

**DESIGN OF E-PROCUREMENT ONLINE AUCTION SYSTEM FOR  
SMALL MEDIUM ENTERPRISE**

A thesis submitted to the Graduate School in partial  
fulfillment of the requirements for the degree  
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Universiti Utara Malaysia

By

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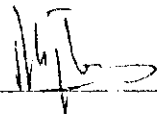
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## **ABSTRACT (BAHASA MALAYSIA)**

Projek ini bertujuan untuk membangunkan satu sistem 'e-Procurement online auction' untuk perusahaan kecil and sederhana di Malaysia. Projek ini memaparkan satu "online auction" sistem yang bersesuaian dan akan beroperasi dengan lancar and efisien dengan bantuan infrastruktur teknologi informasi terkini. Infrastruktur ini bercirikan kos efektif and kos penyelenggaraannya yang berpatutan. Projek ini bertujuan menggalakkan usahawan perusahaan kecil and sederhana di Malaysia menggunakan sistem "online auction" sebagai suatu cara penyelesaian kepada masalah stok lama ataupun lebihan stok dalam bidang perniagaan.

Kini, "auction" melalui Internet sudah mulai dianggap sebagai suatu bentuk mekanisma pertukaran yang baru. Lantaran ini, pembelajaran ke atas "online auction" terkini dikaji (tempatan mahupun luar negeri) untuk mengetahui tahap and cara penggunaannya di pasaran. Seterusnya, satu model "online auction" yang berunsurkan penggunaan dalam bidang perniagaan dibangunkan dengan bantuan aplikasi Unified Modeling Language (UML).

## **ABSTRACT (ENGLISH)**

This project aims to develop an e-Procurement online auction system for small medium enterprise (SMEs) in Malaysia. The project delivers an online auction system that work effectively and efficiently within the current and enable information technology infrastructure and are inexpensive to maintain and cost-effective to enhance. The objective is to encourage SMEs in Malaysia to get rid of outdated or over produced merchandise through online auction.

Auctions on the Internet have become a fascinating new type of exchange mechanism. A preliminary study of a currently operational online auction market (locally and oversea) is reviewed to provide initial insights into how the online auction marketplace is used and developed. Then, an online auctions model caters business-to-business is designed by using Unified Modeling Language (UML) as a modeling tool.

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## Chapter 1

### INTRODUCTION

This chapter describes the need to develop an online auctions application for Small and Medium Enterprise / Industries (SME/SMI) in Malaysia. Consequently, hardware and software requirements, scope and limitation, and the significant of this project are discussed.

#### 1.1 Background

The Internet and electronic commerce are bringing about sweeping changes in the way businesses are conducted. One of the most lucrative areas that is sweeping the Internet is online auction. There is a flurry of online activities going on these days and Internet web-based auctions (Electronic tradings) have cornered an enviable spot. Auctions on the Internet started in 1995. (Beam,Carrie, and Arie Segev. 1998)

In the past two years, Internet auctions have gathered a great deal of momentum and it is an activity that measures in hundreds of millions of dollars. Predominant among all the different forms of elec

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only



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