# DETERMINANTS OF CONSUMERS' CHOICE OF ONLINE MERCHANT

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BY

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- (1) This undergraduate FYP 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 FYP 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 FYP.
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Besides, we also very appreciate to all the respondents who spend their time in helping us to fill up the questionnaire. Even though the questionnaire is complicated for them, but they still help us to complete it honestly and patiently. They also provide us useful information and opinion from the questionnaire and it help us a lot in our research.

Lastly, we would like to appreciate to our family and friends, and also the group member. They are very supportive us when we are conducting the survey especially our friends. They are very nice and willing to guild us when we facing some problem and also will solve it together.

Thank you.

#### **DEDICATION**

#### Dr. Ummu Kolsome

Guilding us without hesitation in this research project .

#### Fitriya Binti Abdul Rahim

Provide useful guideline and giving us clear briefing of this research project.

#### 140 Survey Respondents

Appreciated to all respondents who spend their time to help us complete the questionnaire for this research project.

#### Family and Friends

Family and friends who support us and willing to help us in this research

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#### LIST OF ABBREVIATIONS

EC E-commerce

P Price

SV Sales Volume

STW Stickiness to the website

WQ Website Quality

OF Order Fulfilment

RR Ratings and Reviews

RT Reputation and Trust

SRW Self-reported actual use of website

IWF Intention to use website in the future

SROB Self-reported online buying behaviour

FOB Future online buying behaviour

SPSS Statistical Package of the Social Science

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#### **PREFACE**

Nowadays, online shopping becomes very common in the society. More and more people purchase goods from online and there is no age limit on doing online shopping. In the society, there are many e-commerce website no matter local or foreign website in the market. On top of that, most of the e-commerce website has their own mobile application so that everyone can access the online shopping website easily.

In this study, the main purpose is to find out which factors will influence the consumers' choice of online merchants. This is because every e-commerce website has their own characteristics. For instance, some of the e-commerce website provide a cheaper price and some of the website provide wide range of products. So this is very worth exploring. Throughout this research, we can know what is the factors influence consumers' choice of online and what online shopping marketers can do according to this research.

#### **ABSTRACT**

This research will study about the factors influencing the consumers' choice of online merchants. Price, sales volume, stickiness to the website, website quality, order fulfilment, reputation and trust, ratings and reviews will influence the choice of online merchants. The study will also shows which e-commerce website is the most used by consumers and also which e-commerce website will be the most intended to use by the consumers in the future.

In this study, 140 survey questionnaires was distributed to the respondents in the form of paper and also through online. Convenience and judgement sampling had been used in this research. The Cronbach's Alpha Reliability test will also conducted in this research.

Moreover, the findings, implication and also the limitation of study are discussed in the chapter 5.

## **CHAPTER1: RESEARCH OVERVIEW**

#### 1.0 Introduction

This chapter explain about the overall outline of this research which include the research background, research problem, research objectives and question and also research significance of the study.

# 1.1 Background of the research

Electrical commerce, as known as e-commerce can be defined as performing a business transaction by using internet and website (Hidayanto, Herbowo, &Sucahyo, 2014). E-commerce had been grown to be a part of Malaysia's economic development due to the growing of the internet (Tasin, 2017). According to Li (2014) study, e-commerce has fundamentally changed the business world and consumers shopping and purchasing behaviour. Nowadays, people purchase from the internet has become increasingly common and lead to the share of online shopping has growrapidly (Banas, 2015). For instance, as technology updating everyday, consumer tends to purchase from online rather than using traditional shopping. Some of the reason might be online shopping provide more benefit to customers than traditional shopping. By referring to A.T. Kearney (2015) study, as cited in (Lim, Osman, Salahuddin, Romle, & Abdullah, 2016), retail e-commerce has grown nearly to US\$840 billion in 2014 exceeding the sales of US\$695 billion in the previous year and it was estimated to increase to US\$1506 billion in 2018. This showed that the e-commerce trend in Malaysia is increasing year by year. From the study of Helversen, Abramczuk, Kopeć, &Nielek (2018), older consumers who buy products or services online are increasing but the consumers who dominated in e-commerce are younger age and middle age consumers.

According to Zhuo&Dekang (2015), E-commerce including three basic types which are Business-to-Business (B2B), Business-to-Consumer (B2C) and also Consumer-to-Consumer (C2C). Most of the e-commerce is using B2C and C2C. Business-to-consumer is selling products or services from a merchant to consumer; Consumer-to-consumer is mean by selling products or services from a consumer to another consumer. In all over the world, there are numerous of e-commerce website for online shopping such as Alibaba, Amazon and Groupon etc.



Figure 1.1: Most searched E-Commerce in 2017

Source:Lu, W. T.(n.d.). Ecommerce in Malaysia in 2018: An Overview and How to Get Started in E-commerce in Malaysia. Retrieved from Entrepreneur Campfire: https://www.entrepreneurcampfire.com/ecommerce-malaysia/

For Malaysia based e-commerce website, there are Lazada, Shopee, Zalora, 11Street and so on. The following are the market share of those e-commerce website in Malaysia. From the overview of E-commerce in Malaysia, Lazada is the most searched E-commerce in 2017 and the following are Shopee, Zalora, Lelong.my and also 11Street. By the increase in the number of consumer shopping online, there are some reasons which is, shopping online is convenience, providing a better price, more selection of goods, more information about the product to the customers and so on (Harn, Khatibi, & Ismail, 2006).

<u>Table 1.1: Comparison between the 8 E-commerce websites</u>

E- commerce website	Country	Currency Using	Major Product Category	Language	Mobile Application	Number of Payment method
Lazada	Malaysia	RM	12	EN BM	✓	13
Mudah.my	Malaysia	RM	10	EN	<b>√</b>	Not mention
11street	Malaysia	RM	10	EN	✓	14
Shopee	Malaysia	RM	23	EN BM CN	<b>√</b>	6
Lelong	Malaysia	RM	11	EN	✓	5
Alibaba	China	RMB¥/ RM	12	CN	<b>√</b>	13
Amazon	US	USD/RM	27	EN etc	✓	6
eBay	US	RM	9	EN	<b>√</b>	Not mention

Source: Develop for the research

From Table 1.1, there is a comparison done by the researcher based on the official website of each e-commerce websites. From the table, all the e-commerce website are using RM as their currency. Alibaba and Amazon are using more than one currency which is RMB and USD respectively. For the language used, all the local e-commerce website are using English; Lazada and Shopee have other languages available such as Malay and Chinese. For the foreign website, Alibaba has only one language which is Chinese language and Amazon have more than one language can be chosen. Moreover, all the e-commerce website have its own mobile application.

#### 1.2 Research Problem

As more and more online stores emerged, people have quite many options for purchasing a particular product (Li, 2014). However, some of the consumers still not to choose online shopping as their purchasing method and some of them have their own preference online store.

According to "An Introduction to e-Commerce in Malaysia - ASEAN Business News," (n.d.), it mentioned that in the year 2016, a lack of trust is cited as the main reason for consumer hesitance to use online shopping, which is also highlighted by the desire to pay cash on delivery when purchasing goods online. The Bain research also found that the primary reason for Malaysian consumers' purchasing online is to take advantage of products not available in the local market; interestingly, the price was not listed as a significant influencer.

Thus, the first problem for the consumers not choosing a certain online shopping website is lack of trust. Trust is very important for consumer choosing their preferred website. This is because according to Gefen, Karahanna, and Straub (2003) identified a lack of consumer trust in Internet vendors as a major factor inhibiting online purchases. If the vendor is not trustable for the customer, the customer will not choose that particular website. Besides, Malaysia is listed among one of the countries that have a high-risk for online fraud (Mokhsin, Aziz, Zainol, Humaidi, &Zaini, 2018)

Next, Earlier study by Chen and Wells in the year 1999 (as cited in Kim &Stoel, 2004) mentioned thatcustomers have been frustrated with the quality of the ecommerce website, even though the websites are created by the website consultant but it is ineffective. On top of that, Srinivasan, Anderson, and Ponnavolu (2002) study stated that the ineffective website will lead to the online shopping customer more easier to choose not to visit the site if they can't find the information they needed. Some of the websites are not providing sufficient and useful information and result in the customer abandon the particular website.

Furthermore, since nowadays Malaysia consumer can purchase their product not only in local online shopping websites, but also foreign online shopping website. For instance, the foreign website such as Taobao, Amazon, are the popular foreign website and now it already available for Malaysia consumer to purchase in Malaysia through their website. So, will the consumers still remain the local ecommerce website as their preference or the foreign e-commerce website since there may have the products which not selling in Malaysia. Other than that, the after-sales service such as the return of products, cancel the order will be more difficult to Malaysia consumer since the product needs to deliver back to the home country and need to be delivered to Malaysia. Again and need a longer time. Therefore, customer satisfaction will be affected by a poor delivery system and may lead to losing the customer (Hufford, 2014).

# 1.3 Research Objective

## 1.3.1 General Objective

The main objective of this study is to define and assess the factors that influence the consumers' choice of online merchant. It can be valuable for online merchants and who decide to enter this market to find out the main factor that influences consumers' choose one merchant rather than other merchants.

# 1.3.2 Specific Objective

To determine the significant positive correlation between independent variables (price, sales volume, stickiness to website, website quality, order fulfilment performance, reputation, reviews and ratings) and dependent variables (actual use of e-commerce website and intention to use of e-commerce website in the future).

# 1.4 Research questions

#### The research questions arising from current research topics are:

- 1. How factors (price, sales volume, stickiness to website, website quality, order fulfilment performance, reputation and trust, reviews and ratings) that influence the choice of online merchants are ranked?
- 2. Do factors (price, sales volume, stickiness to website, website quality, order fulfilment performance, reputation, reviews and ratings) that influence the choice online merchants vary across respondents' demographic variables (Gender, job, age, race, education level, household income, marital status and number of children)?
- 3. How respondents perceived their preferred e-commerce website along 7 dimensions (price, sales volume, stickiness to website, website quality, order fulfilment performance, reputation and trust, reviews and ratings)?
- 4. Is there a different between respondent's perception of their preferred website and their ranking of factors most important in choosing their online merchants?
- 5. Is there significant positive correlation between respondent perception of preferred website along 7 dimensions (price, sales volume, stickiness to website, website quality, order fulfilment performance, reputation and trust, reviews and ratings) and their self-reported actual use of e-commerce website?
- 6. Is there significant positive correlation between respondent perceptions preferred website along 7 dimensions (price, sales volume, stickiness to website, website quality, order fulfilment performance, reputation and trust, reviews and ratings) and intention use of e-commerce website in the future?

# 1.5 Hypotheses of the Study

Table 1.2: Hypotheses of the study

H1	There is a significant positive correlation between price and self-
	reported actual use of e-commerce website.
H2	There is a significant positive correlation between price and
	intention use of e-commerce website in the future.
Н3	There is a significant positive correlation between sales volume and
	self-reported actual use of e-commerce website.
H4	There is a significant positive correlation between sales volume and
	intention use of e-commerce website in the future.
Н5	There is a significant positive correlation between stickiness to
	website and self-reported actual use of e-commerce website.
Н6	There is a significant positive correlation between stickiness to
	website and intention use of e-commerce website in the future.
H7	There is a significant positive correlation between website quality
	and self-reported actual use of e-commerce website.
Н8	There is a significant positive correlation between website quality
	and intention use of e-commerce website in the future.
Н9	There is a significant positive correlation between order fulfilment
	performance and self-reported actual use of e-commerce website.
H10	There is a significant positive correlation between order fulfilment
	performance and intention use of e-commerce website in the future.
H11	There is a significant positive correlation between reputation and
	self-reported actual use of e-commerce website.
H12	There is a significant positive correlation between reputation and
	intention use of e-commerce website in the future.
H13	There is a significant positive correlation between reviews and
	ratings and self-reported actual use of e-commerce website.
H14	There is a significant positive correlation between reviews and
	ratings and intention use of e-commerce website in the future.

Source: Developed for the research

# 1.6 Significance of the Study

Today, e-commerce is rapidly growing as a new communication channel which competing with the brick and mortar channel (Kim & Peterson, 2017). Definitely, e-commerce becomes a great demand for the investor to invest in this sector and this cause of the increase of competitors. This is the reason why the researchers conduct this study is for the purpose of understanding the actual buying behaviour as well as the intention of buying online in Malaysia. According to Almousa's study (as cited in Voon, Yee & Lin, 2014), analyze can create an opportunity for online business because it helps them to have a clear understanding of the strength and weakness they faced and further know what is the problems and risk faced influences the consumer choice.

Meanwhile, online marketers able to create the marketing strategies that suit with the preferences of the consumers after identifying and understanding their behaviour (Thangasamy&Patikar, 2014). Furthermore, marketers who currently participate or desire to enter in the online business also can take this opportunity to build their competitive advantage or resolve the issue in order to pursue new customers and retain existing customers. Meet the expectations of customers is important for online retailers to enhance customer loyalty as well as increase or sustain their market shares.

# 1.7 Chapter Layout

In this study, five chapters will include which the first chapter is the introduction to the study that involves the background, problem statement, objectives, questions, hypothesis, the significance of the study and chapter layout.

Next, chapter two will outlines what had learned from previous researchers to the field. It allows the researcher and readers to know and understand the latest information on what others are done to the related topic. Also, this section will include the perceptions of different authors from the previous research findings.

The third chapter is the research methodology which containing research design, data collection, sampling design, research instruments, data and statistical analysis as well as construct measurement. In this chapter, the readers able to evaluate the appropriateness from the method section which provides the details about the experiment of research (Smith & Davis, 2007).

Then, chapter four is the findings of the research which show and discuss the data analysis of the research questionnaire. The results and analysis also will present based on the tables, charts and diagrams. Lastly, chapter five is the final section which includes the overall view of the researcher itself based on the findings of the research.

#### 1.8 Conclusion

Chapter one is the outline which indicates the fundamental foundation of the whole research. This chapter will clearly define research background, problem statement, research objectives, research questions, research hypotheses, and significance of the study as well as each chapter layout.

# **CHAPTER 2: LITERATURE REVIEW**

#### 2.0 Literature Review

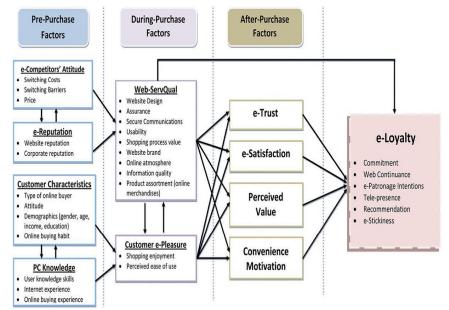
This chapter discusses the previous research done by other researchers. In this chapter, dependent and independent variables will be reviewed based on the model from the relevant past studies. Besides, theoretical and conceptual framework and hypothesis development will be discussed based on the independent and dependent variables.

# 2.1 Underlying Theories

There are two relevant theories that review from the past study which are relating to our topic. The two theories are E-Loyalty Theory and Web Experience Theory. This two theories will be overlapped.

# **2.1.1** E-Loyalty Theory

Figure 2.1 Theoretical Framework



<u>Source:</u>Li, C. (2014). Factors influencing customers 'choices of online merchants,74.

According to Srinivasan et al. (2002), e-loyalty is defined as the customer's favourable attitude towards the e-seller that lead to repeated purchasing behaviour. It is also about the preference of customer and their intention to repurchase from the provider in the future (Sardinha, 2015).

E-loyalty have taken into account many Valvi&Fragkos (2012) defined that the antecedent factors of e-loyalty can be categorized into three categories which are on purchase that including pre-purchase, during-purchase and after-purchase factors.

The studies included the present review have demonstrated some association with these factors. Thus, it is valid to consider a theoretical model under which these are combined and can lead to e-loyalty (Valvi&Fragkos, 2012).

In the category of Pre-purchase factors, there are two major sub-categories which included competitors' attitudes and reputations. The second category is the customers' specific and unchangeable characteristics. This includes the customer characteristics variables such as demographics,

online buying habits, type of online buyer and attitude. Besides, PC knowledge include users knowledge skills, internet experience, and also online buying experience.

In the category of During-purchase factor, based on the figure, Web-ServQual and Customer e-Pleasure are labelled in this factor and appear to be very important.

For the After-purchase factors, Valvi&Fragkos (2012) study mentioned that after-purchase factors include those attitudes and perceptions that follow the purchase of a certain product from an online vendor. The four factors involve trust, satisfaction, perceive value, and convenience motivation.

#### 2.1.2 Web Experience Theory

For the web experience theory, it includes functionality factors, psychological factors and also content factors. Functionality factors including web usability and interactivity. Psychological factors including the transaction security, customer data misuse, guarantee or return policy and so on. Moreover, aesthetics such as the design, presentation quality; marketing mix like product elements, price, promotion are the content factors. These factors will influence the user's web experience (Li, 2014).

#### 2.2 Review of Variables

# 2.2.1 Dependent Variable: Actual buying behaviour of ecommerce website

In the study of He (2004), online shopping also known as online purchasing or online consuming which defined as the customers meet their shopping needs through the internet. Online shoppers tend to find the greatest deal offered from e-commerce websites such as cheaper price, a wide range of product, availability of reviews, free delivery, and other offers. Development of internet and rapid growth of the e-commerce market bring along plenty of research come out to study the factors influencing the consumer online buying behaviour from different perspective. For instance, based on the China study of Li (2014), e-loyalty theory and web experience theory are used to identify and examine the factors that influence the consumer choice of online merchant. While another study in China of Wang (2001) conducted from the perspectives of demographics, characteristics of the consumer, transaction security, and online store owners to analyze the factors affecting customers' online shopping behaviour and to establish an influencing factor model.

In most empirical study, e-shopping behaviour always using measures of frequency, spending, amount of online purchases as measuring of online purchase, as well as the increase or decrease of the purchase intention in the future (Chen et al., 2002; Corbitt, Thanasankit& Yi, 2003) Other than that, Bellman, Lohse& Johnson (1999); Andrade (2000) pointed out that online purchasing was strongly associated with the personal characteristics, the characteristics of vendor /service/ product, quality of website, actual behaviour about online shopping, intention to shop online as well as the decision making of consumer. Generally, the expectations will form by most consumers before they engaging or purchasing through online, thus it is essential to know and understand their perception toward the ecommerce website that they experience before. These expectations can affect the consumer's attitudes and intentions to shop at certain ecommerce website and thus influence their decision making processes and actual buying behaviour.

For the purpose of identifying the differences between the expectation and the perception of the consumer toward their preference e-commerce website, this study examines how the factors are ranked based on consumer expectation of their preferred website and how the factors are ranked based on consumer perception of their preferred website.

# **2.2.2** Dependent Variable: Online shopping intention in the Future

Intention of shop online is categorized by Kwek, Lau & Tan (2010) as a part of the cognitive behaviour of the consumer and in what way the consumer intends to buy a particular online retailer (Jiradilok, Malisuwan, Madan&Sivaraks, 2014). While the study of Pavlou(2003); Iqbal, Rahman &Hunjra(2012) assert that the online purchase intention refers to the consumer's willingness to buy products or services online and involve in the e-commerce transaction which can compare the price offering among different online retailers. Besides, it can also describe as the consumer desire or plan to make actual purchase from the e-commerce website (Chen, Hsu & Lin, 2010).

Previous research stated that online purchase intention reflects a significant indicator to forecast consumer behaviour in the future (Poddar, Donthu& Wei, 2009; Im& Ha, 2011). Recommended by Thamizhvanan& Xavier (2013), online merchant needs to attach importance to the factors that affect the consumer purchase intention for the purpose of increasing the probability of actual purchase in the future. Furthermore, the past purchase experience is related to the online purchase intention of consumer, thus it will influence their perception and decision making on their next purchase from internet (Dellaert&Ruyter, 2004). In addition, Park &Lee's study (as cited in Tasin, 2017) observed that the quality of reviews from online is an important factor to examine with the consumer purchase intentions. Online purchase intention in this study will be defined as the

circumstances that the shopper is willing and want to involve in the ecommerce transaction (Pavlou, 2003).

#### 2.2.3 Independent Variable: Price

Price refers to what is relinquish or sacrifice by the consumer so as to obtain a product (Zeithaml, 1988) and the price as sacrificial indicators is consistent (Monroe & Chapman, 1987; Rao &Monroe, 1989). Besides, price can be categorised in terms of monetary which price is normally linked with money expression while non-monetary terms mention the effort and time spend by purchaser when they look for the product information (Li & Green, 2011; Fernández&Iniesta-Bonillo, 2007). In simple, price refers to the total monetary cost of goods or services purchased by consumers (Dillon &Reif, 2004) In this study, price refers to both monetary and non-monetary that consumer has to sacrificed to gain the goods or services (Zeithaml, 1988; Li & Green, 2011). This definition relevant to recognize the correlation between price and actual buying behaviour as well as the intention of consumer to purchase online.

In the study of Zhao (2015), it had concluded that cheap price is the main reason for consumers to shop online, and a comprehensive and fast speed website able to reduce the time consuming of online shoppers. As such, consumers' life could be easier because online shopping can be anywhere and anytime and don't have to stuck in the traffic jam, search for parking space, as well as wait for a long queue in the store (Childers, Carr, Peck, & Carson, 2001). Moreover, the study of Harn, Khatibi& Ismail (2006) also explained that the reason the consumers want to purchase online is because of online merchants are able to offer low-priced compares to traditional channels. People normally do not want to spend much or expense a lot for any kinds of goods and services. Therefore when there is increasing of consumers' choices via online shopping, consumer tends to compare the

price between online merchants who offer them cheaper price with worthy quality.

In contrast, study of Li & Zhang (1999) said that not all online shoppers are price sensitive for the reason that comparing the price of a certain product across different online merchant will take too much time and the variance between the prices was very insignificant. In line with the study conducted by Rahman (2015) which indicated that the young generation is more emphasize on factors such as convenience and save time and less concern on price. The result shows that there is a low positive correlation between price and the online buying behaviour of the young generation in Malacca.

In some extent, lower price not always is the main concern for the online shopper. Less attention pay by online shoppers on price factor compare with the traditional shopper, in view of the consumer want to meet their needs instead of gain a good deal from online shopping website (Donthu& Garcia's study (as cited in Park, Kim, Funches& Foxx, 2012). The different consumer perception will affect the intention of them to purchase products in the future. Based on the research done by Chi, Chee, Cheng & Von (2014), it demonstrated that price has a positive correlation with online purchase intention but compare with other factors such as convenient, brand name and different category of product, price is the weakest factors that correlated with intention of online buying in website.

Therefore, we propose the following hypothesis

H1: Price has a significant positive correlation with actual use of ecommerce website.

H2: Price has a significant positive correlation with intention use of ecommerce website.

### 2.2.4 Independent Variable: Sales Volume

According to Lee &Hosanagar (2014), sales volume can be defined as the quantity of products purchased or total money spent on the product by consumers. Referred to the study of Li (2014), sales volume of targeted item on each website is one of factor that influences the consumers' choice of online merchants. In the findings of the research, female shoppers perceived sales volume factor to be more important compared to male shoppers. For the reason that female shoppers will more rely on the decision of other consumers as their reference comparing to male shoppers. Thus, online merchants should pay attention to analysing consumers' behaviour to target on right people since customers always an important part in the growth of their business.

According to the research of Dekang (2015), it highlighted consumer would like to make the decision to purchase when the sales rank rising of targeted items in the online website. Especially for the famous types of online goods such as clothes, shoes, bag, and accessories, it will be more trustworthy and useful for consumer at the time they want to make purchase decisions after referring the transaction volume for each good. Consumer tends to follow and believe in the selection of the majority. Furthermore, vast sales volume can be considered a high-quality sign. Meanwhile, high sales volume can help to convince the consumer, and increase their confidence level and trust of their selection that they decide to purchase. In addition, Hui-ying, Qiang& Sharma (2010) found that there is a significant positive effect between past transaction volume and online buying decision of consumer. Conformity with the study of Bonabeau(as cited in Hui-ying et al, 2010), reveal that the total sales volume of product formulate a best sellers list had encouraged consumer to choose the high sales volume product which presented on e-commerce website.

Therefore, we propose the following hypothesis

H3: Sales volume has a significant positive correlation with actual use of e-commerce website.

H4: Sales volume has a significant positive correlation with intention use of e-commerce website.

# 2.2.5 Independent Variable: Stickiness to the online shopping website

Stickiness is the willingness of user to return to and extend his or her period of time to stay on a website (Lin, 2007). Also, website stickiness is a capability to appeal to new users as well as retain the existing users (Zott, Amit Donlevy, 2000; Li, Browne &Wetherbe, 2006), which can be a tool for evaluating and improving retention rates. Although online business was easy to start-up and incur with low cost, but at the same time, it also means there is a high failure rate.

According to the statistics, it shows that the online business has about 90% failure rate in the operation within the first four months. Part of the reason may be that online shoppers can easily switch from one website to another website with just a few clicks (Srinivasan, Anderson&Ponnavolu, 2002). Therefore, it does not effect on consumer side since they no need to pay for searching costs for the information and has low switching costs between website. While on the other hand, there will be a challenge for online business to improve their consumer stickiness to the website (Lin, 2007). Once the stickiness of consumer to a certain website raise, the consumer's willingness to switch from one merchant to another tends to decline.

Unquestionably, a 'good' website will affect the willingness of customer to stick to the particular website (Reichheld&Schefter 2000). In the study of Lin (2007), stickiness play an important role in influencing the consumer's decision to conduct transactions on a website. Besides, according to Liu and Yuan's study(as cited in Lu, Ye & Yan, 2018), reveals that there is a significant correlation between the website stickiness

and the number of purchase from consumer in terms of three parts which is frequency of visit of website, the access duration and the depth of access to the website. As long as the consumer keep visiting, and intend to prolong to stay toward particular e-commerce website, the chance of gain profit will increase (Bhatnagar&Ghose 2004) because the intended use of e-commerce website tends to increase. Similarity, the findings of Lin, Hu, Sheng & Lee (2010), also indicated that there is a positive correlation between the website stickiness and online purchase behaviour. The more the visit of the website, the more the inclined the consumer purchase from the e-commerce website. Nevertheless, the results pointed out that the effectiveness of stickiness in signifying the probability of online purchase may differ based on the product classification.

Therefore, we propose the following hypothesis

H5: Website stickiness has a significant positive correlation with actual use of e-commerce website.

H6: Website stickiness has a significant positive correlation with intention use of e-commerce website.

#### 2.2.6 Independent Variable: Website Quality

Website quality is very important in e-commerce. Website quality including the information given, the design of webpage and so on. According to Li (2014), the elements of website quality including the design of webpage, web usability, information quality, online store atmosphere and so on. Website quality is vital for e-commerce platforms as it will affect consumers' choice when they choosing an online shopping website (Li,2014).

The website needs to provide sufficient information to consumers and this is because making the information promptly available and present obviously is the main point to create a good e-business (Srinivasan,

Anderson&Ponnavolu, 2002). Thus, the design of the website plays a vital role to attract, gain and remain the consumers on their website (Hidayanto, Herbowo, &Sucahyo, 2014). Past research also mentioned that, if the website has a quality web design, it can lead to a successful transaction from consumers and they will revisit the website in the future (Nadiah, 2017). Otherwise, if there is a bad website quality, it will cause the consumers not to visit the website. This is due to the reason that a worse design of the website will make consumers unable to look for the information they need and will cause a poor impression on that website (Li, 2014). Moreover, Sardinha (2015) also stated that web design is related to the first impression that consumer experience and is significant to attract and maintain customers. So, the website which is simple and has enough information are better than a complex web design (Ahmed &Sathish, 2016).

On top of that, the speed of the website is also one of the important elements of website quality. As the switching cost is low, consumers will close the website and switch to another website if the website is loading slowly and slow respond (Li, 2014). The online seller should make sure their online shopping website has a fast and smooth loading and response to attract the consumer to visit their website.

Therefore, we propose the following hypothesis

H7: Website Quality has a significant positive correlation with actual use of e-commerce website.

H8: Website Quality has a significant positive correlation with intention use of e-commerce website.

### 2.2.7 Independent Variable:Order Fulfilment

Fulfilment refers to the ability of the online stores to fulfil customers' order correctly and without mistake, deliver the goods without delay (Lee,

Ariff, Zakuan, Sulaiman, &Saman, 2016). According to Li (2014), order fulfilment including the option of shipment, delivery time, return policy and so on. All of these are after the consumers' purchase of goods from an online store. According to Meng, Zhu, and Meng (2017), the process of fulfilment are categorized into three stages which are order acceptance, order selection and order delivery in online retailing. Since the store is online, all the goods have to deliver to the customer so the order fulfilment is also an important factor that influences the consumers shopping decision.

Since the customers expect online shopping is more convenient and efficient compared with traditional shopping that needs them to walk in to the store and buy goods, if the website cannot make their buying process smooth, the online seller will lose their customers as the poor and late delivery are always reduce the satisfaction of the customers (Li, 2014). Besides, Vasic, Kilibarda, &Kaurin (2018) mentioned that customers wish to receive their order like a promised product, correct quantity, as well as the set delivery time and place from the online seller in a trustworthy and appropriate manner because a trustworthy and on time delivery is the fundamental objective for the online shopper. If the delivery is trustable and timely, it will encourage new order from customers as the online store provides a good delivery system and attract more customers. Oppositely, if the customer is not satisfied with the poor delivery, they can switch to another online shopping website easily (Vasic, Kilibarda, &Kaurin, 2018).

Therefore, we propose the following hypothesis

H9: Order fulfillment has a significant positive correlation with actual use of e-commerce website.

H10: Order fulfillment has a significant positive correlation with intention use of e-commerce website.

#### 2.2.8 Independent Variable: Reputation and Trust

Mayer, Davis and Schoorman's study, (as cited in Mao, 2010) stated that trust refers to "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor, irrespective of the ability to monitor or control that other party". According to Valvi&Fragkos (2012), reputation can be known as the current assessment of a firm as seen by some outer individual or outer group of people. For an online store, the image is very important for them (Ahmed &Sathish, 2016). This is because the customer will visit the website based on its reputation or image in the market. Sevim and Hall (2015) stated that the reputation of the online retailing store has always be utilized as a pointer of customer trust in the company. Therefore, the author of the past research believed that consumer is more willing to trust the company which is more reputable (Mao, 2010).

In order to build customer trust on the online store, it is more difficult than traditional store as the online business might not provide a physical store which can be touched or felt by customers directly (Hidayanto, Herbowo, &Sucahyo, 2014). So, the reputation of a company is very important for the consumer to determine whether this online website is trustable. Therefore, many shoppers make their online shopping decisions by evaluating and differentiate the store's reputation between unfamiliar online stores (Ong & Chan, 2016).

Therefore, we propose the following hypothesis

H11: Reputation and trust has a significant positive correlation with actual use of e-commerce website.

H12: Reputation and trust has a significant positive correlation with intention use of e-commerce website.

#### 2.2.9 Independent Variable: Ratings and Reviews

Ratings and reviews including customer feedbacks, star ratings. According to Li (2014), the ratings give the consumer the overall quality of the product sold on the website and the reviews can provide customer information that they cannot obtain by other ways. Nowadays, the customer feedback not only includes the comment in words, but also the photos taken by the customer (Tan & Hong, 2015). The performance of the online store will be rated or commented by customers after they purchase goods from the online store according to their shopping experience. Tan and Hong (2015) mentioned that feedback from the customer is important for their final decision. Some of the customers will decide which online store to visit depends on the customer reviews from the website.

Nadiah (2017) stated that customer reviews have a significant influence on purchase intention of buying goods from the website. The rating and review of the product or website are done by customers after they use or experience the services given by the online seller. Thus, the rating and reviews can also reflect the overall performance such as service quality of the online seller. If the ratings or review of the store is not good, it will affect the consumers' selection of the vendor. According to Li (2014), ratings and reviews from customers may improve online shopping in many perspectives such as transactional perspective. Online seller will take note the comments or feedback from the customer and improve it. Therefore, Tan and Hong (2015) stated that sales and review have a positive relationship. It means that a good review will increase the sales of the online store.

Therefore, we propose the following hypothesis

H13: Ratings and reviews has a significant positive correlation with actual use of e-commerce website.

H4: Ratings and reviews has a significant positive correlation with intention use of e-commerce website.

## 2.3 Proposed Theoretical framework

The figure below shows the conceptual framework which focuses on seven dimensions of factors that influence consumer choice of online vendor. The seven independent variables include price, sales volume, stickiness to website, website quality, order fulfilment performance, reputation and trust, reviews and ratings. The two dependent variable consists of actual use of e-commerce website and intention use of e-commerce website in the future.

INDEPENDENT VARIABLES DEPENDENT VARIABLES Price H2H1 Sales Volume H3 H4 H5 Actual Use of E- $H^7$ Stickiness to the website commerce website H9.7 Н6 Website Quality H8 Intention of Using Ecommerce website in the H10 Order Fulfillment future #11 Reputation & Trust Æ13 H14 Ratings & Reviews

Figure 2.2: Proposed theoretical framework

Source: Developed for the research

## 2.4 Hypotheses Development

#### 2.4.1 Price and actual use of e-commerce website

Zhao (2015) had concluded that cheap price is the main reason for consumers to shop online, and a comprehensive and fast speed website able to reduce the time consuming of online shoppers. Harn et al. (2006) also explained that the reason the consumers want to purchase online is because of online merchants are able to offer low-priced compares to traditional channels. Therefore, the hypothesis will be assumed as

H1: There is a significant positive correlation between price and self-reported actual use of e-commerce website.

#### 2.4.2 Price and intention use of e-commerce website

According to Chi, Chee, Cheng & Von (2014), it shows that price has a positive correlation with online purchase intention of website. The different consumer perception will affect the intention of them to purchase products in the future. Therefore, the hypothesis will be assumed as

H2: There is a significant positive correlation between price and intention use of e-commerce website in the future.

#### 2.4.3 Sales volume and actual use of e-commerce website

Based on study of Li (2014), sales volume of targeted item on each website is one of factor that influences the consumers' choice of online merchants. Hui-ying, Qiang& Sharma (2010) found that there is a significant positive effect between past transaction volume and online buying decision of consumer. Therefore, the hypothesis will be assumed as

H3: There is a significant positive correlation between sales volume and self-reported actual use of e-commerce website.

#### 2.4.4 Sales volume and intention use of e-commerce website

Dekang (2015) mentioned consumer would like to make the decision to purchase when the sales rank rising of targeted items in the online website. Another study also reveal that the total sales volume of product formulate a best sellers list had encouraged consumer to choose the high sales volume product which presented on e-commerce website based on Bonabeau's study (as cited in Hui-ying et al, 2010). Therefore, the hypothesis will be assumed as

H4: There is a significant positive correlation between sales volume and intention use of e-commerce website in the future.

# 2.4.5 Stickiness to website and actual use of e-commerce website

Once the stickiness of consumer to a certain website raise, the consumer's willingness to switch from one merchant to another tends to decline. Besides, Lin, Hu, Sheng & Lee (2010) also stated that there is a positive correlation between the website stickiness and online purchase behaviour. Therefore, the hypothesis will be assumed as

H5: There is a significant positive correlation between stickiness to website and self-reported actual use of e-commerce website.

# 2.4.6 Stickiness to website and intention use of e-commerce website

When the consumer keep visiting, and they intend to prolong to stay toward particular e-commerce website, the chance of gain profit will increase (Bhatnagar and Ghose 2004) because the intended use of e-commerce website tends to increase. Lin (2007) highlighted that stickiness play an important role in influencing the consumer transaction intention directly. Therefore, the hypothesis will be assumed as

H6: There is a significant positive correlation between stickiness to website and intention use of e-commerce website in the future.

### 2.4.7 Website Quality and actual use of e-commerce website

From the literature review, website quality plays a significant role to gain and retain their customer (Hidayanto, Herbowo, &Sucahyo, 2014). Besides that, poor design and the information of the website will make user have a poor impression of that website (Li,2014). Therefore, the hypothesis will be assumed as

H7: There is a significant positive correlation between website quality and self-reported actual use of e-commerce website.

# 2.4.8 Website Quality and intention to use e-commerce website

Ahmed and Sathish (2016) stated that, website quality have high impact on customers online purchase intention. On top of that, consumers will tend to buy products from an online store if they are satisfied with the information given by the website (Tan & Hong, 2015). In the study of Sardinha (2015), the design of the website should be attractive enough to encourage the consumers to visit the certain website and building relationship. Thus, the hypothesis will be assumed as

H8: There is a significant positive correlation between website quality and intention to use of e-commerce website in the future.

#### 2.4.9 Order fulfilment and actual use of e-commerce website

Order fulfillment including the option of shipment, delivery lead time and flexibility (Li,2014). Other than that, the delivery service of the online shopping website is the most important factor in fulfilling the expectations of online shoppers (Vasic, Kilibarda, &Kaurin, 2018). So, the hypothesis will be assumed as:

H9: There is a significant positive correlation between order fulfilment and self-reported actual use of e-commerce website.

# 2.4.10 Order fulfilment and intention to use e-commerce website

According to the study of Vasic, Kilibarda, &Kaurin (2018), a reliable and on time delivery will encourage new online sales. It means that if the delivery system of the online shopping website is good, it will attract more customers to purchase from that website in the future. Therefore, the hypothesis will be assumed as:

H10: There is a significant positive correlation between order fulfilment and intention to use of e-commerce website in the future.

# 2.4.11 Reputation and trust and actual use of e-commerce website

According to Shergill& Chen (2005) study, researcher state that a consumer's trust in an online store can be thought as they trust the store directly. Consumer will choose that particular store which he or her trust to shop online. Consumer will not purchase from that website which they do not trust (Sardinha, 2015). So, the hypothesis will be assumed as:

H11: There is a significant positive correlation between reputation and trust and self-reported actual use of e-commerce website.

# 2.4.12 Reputation and trust and intention to use e-commerce website

According to the study of Ou, Abratt and Dion in year 2006 (as cited in Ong & Chan, 2016) found that, when the reputation of a store become more favourable, the consumers will have more intention to buy from the store. Besides, the study of Bailey in year 2005 (as cited in Ong & Chan, 2016), online merchant who have higher reputation can be considered as more credible and influence their purchase intention. So, the hypothesis will be assumed as:

H12: There is a significant positive correlation between reputation and trust and intention to use of e-commerce website in the future.

## 2.4.13 Ratings and reviews and actual use of e-commerce website

According to Tan & Hong (2015), the less quantity of feedbacks and also negative feedback will deter consumers from making their buying decision. This is because the feedback from customers play an essential role in

consumers' final decision (Tan & Hong, 2015). Therefore, the hypothesis will be assumed as:

H13: There is a significant positive correlation between ratings and reviews and self-reported actual use of e-commerce website.

# 2.4.14 Ratings and reviews and intention to use e-commerce website

Helversen, Abramczuk, Kopeć, & Nielek (2018) mentioned that, customers ratings and reviews will affect the consumers buying behaviour and also purchase intention. Therefore, the hypothesis will be assumed as:

H14: There is a significant positive correlation between ratings and reviews and intention to use of e-commerce website in the future.

#### 2.5 Conclusion

As a conclusion, this chapter has summarized the reviews from the past studies by the researchers. Besides, researchers have also created a proposed theoretical framework by referring the past studies. Moreover, the hypotheses are also created based on the literature reviews.

### **CHAPTER 3: METHODOLOGY**

#### 3.0 Introduction

Chapter 3 will describe about the research methodology that use in the study which includes research design, data collection, sampling design, instrument of research, construct statistical models, questionnaire design, pilot test and lastly analysis method.

### 3.1 Research Design

According to Saunders, Lewis and Thornhill (2009), research design will be the overall plan of how to answer the research question in the study. Therefore, it is important to define the research question clearly with containing of clear objectives which derived from the research question, ethical problems, specify the resources from the data that intend to collect, consider the limitations such as time, location, accessible of data and money. In order to achieve the final goal which provide useful and accurate information to related parties to resolve their current issues or precaution of issues that may happened in the future.

Quantitative research was conducted in this research which the data collected must be unbiased, measurable, as well as statistically valid (Anderson, 2006). Besides, descriptive research and explanatory research will used in our study to obtain the results of the study. According to Saunders et al. (2009), descriptive research use to identify and portray the variability of different situation or phenomenon. Conversely, an explanatory or analytical study will use to inspect and explain the relationships between variables, especially in the case of cause and-effect relationships (Saunders et al., 2009). In summary, descriptive study will

used to explain the characteristics of the population while explanatory research is focusing on the study of variable that influence the consumers' choice of choosing an online merchants and also what they actually buy online and want to buy which kind of product online in the future.

### 3.2 Sampling Design

#### 3.2.1 Target Population

According to the objectives of the research project, target population is defined as a group of people where researcher is interested in analyzing to get useful and accurate information. The target population of this research consists of variety of people that have online shopping experience in Malaysia. This study amounted of 140 sets of questionnaire survey and questionnaire are distributed to Malaysian. The respondents of this study includes of different age, different gender, different races which provide additional information for online retailer to understand the preference of different kind of people.

### 3.2.2 Sampling Frame and Sampling Location

According to Turner (2003), sampling frame is a set source material set from which the selected sample been choose as the researcher target population that included in the survey. In this study, the target population consists of 140 Malaysian with online shopping experience. The questionnaire are randomly distributed through social media, messaging app such as Whatsapp and Wechat as well as send the questionnaire by hand. Most of the respondents that been involved in this study are UTAR students and staffs in Sungai Long Campus, followed by friends and others

respondents from different states in Malaysia such as Selangor, Pulau Penang, Johor and so forth.

#### 3.2.3 Sampling Elements

The respondents of this study were the variety of people in Malaysia who had online purchase experience at e-commerce website. Questionnaires will only distributed to online shopper because they play an important role to provide their opinion and evaluation that bring a significant growth in online shopping.

#### 3.2.4 Sampling Technique

Based on Etikan, Musa &Alkassim (2016), convenience sampling is a method that is affordable, easy and the subjects are easy to obtain for researcher. Therefore, convenience sampling is selected for this study which is a type of nonprobability sampling or nonrandom sampling technique. However, convenient sampling is not adequate for this study because the target population include of variety of races, age, status of respondents. Thus, judgment sampling being selected as Tongco (2007) stated that judgement sampling technique will used by the researcher to choose the informant due to the qualities that the informant possesses. Also, Bernard, Lewis & Sheppard's study(as cited in Tongco, 2007) mentioned that judgement sampling help the researcher to decide what needs to be known and looking for someone who can and who are willing to provide their information based on their experience or knowledge. Therefore, judgement sampling also being selected for this study in order to capture different kind of Malaysian who have online shopping experience.

#### 3.2.5 Sampling Size

According to Roscoe (1975) proposed the rule of thumb for determining the relevant sample which suggest that the relevant sample size is within 30 to 500 of respondents for most research. Besides, Creswell (2012) also pointed out that minimum sample sizes of 30 are recommended for the correlational research designs. Therefore, a total of 140 questionnaires were distributed among the online shopper in Malaysia. Respondents were instructed to answer the questions based on their online shopping experience and give their opinion and evaluation about their preference websites. Besides, a total of 30 pilot test samples will be conducted before the actual survey to test the reliability and accuracy of the research question.

#### 3.3 Data Collection Method

According to Zikmund et al (2013), data collection is an important process when doing a research project. This is because the data that collected is to determine how successful of a research project.

#### 3.3.1 Primary Data

Primary data is defined as the first hand data that gathered by the researcher (Ajayi, 2017). The source to collect primary data can be done through survey, observation, experiments, questionnaire, interview and so on. The primary data that used in this research is distribute the questionnaire to the relevant respondent because it is more accurate and reliable (Ajayi, 2017).

#### 3.3.2 Secondary Data

According to Ajayi (2017), secondary data is defined as the data collected by someone else earlier. The examples of secondary data are those publications, website, books, journals articles, internal records and so on. The secondary data is use to support the statement in the literature review part. Therefore, the secondary data that researchers use are those journal articles, and online resource. The example of the online resource including UTAR library database, research gate, Emerald Insights, ScienceDirect, Google Scholar and so on.

#### 3.4 Research Instrument

### 3.4.1 Questionnaire Survey

A self-administered questionnaire (SAQ) is a common way in doing the research study and it will be selected to use in this study. It is a set of questions that designed to obtain the primary source data (Zikmund, 2003; Saunders et al., 2009). The data that obtained from the questionnaire is to use on the descriptive analysis and explanatory research. Researchers distributed 140 sets of questionnaire through google form, and also printed out the questionnaire for distribution.

#### 3.4.2 Questionnaire Design

The sequence of the questionnaire is clear, and also using simple terms. This is due to the reason that the researcher need to prevent the respondent not understand the question when they are doing the survey. Thus,

according to Roopa& Rani (2012), the terms and words using in the questionnaire survey is very important in delivering the meaning to the respondent and ensuring they are able to understand and answer the question.

There are 3 sections in the questionnaire which are Section A, Section B and Section C. Section A is asking about the respondents' demographic information; Section B is included the two dependent variables (Self reported actual use f E-commerce website and Intention of using E-commerce website in the future); Section C including the 7 independent variables (Price, Sales Volume, Stickiness to the website, website quality, order fulfillment,reputation and trust, ratings and reviews). The number of the question is not fixed but each variable have at least 3 questions.

#### 3.4.3 Pilot Test

Pilot test is conducted before a complete survey to test the effectiveness of the research methodology (Roopa& Rani, 2012). Doing a pilot test can make the research project become more reliable and trustworthy. A number of 30 samples of pilot test were conducted before the questionnaire distributed out formally. The purpose of the pilot test is to identify if there are any unclear part that makes respondent confuse.

The feedback of the respondents are the questionnaire is too long and not so user friendly. Therefore, researchers make some adjustment by removing the two of the questions from demographic section. However, researchers choose to remain the other part of the questionnaire because the question is considered important to the researcher to conduct the research. The reliability test will be performed using the SPSS version 21. Sekaran and Bougie (2010) mentioned that if the Cronbach;s Alpha value is less than 0.60, it is considered as poor; if the value is in the range above 0.60 and 0.70, it is in the acceptable level; if the value is greater than 0.80,

means it is considered as good correlation. According to Ghozali (2006), the test would be deemed as reliable and valid if the Cronbach's Alpha value is 0.60 and above.

Table 3.1: Reliability test (Cronbach's alpha n=30)

Variables	No. of items	Cronbach's Alpha
Actual use of website	8	0.707
Intention use of website	8	0.810
Price	4	0.906
Sales Volume	3	0.896
Stickiness	4	0.829
Website Quality	5	0.881
Order Fulfillment	5	0.808
Reputation and trust	5	0.902
Ratings and review	3	0.852

Source: Developed for the research

The Cronbach's Alpha ranging in value from 0 to 1 can be analysed. According to Ghozali (2006), the variables would be considered as reliable and valid when the result of Cronbach's Alpha indicated the value of 0.6 and above. From the Table 3.1 show that all the 9 variables' value are above 0.6. Based on the table above, the variable with highest alpha value is price which scored 0.906, followed by reputation and trust, sales volume, website quality, ratings and review, stickiness, intention use of website,

orderfulfillment, lastly is actual use of website which the value of Cronbach's Alpha are 0.902,0.896,0.881,0.852,0.829,0.810,0.808 and 0.707 respectively.

All Dependent variables(self-reported actual use of website, intention use of website) and independent variables (price, sales volume, stickiness, website quality, order fulfilment, reputation and trust, ratings and review) have strong coefficients. In nutshell, the reliability of all variables is considered as reliable and valid because their Cronbach's alpha values are above 0.6.

## 3.5 Proposed Data Analysis Tool

For the data analysing, researchers are using Statistical Package for Society Science (SPSS) Version 21.0. Descriptive analysis, scale measurement, Pearson Correlation, and also T-test will be presented in order to find out the relationship between the independent variables and dependent variables.

#### 3.5.1 Descriptive analysis

The purpose of the descriptive analysis is to analyse the demographic information of the respondent. Descriptive analysis is use to the mean, frequency and also its percentage (Sekaran&Bougie, 2013). Besides that, the descriptive analysis can be summarized into a form of table, bar chart, and also pie chart to make it more understandable.

#### 3.5.2 Pilot test reliability

In this research, reliability test will be conducted. The reason of using this is to identify which factors are positively correlated to one another (Sekaran&Bougie, 2013). According to the study of Zikmund, Babn, Carr & Griffin (2013), if the Cronbach's Alpha value is between 0.80 and 0.95, the internal consistency can be known as have a very good reliability. If the value is between 0.70 and 0.80, there is a good reliability. If the value is between 0.60 and 0.70, there is a fair reliability and if the value is below 0.60, there is a poor reliability.

#### 3.5.3 Inferential analysis

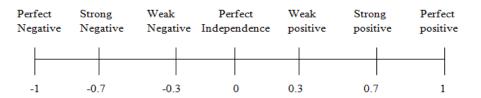
#### 3.5.3.1 Independent Sample T-test

The independent T-test is to test is to evaluate the difference between the means of two independent or unrelated group to see whether there are significantly different from each other (Howell, 2007). In this study, independent T-test is to evaluate whether the gender, race, job, age, income, marital status, number of children, education level have significant influence on the factors (reputation and trust, ratings and reviews, price, number of items sold, stickiness to the website, website quality and also order fulfilment).

#### 3.5.3.2 Pearson Correlation Analysis

According to (Gogtay&Thatte, 2017), correlation is to indicate the association and relationship between two or more variables. In the end result of the analysis, if the value of correlation coefficient is +1, means that the variables are perfectly related and have positive correlation; if the value is -1, means that there are perfectly related but have negative correlation; if the value is zero means that there is no relationship between the variables (Gogtay&Thatte, 2017).

Figure 3.1: Values of Pearson Correlation Coefficient



Sources adapted from: Adapted from Saunders, M., Lewis, P., &Thornhill, A. (2009). *Research methods for business students* (5th ed.). Prentice Hall: Financial Times.

### 3.6 Constructs Measurement

### 3.6.1 Origin and Measure of the Construct

Table 3.2: Origin of Constructs

Construct	Measurement Items	Sources (Adopted/ Adapted from)
Price	<ol> <li>The price of online products on my preferred e-commerce website is lower than the average market price for similar products sold at other e-commerce websites.</li> <li>I think the price of the products on my preferred e-commerce website is reasonable.</li> </ol>	Man (2012)
	3. The price of online products on my preferred e-commerce website, is	

	acceptable to ma	
	acceptable to me.	
	4. Shopping online using my preferred e-commerce website would allow me to get better prices.	
Number of items sold on e-commerce website	The number of sales'     volume of a product I want     to buy on my preferred e-     commerce website is good.	Hong, (2015);Li, (2014);Li, Qiang& Sharma (2010)
(sales volume on e- commerce)	2. My preferred e-commerce website allows me to compare the sales volume of a particular product I want to buy across different online sellers (e.g. those online sellers who sell their products on my preferred e-commerce website).	
	3. My preferred e-commerce website displays the transaction's sales volume of a product I want to buy.	
Stickiness to the website	I would stay a longer time on my preferred e- commerce online shopping website rather than other websites.	Lin (2007).
	2. I intend to prolong my staying on my preferred e-commerce online shopping website.	
	3. I would visit my preferred e- commerce online shopping website as often as I can.	
	4. I intend try to link to my preferred e-commerce online shopping website every time I am online.	
Website quality	My preferred e-commerce online shopping website provides accurate and up to date information about the products I want to buy.	Hidayanto, Herbowo, Budi and Sucahyo(2014)

	<ol> <li>My preferred e-commerce online shopping website provides useful and reliable information for me.</li> <li>My preferred e-commerce online shopping website provides sufficient information for me to make a transaction.</li> <li>My preferred e-commerce online shopping website has an interesting web design.</li> </ol>	
	5. My preferred e-commerce online shopping website is easy to use and helps me to find the information I am looking for.	
Order fulfilment of website	The vendor on my preferred e-commerce online shopping website can deliver the product as per commitment after receiving my orders.	Vaghela (2017);Rahman and Han (2011);NagentharaPoobathy s/o Purosothuman(2005)
	2. The vendor on my preferred e-commerce online shopping website makes it convenient for me to <b>return</b> the product after having received the product.	
	3. I can cancel my orders easily when I do online shopping, on my preferred e-commerce online shopping website.	
	4. I can know when products will be delivered, or when services will be performed, when I do online shopping on my preferred e-commerce online shopping website.	

	5. My preferred e-commerce online shopping website has a good logistic and distribution system.	
Reputation & Trust of website	* =	Sevim and Eroğlu Hall (2014); Mao and Major(2010)
	2. My preferred e-commerce online shopping website has a good reputation.	
	3. My preferred e-commerce online shopping website provides information that I can believe.	
	4. My preferred e-commerce online shopping website can be trusted in its dealings with me.	
	5. My preferred e-commerce online shopping website is well known.	
Ratings and review of the website	online shopping website, has (	(Vaghela, 2017); (Lackermair, Kailer, &Kanmaz, 2013);(Sultan & Uddin, 2011)
	2. My preferred e-commerce online shopping website has received positive reviews of its products from consumers.	
	3. The previous users of my preferred e-commerce online shopping website provided positive feedback.	

### 3.7 Conclusion

In chapter 3, the researchers has describe the methodologies of the research such as the research design, sampling design, data collection methods, proposed data analysis tool that applied in this research. Researchers will process the data through survey questionnaire from target respondents and further explain the data on next chapter.

### **CHAPTER 4: DATA ANALYSIS**

#### 4.0 Introduction

This chapter discusses about the data obtained from the questionnaire which distributed to the respondent earlier. Statistical Package for Society Science (SPSS) Version 21.0 used to analyze the data collected from target respondents who are Malaysian that have online shopping experience. In this chapter, descriptive analysis, inferential analysis, Pearson Correlation and also scale measurement are included.

## **4.1 Descriptive Analysis**

A number of 140 respondents participated in this questionnaire survey. For the descriptive analysis, the demographic profile (gender, age, race, income, education, marital status, job, number of children) of the respondents will be presented and analyzed.

# **4.1.1** Summary of all the demographic information of target respondents

Table 4.1: Frequency distribution analysis (n=140)

Demographic	Groups	Frequency	Percentage	Valid	Cumulativ
information				Percent	e Percent
Gender	Male	49	35.0	35.0	35.0
	Female	91	65.0	65.0	100.0
Job	Private sector	35	25.0	25.0	25.0
	employee				
	Public sector	11	7.9	7.9	32.9
	employee				
	Self-	10	7.1	7.1	40.0
	employed				
	Retired	7	5.0	5.0	45.0
	Student	74	52.9	52.9	97.9
	Unemployed	3	2.1	2.1	100.0
Age	Below 20	4	2.9	2.9	2.9
	years old		2.7	2.7	2.7
	20-25 years	90	64.3	64.3	67.1
	old	70	04.3	07.5	07.1
	26-30 years	14	10.0	10.0	77.1
	old	17	10.0	10.0	, , , , 1
	31-35 years	16	11.4	11.4	88.6
	old	10	11.1	11.1	00.0
	36-40 years	8	5.7	5.7	94.3
	old		5.7		,s
	Above 40	8	5.7	5.7	100.0
	years old		5.7		100.0
Race	Chinese	77	55.0	55.0	55.0
	Malay	30	21.4	21.4	76.4
	Indian	31	22.1	22.1	98.6
	Other	2	1.4	1.4	100
Education	Secondary	18	12.9	12.9	12.9
	school and				
	below				
	Diploma/Fou	38	27.1	27.1	40
	ndation				
	Bachelor	79	56.4	56.4	96.4
	Degree				
	Master	5	3.6	3.6	100
	Degree/ PHD				
Income	Below	67	47.9	47.9	47.9
	RM2000				
	RM2000 to	28	20.0	20.0	67.9
	RM2999	Page <b>46</b> of <b>1</b>	23		

	RM3000 to	24	17.1	17.1	85.0
	RM3999 RM4000 and	21	15.0	15.0	100.0
	above				
Marital	Married	24	17.1	17.1	17.1
Status	Single	114	81.4	81.4	98.6
	Others	2	1.4	1.4	100
No. of	None	117	83.6	83.6	83.6
children	1-2	15	10.7	10.7	94.3
	3-4	6	4.3	4.3	98.6
	More than 4	2	1.4	1.4	100

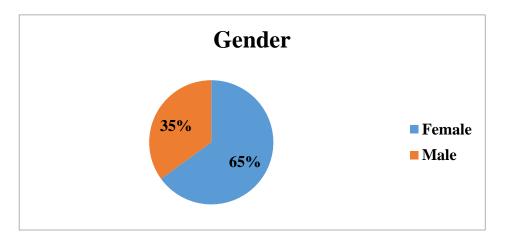
Table 4.1 shows the original summary of all demographic information. Reclassification of demographic information will be done to examine the result of t-test. The result below will use the data had been categorize.

## 4.1.2 Frequency of Target Respondents Based on Gender

<u>Table 4.2: Gender (n=140)</u>

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	49	35.0	35.0	35.0
	Female	91	65.0	65.0	100.0
	Total	140	100.0	100.0	

Figure 4.1: Gender



The results in the table 4.2 showed that 35% of the respondents are male while 65% of the respondents are female.

## 4.1.3 Frequency of Target Respondents Based on their job

Table 4.3: Job (n=140)

		Frequency	Percent	Valid	Cumulative
				Percent	Percent
Valid	Employed	56	40.0	40.0	40.0
	Unemployed	84	60.0	60.0	100.0
	Total	140	100.0	100.0	

Job

70
60
60
40%
40
30
20
10
0
Employed Unemployed
Unemployed
Unemployed

Figure 4.2: Job

Based on the respondents' job group, majority of the 84 respondents (60%) are unemployed which the groups include students, who are retired and unemployed. Followed by the 56 respondents (40%) that are employed which total of respondents who are private sector employee, public sector employee, and self-employed.

## 4.1.4 Frequency of Target Respondents Based on their Age

Table 4.4: Age (n=140)

		Frequency	Percent	Valid	Cumulative
				Percent	Percent
Valid	25 years old	94	67.1	67.1	67.1
	&Below				
	26 years old	46	32.9	32.9	100.0
	&Above				
	Total	140	100.0	100.0	

Figure 4.3:Age

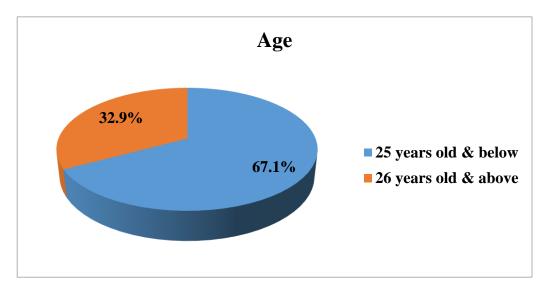


Figure 4.3 above shown is the groups of age of targeted respondents. Most of the respondents are in groups of aged 25 years old and below which consists of 94 respondents (67.1%) while in the groups from 26 years old and above only consists of 46 respondents (32.9%).

### 4.1.5 Frequency of Target Respondents Based on their Race

Table 4.5: Race (n=140)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Chinese	77	55.0	55.0	55.0
	Non-	63	45.0	45.0	100.0
	Chinese Total	140	100.0	100.0	

Race

60
40
20
Chinese Non-Chinese

Chinese Non-Chinese

Figure 4.4: Race

According to the Table 4.5, found that the respondents who are Chinese made up of 77 respondents (55%) while for Non-Chinese respondents, there are 63 respondents (45%) which include Malay, Indian, other races as well.

# **4.1.6** Frequency of Target Respondents Based on their Education

Table 4.6: Education (n=140)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma/Foundation	56	40.0	40.0	40.0
	& Below	30	10.0	10.0	10.0
	Bachelor Degree & Above	84	60.0	60.0	100.0
	Total	140	100.0	100.0	

Education

BacheorDegree & above
Diploma/Foundation & below

Figure 4.5: Education

From the result of Table 4.6 shown, the number of respondents who have education level of diploma/foundation and below made up of 56 respondents (40%) and followed by who have education level of Bachelor Degree and above made up of 84 respondents (60%).

# **4.1.7** Frequency of Target Respondents Based on their Household Income

Table 4.7: Household income (n=140)

		Frequency	Percent	Valid Percent	Cumulativ e Percent
Valid	Below RM2000	67	47.9	47.9	47.9
	RM2000 to RM2999	28	20.0	20.0	67.9
	RM3000 to	24	17.1	17.1	85.0

Total	140	100.0	100.0	
RM4000 and above	21	15.0	15.0	100.0
RM3999				

Household income 60 Respondents (percentage) 47.9 50 40 30 20 17.1 20 15 10 0 Below RM2000 RM2000 to RM3000 to RM4000 and above RM2999 RM3999 ■ Below RM2000 RM2000 to RM2999 ■ RM3000 to RM3999 ■ RM4000 and above

Figure 4.6: Household income

Source: Developed for the research

According to the table and chart above, it shows that majority of respondent's household income level who in the range below RM 2000 with 67 respondents (47.9%), followed by 28 respondents (20%) who fall in the ranges from RM 2000 to RM2999. Besides, out of 24 respondents are made up of the household income within RM3000 to RM3999. The respondents with household income in the range from RM4000 and above are the least which only consists of 21 respondents (15%).

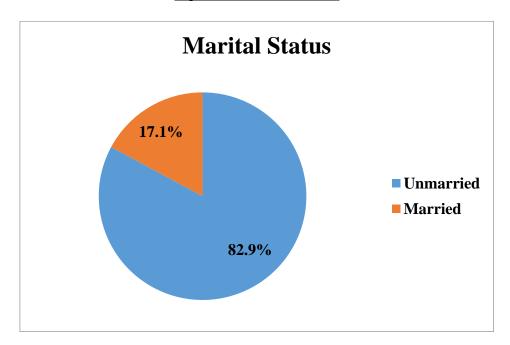
# **4.1.8 Frequency of Target Respondents Based on their Marital Status**

Table 4.8: Marital status (n=140)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	24	17.1	17.1	17.1
	Unmarried	116	82.9	82.9	100.0
	Total	140	100.0	100.0	

Source: Developed for the research

Figure 4.7: Marital Status



Source: Developed for the research

Table 4.8 indicated the number of respondents who have married consists of 24 respondents (17.1%) while the remaining 116 respondents(82.9%) who haven't married.

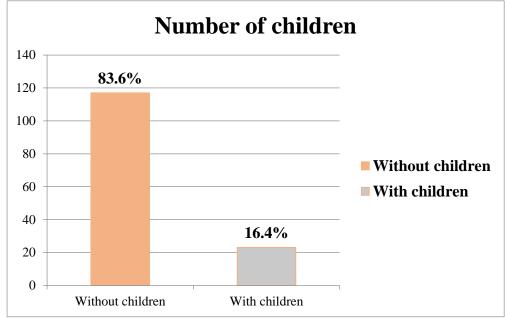
# **4.1.9 Frequency of Target Respondents Based on their Number of Children**

Table 4.9: Number of children (n=140)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Without children	117	83.6	83.6	83.6
	With children	23	16.4	16.4	100.0
	Total	140	100.0	100.0	

Source: Developed for the research

Number of children



Source: Developed for the research

Table 4.9 showed that the respondents without children consists of 117 respondents (83.6 %) while the respondents who have children only consists of 23 (16.4%).

#### 4.1.10 Central Tendencies Measurement of Constructs

Table 4.10Reason buying products online

Reason for buying products online	N	Mean	Std. Deviation
Save a lot of time and effort	140	4.89	1.130
A large variety and wife range of product to choose from	140	4.88	1.056
Offers are more attractive	140	4.83	1.038
Easy to compare price	140	4.77	1.068
Avoid traffic jam, crowds and long checkout lines	140	4.70	1.173
Products are not sold in my country	140	4.58	1.188

Source: Developed for the research

The indicators are as below:

ENI = Extremely not important

NI = Not important

SWNI = Somewhat not important

SWI = Somewhat important

I = Important

EI = Extremely important

Table 4.10 shows the descriptive statistics which include mean scores, standard deviation and ranking of reason for buying products online instead of offline store. According to the results of the table 3, The statement "save a lot of time and effort " showed the highest mean score which is 4.89, followed by the reason "large variety and wide range of product to choose" which score of 4.88, is the second highest mean. Next, there are a number of respondents perceived "Offers are more attractive" and "Easy to compare price" as their third and fourth important reason which scored of 4.83 and 4.77 respectively. Then, the statement of "Avoid traffic jam, crowds and long checkout lines "placed at the fifth ranked

mean which is 4.70 Followed by the statement of "Products are not sold in my country" which obtained the lowest mean score of 4.58.

# 4.1.11 Consumer self-reported actual use of e-commerce website

<u>Table 4.11Central Tendencies Measurement of consumer self-reported</u> actual use of e-commerce website

Self-reported actual use of E-commerce website	Mean	Standard Deviation	Usage
Alibaba (Taobao)	1.97	1.112	72 (51.4%)
Lazada	1.96	.917	92(65.7%)
Shopee	1.94	.991	82 (58.6%)
Mudah.my	1.31	.624	34(24.3%)
11Street	1.26	.541	30 (21.4%)
Amazon	1.21	.573	20 (14.3%)
eBay	1.14	.436	14 (10%)
Lelong	1.11	.417	12 (8.6%)

Source: Developed for the research

According to the Table4.11, Alibaba is the most used by the respondents and the following are Lazada, Shopee, Mudah.my, 11Street, Amazon, eBay and the last will be Lelong. This indicates that the target respondents are mostly use Alibaba and use Lelong for online shopping the least.

# **4.1.12** Consumer intention of using e-commerce website in the future

<u>Table 4.12 Central Tendencies Measurement of consumer intention of</u>
<u>using e-commerce website in the future</u>

Intention of using E-commerce website in future	Mean	Standard Deviation	Usage
Lazada	2.49	.886	124(88.6%)
Alibaba (Taobao)	2.34	1.104	99(70.7%)
Shopee	2.30	.972	110(78.6%)
11Street	1.69	.769	73(52.1%)

Mudah.my	1.66	.774	71(50.7%)
Amazon	1.65	.767	69(49.3%)
eBay	1.48	.704	51(36.4%)
Lelong	1.44	.615	54(38.6%)

According to the Table 4.12, it shows that consumers intend to use Lazada in the future and the following are Alibaba (Taobao), Shopee, 11Street, Mudah.my Amazon, eBay and the last also be Lelong.

### 4.1.13Consumer self-reported online buying behaviour

Table 4.13 Consumer self-reported online buying behaviour

Self reported online buying	Mean	Standard	Frequency
behaviour		Deviation	
Fashion Products	2.29	1.035	101 (72.1%)
Personal &Beauty care	2.14	1.029	90 (64.3%)
Electronic device & accessories	1.93	.828	93 (66.4%)
Sport &Travel	1.64	.841	61 (43.6%)
Groceries	1.59	.839	58(41.4%)
Others	1.56	.789	57 (40.7%)
Kitchen & Home appliance	1.50	.715	55 (39.3%)
Automotive	1.30	.620	33(23.6%)
Babies & Toys	1.18	.453	22 (15.7%)

Source: Developed for the research

From the Table 4.13 above, the product category that most of the respondent bought from online is fashion products. The following are personal and beauty care, electronic device and accessories, sport and travel, groceries, other categories, kitchen and home appliance, automotive and lastly will be babies and toys product.

### 4.1.14Consumer future online buying behaviour

Table 4.14: Consumer future online buying behavior.

Future online buying behaviour	Mean	Standard	Frequency
		Deviation	
Fashion Products	2.62	0.993	119 (85%)
Personal &Beauty	2.46	1.027	109 (77.9%)
Electronic device & accessories	2.22	0.914	105 (75%)
Sport &Travel	2.11	0.890	100(71.4%)
Groceries	1.97	0.952	88 (62.9%)
Kitchen & Home appliance	1.92	0.787	94 (67.1%)
Others	1.78	0.914	73 (52.1%)
Automotive	1.61	0.765	63 (45%)
Babies & Toys	1.44	0.722	46(32.9%)

From Table 4.14, consumer will like to purchase more fashion products in the future. The following are also personal and beauty products, electronic device and accessories, sport and travel, groceries, kitchen and home appliance, others, automotive and lastly is also the babies and toys products.

# 4.1.15Consumer expectation based on the 7 independent variables

<u>Table 4.15 Central Tendencies Measurement of consumer expectation</u>
<u>based on the 7 independent variables.</u>

Factors	Mean	Standard Deviation
Price of the products	5.13	1.010
Ratings and review	5.09	1.045
Order fulfillment	4.99	1.103
Reputation	4.81	1.092
Website quality	4.81	1.116
Number of items sold	4.35	1.193
Membership points and coupons	4.34	1.057

All constructs were evaluated through a 6-point-Likert-type scale ranging from "Extremely important (6) to "Extremely not important" (1).

According to the table 4.15, the ranking of the importance of 7 factors are price, followed by ratings and reviews, order fulfilment, reputation website quality, sales volume and lastly is stickiness to the website. Thus, price of the products is the most important factor that consumer choice of online merchants and website stickiness will be the lowest important factors for them.

# 4.1.16 Consumer perception toward their preferred website based on the 7 independent variables

Table 4.16 Central Tendencies Measurement of Consumer perception toward their preferred website based on the 7 independent variables.

Factors	Mean	Standard Deviation
Price	4.7321	0.93860
Reputation and trust	4.7257	0.99418
Ratings and reviews	4.7167	0.99794
Website quality	4.5586	0.94618
Order fulfillment	4.4771	0.98495
Sales Volume	4.3690	0.95770
Stickiness to the website	4.2911	0.98396

Source: Developed for the research

The indicators are as below:

SD = Strongly disagree

D = Disagree

SWD = Somewhat Disagree

SWA = Somewhat Agree

A = Agree

SA = Strongly Agree

According to the table 4.16, the ranking of the perception toward their preferred website are the price, followed by reputation and trust, rating and review, website quality, order fulfillment, sales volume and lastly is stickiness to the website. Thus, price of the products is the most important factor that consumer choice of online merchants and website stickiness will be the lowest important factors for them.

#### **4.2Scale Measurement**

#### 4.2.1 Reliability test (n=140)

Table 4.17: Reliability test (Cronbach's alpha)

Variables	No. of items	Cronbach's Alpha
Actual use of website	8	0.624
Intention use of website	8	0.656
Price	4	0.940
Sales Volume	3	0.902
Stickiness	4	0.891
Website Quality	5	0.933
Order Fulfillment	5	0.916
Reputation and trust	5	0.948
Ratings and review	3	0.944

Source: Developed for the research

The Cronbach's Alpha ranging in value from 0 to 1 can be analysed. Same with the study of Ghozali (2006) in chapter 3, if the Cronbach's Alpha value of the variables is more than 0.6, it is considered as valid and reliable. From the Table 4.17 show that all the 9 variables' value are above 0.6. Based on the table above, the variable with highest alpha value is reputation and trust which scored 0.948, followed by ratings and reviews, price, website quality, order fulfilment, sales volume, stickiness, intention use of website and lastly is actual use of website which the Cronbach Alpha value are 0.944, 0.940, 0.933, 0.916, 0.902, 0.891, 0.656 and 0.624 respectively.

All Dependent variables (actual use of website, intention use of website) and independent variables (price, sales volume, stickiness, website quality, order fulfillment, reputation and trust, ratings and review) have strong coefficients. In a nutshell, the reliability of all variables is considered as reliable and valid because their Cronbach's alpha values are above 0.6.

# 4.3Inferential Analysis

## 4.3.1 Independent T-test

Table 4.18: T-test result (Gender differences and 7 factors)

Factor	Mean	Std Dev	Mean	Std Dev	P-value
	(Male)	(Male)	(Female)	(Female)	
Price	5.08	1.152	5.15	0.930	0.688>0.05
Ratings &	5.06	1.088	5.11	1.027	0.794>0.05
Reviews					
Order	4.98	1.250	5.00	1.022	0.917>0.05
Fulfillment					
Reputation&	4.82	1.112	4.80	1.088	0.942>0.05
Trust					
Website	4.71	1.173	4.87	1.087	0.439>0.05
Quality					
Stickiness to	4.06	1.008	4.48	1.058	0.024<0.05
the website					

Sales	4.04	1.241	4.52	1.139	0.024<0.05
Volume					

From Table 4.18, it shows that female are more concern about the price, ratings and review, order fulfilment, website quality, stickiness to the website, sales volume than male. However, male are more concern about the reputation of the website than female. Besides, stickiness and sales volume of the website are statistically significant because their p-value are both 0.024<0.05. The other factors have not statistically significant with the gender because their p-value is greater than 0.05.

Table 4.19: T-test result (Job differences and 7 factors)

Factor	Mean (Employed)	Std Dev (Employed)	Mean (Unemployed)	Std Dev (Unemployed)	P-value
Price	5.20	1.102	5.08	0.947	0.518>0.05
Ratings & Reviews	5.07	1.219	5.11	0.919	
Order Fulfillment	5.02	1.258	4.98	0.994	0.828>0.05
Reputation& Trust	4.79	1.124	4.82	1.077	0.850>0.05
Website Quality	4.71	1.275	4.88	0.999	0.412>0.05
Stickiness to the website	4.41	1.075	4.29	1.048	0.495>0.05
Sales Volume	4.34	1.240	4.36	1.168	0.931>0.05

Source: Developed for the research

According to the Table 4.19, respondent who are employed is more concerning about the price, order fulfilment, stickiness to the website than respondents who are unemployed. However, respondent who are unemployed take ratings and reviews, reputation, website quality, and

sales volume is more important compare with respondent who are employed. All of the factors are statistically significant because the p-value are all greater than 0.05.

Table 4.20: T-test result (Age differences and 7 factors)

Factor	Mean	Std Dev	Mean	Std Dev	P-value
	(25 years	(25 years	(26 years	(26 years	
	old &	old &	old above)	old above)	
	below)	below)			
Price	5.02	1.047	5.35	0.900	0.072>0.05
Ratings &	5.11	1.052	5.07	1.041	0.827>0.05
Reviews					
Order	4.93	1.129	5.13	1.046	0.303>0.05
Fulfillment					
Website	4.86	1.188	4.72	0.958	0.474>0.05
Quality					
Reputation	4.86	1.074	4.70	1.133	0.400>0.05
Sales	4.43	1.214	4.20	1.147	0.286>0.05
Volume					
Stickiness	4.35	1.075	4.30	1.030	0.807>0.05
to the					
website					

Source: Developed for the research

Table 4.20 shows that, respondents who are 25 years old and below are more concerning about the rating and reviews, website quality, reputation, sales volume and also stickiness to the website than respondents who are 26 years old and above. However, respondents who are 26 years old and above are more concerning about the price and order fulfilment of the website. All of these are not statistically significant because all of the p-value s greater than 0.05.

<u>Table 4.21: T-test result (Race differences and 7 factors)</u>

Factor	Mean	Std Dev	Mean	Std Dev	P-value
	(Chinese)	(Chinese)	(Non-	(Non-	
			Chinese)	Chinese )	
Price	4.96	1.141	5.33	0.783	0.024<0.05
Ratings	4.96	1.175	5.25	0.842	0.099>0.05
&Reviews					
Order	4.93	1.129	5.13	1.046	0.002<0.05
Fulfillment					
Reputation	4.79	1.185	4.83	0.976	0.859>0.05
Website	4.73	1.221	4.92	0.972	0.310>0.05
Quality					
Sales	4.25	1.237	4.48	1.134	0.259>0.05
Volume					
Stickiness	4.12	1.112	4.60 0.925		0.006<0.05
to the					
website					

According to the Table 4.21, respondent who are non-Chinese are more concern about all the 7 factors than respondents who are Chinese. Price, order fulfilment, and stickiness to the website are statistically significant because its p-value is more less than 0.05 (0.024, 0.002, and 0.006).

<u>Table 4.22: T-test result (Education differences and 7 factors)</u>

Factor	Mean	Std Dev	Mean	Std Dev	P-value
	( Diploma/Found	( Diploma/Found	( Bache	( Bache	
	ation & below)	ation & below)	lor	lor	
			Degree	Degree	
			and	and	
			above)	above)	
Price	5.04	1.220	5.19	0.843	0.376>0.
					05
Ratings	4.96	1.279	5.18	0.853	0.235>0.
&					05
Reviews					

Order Fulfillm	4.80	1.367	5.12	0.870	0.129>0. 05
Website	4.66	1.352	4.92	0.921	0.219>0.
Quality	4.00	1.332	4.92	0.921	0.219>0.
Reputati	4.59	1.156	4.95	1.029	0.054>0.
on					05
Stickine	3.96	1.111	4.58	0.947	0.001<0.
ss to the					05
website					
Sales	3.89	1.330	4.65	0.988	0.000<0.
Volume					05

From the table above, respondents who are bachelor degree and above are more concerning all the 7 factors than respondents who education level are diploma/foundation and below. Besides, stickiness to the website and sales volume are statistically significant because the p-value is lower than 0.05 (0.001, 0.000)

Table 4.23: T-test result (Income differences and 7 factors)

Factor	Mean (Belo w 2k)	Std Dev (Bel ow 2k)	Me an (20 00- 299 9)	Std Dev (200 0- 2999 )	Mean( 3000- 3999)	Std Dev (3000- 3999)	Mean(40 00 above)	Std Dev(4000 Above)	P-value
Rating and review	5.21	0.89 7	4.89	1.257	4.88	1.035	5.24	1.179	0.350>00 5
Price	5.16	0.93	4.96	1.138	5.13	0.900	5.24	1.221	0.787>0. 05
Order Fulfillme nt	5.00	0.95	4.79	1.287	5.08	1.213	5.14	1.195	0.677>0. 05
Website Quality	4.93	1.02 0	4.61	1.257	4.71	1.122	4.86	1.236	0.603>0. 05
Reputati on	4.81	1.14 5	4.79	1.067	4.54	1.021	5.14	1.014	0.3335>0 .05

Sales	4.51	1.13	4.57	1.260	4.13	0.900	3.81	1.436	0.061>0.
Volume		3							05
Stickines	4.39	1.11	4.39	1.066	4.42	0.830	4.00	1.095	0.478>0.
s to		4							05
website									

According to Table 4.23, respondents who have income RM4000 and above are more concerning about the ratings and reviews, price, order fulfilment, reputation than other group of respondent. Respondents who have income RM3000-RM3999 are take stickiness to website more important than other group. Sales volume of the website is more concerned by respondents who earn RM2000-2999 and respondent's income who are below RM2000 is more concerning about the website quality than other groups. All of these have not statistically significant because all of the p-value is greater than 0.05.

<u>Table 4.24: T-test result (marital status differences and 7 factors)</u>

Factor	Mean	Std Dev	Mean	Std Dev	P-value
	(Married)	(Married)	(Unmarried)	(Unmarried)	
Price	5.25	0.944	5.10	1.025	0.519>0.05
Ratings &	5.17	0.917	5.08	1.073	0.705>0.05
Reviews					
Order	5.17	1.049	4.96	1.114	0.398>0.05
Fulfillment					
Reputation	4.88	0.797	4.79	1.146	0.676>0.05
Website	4.75	0.944	4.83	1.152	0.758>0.05
Quality					
Stickiness	4.04	0.955	4.40	1.070	0.134>0.05
to the					
website					
Sales	4.00	0.978	4.42	1.224	0.073>0.05
Volume					

Source: Developed for the research

Table 4.24 indicated that respondents who are married is more concern about the price, ratings and reviews, order fulfilment, reputation than respondents who are unmarried. Respondents who are unmarried, they more concern about the website quality, stickiness to the website, sales volume than respondents who are unmarried. Moreover, there are all not statistically significant because all the p-value is greater than 0.05.

<u>Table 4.25: T-test result (number of children differences and 7 factors)</u>

Factor	Mean	Std Dev	Mean	Std Dev	P-value
	(Without	(Without	(With	(With	
	Children)	Children)	Children)	Children)	
Price	5.15	0.952	5.00	1.279	0.506>0.05
Ratings &	5.13	1.005	4.91	1.240	0.369>0.05
Reviews					
Order	4.98	1.050	5.04	1.364	0.811>0.05
Fulfillment					
Website	4.85	1.093	4.61	1.234	0.336>0.05
Quality					
Reputation	4.84	1.122	4.65	0.935	0.459>0.05
Sales	4.46	1.178	3.78	1.126	0.012<0.05
Volume					
Stickiness	Stickiness 4.42		3.91	1.041	0.035<0.05
to the					
website					

Source: Developed for the research

According to the Table 4.25, respondents without children are more concern about price, ratings and reviews, website quality, reputation, sales volume and stickiness to the website more important than respondents who have children which concerning about the order fulfilment than respondents without children. The p-value of the sales volume and

stickiness to the website is lower than 0.05 (0.012 and 0.035), means that there are statistical significant and the rest have not statistically significant because the p-value is greater than 0.05.

### **4.3.2 Pearson Correlation Analysis**

<u>Table 4.26: Pearson Correlation Analysis between independent variables</u>
<a href="mailto:and-self-reported">and self-reported actual use of e-commerce website</a>

					Correl	ations			
		Р	SV	STW	WQ	OF	RT	RR	SRW
	Pearson	1	.584**	.602**	.661**	.592**	.724**	.649**	.140 <sup>*</sup>
	Correlation								
Р	Sig. (1-tailed)		.000	.000	.000	.000	.000	.000	.049
	N	140	140	140	140	140	140	140	140
	Pearson	.584**	1	.695**	.667**	.706**	.633**	.614**	.229**
	Correlation								
SV	Sig. (1-tailed)	.000		.000	.000	.000	.000	.000	.003
	N	140	140	140	140	140	140	140	140
	Pearson	.602**	.695**	1	.671**	.682**	.651**	.643**	.270**
	Correlation								
STW	Sig. (1-tailed)	.000	.000		.000	.000	.000	.000	.001
	N	140	140	140	140	140	140	140	140
	Pearson	.661**	.667**	.671**	1	.801**	.798**	.751**	.182 <sup>*</sup>
	Correlation								
WQ	Sig. (1-tailed)	.000	.000	.000		.000	.000	.000	.016
	N	140	140	140	140	140	140	140	140
	Pearson	.592**	.706**	.682**	.801**	1	.809**	.759**	.223**
05	Correlation								
OF	Sig. (1-tailed)	.000	.000	.000	.000		.000	.000	.004
	N	140	140	140	140	140	140	140	140
	Pearson	.724**	.633**	.651**	.798**	.809**	1	.839**	.137
БТ	Correlation								
RT	Sig. (1-tailed)	.000	.000	.000	.000	.000		.000	.054
	N	140	140	140	140	140	140	140	140
	Pearson	.649**	.614**	.643**	.751**	.759**	.839**	1	.192*
RR	Correlation								
	Sig. (1-tailed)	.000	.000	.000	.000	.000	.000		.011

_						_		_	_
	N	140	140	140	140	140	140	140	140
	Pearson	.140 <sup>*</sup>	.229**	.270**	.182*	.223**	.137	.192*	1
CDV	Correlation								
SRV	v Sig. (1-tailed)	.049	.003	.001	.016	.004	.054	.011	
	N	140	140	140	140	140	140	140	140

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (1-tailed).

According to Table 4.26, show the analysis of correlation between independent variables (price, sales volume, stickiness to website, website quality, order fulfilment performance, reputation and trust, reviews and ratings) and dependent variable (actual use of e-commerce website). The coefficient correlation is ranged from -1 to +1. The table above illustrates the coefficient correlations level of relationship.

Among the seven positive correlation coefficients, the correlation coefficient between stickiness to website and actual use of e-commerce website is the greatest, which is 0.270. Followed by sales volume with actual use of e-commerce website which has the coefficient of 0.229; order fulfilment with actual use of e-commerce website which has the coefficient of 0.223; review and ratings with actual use of e-commerce website which has the co-efficient of 0.192; website quality with actual use of e-commerce website which has the co-efficient of 0.182; price with actual use of e-commerce website which has the co-efficient of 0.140 and lastly the weakest positive correlation is between reputation with actual use of e-commerce website which has only co-efficient of 0.137. Among the all independent variable, reputation and trust factor is the only one which is not significant because p-value is larger than 0.05 (1-tailed).In nutshell, there is a significant positive correlation among all variables except for reputation and trust factor.

<sup>\*.</sup> Correlation is significant at the 0.05 level (1-tailed).

<u>Table 4.27: Pearson Correlation Analysis between independent variables and</u>
<u>intention to use of e-commerce website</u>

Correlations

		Correlations							
		Р	SV	STW	WQ	OF	RT	RR	IWF
	Pearson	1	.584**	.602**	.661**	.592**	.724**	.649**	.164*
Р	Correlation								
	Sig. (1-tailed)		.000	.000	.000	.000	.000	.000	.027
	N	140	140	140	140	140	140	140	140
	Pearson	.584**	1	.695**	.667**	.706**	.633**	.614**	.207**
SV	Correlation								
SV	Sig. (1-tailed)	.000		.000	.000	.000	.000	.000	.007
	N	140	140	140	140	140	140	140	140
	Pearson	.602**	.695**	1	.671**	.682**	.651**	.643**	.238**
STW	Correlation								
SIW	Sig. (1-tailed)	.000	.000		.000	.000	.000	.000	.002
	N	140	140	140	140	140	140	140	140
	Pearson	.661**	.667**	.671**	1	.801**	.798**	.751**	.180 <sup>*</sup>
WQ	Correlation								
WQ	Sig. (1-tailed)	.000	.000	.000		.000	.000	.000	.017
	N	140	140	140	140	140	140	140	140
OF	Pearson	.592**	.706**	.682**	.801**	1	.809**	.759**	.188 <sup>*</sup>
	Correlation								
OF	Sig. (1-tailed)	.000	.000	.000	.000		.000	.000	.013
	N	140	140	140	140	140	140	140	140
	Pearson	.724**	.633**	.651**	.798**	.809**	1	.839**	.121
RT	Correlation								
IXI	Sig. (1-tailed)	.000	.000	.000	.000	.000		.000	.077
	N	140	140	140	140	140	140	140	140
RR	Pearson	.649**	.614**	.643**	.751**	.759**	.839**	1	.187*
	Correlation								
	Sig. (1-tailed)	.000	.000	.000	.000	.000	.000		.014
	N	140	140	140	140	140	140	140	140
	Pearson	.164 <sup>*</sup>	.207**	.238**	.180*	.188 <sup>*</sup>	.121	.187 <sup>*</sup>	1
IWF	Correlation								
IVVF	Sig. (1-tailed)	.027	.007	.002	.017	.013	.077	.014	
	N	140	140	140	140	140	140	140	140

<sup>\*\*.</sup> Correlation is significant at the 0.01 level (1-tailed).

Source: Developed for the research

<sup>\*.</sup> Correlation is significant at the 0.05 level (1-tailed).

Based on Table 4.27, show the analysis of correlation between independent variables (price, sales volume, stickiness to website, website quality, order fulfilment performance, reputation and trust, reviews and ratings) and dependent variable (intention use of e-commerce website).

Table 4.27indicated there is a positive correlation between all independent variables and dependent variable. However, reputation and trust is not significant because the p-value is larger than 0.05 level (1-tailed). As shown in Table 4.27, stickiness to website had the strongest significant positive correlation with the self- reported actual use of website which is (r= 0.270), p< 0.05. In contrast, the findings show the weakest positive correlation between reputation & trust and self-reported actual use of website which is (r= 0.137, p>0.05) and there is not significant because the p-value larger than 0.05. Nonetheless, the strength of correlation shows in Table 4.27 are considered weak. In concluded, the result is same as Table 4.27 which show that there is a significant positive correlation among all variables except for reputation and trust factor.

#### 4.4 Conclusion

In this chapter, descriptive analysis, scale measurement, reliability analysis, Pearson Correlation Coefficient are conducted to evaluate and interpret the data collected. The findings from data analysis will be discussed further in chapter five.

# CHAPTER 5: DISCUSSION, CONCLUSION, AND <u>IMPLICATIONS</u>

#### 5.0 Introduction

The data collected had been analyse and interpreted in chapter four which is the previous chapter. Then, this chapter will start with summarizing the findings that had been done. Next, the implications of research will be addressed, limitations and recommendation for future research will also discussed in this chapter. To sum up, the conclusion will be briefly explain and summarize the entire study.

## **5.1 Summary of Statistical Analyses**

### **5.1.1 Descriptive Analysis**

#### **5.1.1.1 Demographic Information**

In this study, the survey take part by 140 respondents. The sample size covers a majority of Chinese (55%), 65% of respondents are female, 67.1% of respondents are fall in the age range within 25 years old and below. Also, most of them are unemployed (60%), because include majority of students. The household income level

of respondents basically fall below RM2000 (47.9%) and majority of them are unmarried (82.9%) and do not have children (83.6%).

#### **5.1.1.2** General Information

In general information, the study found the top three e-commerce website that most of the Malaysian would like to purchase from are Alibaba(Taoabo) (51.4%), followed by Lazada (65.7%) and Shopee (58.6%). For the intention to use of E-commerce website in the future, Lazada (88.6%) becomes the first e-commerce website that respondent intended to use in the future, followed by Taobao (70.7%) and Shopee (78.6%). Moreover, findings show the top three product categorize that respondents more likely to purchase from online are fashion products (72.1%), and followed by personal and beauty care (64.3%) as well as electronic device and accessories (66.4%). When it comes to intention to buy in the future, majority of respondents intend to buy the same product as their actual purchase which are fashion Products (85%), followed by personal and beauty care (77.9%) and electronic device and accessories (75%) respectively.

#### **5.1.2** Central Tendencies Measurement of Construct

In the findings of reason for buying products online instead of offline stores, the statement "save a lot of time and effort" indicated the highest mean score of 4.89. Second highest mean score is 4.88 which is the statement "large variety and wide range of product to choose" and third

highest mean scored of 4.83 fall under statement "offers are more attractive". Then, the last three statement are "Easy to compare price", "Avoid traffic jam, crowds and long checkout lines" and lastly "Products are not sold in my country" which scored 4.77, 4.70 and 4.58 respectively.

Next, showed the results of Central Tendencies Measurement of consumer expectation based on the 7 independent variables. The most important factor is price, followed by ratings and reviews, order fulfillment, reputation website quality, sales volume and lastly is stickiness to the website. Furthermore, indicate the findings of Central Tendencies Measurement of Consumer perception toward their preferred website based on the 7 independent variables. Based on the perception of respondents toward their preferred website are the price, followed by reputation and trust, rating and review, website quality, order fulfilment, sales volume and lastly is stickiness to the website.

#### **5.1.3 Scale Measurement**

There are nine variables are being measured by using reliability test to know the Cronbach's Alpha of each variable. Among the variable, the value that gain highest Cronbach's Alpha value is reputation and trust (0.948). The followings are ratings and reviews, price, website quality, order fulfilment, sales volume, stickiness, intention use of website, lastly is actual use of website which the value of Cronbach's Alpha are 0.944, 0.940, 0.933, 0.916, 0.902, 0.891, 0.656 and 0.624 respectively.

#### **5.1.4 Inferential Analysis**

#### **5.1.4.1 Pearson Correlation Analysis**

Table 5.1: Summary of Pearson Correlation Coefficient

Construct	Self-reported actual use of e-commerce website (r-value)	N	Significant (p- value)
price	0.140 (14%)	140	0.049
sales volume	0.229 (22.9%)	140	0.003
stickiness to website	0.270 (27%)	140	0.001
website quality	0.182 (18.2%)	140	0.016
order fulfilment performance	0.223 (22.3%)	140	0.004
reputation and trust	0.137 (13.7%)	140	0.054
reviews and ratings	0.192 (19.2%)	140	0.011

Source: Developed for the research

Table 5.1 above illustrates that stickiness to website (0.270) has the strongest significant positive correlation with self-reported actual use of website. It is then followed by sales volume (0.229) which is the second highest significant positive correlation with self-reported actual use of website, order fulfilment, review and ratings, website quality, price which has the coefficient of 0.223, 0.192, 0.182, and 0.140 respectively. Lastly, there is no significant positive correlation between reputation and trust and self-reported actual use of website since the p-value is larger than 0.05.

Table 5.2 : Summary of Pearson Correlation Coefficient

Construct	Intention use of e- commerce website (R- value)	N	Significant (p- value)
price	0.164 (16.4%)	140	0.027
sales volume	0.207 (20.7%)	140	0.007
stickiness to website	0.238 (23.8%)	140	0.002
website quality	0.180 (18%)	140	0.017
order fulfilment performance	0.188 (18.8%)	140	0.013
reputation and trust	0.121 (12.1%)	140	0.077
reviews and ratings	0.187 (18.7%)	140	0.014

Table 5.2 above indicates similar result with Table 5.1. Among the seven variables, only reputation and trust factor has no significant positive correlation with the intention use of e-commerce website because p-value (0.077) is larger than 0.05. The remaining independent variables (price, sales colume, stickiness to website, website quality, order fulfilment, review and rating) has significant positive correlation with the intention use of e-commerce website.

# **5.2 Discussions of Major Findings**

Table 5.3: Major Finding on Hypothesis Testing

No.	Hypothesis	Significance	Supported/ Rejected
		level	
H1	There is a significant positive	0.049	Supported
	correlation between price and	(p<0.05)	
	self-reported actual use of e-	(β<0.03)	
	commerce website.		
H2	There is a significant positive	0.027	Supported
	correlation between price and	(p<0.05)	
	intention use of e-commerce	(p <0.03)	
	website in the future.		
Н3	There is a significant positive	0.003	Supported
	correlation between sales volume	(p<0.05)	
	and self-reported actual use of e-	(p <0.03)	
	commerce website.		
H4	There is a significant positive	0.007	Supported
	correlation between sales volume	(p<0.05)	
	and intention use of e-commerce	(p (0.02)	
	website in the future.		
H5	There is a significant positive	0.001	Supported
	correlation between stickiness to	(p<0.05)	
	website and self-reported actual	(p 10102)	
	use of e-commerce website.		
Н6	There is a significant positive	0.002	Supported
	correlation between stickiness to	(p<0.05)	
	website and intention use of e-	\(\frac{1}{2}\)	
	commerce website in the future.		
L	1	l	l

H7	There is a significant positive correlation between website quality and self-reported actual use of e-commerce website.  There is a significant positive correlation between website	0.016 (p<0.05) 0.017 (p<0.05)	Supported  Supported
	quality and intention use of e- commerce website in the future.		
H9	There is a significant positive correlation between order	0.004	Supported
	fulfilment performance and self-reported actual use of e-commerce website.	(p<0.05)	
H10	There is a significant positive	0.013	Supported
	correlation between order fulfilment performance and intention use of e-commerce	(p<0.05)	
	website in the future.		
H11	There is a significant positive	0.054	Rejected
	correlation between reputation and trust and self-reported actual use of e-commerce website.	(p>0.05)	
H12	There is a significant positive	0.077	Rejected
	correlation between reputation and trust and intention use of e-commerce website in the future.	(p>0.05)	
H13	There is a significant positive	0.011	Supported
	correlation between reviews and ratings and self-reported actual use of e-commerce website.	(p<0.05)	11

H14	There is a significant positive	0.014	Supported
	correlation between reviews and	(p<0.05)	
	ratings and intention use of e-	(p <0.03)	
	commerce website in the future.		

#### **5.2.1 Price**

H1: There is a significant positive correlation between price and selfreported actual use of e-commerce website.

According to the result obtain, the correlation analysis for the price and self-reported actual use of e-commerce website, the p-value of 0.049 which is less than 0.05. Therefore, the hypothesis is accepted as there is a significant positive correlation between price and self-reported actual use of e-commerce website. The result was in conformity with the study from conducted by Rahman (2015) which indicated that the young generation is more emphasize on factors such as convenience and save time and less concern on price which the result also indicate that there is a low positive correlation between price and the online buying behaviour of the young generation in Malacca.

H2: There is a significant positive correlation between price and intention use of e-commerce website in the future.

Based on the findings of correlation analysis, the hypothesis of the price and intention to use of e-commerce website in the future are accepted because the p-value is less than 0.05 (p=0.027). The result was consistent with the study from Chi, Chee, Cheng & Von (2014) which show that

price has a positive correlation with online purchase intention of website. For the reason that different consumer perception will affect the intention of them to purchase products in the future.

#### **5.2.2 Sales Volume**

H3: There is a significant positive correlation between sales volume and self-reported actual use of e-commerce website.

In this study, the hypothesis of the positive correlation between sales volume and intention use of e-commerce website in the future are being supported because p-value (0.003) is smaller than 0.05, therefore is significant. The result was in line with the study of Li (2014) which highlighted that sales volume of targeted item on each website is one of factor that influences the consumers' choice of online merchants. Also, consistent with Hui-ying, Qiang& Sharma (2010) study which found that there is a significant positive effect between past transaction volume and online buying decision of consumer. Consumer tends to follow and believe in the selection of the majority

H4: There is a significant positive correlation between sales volume and intention use of e-commerce website in the future.

The result of this research indicated that the p-value of sales volume is lesser than 0.05 (p=0.007). Therefore, the hypothesis is supported as there is a significant positive correlation between sales volume and intention use of e-commerce website. This result was in consonance with the previous study of Dekang and Bonabeau (as cited in Hui-ying et al, 2010) which reveal that sales volume encourage consumer to choose the high sales volume product that was presented on the e-commerce website and they

would like to purchase when the sales rank of particular product are increase.

#### 5.2.3 Stickiness to website

H5: There is a significant positive correlation between stickiness to website and self-reported actual use of e-commerce website.

The result of this study show that the p-value of stickiness to website and self-reported actual use of e-commerce website.is lesser than 0.05 (p=0.001). Therefore, the hypothesis is supported as there is a significant positive correlation between stickiness to website and self-reported actual use of e-commerce website. This result was in consonance with the study of Lin, Hu, Sheng & Lee (2010) explained that the more the visit of the website, the more the consumer purchase from the e-commerce website.

H6: There is a significant positive correlation between stickiness to website and intention use of e-commerce website in the future.

From the result show, the hypothesis of H6 is supported because the p-value is smaller than 0.05 (p= 0.002). The findings indicated was consistent with the study of Lin (2007) which mentioned that stickiness play an important role in influencing the consumer transaction intention directly.

#### 5.2.4 Website quality

H7: There is a significant positive correlation between website quality and self-reported actual use of e-commerce website

Based on the correlation analysis for the website quality and self-reported actual use of e-commerce website, the p-value of 0.016 was less than 0.05. Therefore, the hypothesis is accepted as there is a significant positive correlation between website quality and self-reported actual use of e-commerce website. The result was consistent with the study from Srinivasan, Anderson, & Ponnavolu (2002) which mentioned that if the customer unable to find their way through the website, they will leave the website without purchasing anything. Besides, Sardinha (2015) stated that the design of the website provides interface between the e-seller and customers.

H8: There is a significant positive correlation between website quality and intention use of e-commerce website in the future.

Based on the correlation analysis, the hypothesis of the website quality and intention to use of e-commerce website in the future are accepted because the p-value is less than 0.05 (p=0.017). The result was consistent with the study from Ahmed &Sathish (2016) which mentioned that website quality like media richness, speed, navigation, mobility and tie have high impact on online purchase intention. Moreover, a good website quality can make customers to revisit the website again (Nadiah, 2017).

#### 5.2.5 Order fulfilment

H9: There is a significant positive correlation between order fulfilment performance and self-reported actual use of e-commerce website.

In this study, the p-value of order fulfillment is 0.004 and it is greater than 0.05. The hypothesis of there is a significant positive correlation between order fulfilment performance and self-reported actual use of e-commerce website are supported. The result was consistent with the past study of Vasic, Kilibarda, &Kaurin (2018) as if the customer are not satisfied the delivery, they can switch to the another website because a good delivery is the basic requirement for online customers.

H10: There is a significant positive correlation between order fulfilment performance and intention use of e-commerce website in the future.

From the correlation analysis, the hypothesis there is a significant positive correlation between order fulfilment performance and intention use of e-commerce website in the future was supported because the p-value= 0.013 which is greater than 0.05. This result is consistent with the past study of Li (2014) which indicated that the online store will lose the customer for sure if the online shopping website cannot make the purchasing process such as delivery, payment method smooth. On top of that, Vasic, Kilibarda, & Kaurin (2018) mentioned that, the online store can make new sales if they provide a reliable and timely delivery of goods to the customers.

### 5.2.6 Reputation and trust

H11: There is a significant positive correlation between reputation and trust and self-reported actual use of e-commerce website.

The result of this study indicated that the p-value of reputation and trust is greater than 0.05 (p=0.054). Therefore, the hypothesis is rejected as there is no significant positive correlation between reputation and trust and self-reported actual use of e-commerce website. This result was not consistent with the previous study. However, the study of Sardinha (2015) stated that online trust is an significant factor to maintain relationship between company and its customer. So, in this study, the hypothesis was rejected.

H12: There is a significant positive correlation between reputation and trust and intention use of e-commerce website in the future.

According to Yang & Jing (2009), the website which have high reputation will result in more customer loyalty to that website (Yang & Jing, 2009). However, from the result, the p-value is 0.077 and it is greater than 0.05, it means that the hypothesis was rejected as there is no significant positive correlation between reputation and trust and intention to use of e-commerce website in the future.

#### 5.2.7 Ratings and reviews

H13:There is a significant positive correlation between reviews and ratings and self-reported actual use of e-commerce website.

In this study, for the ratings and reviews and the self reported actual use of e-commerce website, the p-value is greater than 0.05 (p=0.011). It means that the hypothesis was supported as there is a significant positive correlation between ratings and review and self reported actual use of e-commerce website. The result was consistent with the past study of

Forman, Ghose, &Wiesenfeld in year 2008, (as cited in Tan & Hong, 2015) which mentioned that there is positive relationship between positive review and sales. Besides, Tan & Hong (2015) also stated that feedback from customer is an important key in customer's final decision

H14: There is a significant positive correlation between reviews and ratings and intention use of e-commerce website in the future.

From the correlation analysis, the p-value is greater than 0.05 (p=0.014). So, the hypothesis was supported as there is a positive correlation between ratings and reviews and intention use of e-commerce website in the future. Similar with the past study, customer ratings and reviews will influence buyer's purchasing behavior and intention (Helversen, Abramczuk, Kopeć, & Nielek, 2018). It shows that ratings and review have a relation with intention to use of e-commerce website in the future. Moreover, Nadiah (2017) study also shows that the customer reviews have a significant influence on purchase intention.

## 5.3 Implication of the Study

There are many e-commerce website in the market. It is important to understand what are the factors that influence consumers to shop online and also what are the factors that influence their choice of online merchants. In this research, the results are useful for the marketers of the online shopping websites.

#### **5.3.1** Implication for online shopping marketers

The following are the implications that can be suggested to the online marketers. First of all, since the result shows that the most self report actual use of e-commerce website from the respondents is Alibaba (Taobao), since Alibaba is a Chinese based e-commerce website, local online marketers are suggested to make their online shopping website be multi language in order to gain more customers. This is because some of the local e-commerce websites have only English language, if more languages are added, it will attract more customers as some of the consumers are not familiar in using English language.

Secondly, online marketers are suggested to provide a suitable pricing strategy as most of the online consumers are price sensitive (Lui, 2012). For instance, the marketers not only need to set a lower price of product to the customers, they can also offer some add value benefit to the customers such as free delivery charge, giveaway and so on.

Thirdly, as the result from chapter 4 indicated that most of the consumers like to buy fashion products, personal and beauty, electronic device and accessories during online shopping and they intended to buy more in the future. Therefore, online marketers should increase the number of online retailer who are selling those kind of products in order to increase the customer to visit their website.

Lastly, trust has a significant influence on customers' online purchase behaviour and their purchase decision (Lui, 2012). Online marketers can improve their trust from improving their web design. A proper layout of a webpage design can make consumer have a good image toward the online store and increase their trust to the online store (Lui, 2012). On top of that, positive feedback from other customer will lead to higher credibility of the

e-seller and customer will more likely to trust the online store and purchase from them. Thus, online marketers should also try to make customers have a good online shopping experience in order to get a good rating and review from them. For example, they can improve their respond time faster and don't let the customer to wait for the reply for so long.

#### .5.4 Limitation

One of the limitations of the study is the sample size are too small, which only consists of 140 survey are collected. Due to the time and network constraint, researchers unable to conduct the survey with a larger sample size and geographical coverage. Due to the reason that researcher's networking more coverage on students and area within Klang Valley, it may not large enough to represent the total population in Malaysia. Therefore, this may lead to inefficient and inaccurate results when carried out the surveys and resulting in a similar population background of respondents.

Another shortcoming is the survey are not equally distributed across three major races which are Chinese, Malay and Indian. For the reason that most of the respondents are Chinese in this research and its lacks of opinion and perception come from other races. As one of the unique characteristics of Malaysia which is rich in cultural diversity, thus the study supposing to include other races in order to understand their difference online consuming behaviour. Meanwhile, another issue is the equalization of age range, since the majority of respondents are students involved in the survey and the age range probably fall between 20-30 years old. The result show may not represent the opinion of Malaysian from young to old.

In the study, found that although there is a lot of method such as interview, focus group and others way that can be used to collect data but in this study, the only questionnaire had been used to collect the data. This shows the ineffective when waiting for the response of respondents through questionnaire via google form. Besides that, due to targeted respondents include variety of Malaysian, questionnaire may sometimes lack of flexible because some of the respondents cannot understand the English version of questionnaire. Furthermore, by using questionnaire, misunderstanding may appear when the respondents decoding the message wrongly and researchers unable to answered and explained to them one by one.

#### **5.5 Recommendations**

For recommend, the future researchers can adopt probability sampling way which all people have an opportunity of being selected. Therefore, the researchers could achieve a more accurate and reliable result with larger sample size that can represent the total population in Malaysia. However, probability sampling technique may more costly and take times than non-probability sampling technique and thus it needs to be concern by researchers to reach their research objective.

In order to resolve the problem of unequalised of the respondent, the future researcher may need to exposure to more respondents which consists of different races and age range. When they realize there will be a certain group of respondents are involved more, they should pay attention to other groups of respondents where they are shortage. Then, to capture more variety of Malaysian online shoppers, researcher may collaborate with the online marketers to increase the awareness of consumer by distributing survey through online advertisement. By equally distributing the questionnaire, the findings tend to be more accurate because there are different group of respondents answered the survey.

Last but not least, use bilingual in the questionnaire is suggesting for future researchers to substitute single language used in the questionnaire. Normally, the questionnaire will set in English version because English is the international language which common use in the world. However, researchers should take into consideration that some of the respondents not recognize and understand certain language even though the language is very common for majority. When the language set as bilingual in questionnaire, respondents able to choose the language which they familiar with to answer the questionnaire. For instance, Chinese version and English version are set in the questionnaire with the same meaning, if the respondents cannot understand English then they can also refer to Chinese version of questionnaire. This may help researchers to obtain a larger sample size and thus increase the probability of accuracy and reliability of the result.

## 5.6 Conclusion

In nutshell, this study have done and reached the research objectives, which is investigate the correlation between independent variable and dependent variables. Based on the findings, it provided online retailers information that they can take into consideration when they develop better marketing strategies while for new entrants, it can act as a foundation and understandings about the consumer preference toward e-commerce website. Further research might evolving more other possible factors or thinking of different way that can allow more exposure in the e-commerce study.

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#### **APPENDIX A**

#### **RESEARCH QUESTIONNAIRE**



#### UNIVERSITI TUNKU ABDUL RAHMAN (UTAR)

#### FACULTY OF ACCOUNTANCY AND MANAGEMENT (FAM)

#### **BACHELOR OF INTERNATIONAL BUSINESS (HONS)**

#### FINAL YEAR PROJECT

Dear respondents,

We are undergraduate students from University Tunku Abdul Rahman (UTAR), Faculty of Accounting and Management (FAM), pursuing the Bachelor of International Business (Hons), and currently conducting a final year research project entitled "Determinants of Consumers' Choice of Online Merchant". The purpose of this research is to discover the factors that influence Malaysian consumers' choice of particular online merchants, and their perception of those factors, with reference to their preferred online merchants.

We sincerely invite you to participate in this study and wish that you will take a few minutes to complete this questionnaire. Your responses are essential for our study and we truly appreciate both your time spent and effort taken in completing this questionnaire. This survey is strictly for academic purposes and we assure you that all responses collected will be treated **PRIVATELY** and **CONFIDENTIALLY**.

This research is conducted by:

Vooi Wen Yan 1503665

Lim Bee Khim 1605279

#### **Section A: Basic Demographic Information**

Please select one answer only by choosing one of the options provided. Gender: 6. Your household income per month: П Male Below RM2000 □ Female RM2000 to RM2999 RM3000 to RM3999 RM4000 and above 7. Marital status: 2. Your job: ☐ Private sector employee Married ☐ Public sector employee Single Self-employed Divorced □ Retired Others: (Please state) Student Unemployed 8. Number of children: 3.Age range: ☐ Below 20 years old □ None 1-2  $\square$  20-25 years old □ 26-30 years old 3-4  $\Box$  31-35 years old ☐ More than 4  $\square$  36 - 40 years old Above 40 years old 4. Race: ☐ Chinese Malay Indian Others: \_\_\_\_\_ (Please state) 5. Highest educational level: ☐ Secondary school and below Diploma/Foundation

Bachelor Degree
Master Degree/PHD

#### 9. Self-reported Actual Online Buying Behaviour in the Past 12 Months

In the past 12 months, how often did you buy items in the following product categories from your preferred e-commerce websites? Please provide your feedback by choosing one item of the corresponding scale.

	Never bought in the past 12 months	Seldom bought in the past 12 months	Often bought in the past 12 months	Nearly always bought in the past 12 months
Kitchen & Home appliance	1	2	3	4
Automotive	1	2	3	4
Personal & Beauty Care	1	2	3	4
Fashion product	1	2	3	4
Groceries	1	2	3	4
Electronic device and accessories	1	2	3	4
Sport & Travel	1	2	3	4
Babies & Toys	1	2	3	4
Others	1	2	3	4

#### 10. Intention of Buying Online in the Future

Looking forward, how would you describe your intention to buy items in the following product categories from your preferred e-commerce websites? Please provide your feedback by choosing one item of the corresponding scale.

	I intend to never buy in the future	I intend to seldom buy in the future	I intend to often buy in the future	I intend to nearly always buy in the future
Kitchen & Home appliance	1	2	3	4
Automotive	1	2	3	4
Personal & Beauty Care	1	2	3	4
Fashion product	1	2	3	4
Groceries	1	2	3	4
Electronic device and accessories	1	2	3	4
Sport & Travel	1	2	3	4
Babies & Toys	1	2	3	4
Others	1	2	3	4

11. **In the past 12 months**, please state why you bought your product(s) online using e-commerce websites. Please choose one item below.

	-
☐ For personal use only	☐ For business use only
☐ For personal & business use 12. Please state the extent to which the	only
products online, using e-commerc	e website, instead of going to the store. Please
provide your feedback by choosing o	ne item of the corresponding scale.
The indicators are as below:	
<b>1-</b> Extremely not important important	<b>2-</b> Not important <b>3-</b> Somewhat not
4- Somewhat important	5- Important 6- Extremely important

	ENI	NI	SWNI	SWI	I	EI
Easy to compare prices across different e-commerce websites.	1	2	3	4	5	6
The offers are more attractive (e.g. free shipping, coupon, membership)	1	2	3	4	5	6
A large variety of products and a wide range of products to choose from.	1	2	3	4	5	6
It saves a lot of time and effort.	1	2	3	4	5	6
To avoid traffic jam, crowds and long checkout lines.	1	2	3	4	5	6
Products are not sold in my country.	1	2	3	4	5	6

#### **Section B: Dependent Variables**

This section seeks your feedback on your actual and intended online buying behaviour of products.

# <u>Self-reported Actual Use of E-commerce Websites in the Past 12 Months</u> In the past 12 months, how often did you buy products from the following e-commerce websites. Please provide your feedback by choosing one item of the corresponding scale.

	Never used in the past 12 months	Seldom used in the past 12 months	Often used in the past 12 months	Nearly always used in the past 12 months
Lazada	1	2	3	4
Mudah.com	1	2	3	4
11street	1	2	3	4
Shopee	1	2	3	4
Lelong	1	2	3	4
Alibaba (Taobao)	1	2	3	4
Amazon	1	2	3	4
eBay	1	2	3	4

#### **Intention of Using E-commerce Websites in the Future**

Looking forward, how would you describe your intention to buy products from the following e-commerce websites. Please provide your feedback by choosing one item of the corresponding scale.

	I intend to never use in the future	I intend to seldom use in the future	I intend to often use in the future	I intend to nearly always use in the future
Lazada	1	2	3	4
Mudah.com	1	2	3	4
11 street	1	2	3	4
Shopee	1	2	3	4
Lelong	1	2	3	4
Alibaba (Taobao)	1	2	3	4
Amazon	1	2	3	4
eBay	1	2	3	4

#### **Section C: Independent Variables**

The indicators are as below:

**1-** Extremely not important **2-** Not important **3-** Somewhat not important

**4-** Somewhat important **5-** Important **6-** Extremely important

How in when o	You need to buy a product online in Malaysia. How important are the following factors to YOU when choosing which e-commerce website to buy a product from?			SWNI	SWI	Ι	EI
a)	Reputation of the e-commerce website	1	2	3	4	5	6
b)	Ratings and reviews of the e-commerce website	1	2	3	4	5	6
c)	Price of the product on the e-commerce website	1	2	3	4	5	6
d)	Number of items sold on the e-commerce website	1	2	3	4	5	6
e)	Membership points and coupons offered by the e-commerce website	1	2	3	4	5	6
f)	Website quality of the e-commerce website	1	2	3	4	5	6
g)	Order fulfilment of the e-commerce website	1	2	3	4	5	6

Are there any other factors that might influence your choice of an e-commerce website? Please state in the space provided:

\_\_\_\_

## **Section C: Independent Variable**

Please choose one item only of the corresponding scale that best describes your concerns, opinions and thoughts about **YOUR preferred e-commerce websites** based on seven factors.

The indicators are as below:

1- Strongly disagree

2- Disagree

3- Somewhat disagree

4- Somewhat agree 5- Agree

**6-** Strongly Agree

Staten	ment	SD	D	SWD	SWA	A	SA
Price							
1	The price of online products on my preferred e-commerce website is lower than the average market price for similar products sold at other e-commerce websites.	1	2	3	4	5	6
2	I think the price of the products on my preferred e-commerce website is reasonable.	1	2	3	4	5	6
3	The price of online products, on my preferred e-commerce website, is acceptable to me.	1	2	3	4	5	6
4	Shopping online using my preferred e- commerce website would allow me to get better prices.	1	2	3	4	5	6
Numb	per of items sold on e-commerce website	SD	D	SWD	SWA	A	SA
(sales	volume on e-commerce)	SD	ש	שואפ	SWA	A	SA
1	The number of sales' volume of a product I want to buy on my preferred e-commerce website is good.	1	2	3	4	5	6
2	My preferred e-commerce website allows me to compare the sales volume of a particular product I want to buy across different online sellers (e.g. those online sellers who sell their products on my preferred e-commerce website).	1	2	3	4	5	6
3	My preferred e-commerce website displays the transaction's sales volume of a product I want to buy.	1	2	3	4	5	6
Sticki	ness to the website	SD	D	SWD	SWA	A	SA
1	I would stay a longer time on my preferred e-commerce online shopping website rather than other websites.	1	2	3	4	5	6
2	I intend to prolong my staying on my preferred e-commerce online shopping website.	1	2	3	4	5	6

State	ment	SD	D	SWD	SWA	A	SA
3	I would visit my preferred e-commerce online shopping website as often as I can.	1	2	3	4	5	6
4	I intend try to link to my preferred e- commerce online shopping website every time I am online.	1	2	3	4	5	6
Website quality			D	SWD	SWA	A	SA
1	My preferred e-commerce online shopping website provides accurate and up to date information about the products I want to buy.	1	2	3	4	5	6
2	My preferred e-commerce online shopping website provides useful and reliable information for me.		2	3	4	5	6
3	My preferred e-commerce online shopping website provides sufficient information for me to make a transaction.	1	2	3	4	5	6
4	My preferred e-commerce online shopping website has an interesting web design.	1	2	3	4	5	6
5	My preferred e-commerce online shopping website is easy to use and helps me to find the information I am looking for.		2	3	4	5	6
Orde	fulfilment of website	SD	D	SWD	SWA	A	SA
1	The vendor on my preferred e-commerce online shopping website can deliver the product as per commitment after receiving my orders.	1	2	3	4	5	6
2	The vendor on my preferred e-commerce online shopping website makes it convenient for me to <b>return</b> the product after having received the product.	1	2	3	4	5	6
3	online shopping website makes it convenient for me to <b>return</b> the product	1	2	3	4	5	6
	online shopping website makes it convenient for me to <b>return</b> the product after having received the product.  I can cancel my orders easily when I do online shopping, on my preferred e-						
3	online shopping website makes it convenient for me to <b>return</b> the product after having received the product.  I can cancel my orders easily when I do online shopping, on my preferred ecommerce online shopping website.  I can know when products will be delivered, or when services will be performed, when I do online shopping on my preferred econverse.	1	2	3	4	5	6
3 4 5	online shopping website makes it convenient for me to <b>return</b> the product after having received the product.  I can cancel my orders easily when I do online shopping, on my preferred e-commerce online shopping website.  I can know when products will be delivered, or when services will be performed, when I do online shopping on my preferred e-commerce online shopping website.  My preferred e-commerce online shopping website has a good logistic and distribution	1	2	3	4	5	6
3 4 5	online shopping website makes it convenient for me to <b>return</b> the product after having received the product.  I can cancel my orders easily when I do online shopping, on my preferred e-commerce online shopping website.  I can know when products will be delivered, or when services will be performed, when I do online shopping on my preferred e-commerce online shopping website.  My preferred e-commerce online shopping website has a good logistic and distribution system.	1 1	2 2	3 3	4 4	5 5	6

Stater	Statement		D	SWD	SWA	A	SA
3	My preferred e-commerce online shopping website provides information that I can believe.	1	2	3	4	5	6
4	My preferred e-commerce online shopping website can be trusted in its dealings with me.	1	2	3	4	5	6
5	My preferred e-commerce online shopping website is well known.		2	3	4	5	6
Ratin	gs and review of the website	SD	D	SWD	SWA	A	SA
1	My preferred e-commerce online shopping website, has received positive evaluation and recognition, from online buyers.	1	2	3	4	5	6
2	My preferred e-commerce online shopping website has received positive reviews of its products from consumers.	1	2	3	4	5	6

Thank you so much for your participation.

## APPENDIX B

# APPENDIX B1: RELIABILITY TEST ON PRICE (IV)

**Case Processing Summary** 

		N	%
	Valid	140	100.0
Cases	Excludeda	0	.0
	Total	140	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics** 

Cronbach's Alpha	Cronbach's Alpha	N of Items
	Based on	
	Standardized	
	Items	
.940	.941	4

#### **Item Statistics**

	Mean	Std. Deviation	N
P1	4.69	.975	140
P2	4.75	1.012	140
P3	4.74	1.055	140
P4	4.75	1.033	140

### **Inter-Item Correlation Matrix**

	P1	P2	P3	P4
P1	1.000	.810	.816	.750
P2	.810	1.000	.876	.752
P3	.816	.876	1.000	.786
P4	.750	.752	.786	1.000

#### **Item-Total Statistics**

	Scale Mean if	Scale Variance if	Corrected Item-	Squared Multiple	Cronbach's Alpha
	Item Deleted	Item Deleted	Total Correlation	Correlation	if Item Deleted
P1	14.24	8.358	.849	.723	.925
P2	14.18	8.033	.879	.798	.915
P3	14.19	7.721	.897	.819	.909
P4	14.18	8.234	.809	.658	.938

#### Scale Statistics

Mean	Variance	Std. Deviation	N of Items
18.93	14.096	3.754	4

# APPENDIX B2: RELIABILITY TEST ON SALES VOLUME (IV)

**Case Processing Summary** 

		J	
		N	%
	Valid	140	100.0
Cases	Excludeda	0	.0
	Total	140	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics** 

Cronbach's Alpha	Cronbach's Alpha	N of Items
	Based on	
	Standardized	
	Items	
.902	.902	3

#### **Item Statistics**

	Mean	Std. Deviation	N
SV1	4.35	1.017	140
SV2	4.38	1.083	140
SV3	4.38	1.042	140

#### **Inter-Item Correlation Matrix**

	SV1	SV2	SV3
SV1	1.000	.754	.722
SV2	.754	1.000	.784
SV3	.722	.784	1.000

#### **Item-Total Statistics**

	Scale Mean if	Scale Variance if	Corrected Item-	Squared Multiple	Cronbach's Alpha
	Item Deleted	Item Deleted	Total Correlation	Correlation	if Item Deleted
SV1	8.76	4.027	.782	.613	.879
SV2	8.73	3.652	.829	.688	.839
SV3	8.73	3.868	.805	.654	.859

#### Scale Statistics

Mean	Variance	Std. Deviation	N of Items
13.11	8.255	2.873	3

# APPENDIX B3: RELIABILITY TEST ON STICKINESS TO WEBSITE (IV)

**Case Processing Summary** 

		N	%
	Valid	140	100.0
Cases	Excludeda	0	.0
	Total	140	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics** 

rionasmiy Gianonee				
Cronbach's Alpha	Cronbach's Alpha	N of Items		
	Based on			
	Standardized			
	Items			
.891	.892	4		

#### **Item Statistics**

	Mean	Std. Deviation	N
STW1	4.45	1.134	140
STW2	4.44	1.068	140
STW3	4.27	1.143	140
STW4	4.00	1.187	140

#### **Inter-Item Correlation Matrix**

	STW1	STW2	STW3	STW4
STW1	1.000	.803	.715	.497
STW2	.803	1.000	.755	.567
STW3	.715	.755	1.000	.710
STW4	.497	.567	.710	1.000

#### **Item-Total Statistics**

	Scale Mean if	Scale Variance if Item Deleted	Corrected Item- Total Correlation	Squared Multiple Correlation	Cronbach's Alpha if Item Deleted
STW1	12.71	9.069	.752	.674	.862
STW2	12.72	9.123	.810	.714	.842
STW3	12.89	8.557	.841	.711	.828
STW4	13.16	9.376	.647	.509	.903

#### Scale Statistics

Mean	Variance	Std. Deviation	N of Items
17.16	15.491	3.936	4

# APPENDIX B4: RELIABILITY TEST ON WEBSITE QUALITY (IV)

**Case Processing Summary** 

		N	%
	Valid	140	100.0
Cases	Excludeda	0	.0
	Total	140	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics** 

Renability Statistics					
Cronbach's Alpha	Cronbach's Alpha	N of Items			
	Based on				
	Standardized				
	Items				
.933	.934	5			

#### **Item Statistics**

	Mean	Std. Deviation	N
WQ1	4.60	1.111	140
WQ2	4.62	1.021	140
WQ3	4.61	1.084	140
WQ4	4.31	1.106	140
WQ5	4.65	1.003	140

#### **Inter-Item Correlation Matrix**

	WQ1	WQ2	WQ3	WQ4	WQ5
WQ1	1.000	.848	.824	.606	.732
WQ2	.848	1.000	.807	.673	.762
WQ3	.824	.807	1.000	.685	.766
WQ4	.606	.673	.685	1.000	.670
WQ5	.732	.762	.766	.670	1.000

#### **Item-Total Statistics**

	Scale Mean if	Scale Variance if	Corrected Item- Total Correlation	Squared Multiple Correlation	Cronbach's Alpha
WQ1	18.19	14.114	.842	.779	.913
WQ2	18.17	14.546	.872	.785	.908
WQ3	18.19	14.124	.869	.765	.908
WQ4	18.48	15.014	.716	.541	.937
WQ5	18.14	15.030	.816	.668	.918

#### **Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
22.79	22.381	4.731	5

# APPENDIX B5: RELIABILITY TEST ON ORDER FULFILMENT (IV)

**Case Processing Summary** 

		N	%
	Valid	140	100.0
Cases	Excludeda	0	.0
	Total	140	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics** 

· · · · · · · · · · · · · · · · · · ·					
Cronbach's Alpha	Cronbach's Alpha	N of Items			
	Based on				
	Standardized				
	Items				
.916	.919	5			

#### **Item Statistics**

	Mean	Std. Deviation	N
OF1	4.62	1.128	140
OF2	4.15	1.325	140
OF3	4.28	1.087	140
OF4	4.76	1.079	140
OF5	4.58	1.053	140

#### **Inter-Item Correlation Matrix**

	OF1	OF2	OF3	OF4	OF5
OF1	1.000	.679	.656	.728	.743
OF2	.679	1.000	.726	.590	.696
OF3	.656	.726	1.000	.629	.688
OF4	.728	.590	.629	1.000	.809
OF5	.743	.696	.688	.809	1.000

#### **Item-Total Statistics**

	Scale Mean if	Scale Variance if	Corrected Item-	Squared Multiple	Cronbach's Alpha
	Item Deleted	Item Deleted	Total Correlation	Correlation	if Item Deleted
OF1	17.76	15.807	.800	.649	.894
OF2	18.24	14.757	.761	.624	.906
OF3	18.11	16.327	.768	.608	.901
OF4	17.63	16.321	.776	.695	.899
OF5	17.81	16.027	.844	.746	.886

#### **Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
22.39	24.253	4.925	5

# APPENDIX B6: RELIABILITY TEST ON REPUTATION AND TRUST (IV)

**Case Processing Summary** 

Gase i recessing Gammar,			,
		N	%
	Valid	140	100.0
Cases	Excludeda	0	.0
	Total	140	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics** 

, , , , , , , , , , , , , , , , , , ,				
Cronbach's Alpha	Cronbach's Alpha	N of Items		
	Based on			
	Standardized			
	Items			
.948	.949	5		

#### **Item Statistics**

	Mean	Std. Deviation	N
RT1	4.73	1.156	140
RT2	4.81	1.150	140
RT3	4.61	1.064	140
RT4	4.65	.981	140
RT5	4.84	1.103	140

#### **Inter-Item Correlation Matrix**

	RT1	RT2	RT3	RT4	RT5
RT1	1.000	.864	.796	.797	.709
RT2	.864	1.000	.796	.800	.797
RT3	.796	.796	1.000	.866	.704
RT4	.797	.800	.866	1.000	.750
RT5	.709	.797	.704	.750	1.000

#### **Item-Total Statistics**

	Scale Mean if	Scale Variance if	Corrected Item-	Squared Multiple	Cronbach's Alpha
	Item Deleted	Item Deleted	Total Correlation	Correlation	if Item Deleted
RT1	18.90	15.501	.865	.786	.935
RT2	18.82	15.313	.897	.826	.929
RT3	19.02	16.208	.860	.787	.935
RT4	18.98	16.697	.879	.804	.933
RT5	18.79	16.381	.796	.671	.946

#### **Scale Statistics**

Mean	Variance	Std. Deviation	N of Items
23.63	24.710	4.971	5

#### APPENDIX B7: RELIABILITY TEST ON RATING AND REVIEW (IV)

**Case Processing Summary** 

		J	
		N	%
	Valid	140	100.0
Cases	Excludeda	0	.0
	Total	140	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics** 

Cronbach's Alpha	Cronbach's Alpha	N of Items
	Based on	
	Standardized	
	Items	
.944	.944	3

#### Item Statistics

	Mean	Std. Deviation	N
RR1	4.71	1.056	140
RR2	4.79	1.037	140
RR3	4.66	1.065	140

#### **Inter-Item Correlation Matrix**

	RR1	RR2	RR3
RR1	1.000	.822	.851
RR2	.822	1.000	.871
RR3	.851	.871	1.000

#### **Item-Total Statistics**

	Scale Mean if	Scale Variance if	Corrected Item-	Squared Multiple	Cronbach's Alpha
	Item Deleted	Item Deleted	Total Correlation	Correlation	if Item Deleted
RR1	9.44	4.133	.865	.751	.931
RR2	9.36	4.161	.880	.783	.919
RR3	9.49	3.993	.902	.815	.902

#### **Scale Statistics**

Mean	Variance	Std. Deviation	N of Items	
14.15	8.963	2.994	3	

# APPENDIX B8: RELIABILITY TEST ON SELF-REPORTED ACTUAL USE OF E-COMMERCE WEBSITE (DV)

Case Processing Summary

		N	%
	Valid	140	100.0
Cases	Excludeda	0	.0
	Total	140	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics** 

Cronbach's Alpha	Cronbach's Alpha	N of Items
	Based on	
	Standardized	
	Items	
.624	.699	8

**Item Statistics** 

	Mean	Std. Deviation	N	
SRW1	1.96	.917	140	
SRW2	1.31	.624	140	
SRW3	1.26	.541	140	
SRW4	1.94	.991	140	
SRW5	1.11	.417	140	
SRW6	1.97	1.112	140	
SRW7	1.21	.573	140	
SRW8	1.14	.436	140	

**Inter-Item Correlation Matrix** 

mor tom correlation matrix								
	SRW1	SRW2	SRW3	SRW4	SRW5	SRW6	SRW7	SRW8
SRW1	1.000	.208	.280	.386	.105	.055	.042	.120
SRW2	.208	1.000	.270	.138	.441	.023	.132	.265
SRW3	.280	.270	1.000	.353	.442	.120	.146	.247
SRW4	.386	.138	.353	1.000	.209	.181	.075	.220
SRW5	.105	.441	.442	.209	1.000	.038	.319	.587
SRW6	.055	.023	.120	.181	.038	1.000	.315	.127
SRW7	.042	.132	.146	.075	.319	.315	1.000	.459
SRW8	.120	.265	.247	.220	.587	.127	.459	1.000

**Item-Total Statistics** 

	Scale Mean if	Scale Variance if Item Deleted	Corrected Item- Total Correlation	Squared Multiple Correlation	Cronbach's Alpha
SRW1	9.94	7.378	.311	.198	.599
SRW2	10.59	8.286	.304	.224	.597
SRW3	10.65	8.085	.451	.297	.569
SRW4	9.97	6.690	.409	.249	.565
SRW5	10.79	8.511	.445	.507	.583
SRW6	9.94	7.284	.208	.139	.655
SRW7	10.69	8.344	.332	.289	.593
SRW8	10.77	8.465	.439	.439	.582

#### **Scale Statistics**

Mean	Variance	Std. Deviation	N of Items	
11.91	9.768	3.125	8	

# APPENDIX B8: RELIABILITY TEST ON INTENTION USE OF E-COMMERCE WEBSITE (DV)

**Case Processing Summary** 

_		N	%
	Valid	140	100.0
Cases	Excludeda	0	.0
	Total	140	100.0

a. Listwise deletion based on all variables in the procedure.

**Reliability Statistics** 

· · · · · · · · · · · · · · · · · · ·				
Cronbach's Alpha	Cronbach's Alpha	N of Items		
	Based on			
	Standardized			
	Items			
.656	.695	8		

**Item Statistics** 

	Mean	Std. Deviation	N
IWF1	2.49	.886	140
IWF2	1.66	.774	140
IWF3	1.69	.769	140
IWF4	2.30	.972	140
IWF5	1.44	.615	140
IWF6	2.34	1.104	140
IWF7	1.65	.767	140
IWF8	1.48	.704	140

#### **Inter-Item Correlation Matrix**

	IWF1	IWF2	IWF3	IWF4	IWF5	IWF6	IWF7	IWF8
IWF1	1.000	.254	.335	.320	.151	.003	.150	.104
IWF2	.254	1.000	.378	.154	.557	167	.104	.284
IWF3	.335	.378	1.000	.406	.464	.060	.251	.373
IWF4	.320	.154	.406	1.000	.197	.118	022	.125
IWF5	.151	.557	.464	.197	1.000	087	.255	.404
IWF6	.003	167	.060	.118	087	1.000	.278	.195
IWF7	.150	.104	.251	022	.255	.278	1.000	.565
IWF8	.104	.284	.373	.125	.404	.195	.565	1.000

#### **Item-Total Statistics**

	Scale Mean if	Scale Variance if	Corrected Item-	Squared Multiple Correlation	Cronbach's Alpha
	item Deleted	item Deleted	Total Correlation	Correlation	ii iteiii Deleted
IWF1	12.56	10.507	.323	.201	.632
IWF2	13.39	10.845	.334	.376	.628
IWF3	13.37	9.803	.572	.394	.570
IWF4	12.76	10.185	.325	.250	.633
IWF5	13.61	10.929	.453	.435	.609
IWF6	12.71	11.198	.099	.162	.710
IWF7	13.41	10.646	.382	.394	.617
IWF8	13.58	10.375	.502	.429	.593

## Scale Statistics

Mean	Variance	Std. Deviation	N of Items
15.06	13.148	3.626	8

# APPENDIX C APPENDIX C1: DEMOGRAPHIC PROFILE (ORIGINAL)GENDER

#### Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	49	35.0	35.0	35.0
	Female	91	65.0	65.0	100.0
	Total	140	100.0	100.0	

## APPENDIX C2: DEMOGRAPHIC PROFILE (ORIGINAL) JOB

#### Job

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Private sector employee	35	25.0	25.0	25.0
	Public sector employee	11	7.9	7.9	32.9
	Self- employed	10	7.1	7.1	40.0
	Retired	7	5.0	5.0	45.0
	Student	74	52.9	52.9	97.9
	Unemployed	3	2.1	2.1	100.0
	Total	140	100.0	100.0	

# APPENDIX C3: DEMOGRAPHIC PROFILE (ORIGINAL) AGE

#### Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below 20 years old	4	2.9	2.9	2.9
	20-25 years old	90	64.3	64.3	67.1
	26-30 years old	14	10.0	10.0	77.1
	31-35 years old	16	11.4	11.4	88.6
3	36-40 years old	8	5.7	5.7	94.3
	Above 40 years old	8	5.7	5.7	100.0
	Total	140	100.0	100.0	

## APPENDIX C4: DEMOGRAPHIC PROFILE (ORIGINAL) RACE

#### Race

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Chinese	77	55.0	55.0	55.0
	Malay	30	21.4	21.4	76.4
	Indian	31	22.1	22.1	98.6
	Other	2	1.4	1.4	100.0
	Total	140	100.0	100.0	

# APPENDIX C5: DEMOGRAPHIC PROFILE (ORIGINAL) EDUCATION LEVEL

#### EducationalLevel

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Secondary school and below	18	12.9	12.9	12.9
	Diploma/Foundation	38	27.1	27.1	40.0
	Bachelor Degree	79	56.4	56.4	96.4
	Master Gegree/PHD	5	3.6	3.6	100.0
	Total	140	100.0	100.0	

# APPENDIX C6: DEMOGRAPHIC PROFILE (ORIGINAL) HOUSEHOLD INCOME

#### HouseholdIncome

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Below RM2000	67	47.9	47.9	47.9
	RM2000 to RM2999	28	20.0	20.0	67.9
	RM3000 to RM3999	24	17.1	17.1	85.0
	RM4000 and above	21	15.0	15.0	100.0
	Total	140	100.0	100.0	

# $\frac{\textbf{APPENDIX C7: DEMOGRAPHIC PROFILE (ORIGINAL) MARITAL}}{\underline{\textbf{STATUS}}}$

#### **MaritalStatus**

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Married	24	17.1	17.1	17.1
	Single	114	81.4	81.4	98.6
	Others	2	1.4	1.4	100.0
	Total	140	100.0	100.0	

# $\frac{\textbf{APPENDIX C8: DEMOGRAPHIC PROFILE (ORIGINAL) NUMBER OF}}{\textbf{CHILDREN}}$

#### NumberOfChildren

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	None	117	83.6	83.6	83.6
	1-2	15	10.7	10.7	94.3
	3-4	6	4.3	4.3	98.6
	3	2	1.4	1.4	100.0
	Total	140	100.0	100.0	