (trust, perceived risk, word-of-mouth and subjective norm) and dependent variable (purchase intention) in this study about how these variables will effecting consumers' purchase intention in social commerce. The data gathered from survey questionnaire were tabulated and displayed in a various forms of graphs and charts.

### **3.2.2 Secondary Data**

According to Wiid and Diggines (2010), secondary data refers to the data that collected by researchers from previous research and probably for other purpose. Compared to primary data, secondary data is economical and easier to be obtained as compared to primary data. However, certain information may not qualify or match with the current research and rapidly changing environment as it has been out-dated.

The data used in this research are basically collected from online sources and journal articles from internet, journals, e-books and textbooks. In this research, the main sources of factors effecting consumers' purchase Intention in social commerce in Chapter 2 are secondary data which include journals, articles and online database in order to support the study. Besides, most of the online journals of literature review on Chapter 2 that we extracted and applied are from University Tunku Abdul Rahman (UTAR) Library online database and Google online search engine.

### **3.3 Sampling Design**

Sampling is refers to the process of selecting a subset of individual from a population for the reasons of collecting relevant information and improving the decision making (Saunders, Lewis, & Thornhill, 2009). It also means that sampling design provide a framework for the researchers to collect and gather the information and data from a group of people in the right location and right person. There are five processes involve in the sampling design which are identify the target research, determine the appropriate sampling frame and sampling location, select the sampling elements and determine the sample size.

#### **3.3.1 Target Population**

According to Hair, Wolfinbarger, Money, Samouel and Page (2015), target population is refers to the whole group of individuals or objects that are related to the research study. Based on this research, everyone who with or without any prior purchase experience in social commerce can be our target respondents. This target population is selected as to examine how the factors will affect consumers' purchase intention in social commerce. Besides, there are no restrains on respondents' age, ethnic and gender as long as the respondents can easily access the internet for online purpose.

#### **3.3.2 Sampling Frame and Sampling Location**

Sampling frame defined as a comprehensive list of the elements from which the sample is drawn (Hair et al., 2015). The data was collected through online survey instead of using hand in hand questionnaire. Online survey is conducted by researchers through Google Form in order to reach the respondents efficiently and effectively. The questionnaire will be distributed to 200 respondents who reside in Malaysia. Therefore, the

sampling frame is the individuals who can connect to network and access the internet within Malaysia while the sampling location is Malaysia.

### **3.3.3 Sampling Elements**

The sampling element in this research study is focused on public who have some understanding or previous purchase experiences from online shopping site. The target respondents are working adults, students and online buyer. The target respondents able to provide reliable feedbacks regarding trust towards the seller or platform, different kinds of perceived risks, social pressure, word of mouth that will affect their purchase intention in social commerce. However, public who do not have the chance to access internet are not entitled to participate in this research study.

### **3.3.4 Sampling Technique**

There are two frequently used sampling techniques in research study which are probability sampling and non-probability sampling (Zikmund, Babin, Carr, & Griffin, 2013). Non-probability technique has been adopted under this research study. For non-probability sampling, each individuals from the population is being chosen is considered unknown. According to Burns and Burns (2008), non-probability sampling is considered an inexpensive and faster way to obtain the related information as it easy to carry out and design. Besides, non-probability sampling can be classified into three categories which are judgment sampling, convenience sampling and quota sampling.

Under this non-probability sampling, convenience sampling technique is selected to reach the respondents. Convenience sampling is refers to randomly select a group of people to be the respondents who are around us

(Burns & Burns, 2008). Since everyone regardless the age, gender, ethnics and income earning could be the target respondents for answering the questionnaire, so convenience sampling is used for this research.

### **3.3.5 Sampling Size**

Sample size is the total number of respondents or target to be studied on the research (Malhotra & Peterson, 2006). An appropriate sample size is within 30 to 500 respondents Saiful (2011). Besides, according to Malhotra and Birks (2007), the sample size is not necessary to be large but it must represent most of the characteristic of the components in the target population. Based on Sudiyanti (2009), a 100 of sample size is considered "poor". However, a 200 of sample size is considered "fair" to obtain the reliable correlation coefficients outcomes.

Thus, a total set of 200 questionnaires under this research study were constructed and distributed to the target respondent in order to reach the requirement and better representative of target population. Meanwhile, 30 sets of questionnaire have been distributed for pilot test to improve the quality of the questionnaire and make correction before starting formal survey.

### **3.4 Research Instrument**

A questionnaire which consists of a series of question is used as research instrument in this research study. This questionnaire was distributed to respondents in order to gather the relevant information. The reasons of using questionnaire as it can reach a large number of respondents, cost-saving and time-saving as compared to other methods of data collections (Bailey, 1982).

Before designing the questionnaire, related and relevant literatures have been reviewed to see is there any ready questionnaires that are related to this study. Amendment of the ready questionnaire and structure was made to construct a questionnaire for the study. A fixed-alternative questions was implied which make the questionnaire in systematic way in order to reduce the time consuming.

The questionnaire was classified into two sections, section A and section B. Both sections consist of multiple choice answers that enable the respondent to provide the answers in an efficient way. In order to better understanding our respondents' characteristics and previous purchase experiences, questions are related to demographic profile was set in section A. In section B, the questions are related to the both independent variables and dependent variable of this research. Besides, the question designed for section B is based on the five point Likert Scale rating which help to measure the level of agreement of the respondents.

Before distributing the questionnaire to a large number of respondents which is 200 sample sizes, pilot test has been carries out to identify the mistakes and errors that might occurred in the questionnaire. An approximately 30 sample size of the respondents assisted in answering the questionnaire in order to find out the possible mistake of questionnaire. Amendment of the questionnaire is needed if there is any mistake took place. The collected data from questionnaire will then be tabulated and showed in the diagram and charts. Meanwhile, the collected data was used for further interpreted and analyzed through SPSS Statistic Software.

### 3.5 Construct Measurement

Table 3.1 Construct Measurement

Variables	Items	Sources
Trust	<ol style="list-style-type: none"> <li>1. Products or services purchased through social media site will be trustworthy.</li> <li>2. The seller is reliable.</li> <li>3. Seller is committed to send the product after payment.</li> </ol>	Leeraphong and Mardjo (2013)
Perceived Risk	<ol style="list-style-type: none"> <li>1. Lose money.</li> <li>2. Did not receive goods.</li> <li>3. Afraid of being cheated.</li> <li>4. Online shopping is not safe.</li> <li>5. Product not as expected.</li> <li>6. Difficult to return goods.</li> <li>7. Do not get the right products.</li> <li>8. No warranty.</li> <li>9. Not confident.</li> <li>10. Do not dare to give credit card information.</li> <li>11. Products nearly expired.</li> <li>12. No guarantee.</li> </ol>	Leeraphong and Mardjo (2013)
Word of Mouth	<ol style="list-style-type: none"> <li>1. Can see other people have received the product.</li> <li>2. Can see other peoples' comments about the received product.</li> <li>3. Can see other peoples' comments about the seller.</li> </ol>	Leeraphong and Mardjo (2013)
Subjective Norm	<ol style="list-style-type: none"> <li>1. Most people who are important to me think that I</li> </ol>	Mohamed and Mobasheri (2013)

	<p>should purchase products through social media.</p> <p>2. Close friends and family think it is a good idea to purchase products at social media.</p> <p>3. People whom I listen to could influence me to purchase products at social media.</p>	
Purchase Intention	<p>1. I would purchase products as advertised at social media.</p> <p>2. I would consider purchasing products as advertised at social media in the next three months.</p> <p>3. For my next product purchase, I will buy it through social media.</p>	Mohamed and Mobasheri (2013)

Source: Developed for the Research



## **3.6 Data Processing**

Data processing is the process of manipulating and transforming data into valuable information by documenting the facts and figures for future use. According to Wong et al. (2012), data processing involved data checking, data editing, data coding, data transcribing, and data cleaning.

### **3.6.1 Data Checking**

Based on Malhotra (2006), data checking is the process of checking the completeness and quality of the questionnaires in order to ensure high accuracy of the data. Data checking allows errors and problems to be detected at the earlier stage so that correction can be made instantly. The questionnaires returned from the respondents will be checked to ensure the consistency of the data as well as optimal quality levels.

### **3.6.2 Data Editing**

Once the data checking is done, correction will be made on the errors and problems detected. Data editing is used to avoid incompleteness and inconsistency of responses such as missing data.

### **3.6.3 Data Coding**

After data editing, data coding needs to be conducted for further purpose because the available data is not arranged in a proper order (Puri, 2008). Data coding is converting answers into numerical values and aligned into a certain system. As a result, the data would be more sensible and valuable.

### **3.6.4 Data Transcribing**

After data coding, data transcribing take place where the coded data is transferred from its original state such as questionnaire to another state (Malthorta, 2006). The coded data will then be further processed. In this study, the researchers will use the questionnaires that are transcribed.

### **3.6.5 Data Cleaning**

Based on Chapman (2005), data cleaning is a process used to identify and remove the errors detected in collected data such as inaccurate, incomplete, or omissions and using this information to improve the quality of data. The process is including the format checks, completeness checks, omission checks, and assessment of the data.

### **3.7 Data Analysis**

Data analysis is the way toward creating valuable and critical data for decision making through assessment and interpretation of data. Statistical Package for Social Science (SPSS) software is typical and broadly analyze device which included common analyses such as descriptive data analysis, content analysis and inferential analysis. The results will be created as tables and charts. In this research are using SPSS to analyze the relationship between variables.

#### **3.7.1 Descriptive Analysis**

Descriptive analysis is applied with the aim of describing the key features of the variables (Sekaran & Bougie, 2009). Based on the research, the respondent's demographic data such as gender, race, age and previous purchase experiences in Section A of the questionnaire are represent by both nominal and ordinal data, frequency and percentage. Central tendency such as mean, median, mode and standard deviation is utilized to gauge the measure of disperse or spread on the appropriate response. Hence, the mean and standard deviation are the most valuable engaging measurements for analysts to utilize when deciphering information.

#### **3.7.2 Scale Measurement**

The Scale of measurements is a level of measurement and it is used to measure variables in the study. In the questionnaire, nominal scales, ordinal scales and five point Likert Scale will be used in the scale measurement. The demographic profile of respondent such as age, gender, ethnic and prior purchase experiences in Section A will be using nominal and ordinal scales. However, for the Section B that discussed the variables of this study will be using five point Likert Scale.

### **3.7.3 Inferential Analysis**

According to Zikmund et al (2010), inferential analysis is utilized to sum up from a sample to a population. Pearson Correlation Coefficient Analysis is used in this study to analyzing data.

#### **3.7.3.1 Multiple Regression Analysis**

Multiple regression analysis is a statistical technique which analyzes the linear relationship between a dependent variable (DV) and multiple independent variables (IV) by estimating coefficient for the equation for a straight line (Hair, Money, Samouel, & Page, 2007). Purpose of multiple regressions is to learn more about the relationship between several independent or predictor variables and a dependent variables.

#### **3.7.3.2 Independent Sample T-test**

The independent sample t-test used to test the different between the two independent groups. In this research, the group was using Independent Sample T-test to discover the significance difference between demographic factors (gender, age and prior purchase experience) and dependent variable (purchase intention). If p-value was less than level of significance (0.05), then hypothesis was supported, which mean that there is a significance mean difference between demographic factors and purchase intention.

### **3.8 Conclusion**

As a conclusion, chapter 3 discussed the various research methodologies which comprised of research design, data collection method, sampling design, research instrument, construct instrument, data processing and data analysis in this research project. There are 200 sets of questionnaire was distributed to the targeted respondents and the collected data was analyzed through the Statistical Package for the Social Science (SPSS) software. In the next chapter, a detailed data analysis and interpretation of the hypothesis will be made by the researchers.

## **CHAPTER 4: DATA ANALYSIS**

### **4.0 Introduction**

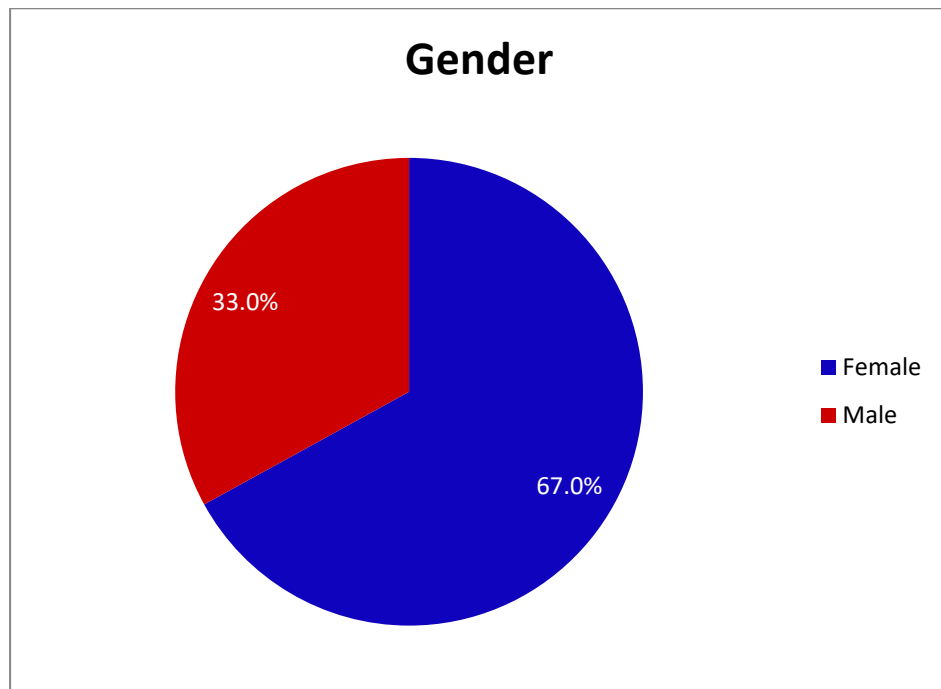
The results of our primary data, survey questionnaire from 200 respondents were analyzed in this chapter. The data collected was analyzed by using SPSS version 21. Chapter 4 was included 3 sections, which were descriptive analysis, scale measurement and inferential analysis.

### **4.1 Descriptive Analysis**

Under this section, the collected data from the survey questionnaire was summarized into the format to show those descriptive information clearly and easier to understand. In order to make a clearer picture, pie chart instrument and table were used in section.

#### **4.1.1 Demographic Respondents Profile**

The demographic information of the respondents was collected in the survey questionnaire. The gender, race, age range, purchase experience and frequency of using social media had been the main concern in the data collection.

Figure 4.1 Gender

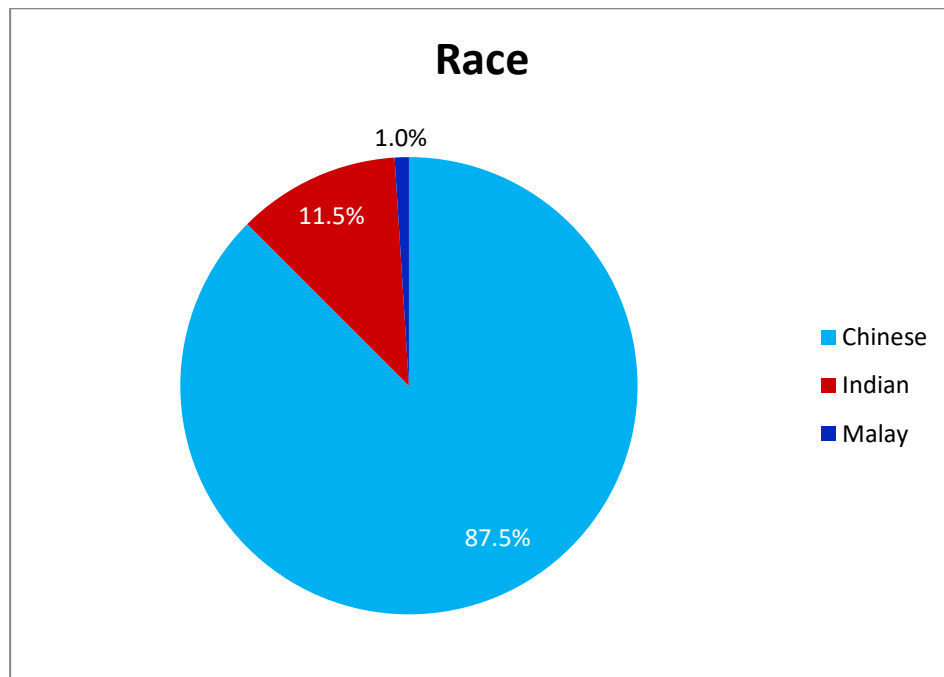
Source: Developed for the Research

Table 4.1 Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	134	67.0	67.0	67.0
	Male	66	33.0	33.0	100.0
	Total	200	100.0	100.0	

Source: Developed for the Research

Figure 4.1 and Table 4.1 were depicted the gender statistics of 200 respondents in the survey questionnaire. Based on the statistics, there were 134 female respondents (67%) and 66 male respondents (33%) consisted during the data collection. Female were the major respondents in the survey.

Figure 4.2 Race

Source: Developed for the Research

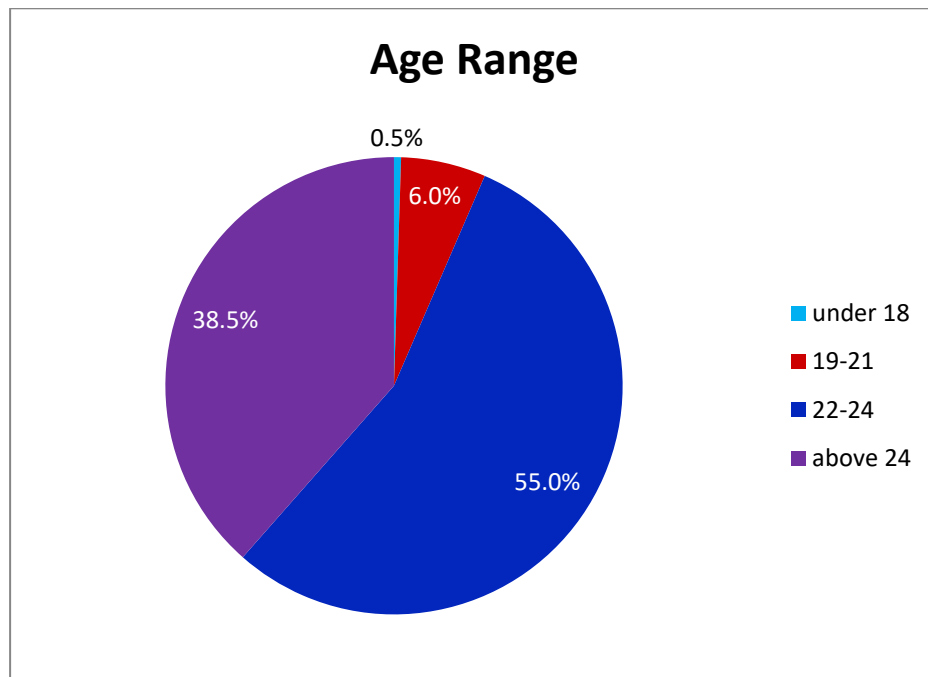
Table 4.2 Race

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Chinese	175	87.5	87.5	87.5
	Indian	23	11.5	11.5	99.0
	Malay	2	1.0	1.0	100.0
	Total	200	100.0	100.0	

Source: Developed for the Research

Based on Figure 4.2 and Table 4.2, the majority of survey respondents were Chinese with frequency of 175 respondents in 87.5%, followed by Indian respondents which were 23 respondents in 11.5% and the last is Malay respondents which were 2 respondents in 1%. There was no other races consisted in the data collection.



Figure 4.3 Age Range

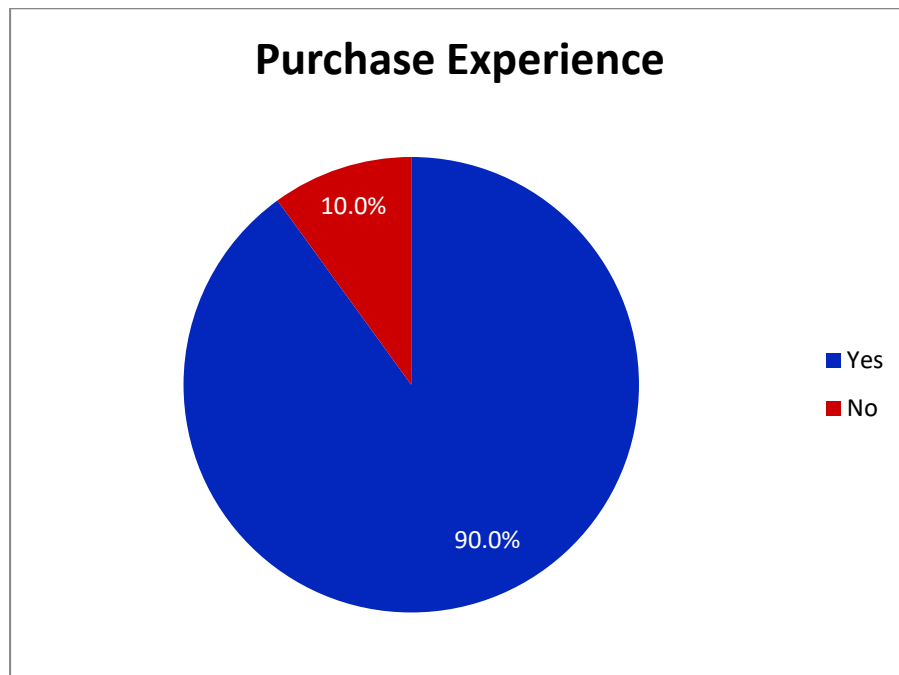
Source: Developed for the Research

Table 4.3 Age Range

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	19-21	12	6.0	6.0	6.0
	22-24	110	55.0	55.0	61.0
	above 24	77	38.5	38.5	99.5
	under 18	1	.5	.5	100.0
Total		200	100.0	100.0	

Source: Developed for the Research

Figure 4.3 and Table 4.3 were depicted the age range of 200 respondents in the survey questionnaire. Based on the statistics, 55% of the respondents were among 22 to 24 years old and the respondents who above 24 years old were constituted 38.5% of the sample. Other than the respondents who 22 years old or above, there were 6% of 200 respondents were in the range of 19 to 21 years old and 0.5% below 18 years old.

Figure 4.4 Purchase Experience

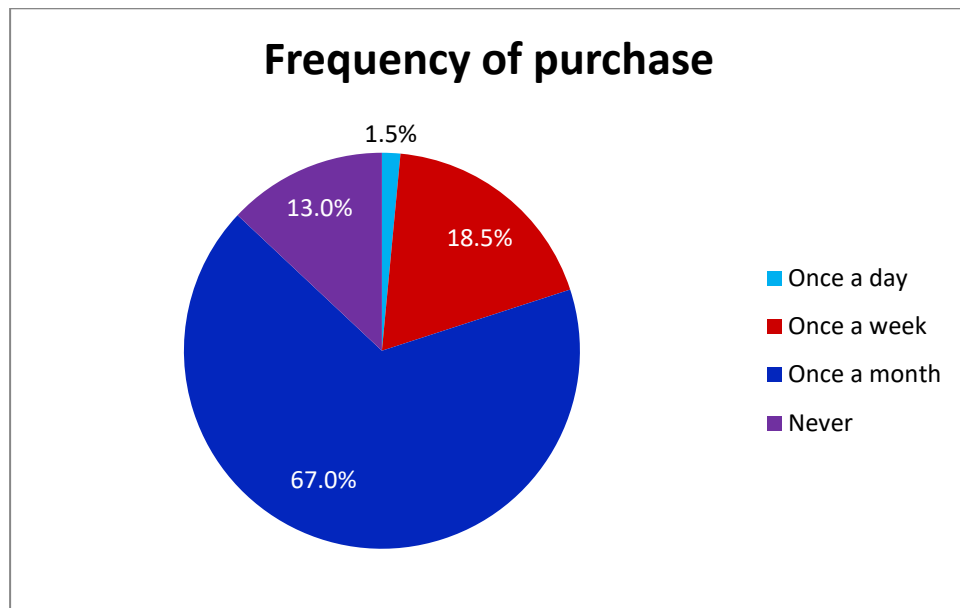
Source: Developed for the Research

Table 4.4 Purchase Experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	20	10.0	10.0	10.0
	Yes	180	90.0	90.0	100.0
	Total	200	100.0	100.0	

Source: Developed for the Research

Among 200 respondents, majority of the respondents been made purchase before from social media site. 180 out of 200 respondents who made the purchase from social media site before were occupied a big portion which were 90%, however the other 20 respondents, who never made the purchase from social media site, were occupied another small portion which was 10%.

Figure 4.5 Frequency of Purchase from Social Media Sites

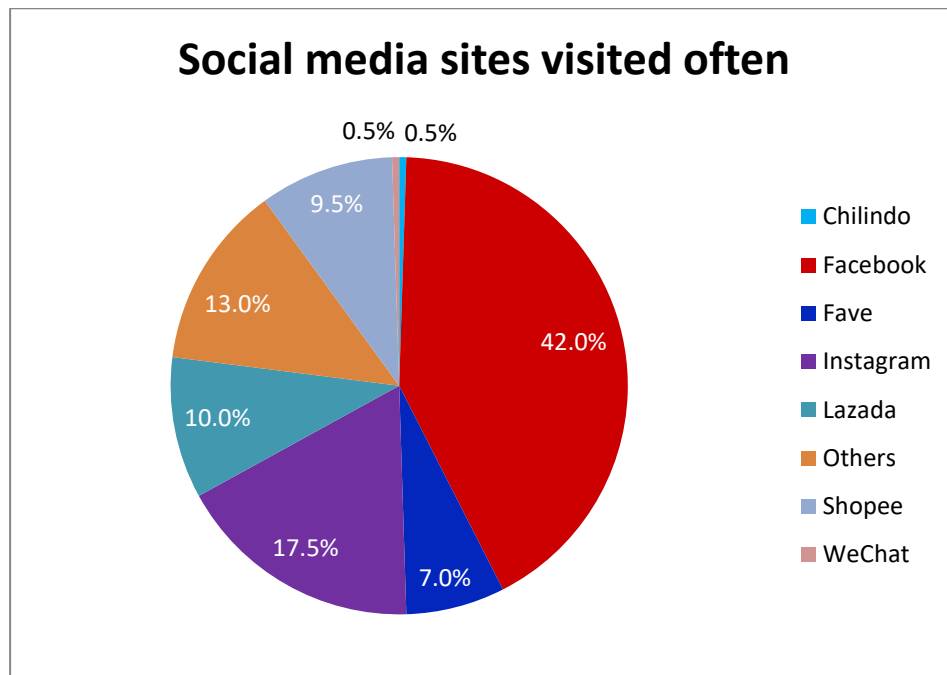
Source: Developed for the Research

Table 4.5 Frequency of Purchase from Social Media Sites

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	26	13.0	13.0	13.0
	Once a day	3	1.5	1.5	14.5
	Once a month	134	67.0	67.0	81.5
	Once a week	37	18.5	18.5	100.0
	Total	200	100.0	100.0	

Source: Developed for the Research

Figure 4.5 and Table 4.5 depicted the purchase frequency of the respondents from social media sites. From the data collected, 67% of the respondents were made the purchase once a month and followed by the frequency that made the purchase from social media sites once a week had occupied a portion of 18.5%. Other than that, there were 13% and 1.5% of the respondents who were never made the purchase from social media sites and once a day respectively. This data collected were presented a result of a quite low purchase frequency from social media sites.

Figure 4.6 Social Media Sites Visited Often

Source: Developed for the Research

Table 4.6 Social media sites visited often

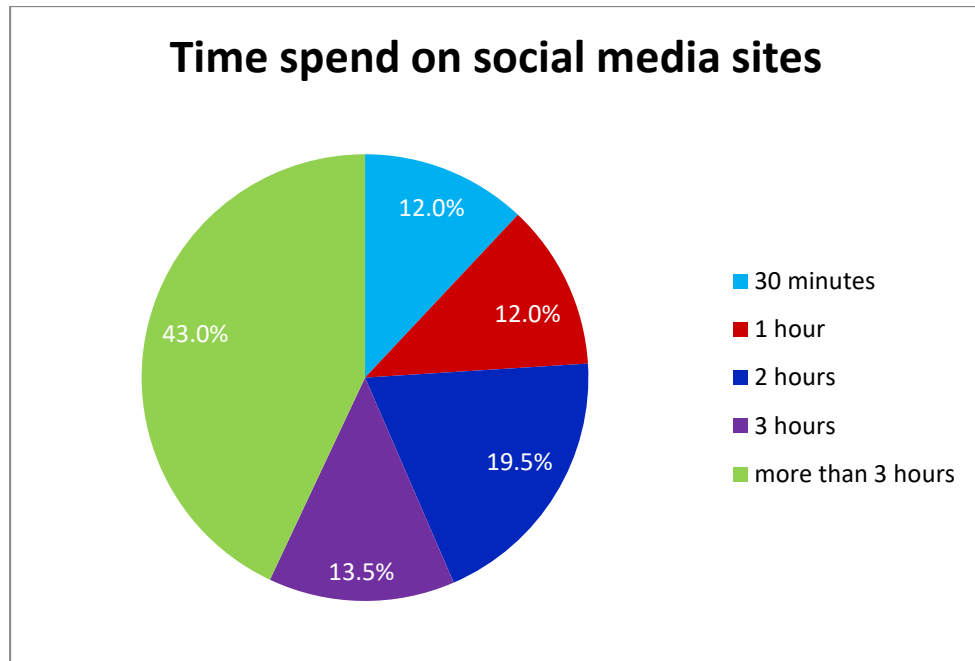
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Chilindo	1	.5	.5	.5
	Facebook	84	42.0	42.0	42.5
	Fave	14	7.0	7.0	49.5
	Instagram	35	17.5	17.5	67.0
	Lazada	20	10.0	10.0	77.0
	Others	26	13.0	13.0	90.0
	Shopee	19	9.5	9.5	99.5
	wechat	1	.5	.5	100.0
	Total	200	100.0	100.0	

Source: Developed for the Research

According to the data collected, Facebook was the social media sites that owned the majority of the respondents, which were 42. Next, there were 17.5% of the respondents were chose to visit Instagram sites often and followed by other sites instead of the social media sites provided. The percentage of the respondents who visited other sites was 13%. The other 10% of those 200 respondents had been chose to visit Lazada site and 9.5%

of the respondents were visited to Shopee site often. Lastly, each 0.5% of the respondents were chose to visit Chilindo site and WeChat site often.

Figure 4.7 Time spend on social media sites



Source: Developed for the Research

Table 4.7 Time spend on social media sites

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1 hour	24	12.0	12.0	12.0
2 hours	39	19.5	19.5	31.5
3 hours	27	13.5	13.5	45.0
30 minutes	24	12.0	12.0	57.0
more than 3 hours	86	43.0	43.0	100.0
Total	200	100.0	100.0	

Source: Developed for the Research

Based on Figure 4.7 and Table 4.7, the majority of the respondents, which were 43%, were spent for more than 3 hours on the social media sites in their daily life. After that, it was followed by 19.5% of the respondents who were spent for 2 hours on the social media sites. Besides there were 13.5% of the respondents were spent their 3 hours on the social media sites

in their daily life. Lastly the statistics was displayed also there were 12% for each of the portion which spent 30 minutes and an hour on the social media sites. This result presented there was a high time spending on the social media among those respondents.

#### 4.1.2 Central Tendencies Measurement of Constructs

Table 4.8 Table of Measurement of Constructs

<b>N= 200</b>	<b>Mean</b>	<b>Median</b>	<b>Standard Deviation</b>	<b>Variance</b>	<b>Range</b>
PI	2.7283	2.6667	.54407	.296	3.00
TR	2.3850	2.0000	.65236	.426	3.33
PR	2.6925	2.6667	.48508	.235	2.92
WOM	2.3817	2.0000	.65773	.433	3.33
SN	3.0083	3.0000	.75572	.571	3.33

Source: Developed for the Research

Where, PI = Purchase Intention

TR = Trust

PR = Perceived Risk

WOM = Word of Mouth

SN = Subjective Norm

Table 4.8 depicted the descriptive statistics based on the variables of purchase intention, trust, perceived risk, word of mouth and subjective norm. Among all of the independent variables, subjective norm was consisted a highest mean which is 3.0083 in the study. However, this variable did not indicated as the most powerful variable due to in this research, the code of 3 was meant to be the neutral number. Therefore subjective norm was act as the least powerful variable. Word of mouth was consisted a lowest mean (2.3817) and this meant based on Table 4.8, it would be the most powerful variable. Next, it was followed by trust and perceived risk, which were consisted mean of 2.3850 and 2.6925 respectively. The closer the mean number to 3, the variable will be less powerful.

## 4.2 Scale Measurement

Under this section, the Cronbach's Alpha test was carried on and reliability for each construct was analyzed. This was aimed to ensure the instrument used was reliable and an appropriate method to be used to test the hypothesis.

### 4.2.1 Reliability Analysis

Table 4.9 Cronbach's Alpha Reliability Test

No	Constructs	Cronbach's Alpha	Number of Item
1	PI	0.879	3
2	TR	0.739	3
3	PR	0.869	12
4	WOM	0.778	3
5	SN	0.763	3

Source: Developed for the Research

Cronbach's Alpha reliability coefficient generally ranges from 0 to 1. The closer the reliability value to 1.0, the greater the internal consistency of the construct. According to George & Mallery (2003), the rules of thumb were presented as the alpha value greater than 0.9 was considered excellent; alpha value in the range of 0.80 to 0.89 was considered good; alpha value in the range of 0.70 to 0.79 was considered acceptable; alpha value in the range of 0.60 to 0.69 was considered questionable; alpha value in the range of 0.50 to 0.59 was considered poor consistency and any alpha value below 0.5 was considered unacceptable. Based on Table 4.9, all of the variables were above 0.7 which were considered acceptable and good. All of the variables were considered reliable.

## 4.3 Inferential Analysis

### 4.3.1 Multiple Regression Analysis

Table 4.10 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.527 <sup>a</sup>	.278	.263	.46709

- a. Predictors: (Constant), Subjective Norm, Word of Mouth, Perceived Risk, Trust
- b. Dependent Variable: Purchase Intention

Source: Developed for the Research

R Square is the proportion of variation in the dependent variable (purchase intention) that is explained by those independent variables (trust, perceived risk, word of mouth, subjective norm). According to Table 4.10, there was 27.8% of variation in the purchase intention that could be explained by those independent variables. It was not considered as a good fit index due to R Square not exceeded 0.5.



Table 4.11 ANOVA

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	16.363	4	4.091	18.750	.000 <sup>b</sup>
	Residual	42.544	195	.218		
	Total	58.906	199			

- a. Dependent Variable: Purchase Intention
- b. Predictors: (Constant), Subjective Norm, Word of Mouth, Perceived Risk, Trust

Source: Developed for the Research

In this study, a 95% confidence interval was fixed in the analysis of ANOVA. Based on the outcome, F-value of 18.750 was presented for the multiple regressions with significant value in 0.000. The 0.000 of significant value was below than the critical value of 0.05, therefore the overall model was concluded statistically significant.

Table 4.12 Summary of Regression Coefficient

Model	Unstandardize d Coefficients		Standardized Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Boun d	Upper Boun d
1 (Constant)	2.877	.282		10.213	.000	2.322	3.433
Trust	2.238	.718	2.683	3.117	.002	.822	3.654
Perceived Risk	-.190	.072	-.170	2.653	.009	-.332	-.049
Word-of-Mouth	1.933	.710	-2.337	2.722	.007	-3.334	-.532
Subjective Norm	-.123	.045	-.171	2.726	.007	-.212	-.034

a. Dependent Variable: Purchase Intention

Source: Developed for the Research

The equation formed below:

$$\text{Purchase Intention} = 2.877 + 2.238 (\text{Trust}) - 0.190 (\text{Perceived Risk}) - 1.933 (\text{Word-of-Mouth}) - 0.123 (\text{Subjective Norm})$$

Based on Table 4.12, the significant values for the independent variables were 0.002, 0.009, 0.007 and 0.007 respectively. All of the significant values were below the critical value of 0.05. This indicated there was a significant relationship existed between all of the independent variables (trust, perceived risk, word of mouth, subjective norm) with dependent variable (purchase intention). According to the equation, purchase intention will increase 2.238 when 1 unit of trust increased. The positive correlation existed between purchase intention with trust and word of

mouth, while negative correlation was existed between purchase intention with perceived risk and subjective norm. The regression coefficient of perceived risk is -0.190 and the regression coefficient of word-of-mouth is -1.933. Purchase intention will decrease 0.123 when there is 1 unit of subjective norm increased.

Table 4.13 Ranking of Standardized Coefficient

<b>Rank</b>	<b>Variables</b>	<b>Standardized Coefficient</b>
1	Trust	2.683
2	Word-of-Mouth	-2.377
3	Subjective Norm	-0.171
4	Perceived Risk	-0.170

Source: Developed for the Research

Table 4.13 was indicated the ranking of standardized coefficient for each variable. Standardized coefficient was mainly used to rank the independent variables as it eliminated the units of measurement of independent variable (Deepanshu, n.d.). The ranking of standardized coefficient was based on the measurement of standard deviation. The closer the standardized coefficient to zero, the variable was considered less powerful. Conversely, when the standardized coefficient has more difference from zero, the variable was considered more powerful. Trust was perceived as the most powerful variable in this study as it is standardized coefficient. A change of 1 unit of standard deviation in trust will caused 2.683 standard deviations change in purchase intention. Moreover the second powerful variable was word-of-mouth. A change of 1 unit of standard deviation in word-of-mouth will lead to a change of 2.377 units of standard deviation in purchase intention. Subjective norm was perceived as the third powerful variable in this study as the standardized coefficient of this variable was -

0.171. Lastly perceived risk was act as the least powerful variable in this study as its standardized coefficient was closest to zero, which is -0.170.

## **4.4 Conclusion**

Under this chapter, the descriptive statistics of the respondents was summarized and their behaviour towards social media sites also been analyzed. The reliability value of each construct was analyzed in order to ensure the reliability and validity of the survey questionnaire. Pearson Correlation analysis and multiple regressions were used to analyze the significance of the relationship and positivity of correlation between independent variables, which were trust, perceived risk, word of mouth and subjective norm, and dependent variable which was purchase intention

## **CHAPTER 5: DISCUSSION, CONCLUSION AND IMPLICATIONS**

### **5.0 Introduction**

Under chapter 5, the analysis from the previous chapter will be summarized and make the conclusion for this overall research. Summary of statistical analysis, major findings, managerial implications, limitation on this research study, recommendations for future research and conclusion will be mentioned in this chapter.

### **5.1 Summary of Statistical Analysis**

#### **5.1.1 Descriptive Analysis**

The survey questionnaire prepared was distributed to 200 respondents through Google form and hardcopy. There were two parts consisted in the questionnaire, the first part was aimed to collect the demographic data and general information towards social media sites from the respondents while the second part was aimed to collect the opinion from respondents towards the variables listed.

#### **5.1.2 Scale Measurement**

Cronbach Alpha's Test was carried out by using SPSS version 21. This test was be used to test the reliability and validity of the survey questionnaire. All of the variables were considered good and acceptable.

The dependent variable, purchase intention had the highest alpha value as 0.879 and it followed by the alpha value of perceived risk which was 0.869. These two independent variables were considered in good category as it was in the range of 0.80 to 0.89. The alpha values of word of mouth, subjective norm and trust were 0.778, 0.763 and 0.739 respectively and these three variables also considered acceptable based on the rule of thumb which mentioned by George and Mallery in year 2003.

### **5.1.3 Inferential Analysis**

In the data analysis multiple regressions test was used to analyze the data collected from 200 respondents. According to the result, all independent variables were considered significant as all of the p-values were below than 0.05. The significant values of trust and perceived risk were 0.002 and 0.009 respectively. Moreover, both of the significant values of word-of-mouth and subjective norm were 0.007.

Based on Table 4.11, the variation of 27.8% in the dependent variable, which is purchase intention, could be explained by independent variables. Based on the outcome of ANOVA, F-value of 18.750 was presented for the multiple regressions with significant value in 0.000. The significant value is 0.000, which is below than the critical value of 0.05, the overall model was concluded statistically significant. The regression model was considered reliable to the independent variables.

Based on the outcome of multiple regressions, the regression equation was formed as  $\text{Purchase Intention} = 2.877 + 2.238 (\text{Trust}) - 0.190 (\text{Perceived Risk}) - 1.933 (\text{Word-of-Mouth}) - 0.123 (\text{Subjective Norm})$ . The regression coefficient of trust was 2.238 and there was a positive relationship between trust and purchase intention. However there was a negative relationship between the other three independent variables and purchase intention as the regression coefficients for these three variables

were negative. Trust was the most powerful variable if other independent variables keep constant when there was a change in trust variable.

By ranking using standardized coefficient, trust variable was considered as the most powerful variable and the second was word-of-mouth. The closer the standardized coefficient to zero, the variable was considered less powerful. The third powerful variable was depicted as subjective norm and the perceived risk variable was least powerful.

## 5.2 Discussion of Major Finding

Table 5.1 Summary of Hypotheses and Results

Hypothesis	Accepted
H <sub>0</sub> : To determine whether there is a significant relationship between word-of-mouth and purchase intention in social commerce.	Yes
H <sub>1</sub> : To determine whether there is a significant relationship between subjective norm and purchase intention in social commerce.	Yes
H <sub>2</sub> : To determine whether there is a significant relationship between perceived risk and purchase intention in social commerce.	Yes
H <sub>3</sub> : To determine whether there is a significant relationship between trust and purchase intention in social commerce.	Yes

Source: Developed for the Research

### 5.2.1 Word-of-Mouth

H<sub>0</sub>: To determine whether there is a significant relationship between word-of-mouth and purchase intention in social commerce.

H<sub>0</sub> is not rejected. Therefore there is a significant relationship between word-of-mouth and purchase intention in social commerce. The significance of the hypothesis was depicted in as the significant values in multiple regressions analysis is 0.007 which below than the critical value of 0.05.

Negative relationship exists between word-of-mouth and purchase intention on social commerce. According to result of multiple regressions, the unstandardized  $\beta$  value of word-of-mouth is -1.933. Online word-of-mouth has a higher complexity if compared to traditional word-of-mouth (Kim & Park, 2013). Word-of-mouth is defined as any kind of comments and statements made based on experiences of customers toward a product or services or the sellers, which is made available to a mass of people and institution using the Internet (Hennig et al., 2004). Negative electronic word-of-mouth is formally defined as negative feedback communicated between people about goods or services and a brand, by being posted and viewed on online forums (Wetzer, 2007).

Based on the study of Beneke, Mill, Naidoo, & Wickham (2015), by viewing the negative review in the complaint websites or user-generated websites from the brand or company, it would causes an effect of discourage the potential customers and decreasing of their potential and future sales. The bad or good reviews obtained from other consumers have become one of the criteria for the customers to consider and develops their purchase intention. Furthermore, in the study, the uncertainty and risk leads to an actively searching for information needed tin internet. A strong negative impact could be happened on the consumers' attitudes toward the



brand due the negative electronic word-of-mouth (Beneke, Mill, Naidoo, & Wickham, 2015).

### **5.2.2 Subjective Norm**

H<sub>1</sub>: To determine whether there is a significant relationship between subjective norm and purchase intention in social commerce.

As the significant value in multiple regressions is 0.007, which below than 0.05, subjective norm variable is considered has a significant relationship with purchase intention in social commerce. Negative relationship is indicated as the unstandardized  $\beta$  value in multiple regressions test is - 0.123.

Subjective norms has been defined as the perceived social force for carrying out a particular behaviour, is a function of referent's beliefs, constituting social pressure placed upon consumers by their families, relatives, or close friends and is considered before an individual performs a behaviour (Ajzen, 1991). A person thinks that he or she "should not" perform these actions or behaviours due to their trust to the referents, is considered their subjective norm is negative (Glanz, Rimer, & Viswanath, 2015).

Based on the study of Amaro & Duarte (2015), as a general rule, individuals will perceive social pressure to do what their referent perceived they should do (Ajzen, 1985). In the research of Liat and Wuan (2014), the research was analyzed subjective norms as the most significant factor on online purchase intention among university students in Malaysia and they make their opinion based on the experts and media. Therefore the negative subjective norm is considered has a negative effect towards purchase intention in social commerce.

### 5.2.3 Perceived Risk

H<sub>2</sub>: To determine whether there is a significant relationship between perceived risk and purchase intention in social commerce.

From the multiple regression analysis showed that there is a significant relationship between perceived risk and purchase intention as the significant value is 0.009 which is lower than  $\alpha = 0.05$ . Thus, H<sub>3</sub> is supported. Meanwhile, it showed a negative relationship between perceived risk and purchase intention as the unstandardized  $\beta$  value of perceived risk in multiple regressions tests is -0.190.

Consumer is more likely to purchase from social commerce if he or she perceives the risk to be considered low (Jarcenpaa, Tractinsky, & Vitale, 2000). According to Pavlou (2003) claims that perceived risk is negatively impact towards purchase intention. In the social commerce context, different kinds of perceived risk may influence the consumer's behavioural control which regards to the degree of consumer feels like involve in an action (Jarvenpaa et al., 2000). For instance, a consumer tend not to make a purchase decision and engage in a transaction if the consumer perceived any losses that might occurred in social commerce.

Perceived risk is influential in interpreting buyers' behaviour as it can motivate buyers to prevent mistakes or errors rather than enlarge the possible losses when making purchasing in social commerce. A buyer who perceives purchase through social commerce as a low risk will be more likely to make a purchase the social commerce platform. There are different kinds of perceived risks which include performance risk, financial risk, social risk and so on (Gunawan & Huarng, 2015). Thus, perceived risk negatively effect the purchase intention in social commerce.

### 5.2.4 Trust

H<sub>3</sub>: To determine whether there is a significant relationship between trust and purchase intention in social commerce.

H<sub>3</sub> hypothesis is supported as the significant value in Pearson correlation and multiple regressions are below than the critical value of 0.05. In Pearson correlation, the significant value was known as 0.000 while in multiple regression, 0.002 of significant value was analyzed. Therefore, there is a significant relationship between trust and purchase intention on social commerce.

There is a positive relationship between trust and purchase intention. It can be observed from the multiple regressions tests where the unstandardized  $\beta$  value of trust is 2.238. According to Jarceapaa, Tractinsky, & Vitale (2000), trust can lead to a positive attitude towards a purchase intention to complete the transaction. At the same time, trust exists to reduce the risk that perceived by the buyers when dealing with sellers in social commerce marketplace. This is due to trust can mitigate the social vulnerability and complexity that a consumer perceived in s-commerce. Therefore, buyer will perform in "trust-related behaviours" such as share their credit card information, contact number or making purchases in social commerce (Lu, Fan, & Zhou, 2015).

Furthermore, based on Hajli, Sims, Zadeh, & Richard (2016) stated that trust in social commerce platform will positively impact the consumers' purchase intention in social commerce. In a situation where the consumers only trust the seller instead of the social commerce platform, the consumers are less likely to engage themselves in the purchase decision with the sellers. They tend to find another ways to make purchase with the sellers rather than through social commerce platform. Benevolence as well as credibility such as integrity and ability of the social commerce platform in giving the prospective result will also positively increase the purchase

intention of consumers in social commerce. As a result, trust can reduce ambiguous and uncertainty of transaction as well as sustain a long term relationship in social commerce sites.

### **5.3 Implication of the Study**

From major findings, trust has demonstrated positive relationship with purchase intention on social commerce; however the other three variables are having negative relationship with purchase intention on social commerce. Under this section, the suggestion is provided to give a few thoughts to the businesses about the variables that could influence the purchase intention on social commerce.

#### **5.3.1 Word of Mouth**

Word-of-mouth has demonstrated negative relationship with purchase intention in social commerce. Social media provided a platform for all kinds of conversation join; this made the difficulty for the businesses to track their negative or detractive reviews (Catherine, n.d.). Negative word-of-mouth can give a negative impact to the purchase intention in social commerce. Especially for the potential consumers, most of the consumers would more prefer to search for the information before they make the purchase. The review from other consumers has become one of the criteria to develop their purchase intention.

Furthermore, they will make the purchase decision based on the reviews and information obtained. Therefore, businesses are advised to put more effort on their reviews tracking activities and develop their word-of-mouth. The developing of the image and reputation should be included in their future development plan to foster the trust and loyalty from the consumers. Once the customers develop their brand loyalty and trust toward the businesses, it can ensure the long term sales and develop potential sales in the future. The activities such as charity also suggested so that they could make their exposure to public with a good image.

### **5.3.2 Subjective Norm**

Subjective norm is a variable that depicted a negative relationship with the purchase intention in social commerce. A person thinks that he or she “should not” perform these actions or behaviours due to their trust to the referents, is considered their subjective norm is negative and vice versa. Furthermore a person who is less motivated to follow the referent’s belief is considered neutral subjective norm (Glanz, Rimer, & Viswanath, 2015). Malaysia is assumed as a country where family members, friends and colleague are individual strong referent point (Afendi, Azizan, & Darami, 2014).

Therefore the negative subjective norm believed by the referents could be very powerful and give negative impact on the social commerce purchase intention. The negative subjective norm from the referents could make a bad image towards the brand or company even though they haven’t experience the product. Therefore the businesses are advised to do the data collection such as survey periodically to find out the perception of the public. A free trial could be given to the people who help to do the data collection. So that they not only listen to the referent’s word but they can have their first-hand experience and make their own opinion on the products or services provided. The businesses also suggested organizing the interaction events for the potential consumers to transmit the information to them and stimulate their interest toward the products or services.

### **5.3.3 Perceived Risk**

Perceived risk is a variable that showed a negative relationship with the purchase intention in social commerce. It is difficult for the consumers to predict the possibility that the sellers will act in an opportunistic behaviour. As a result, consumers can only predict the level of risk under uncertainty situation where the risk estimation will be formed based on the previous purchase experiences and some kind of understanding about the media sites and sellers. Furthermore, if the risk perceived by the consumers were beyond their limit of where they can tolerate, then normally the consumers will choose not to complete the transaction with that respective sellers in social commerce.

The sellers on social commerce are suggested to provide refund, return and warranty policies for any defective product that received by their consumers. Besides, businesses nowadays are recommended to operate its online business in a smooth operation which is developed an automated private message feature for its business purpose. This automated private message feature can make sure the sellers to have a rapid response to their consumers' messages. In addition, since consumers are freely voice out their opinions and know the truth in the social media sites so sellers were required to make sure that their customer service, financial stability and product offering should be easily search by the consumers in a transparent situation. Thus, sellers can fulfill the consumers' requirement by providing a secure, fast response and informative transaction businesses' environment.

### **5.3.4 Trust**

Trust is a variable that having a positive relationship with the purchase intention in social commerce. Trust is exists in a one-to-one relationship between a seller and buyer. There are two types of trusts exist in social media sites which are trust in marketplace and trust in seller. Both of these trusts will encourage the buyer to complete the online transactions. Nowadays, people are strongly rely on internet as they are having high exposure to the digital world. Therefore, sellers use social media sites to do their businesses and make sure the chance of their product exposure to consumers is high. If the social commerce platform that can provide easier access, communication feature and complete information to consumers, it tend to enhance the relationship between the consumers and sellers.

Besides, it is important for the sellers to create trustable information about their product offered. This trustable information is refers to make sure there are no information's mistakes that misleading a product's features for the consumers. Thus, trustable information that provided by the sellers can increase the satisfaction and reliability in social commerce. Furthermore, the sellers are encouraged to hold their responsible to keep promises with their consumers. For instance, make sure to send the product on time, keep the price reasonable and give the discount as what the seller have promised their consumers.



## 5.4 Limitations of the Study

There are few limitations has been identified in this research and it is vital for analysts to pinpoint it out with respect to an affirmation reason to guarantee that it help future reviews.

First of all, the used of non-probability technique which is convenience sampling can be one of the limitations of the study. Researchers that used the convenience sampling had faced the problems like lack of signification of the whole population. Unknown and random proportion of the whole population may be missed out from the sample group. Besides, it is hard to estimate the sampling variability as the researchers select the sample from somewhere that is convenient to their area. As we can see in the questionnaire results, they are lot of students who age from 18 to 25 answered the questionnaire as compare to working person who age above 25.

Furthermore, researchers found that respondent unwilling to provide response for the questionnaire. Besides, some of the respondents do not answering the questionnaire carefully and without clearly understand the question. The respondents tend to ignore the entire questionnaire or may be simply answering the questionnaire without any intention of answer it properly. This situation occurred is due to the used of qualitative method where the questionnaire is distributed to the respondents through online survey instead of done through face-to-face interview or hand-in-hand questionnaire survey method. Researchers do not have the chance to manipulate the situation of being ignorance from online.

Lastly, the time constraint in this research had create some difficulty for researchers in accessing a wider area of respondents such as respondents and related documents which was useful for the study. The time period is considered short which only one long semester and one short semester available for the researchers to conduct this research study. Therefore, the restriction of time may not able to investigate more issues that had been talked about by past research.

## **5.5 Recommendation for Future Research**

Few recommendations are suggested in this research study in order to improve the quality and reliability of the results and also cope with the possible issues or problems.

Firstly, researchers were recommended to use the probability sampling methods for their study. This is to ensure a balance distribution to the target respondents. They are suggested to collect the detailed data and information through narrow down on geographical area, level of income earning and level of education. As a result, the researchers able to obtain a more specific and quality information on that particular group sample.

Secondly, researchers may have to introduce and explain about the research by adopting the mixed method which are quantitative method and qualitative method through face to face interview and hand-in-hand questionnaire method. Further explanation about the research study and questionnaire is important to target respondents as to make sure that they are clearly understanding the objective of the study and giving a more accurate and quality results. At the same time, researchers are allowed to investigate the respondent during face-to-face interview session to ensure that they are in a clear mindset of answering the questionnaire.

Lastly, the number size of respondents can be increased from 200 to 300 people in order to obtain a more accurate and reliable data collection for further research. This is due in recent century, more and more people able to connect to network and access easily to the internet. Besides, a reasonable amount of time is needed to conduct the research as to find out more information and gather the data from a large sample size.

## **5.6 Conclusion**

In a nutshell, the objective of this research has been accomplished by determining the factors that effecting consumers' purchase intention in social commerce. The variables of this study which are trust, perceived risk, word-of-mouth and subjective norm was proved to have a significant effect on the consumers' purchase intention in social commerce. Trust has a positive impact on purchase intention whereas perceived risk, word-of-mouth and subjective norm have a negative impact on purchase intention.

Meanwhile, recommendations on how to solve the limitations of this research study was provided as to enhance the results for future study. The information from this research study can act as a guideline for the other researchers and online sellers to have a sophisticatedly comprehension about the relationship between the factors and consumers' purchase intention in social commerce.

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## Appendix Survey Questionnaire

## Appendix 1.1



A research about factors effecting consumers' purchase intention in social commerce.

Dear all, we are the International Business student at the University Tunku Abdul Rahman. I would be very pleased if you could participate in my survey. The aim of the research is to analyse the factors effecting purchase intention in social commerce. This survey consists of 12 questions and will take approximately 10 minutes to complete. Your participation is completely on voluntarily basis and all the information given will only be used for academic purpose. Thank you for your help.

### Students' Details

- |                   |         |
|-------------------|---------|
| 1) Chin Sok Cheng | 1303753 |
| 2) Foong Poh Mun  | 1102031 |

### **SECTION A**

1. What is your gender?
  - ☐ Female
  - ☐ Male
  
2. What is your race?
  - ☐ Malay
  - ☐ Chinese
  - ☐ Indian



3. How old are you?
  - ☐ under 18
  - ☐ 19-21
  - ☐ 22-24
  - ☐ above 24
4. Do you ever purchase any items from social media site?
  - ☐ Yes
  - ☐ No
5. If you have, how often do you visit those sites to make purchase?
  - ☐ Never
  - ☐ Once a month
  - ☐ Once a week
  - ☐ Once a day
6. Which of the following social commerce sites you visit most often?
  - ☐ Facebook
  - ☐ Instagram
  - ☐ Fave
  - ☐ Lazada
  - ☐ Shopee
  - ☐ Other:
7. How much time do you spend on social media site?
  - ☐ 30 minutes
  - ☐ 1 hour
  - ☐ 2 hours
  - ☐ 3 hours
  - ☐ more than 3 hours

**SECTION B****Trust**

8. Please tick how strongly disagree or agree with each of these statements.

		Strongly Disagree	Disagree	Neither Disagree nor Agree	Agree	Strongly Agree
1)	Products or services purchased through social media site will be trustworthy.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2)	The seller is reliable.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3)	Seller is committed to send the product after payment.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**Perceived Risk**

9. Please indicate your level of agreement with the following aspects about shopping through social media site.

		Strongly Disagree	Agree	Neither Disagree nor Agree	Agree	Strongly Agree
1)	Lose money	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2)	Did not receive	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	goods					
3)	Afraid of being cheated	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
4)	Online shopping is not safe	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
5)	Product not as expected	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
6)	Difficult to return goods	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
7)	Do not get the right products	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
8)	No warranty	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
9)	Not confident	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
10)	Do not dare to give credit card information	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
11)	Products may nearly expired	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
12)	No guarantee	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

### Word of Mouth

10. Please tick how strongly disagree or agree with each of these statements.

		Strongly Disagree	Disagree	Neither Disagree nor Agree	Agree	Strongly Agree
1)	Can see other people have received the product.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2)	Can see other peoples'	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

	comments about the received products.					
3)	Can see other peoples' comments about the seller.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

### Subjective Norm

11. Please tick how strongly disagree or agree with each of these statements.

		Strongly Disagree	Disagree	Neither Disagree nor Agree	Agree	Strongly Agree
1)	Most people who are important to me think that I should purchase products through social media.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2)	Close friends and family think it is a good idea to purchase products at social media.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3)	People whom I listen to could influence me to purchase products at social media.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Purchase Intention

12. Please tick how strongly disagree or agree with each of these statements.

		Strongly Disagree	Disagree	Neither Disagree nor Agree	Agree	Strongly Agree
1)	I would purchase products as advertised at social media.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
2)	I would consider purchasing products as advertised at social media in the next three months.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
3)	For my next product purchase, I will buy it through social media.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Thank you for filling out this questionnaire.

**APPENDIX SPSS Output****Appendix 1.2**Table 4.1 Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Female	134	67.0	67.0	67.0
	Male	66	33.0	33.0	100.0
	Total	200	100.0	100.0	

Table 4.2 Race

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Chinese	175	87.5	87.5	87.5
	Indian	23	11.5	11.5	99.0
	Malay	2	1.0	1.0	100.0
	Total	200	100.0	100.0	

Table 4.3 Age Range

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	19-21	12	6.0	6.0	6.0
	22-24	110	55.0	55.0	61.0
	above 24	77	38.5	38.5	99.5
	under 18	1	.5	.5	100.0
	Total	200	100.0	100.0	

Table 4.4 Purchase Experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	No	20	10.0	10.0	10.0
	Yes	180	90.0	90.0	100.0
	Total	200	100.0	100.0	

Table 4.5 Frequency of Purchase from Social Media Sites

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Never	26	13.0	13.0	13.0
	Once a day	3	1.5	1.5	14.5
	Once a month	134	67.0	67.0	81.5
	Once a week	37	18.5	18.5	100.0
	Total	200	100.0	100.0	

Table 4.6 Social Media Sites Visited Often

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Chilindo	1	.5	.5	.5
	Facebook	84	42.0	42.0	42.5
	Fave	14	7.0	7.0	49.5
	Instagram	35	17.5	17.5	67.0
	Lazada	20	10.0	10.0	77.0
	Others	26	13.0	13.0	90.0
	Shopee	19	9.5	9.5	99.5
	wechat	1	.5	.5	100.0
	Total	200	100.0	100.0	

Table 4.7 Time Spend on Social Media Sites

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1 hour	24	12.0	12.0	12.0
	2 hours	39	19.5	19.5	31.5
	3 hours	27	13.5	13.5	45.0
	30 minutes	24	12.0	12.0	57.0
	more than 3 hours	86	43.0	43.0	100.0
	Total	200	100.0	100.0	

Table 4.8 Table of Measurement of Constructs

N= 200	Mean	Median	Standard Deviation	Variance	Range
PI	2.7283	2.6667	.54407	.296	3.00
TR	2.3850	2.0000	.65236	.426	3.33
PR	2.6925	2.6667	.48508	.235	2.92
WOM	2.3817	2.0000	.65773	.433	3.33
SN	3.0083	3.0000	.75572	.571	3.33

Table 4.9 Cronbach's Alpha Reliability Test

No	Constructs	Cronbach's Alpha	Number of Item
1	PI	0.879	3
2	TR	0.739	3
3	PR	0.869	12
4	WOM	0.778	3
5	SN	0.763	3

Table 4.10 Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.527 <sup>a</sup>	.278	.263	.46709

Table 4.11 ANOVA

Model	Sum of Squares	df	Mean Square	F	Sig.
1 Regression	16.363	4	4.091	18.750	.000 <sup>b</sup>
Residual	42.544	195	.218		
Total	58.906	199			



**Table 4.12 Summary of Regression Coefficient**

Model	Unstandardize d Coefficients		Standardize d Coefficients	t	Sig.	95.0% Confidence Interval for B	
	B	Std. Error	Beta			Lower Boun d	Upper Boun d
1 (Constant)	2.877	.282		10.213	.000	2.322	3.433
Trust	2.238	.718	2.683	3.117	.002	.822	3.654
Perceived Risk	-.190	.072	-.170	-2.653	.009	-.332	-.049
Word-of-Mouth	-1.933	.710	-2.337	-2.722	.007	-3.334	-.532
Subjectiv e Norm	-.123	.045	-.171	-2.726	.007	-.212	-.034

**Table 4.13 Ranking of Standardized Coefficient**

Rank	Variables	Standardized Coefficient
1	Trust	2.683
2	Word-of-Mouth	-2.377
3	Subjective Norm	-0.171
4	Perceived Risk	-0.170

Table 5.1 Summary of Hypotheses & Results

Hypothesis	Accepted
H <sub>0</sub> : To determine whether there is a significant relationship between word-of-mouth and purchase intention in social commerce.	Yes
H <sub>1</sub> : To determine whether there is a significant relationship between subjective norm and purchase intention in social commerce.	Yes
H <sub>2</sub> : To determine whether there is a significant relationship between perceived risk and purchase intention in social commerce.	Yes
H <sub>3</sub> : To determine whether there is a significant relationship between trust and purchase intention in social commerce.	Yes