

The copyright © of this thesis belongs to its rightful author and/or other copyright owner. Copies can be accessed and downloaded for non-commercial or learning purposes without any charge and permission. The thesis cannot be reproduced or quoted as a whole without the permission from its rightful owner. No alteration or changes in format is allowed without permission from its rightful owner.



**FACTORS THAT INFLUENCE ONLINE PURCHASE INTENTION AMONG UUM
POSTGRADUATE STUDENTS**

KHAIRULL ANUAR BIN ISMAIL



UUM
Universiti Utara Malaysia

MASTER OF SCIENCE

UNIVERSITI UTARA MALAYSIA

JUNE 2017

**FACTORS THAT INFLUENCE ONLINE PURCHASE INTENTION AMONG UUM
POSTGRADUATE STUDENTS**

By

KHAIRULL ANUAR BIN ISMAIL

820040



UUM
Universiti Utara Malaysia

Research Paper submitted to

School of Business Management

Universiti Utara Malaysia

In partial of fulfilling requirement for Master of Science (Management)



**Pusat Pengajian Pengurusan
Perniagaan**

SCHOOL OF BUSINESS MANAGEMENT

Universiti Utara Malaysia

PERAKUAN KERJA KERTAS PENYELIDIKAN
(Certification of Research Paper)

Saya, mengaku bertandatangan, memperakukan bahawa
(I, the undersigned, certified that)

KHAIRULL ANUAR BIN ISMAIL (820040)

Calon untuk Ijazah Sarjana
(Candidate for the degree of)

MASTER OF SCIENCE (MANAGEMENT)

telah mengemukakan kertas penyelidikan yang bertajuk
(has presented his/her research paper of the following title)

FACTORS THAT INFLUENCE ONLINE PURCHASE INTENTION AMONG UUM POSTGRADUATE STUDENTS

Seperti yang tercatat di muka surat tajuk dan kulit kertas penyelidikan
(as it appears on the title page and front cover of the research paper)

Bahawa kertas penyelidikan tersebut boleh diterima dari segi bentuk serta kandungan dan meliputi bidang ilmu dengan memuaskan.

(that the research paper acceptable in the form and content and that a satisfactory knowledge of the field is covered by the research paper).

Nama Penyelia Pertama : **DR. YATY BINTI SULAIMAN**
(Name of 1st Supervisor)

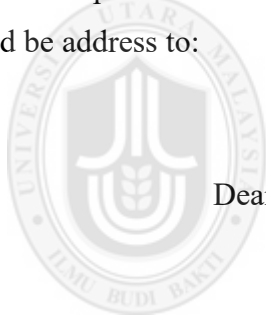
Tandatangan :
(Signature)

Tarikh : **29 MEI 2017**
(Date)

PERMISSION TO USE

In presenting the dissertation in fulfilling of the requirement for the Post Graduate from Universiti Utara Malaysia (UUM), I agree that the library of this university to make this paper as the reference materials. I also agree to allow of any copies of this thesis either a part or whole of it to be used for academic purposes with the permission of my Supervisor in my absence, by the Dean of School of Business Management. It is understood that any copying or publication of this paper for financial gain is not permitted without my written permission, It is also understood that due to recognition shall be given to me and Universiti Utara Malaysia (UUM) in any scholarly is which may be made of any materials in my dissertation.

Request for permission to make a copy or other use of this materials in this theses should be address to:



Dean of School of Business Management

Universiti Utara Malaysia

06010 UUM Sintok

Kedah Darul Aman

ABSTRACT

Online market is one of the industry that are currently developing and have many potential to become one of the best market in the world. Many entrepreneur have start to move from plain brick and mortar business to adopt both physical and online shops to set up their business and attract customers. There are also some entrepreneur that only focus on online commerce and only set up online shops to perform their business. Advancement in delivery services that now provided more services and allowed for a heavier and bigger products have made online business more convenience to perform by the entrepreneur and sought after by the consumer. Students are one of the prospects customers that have interest and skills to patronage and use online shopping. This study aim to identify and examine the factors that influence online purchase intentions among postgraduate students. Seven dimensions were used in this study consisting of product, price, promotion, product risk, delivery risk, privacy risk and financial risk. This study was conducted in UUM and 500 questionnaires were distributed and 394 of them were recovered and valid to be used as the sample for the study while 50 were lost and 56 were damaged and excluded from the study. This study reveals that the highest dimensions to affect online purchase intentions are products. Meanwhile delivery and financial risk dimensions are revealed to have no significant relationship with online purchase intentions.

Keyword; online purchase intention, product, price, promotion, perceive risk

ABSTRAK

Pembelian online adalah salah satu industri yang sedang membangun dan mempunyai banyak potensi untuk menjadi salah satu pasaran yang terbaik di dunia. Banyak usahawan telah mula bergerak dari perniagaan berdasarkan kedai fizikal kepada menggunakan kedua-dua jenis kedai iaitu fizikal dan juga kedai online untuk memulakan perniagaan mereka dan menarik pelanggan. Terdapat juga beberapa pengusaha yang hanya memberi tumpuan kepada pembelian online dan hanya membuka kedai online untuk melaksanakan perniagaan mereka. Kemajuan dalam perkhidmatan penghantaran yang kini menyediakan lebih banyak perkhidmatan dan kini membenarkan produk yang lebih berat dan lebih besar telah membuat perniagaan online lebih mudah untuk dilaksanakan oleh usahawan dan digalakkan oleh pengguna. Pelajar adalah salah satu prospek pelanggan yang mempunyai minat dan kemahiran untuk menggunakan perdagangan online. Matlamat kajian ini adalah untuk mengenal pasti dan mengkaji faktor-faktor yang mempengaruhi niat membeli online di kalangan pelajar lepasan ijazah. Tujuh dimensi telah digunakan dalam kajian ini iaitu produk, harga, promosi, risiko produk, risiko penghantaran, risiko privasi dan risiko kewangan. Kajian ini dijalankan di Universiti Utara Malaysia dan sebanyak 500 soal selidik telah diedarkan dan 394 daripada mereka telah dikumpul kembali dan sah untuk digunakan sebagai sampel untuk kajian manakala 50 lagi hilang dalam proses pengedaran dan 56 daripadanya dianggap rosak dan dikecualikan daripada kajian ini. Kajian ini menunjukkan bahawa dimensi yang memberi kesan tertinggi terhadap niat membeli online adalah faktor produk. Sementara itu faktor risiko penghantaran dan risiko kewangan dijumpai tidak mempunyai hubungan yang signifikan dengan niat membeli online.

Kata Kunci; niat membeli online, produk, harga, promosi, persepsi keatas risiko

ACKNOWLEDGEMENTS

First I would like to express my sincere appreciation to my supervisor, Senior Lecture Dr. Yaty Sulaiman for guiding me throughout this study until the completion of this dissertation. I would like to extend my gratitude for the knowledge, skills, and information that she gave me during the process of the study. To all of my lecturers in Master of Science (Management) that have helped me to learn and study throughout my Master course, I would like to extend my sincere thanks for imparting their knowledge and skills to me. I also would like to say thank you to my fellow Master candidate who have share with me their experience, friendships and guiding me along my study with their invaluable advice.

I also like to express my appreciation for all of my respondents who are directly and indirectly involve in helping me to answer my questionnaire for their time and cooperation. Without their assistance, I will not have the opportunity to obtain the information and data that are needed to complete the research.

Lastly I dedicate this study to my family for their selfless encouragement, support, prayers and love that they give me during the course of my study. Their support have become a source of encouragement and motivation for me to complete this dissertation.

TABLE OF CONTENT

PERMISSION TO USE.....	i
ABSTRACT.....	ii
ABSTRAK.....	iii
ACKNOWLEDGEMENT.....	iv
TABLE OF CONTENT.....	v
LIST OF TABLES.....	viii
LIST OF FIGURES.....	ix
LIST OF APPENDICES.....	x
CHAPTER 1 INTRODUCTION.....	1
1.1 Introduction.....	1
1.2 Background of the Study.....	5
1.3 Problem Statement.....	9
1.4 Research Objective.....	14
1.5 Research Question.....	14
1.6 Significant of Study.....	15
1.7 Definition of Key Term.....	17
1.8 Conclusion.....	18
CHAPTER 2 LITERATURE REVIEW.....	19
2.1 Introduction.....	19
2.2 Traditional vs Online Shopping.....	19
2.3 Online Purchase Intention.....	21
2.4 Factor influencing Consumer Online Purchase Intention.....	23
2.4.1 Product Factors.....	26
2.4.2 Price Factors.....	30
2.4.3 Promotion Factors.....	33
2.4.4 Perceive Risk.....	40
2.4.4.1 Product Risk.....	42
2.4.4.2 Delivery Risk.....	44
2.4.4.3 Privacy Risk.....	47
2.4.4.4 Financial Risk.....	49
2.4 Theoretical Framework.....	51
2.5 Hypothesis Development.....	52
2.6 Conclusion.....	52

CHAPTER 3 METHODOLOGY	53
3.1 Introduction.....	53
3.2 Research Design.....	53
3.2.1 Sources of Data	55
3.2.1.1 Primary Data	55
3.2.1.2 Secondary Data	56
3.2.3 Unit of Analysis	56
3.2.4 Population Frame	57
3.2.5 Sample & Sampling Techniques.....	57
3.3 Measurement.....	59
3.3.1 Demographic.....	61
3.3.2 Product	61
3.3.2 Price	62
3.3.4 Promotions	63
3.3.5 Product Risk.....	63
3.3.6 Delivery Risk	64
3.3.7 Privacy Risk	65
3.3.8 Financial Risk	66
3.3.9 Online Purchase Intention.....	66
3.4 Data Collection and Administration	67
3.5 Data Analysis Technique	69
3.6 Conclusions.....	70
CHAPTER 4 DATA ANALYSIS	71
4.1. Introduction.....	71
4.2 Respondent Response Rate.....	71
4.3 Pilot Test Analysis	72
4.4. Descriptive Analysis	73
4.4.1 Gender.....	73
4.4.2 Age.....	74
4.4.3 Income.....	74
4.4.4 Education	75
4.4.5 Marital.....	75
4.4.6 Occupation.....	76
4.4.7 Country of Origin.....	77
4.4.8 Years since start to do Online Shopping.....	77
4.4.9 Hours Spends on Online Shopping in a day	78

4.5 Reliability Test.....	79
4.6 Pearson Correlation.....	79
4.7 Regression Analysis.....	81
4.8 Conclusion	84
CHAPTER 5 CONCLUSION AND RECOMMENDATION.....	85
5.1 Introduction.....	85
5.2 Summary of the findings.....	85
5.3 Demographic.....	86
5.4 Independent and Dependant Variable Relationship and Analysis	88
5.4.1 Hypothesis 1.....	89
5.4.2 Hypothesis 2.....	91
5.4.3 Hypothesis 3.....	93
5.4.4 Hypothesis 4 (a)	94
5.4.5 Hypothesis 4 (b).....	96
5.4.6 Hypothesis 4 (c)	99
5.4.7 Hypothesis 4 (d).....	101
5.5 Limitation of the study.....	103
5.6 Recommendation	104
5.7 Conclusion	105



LIST OF TABLES

Table		Pages
Table 1.1	Definition of Key Term	17
Table 3.1	Sample Size According to Krejcie & Morgan (1970)	58
Table 3.2	Measurement of Instrument	59
Table 4.1	Distribution Information Questionnaire	71
Table 4.2	Reliability Test of the Pilot Test	72
Table 4.3	Gender of the respondent	73
Table 4.4	Age of the Respondents	74
Table 4.5	Income Level	74
Table 4.6	Education level of the Respondent	75
Table 4.7	Marital Status of the Respondents	75
Table 4.8	Occupation of the Respondents	76
Table 4.9	Respondents Country of Origin	77
Table 4.10	Years Since Start to do Online Shopping of the Respondents	77
Table 4.11	Hours spend to do Online Shopping in a day by the Respondents	78
Table 4.12	Reliability Test of the Actual Test	79
Table 4.13	Value Pearson Correlation Analysis	80
Table 4.14	Anova Table	81
Table 4.15	Model Summary	82
Table 4.16	Coefficient Table	83
Table 4.17	Hypothesis Testing	84

LIST OF FIGURES

Figure	TITLE	Pages
Figure 2.1	Conceptual Framework relating factors that influence online purchase intentions	51



UUM
Universiti Utara Malaysia

LIST OF APPENDICES

APPENDIX	TITLE	Pages
Appendix A	Questionnaires	122
Appendix B	Reliability Test for Pilot Test	128
Appendix C	Reliability Test for Real Test	132
Appendix D	Descriptive Statistic	136
Appendix E	Pearson Correlation	140
Appendix F	Multiple Regression	141



UUM
Universiti Utara Malaysia

CHAPTER 1

INTRODUCTION

1.1 Introduction

The use of internet is rapidly gaining users even as time pass. The number of internet user are increasing every year and it's still increasing now. In 2006 the number of internet user in Malaysia are 13,561,710 which further increase in 2011 where it has 17,429,512 users. By 2016 the number of internet user have further increase into 21,090,777. This indicates that the growing trend of Internet users in Malaysia which facilitated the growth of online retailing industry. Due to this, most online vendors have become more aware of this trend and start to create a shopping environment in which prospective consumers perceived as dependable and reliable (Loh, 2014). Internet have long been facilitating in the world and since then have evolve according to the passage of times. Nowadays, Internet exist as a medium for many means such as information sharing, communication and also entertainments. As such many perceived internet as an indispensable element in their life and it has brought many advantages to an individual life as well as on group's life.

Of course, Internet does not come with only advantages as it also has some defects on its own. The most concerning issue regarding internet are virus infiltration which may damage data or software that a user has, risk of personal information theft and spamming. These issues have become a source of concern from many people especially for one that are deeply involved in data management or programmer as

their job which make them more susceptible to the damage compared to other jobs or activities. Regardless the use of internet is still persisting with more and more people joining in every day. Statistic show that the internet user in 2016 are 49.6% and user growth starting from 2000 until 2016 are about 1,467.9% (Internet Live Stats, 2016). Even new generation are encouraged to incorporate the use of internet into their daily lives by the government in many aspects such as their education, finance management, administration purpose, and even shopping.

Throughout the years, Internet have so many function and bring life easier for many people. This is relatively true for businessman as it has given birth to many new dimension in the commercial field such as webpages to share information regarding organization or even new products and services. The improvement and advantage that internet have bring to the world have also attracted them to invest more capital into developing their business in this fields. Internet have created a new market for businessman and consumer by creating a new market which act as an alternative for the traditional market. Internet commerce have allowed the purchase and transaction of products online (Keeney, 1999). This particular type of commerce has been known as e-commerce, e-tailing, online shopping, internet shopping, web based shopping, electronic shopping or even e-shopping. E-commerce environment, which is Internet-based, allows customers to search for information and purchase goods and services through direct contact with the Internet shopping. It should be noted that the Internet-based shopping is not founded on the actual experience of purchasing products but on superficiality, such as image, shape, quality of information and advertising of the products. (Darvish et al., 2016 cited in Spiller and Loves, 1998).

Based on the Malaysian Communication and Multimedia Commission online shopping is ranked 11th among the top 15 reasons why Malaysians access the Internet (Zendehdel et al., 2015 cited in Association, 2012). Today, consumers are adopting online shopping as it has many advantages. On consumers' perspective, online shopping provides low and transparent prices, comprehensive assortment of goods and services and a much more convenient shopping alternative that has eliminated such traditional shopping inconveniences of squeezing through crowds, stuck in long queue at cashier counter, battling for parking spaces at a busy mall. On the other hand, retailers see it as a huge business opportunity to grab (Ho, 2013). Many have considered online shopping as relatively better compared to traditional shopping in a certain area. Online shopping usually takes less time, easier, simpler, and accessible anytime and anywhere while allowing the business and consumer to communicate more directly at the same time. Online Shopping also allow the transaction to be completed electronically which seen as an advantage to individuals or groups who didn't like to bring more money in their wallet. Due to this advantages, online shopping is not perceived as a complement market by some and are even perceived as a major threat by company that mainly engage in traditional based business (Hsiao, 2009). Many acknowledge that internet have successfully changed the attitude and behaviour of consumer in their purchase behaviour, personal customer shopping relationship, and held advantage in terms of delivery channel compared to traditional business due to most of online products especially those who come in digital forms which are sent via online connection and the processed are usually shorter compared to traditional shopping which further increase consumer preference for them.

Here are some of the prime example of online based business that have successfully performed better compared to their traditional counterpart in the business. One of the market that utilise internet presence was known as Online retailing which help to sell retail goods online and is better known as E-Tailing. This type of retailing utilise the fact that most customer are too busy to go to the shop to purchase traditionally. Tesco Home plus Subway Virtual Store is one of the successfully online shopping approach where it utilise smartphone and QR code to receive the purchasing order. This type of innovative online shopping was very popular in Korea as it complements people needs and lifestyle thus was regarded as a better alternative compared to traditional means of purchasing grocery. Apart from retail products, many organization have also taken a bold approach of selling even a high involvement product such as video games which utilise its main appeal as software to directly download itself into any suitable console medium after consumer have made the payment. An example of a successful online shopping is Nintendo who have utilise a programmed named e-shop which open 24 hours that allow their consumer to pay for the products either by Nintendo prepaid card or crediting their bank account. The products will then be download directly to their named console which allow them to immediate enjoy it.

The growth of online shopping could be contributed to its advantage of providing a large amount of information quickly with low cost and its growing accessibility which allow customer to access the website that engage in transaction anytime and anywhere (Bonn, Furr & Susskind, 1999). In order to reach online shopping full potential, it become necessary that the business owner themselves have a clear understanding regarding consumer attitude in online shopping. Precisely, the owner

need to know what who are the buyer in the online shopping, what sort of products they frequently purchased, why they purchased that type of products and what factors is enticing non-adopter to purchase online.

1.2 Background of the Study

Online Shopping or E-commerce are one of the market that are currently growing in modern world nowadays. This could be contributed to the growing number of internet user, faster broadband, wide disseminated of Personal Computer and implementation of offline shopping function in the mobile device such as hand phone and tablet. At today modern world, the term online shopping is no longer foreign to the consumer, in fact many have started to adopt it due to various advantages it has over traditional mode of shopping. From the consumer point of view, Online Shopping is one mode of shopping that have many appeals that interested them such as low and transparent pricing, convenient shopping procedure that have eliminate the traditional mode of shopping inconvenient of purchasing the product such as fighting through the crowd, searching for parking spaces and waiting in a long queue to make the payment. Not to mention that online shopping is also equipped with more product assortment compared to traditional ones with some even inaccessible via traditional store.

Retailer meanwhile perceived online shopping as a market they cannot leave out and as a golden egg in regards to business opportunity. According to Tang & Tong (2013) cited in Euromonitor (2012), Malaysia's Internet retail realized RM842 million in 2011 and will expect to post compound annual growth rate (CAGR) of 15% to reach

RM1.7 billion in 2016 With Malaysian consumers shifting their shopping needs online, a lot of small and medium sized businesses (SMBs) or even corporation are taking advantage of this opportunity by setting up their alternative e-commerce stores to better serve their customers' needs. Some large company gave also begun to actively pursue online shopping opportunity and implement it as one of their marketing strategies. Despite this, some researcher still insists that it's difficult to reach online shopping sales to its full potential as the development of online shopping itself are still in early stages (Ho, 2013).

It's important that researcher as well as entrepreneur understand that despite the undeniable growth potential that online market have in Malaysia, it was not applicable to each product thus it become imperative that they identified which products have the potential to create high sales when being sold online. Many research and study have been done previously in order to understand and identified which product characteristics and classifications have the biggest influence on increasing customer intent to purchase. Nelson theory define search goods as goods that search goods are defined by the product information attribute or its specification which can be acquired electronically prior the purchase. Search product example are computers, compact discs, books, electronics & electrical items, games. Meanwhile experience goods are products defined by information attributes that can only be appreciated after purchase and only be used then. Experience goods example are clothes, furniture, accessories and groceries.

In a study involving 214 sample consisting of online consumer, Mohd Shoki Md Ariff et al. (2013) cited in Ranganathan & Ganapathy (2002) have identified website design, security, privacy, design and information content as the most significant factor that heavily influence consumer perception when they make their decision to shop online in U.S. Their study further show that Privacy and Security are valued more than design and information content when they considered whether they want to or not purchase a product online.

Meanwhile in another study conducted in china show that in term of demographic, there are no difference in male and female decision when they decide to adopt online shopping, meanwhile young people and single people have more intention to adopt online shopping. The study also show that higher education and better occupation have a significant effect in influencing online adoption intention in China. The study show that perceive risk, price and service quality play an important role towards online adoption intention by the young age group as compare to the middle and old age group. The old age group however concern more on the factor of subjective norm and product guarantee compared to young age group. Lastly young and middle age group perceive the factor of consumer resource and product variety as more important compared to old age group. Single customer is concerned with factor of perceived risk and subjective norm while married customer are concerned with convenience and website factor. People of all education level are concern with perceived risk. The only difference is that individual with high education level focused more on consumer resource while middle and low education individual are more concerned on the factors of service quality and subjective norm when they made their decision whether to adopt online shopping. Meanwhile customer who are

self-employed are more concerned in perceived risk compared to another occupation group. Consumer resource meanwhile are the factor which become a concern for both Professional and self-employed group when they make their online purchase intention decision (Zhang, 2011).

Another study regarding intention of online shopping was done at Singapore have shown that female customers purchase more frequently online compare to male customers. The study also shows that Singaporean place more importance on convenience followed by price when they think of adopting online shopping practices. Variety of products however were not their main concern as they usually only shopped for a specific product online and usually focussing on website with convenient to handle and purchase aspect along with affordable price. On the product factor, the study shows that Singaporean purchase more frequently on products that aren't provided in local store and export products that must be ordered from foreign country such as perfume or cosmetic. They also tend to purchase products that they perceived as inappropriate to purchase at retail store online. In term of purchasing, most Singapore prefer to purchase their grocery, jewellery and electronic on retail shop as they prefer to personally inspect the products quality before purchasing it. For entertainment product, such as movie, books, video games and music, some Singaporean prefer to purchase the online as long as the price of the product is lower, have no shipping costs or packaging costs. However more than half of them still prefer to purchase these products on retail store. In regards of gender and online shopping, male Singapore usually prefer to purchase consumer electronic on local stores instead of online while female Singaporean prefer to purchase their clothes online instead of on retail stores. In website factors, Singaporean rate the availability of product information as the most important, followed by availability of product

rating and review with the third most important factor being a simple payment process (Sam & Sharma, 2015).

1.3 Problem Statement

With increasing retail space, rental and other operating cost, with declining sales and financial constraints, retailers have no choice but urgently need to find alternative to increase revenue. Online store can be one of the attractive solutions that an entrepreneur can take. The online shopping market of Malaysia was estimated at around RM1.8 billion in 2013, and by 2015, it is expected to increase to RM5 billion. According to the report, Malaysia is among the top three in Asia on the average amount spent online in the past 12 months. This, in turn, is being pushed by travel services, especially airline tickets and hotel bookings, which lead in terms of products and services purchased online. This show that Malaysia have high potential in their growth in the online business thus able to rewards any participant who wisely invest their business here (Bernama, 2014). However, before venturing in it, it is important for entrepreneur to understand clearly regarding online shopping management before they can grasp its opportunity. No success can be guaranteed as it requires many factors to be completed before the entrepreneur are ready to start selling their products or services via online channel. They need to set up a portal site for the information and selling purpose which can be costly, time consuming, lead to wrong direction and a mere waste of many resources (Ho, 2013).

Nowadays there are only a few numbers of studies that have highlighted the substantial antecedents and consequences of online purchase intention with regard to

electronic purchase habit (Jothilatha & Kalpana, 2017 cited in Yuldinawati & Ayuningsar, 2016). This make it harder to know what factors influence consumer intention towards online purchase. The close attention of the online gratification is mediated by rating & reviews towards online purchase intention; it is very puzzling to know how only very few studies have concentrated in this domain. The nature of the association between the variables leading to online purchase intention, is not found to be explicitly determined. According to antecedent studies, although price is the key factor that consumers concerned the most, however, there are other factors that sway consumers' buying intention (Chang, Lai, & Wu, 2010).

However, it was reported that e-commerce in Malaysia is not as popular as in western countries. Although almost every Internet user surveyed said in general they like the idea of shopping on the internet, in fact, only a small number of Malaysians actually buy online (Mohd Shoki Md Ariff et al, 2013 cited in John and Lim, 2001). Thus, if E-marketers know the factors influencing online buyers' behaviour in B2C market, and the effect of these factors on behaviour of online consumers, then they can develop effective marketing strategies to attract more Malaysian to get involve in online purchase, convert potential customers or less active online buyers into active one, and lastly improve quality of online transactions by focusing on web-based factors that are perceived as important by online buyers.

Factors such as cutting throat competition in this field also forces the marketers to analyse what actually motivates the customers to shop on-line (Manju, 2016). Not only that due to technological advancement and trends the factors that can influence

purchasing intention are changing which required entrepreneur to always gather the newest information when planning their strategies which make old data and information become obsolete and demands entrepreneur to always obtain the newest data to develop the optimum strategies to cater to the current prospects. The challenge here is on how customers themselves perceives the products and services provided to them as well what factors influence their intention to start purchasing those products and services from these online suppliers and how should the entrepreneur change their strategies to adopt to these factors in other to avoid wasting their resources..

Studies on the determinants of online purchase intention have been done widely in a number of countries revealing the increasing need for online presence by companies so as to catch up with market trends (Aineah, 2016 cited in Laohapensang, 2007, May So, Wong, & Sculli, 2005, Morganosky & Cude, 2000, Chung-Hoon & Young-Gul, 2003). Various factor has also been studied in order to identify which factors have the ability to influence customers purchase intention when it comes to online shopping such as on products, price, service quality, innovative characteristic, website quality and many more. However most of these factors are perceived differently due to cultures, races, religions and other elements differences which affect the behaviour and attitude of the user in the population that these studied been perform on and they also lack depth in regards to it effect on more educated and experienced sample. This lead to lack of generalisation where effective factors in one location receives less effectiveness in influencing customers online purchase intention in other locations. For example, the results in the different countries had very contrasting results showing that the findings of the studies could only be used in

the context of the specific countries and hence it is not possible to make generalizations with such results such as in China for example, where the gender issue did not have a significant impact on the intent to purchase online (Aineah, 2016 cited in Gong, Stump, & Maddox, 2013) while in India it was found that the gender factor had a significant impact, with males having a high intention to shop online than their female counterparts (Aineah, 2016 cited in Thamizhvanan & Xavier, 2012). Foreign students who come to Malaysia also will change their online behaviour and purchase intention in order to adopt to Malaysia economic and online market practice better.

In the study made by Modiyani, Jain & Menghwani (2016) state that they are a difference in the way undergraduate and postgraduate students perceived and behave on online shopping. This mean that they are a difference on undergraduate and postgraduate student's perception in regards purchasing online. This make a study on Postgraduate students alone a significant respondents as they have a different intentions and behaviour than that of undergraduate students when it comes to purchasing products online. However, they are lack of study concentrating on postgraduate students' intention to purchase online. As postgraduate students usually held a better opportunity towards better working position which make them an attractive prospect, more effort should be put in studying their purchase intention and perspective towards online business and shopping as it will determine their decision whether want or not to buy from online shops. Therefore, there is an immediate need to carry out a study that seeks to determine the relationship between different factors that can influence intent to purchase online among postgraduate students and check

the results and compare it with other studies that focus on general student populations and general populations.

This study will focus on college students in UUM as its sample to identify how postgraduate students respond to the factors (product, price, promotion & perceived product risk, delivery risk, privacy risk and financial risks) studied in this study while they are studying at the University. The results of the study could also be used to predict how young people, especially university postgraduate students, would react to the intention of online purchase which would be an immense assistance to managerial purpose who can use them to better attract customers to buy their products and increase their annual sales in online sector. University Utara Malaysia (UUM) consists of many students and people from many races and religions which make it a perfect target population to obtain a data and results that can be generalised easier for business purposes. As they are not only limited in races and culture, the behaviour of the target sample here can be said to represent the overall intention of others postgraduate students in other university as well.

This make collecting information regarding their purchasing intention more valuable. Some of them are already an ongoing adopter of online shopping, while some might be a newbie or perhaps have never even purchased online before. In order to better assist various business manager, this study is proposed in order to identified the factors that influence shopping intention among students so that manager can focus on improving these factors in their business model to attract more potential customers. In order to further developed and increase the knowledge regarding

consumers particularly students in their intentions when it comes online purchase intention for these managerial purposes, this study will have focused on seven factors (product, price, promotion and product risks, delivery risk, privacy risk and financial risk) and their relation with postgraduate student intention to purchase online.

1.4 Research Objective

1. To identify whether product has a relationship with online purchase intention.
2. To identify whether price has a relationship with online purchase intention.
3. To identify whether promotion has a relationship with online purchase intention.
4. To identify whether product risks has a relationship with online purchase intention.
5. To identify whether delivery risks has a relationship with online purchase intention.
6. To identify whether privacy risks has a relationship with online purchase intention.
7. To identify whether financial risks has a relationship with online purchase intention.

1.5 Research Question

1. Does product have a relationship with online purchase intention?
2. Does price have a relationship with online purchase intention?
3. Does promotion have a relationship with online purchase intention?
4. Does product risks has a relationship with online purchase intention?

5. Does delivery risks has a relationship with online purchase intention?
6. Does privacy risks has a relationship with online purchase intention?
7. Does financial risks has a relationship with online purchase intention?

1.6 Significant of Study

The finding of this study will be contributed to the benefit and knowledge of Malaysia marketing field considering that online shopping plays a large role in creating more opportunity to increase sales as well as help to assist in improving the economic flow of Malaysia. However not all products have the same degree of attractiveness that can attract consumer to purchase the products online. Suitable strategy and perfect combination of e-marketing mix will heavily change whether consumer will decide to purchase online or not. The greater demands and expectations towards e-commerce nowadays have also made it more imperative to identify how consumer behave towards the online shopping, their perception towards it and what is the factors that is able to induce them to start having the intention to start purchasing the products online.

Despite many similar studies has been done on this fields, most of them are done towards developed countries such as United States, China and Ireland while focussing in sample that are more mature its technology along with citizen who are less prejudiced towards online shopping due to their technological advance and outgoing culture. Moreover, these studies often focused into the general public as general while lacking in a clearer demographic target sample such as University

students (more experience and higher education). By using a more defined and clear target sample, the result may change due to the difference in certain aspect and opinion where experience from their peer encourage provide them with more personal experience information while higher education usually allow them to understand online shopping more clearly compared to general public. Both of this factors may allow a better-defined result regarding factors that able to influence consumer intention to purchase online. Secondly this study is done on postgraduate students who mostly already secure or have a better prospect to obtained a better job that allow them more economic stability which may increase their ability to purchase online. As such this study allow business manager to obtained data that will allow them to better understand these students who can become the biggest target market for entrepreneur and allow them to be able to better serve them and obtained higher sales in e-market business.

In term of factors influencing online purchase intention, currently there are many studies that have been conducted to identify which factors that influence online purchase intention. However, this study is unique in term of factors its decided to investigate where it focussed into seven (7) factors which are products, prices, promotions and perceived risks (products, delivery, privacy and financial). The reason for choosing products, prices and promotions as tested variable is because there is less study performed to study the effects and relationship between these elements with online purchase intention at Malaysia. Since Malaysia is a multi-culture country, the way its citizen chooses to decides whether to purchase online is different compare to other countries and this study intend to identify how they make the decision based on the products type, the prices and promotions influences. Since

this study also included foreign students as its sample, generalised conclusion can also be made regarding both Malaysian and foreign postgraduate students online purchase intentions which can become a great assistance in managerial decision when they are considering a new strategy that focussing on postgraduate students or even newly initiate workforce as the main target market.

The study also chooses to include perceived risks elements as one of the factors that influence online purchase intention as it intends to identify how students identify risks factors when they making their purchasing decision online. As such this study intend to identify how students who are continuing their postgraduate study perceive the risks and how does it affect their behaviour online. This study will help unravel critical areas in e-commerce that was not explored before thus allowing new theory or knowledge to be discovered. For academician, the result of this study will assist future research regarding online shopping in Malaysia while for managerial the result of this study will be able to assist them to identify which factors that they can improve on in order to create more appealing strategies that are able to attract more people to people to participate in online shopping.

1.7 Definition of Key Term

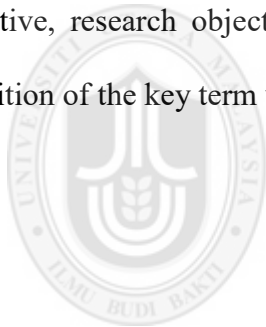
Table 1.1

Definition of Key Term

TERM	DEFINITION	AUTHOR	YEAR
		Zuroni Md	
Online Shopping	Online shopping is defined as the process a customer takes to purchase a service or product over the internet	Jusoh & Goh Hai Ling	2012
Online Purchase Intention	A situation where a consumer is willing and intends to make online transactions.	Pavlou	2003
Product	Product is some good or service that a company offers in the market.	Kotler P.,	2008
Price	Price is what a customer has to pay to acquire a product, or cost of a product to a customer	Armstrong , Wong, & Saunders	
Promotion	Activities a company performs in order to communicate to its existing and potential customers.		2002
Financial Risk	The possibility that the product will not be worth the financial price and would have been available cheaper elsewhere		
Delivery Risk	Not receiving the product on time, long delivery time, or product being damaged during delivery.	Al-Rawad et al.	2015
Perceived Risk	Privacy Risk Potential loss of control over personal information, when this is used without permission.		
Product Risk	The possibility of the product malfunctioning and not performing as it was designed and advertised and therefore failing to deliver the desired benefits	Zhang et al.	2012

1.8 Conclusion

This chapter describe the introduction of the study, what are the key variable to be studies, what it intent to solve and achieve throughout the study. This chapter describe the introduction, background of the study, problem statement, research objective, research objective, research questions, significant of the study and the definition of the key term used in the study.



UUM
Universiti Utara Malaysia

CHAPTER 2

LITERATURE REVIEW

2.1 Introduction

This chapter contain and discuss the literature previously done related to the subject matter of the study. The specific areas covered here include literature review on marketing mix and perceive risks factors and their relations with the online purchase intention, the theoretical framework and hypothesis development.

2.2 Traditional vs Online Shopping

In these modern business world, it has become a necessity to be able to perform the business 24/7 in order to better serve customers as well as keep the competitive level high however it become quite a challenge for most business to successfully incorporate online store in their business model. The challenge comes in form of difficulty to maintain the same format for both their online and offline shop. Despite sharing many similar characteristic as traditional shop, a clear definition in these two type of shopping clearly exist in the mind of the consumer themselves as they usually have a different information based needs when they go shopping online and on traditional shop (Toh, 2011 cited in Burke, 2002; Chen & Latency, 2000). There are some experiences that are excluded when a customer uses online shopping instead of traditional ones. Online shop operates with the absence of salespeople which prevent any form of interaction with the salespeople if they ever want to ask for more information on the products. Not only that, online shopping also denied shopper from the full atmosphere such as touching or feeling the products which may in turn

control the amount of information needed which is higher on online shops as customer were deprived of the opportunity to try or touch the products (Li, Kuo, & Russel, 2003). There are many instance where all of these factors prove to be an important essential for the consumers thus discouraging them from engaging in online shopping and instead prefer to participate in a more traditional based shopping. Indeed, online based shop have deprived some of the traditional experience and atmosphere by using internet as medium for e-commerce, nonetheless it was not without its own distinctive appeal where some of them even capable of meeting consumer needs in a more effective and efficient way compares to traditional shopping (Gupta et. al, 2004).

The first benefit of online shop is that consumers can browse the various products with minimal effort by adopting online shopping. It was pointed out that accessibility and convenience are the most important factor that can influence and encourage online based shop active participation and intention. The reason for this is because most consumer have a tendency to be more comfortable when they shopped at home using internet as means of ordering the products. This is a usual outcome of lack of time as well as their need to rest instead of taking their time to go to shop and purchase the products personally. This is particularly true for the working adults who only have a small amount of free time after work and for those whose time costs are perceived to be too high to invest in traditional shopping (Toh, 2011 cited in Grewal et al., 2002). Online Shop become more popular when it's added with the benefit of overcoming the geographical constraints thus allowing consumer to obtain the products that was not available in their country or without having to travel far to obtain the products. (Muhammad Umar Sultan & Nasir Uddin, 2011).

The second benefit of online shops is that it allows consumer the ability to compare the products features, function, prices, availability and information in a more efficient way compare to offline shops. Obtaining all of this information will assist greatly consumer in making their decision and prevent them from making a purchase that they will regret later. Not only that, consumer also gain accessibility on the firms, products and brands, and thereby further increase their confidence while making decisions during their shopping (Toh, 2011).

The third benefit of online shops is the anonymity where it provides a certain level of privacy protection thus allowing consumer who prefer to have their identity hidden, especially if they're purchasing a sensitive product. It was also found that the intention to shop on the Internet is high when the products required high privacy and anonymity (Toh, 2011 cited in Grewal et al., 2002).

2.3 Online Purchase Intention

Online Shopping is a process where the customer purchases products and services directly from the seller using the internet as a medium. Online Shopping is a type of e-commerce where the customer buys goods without any intermediary services. Online Shopping is an innovative form of trade that takes place on the internet. Where customers visit, various websites offering different products for sale, select the product, order the products make, makes payments via credit cards and finally seller physically delivered the products. People are mostly more intend to shop online as it saves their time and they can do the work of hours in minutes still confined to the office or home (Muhammad Rizwan et al., 2014).

Online purchase intention is a dependent variable which is influenced by the other independent variables such as, attitude, Perceived Ease of Use (PEOU), Perceived Usefulness (PU), Perceived Risk (PR) and Prior Online Shopping Experience (POSE), Innovative Characteristic, Online Pricing, Website Design and many others. Each of these factors have been included in various study in these previous years to see their impact on consumer intention to purchase while the products are sold on online medium. Attitude measures how people show their behaviour towards online shopping. Factors affecting Online Shopping attitude of people have been previously researched and have been documented within the traditional literature of consumers' article and study. An analysis of experimental researches in this field shows that the theories of logical action (Muhammad Rizwan et al., 2014 cited in Fishbein & Ajzen, 1975) and Acceptance Model (Muhammad Rizwan et al., 2014 cited in Davis, 1989) are some of most popular theories used to illuminate the behaviour of the Online Shopping (Muhammad Rizwan et al., 2014 cited in Limayem et al., 2003; Ahmed et al., 2013).

Purchase intention is the plan to buy a specific product or service within a designated time period (Aliyar & Matambala, 2015 cited in Hair et al., 2011). Online Purchase intention are also affected by the determination degree that customers hold to purchase from an e-commerce based shop or business. Moreover, online purchase intention is affected by the consumers' determination to purchase from an e-commerce business (Aliyar & Matambala, 2015 cited in Salisbury et al., 2001; Choon et al., 2010). After becoming more familiar with how e-commerce operate their transaction and business, the possibility of customers to visit the site with purchasing intention will increase (Aliyar & Matambala, 2015 cited in Forsythe &

Shi, 2003; Gefen & Straub, 2004; Yu-Hui & Barnes, 2007). This theory is explained as the familiarity towards e-commerce show that customers now have a better understanding in regards of the context of why and what's are going to happened next when they are performing a transaction online (Aliyar & Mutamabal, 2015 cited in Gefen, 2000; Gefen & Straub, 2004). Demands of the customers in term of their needs as well as wants must be met by the companies in order to increase the purchasing intentions of their prospect customers (Aliyar & Mutamabal, 2015 cited in Fortsythe & Shi, 2003). Online purchase intention is used to reach the goal of actual purchase and consumers' actual purchase behaviour is dichotomous because consumers have the choices to either have to purchase or not purchase the item (Aliyar & Mutamabal, 2015 cited in Lee & Lee, 2015).

In this study, Online Purchase Intention refer to consumer willingness to make an actual purchase using shopping website. Consumer intention to purchase online with be tested using four major factors consist of Products, Prices, Promotions and perceived risks (delivery risks, product risks, privacy risks, and financial risks). This study will refer intention as before purchasing the products in order to investigate which factors that can attract and influence consumers to seriously consider to make the purchase using online shops instead of traditional retail shops.

2.4 Factor influencing Consumer Online Purchase Intention

Throughout the years there are many research and study perform on the subject of online purchase (intention) among the consumer. Many of them used different model

and approach to investigate and identify the factors that influence consumer to make an online purchase.

Among these the factors of demographics are frequently used to identify which demographics factors have the most significant influence when it comes to influencing consumer to purchase online. Factors focussed in demographic consist of age, gender, income, education, and the like in determining consumer online purchase. Most of these study found various result where some acknowledge the relationship between demographic and its effect in influencing online purchase while some show no relation at all. For examples in age (Toh, 2011, Sorce et al., 2005, Chang et al. 2005, and Joines et al. 2003), gender (Dillon et al. 2014, Makhitha & Dlodlo 2014, and Al Maghrabi 2011), Education (Gong et al., 2013) and income level (Panda & Biranchi 2013, and Gong et al., 2013).

Some study has also been performed in the area for marketing mix effect on the degree of online shopping acceptance among the consumer. Some of these study have shown that some elements in the marketing mix particularly in products and prices have quite an influence when it comes to increasing consumer intention to adopt online shopping. For example, some products such as books, videotape, CD, Grocery, and flowers that have less physical assistance have a high rate to be considered by consumer when they want to purchase online. Meanwhile products such as car and houses that involve high physical assistance such as touching, inspecting or consultation with the expert receive less acceptance rate to purchase it online (Elliot and Fowell, 2000). Some consumer also uses online shop to purchase as sensitive products that protect their anonymity and privacy (Toh, 2011 cited in

Grewal et al., 2002). Until now there are many study done in the field between product categories relationship with internet shopping behaviour. These studies however just focussed only on one products category or on similar products which make it harder to generalise the result to all products. This is understandable as each product have different appeal when they're being market online and each of them play a different value towards the consumer when they're considering whether to purchase the product. For example, Toh (2011) and Rama (2015) only focussed on apparel products while Hansen (2005) focussed on grocery products. This type of researches restricted the generalisation of the results to few products at best. In price elements, many literatures have been recorded regarding the relationship between price and online behaviour. Before they proceed to the purchasing many consumers actually research about the information regarding the intended products and price is one of the information they usually focussed on. One of the study have identify that any savings in transaction costs which could lead to a better price can positively influence consumer intention into purchasing the said products online (Zhang, 2011 cited in Vijayasarathy & Jones, 2000). Another study however argued with this by stating that price have no influence in the customer online purchase intention (Zhang, 2011 cited in Chiang & Dholakia, 2003). Another study that research on the factor that motivate consumer to shop online found out that a good price deal is one of the reasons why consumer make the decision to purchase online (Zhang, 2011 cited in Ahuja, Gupta & Raman, 2003). Price conscious consumers make more use of online cart to place their items compared to those who not care about price. However, a recent study state that price have been found to be a major determiner and driver when one is shopping online (Delafrooz, et al., 2009). Another recent study on Indian

consumer also confirm Delafrooz et al. results when it shows that price have high priority among Indians consumer (Panda & Biranchi, 2013).

2.4.1 Product Factors

Products are one of the elements in E-Marketing Mix which similar to its traditional counterparts but being sold online. Products is a set of attributes gathered in one identifiable form. Regardless when purchasing the consumer usually disregards this factors but rather they focussed on the benefits that the products can provided to them instead.

Five general products consist of needs, attribute, branding, support services, labelling and packaging need to be utilise in order to meet the need of the customer if the business owner want to capitalize on the opportunity that e-marketing provided. In the international market, the products attribute play an important role as even a seemingly minor change on it can be deciding factors to whether the products success or failure. In business, more attention is given towards designing an effective marketing programs and the business itself must have a clear understanding towards what kinds of products and services they are offering to their target consumers. This is very important since it was the benefit that the customer expect from the products or services provided as the idea of the 'product' itself as the fulfiller of customer satisfaction and benefits is very important in term of marketing aspects (Idenya, 2012 cited in Strauss et al., 2008). However, some have argued that the most basic point in products are its own bundle of attribute as each one of them need to be brought out along with the result to provide a greater emphasis in creating subjective difference

between business own products and another substitute product on the market through the effort of both elaborate services as well as good promotional strategies (Idenya, 2012 cited in Burke, 2004).

Many researchers have argued that the Internet's capabilities as a communication, transaction and distribution channel are not uniform for all types of products and services (Vijayasathya, 2003 cited in Alba et al. 1997; De Figueiredo 2000; Palmer 1997; Peterson et al. 1997; Rosen & Howard 2000). Three-dimensional scheme is one of the theory that was used to classified products and services which is used to identify products and services that suitable for electronic based retailing. It has three dimensions consisting of the cost and frequency of purchase, value proposition and degree of differentiation. Cost and frequency of the purchase are used to distinguish products that are inexpensive and frequently purchased such as grocery based products as well as products that are highly priced and are seldom purchased such as house and vehicle. Value proposition refer to the products intangibility that materialise in the form of its physical nature. For example, some tangible products such as furniture or clothes can be touched while services such as cleaning services and insurance are non-physical by nature. The last dimension, degree of differentiation refers to the degree of contrast. For example, products that can be branded and normal products that are found common and general (Vijayasathya, 2003 cited in Peterson et al. 1997)

In regards of the study in Online purchase intention many study have been done towards identifying the relationship between the type of the products and the intention to adopt online shopping practices. However, in regards to this many

researchers have focus on two type of an extreme approaches which is to either narrowing the scope of their study down to a very specific sector of retailers, such as online grocers (Sam & Sharma, 2015 cited in Morganosky & Cude, 2000; Tanskanen et al., 2002), or generalise online shopping without taking into account the type of product being retailed (Sam & Sharma, 2015 cited in Jiang, et al., 2013; Wu, 2003). Both approaches did not explore the differences in consumer intention that might arise because of differences in product type.

In one study conducted in Singapore regarding product type it was shown that most consumer at Singapore have a high preference to purchase retail when it comes to groceries products. 96% of the respondents stated they would to buy their groceries via retail route. The paper analysis on the qualitative data show the real reason of Singaporean low online purchase rate in regards of the groceries based products is because of their needs to be able to inspect the grocery individually particularly to check for the grocery quality. This is particularly important when they want to inspect on perishable goods such as fruits and vegetable. This show that Singaporean have a deep concern on the product quality aspect when they decided whether to purchase the products online or not. This finding is consistent as Singaporean also prefer to buy jewellery and electronics based products on retail instead of online. This show that products that are perishable and have a high cost create more wariness and make consumer intention to inspect them first higher. Meanwhile products that receive high purchasing rate online seems to correlate with entertainment media such as movies, music, and video games (Sam & Sharma, 2015).

According to Nuseir et al, 2010 cited in Kiang & Chi (2001), Product characteristics play a major role in the successfulness of it's marketing on the internet Customers consider that product characteristics as important when they are considering their purchase option and depending on its characteristics, purchase intentions are made. Product characteristics beside communication, transaction and distribution through internet have substantial effect on purchasing the product. Merchandise quality refers to customers perceptions of the quality and scope of physical merchandise (Nuseir et al., 2010 cited in Broekhuizen & Huizingh, 2009).

According to Yong et al. (2014), as cited in Moe (2003) a broad variety of category-level websites are likely get more visit from hedonic browsers. While, product-level pages are likely to attract goal-directed buyers as it provide more targeted and relevant information. According to Park, Kim, Funches & Foxx (2012) cited in Roehm & Roehm (2005) browsing on the Internet will improve shopping efficiency because the ease of access to comparable items and thus enabling better product choice when encounter a variety of products.

According to Yong et al. (2014) as cited in Szymanski & Hise (2000), the researchers found that product variety is one of the significant factors that attract customers to shop online. So it was suggested that retailer try to include as many selections as they can into their selections of products for customers to choose from as it will increase the rate of browse that customer have towards their websites. According to past literature analysis the first hypothesis is developed to test whether

there are a relationship between product factors with postgraduate student intention to purchase online.

H1: There is a significant relationship between product and online purchase intention among UUM postgraduate students.

2.4.2 Price Factors

Every product has its price which determine the amount of money the consumer will need to obtain the products or services. Price also act as an allocator for resource where it determines what will be produced and who will obtain the products or services provided (Idenya, 2012 cited in Stanton, et al., 1994). Price also affect one business competitive positions as well as its overall market share as depending on the price the amount of net profits and revenues obtained by the company will change. Price is also argued as a perception value that are never constant thus creating a challenge where it's difficult to position the value of the Products. For example, business can choose to lower the prices or simply adding more benefits to increase the overall appeal of the Products to the consumer. Idenya, (2012) cited in Strauss et al., (n.d) posit that the internet increases the prices of Products due to more costs such as on the maintenance of the software for online customer services, e-mail based services, and Helpline based services. In traditional business, price include activities of finding and including the cost, identifying consumer overall financial willingness to make the purchase, and including competitor prices factor when determining own prices. Internet development have made price more complex and competitive as it creates more competitor that separate not only between traditional competitor products but also on the retail and online shop. Internet also eliminate some cost such as store and staff cost which in effect creating more opportunity and

benefits for online shop owner but at the same time this also create a pressure for the traditional retail shop owner. Due to the convenient of the internet function that permit user to search for the best deal have lead many consumers become more interested in their appeal. Such an easy and complete access to this information have many times helps to maintain the prices stability within the online commerce world. E-Pricing also reward loyal consumer as with the advance and further development of technology in the world today, consumer who have visit or even purchase the products online before are entitle in few benefits. Previous buyer or user that have use the price before create an opportunity for them to be tracked by the business which in turn allow many incentives to be directed at them. Currently, in e-banking, payments made over the Internet are almost exclusively conducted through existing payment instruments and networks (Idenya, 2012 cited in Ongubo, 2003). Tools such as M-pesa, Pay Pal Card and Online Credit Card have allowed for a much easier payment procedure.

A study conducted in regards of the relationship between price and online purchase intention in Singapore have shown that consumer consider purchase the products on retail if it's consider expansive and will not considered purchasing them on retail as they are not willing to shoulder the risk. Product such as jewellery and automobile are among the products that consumer purchase using traditional route as the prices of these two product category are higher compared to other products. This show that when it comes to prices, consumer will go to physical stores to reduce the overall risk that associate with the products if the prices of the products is too high. Meanwhile for less expansive products such as video games or books, consumer is

more willing to take risk and purchase it online due to the ease of use and time factor. (Sam & Sharma, 2015).

It was determined that the impact of price on customer decision making in online environments have an influence towards purchase intention (Nuseir et al., 2010 cited in Karlsson & Kuttainen & Pitt & Spyropoulou, 2005). Customers expect lower price in online environment then in traditional sales channel thus making it worth for the online shoppers to investigate the product online in trade-off through on line (Nuseir et al., 2010 cited in Broekhuizen & Huizingh, 2009). Further, it was explored online customer service dimensions (Nuseir et al., 2010 cited in Minjeong & Leslie, 2005) and to explain how attitude toward online purchase intent.

According to Yong et al. (2014), as cited in Rowley (2000) price is one of the dominant factors that influence the consumer decision to purchase online. Meanwhile, many previous studies also contended that price is one of the major concern of online purchase intention (Young et al., 2014 cited in Wee & Ramachandra, 2000; Kung, Monroe, & Cox, 2002; Ahuja, Gupta, & Raman, 2003; Kimiloglu, 2004; Delafrooz, Paim, & Khatibi, 2010).

Based on the research that conducted by Goldsmith & Goldsmith (2002) as cited in Yong et al. (2014), the simplest reason that influence consumer to shop online is to save money from cheaper price that offered by the online retailer as they perceived that online purchasing is relatively cheaper as compared to the traditional channel or offline environment. Besides that, online shopper can take advantages from the

competitive pricing in the online environment (Yong et al., 2014 cited in Shang, Chen & Shen, 2005). This is due to the new online retailers will use the price as the focal competitive weapon to attract the online shopper or prospective customer to purchase their products or services compare to others retailers' offerings. Retailer often try to set a price that are considers as attractive as possible in order to attracts their prospects customers (Keegan & Green, 2013). According to past literature analysis the second hypothesis is developed to test whether there are a relationship between price factors with postgraduate student intention to purchase online.

H2: There is a significant relationship between price and online purchase intention among UUM postgraduate students.

2.4.3 Promotion Factors

Using various type of intermediaries and good coordination, an internet is able to enhance the effects of a promotion help it reach more people. Despite this, electronic based promotion like traditional ones have some defect which create more challenge for them to achieve their intended quota and goal. For example, advertisement perform using e-mail may be consider an annoyance by many users which might drastically destroy their overall image regarding the owner of the promotions and all of its brands. Thus it become imperative that company regularly review their promotion strategy to avoid such occurrence.

Creating a recognizable domain name is the first step towards a successful electronic based promotion campaign. Creating and successfully positioning the brand on the net is an important key in successful Promotion. Promotion is very important form

many organization as it was through promotional activities that that organization gain the ability to contact and directly communicate with their prospect (Idenya, 2012 cited in Stanton et al., 1994). Promotion role within an organization marketing mix serve the organization by informing, persuading and reminding consumer of the organization current and previous products in order to influence the prospect belief, intention to buy and online behaviour (Idenya, 2012). There are five types or forms of promotion which include advertising, public relation, personal selling, sales promotion and publicity. However, in online based promotion, the promotion technique and more narrow and specific to the assistance of technology and internet. Some of well-known Promotion technique are online advertising, email marketing, search engine optimization, affiliate marketing and social media marketing.

The first online promotion technique is Online Advertising or sometimes known as display advertising where it is the most general and well known technique of online marketing which operated by creating a marketing message on websites for the purpose of attracting potential customer. Similar to traditional advertisement, major objective of online marketing is to improve the organization goal and build brand awareness. Online advertising operates by using internet to display the intended advertising message to the prospect via the computer screen which can be reached either by clicking a message on third party websites or simply with the use of directory and search engine on internet. The element of interruption that online advertising use is similar to the TV advertising however it uses a much more creative form in order to create a stronger message. Unlike TV advertisement, online advertisement didn't force the recipient to pay full attention to the message but instead arouse their interest to watch it. Online recipient has the ultimate power

whether they want to continue watch the advertisement, stop it halfway or simply ignore it altogether. There are many different ways to display the marketing message advertisement online. With the further advancement and continuous development in today's technology, everyday there are more new ways of practicing the art of online advertisement that are being developed. Today online advertisement included not only basic message such as images, pictures, logos, there are now other format that are also used to safely deliver the message over the internet such as interstitial banners, pop-ups and pop-under, map adverts, floating advert, banner advertisement (Yurovskiy, n.d).

The second is e-mail marketing where the organization use e-mail in order to send various promotion based message to other online user usually to their previous customer who already provided their contact details. E-mail marketing is considered as one of the most effective online marketing methods nowadays. It was preferred due to its characteristic of "high response rates" and "low costs" where many recipients reply towards the promotion message at a lower costs compared to traditional mail format as it didn't require the organization to place a high expense on the paper. Both of these benefits have made e-mail marketing to be considered as an invaluable tool.

However, e-mail marketing isn't all benefits as it also has several defects which require organizations to plan their strategies properly. One of these defects are the ignoring issue where online recipient chooses to ignore the promotion messages receives while some even took it to personally locate the message to the spam folder.

To counter this many organization, choose not to rely solely on e-mail to deliver the promoting message. As a marketer, many organizations employ various channel and marketing method to increase the chance of successfully delivering their message to the customer. Another method to solve this is by asking permission to the customer before sending the message. Any customers that express their hesitation towards the e-mail must be respected and organization must not send promotional message towards these customers. This can avoid creating a sense of intrusion to the customer as well show that the organization respect their customer privacy which further helps to promotes goodwill (Yurovskiy, n.d)

The third is Search Engine Optimization. In today's business it was impossible for a famed organization to not create their own websites even offline business create their own websites to provide information about their organizations. However, a good and well-designed website does not necessarily lead to desired quota of visitation. To obtain a high number of visitor, most company adopt an online marketing known as Search Engine Optimization (SEM) or better known ad Search Engine Marketing. Yurovskiy (n.d) cited in Davis (2006) defined Search Engine Optimization as an "art, craft, and science of driving web traffic to web sites.... web traffic is food, drink, and oxygen – in short, life itself – to any web-based business". Another researcher meanwhile provides another definition "' Search engine optimization can be described as a cluster of strategies and techniques used to increase the number of visitors to a website by obtaining a high-ranking placement in the search results page of a search engine (SERP)" (Yurovskiy, n.d cited in Parikh & Deshmukh, 2013).

The major role of SEO depends on the fact that customers often use search engines as the major gate or tool to get around the internet. Taking advantage of this fact, most organization have developed suitable marketing technique in order to enhance the rank of their intended business websites in the search engine results which usually involve paying more to the search engine company in order to get a better position in the search engine where their websites will appear among the firsts search whenever customer begun searching for related products on the search engine. Search Engine Optimization main purpose therefore could be considered as placing the websites among the highly listed entries when customer is performing a search, "Web site owners, webmasters and online marketers want search engines to send traffic to their site. Therefore, they need to make sure that their sites are relevant and important in both the eyes of the search engines and the users." (Sam & Sharma, 2015).

The fifth technique is affiliate marketing. In the world of marketing it's impossible for an organization to thrive without support from another organization. In order to perform and better expand their business, an entrepreneur need to mingle and networking with other entrepreneur and build strong relationship with them. The result of this relationship are more often provide an advantage for the entrepreneur to continue their business. Assistance in the promoting area is one of the result of good relationship between organizations.

An affiliate marketing can be defined as "A web-based marketing practice, often using automated systems or specialized software in which a business rewards their

affiliate for each visitor, customer, or sale which is brought about as a result of affiliate's marketing efforts. In most cases, the reward is monetary in the form of a monthly check” (Sam & Sharma, 2015). An affiliate marketing is considered as one of the major component of online marketing. Affiliate marketing refer to the process of obtaining commission by helping to promote a business products or services. In internet based business this relationship operates by involving two or more websites owner where they work together and building relationship in order to achieve mutual benefits in term of financials.

The last technique is Social Media Marketing where it serves as one of the most effective marketing tool that exist and often used by full time businessman or part-time entrepreneur. The term social media marketing can be defined as “a term used to describe the process of boosting website traffic, or brand awareness, through the use of social media networking sites...most social media marketing programs usually revolve around creating unique content that attracts attention and encourages the viewer to share it with their friends and contacts on social networks” (Sam & Sharma, 2015). Social Media Marketing can be explained by using various media specifically designed for social purposed to promote the products or sometimes services. Throughout the years it was proven that social media serve as powerful tool to promote products online.

Meanwhile in a study conducted by Harris (2011), mention that customer bring along their online related experiences into their own social network instead of engaging directly on company websites. They also state that social networking sites particularly Facebook have become more prevalent specifically focussing on the

young generation. According to Himawan & Abduh (2015) as cited in Larose & Eastin (2002), exposure to e-commerce sites could weaken the self-regulation of the customers that makes them visit e-commerce sites more frequently, and make more online purchase without thinking of their decision. Customers today have much information related to price differences among retailers, because it is easy to get the data through internet especially for the same product. In this case, customers can find all the websites that sell that specified product, and the list of prices. By doing this activity, they will gain the ability to choose the most economic prices (Himawan & Abduh, 2015 cited in Reibstein, 2002).

Prolong exposure towards online sales promotions could affect the online shopper purchase intention and turn them into compulsive buyer. Sales promotion strategy encourages people to go to the websites again and create purchase intention to buy the product again in the larger amount. Based on cultivation theory, “the more people attend to mass media’s portrayal of the world, the more likely they are to accept this representation as compelling”. The more exposure of the online promotion, the more people tend to purchase the product (Himawan & Abduh, 2015 cited in Vicdan & Sun, n.d).

Sales promotions is defined as short-term incentives used to encourage the purchase/sale of a product/service (Mohammad Faryabi, Kousar Sadeghzadeh, & Mortaza Saed, 2012 cited in Kotler, 1999). Sales promotion includes a wide variety of promotional tools designed to stimulate earlier or stronger market response and are targeted at three levels within the distribution chain: the customer, the trade/retailer and the company's sales force. Customer promotions include coupons,

premiums, contests and etc. Trade promotions range from special discounts and free goods to training. Sales force promotions include bonuses, commissions, free gifts and competitions. Mohammad Faryabi, Kousar Sadeghzadeh, & Mortaza Saed, (2012) found out that price discount as a stimulus that customers encounter in their affective and cognitive process and it has a significant and strong positive relationship with purchase intention. It show that customers have high intention to purchase at a low price however they also perceived referent price as important. As such store must clarify that the low price are only for temporarily and that it does not indicate or become the standard for the product quality.

Meanwhile Nuseir et al. (2010) finds out that they are relationship between promotion and online shopping decision. They finding also state that among Security, Infrastructure for Internet, Product & Service, Price, Promotion, and Security are the most influential factors that influence customer online purchasing decision. According to past literature analysis the third hypothesis is developed to test whether there are a relationship between promotion factors with postgraduate student intention to purchase online.

H3: There is a significant relationship between promotion and online purchase intention among UUM postgraduate students.

2.4.4 Perceive Risk

The introduction of Online Shopping has increase the landscape of marketing and allow people nowadays to obtain any products with less consideration to the geographical restraints. With passing moment, the statistic shows an ever-increasing number of people purchasing products online however most of prospect are still

hesitate and developed a huge resistance towards accepting online shopping practices as they discover several barriers that prevent them from actively shopping online. Online Shopping have been doubted because it carried a certain risk where purchasing the products can create some poor consequences which they were unconsciously approach to uncertainty (Tanadi, Samadi & Gharleghi, 2015 cited in Bauer, 1960). The very concept of perceived risk was first introduced by Bauer in 1960 in consumer behaviour. He further adds that perceived risk can be regarded as uncertainty regarding any positive outcomes of commencing and action thus, buying a product or services could be seen as a risk-taking behaviour. Bauer also believe that perceive risk have a big impact on consumer purchasing decision. Following the preposition by Bauer, many researchers have create many study have been done in the field of behaviour and most of it begun to acknowledge the perceived risk play within consumer decision making (Al-Rawad et al., 2015 cited in Jacoby & Kaplan, 1972; Peter & Tarpey, 1975). Bauer preposition have also been extended to other field such as information system, which in their attempt to comprehend the factor that affect user intention to use any new technology (Al-Rawad et al. cited in Jarvenpaa et al., 1999; Van Den Poel & Leunis, 1999; Bhatnagar & Ghose, 2004; Doolin, Dillons, Thompson, & Corner, 2005; Drennan, Mort, & Previte, 2006; Kuhlmeier & Knight, 2005; Slyke, Belanger, & Comunale, 2004; Farzianpour, Pishdar, Shakib, & Toloun, 2014). According to the study most of the current literature recognize that they are a significant relationship between risk perception and user willingness to adopt a new technology in many areas such as on online shopping, e-services and e-banking.

Perceived risk can be said about how consumer perceive purchasing product with uncertain aspect where buying it can lead the consumer to become doubtful and lead to ask for suggestion on the consequences for purchasing the said products (Tanadi, Samadi & Gharleghi, 2015 cited in Dowling and Staelin, 1994). Tanadi, Samadi & Gharleghi, (2015) cited in Stone & Gronhaug (1993) believe that perceive risk is one of the significant factors that can influence customers purchase intentions. When traditional shopping is compared with online shopping, it was acknowledged that the latter possessed a larger risk compared to the former thus able to reduce consumer willingness of purchasing the goods or services (Tanadi, Samadi & Gharleghi, 2015 cited in Barnes, 2007). Researcher have identified that perceived risk are divided into many categories each with its own risk that able to create a barrier towards online shopping acceptance and intention. There are many type of perceive risk that are associate with online shopping such as the delivery risk, after sale risk, purchasing behaviour, privacy risk, quality risk and time risk, health risk, psychological risk and financial risk social risk. There are many study that concentrate only a certain risk in order to identified the which one have the most significant influences when affecting consumer decision to shops online.

2.4.4.1 Product Risk

Product risk is one of the factor that highly concern consumer when they're considering whether to purchase it online or simply obtain it on traditional shopping route. This is because on internet shopping, customer do not get access to the physical products thus making it harder for them to access its quality. The sole information customer is entitled upon during online shopping are only on the details

on the products written on the products list as well as the picture on the computer screen. This make it hard for them to inspect the products fully and in some case create a doubt to whether the products in the picture will really be the same products sent to them in the same conditions (Masoud, 2013 cited in Jarvenpaa & Tractinsky, 1999). Product risk can be defined as the perception that the products purchased may not meet the expected function it was bought for (Masoud, 2013 cited in Kim et al., 2008). When customer face loss when the brands or the products did not perform the function that was expected from it, the fault can be contribute to the shopper inability to properly and accurately evaluate the quality of the products online (Masoud, 2013 cited in Bhatnagar et al., 2000).

In a study that examine the attitude of consumer towards online shopping environment that emphasize the impact of different perceived risk dimension on different products it was found out that product performance when consumer buy products that are not standardized like clothes products have a negative impact. Meanwhile standardized products such as mobile phone have a positive effect on online shopping (Hashim Shazad, 2015 cited in Ji et al., 2012).

In study done towards the Jordan online customer in examining the perceived risk dimensions of financial, time, delivery, products and information security show that four of the perceived risk financial, product, delivery and information security affect online purchasing behaviour negatively. The study result also show that time and social risk play no significant impact towards the online shopping behaviours among Jordanian consumer. The participant in this study are experience online shopper and

the shops and websites used was a popular one in Jordan in order to obtain a more concise data (Masoud, 2013).

It was argued that product risk can be related to the poor performance of either the brand itself or the product especially when the brand or products didn't meet the expectation that was expected from them. This could be contributing by inefficient assessment on the products during online store reviewing on the customer parts. This could be contributed to the facts that customer is limited in their physical inspection and interaction such as on the colour, unable to touch the products, and wrong information on the products detail which can ultimately increase the products performance risk (Yeniçeri & Akin, 2013 cited in Forsythe et.al.,2006).

On examining the influence of perceived risk in online shopping intentions, Marthur (2015) cited in Pires at al. (2004) stated that there is negative association with the perceived risk of intended purchases. Product risk is the risk of making a poor or inappropriate purchase decision. Aspects involving product risk can be an inability to compare prices, being unable to return a product, not receiving a product paid for and product not performing as expected (Marthur, 2015 cited in Bhatnagar et al., 2000; Jarvenpaa & Todd, 1997; Tan, 1999; Vijayasarathy & Jones, 2000). Furthermore Marthur, 2015 cited in Bhatnagar et al. (2000) suggest that the likelihood of purchasing on the Internet decreases with increases in product risk. This means that when customer perceived the product risk as significant when they consider to purchase online, they become less confidence to proceed to buy as they perceived the risk that are associate with the product are too high. According to past literature analysis the first hypothesis under perceived risk is developed to test whether there

are a relationship between product risk factors with postgraduate student intention to purchase online.

H4a: There is a significant relationship between perceived product risk and online purchase intention among UUM postgraduate students.

2.4.4.2 Delivery Risk

One of the most concerning risk when shopping online are the delivery risk where the potential of the product is not delivered, sent to the wrong address, arrive in damaged condition after consumer already complete the online transaction. Delivery risk also include risk associate with delay arrival or chances of not obtaining what have been paid before (Zhang, Tan, Xu, & Tan, 2012). As such delivery risk make it difficult for consumer to accept online shopping as unlike traditional shopping have a lag before the products comes under the ownership of the consumer. This make them afraid that the company will take a long time to deliver the products or the products might not come at the right time they need it. This lead them to prefer traditional based shopping as the products will come under their possession immediately thus completely removing any risk related to delivery.

The second reason why consumer is wary on the delivery risk is because they are afraid that the products will be heavily damaged due to an improper packaging during transporting (Masoud, 2013 cited in Claudia, 2012). This make them less motivated to purchase the products as some company are not inclined to issue another product if this occur while the transport company are less inclined to take responsibility thus leaving the consumer with a damaged product. To avoid this the

retailer must take action to ensure the products can be safely protected during the transfer and able to handle rough handling so that it can arrive in a good state. Retailer also need to provide a guarantee and accurate services in order to increase consumer confidence in their company ability to deliver not only the products but competency in ensuring it will be sent in a good state. Performing this overall will reduce consumer level of perceived delivery risk (Tanadi, Samadi & Gharleghi., 2015 cited in Tsai & Yeh, 2010).

A study show that online purchase intention are declining because of delivery risk. The more frequent a customer purchase online the more they have concern on the product delivery risk (high negative impact) while the lesser they purchase the less the concern are (low negative impact) (Hashim Shazad, 2015 cited in Koyunci & Bhattacharya, 2004). The result of the study found that individuals who buy online once a week or make several online purchases in a month had negative impact of product delivery risk, in contrast to those who do online shopping less than once a month - they had a positive impact of product delivery.

Meanwhile Adnan (2014) emphasize that negative impact can also occur on consumer buying behaviour when it comes to products delivery. He suggests that to reduce this, online merchant should take initiative to provide insurance to protect against any losses if the products are not delivered on time. In the study of "An analysis of factors affecting on online shopping behaviour of consumers" which was held in Iraq to Iranian perspective on online shopping, it was found out that financial and non-delivery risk had negatively affect the online shopping behaviour of Iranian

consumer. Meanwhile innovativeness and subjective norms which are more domain specific in contrast had a more positive impact in Iranian online shopping behaviour (Moshref et al., 2012).

In another one study concerning delivery risk, it was found that majority of consumer believe that they will obtain the products they order on time while only a small number of them express concern that they might not get it on time. It was also found that majority of online consumer's trust on online vendors, and online consumers believe that their product will be sent through well-equipped and reliable shipping sources (Hashim Shazad, 2015). According to past literature analysis the second hypothesis under perceived risk is developed to test whether there are a relationship between delivery risk factors with postgraduate student intention to purchase online.

H4b: There is a significant relationship between perceived delivery risk and online purchase intention among UUM postgraduate students.

2.4.4.3 Privacy Risk

The development of technology particularly its contribution in the commerce have create an extraordinary leap in marketing that allow products and services to be available in global stage as well as increasing consumer ability in making a better decision when they're making their purchasing decisions due to accessibility to more information's. However, at the same time this also reduce their ability to be anonymous and make them less transparent in the eyes of the retailer as well as other organizations which as result severely affect their privacy which create a strong sense of hesitation in consumer when they planned to purchase online. This is known

as privacy risk. Privacy risk is defined as potential loss of control over personal information, when the information is used without permission.

Privacy risk can affect consumer intention to make an online purchase (Tanadi, Samadi & Gharleghi, 2015 cited in George, 2002). Privacy risk is about potential of losing control of the customer own personal data information where the information is disseminated to other party without the customer acknowledgement or notice. In the hand of unauthorized parties, this information can lead to misuse of information thus potentially harming the customer if it was allowed to be used without a strict control (Tanadi, Samadi & Gharleghi, 2015 cited in Featherman & Oavlou, 2003).

To begin with information are obtained by the retail company when customer start to interact with the company during the transaction process. Its mention that information security and privacy are related to how online company manage the persona information as well as which personal that are cleared to access this information (Masoud, 2013 cited in Youn, 2009). Another researcher mentions that during the online shopping process, most customer actually actively avoid any websites that demand personal data for registration purpose. This drive some people to actually provide a false detail or an incomplete registration. (Masoud, 2013 cited in Kayworth & Whitten, 2010).

Another researcher has defined privacy as the degree to which extend online shopping website is safe and protecting the privacy of consumer data (Kyauk & Chaipoopirutana, 2014). In this it's safe to say that purchasing intention among

consumer can increase if the company are competent in protecting their customer confidentiality and able to reassure their customers that their security is able to safeguard their information perfectly. It also helps if the companies take extra precaution and enforced a heavy penalty towards any of their employee who purposely share these information's with any unauthorized third parties. As such any online companies that are able to meet these conditions are more likely to benefits from increasing consumer satisfaction (Tanadi, Samadi & Gharleghi, 2015 cited in Ab Hamid et al., 2006). According to past literature analysis the third hypothesis under perceived risk is developed to test whether there are a relationship between privacy risk factors with postgraduate student intention to purchase online.

H4c: There is a significant relationship between perceived privacy risk and online purchase intention among UUM postgraduate students.

2.4.4.4 Financial Risk

Online Shopping most concern able risk is the financial as it could lead to a major loss in the form of money or currency. Financial Risk come in the form of the possibility the products purchased is not worth the money paid for it and can be purchased at another alternative location in a lesser price compared to the original site (Al-Rawad et al., 2015), losing a certain amount of money in order to make the product operate properly or as it has been designed to perform, potential net loss of money that manifest in sense of insecurity consumer have when it comes to using their credit card to pay for the products which has even provided evidence that it was a major obstacle to an active online shopping (Masoud, 2013 cited in Maignan & Lukas, 1997).

In 2011 a study was conducted to investigate the perceived risk dimension in the area of apparel online shopping. 300 sample was gathered using online survey and the finding show that perceived risk dimension didn't have a similar impact as other products when it comes to apparel based products. It shows that financial and psychological risk have no significant influence on consumer intention when they purchase apparel based products online. On the other way, performance risk and time risk possessed a higher influence compared to privacy and social risk in online shopping behaviour towards apparel products (Almoussa, 2011).

In a study recently conduct regarding perceive risk dimension and how it influences consumer online shopping behaviour found out that online shopping perceives risk in regards to financial risk, time risk, social risk, and security risk as they influenced more online consumer's attitude towards online shopping (Kumar & Dange, 2014). In regard to offline shopper, it was found out that only financial risk and security risk have an effect in their purchasing behaviour. Their study further identified two more barriers in addition to the previous risk that influence purchase behaviour of offline shopper which consist of psychological risk and physical risk.

Similar study on perceived risk was conducted where the researcher used Technology Acceptance Model (TAM) to examine factors that influence consumer intention to shop online. In their study that investigated the influence of usefulness, ease of use, financial risk, and attitude towards online shopping. The findings indicate that financial risk have a negative impact on the attitude towards online

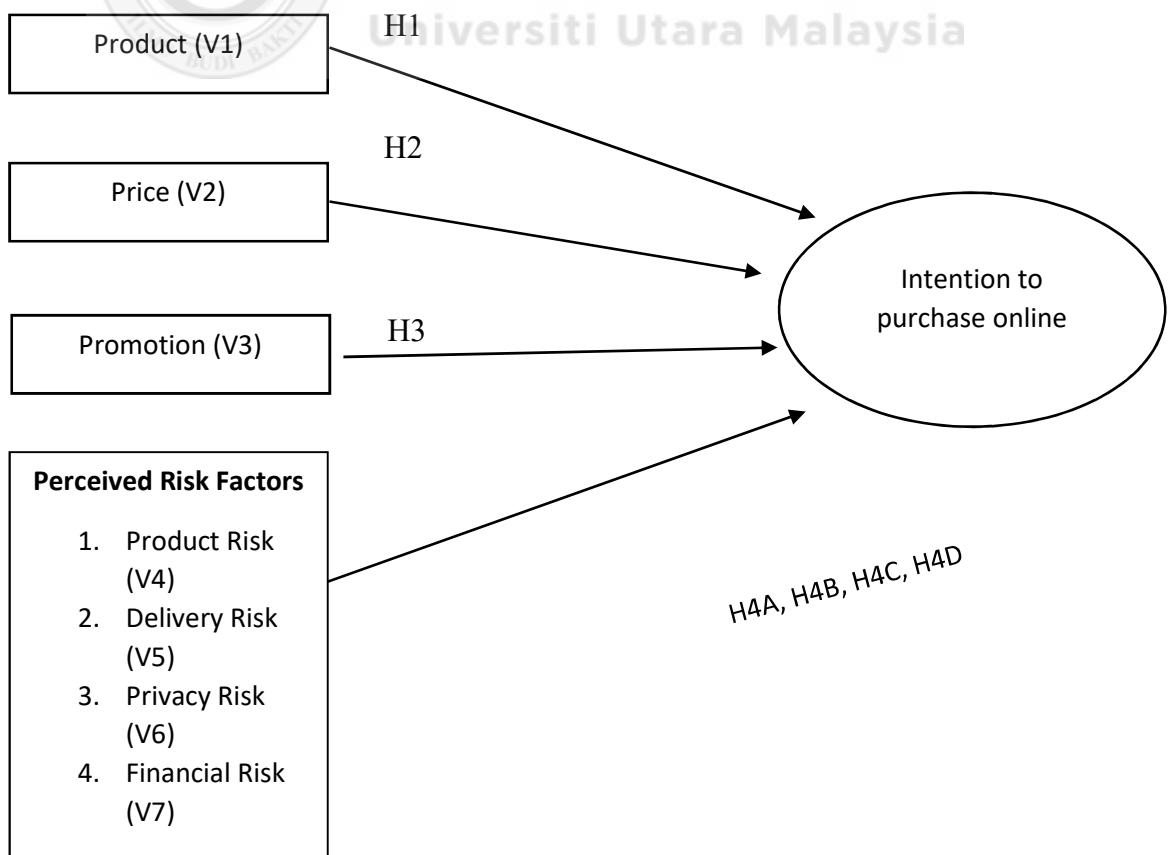
shopping where the reason states that consumer have a fear of financial loss and security concern when it comes to adopting internet shopping practices (Alina Babar, Aimen Rasheed, & Muhammad Sajjad, 2014). As attitude lead to purchase intention, this also show that there are a relationship between financial risk and online purchase intentions. According to past literature analysis the fourth hypothesis under perceived risk is developed to test whether there are a relationship between financial risk factors with postgraduate student intention to purchase online.

H4d: There is a significant relationship between perceived financial risk and online purchase intention among UUM postgraduate students.

2.4 Theoretical Framework

Independent Variable

Dependent Variable



Adopted from Nuseir et al. (2010) & Al-Rawad et al. (2015)

Figure 2.1

Conceptual Framework relating factors that influence online purchase intentions

2.5 Hypothesis Development

H1: There is a significant relationship between product and online purchase intention among UUM postgraduate students.

H2: There is a significant relationship between price and online purchase intention among UUM postgraduate students.

H3: There is a significant relationship between promotion and online purchase intention among UUM Postgraduate students.

H4a: There is a significant relationship between perceived product risk and online purchase intention among UUM postgraduate students.

H4b: There is a significant relationship between perceived delivery risk and online purchase intention among UUM postgraduate students.

H4c: There is a significant relationship between perceived privacy risk and online purchase intention among UUM postgraduate students.

H4d: There is a significant relationship between perceived financial risk and online purchase intention among UUM postgraduate students.

2.6 Conclusion

This chapter consists of literature review of the past description and findings that previous researchers and academicians have finds that are related to the study. More precisely this chapter consists of literature review, theoretical framework and hypothesis proposed in this study.



CHAPTER 3

METHODOLOGY

3.1 Introduction

This chapter will discuss the methodology used in this study. This section will explain how the data and information will be addressed to answer the research objectives and questions. The collected method as well as the analysis of the questionnaire that was collected, presented and analysed will also be discussed here. Reason and justification for the research design, research instrument, data source, data collection techniques, data presentation technique and analytical technique used will also be explained in this chapter. Overall there will be four section discussed in this chapter.

The first section will discuss the research design used in this study where it will touch on the subjects of types of study, source of the data, unit of analysis, population and frame and lastly the sample and sampling technique used in this study. The second section will discuss the measurement and validation of the instruments used in this study. The third section will discuss the data collection and administration while the fourth sections will touch the data analysis technique.

3.2 Research Design

According to Burns and Grove (2003), research design is defined as ““a blueprint for conducting a study with maximum control over factors that may interfere with the

validity of the findings”. Meanwhile Polit (2001) defined research design as the “the researcher’s overall for answering the research question or testing the research hypothesis”. The research approach that will be used in this study is quantitative, descriptive, correlational and regression.

This study will focus on the factors that influence online user and customer intention to purchase online. This study will approach the research questions using descriptive method. Using descriptive based method is considered the most ideal as the area of the study have been studied by many researchers before and as such most of the variable is already identified and presented in their study. As this study have is proceeded using the variable cited in previous studies and conducted it on a new sample and locations to see if there are a different result that occur if its performed on new environment, descriptive study is the most ideal methods to analyze the researchs.

Quantitative method will be used in this study as its an effective methods to obtain many response in the shortest time frame possible. As the subject of this study is considered as general uses and knowledge among the populations, it doesn’t require the sample to have a high comprehension on the studied subjects but instead are able to provide the reply based on their own experiences and opinions on the subjects. As this study intend to identified the factors of online purchase intentions, obtaining high number of data is able to help it generalised the results within the population it studies on. As such this study decided to use quantitative method to perform the study.

Pearson Correlation methods was chosen because this study intends to understand whether there are a relationship between perceived risk factors and intention to purchase online among the students of UUM. While Regression analysis method will be used to understand how these factors impact the purchase intention.

3.2.1 Sources of Data

This study utilise two methods in order to collect relevant data. The methods used within this study are primary data as well as the secondary data. Both of these data will be used in order to obtaining new data to answer the research questions and hypothesis (primary data) as well as to identify related past studies that can better clarify this study and guide it progress (secondary data).

3.2.1.1 Primary Data

The primary data will be collected by using set of questionnaire with structured questions and answered that have been prepared beforehand in order to identify how respondent perceived each of the factors that are under study. These questionnaires will be distributed using physical distribution means where distributor will passed paper survey that contains questionnaire physically to respondents. The reason this study chooses to utilise questionnaire as its tool to gather data is because, questionnaire is able to gather a large amount of response from the sample within the limited time while also permit the data to be analyse and interpret faster compared to

other methods such as interview, direct observing and focus group which usually take more time and complex by nature.

The questionnaire will consist of four sections, with the first section entailing the general demographics information, the second section will consist of marketing mix factors, the third section consists of perceived risks factors while the last sections consist of respondents' intention to purchase the products online.

3.2.1.2 Secondary Data

Most of the secondary data in this study is obtained from various journal, article and thesis from internet particularly from database sites such as EBSCO Hosts, Emerald Journal, Academia.edu, Google Scholar and Pro Quest. These database sites have help the study to locate necessary and related information in the shortest time. Based on the information obtained from these sources the study, the study progress is greatly improved. For example, the data, information, and previous study results regarding the field of online behaviour such as the influencing factors and customer attitude and behaviour online have been gathered and assisted the study to comprehend the current level of the study progress which help to assist the study locate the suitable variable to study as well as research methods to be used to complete the study.

3.2.3 Unit of Analysis

The unit of analysis in this study, focus on individual units instead of corporate units. The reason for choosing individual as the unit of analysis is because this study aim to

understand the personal intention that an individual have when they intend to purchase product online and what are the factors that can influence that intention to make or withdraw from proceeding with the purchase. To identified this, using individual as the unit of analysis is considered the best choices as it allows to obtain a more specific result in regards to how each individual perceived when they developing their intention to purchase online. The unit of analysis that are used in this study are the postgraduate student of University Utara Malaysia themselves as they are the customers who intentions to purchase online become the main study interest in this research. The main unit of analysis are students that currently studying for their Master and Doctoral degree at Universiti Utara Malaysia, Sintok. Master and Doctoral students are considered as they are perceived as having solid understanding regarding online shopping and have a better idea regarding the general situation of purchasing product or service online. The students will be tested on individual level regarding their perception on the tested variables and its influence on their intention to purchase online.

3.2.4 Population Frame

The population of this study consists of all the students in Universiti Utara Malaysia (UUM) during the period of the study in 2016 to 2017. The reason why UUM students are used in as this study and be used as the population from where the sample will be recruited from is because it's easier to obtain the information from the UUM administrative offices in regards of sensitive data such as country of origins and overall number of Master and Doctoral students.

3.2.5 Sample & Sampling Techniques

This study will use the simple random sampling method which is one of the probability sampling technique. Using the method, the sample is chosen randomly from the whole selected population (Student of UUM). In other word, any of the postgraduate students who study at UUM during the period of 2016 to 2017 have an equal chance to be selected as sample. To better obtain an accurate sample size this study will use Krejcie and Morgan (1970) table of sample size determine suitable size from the population to be used as the samples. According to the table the total number of Postgraduate students in UUM that are continuing their study are 6,610 people thus according to the table the total sample size required by this study are 361 people.

Table 3.1
Sample Size According to Krejcie & Morgan (1970)

Total	Sample	Total	Sample	Total	Sample
80	66	420	201	3,500	346
85	70	440	205	4,000	351
90	73	460	210	4,500	354
95	76	480	214	5,000	357
100	80	500	217	6,000	361
110	86	550	226	7,000	364
120	92	600	234	8,000	367
130	97	650	242	9,000	368
140	103	700	248	10,000	370

Adopted from Krejcie and Morgan (1970)

3.3 Measurement

Table 3.2
Measurement of Instrument

Variable	Dimensions	Total number of item	Scales	Sources
Product	<ol style="list-style-type: none"> 1. Internet shopping offers a wide variety of products. 2. I can buy the products that are not available in retail shops through the Internet. 3. The packaging of the products has increase my intention to purchase online. 4. The Add-On addition accessible only to the online purchase make me want to buy them online. 5. The products I want are only sold through online channels. 	5	Likert Scale 1-5	Huang and Foosiri (2014) & Zhang (2011)
Price	<ol style="list-style-type: none"> 1. Price is an important consideration of mine when selecting products online. 2. Online shopping allows me to save money as I do not need to pay transportation costs. 3. Online shopping allows me to buy the same, or similar products at a cheaper price than the one at traditional retail stores. 4. Online shopping offers better value for my money compared to traditional retail shopping. 5. I think the online stores offers lower prices compared to retail stores. 	5	Likert Scale 1-5	Zhang (2011) and Xu & Paulins (2005)
Promotion	<ol style="list-style-type: none"> 1. Marketing efforts (e.g. advertising, promotion) influenced 	5	Likert Scale	Huang & Foosiri

	<p>my decision to make online purchase.</p> <p>2. I like the product after I watch the online advertisement related to it.</p> <p>3. If there are a discount provided online, I will buy it compare to traditional shop.</p> <p>4. E-mail marketing messages provides me with good offers that make me consider online purchase.</p> <p>5. Advertising on social media provides enough information for me to make a buying decision on online channel.</p>	1-5		(2014) & Zhang (2011)
Products Risks	<p>1. I might not get what I ordered through online shopping.</p> <p>2. It is hard to judge the quality of merchandise over Internet.</p> <p>3. I may accidently buy counterfeit products when purchasing it online.</p> <p>4. The actual quality of the goods does not match its description.</p> <p>5. I can't personally try the products ordered online thus didn't meet my expectations in the products.</p>	5	Likert Scale	Al-Rawad (2015) & Moshref Javadi et al. (2012)
Delivery Risks	<p>1. I might not receive the product ordered online.</p> <p>2. I do not shop online because of non-availability of reliable & well-equipped delivery companies.</p> <p>3. After shopping, goods are easily lost.</p> <p>4. Express delivery may send the products to the wrong place.</p> <p>5. Express Delivery can easily damage the goods during transfer after the shopping process.</p>	5	Likert Scale	Moshref Javadi et al. (2012) & Zhang et al. (2012)
Privacy Risks	<p>1. My personal information may not be kept safe.</p> <p>2. My email address may be abused by others.</p> <p>3. My personal information may be disclosed to other companies without my permission.</p>	5	Likert Scale	Al-Rawad (2015) & Zhang et al. (2012)

Financial Risks	<p>4. My personal phone number may be abused by others.</p> <p>5. My bank account information may be disclosed to another parties.</p> <p>1. I may find that I can buy the same product sold online at a lower price from somewhere else.</p> <p>2. I was charged with an additional fee for the delivery service.</p> <p>3. I might be overcharged when purchasing products online.</p> <p>4. When I use the online payment services, I will be charge with an additional fee.</p> <p>5. Usually, online shopping may cost more than the traditional store.</p>	5	Likert Scale 1-5	Al-Rawad (2015) & Zhang et al. (2012)
Online Purchase Intention	<p>1. I have the intention to purchase products through online before.</p> <p>2. It's likely that I will purchase products through online in near future.</p> <p>3. I'll consider to purchase products through online in near future.</p> <p>4. I'll consider to purchase products through online sometimes in the far future.</p> <p>5. I will definitely purchase products through online in the near future.</p>	5	Likert Scale 1-5	Nik Kamariah & Siti Salwani Meor Ahamd (2005)

3.3.1 Demographic

Section 1, contain of questionnaire contains of 9 demographics items: gender, age, monthly income, education, marital status, occupations, country of origins, years since respondents start to do online shopping and time spends shopping online in a day in that order.

3.3.2 Product

Part of section 2, contains question regarding products factors which contain 5 items. Huang & Fuusiri (2014) and Zhang (2011) is the one who have help to develop this questions. Respondent were asked whether Products factor have an influence on their intention to do online shopping. One of the hypothesis in this study is to identify Products factor with online purchase intention. The item used here are used to measure Products. The list below show the list of the items used to measure products factor.

Measurement of Product

Items

1. Online shopping offers a wide variety of products.
2. I can buy the products that are not available in retail shops through the Internet.
3. The packaging of the products accessible only on online channel has increase my intention to purchase online.
4. The Add-On addition accessible only in the online shops make me want to buy them online.
5. The products I want are only sold through online channels.

Adopted from Zhang (2011) and Huang & Foosiri (2014)

3.3.2 Price

Part of section 2, contains question regarding Prices factors which contain 5 items. Zhang (2011) & Xu & Paulins (2005) is the one who have help to develop this questions. Respondent were asked whether Price factor have an influence on their intention to do online shopping. One of the hypothesis in this study is to identify Prices factor with online purchase intention. The item used here are used to measure Price. The list below show the list of the items used to measure Prices factor.

Measurement of Prices

Items

1. Price is an important consideration of mine when selecting products online.
2. Online shopping allows me to save money as I do not need to pay transportation costs.
3. Online shopping allows me to buy the same, or similar products at a cheaper price than the one at traditional retail stores.
4. Online shopping offers better value for my money compared to traditional retail shopping.
5. I think the online stores offers lower prices compared to retail stores.

Adopted from Zhang (2011) & Xu and Paulins (2005)

3.3.4 Promotions

Part of section 2, contains question regarding Promotions factors which contain 5 items. Huang & Fuusiri (2014) and Zhang (2011) is the one who have help to develop this questions. Respondent were asked whether Promotions factor have an influence on their intention to do online shopping. One of the hypothesis in this study is to identify Promotions factor with online purchase intention. The item used here are used to measure Promotions. The list below show the list of the items used to measure Promotions factor.

Measurement of Promotions

Items

1. Marketing efforts (e.g. advertising, promotion) influenced my decision to make online purchase.
2. I like the product after I watch the online advertisement related to it.
3. If there are a discount provided online, I will buy it compare to traditional shop.
4. E-mail marketing messages provides me with good offers that make me consider online purchase.
5. Advertising on social media provides enough information for me to make a buying decision on online channel.

Adopted from Huang & Fuusiri (2014) and Zhang (2011)

3.3.5 Product Risk

Part of section 3, contains question regarding Product Risks factors which contain 5 items. Al-Rawad et al. (2015) & Moshref Javadi et al. (2012) is the one who have help to develop this questions. Respondent were asked whether Product Risks factor have an influence on their intention to do online shopping. One of the hypothesis in this study is to identify Product Risk factor with online purchase intention. The item used here are used to measure Product Risk. The list below show the list of the items used to measure Product Risks factor. The data obtained will also be reverse code before being analysed.

Measurement of Product Risk

Items

1. I might not get what I ordered through online shopping ®.
 2. It is hard to judge the quality of merchandise over Internet ®.
 3. I may accidentally buy counterfeit products when purchasing it online ®.
 4. The actual quality of the goods does not match its description ®.
 5. I can't personally try the products ordered online thus didn't meet my expectations in the products ®.
-

Adopted from Al-Rawad (2015) & Moshref Javadi et al. (2012)

3.3.6 Delivery Risk

Part of section 3, contains question regarding Delivery Risks factors which contain 5 items. Moshref Javadi et al. (2012) & Zhang et al. (2012) is the one who have help to develop this questions. Respondent were asked whether Delivery Risks factor have an influence on their intention to do online shopping. One of the hypothesis in this study is to identify Delivery Risk factor with online purchase intention. The item

used here are used to measure Delivery Risk. The list below show the list of the items used to measure Delivery Risks factor. The data obtained will also be reverse code before being analysed.

Measurement of Delivery Risk

Items

1. I might not receive the product ordered online ®.
 2. I do not shop online because of non-availability of reliable & well-equipped delivery companies ®.
 3. After shopping, goods are easily lost ®.
 4. Express delivery may send the products to the wrong place ®.
 5. Express Delivery can easily damage the goods during transfer after the shopping process ®.
-

Adopted from Moshref Javadi et al. (2012) & Zhang et al. (2012)

3.3.7 Privacy Risk

Part of section 3, contains question regarding Privacy Risks factors which contain 5 items. Al-Rawad (2015) & Zhang et al. (2012) is the one who have help to develop this questions. Respondent were asked whether Product Risks factor have an influence on their intention to do online shopping. One of the hypothesis in this study is to identify Privacy Risk factor with online purchase intention. The item used here are used to measure Privacy Risk. The list below show the list of the items used to measure Privacy Risks factor. The data obtained will also be reverse code before being analysed. The data obtained will also be reverse code before being analysed.

Measurement of Privacy Risk

Items

1. My personal information may not be kept safe ®.
 2. My email address may be abused by others ®.
 3. My personal information may be disclosed to other companies without my permission ®.
 4. My personal phone number may be abused by others ®.
 5. My bank account information may be disclosed to another parties ®.
-

Adopted from Al-Rawad (2015) & Zhang et al. (2012)

3.3.8 Financial Risk

Part of section 3, contains question regarding Financial Risks factors which contain 5 items. Al-Rawad (2015) & Zhang et al. (2012) is the one who have help to develop this questions. Respondent were asked whether Financial Risks factor have an influence on their intention to do online shopping. One of the hypothesis in this study is to identify Financial Risk factor with online purchase intention. The item used here are used to measure Financial Risk. The list below show the list of the items used to measure Financial Risks factor. The data obtained will also be reverse code before being analysed.

Measurement of Financial Risk

Items

1. I may find that I can buy the same product sold online at a lower price from somewhere else ®.
 2. I was charged with an additional fee for the delivery service ®.
 3. I might be overcharged when purchasing products online ®.
 4. When I use the online payment services, I will be charge with an additional fee ®.
 5. Usually, online shopping may cost more than the traditional store ®.
-

Adopted from Al-Rawad (2015) & Zhang et al. (2012)

3.3.9 Online Purchase Intention

Part of section 4, contains question regarding Online Purchase Intention which contain 5 items. Nik Kamariah Nik Mat & Siti Salwani Meor Ahamd (2005) is the one who have help to develop this questions. Respondent were asked whether online purchase intention factor have an influence on their intention to do online shopping. The item used here are used to measure Online Purchase Intention. The list below show the list of the items used to measure Online Purchase Intention

Measurement of Online Purchase Intention

Items

1. I have the intention to purchase products through online before.
 2. It's likely that I will purchase products through online in near future.
 3. I'll consider to purchase products through online in near future.
 4. I'll consider to purchase products through online sometimes in the far future.
 5. I will definitely purchase products through online in the near future.
-

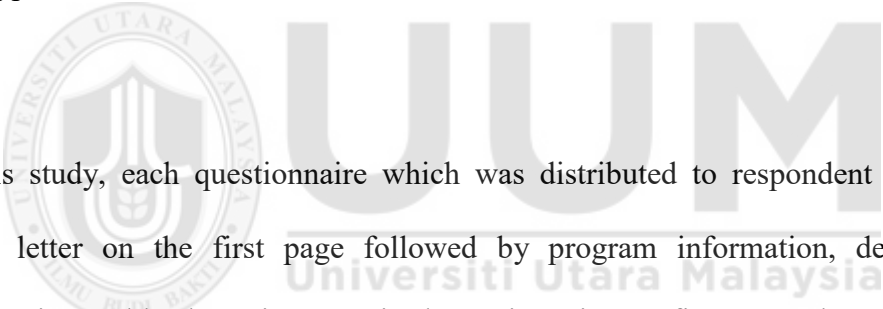
Adopted from Nik Kamariah Nik Mat & Siti Salwani Meor Ahamd (2005)

Universiti Utara Malaysia

3.4 Data Collection and Administration

Data collection in this study is proceeded via physical distribution of paper questionnaire questioning tested variable against respondent intentions towards performing an online purchase. Before proceeding with an actual data collection, this study will perform a pilot tests using the same sample from the population with the sample size of 30 respondents in order to test the reliability of the items used in the questionnaire. The actual data collecting will be commenced only after the pilot test have been completed. The actual data will also be performed using a survey distribute by paper towards all potential respondents. The respondents meanwhile consist of UUM Master and Doctoral students. However, they are a barrier towards

these data collecting process, as it was not well received if the survey were distributed during class hours. Most lecture have voiced refusal to entertain any requests to distribute the survey during their class hours. Due to this data collecting process in this study will be performed on students' dormitory, student lounges, library and many other locations where students visit during their free hours. Students are expected to answer the questions without prior notices and are done spontaneously in order to increase the probability to obtain their true intentions and thoughts towards online purchase. The data collection will from December 2016 until April 2017 providing this study with 3 months to obtain sufficient data that are competent enough to be analyse to find the answer to the study objectives, questions and hypothesis.



In this study, each questionnaire which was distributed to respondent contains a cover letter on the first page followed by program information, demographic information and lastly 49 items revised questionnaire. At first, cover letter contains a research topic, researcher details, purpose of this study, parts in questionnaire, notified participants that confidential of data received and data are only for academic research. Then, none of the items in questionnaire have touched the sensitivity matter of nature. Questionnaire package contains items with simple language and written in English.

Meanwhile the tests itself will be administered through physical means where the questions will be developed and delivered directly to potential respondents in populations. For the pilot study, 50 surveys will be sent to them by physical means

for them to answer and delivered the answer backs. 1 weeks will be given to completely for the sake of gather the data for the pilot study. The actual data will be administered with the use of paper distribution. The questionnaire will also be distributed with the means of physical distribution to deliver the survey to Master and Doctoral students at UUM. This data collecting period will take 4 months before the analysis process can proceed.

3.5 Data Analysis Technique

The first step begins with the gathering of the completed questionnaires, which then proceeded by checking the validity, consistency and reliability of the accumulated data. This action was done in order to make sure that all the data gathered are suitable and safe to be used in Statistical Package for Social Science (SPSS) version 23 to be analysed. At the beginning of analysing process, SPSS program will be used to detect missing data as well as to analyse the frequency in the demographics information listed in the questionnaires.

The data analysis tool for this study, in regard of independents and dependant variables is a 1-5 point Likert scale (1=Strongly Disagree, 2=Disagree, 3=Neutral, 4=agree, 5=Strongly Agree). This data analysis tool is used to evaluate empirical data. The Likert scale is generally used for questionnaires, and is mainly used in quantitative research. The benefits of using a Likert scale tool is to create attention among respondents. According to Hashim Shahzad (2015) as cited in Robson (2002), the Likert scale tool can be interesting for respondents and they usually feel comfortable while completing a scale like this. One more benefit is the convenience

as Hashim Shazad (2015) as cited in Neuman (2000) recommends the actual strength of Likert scale which is the simplicity and ease of use.

Four main analyses are performed in this study. They are descriptive analysis, reliability analysis, Pearson's Correlation analysis and regression analysis. First of all, descriptive analysis is conducted on the data collected by using analytical tools such as frequency and percentage. According to Chan et al. (2012) cited in Cao and Mokhtarian (2005), descriptive analysis is showing what happened for a particular sample at a particular time, which provides a clear picture of observed behaviour. Secondly, since this study also involves testing of hypothesis, a correlation analysis is conducted to investigate the nature of the relationship whether the selected variables (factors) affect the dependent variable (online purchase intention). Reliability analysis is used to analyse the internal consistency of the data used in this study. According to Chan et al. (2012) cited in Cao et al. (2005) correlation analysis can be used to explore the strength or degree as well as direction (positive or negative) of the relationship between independent and dependent variables. Hence, Pearson Correlation is used to achieve the purpose in this study. Lastly, regression analysis is used to analyse the significance and relationship between categorical independent variable and the dependent variable which is used to test the hypothesis proposed in this study.

3.6 Conclusions

In short, this chapter presented the research methodology adopted in this study. More precisely, the chapter consists of the source of the data used, unit of analysis,

population frame, sample and sampling technique, measurement used, data, collecting, administrating and analyzing technique used in this study. Correspondingly, the following chapter 4 provides the results of the study.



CHAPTER 4

DATA ANALYSIS

4.1. Introduction

In this chapter, all result and data will be interpreted and presented. Tables will be used to assist the presentation of this study. This research will use SPSS version 23 to evaluate the data obtained. Overall, this chapter will discuss the analysis of the respondent demographics, pilot test.

4.2 Respondent Response Rate

500 questionnaires were distributed to the postgraduate students in Universiti Utara Malaysia (UUM) and among these 450 were returned providing the study a response rate of 90%. According to Sekaran and Bougie (2010) if the response rate is 30% then it can be accepted. Among these 450 questionnaire 56 of them are incomplete was excluded from the study.

Table 4.1:
Distribution Information Questionnaire

DETAILS	RESPONDENTS
Number of questionnaires distributed	500
Number of questionnaires received and complete	394
Number of questionnaires that are incomplete	56
Number of questionnaires that are not retrieved (missing)	50
Response Rate	90%

4.3 Pilot Test Analysis

Pilot Test is an analysis where the respondent remarks on the instrument of the test. The aim and objective of the pilot testing is to test the questions used and obtained a more reliable results. This study also conducts a pilot test before begin to start the real collections on the data in order to test the reliability of the questions used. 30 respondents were approach and were asked to participate in the pilot test before the real study were proceeded. According to Sekaran (2003), a good consistency is 1. If the reliability value is lower than 0.5 then it's consider low and thus unacceptable to be used. In table 4.2, the reliability test of the Cronbach alpha from the pilot test are presented.

Table 4.2:
Reliability Test of the Pilot Test

VARIABLES	ITEMS	CROBACH'S ALPHA
Online Purchase Intentions	5	0.853
Products	5	0.764
Prices	5	0.806
Promotions	5	0.787
Products Risks	5	0.636
Delivery Risks	5	0.902
Privacy Risks	5	0.911
Financial Risks	5	0.875

The Cronbach Alpha value explain how much reliable the independent variable to the dependent variables and calculated by averaging the coefficient that the results from all possible combinations. The reliability is an indicator of internal consistency. Table 4.2 show the results of the pilot test used in this study. It shows that the value

of independent variable for Cronbach alpha are 0.853 (Online Purchase Intention), 0.764 (Products), 0.806 (Prices), 0.787 (Promotions), 0.636 (Product Risks), 0,902 (Delivery Risks), 0.911 (Privacy Risks) and lastly 0.875 (Financial Risks). Hence all of the variable are reliable as the value of the Cronbach's Alpha are more than 0.5 and the respondents understands all of the questions asked.

4.4. Descriptive Analysis

Based on the study that have been conducted, the researchers have obtained information about the respondents demographic. This included gender, age, income level, education, marital status, occupation, country of origin, and years of doing online shopping and finally hours spent in a day doing online shopping.

4.4.1 Gender

Table 4.3
Gender of the respondent

		Gender			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	227	57.6	57.6	57.6
	Female	167	42.4	42.4	100.0
	Total	394	100.0	100.0	

Table 4.3 showed on detail above are the gender of the respondent who participate in this study. The first detail of the demographic are male and female. It shows that among the 394 participant in the study 227 (57.6%) of them are male and 167 (42.4) of them are female.

4.4.2 Age

Table 4.4:
Age of the Respondents

		Age			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21-25	58	14.7	14.7	14.7
	26-30	184	46.7	46.7	61.4
	31-35	90	22.8	22.8	84.3
	36-40	33	8.4	8.4	92.6
	Above 40	29	7.4	7.4	100.0
	Total	394	100.0	100.0	

Table 4.4 show about the age of the respondents that have participate in this study. It shows that the largest participants in this study age around 26-30 years old with 184 (46.7%) respondents in total. Meanwhile the lowest number of age group in this study are people above 40 years old with only 29 (7.4%) participating.

4.4.3 Income

Table 4.5
Income Level

		Income			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Do not have Income	156	39.6	39.6	39.6
	Below RM1,000	54	13.7	13.7	53.3
	RM 1,000 - RM 2,000	83	21.1	21.1	74.4
	RM 2,000 - RM 3,000	57	14.5	14.5	88.8
	RM 3,000 - RM 4,000	16	4.1	4.1	92.9
	Above RM 4,000	28	7.1	7.1	100.0
	Total	394	100.0	100.0	

Table 4.5 show about the income of the respondents that have participate in this study. It shows that the largest participants in this study do not have their own income with 156 (39.6%) respondents in total. Meanwhile the lowest number of income group in this study are people with RM 3,000 – RM 4,000 with only 16 (7.1%) participating.

4.4.4 Education

Table 4.6
Education level of the Respondent

		Education			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Master	189	48.0	48.0	48.0
	PhD	205	52.0	52.0	100.0
	Total	394	100.0	100.0	

This table show about the education level of the respondents that have participate in this study. It shows that the largest participants in this study are PhD student with 205 (52%) respondents in total. Meanwhile the Master students have 189 (48%) students participating.

4.4.5 Marital

Table 4.7
Marital Status of the Respondents

		Marital			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single/Bachelor	188	47.7	47.7	47.7
	Married	198	50.3	50.3	98.0
	Divorced	8	2.0	2.0	100.0

Total	394	100.0	100.0
-------	-----	-------	-------

Table 4.6 show about the marital status of the respondents that have participate in this study. It shows that the largest participants in this study have married with 198 (50.3%) respondents in total. Meanwhile the lowest number of marital group in this study are people with who have divorced with only 8 (2%) participating.

4.4.6 Occupation

Table 4.8
Occupation of the Respondents

		Occupation			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Student	231	58.6	58.6	58.6
	Teacher	46	11.7	11.7	70.3
	Manager	6	1.5	1.5	71.8
	Businessman	23	5.8	5.8	77.7
	Company Employee	48	12.2	12.2	89.8
	Government Employee	34	8.6	8.6	98.5
	Retired	4	1.0	1.0	99.5
	Others	2	.5	.5	100.0
	Total	394	100.0	100.0	

Table 4.8 show about the occupation of the respondents that have participate in this study. It shows that the largest participants in this study are still students with 231 (58.6%) respondents in total. Meanwhile the lowest number of group in this study are people who are working as other occupation not state in the questionnaire and answers it in the other column (lawyer) with only 2 (0.5%) people participating.

4.4.7 Country of Origin

Table 4.9
Respondents Country of Origin

		Country of Origin			
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Local Student (Malaysian)	194	49.2	49.2	49.2
	Foreign Students (Non-Malaysian)	200	50.8	50.8	100.0
	Total	394	100.0	100.0	

Table 4.9 show about the respondent country of origin that have participate in this study. It shows that the largest participants in this study are foreign student with 20 (50.8%) respondents in total. Meanwhile the Local students have 194 (49.2%) students participating.

4.4.8 Years since start to do Online Shopping

Table 4.10
Years since Start to do Online Shopping of the Respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-3 Years	224	56.9	56.9	56.9
	4-6 Years	101	25.6	25.6	82.5
	7-9 Years	22	5.6	5.6	88.1
	Above 10 Years	2	.5	.5	88.6
	Never Access Online Shopping Site Before	45	11.4	11.4	100.0
	Total	394	100.0	100.0	

Table 4.10 show about the years since that respondents start to engage in online shopping in this study. It shows that the largest participants in this study have start to do it since 1 – 3 years ago with 224 (56.9%) respondents in total. Meanwhile the lowest number of group in this study are people who have starts since 10 years ago with only 2 (0.5%) people participating.

4.4.9 Hours Spends on Online Shopping in a day

Table 4.11

Hours spend to do Online Shopping in a day by the Respondents

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1-3 Hours	267	67.8	67.8	67.8
4-6 Hours	67	17.0	17.0	84.8
7-9 Hours	6	1.5	1.5	86.3
Above 10 Hours	5	1.3	1.3	87.6
Never Browse for Online Shopping Purpose	49	12.4	12.4	100.0
Total	394	100.0	100.0	

Table 4.11 show about the hours that respondents engage on online shopping in a day in this study. It shows that the largest participants in this study have start to do it since 1 – 3 hours in a day with 267 (67.8%) respondents in total. Meanwhile the lowest number of group in this study are people who spends above 10 hours with only 5 (1.3%) people participating.

4.5 Reliability Test

To test the reliability of the questions used in this study, a reliability test is also performed towards the answered provided by the 394 respondents' reply that were collected. All variables dimension is tested to check their reliability when analysing the data obtained from the 394 respondents. According to Sekaran (2003), a good consistency is 1. If the reliability value is lower than 0.5 then it's consider low and thus unacceptable to be used. In table 4.12, the reliability test of the Cronbach alpha from the actual test are presented.

Table 4.12:
Reliability Test of the Actual Test

VARIABLES	ITEMS	CROBACH'S ALPHA
Online Purchase Intentions	5	0.791
Products	5	0.666
Prices	5	0.755
Promotions	5	0.765
Products Risks	5	0.774
Delivery Risks	5	0.892
Privacy Risks	5	0.893
Financial Risks	5	0.794

4.6 Pearson Correlation

Pearson Correlation coefficient (r) is used to measure the strength of the association between linear relationships of two variables. Correlation that are greater than 0.5 is generally described as a strong relationship, correlation that are weaker than 0.3 is

regarded as weak, while 0 correlation are perceived as having a weak or no correlation at all between the said variables which indicate a random, nonlinear relationship between the two variables. A positive correlation means that as one variables increase the other variables will also increase and vice versa. Meanwhile negative variables mean that as one variables increase the others will decrease and vice versa. The result of this study correlation will be shown on table 4.13 below.

Table 4.13
Value Pearson Correlation Analysis

	Product	Price	Promotion	Product Risk	Delivery Risk	Privacy Risk	Financial Risk	Online Purchase Intention
Product	1							
Price	.501**	1						
Promotion	.618**	.516**	1					
Product Risk	-.284**	-.125*	-.254**	1				
Delivery Risk	-.289**	-.124*	-.256**	.615**	1			
Privacy Risk	-.362**	-.190**	-.280**	.552**	.669**	1		
Financial Risk	-.381**	-.147**	-.338**	.546**	.619**	.531**	1	
Online Purchase Intention	.436**	.364**	.406**	-.228**	-.175**	-.142**	-.174**	1

Correlation is significant at the 0.01 level (2-tailed).**

Correlation is significant at the 0.05 level (2-tailed).*

Table 4.13 above show the relationship between independent variable (Products, Prices, Promotions, Product Risk, Delivery Risks, Privacy Risk, and Financial Risk) to dependant variable (Online Purchase Intention). In a situation where the relationship is observed as less significant it is shown as (*) while where it was very significant it will be shown as (**).

The relationship in Product (0.436), Price (0.364) and Promotion (0.406) show a positive relationship with the Online Purchase Intention. The table also show that the relationship of Product, Price and Promotion with Online Purchase Intention among UUM students are medium.

Meanwhile Product Risk (-0.228), Delivery Risk (-0.175), Privacy Risk (-0.142) and Financial Risk (-0.174) show a negative relationship with the Online Purchase Intention. This indicate a relatively low correlation relationship between these factors (Product, Delivery, Privacy and Financial Risk) with online purchase intentions.

4.7 Regression Analysis

Table 4.14
Anova Table

ANOVA^a

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	840.733	7	120.105	18.910	.000 ^b
	Residual	2451.696	386	6.352		
	Total	3292.429	393			

a. Dependent Variable: Online_Purchase_Intention

b. Predictors: (Constant), Financial_Risk, Price, Privacy_Risk, Promotion, Product_Risk, Product, Delivery_Risk

Table 4.14 aim to test the acceptability of the model from the statistic perspective. There are two model in this model which is the Regression and Residual Model. Regression model act to display the variation in the model while Residual model

display the variation that are not accounted in the model. Since the significant here is 0.000 it was safe to say that each variables and variations used and explained in the model are not by chance, Since the significant is less than 0.005 the study was approved and there is no need to remake the questionnaires.

Table 4.15
Model Summary

Model Summary				
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.505 ^a	.255	.242	2.52023

a. Predictors: (Constant), Financial_Risk, Price, Privacy_Risk, Promotion, Product_Risk, Product, Delivery_Risk

Table 4.15 purpose is to explain the strength of the relationship between dependant variable, overall service quality, R, multiple correlation coefficient, observed and predicted valued toward dependable variable. According to Cohen (1988), the evaluation of the R-Square is 0.26 (Substantial), 0.13 (Moderate) and 0.02 (Weak). Meanwhile Falk and Miller (1992) recommended that R2 values should be equal to or greater than 0.10 in order for the variance explained of the model to be deemed adequate. According to table 4.15, the R Squared is 0.255 which show that students are affected by 25.5% by Product, Price, Promotion, Product Risk, Delivery Risk, Privacy Risk and Financial Risk while the remaining 74.5% are factor that remain constant in this study but they affect the concept of the model used.

Table 4.16
Coefficient Table

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	T	Sig.
	B	Std. Error	Beta		
1 (Constant)	9.656	1.360		7.102	.000
Product	.255	.059	.264	4.352	.000
Price	.144	.051	.152	2.828	.005
Promotion	.155	.056	.166	2.783	.006
Product Risk	-.139	.053	-.155	-2.633	.009
Delivery Risk	-.042	.044	-.065	-.950	.343
Privacy Risk	.088	.044	.124	1.980	.048
Financial Risk	.055	.052	.064	1.052	.294

a. Dependent Variable: Online_Purchase_Intention

According to table 4.16 among Product, Price, Promotion, Product Risk, Delivery Risk, Privacy Risk and Financial Risk, only Product, Price, Promotion, Product Risk and Privacy Risk are able to influence online purchase intention. A variable is able to uniquely influence the dependable variable if the significant is below 0.05. So among all the variables used in this study only Product (0.000), Price (0.005), Promotion (0.006), Product Risk (0.009) and Privacy Risk (0.048) are able to affect online purchase intention. This is proven by the significant column which show Delivery Risk (0.343) and Financial Risk (0.294) are not significant enough to influence online purchase intention. The table also show that the most influencing factors are products with Beta of 0.264 followed by promotion with beta of 0.166.

Table 4.17
Hypothesis Testing

	Hypothesis Description	Significant	Result
H1	There are a significant relationship between Product and online purchase intention among UUM Postgraduate Students.	($p < 0.05$) $p = 0.000$	Accepted
H2	There are a significant relationship between Price and online purchase intention among UUM Postgraduate Students.	($p < 0.05$) $p = 0.005$	Accepted
H3	There are a significant relationship between Promotion factors and online purchase intention among UUM Postgraduate Students.	($p < 0.05$) $p = 0.006$	Accepted
H4a	There is a significant relationship between perceived product risk and online purchase intention among UUM Postgraduate Students.	($p < 0.05$) $p = 0.009$	Accepted
H4b	There is a significant relationship between perceived delivery risk and online purchase intention among UUM Postgraduate Students.	($p < 0.05$) $p = 0.343$	Rejected
H4c	There is a significant relationship between perceived privacy risk and online purchase intention among UUM Postgraduate Students.	($p < 0.05$) $p = 0.048$	Accepted
H4d	There is a significant relationship between perceived financial risk and online purchase intention among UUM Postgraduate Students.	($p < 0.05$) $p = 0.294$	Rejected

4.8 Conclusion

In this chapter, all the result has been analyse and explained by using SPSS Version 23. The data analyse here are the response rate of the respondents, pilot test reliability result, actual test reliability result, descriptive test, Pearson correlation, and regression analysis. From the result, it can be explained that the study has seven (7) hypothesis and only five (5) of them were supported (by Product, Price, Promotion,

Product Risk, and Privacy Risk. The final chapter will focus on the detailed discussion, recommendation and conclusion of the study.



CHAPTER 5

CONCLUSION AND RECOMMENDATION

5.1 Introduction

All the result and findings were presented in the previous chapter. In this chapter summarization of the research paper, limitation of research and recommendation for future research analysis will be focussed and discussed.

Summary of the findings related to this study will be explained in section 5.2. Section 5.3 meanwhile will focussed on discussion associate with the demographic information data from this study. Section 5.4 meanwhile discussed the relationship and analysis regarding independent variables and dependant variable. Section 5.5 will explain about the limitation of the research while section 5.6 and 5.7 will discuss about the recommendation and conclusion respectively.

5.2 Summary of the findings

In the previous chapter, among 500 questionnaires that were distributed only 450 of them were collected while the remaining 50 was lost in distribution. Among these 450 questionnaire 56 of them were damaged and were excluded during the data process. The amount of usable questionnaire used in the study are 394.

The first part of the questionnaire asks about the demographic profile consisting of gender, age, income, education, marital, occupation, country of origin, years of doing

online shopping and time spend in a day to shops online. In the second part and third part, the respondent was asked about the independent variable used where in section two consists Product, Price and Promotion while in the third section they were asked about product risks, delivery risks, privacy risks and financial risks. Meanwhile the last part asks them about their intention on online shopping.

Hypothesis were proposed in chapter 3 with the research question, objectives as well as theoretical framework. The hypothesis in this study are based on the seven independent variable that effect and influence online purchase intention.

5.3 Demographic

In term of demographic data from the 394 respondent show that among UUM postgraduate students 227 (57.6%) of them are male and 167 (42.4) of them are female which indicate that male postgraduate students are more interested in online shopping. In age section it was shows that the largest participants in this study age around 26-30 years old with 184 (46.7%) respondents in total. Meanwhile the lowest number of age group in this study are people above 40 years old with only 29 (7.4%) participating. This show that most UUM postgraduate students who pursuing their master degree are currently in 26 to 30 years old. In income section it shows that the largest participants in this study do not have their own income with 156 (39.6%) respondents in total.

Meanwhile the lowest number of income group in this study are people with RM 3,000 – RM 4,000 with only 16 (7.1%) participating. Most of the students who are completing their postgraduate studies have no fixed income and depends on alternate sources of money such as family support. In education section, it was shown that among the respondents in this study are PhD student with 205 (52%) respondents in total. Meanwhile the Master students have 189 (48%) students participating. In marital section it was shown that most students who participate in this study have been married with 198 (50.3%) respondents in total. Meanwhile the lowest number of marital group in this study are people with who have divorced with only 8 (2%) participating. Meanwhile in occupation section, it shows that the largest participants in this study are still students with 231 (58.6%) respondents in total. Meanwhile the lowest number of group in this study are people who are working as other occupation not state in the questionnaire and answers it in the other column (lawyer) with only 2 (0.5%) people participating. In country of origin section, it was presented that shows that the largest participants in this study are foreign student with 20 (50.8%) respondents in total.

Meanwhile the Local students have 194 (49.2%) students participating. We can have concluded the number of local and foreign students who are aiming to complete their postgraduate studied at UUM are almost equal. Meanwhile in years of doing online shopping section, it was shown that the largest participants in this study have start to do it since 1 – 3 years ago with 224 (56.9%) respondents in total. Meanwhile the lowest number of group in this study are people who have starts since 10 years ago with only 2 (0.5%) people participating. This show that most people who participate in this study have already acquire products via online before and already have

experience online shopping. Finally, in hours spend in a day doing online shopping show that the largest participants in this study do online shopping around 1 – 3 hours in a day with 267 (67.8%) respondents in total. Meanwhile the lowest number of group in this study are people who spends above 10 hours with only 5 (1.3%) people participating.

5.4 Independent and Dependant Variable Relationship and Analysis

In order to test the reliability of the question used in this study, Cronbach's Alpha measure the reliability and validity of all variable s and how it positively correlated to each other. The result show that the dependent variable (Online Purchase Intention) was measured at 0.791 thus can be considered good as it was close to 0.8. Meanwhile in the independent variable, Product, Price, Promotion, Product Risks, Delivery Risks, Privacy Risks and Financial Risks was measured 0.666, 0.755, 0.765, 0.774, 0.892, 0.893 and 0.794 respectively. As all factors are more than 0.5 regarding internal consistency reliability they are regarded as satisfactory in regards to their reliability. In regards of the relationship between independent variables and dependant variable all of the independent variables are shown to have a significant relationship with the dependant variable as shown by sig (2 tailed).

Regarding the changes of dependant variable that are explainable by the variation of independent variables, it was presented in the regression table. According to Cohen (1998), the evaluation of the R-Square is 0.26 (Substantial), 0.13 (Moderate) and 0.02 (Weak). Meanwhile Falk and Miller (1992) recommended that R² values should be equal to or greater than 0.10 in order for the variance explained of the model to be

deemed adequate. According to table 4.15, the R Squared is 0.255 which show that students are affected by 25.5% by Product, Price, Promotion, Product Risk, Delivery Risk, Privacy Risk and Financial Risk while the remaining 74.5% are factor that remain constant in this study but they affect the concept of the model used. This means that 25.5% changes that happen to the dependant variable (Online Purchase Intention) can be explained by the independent variable (Product, Price, Promotion, Product Risk, Delivery Risk, Privacy Risk and Financial Risk), while the remaining 74.5% cannot be explained by the regression analysis and can only be discussed by other factor that are not included in the model and remain constant in this study.

5.4.1 Hypothesis 1

Hypothesis One: There are a significant relationship between product factors and online purchase intention among UUM postgraduate student.

Product was the first independent variables that was used in this study. There are five items that were asked in the questionnaire. The result showed that Product influence online purchase intention. This indicate that the respondents understand the factors of Product on their intention to shops online. Pearson's Correlation coefficients (r) of Products and Online purchase intention show a result of 0.436 which can be regarded as moderate relationships. In addition, product showed the variance of significant where $p=0.000$ which support the hypothesis.

In one previous study conducted in Singapore regarding product type it was shown that most consumer at Singapore have a high preference to purchase retail when it comes to groceries products. 96% of the respondents stated they would to buy their

groceries via retail route. The paper analysis on the qualitative data show the real reason of Singaporean low online purchase rate in regards of the groceries based products is because of their needs to be able to inspect the grocery individually particularly to check for the grocery quality. This is particularly important when they want to inspect on perishable goods such as fruits and vegetable. This show that Singaporean have a deep concern on the product quality aspect when they decided whether to purchase the products online or not.

This finding is consistent as Singaporean also prefer to buy jewellery and electronics based products on retail instead of online. This show that products that are perishable and have a high cost create more wariness and make consumer intention to inspect them first higher. This study by Sam & Sharma (2015) finds out that products that receive high purchasing rate online seems to correlate with entertainment media such as movies, music, and video games. This study show that consumer have different purchasing behaviour and intention depending on the products types and desires to inspect the products before purchasing it.

Another study by Chen & Hung (2015) find that preferences for online shopping are vary by products. Some customers hesitate to purchase online products that they need to touch, smell or try for the final purchase. Their research compares the impact of product type on the relationship between shopping orientation and purchase intention and they find that customers who purchase specific socks are less concerned about price. This implies that for other high-touch products, retailers should be aware of

consumer needs and use combining, searching, or association algorithms to assist browsers in finding needed products.

According to Yong (2014) as cited in as cited in Ahn, Ryu and Han (2004), product quality and variety are considered as the most influential factors. Customers are likely to visit an online retail shop with good quality and wide selection of products. The more quality and wider the selection, the higher intention level will be developed by the customers. If the expectations are met, customers tend to regard the online retail shop as beneficial and keep on visit it. Furthermore, individuals who are certain with their preferences will prefer more variety of offerings as it could help in making purchase decision and select the best option that matches with their preferences (Yong, 2014 cited in Chernev, 2012; Chang, 2011).

5.4.2 Hypothesis 2

Hypothesis Two: There are a significant relationship between price factors and online purchase intention among UUM postgraduate student.

Price was the second independent variables that was used in this study. There are five items that were asked in the questionnaire. The result showed that Price influence online purchase intention. This indicate that the respondents understand the factors of Price on their intention to shops online. Pearson's Correlation coefficients (r) of Price and Online purchase intention show a result of 0.364 which can be regarded as moderate relationships. In addition, price showed the variance of significant where $p=0.005$ which support the hypothesis.

Many previous studies also contended that price is one of the major concern of online purchase intention (Yong et al., 2014 cited in Wee and Ramachandra, 2000; Kung, Monroe, and Cox, 2002; Ahuja, Gupta, and Raman, 2003; Kimiloglu, 2004; Delafrooz, Paim, and Khatibi, 2010). Based on the research that conducted by Yong et al. (2014) cited in Goldsmith and Goldsmith (2002), the simplest reason that influence consumer to shop online is to save money from cheaper price that offered by the online retailer as they perceived that online purchasing is relatively cheaper as compared to the traditional channel or offline environment. According to Yong (2014) cited in Harn, Khatibi and Ismail (2006), price is one of the dominant factors that influence the consumer decision to purchase online.

Based on the research done by Mansori, Cheng and Lee (2012), price is one of the variables that influence the e-shopping intention among the Generation Y in Malaysia. Furthermore, Su and Huang (2011) also proved that online purchase intention for the undergraduate is significantly influenced by price. In the e-commerce environment, a lot of price information that are available makes it more convenient for online consumers to make online purchase decision.

Sharma & Sam (2015) study in Singapore in regards of the relationship between price and online purchase intention intentions have shown that consumer consider purchase the products on retail if it's consider expansive and will not considered purchasing them on retail as they are not willing to shoulder the risk. Product such as jewellery and automobile are among the products that consumer purchase using

traditional route as the prices of these two product category are higher compared to other products. This show that when it comes to prices, consumer will go to physical stores to reduce the overall risk that associate with the products if the prices of the products is too high. Meanwhile for less expansive products such as video games or books, consumer is more willing to take risk and purchase it online due to the ease of use and time factor. (Sam & Sharma, 2015).

In another study by Baubonienė & Gulevičiūtė (2015) finds out that better price is one of the main influencer towards customer online purchase. They state that socio-demographical characteristics such as gender has shown that men shop more often online because of the lower price. Respondents of the 25–35 year age group more often choose shopping online for such reasons as lack of time and a wide range of products. The most beneficial factor of shopping online was identified as a possibility to compare prices and buy at a lower price. This support the findings that price have a significant relationship with online purchase intention.

5.4.3 Hypothesis 3

Hypothesis Three: There are a significant relationship between promotion factors and online purchase intention among UUM postgraduate student.

Promotion was the third independent variables that was used in this study. There are five items that were asked in the questionnaire. The result showed that Promotion influence online purchase intention. This indicate that the respondents understand the factors of Promotion on their intention to shops online. Pearson's Correlation coefficients (r) of Promotion and Online purchase intention show a result of 0.406

which can be regarded as moderate relationships. In addition, promotion showed the variance of significant where $p=0.006$ which support the hypothesis.

Meanwhile Nuseir et al. (2010) finds out that they are relationship between Promotion and Online Shopping. They finding also state that among Security, Infrastructure for Internet, Product & Service Characteristic, Price & Promotion, Promotion and Security are the most influential factors that influence consumer online purchasing decision. Himawan & Abduh (2015) finds out that the significant impacts of online sales promotion in the online retail business are the tight competition faced by the online retailing businesses and the irrelevant online promotion exposure experienced by the internet users. The top three important factors for consumers in making a decision to buy online is a promotion or discount factor followed by pricing factor and brand factor. The result of the study is that there is a positive response toward online pricing promotion and online coupon promotion among youth online consumers with the highest positive respond is the online pricing promotion. The strongest factor in affecting youth online purchase intention is ease of use factor followed by perceive usefulness and subjective norm. Lastly, there is a strong correlation between online sales promotion and youth purchase intention.

5.4.4 Hypothesis 4 (a)

Hypothesis Four (a): There are a significant relationship between product risks factors and online purchase intention among UUM postgraduate student.

Product risk was the fourth independent variables that was used in this study. There are five items that were asked in the questionnaire. The result showed that Product

Risk influence online purchase intention. This indicate that the respondents understand the factors of Product Risks on their intention to shops online. Pearson's Correlation coefficients (r) of Product Risk and Online purchase intention show a result of -0.228 which can be regarded as low relationships in negative position. In addition, environment consciousness showed the variance of significant where $p=0.009$ which support the hypothesis.

Study by Almousa (2011) support this, it was found out that product on performance risk, or the fear of product not functioning or performing as expected is increasing in online environment. In short, before purchasing, the primary things that would be concerned when purchasing online are incapability of touching, feeling, testing or trying the products, and the product or performance perceived risk will increases that caused by those concerns. This make customers concern that their purchased products will unable to perform as they expected it to be and this make them more careful when they want to purchase the product online. This show that product risk have a significant influence and relationship with online purchase intention.

Similarly, another study by Marthur (2014) also support this as it was found that the respondents have a product risk in online shopping that they might not receive the product they ordered online. The products may be different that the visual image as displayed. There also may be deviations in specifications of colour, size, appearance etc. This make them consider product risk as one of the factors that influence their online shopping as they fear that they will not obtain what they pay for due to the inability to check the products before they purchase it.

This finding also supported by the findings of the existing studies (e.g. Forsythe and Shi, 2003; Biswas and Biswas, 2004) where product risk are important significant risk factors toward online shopping. Another study done by Dai (2007) have shown that in online apparel industry with increased online shopping experience for apparel products, men perceived more product risk, whereas women perceived less product risk. As there are more female online shoppers and women tend to spend more and shop more frequently than men in online apparel shopping, female online shoppers may be more familiar with online shopping websites and particular apparel product brands. Thus, they perceive less product risk in online apparel shopping.

5.4.5 Hypothesis 4 (b)

Hypothesis Four (b): There are a significant relationship between delivery risks factors and online purchase intention among UUM postgraduate student.

Delivery risk was the fifth independent variables that was used in this study. There are five items that were asked in the questionnaire. The result showed that Delivery Risk influence online purchase intention. This indicate that the respondents understand the factors of Product Risks on their intention to shops online. Pearson's Correlation coefficients (r) of Delivery Risk and Online purchase intention show a result of -0.175 which can be regarded as low relationships in negative position. In addition, delivery risk showed the variance of significant where $p=0.343$ which reject the hypothesis.

Hashim Shazad (2015) mention that in country that was advanced, with good technological advancement and mature online market have a stronger infrastructure to manage their delivery systems. As such respondents are less to be affected by delivery risk as they consider that the chance of it happening are too small. This make customers more willing to purchase product online. Since Malaysia also start to improve their online market infrastructure when they're improving to digitize more of their business, they now are have a better delivery process and infrastructure. More courier company have also been given license to better compete to provide higher delivery services in Malaysia. With the introduction of many delivery and payment system, product delivery complexity have been reduced and become faster. For example Alipay payment system that was used by Alibaba was able to guarantee that the products will be able to be delivered within 72 hours and even allow more locations in Malaysia to enjoy its services (Ho, 2017).

Miyazaki and Fernandez (2001) claimed, although risk is an important reason that hampers online purchase intention, most of perceived risks comes from consumer's being unfamiliar with the completely new and long-distance shopping way. So Internet experience and skills can reduce perceived risks and increase shopping intention and real purchase.

This was supported by Dan & Xu (2011) who agree that computer knowledge and Internet currency clearing knowledge that students have are comparatively significant on online shopping. Besides that, another researchers also pointed out; Internet application skills significantly influence online shopping. As a new

emerging shopping mode, Internet requires consumers grasp relevant computer and Internet currency clearing knowledge and skills. The student's consumer group meets this basic requirement of online shopping. Most of university students attend the course of college computer basics (probably in another course name, but similar content). They study some basic Internet operation knowledge, which establishes foundation for online shopping. Along with increased Internet experience, undergraduates grasps more online shopping skills and information source, so that they are more likely to do shopping online (Dan & Xu, 2011 cited in Yin Shijiu et al., 2008).

Mohd Shoki Md Ariff et al. (2014) further state that delivery risk also become low if there are a complaint centre on the website online for customer to forwards their complaint to if the products are not delivered to them and immediate action are taken to take care of it. Delivery risk can become a positive effect if it was ordered from a reliable online shops or company. Due to this consumer usually seek ways to identify and approach company that are considered trustworthy in order to reduce risks associated with the delivery as purchasing from them can make consumer feel more secure and safe. Doing this also reduce their concern from undesired products delivery problems.

According to Zhang et al. (2012) there are a negative influences between delivery risk and Consumer Purchasing Behaviour. Consumers are not patient to wait a long time because they usually take delight in seeking new thing, so a longer waiting time for delivery and service would make them lose their interested in and affect their

online shopping willingness. When consumers perceived the potential problems in delivery such as goods lost, damaged, or delivered to a wrong place, they would put off the purchasing online. Another previous study by Moshref Javadi et al. (2012) presents findings that fear of losing money and financial details has negative effect on attitude toward online shopping. They find out that the fear of non-delivery of order will have negative influence on attitude towards shopping online. Also the higher the probability of non-delivery of order, the lower attitude toward online shopping. It indicates that the non-delivery risk is a significant factor for affecting attitude and hence behaviour towards shopping online. People do not tend to shop online because they are not sure whether the ordered merchandise will be delivered or not and lack of seriousness and efforts towards building trust by the retailers makes it a significant reason.

Tanadi, Samadi & Gharleghi (2015) previous study contrast with this findings as they have identify delivery risks are correlated with improving Generation-Y online intention. In increasing consumer online intention, consumers perceived greater benefit and less risk. They find out that delivery risks are shown to have a negative relationship toward online intention. Most of the respondents still perceived that online shopping is risky, this indicate as the delivery risk increase, the online intention of Generation-Y is going to be deteriorated. In other word, if customer perceived online shopping as risky then they will reduce their intention to shop online. Customers worry to purchase goods online because they are afraid the items aren't delivered after the payment. Their study show that delivery risks are significant in influencing Generation Y online purchase intention.

5.4.6 Hypothesis 4 (c)

Hypothesis Four (c): There are a significant relationship between privacy risks factors and online purchase intention among UUM postgraduate student.

Privacy risk was the sixth independent variables that was used in this study. There are five items that were asked in the questionnaire. The result showed that Privacy Risk influence online purchase intention. This indicate that the respondents understand the factors of Privacy Risks on their intention to shops online. Pearson's Correlation coefficients (r) of Privacy Risk and Online purchase intention show a result of -0.142 which can be regarded as low relationships in negative position. In addition, environment consciousness showed the variance of significant where $p=0.048$ which support the hypothesis.

Tanadi, Samadi & Gharlegghi (2015) findings support this as their study finds that privacy risk has a significant effect on generation Y online purchasing intentions. Generation Y are usually afraid that their personal information will be leaked out to other companies that can affect their privacy. This make them more careful when intending to shop online as they perceived their privacy as very important. When the websites are unable to guarantee their information protection, the risk associate with their privacy will increase and this make them more averse to purchase online. The higher the risk related to privacy the lower their intention to purchase online.

Zhang et al. (2012) previous study finds out that privacy risk does not have a negative influences and significant towards customers purchasing behaviour. In China, online customers now usually view security and privacy as a basic requirement, it may help to explain why perceived privacy risk is not significant impact on online consumers' purchasing behaviour as Chinese expected the company who provided the services to have an excellence services and protection in protecting their information before they even proceed to start the business.

Dai (2007) previous study on online apparel business have found out that men, not women, perceived higher privacy risk with increased online apparel shopping experience. It may be that men are more aware of the privacy risk and consequences of privacy risk associated with online apparel purchases as their online shopping experience increases. Meanwhile in online music it was found that men perceived higher privacy risk with increased experience in online music shopping. Yet, women perceived less privacy risk with increased online music shopping experience. It may be that men are more aware of the consequences of privacy risk due to their overall increased online experiences.

5.4.7 Hypothesis 4 (d)

Hypothesis Four (d): There are a significant relationship between financial risks factors and online purchase intention among UUM postgraduate student.

Financial risk was the last independent variables that was used in this study. There are five items that were asked in the questionnaire. The result showed that Financial Risk influence online purchase intention. This indicate that the respondents

understand the factors of Financial Risks on their intention to shops online. Pearson's Correlation coefficients (r) of Financial Risk and Online purchase intention show a result of -0.174 which can be regarded as low relationships in negative position. In addition, environment consciousness showed the variance of significant where $p=0.294$ which reject the hypothesis.

Zhang et al. (2012) have found out that Financial Risk does not have a negative influences with purchasing behaviour in China. Most vendors who operate in China have promised consumers "seven day unconditional return" to help them reduce the economic loss, or guarantee a refund or other improprieties result in economic loss by using the intermediaries such as ALIPAY, banks, credit cards companies. Due to this the risks of finance is reduced and customers become less averse to shops due to economic concerns as they have guarantee and protection to reclaim it when the services or products didn't meet their expectation or satisfaction.

Syarafina Ibrahim, Norazah Mohd Suki, & Amran Harun (2014) present that further investigation revealed that perceived financial risk had an insignificant positive effect on the consumers' unwillingness to buy online. Previous findings indicate that Malaysian internet shoppers did not perceive a higher level of financial loss in their purchase decisions. Accordingly, perceived financial risk was found to have negative effect on online purchase intention (Syarafina Ibrahim, Norazah Mohd Suki, & Amran Harun, 2014 cited in Akram, 2008; Chang, & Tseng, 2013; Forsythe & Shi, 2003; Forsythe et al., 2006; Hong & Cha, 2013; Kukar-Kinney & Close, 2010; Tian & Ren, 2009). However, Ko, Jung, Kim and Shim (2004) as cited in Syarafina

Ibrahim, Norazah Mohd Suki, & Amran Harun (2014) found that American internet users perceived a higher level of financial risk, while Korean internet users perceived higher levels of social risk. Beh et al. (2015) also support this findings. Malaysian are not worried too much financially when it comes to developing their intention to purchase. They consider several monetary loss when purchasing was not strong enough to influence their purchasing decision.

5.5 Limitation of the study

As most study do, this study also have some limitation such as the limited group of respondents of small group of Universiti Utara Malaysia. Therefore, it failed to generalise the result of the study to the whole Malaysia. As the study only focussed on UUM postgraduate students it'll be hard to say that all postgraduate students share the same intention as UUM students. It will be better to include other university at Malaysia that also have postgraduate courses to obtained a better result and idea about their perception on Online purchase intention. This study sample size only focussed on postgraduate students, which consist of 6,610 people in it populations. So the sample size according to Krejcie and Morgan (1970) are 361. To obtain a better accurate and effective data, this study has distributed 500 questionnaires to the respondents. However only 450 were safely collected and among them 56 were deemed damaged to be used and thus were excluded from the study, leaving with only 394 sets of questionnaire which can be perceived as limited sample size compared to the population. Due to this, it can be said the sample size are quite small to be able to truly represent the general population perception towards online purchase intention.

The second limitation are regarding the variables used in this study. Online purchase intentions is a large and vast topic with many possible variables such as perceived benefits, innovative characteristics, internet experiences, type of products, service quality and many more that may affect it. However, it depends on the nature of the research and how it can gather more information for the next study. More variables should be included in order to obtained a more accurate and reliable result.

The third limitation are the difficulty to obtain data without bias and cooperation from the respondent. It's difficult to obtain students true perception in regards of their opinion in the study. Some respondent may take the easy way of randomly filling the questionnaire without fully understanding the questions. This might cause the result reliability and accuracy to be affected.

The last limitation is on the time constraints. The time that were used to complete this study is simply too short to better obtained a more accurate reply and gather more data. It also limited the amount of research and variable that can be used. Not to mention inability to secure more respondents have limited the study ability to obtained a more accurate and reliability data as it restraint the amount of time that can be used to gather more reply and search for more respondents. A better result can be obtained with more time.

5.6 Recommendation

The knowledge and results from the study can be helped to assists business managerial, academician as well as future researches. Thus following recommendation are suggested to help improve and overcome the limitation of this

study. This will help to improve the quality and useful for future researches. Therefore, these are the following suggestion regarding the study.

1. The population and sample size of the study should be expanded in the future studies. A bigger data size and respondents is able to provide a more reliable data and accuracy to the researches as it will improve the number of perception and opinion from many different respondents. So it's better to expand more than UUM students and approach other university students in order to obtain more data.
2. As it was discussed before, the limited number of variables used in this study is not enough to capture the entire study. Including more variables can allow the study to obtain more thought and perception that can help it to obtain a more accurate data, broader scope as well as a better understanding on online purchase intention.
3. To obtain a more accurate data and limit bias or damaged reply, it will be better if the questionnaire were better explained and the distributor stands next to the respondents to answer any confusion that they might have regarding the question asked thus allowing the researchers to better control the situation and allow them to obtain a more reliable and usable data. It's also recommended for them to recheck the questionnaire if possible for any unfilled questions and ask them again if they truly understand all the questions and have answer with full comprehensions regarding the questions.
4. Lastly it's better to allocate more time to the study so that more respondents can be approach, better understanding on the variables used and model can be approach and expanded. This in effect allow the research to obtain more data and accurate results.

5.7 Conclusion

This study goal is to identify factors that influence online purchase intention. Seven variable have been used, Product, Price, Promotion, Product Risks, Delivery Risks, Privacy Risks, and Financial Risks. The result has shown that these variables have a good relationship with online purchase intention. In term of relationships, product, price, promotion have been shown to have a positive and moderate relationships with Online purchase intention while Product Risks, Delivery Risks, Privacy Risks, and Financial Risks have been shown to have a negative and low relationship with Online purchase intention.

This study has shown that product factors are the most influential factors in influencing online purchase intentions. This result was support by Young et al. (2014) who state that among brand name, convenience, product, and price factors, only factors of brand name, convenience and product are able to significantly influence online purchase intentions.. Study made by Nuseir et al. (2010) meanwhile support that product have high influence as they found product factor as having a high influence exceed only by promotions. Meanwhile Delivery and Financial Risks was shown to have no relations with Postgraduate student's online purchase intentions.

This could be the result of accumulate knowledge, information, experience, skill and financial capability that postgraduate students have compare to other study. As a postgraduate student, some have been exposed to more technology and education related to technology and e-marketing while others may be even more adept and

knowledgeable towards it. This make them more aware about the risks and able to formulate purchasing intentions based on these knowledge and information. This knowledge and information may come from their peers or classmate that have experiences online shopping before then later share it with them which reduce their perception regarding the risks of online shopping. Due to this it could be concluded that postgraduate students perceive delivery and financial risk as having no relation with their intention to purchase online due to their knowledge, information and skills that they have regarding the procedure of the delivery which can assure of the ordered goods arrival to them as well as financial capacity and shopping knowledge to ignore the additional financial costs that online shopping charge them or simply consider the advantages of online shopping is more than the price.

Miyazaki and Fernandez (2001) claimed, although risk is an important reason that hampers online purchase intention, most of perceived risks comes from consumer's being unfamiliar with the completely new and long-distance shopping way. So Internet experience and skills can reduce perceived risks and increase shopping intention and real purchase. This was supported by Dan & Xu (2011) who agree that computer knowledge and Internet currency clearing knowledge that students have are comparatively significant on online shopping. Besides that, another researchers also pointed out; Internet application skills significantly influence online shopping. As a new emerging shopping mode, Internet requires consumers grasp relevant computer and Internet currency clearing knowledge and skills. The student's consumer group meets this basic requirement of online shopping. Most of university students attend the course of college computer basics (probably in another course name, but similar content). They study some basic Internet operation knowledge, which establishes

foundation for online shopping. Along with increased Internet experience, undergraduates grasps more online shopping skills and information source, so that they are more likely to do shopping online (Dan & Xu, 2011 cited in Yin Shijiu et al., 2008).

The factors that have been used in this study are just a small number of many other factors that have been researched before in regards of testing online purchase intentions and as such cannot be said to be accurate. As such more variables should be included to obtain a better view, scope and understandings in identifying factors that able to influence online purchase intentions. Online Shopping is a large market with infinite potential thus more effort should be provided to help it developed and spread to more citizens. It's recommended that more studies are continue with students as respondents as they have less resistance to this market, more knowledge and understanding in technology and better potential to obtains higher income to support their online purchase. Not to mention online shopping also able to be used anywhere and anytime which make it an invaluable source of business and market that can assists various customer and prospect in this modern world. As such more research should be done towards it to make sure that more improvement can be done to its services which can encourage and better serve more people to actively participate and use it in their lives and expand the market furthers.

REFERENCES

- Adnan, H. (2014). An Analysis of the Factors Affecting Online Purchasing Behavior of Pakistani Consumers. *International Journal of Marketing Studies*, Vol. 6(5), 133-148.
- Aineah, B. (2016). *Factors influencing Online Purchase Intention among College Student in Nairobi City* (Master Thesis). United States International University, Africa.
- Al-Ghaith, W., Sanzogni, L., & Sandhu, K. (2010). Factors Influence the Adoption and Usage of Online Services in Saudi Arabia. *The Electronic Journal of Information Systems in Developing Countries*, 40(1), 1-32.
- Alina Babar, Aimen Rasheed, & Muhammad Sajjad. (2014). Factors Influencing Online Shopping Behavior of Consumers. *Journal of Basic and Applied Science Research*, 4(4), 314-320.
- Aliyar, S., & Mutambala, C. (2015). *Consumers' online purchase intention in cosmetic products* (Bachelor Thesis). Linnaeus University, Sweden.
- Al-Maghrabi, T., Dennis, C., Halliday, S. V., & BinAli, A. (2011). Determinants of Customer Continuance Intention of Online Shopping. *Int. Journal of Business Science and Applied Management*, 6(1), 41-65.
- Almoussa, M. (2011). Perceived Risk in Apparel Online Shopping: A Multi Dimensional Perspective. *Canadian Social Science*, 7(2), 23-31.
- Al-Rawad, M., Al-Khatib, A., Al-Shqairat, Z., Krishnan, T., & Mohammad, H. (2015). An Exploratory Investigation of Consumers' Perceptions of the Risks of Online Shopping in Jordan. *International Journal of Marketing Studies*, 7(1), 157-166.

- Baubonienė, Ž., & Gulevičiūtė, G. (2015). E-Commerce Factors that Influence Consumer's Shopping Decision. *Social Technologies*, 5(1), 74-81.
- Beh, J., Chong, S., Yu, J., & Wong, J. (2015). *Influence of Perceived Risk towards Purchase Intention KROM Merchandise* (Bachelor Thesis). Universiti Tunku Abdul Rahman, Malaysia.
- Bernama. (2014). *2014 Budget: 25 mill internet users by 2015*. Retrieved from <http://www.malaysiaedition.net/2014-budget-25-mill-internet-users-by-2015-57431/>
- Biswas, D., & Biswas, A. (2004). The diagnostic role of signals in the context of perceived risks in online shopping: Do signals matter more on the Web? *Journal of Interactive Marketing*, 18(3), 30-45
- Bonn, M., Furr, H., & Susskind, A. (1999). Predicting a Behavioral Profile for Pleasure Travelers on the Basis of Internet Use Segmentation. *Journal of Travel Research*, 37, 333-340.
- Burns, N., & Grove, S. (2003). *Understanding nursing research* (3rd ed.). Philadelphia: Saunders Company.
- Chan, I. Y. W., Lee H. L., Leong, H. Y., Tan S. H., & Teoh, S. K. (2012). *Relationship between perceived benefits and undergraduates' online shopping decisions in Malaysia* (Bachelor Thesis). Universiti Tunku Abdul Rahman, Malaysia.
- Chang, M., Cheung, W., & Lai, V. (2005). Literature derived reference models for the adoption of online shopping. *Information & Management*, 42(4), 543–559.

- Chang, M., Lai, M., & Wu, W. (2010). The influences of shopping motivation on adolescent online-shopping perceptions. *African Journal of Business Management*, 4(13), 2728-2742.
- Chen, N., & Hung, Y. (2015). Online Shopping Intention and Purchase Behaviour for High-Touch Products. *International Journal of Electronic Commerce Studie*, 6(2), 187-202.
- Cohen, J. (1988). *Statistical power analysis for the behavioural sciences* (2nd ed.). (J. Cohen, Trans.) Hillsdale: Lawrence Erlbaum Associates.
- Dai, B. (2007). *The Impact of Online Shopping Experience on Risk Perceptions and Online Purchase Intentions: The Moderating Role of Product Category and Gender* (Master Thesis). Auburn University, Alabama.
- Dai, B., Forsythe, S., & Kwon, W. (2014). The impact of online shopping experience on risk perceptions and online purchase intentions: Does product category matter? *Journal of Electronic Commerce Research*, 13-24.
- Dan, S., & Xu, H. (2011). Research on Online Shopping Intention of Undergraduate Consumer in China--Based on the Theory of Planned Behavior. *International Business Research*, 4(1), 86-92.
- Darvish, Z. A., Ghelichi, M. A., & Hamdi, S. (2016). Identifying the Affecting Factors on Consumer's Online Shopping Behavior Based on TAM, DTPB Model. *The Caspian Sea Journal*, 10(1), 83-88.
- Delafrooz, N., Paim, L., & Ali Khatibi. (2011). Understanding consumer's internet purchase intention in Malaysia. *African journal of business management*, 5(3), 2837-2846.

- Delafrooz, N., Paim, L., Sharifah Azizah Haron, Samsinar M. Sidin, & Ali Khatibi. (2009). Factor affecting student attitude towards online shopping. *African Journal of Business Management*, 3(5), 200-209.
- Dillon, S., Buchanan, J., & Al-Otaibi, K. (2014). Perceived Risk and Online Shopping Intention: A Study across Gender and Product Type. *International Journal of e-Business Research*, 10(4), 17-39.
- Elliot, S., & Fowell, S. (2000). Expectations versus reality: A snapshot of consumer experiences with Internet retailing. *International Journal of Information Management*, 20(5), 323-336.
- Falk, R., & Miller, N. (1992). *A Primer for Soft Modeling*. Akron, Ohio: University of Akron Press.
- Forsythe, S., & Shi, B. (2003). Consumer patronage and risk perceptions in Internet shopping. *Journal of Business Research*, 56(11), 867-875.
- Gong, W., Stump, R., & Maddox, L. (2013). Factors influencing consumers' online shopping in China. *Journal of Asia Business Studies*, 214-230.
- Gozukara, E., Ozyer, Y., & Kocoglu, I. (2014). The Moderating Effects Of Perceived Use And Perceived Risk In Online Shopping. *Journal of Global Strategic Management*, 71-85.
- Gupta, A., Su, B.-c., & Walter, Z. (2004). An Empirical Study of Consumer Switching from Traditional to Electronic Channel: A Purchase Decision Process Perspective. *International Journal of Electronic Commerce*, 131-161.

- Hansen, T. (2005). Consumer adoption of online grocery buying: a discriminant analysis. *International Journal of Retail & Distribution Management*, 33(2), 101-121.
- Harris, L., & Dennis, C. (2011). Engaging customers on Facebook: Challenges for e-retailers. *Journal of Consumer Behaviour*, 10(6), 338-346.
- Hashim Shazad. (2015). *Online Shopping Behavior* (Master Thesis). Uppasala University, Gotland.
- Himawan, L., & Abduh, D. (2015). Analysis Of Online Sales Promotion Toward Youth Purchase Intention in Indonesia(Case Study of Apparel Industry). *IJABER*, 13(7), 4677-4690.
- Ho, S. (2013). *A Study on Consumers Attitude on Online Shopping towards Penang Famous Fruit Pickles* (Bachelor Thesis). Open University, Malaysia.
- Ho, W. F. (2017). Push for Digitizing Malaysia. *The Star Online*. Retrieved from <http://www.thestar.com.my/news/nation/2017/03/26/push-for-digitising-msia-for-the-country-which-is-developing-a-digital-economy-as-a-new-source-of-gr/>
- Hsiao, M.-H. (2009). Shopping mode choice: Physical store shopping versus e-shopping. *Transportation Research Part E: Logistics and Transportation Review*, 45(1), 86–95.
- Huang, Z., & Foosiri, P. (2014). *Factors Affecting Chinese Consumers' Purchase Intention on Facial Make-up Cosmetics*. University of Thai Chamber Of Commerce, Thailand
- Idenya , E. K. (2012). *Adoption of e-marketing in pharmacies in Nairobi* (Master Thesis). University of Naroibi, Kenya.

- Joines, J., Scherer, C., & Scheufele, D. (2003). Exploring motivations for consumer Web use and their implications for e-commerce. *Journal of Consumer Marketing*, 20(2), 90-108.
- Jothilatha, S., & Kalpana, D. (2017). A Conceptual Framework of Online Shopping Intention and E-Purchase Habit. *Original Research Paper Management*, 6(2).
- Jung, K., Yoon, Y., & Sun, L. (2014). Online shoppers' response to price comparison sites. *Journal of Business Research*, 67(10), 2079-2087.
- Keegan, W., & Green, M. (2013). *Global Marketing* (7th ed.). Upper Saddle River: Prentice Hall.
- Keeney, R. (1999). The Value of Internet Commerce to the Customer. *Management Science*, 45(4), 533-542.
- Kim, J. (2004). *Understanding Customer Online Shopping and Purchase Behaviour* (Doctoral Dissertation). College of Oklahoma State University, United States.
- Kotler, P., Armstrong, G., Wong, V., & Saunders, J. (2002). *Principles of Marketing* (3rd European Edition ed.). London: Prentice-Hall.
- Kotler, P., Armstrong, G., Wong, V., & Saunders, J. (2008). *Principles of Marketing*. London: Prentice Hall.
- Krejcie, R., & Morgan, D. (1970). Determining Sample Size for Research Activities. *Educational and Psychological measurement*, 607-610.

- Kumar, V., & Dange, U. (2014). A Study on Perceived Risk in Online Shopping of Youth in Pune: A Factor Analysis. *Acme Intellectuals International Journal of Research in Management, Social Sciences & Technology*, 8(8).
- Kwek, C., Lau, T., & Tan, H. (2010). The Effects of Shopping Orientations, Online Trust and Prior Online. *International Business Research*, 3(3), 63-76.
- Kyauk, S., & Chaipoopirutana, S. (2014). Factors Influencing Repurchase Intention: A Case Study of Xyz.Com Online Shopping Website in Myanmar. *International Conference on Trends in Economics, Humanities and Management (ICTEHM'14) Aug 13-14, 2014 Pattaya (Thailand)*, (pp. 177-180). Pattaya. Retrieved October 16, 2016, from <http://icehm.org/upload/3251ED0814092.pdf>
- Lautiainen, T. (2015). *Factors affecting consumers' buying decision in the selection of a coffee brand* (Bachelor Thesis). Saimaa University of Applied Sciences, Lappeenranta.
- Li, H., Kuo, C., & Rusell, M. (2003). The Impact of Perceived Channel Utilities, Shopping Orientations, and Demographics on the Consumer's Online Buying Behavior. *Journal of Computer-Mediated Communication*, 5(2).
- Lian, J., & Yen, D. (2014). Online shopping drivers and barriers for older adults: Age and gender differences. *Computers in Human Behavior*, 37, 133-143.
- Loh, X. R. (2014). *Investigation of determinant of Trust in Internet Shopping and Its Relationship with online purchase relationship* (Master Thesis). Universiti Tunku Abdul Rahman, Malaysia.
- Lynch, J., & Ariely, D. (2000). Wine Online: Search Cost Affect Competition on Price, Quality and Distribution. *Journal of Marketing Science*, 19(1), 83-103.

- Makhitha, M., & Dlodlo, N. (2014). Examining Salient Dimensions of Online Shopping and the Moderating Influence of Gender: The Case of Students at a South African University. *Mediterranean Journal of Social Sciences*, 5(23), 1838-1848.
- Manju, M. R. (2016). Perception of customers towards online shopping with regard to perceived credibility, perceived worthiness & perceived trust: A study with regard to Bangalore city. *International Journal of Commerce and Management Research*, 2(12), 176-179.
- Mansori, S., Cheng, B. L., & Lee, H. S. (2012). A Study Of E-Shopping Intention In Malaysia: The Influence Of Generation X & Y. *Australian Journal of Basic and Applied Sciences*, 6(8), 28-35.
- Marthur, N. (2015). Perceived Risks towards Online Shopping An Empirical Study of Indian Customers. *IJEDR*, 3(2).
- Masoud, E. Y. (2013). The Effect of Perceived Risk on Online Shopping in Jordan. *European Journal of Business and Management*, 5(6).
- Miyazaki, A. D., & Fernandez, A. (2001). Consumer Perceptions of Privacy and Security Risks for Online Shopping. *The journal of Consumer Affairs*, 35(1), 27-44.
- Modiyani, R., Jain, K., & Menghwani, R. (2016). Perception of Undergraduate and Postgraduate management students towards online shopping in NMU region. *IOSR Journal of Business and Management (IOSR-JBM)*, 35-45.
- Mohamed Khalifa, & Limayam, M. (2003). Drivers of Internet shopping. *Communications of the ACM*, 46(12), 233-239.

Mohammad Faryabi, Kousar Sadeghzadeh, & Mortaza Saed. (2012). The Effect of Price Discounts and Store Image on Consumer's Purchase Intention in Online Shopping Context Case Study: Nokia and HTC. *Journal of Business Studies Quarterly*, 4(1), 197-205.

Mohd Shoki Md Ariff, Sylvester, M., Norhayati Zakuan, Khalid Ismail, & Kamarudin Mat Ali. (2014). Consumer Perceived Risk, Attitude and Online Shopping Behaviour; Empirical Evidence from Malaysia. *IOP Conf. Series: Materials Science and Engineering*.

Mohd Shoki Mohd Ariff, Yan, S. N., Norhayati Zakuan, Nawawi Ishak, & Khalid Ismail. (2013). Web-based Factors Influencing Online Purchasing in B2C Market; View of ICT Professionals. *Integrative Business & Economic*, 2(2).

Moshref Javadi, M. H., Dolatabadi, H. R., Nourbakhsh, M., Poursaeedi, A., & Asadollahi, A. R. (2012). *International Journal of Marketing Studies*, 4(5).

Muhammad Rizwan, Syed Muhammad Umair, Hafiz Muhammad Bilal, Mueen Akhtar, & Muhammad SajidBhatti. (2014). Determinants of customer intentions for online Shopping: A Study from Pakistan. *Journal of Sociological Research*, 5(1).

Muhammad Umar Sultan, & Nasir Uddin. (2011). *Consumer's Attitude Towards Online Shopping : Factors influencing Gotland consumers to shop online* (Master Thesis). Uppsala University - Campus Gotland, Sweden.

Nielson. (2014). Malaysians Rank Among the World's Most Avid Online Shopper. Retrieved from <http://www.nielson.com/my/en/press-room/2014/e-commerce.html>

Nik Kamariah Nik Mat, & Siti Salwani Meor Ahamd. (2005). Determinants of Online Shopping Intention. *Proceedings of International Conference on E-Commerce*.

- Nurafifah, J., Pan, E. L., & Mohaini, M. N. (2012). Consumers' Perceptions, Attitudes and Purchase Intention towards Private Label Food Products in Malaysia. *Asian Journal of Business and Management Sciences*, 2(8), 73-90.
- Nuseir, M. T., Arora, N., Al-Masri, M. M., & Gharaibeh, M. (2010). *Evidence of Online Shopping: A Consumer Perspective*.
- Panda, R., & Biranchi, N. S. (2013). Online Shopping: An Exploratory Study to Identify the Determinants of Shopper Buying Behaviour. *International Journal of Business Insights & Transformation*, 7(1), 52.
- Park, E. J., Kim, E. Y., Funches, V. M., & Fox, W. (2012). Apparel product attributes, web browsing, and e-impulse buying on shopping websites. *Journal of Business Research*, 65(11), 1583–1589.
- Pavlou, P. A. (2003). Consumer Acceptance of Electronic Commerce: Integrating Trust and Risk with the Technology Acceptance Model. *International Journal of Electronic Commerce*, 7(1), 101-134.
- Polit, D. H. (2001). *Essentials of nursing research. 5th ed. Philadelphia: Lippincott Williams & Wilkins*. (L. W. Wilkins, Ed.)
- Popli, A. &. (2015). Factors of Perceived Risk Affecting Online Purchase Decisions of Consumers. *Pacific Business Review International*, 8(2).
- Rama Srinivasan. (2014). *An investigation of Indian consumers' adoption of retail self-service technologies (SSTs): Application of the cultural-self perspective and Technology Acceptance Model (TAM)* (Doctoral Dissertation). Iowa State University, Iowa.

- Sam, C. Y., & Sharma, C. (2015). An Exploration into the Factors Driving Consumers in Singapore towards or away from the Adoption of Online Shopping. *Global Business and Management Research: An International Journal*, 7(1).
- Sekaran, U. & Bougie, R. (2010). *Research methods for business: A skill-building approach (5th ed.)*. Haddington: John Wiley & Sons.
- Sekaran, U. (2003). *Research method for business: A skill building approach, 4th edition*,. John Wiley & Sons.
- Sharma, S. (2015). Internet Marketing: The Backbone of Ecommerce. *International Journal of Emerging Research in Management & Technology*, 4(12).
- Sorce, P., Perotti, V., & Widrick, S. (2005). Attitude and age differences in online buying. *International Journal of Retail & Distribution Management*.
- Su, D., & Huang, X. (2011). Research on Online Shopping Intention of Undergraduate Consumer in China--Based on the Theory of Planned Behavior. *International Business Research*, 4(1).
- Syarafina Ibrahim, Norazah Mohd Suki, & Amran Harun. (2014). Structural Relationship Between Perceive Risk and Consumer Unwillingness to Buy Home Appliances with Moderation of Online Consumer Review. *Asian Academy of Management Journal*, 19(1), 73–92.
- Tanadi, T., Samadi, B., & Gharleghi, B. (2015). The Impact of Perceived Risks and Perceived Benefits to Improve an Online Intention among Generation-Y in Malaysia. *Asian Social Science*, 11(26).

Tang, S. F., & Tong, P. Y. (2013). E-Value Strategies in Internet Retailing: The Case of a Malaysian Leading E-Retailer Coupon. *Asian Social Science*, 9(13).

Toh, T. T. (2011). *An Investigation of the Adoption of an Online Apparel Shopping of Malaysian Generation Y* (Master Thesis). Universiti Tunku Abdul Rahman, Malaysia.

Tsydybey, N. (2014). *Consumer Intentions to Buy Grocery Products Online*. Tiburg University, Netherlands.

Vijayasathy, L. R. (2003). Shopping Orientations, Product Types and Internet Shopping Intentions. *Eletronic Market*, 13(1), 67-79.

Xu, Y. & Paulins, V. A. (2005). College student's attitudes toward shopping online for apparel products: Exploring a rural versus urban campus. *Journal of Fashion Marketing and Management: An International Journal*, 9(4).

Yeniceri, T. & Akin, E. (2013). Determining Risk Perception Differences between Online Shoppers and Non-Shoppers in Turkey. *International Journal of Social Sciences*, 11(3).

Yong, A., Chai, M., Chiang, F., & Tee, Y. (2014). *Factors Influencing generation Y's Online Purchase Intention in Books Industry* (Master Thesis). Universiti Tunku Abdul Rahman, Malaysia

Yurovskiy, V. (N.D). Pros and Cons of Internet Marketing. Retrieved from http://www.turiba.lv/f/StudZinKonf_Yurovskiy.pdf

Zarrad, H., & Debabi, M. (2012). Online Purchasing Intention: Factors and Effects. *International Business and Management*, 4(1), 37-47.

Zendehdel, M., Laily Hj Paim, & Syuhaily Osman. (2015). Students' online purchasing behavior in Malaysia: Understanding Online Shopping Attitude. *Cogent Business & Management*.

Zhang, J. L. (2011). *An Empirical Analysis of Online Shopping Adoption in China* (Master Thesis). Lincoln University, New Zealand.

Zhang, L., Tan, W., Xu, Y., & Tan, G. (2012). Dimensions of Consumers' Perceived Risk and Their Influences on Online Consumers' Purchasing Behaviour. *Communications in Information Science and Management Engineering*, 2(7), 8-14.

Zuroni Md Jusoh , & Ling, G. H. (2012). Factors influencing Consumer's Attitude towards E-Commerce Purchase Through Online Shopping. *International Journal of Humanities and Social Science*, 2(4).

APPENDIX A

QUESTIONNAIRE



Dear Sir/Madam

You are invited to participate in a survey that constitutes part of my Master of thesis at University Utara Malaysia, Sintok. The purpose of the survey is to identify the factors that influence consumers' intention to shop online. The information you provide will be published in aggregate form only, in my thesis and in any resulting academic publications.

You are invited to participate in this research and your participation is very important to this research. This survey will take approximately 10-15 minutes to complete. If you are a Master or PhD students, I would be grateful if you would take a few minutes to complete the questionnaire and return it to me once you have finished. This research is completely voluntary in nature and you are free to decide not to participate at any time during the process of completing the questionnaire. However, if you complete the questionnaire and returned it to the researcher and it is filed, it is understood that you are a Master or PhD and have consented to participate in this survey.

Complete anonymity is assured in this survey. No questions are asked which would identify you as an individual. All responses will be aggregated for analysis only, and no personal details will be reported in the thesis or any resulting publications.

If you have any questions about this survey, please contact me by email at khairullanuar92@gmail.com. You can also contact my supervisor Dr. Yaty Sulaiman at yaty@uum.edu.my

Yours Sincerely,

Khairull Anuar bin Ismail
Student of Master of Science (Management)
Research Supervisor: Dr. Yaty Sulaiman
Senior Lecturer
Marketing Department,
School of Business Management
College of Business
UUM

A Survey of Consumer Online Shopping Intention among Postgraduate Students at Universiti Utara Malaysia, Sintok

There are four sections in this survey. Please complete all of them as per the instructions. Only summary measures and conclusions from this survey will be reported. Your participation is voluntary and all of your answers will be kept confidential. Section one contain questions regarding your demographic information, Section two ask about the influence of e-marketing on your decision to shop online, Section three ask about the influence of perceived risk on your decision to shop online, and lastly Section four ask about your intention to purchase online.

Section 1: Demographic Information

1. Gender	
a) Male	
b) Female	

2. Age	
a) 18 – 20 years old	
b) 21 – 25 years old	
c) 26 – 30 years old	
d) 31 – 35 years old	
e) 36 – 40 years old	
f) Above 40 years old	

3. Monthly Income	
a) Do not have Income	
b) Below RM 1000	
c) RM 1000 – RM 2000	
d) RM 2000 – RM 3000	
e) RM 3000 – RM 4000	
f) Above RM 4000	

4. Education	
a) Master	
b) PhD	

5. Marital Status	
a) Single/ Bachelor	
b) Married	
c) Divorced	

6. Occupation	
a) Student	
b) Teacher	
c) Manager	
d) Businessman	
e) Company Employee	
f) Government Employee	
g) Retired	

Other Occupation (Please state.....)

7. Country of Origin	
a) Local Student (Malaysian)	
b) Foreign Student (Non-Malaysian)	

8. How long have it been since you start to do online shopping?	
a) 1-3 years	
b) 4-6 years	
c) 7-9 years	
d) Above 10 years	
e) Never access online shopping site before	

9. How many hours do you browse internet for online shopping in a day?	
a) 1-3 hours	
b) 4-6 hours	
c) 7-9 hours	
d) Above 10 hours	
e) Never browse for shopping purpose	

Section 2: Influence of products, prices and promotion factors on Online Purchasing Intention

This section is about your thoughts regarding the influence of products, prices and promotions factors towards your intention to perform Online Shopping. Please CIRCLE how strongly you agree or disagree with each of the following statements on a scale of 1 to 5. 1-you strongly disagree, 5-you strongly agree, 3-neutral.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
PRODUCTS					
1. Online shopping offers a wide variety of products.	1	2	3	4	5
2. I can buy the products that are not available in nearby retail shops through the Internet.	1	2	3	4	5
3. The packaging of the products accessible only on online channel has increase my intention to purchase online.	1	2	3	4	5
4. The Add-On addition accessible only in the online shops make me want to buy them online.	1	2	3	4	5
5. The products I want are only sold through online channels.	1	2	3	4	5
PRICES	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
6. Price is an important consideration of mine when selecting products online.	1	2	3	4	5
7. Online shopping allows me to save money as I do not need to pay transportation costs.	1	2	3	4	5
8. Online shopping allows me to buy the same, or similar products at a cheaper price than the one at traditional retail stores.	1	2	3	4	5
9. Online shopping offers better value for my money compared to traditional retail shopping.	1	2	3	4	5

10. I think the online stores offers lower prices compared to retail stores.	1	2	3	4	5
PROMOTIONS	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
11. Marketing efforts (e.g. advertising, promotion) influenced my decision to make online purchase.	1	2	3	4	5
12. I like the product after I watch the online advertisement related to it.	1	2	3	4	5
13. If there are a discount provided online, I will buy it compare to traditional shop.	1	2	3	4	5
14. E-mail marketing messages provides me with good offers that make me consider online purchase.	1	2	3	4	5
15. Advertising on social media provides enough information for me to make a buying decision on online channel.	1	2	3	4	5

Section 3: Influence on Perceived Risk Factors on Online Purchase Intention

This section is about your thoughts regarding the influence of perceived risk factors towards your intention towards Online Shopping. Please CIRCLE how strongly you agree or disagree with each of the following statements on a scale of 1 to 5. 1-you strongly disagree, 5-you strongly agree, 3-neutral.

PRODUCT RISKS	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. I might not get what I ordered through online shopping.	1	2	3	4	5
2. It is hard to judge the quality of merchandise over Internet.	1	2	3	4	5
3. I may accidently buy counterfeit products when purchasing it online.	1	2	3	4	5
4. The actual quality of the goods does not match its description.	1	2	3	4	5
5. I can't personally try the products ordered online thus didn't meet my expectations in the products.	1	2	3	4	5
DELIVERY RISKS	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
6. I might not receive the product ordered online.	1	2	3	4	5
7. I do not shop online because of non-availability of reliable & well-equipped delivery companies.	1	2	3	4	5
8. After shopping, goods are easily lost.	1	2	3	4	5
9. Express delivery may send the products to the wrong place.	1	2	3	4	5

10. Express Delivery can easily damage the goods during transfer after the shopping process.	1	2	3	4	5
PRIVACY RISKS	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
11. My personal information may not be kept safe.	1	2	3	4	5
12. My email address may be abused by others.	1	2	3	4	5
13. My personal information may be disclosed to other companies without my permission.	1	2	3	4	5
14. My personal phone number may be abused by others.	1	2	3	4	5
15. My bank account information may be disclosed to another parties.	1	2	3	4	5
FINANCIAL RISKS	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
16. I may find that I can buy the same product sold online at a lower price from somewhere else.	1	2	3	4	5
17. I was charged with an additional fee for the delivery service.	1	2	3	4	5
18. I might be overcharged when purchasing products online.	1	2	3	4	5
19. When I use the online payment services, I will be charge with an additional fee.	1	2	3	4	5
20. Usually, online shopping may cost more than the traditional store.	1	2	3	4	5

Universiti Utara Malaysia

Section 4: Online Purchase Intention

This section inquire about your own intention to purchase any products via online channel. Please CIRCLE how strongly you agree or disagree with each of the following statements on a scale of 1 to 5. 1-you strongly disagree, 5-you strongly agree, 3-Neutral.

ONLINE PURCHASE INTENTIONS	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
1. I have the intention to purchase products through online before.	1	2	3	4	5
2. It's likely that I will purchase products through online in near future.	1	2	3	4	5
3. I'll consider to purchase products through online in near future.	1	2	3	4	5
4. I'll consider to purchase products through online sometimes in the far future.	1	2	3	4	5
5. I will definitely purchase products through online in the near future.	1	2	3	4	5

APPENDIX B

RELIABILITY TEST FOR PILOT TEST

Scale: Product

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded ^a	0	.0
	Total	30	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.764	5

Scale: Price

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded ^a	0	.0
	Total	30	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.806	5

Scale: Promotion

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded ^a	0	.0
	Total	30	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.787	5

Scale: Product Risk

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded ^a	0	.0
	Total	30	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.636	5

Scale: Deliver Risk

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded ^a	0	.0
	Total	30	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.902	5

Scale: Privacy Risk

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded ^a	0	.0
	Total	30	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.911	5

Scale: Financial Risk

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded ^a	0	.0
	Total	30	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.875	5

Scale: Online Purchase Intention

Case Processing Summary

		N	%
Cases	Valid	30	100.0
	Excluded ^a	0	.0
	Total	30	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.853	5



UUM
Universiti Utara Malaysia

APPENDIX C

RELIABILITY TEST FOR REAL TEST

Scale: Product

Case Processing Summary

		N	%
Cases	Valid	394	100.0
	Excluded ^a	0	.0
	Total	394	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.666	5

Scale: Price

Case Processing Summary

		N	%
Cases	Valid	394	100.0
	Excluded ^a	0	.0
	Total	394	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.755	5

Scale: Promotion

Case Processing Summary

		N	%
Cases	Valid	394	100.0
	Excluded ^a	0	.0
	Total	394	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.765	5

Scale: Product Risk

Case Processing Summary

		N	%
Cases	Valid	394	100.0
	Excluded ^a	0	.0
	Total	394	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.774	5

Scale: Delivery Risk

Case Processing Summary

		N	%
Cases	Valid	394	100.0
	Excluded ^a	0	.0
	Total	394	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.892	5

Scale: Privacy Risk

Case Processing Summary

		N	%
Cases	Valid	394	100.0
	Excluded ^a	0	.0
	Total	394	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.893	5

Scale: Financial Risk

Case Processing Summary

		N	%
Cases	Valid	394	100.0
	Excluded ^a	0	.0
	Total	394	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.794	5

Scale: Online Purchase Intention

Case Processing Summary

		N	%
Cases	Valid	394	100.0
	Excluded ^a	0	.0
	Total	394	100.0

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

Reliability Statistics

Cronbach's Alpha	N of Items
.791	5



UUM
Universiti Utara Malaysia

APPENDIX D

DESCRIPTIVE STATISTICS - DEMOGRAPHIC

Statistics

	Gender	Age	Income	Education	Marital	Occupation	CoO	YDOS	HDOS
Valid	394	394	394	394	394	394	394	394	394
Missing	0	0	0	0	0	0	0	0	0

Gender

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Male	227	57.6	57.6	57.6
	Female	167	42.4	42.4	100.0
	Total	394	100.0	100.0	

Age

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	21-25	58	14.7	14.7	14.7
	26-30	184	46.7	46.7	61.4
	31-35	90	22.8	22.8	84.3
	36-40	33	8.4	8.4	92.6
	Above 40	29	7.4	7.4	100.0
	Total	394	100.0	100.0	

Income

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Do not have Income	156	39.6	39.6	39.6
	Below RM1,000	54	13.7	13.7	53.3
	RM 1,000 - RM 2,000	83	21.1	21.1	74.4
	RM 2,000 - RM 3,000	57	14.5	14.5	88.8
	RM 3,000 - RM 4,000	16	4.1	4.1	92.9
	Above RM 4,000	28	7.1	7.1	100.0
	Total	394	100.0	100.0	

Education

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Master	189	48.0	48.0	48.0
	PhD	205	52.0	52.0	100.0
	Total	394	100.0	100.0	

Marital

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Single/Bachelor	188	47.7	47.7	47.7
	Married	198	50.3	50.3	98.0
	Divorced	8	2.0	2.0	100.0
	Total	394	100.0	100.0	

Occupation

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Student	231	58.6	58.6	58.6
	Teacher	46	11.7	11.7	70.3
	Manager	6	1.5	1.5	71.8
	Businessman	23	5.8	5.8	77.7
	Company Employee	48	12.2	12.2	89.8
	Government Employee	34	8.6	8.6	98.5
	Retired	4	1.0	1.0	99.5
	Others	2	.5	.5	100.0
	Total	394	100.0	100.0	

Country of Origin

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Local Student (Malaysian)	194	49.2	49.2	49.2
	Foreign Students (Non-Malaysian)	200	50.8	50.8	100.0
	Total	394	100.0	100.0	

Years Since Doing Online Shopping

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	1-3 Years	224	56.9	56.9	56.9
	4-6 Years	101	25.6	25.6	82.5
	7-9 Years	22	5.6	5.6	88.1
	Above 10 Years	2	.5	.5	88.6
	Never Access Online Shopping Site Before	45	11.4	11.4	100.0
	Total	394	100.0	100.0	

Hours Doing Online Shopping in a Day

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 1-3 Hours	267	67.8	67.8	67.8
4-6 Hours	67	17.0	17.0	84.8
7-9 Hours	6	1.5	1.5	86.3
Above 10 Hours	5	1.3	1.3	87.6
Never Browse for Online Shopping Purpose	49	12.4	12.4	100.0
Total	394	100.0	100.0	



UUM
Universiti Utara Malaysia

APPENDIX E

PEARSON CORRELATION

Correlations

		Product	Price	Promotio n	Product Risk	Delivery Risk	Privacy Risk	Financial Risk	Online Purchase Intention
Product	Pearson Correlation	1	.501**	.618**	-.284**	-.289**	-.362**	-.381**	.436**
	Sig. (2-tailed)		.000	.000	.000	.000	.000	.000	.000
	N	394	394	394	394	394	394	394	394
Price	Pearson Correlation	.501**	1	.516**	-.125*	-.124*	-.190**	-.147**	.364**
	Sig. (2-tailed)	.000		.000	.013	.014	.000	.003	.000
	N	394	394	394	394	394	394	394	394
Promotion	Pearson Correlation	.618**	.516**	1	-.254**	-.256**	-.280**	-.338**	.406**
	Sig. (2-tailed)	.000	.000		.000	.000	.000	.000	.000
	N	394	394	394	394	394	394	394	394
Product Risk	Pearson Correlation	-.284**	-.125*	-.254**	1	.615**	.552**	.546**	-.228**
	Sig. (2-tailed)	.000	.013	.000		.000	.000	.000	.000
	N	394	394	394	394	394	394	394	394
Delivery Risk	Pearson Correlation	-.289**	-.124*	-.256**	.615**	1	.669**	.619**	-.175**
	Sig. (2-tailed)	.000	.014	.000	.000		.000	.000	.000
	N	394	394	394	394	394	394	394	394
Privacy Risk	Pearson Correlation	-.362**	-.190**	-.280**	.552**	.669**	1	.531**	-.142**
	Sig. (2-tailed)	.000	.000	.000	.000	.000		.000	.005
	N	394	394	394	394	394	394	394	394
Financial Risk	Pearson Correlation	-.381**	-.147**	-.338**	.546**	.619**	.531**	1	-.174**
	Sig. (2-tailed)	.000	.003	.000	.000	.000	.000		.001
	N	394	394	394	394	394	394	394	394
Online Purchase Intention	Pearson Correlation	.436**	.364**	.406**	-.228**	-.175**	-.142**	-.174**	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	.005	.001	
	N	394	394	394	394	394	394	394	394

** . Correlation is significant at the 0.01 level (2-tailed).

* . Correlation is significant at the 0.05 level (2-tailed).

APPENDIX F

MULTIPLE REGRESSION

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.505 ^a	.255	.242	2.52023

a. Predictors: (Constant), Financial_Risk, E_Price, Privacy_Risk, E_Promotion, Product_Risk, E_Product, Delivery_Risk

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	840.733	7	120.105	18.910	.000 ^b
	Residual	2451.696	386	6.352		
	Total	3292.429	393			

a. Dependent Variable: Online_Purchase_Intention

b. Predictors: (Constant), Financial_Risk, E_Price, Privacy_Risk, E_Promotion, Product_Risk, E_Product, Delivery_Risk

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	9.656	1.360		7.102	.000
	E_Product	.255	.059	.264	4.352	.000
	E_Price	.144	.051	.152	2.828	.005
	E_Promotion	.155	.056	.166	2.783	.006
	Product_Risk	-.139	.053	-.155	-2.633	.009
	Delivery_Risk	-.042	.044	-.065	-.950	.343
	Privacy_Risk	.088	.044	.124	1.980	.048
	Financial_Risk	.055	.052	.064	1.052	.294

a. Dependent Variable: Online_Purchase_Intention