ONLINE SHOPPING BEHAVIOUR OF ARAB STUDENTS AT COLLEGE OF BUSINESS UNIVERSITI UTARA MALAYSIA

A Thesis Submitted to Postgraduate Studies College of Business in Partial Fulfillment of the Requirement for the Degree

Master of Science (International Accounting)

Universiti Utara Malaysia

 $\mathbf{B}\mathbf{y}$

GEIT H.A SAEID (88089)

MARCH 2010



Declaration

I declare that all the work described in this dissertation was undertaken by myself (unless otherwise acknowledged in the text) and that none of the work has been previously submitted for any academic degree. All sources of quoted information have been acknowledged through references.

GEIT H.A SAEID

POSTGRADUATE STUDIES OF COLLEGE OF BUSINESS
UNIVERSITI UTARA MALAYSIA

PERMISSION TO USE

In presenting this thesis in partial fulfillment of the requirements for the postgraduate

degree of Master of Science (Management) from the Universiti Utara Malaysia, I agree

that the University's library may take it freely available for inspection. I further agree

that the permission for copying of this thesis in any manner, in whole or in part, for

scholarly purpose may be granted by my supervisor or, in his absence, by the Dean of

the College of Business. It is understood that any copy or publication or use of this thesis

or parts thereof for financial gain shall not be allowed without my written permission. It

is also understood that due recognition shall be given to me and to the Universiti Utara

Malaysia for any scholarly use which may be made of any material from my thesis.

Request for permission to copy or make other use of material in this thesis in whole or in

part should be addressed to:

Dean of the Postgraduate College of Business

Universiti Utara Malaysia

06010 UUM Sintok

Kedah DarulAman

Malaysia

ii

ABSTRACT

This study attempts to elicit the internet purchasing process among Arabic students in

COB of UUM, to examine the perceived credibility influence on shopping behavior of

Arabic students and to determine the perceived ease of use influence on shopping

behavior of Arabic students as well as to examine the perceived credibility influence on

shopping behavior of Arabic students. The participants were Arabic students in College

of Business Universiti Utara Malaysia as they expected to come from the various

personal backgrounds. The descriptive research design used A questionnaire using a

seven-point scale where employed to collect the data for the constructs of the research

model. Items from previous studies were modified for adaptation to the internet

behavior context. The analysis of the results confirmed the influence of between

perceived ease of use, perceived usefulness, and perceived credibility to Online

Shopping Behavior. A major conclusion of the study was that perceived ease of use,

perceived usefulness and credibility with internet has a direct positive influence to user

adoption. Lecturer, staff and student are in the right position to run every movement

related to the improvement of the system. Academic and management system are

main items in the performance. The acceptance level of user will influence the success

of the system.

Key word: Online shopping respondent Arab student.

iii

ACKNOWLEDGEMENT

All thanks be to **ALLAH** for His blessings and favor in completing this study, we humbly ask Allah to grant us the proper intention, the comprehension, and the reward in the hereafter.

First of all, I would like to express my sincere gratitude to my supervisor, Mr. Abdul Manaf bin Bohari, for his valuable supervision and intelligent guidance during the whole process of the thesis writing. He has really been for me a center of motivation and guidance. I am truly grateful to his continual support and anticipated cooperation, as being prepared to assist me all along the completion of the project. Completion of the project was impossible without his continuous assistance.

Words fail me to express my appreciation to my parents. They deserved a special mention for their mediating support and prayer for me. My father in the first place, was the person who developed the principle of learning, the characteristics of the base; he showed me the joy of intellectual pursuit ever since I was a child. My caring mother, that raised me with her sincere interest and her tolerating love gently.

A word of thank is not enough to express the sincerity of my feelings and the extent of my gratitude and appreciation to my dear brothers and my sisters and my family for their love and support which they have been given to me all through the duration of my study. For their support, confidence, encouragement, caused my success in every steps of my life.

Finally, I thank my close friends who were behind me during the study period. I as well express my apologies that I could not personally remember mentioning one after the other. Thanks to all.

TABLE OF CONTENTS

CHA	APTER 1 INTRODUCTION	1
1.1	BACKGROUND OF THE STUDY	1
1.2	PROBLEM STATEMENT	6
1.3	RESEARCH QUESTIONS	8
1.4	RESEARCH OBJECTIVES	9
1.5	SIGNIFICANT OF THE STUDY	9
1.6	SCOPE OF THE RESEARCH	10
СНА	APTER 2 LITERATURE REVIEW	11
2.1	INTRODUCTION	11
2.2	TECHNOLOGY ACCEPTANCE MODEL (TAM)	11
	2.2.1 Perceived Usefulness	
2	2.2.2 Perceived Ease of Use	15
2	2.2.3 PERCEIVED CREDIBILITY	16
2.3	ONLINE SHOPPING BEHAVIOR	16
2.4		
SHO	DPPING BEHAVIOR	19
СНА	APTER 3 RESEARCH METODOLOGY	21
3.1	INTRODUCTION	21
3.2	RESEARCH DESIGN	21
3.3	RESEARCH FRAMEWORK	24
3.4	RESEARCH HYPOTHESES	25
3.5	MEASUREMENT OF VARIABLES	25
3.6	POPULATION AND SAMPLE	26
3.7	DATA COLLECTION TECHNIQUE	27
3.8	DATA ANALYSIS TECHNIQUE	28
3.9	SUMMARY	28
СНА	APTER 4 RESEARCH FINDINGS	29
4.1	INTRODUCTION	29
4.2	PROFILES OF RESPONDENTS	29
	DELIADULTV DECLUT	3/1

4.4	CORRELATIONS AMONG VARIABLES	38
4.5	DESCRIPTIVE FREQUENCY OF VARIABLES	40
4.6	RESULTS OF HYPOTHESIS TESTING	42
	.6.1 Hypothesis 1: There is Relationship between Online Shopping Behavior and Perceived Ease of Use	
	.6.2 Hypothesis 2: There is Relationship between Online Shopping Behavior and Perceived Usefulness	
	 HYPOTHESIS 3: THERE IS RELATIONSHIP BETWEEN ONLINE SHOPPING BEHAVIOR AND PERCEIVED CREDIBILITY	
-	SEFULNESS AND PERCEIVED CREDIBILITY	
4.7	SUMMARY	54
СНА	PTER 5 DISCUSSIONS, RECOMMENDATIONS AND CONCLUSIONS	55
5.1	DISCUSSIONS	
5.2	LIMITATION OF STUDY	57
5.3	RECOMMENDATION	57
5.4	CONCLUSION	58
REFE	ERENCES	59
APP	ENDIX A QUESTIONNAIRE	65
ΔΡΡΙ	FNDIX R STATISTICAL DATA ANALYSIS RESULTS	73

LISTE OF TABLE

TABLE 4.3: RELIABILITY STATISTIC OF PERCEIVED USEFULNESS
TABLE 4.4: RELIABILITY STATISTIC OF PERCEIVED CREDIBILITY
TABLE 4.5: RELIABILITY STATISTIC OF INTERNET ADOPTION41
TABLE 4.6 CORRELATIONS AMONG VARIABLES44
TABLE 4.7: DESCRIPTIVE STATISTICS OF VARIABLES
TABLE 4.8: DESCRIPTIVE STATISTIC OF EDUCATION BACKGROUND
TABLE 4.9 CORRELATION BETWEEN ONLINE SHOPPING BEHAVIOR AND PERCEIVED EASE OF USE 46
TABLE 4.10 MODEL SUMMARY47
TABLE 4.11 ANOVA ^B
TABLE 4.12 COEFFICIENTS ^A 48
TABLE 4.13 CORRELATION BETWEEN ONLINE SHOPPING BEHAVIOR AND PERCEIVED USEFULNESS 49
TABLE 4.14 MODEL SUMMARY50
TABLE 4.15 ANOVA ^B 50
TABLE 4.16 COEFFICIENTSA51
TABLE 4.17 CORRELATION BETWEEN ONLINE SHOPPING BEHAVIOR AND PERCEIVED CREDIBILITY52
TABLE 4.18 MODEL SUMMARY53
TABLE 4.19 ANOVA ^B 53
TABLE 4.20 COEFFICIENTS ^A 54
TABLE 4.21 MODEL SUMMARY OF MULTIPLE REGRESSIONS56
TABLE 4.22 ANOVA ^B 57
TABLE 4.23 COEFFICIENTS58
LISTE OF FUGER
FIGURE 3.1 RESEARCH FRAMEWORK ONLINE SHOPPING BEHAVIOR OF ARABIC STUDENTS AT28

CHAPTER 1

INTRODUCTION

1.1 Background of The Study

The Internet has become the most common communication and research tool for most people worldwide. The attractive display of materials on the Internet motivates individuals to explore and use it in their daily lives. A quick look at the content on the World Wide Web gives a clear picture of the variety of information resources and communication applications it contains. These resources and applications cover millions of multipurpose Web sites including images, sounds, and graphical user interfaces which allow users to interact positively with the contents. In addition, the Internet makes the publishing, access, retrieval, and distribution of information from resources not only possible but also easy for any user regardless of their location. Browner, Pulsford, and Sears (2000) attributed scholarly interest in the Internet to the following reasons:

The contents of the thesis is for internal user only

REFERENCES

- Ajzen, I. (1991), "The Theory of Planned Behavior", Organizational Behavior and Human Decision Processes, Vol. 50, Iss. 2, 179-212.
- Ajzen, I. (2002), "Residual Effects of Past on Later Behavior: Habituation and Reasoned Action Perspectives", *Personality and Social Psychology Review*, Vol. 6, No. 2, 107-122.
- Anderson ,G.(1994).a proactive model for training needs analysis ,journal of European Industrial training, vol18.
- Bandura, A. (1977), "Self-efficacy: toward a unifying theory of behavioral change", Psychological Review, Vol. 84 No. 2, 191-215.
- Bandura, A. (1982), "Self-efficacy mechanism in human agency", American Psychologist, Vol. 37, 122-47.
- Ball, K. (2001), "The use of human resource information systems: a survey", Personnel Review, Vol. 30 No. 6, pp. 677-93.
- Davis, F.D. (1989), "Perceived usefulness, perceived easy of use, and user acceptance of information technology", MIS Quarterly, September, 319-40.

- Davis, F. D., Bagozzi, R. P., & Warshaw, P. R. (1989). User acceptance of computer technology: A comparison of two theoretical models. Management Science, 35(8), 982-1003.
- Davis, L. D., & Davis, D. F. (1990). The effect of training techniques and personal characteristics on training end-users of information systems. Journal of Management Information Systems, 7(2), 93-110.
- Davis, S. A., & Bostrom, R. P. (1993). Training end users: An experimental investigation of the roles of the computer interface and training methods. MIS Quarterly, 17(1), 61-85.
- Damien H and Matthew Warren (2003), Journal of Logistic Information Management 16,1. 64-73. Damien Hutchinson and Matthew Warren.
- Doll, W.J., Hendrickson, A. and Deng, X. (1998), "Using Davis's perceived usefulness and ease-of-use instruments for decision making: a confirmatory and multi-group invariance analysis", Decision Science, Vol. 29 No. 4, pp. 839-69.

- Enders A, Konig A, Jelassi T and Hungenberg (2006), The Relativity of Disruption: E-Banking As A Sustaining Innovation in The Banking Industry, Journal of Electronic Commerce Research 7,2. 67-78
- Eriksson K, Kerem K and Nilsson D (2005), Customer Acceptance of Internet Banking in Estonia, International Journal of Bank Marketing 23,2. 200-216.
- Fishbein, M., Ajzen, I. (1975), Belief, Attitude, Intention and Behavior: An Introduction to Theory and Research, Addison-Wesley, Reading, MA, .
- Flavian C, Guinnaliu M and Torres E (2005), The Influence of Corporate Image on Consumer Trust: A Comparative Analysis in Traditional Versus Internet Banking, Internet Research Bradford 15,4. 447-451.
- Febraban (2004), available at: www.febraban.com.br/Arquivo/Servicos/Dadosdosetor/ tecnologia 2005 dadossetor.asp (accessed April 15, 2006).
- Ganesan, S. (1994), "Determinants of long-term orientation in buyer-seller relationships", Journal of Marketing, Vol. 58 No. 2, pp. 1-19.
- Harrison, A.W., Rainer, R.K. Jr (1992), "The influence of individual differences on skill in end-user computing", *Journal of Management Information Systems*, Vol. 9

 No.1, pp.93-111

- Hair, J., Black, B. Babin, B., Anderson, R. and Tatham, R. (2006). Multivariate Data Analysis (6th edition). Upper Saddle River, NJ: Prentice-Hall.
- Hoffman, D.L., Novak, T.P. and Peralta, M. (1999), "Building consumer trust online", Comuunications of the ACM, Vol. 42 No. 4, pp. 80-5.
- Hong, W., Thong, J.Y.L., Wong, W.M., Tam, K.Y. (2001), "Determinants of user acceptance of digital libraries: an empirical examination of individual differences and system characteristics", *Journal of Management Information Systems*, Vol. 18 No.3, pp.97-124
- Hutchinson D and Warren M (2003), Security for Internet Banking: a Framework,

 Journal of Logistic Information Management 16,1. 64-73.
- Lederer, A.L., Maupin, D.J., Sena, M.P. and Zhuang, Y. (1998), "The role of ease of use, usefulness and attitude in the prediction of World Wide Web usage",

 Proceedings of the 1998 Association for Computing Machinery Special

 Interest Group on Computer Personnel Research Conference, 195-204.
- Mathieson, K. (1991), "Predicting user intentions: comparing the technology acceptance model with the theory of planned behavior", *Information Systems Research*, Vol. 2 No. 3, 173-91.

- O' Malley, K. (2000). "The effect of participative strategy evaluation on accountants' psychological empowerment, organizational commitment, and job satisfaction." Working paper.
- Osborn, D.J. (1994). "Why quality initiatives are failing: the need to address the foundation of human motivation". Human Resource Management, Vol. 33 No. 4, pp. 601-16.
- Patricia A. K. Fletcher, 2007. From Personnel Administration to Business-Driven Human Capital Management the Transformation of the Role of MIS in the Digital Age.
- Phillip, Wright &Gray .(1992).needs analysis theory and the effectiveness of large scale government sponsored training programmes :a case study ,journal of management development ,vol 11.
- Preffer, J. (1979), "Scales for the measurement of some work attitude and aspects of psychological well-being", Journal of Occupational Psychology, Vol. 52, pp. 129-48.
- Peter, L .(1994).Reparatory grid as a tool for training needs analysis, journal of Learning organization, vol 1.

Sekaran, U (2008), Research Methods for Business, New York, Wiley & Sons, Inc

- Succi, M.J. and Walter, Z.D. (1999), "Theory of user acceptance of information technologies: an examination of health care professionals", Proceedings of the 32nd Hawaii International Conference on System Sciences (HICSS), 1-7.
- Taylor, S. and Todd, P.A. (1995), "Understanding information technology usage: a test of competing models", Information Systems Research, Vol. 6 No. 2, 144-76.
- Venkatesh, V. and Davis, F.D. (2000), "A theoretical extension of the technology acceptance model: four longitudinal field studies", *Management Science*, Vol. 45 No. 2, 186-204.
- Venkatesh, V., Morris, M.G., Davis, G.B. and Davis, F.D. (2003), "User acceptance of information technology: toward a unified view", MIS Quarterly, Vol. 27 No. 2, 425-78.