

## CHAPTER 4: RESEARCH RESULTS

### 4.1 SUMMARY STATISTICS OF RESPONDENTS

The survey questionnaire was sent to all unit trust companies listed in the Directory of Federation of Malaysia Unit Trust Manager (FMUTM). From a total 30 questionnaire distributed, 30 responses were returned (a response rate of 100%). The survey was targeted to the senior management of the companies concerned which in the majority of cases included the Managing Director/ Chief executive officer, marketing manager, IT manager and operation manager. In terms of job position, managers are the largest group of respondents (60 percent). This is followed by executives (30 percent) and chief executive officer (10 percent). In terms of ethnic groups, the proportions of Malay, Chinese and Indian respondents are 46.7 percent, 43.3 percent and 10 percent respectively. The characteristics of respondents are shown in Table 1.

**Table 1 : Summary statistics of the survey respondents**

Profile of respondents	Total Number	Percentage of Respondent (%)
<b>Position</b>		
Chief Executive Officer	3	10 %
Manager	18	60%
Executive	9	30 %
<b>Total</b>	30	100 %
<b>Ethnic Group</b>		
Malay	14	46.7%
Chinese	13	43.3%
Indian	3	10%
<b>Total</b>	30	100%

## **4.2 SURVEY FINDINGS**

This section contains with the findings of the survey. It begins with a description of the general characteristics of the unit trust companies. This is followed by a discussion on the extent of Internet usage from each unit trust company. Then the last part was followed by the discussion on the mean score of statements on the perception of Internet usage, perception on the opportunities of Internet and perception on the barriers on Internet in the unit trusts companies.

### **SECTION A : PROFILE OF THE ORGANISATION**

**Table 2** presents the characteristics of the organisation .

#### **1. PERIOD FOR ORGANIZATION HAS BEEN ESTABLISHED**

43.3 % of the unit trust companies surveyed have established the organization below 5 years, while 33.3 % established their organization between 5 to 10 years, 13.3%of the companies with their companies established between 21 to 30 years, 10 % with their companies established between 11 to 20 years.

#### **2. ORGANIZATION SIZE**

In terms of organization size , more than half of the unit trust companies have employees less than 50 ( 76.7 %), 13.3 % of unit trust companies have employees between 51 to 100, 3.3 percent have employees between 101 to 150 and 6.7 % have employees more than 200 .

#### **3. OWNERSHIP OF THE ORGANIZATION**

The highest percentage of the unit trust companies (80 %) are fully local owned, the remain of the unit trust companies are majority owned by local ( 20 %) .

#### **4. PAID UP CAPITAL**

In terms of paid up capital, slightly more than two third of the unit trusts companies are holding paid up capital between RM 1.01 million to RM 5 million ( 66.7 %). This indicates that the unit trusts companies with paid up capital between RM 1.01 million



to RM 5 million are slightly over represented in the study. This is followed by the paid up capital RM 5.01 to RM 10 million ( 20 %), paid up capital below RM 1 million ( 10 %) and paid up capital RM 10.01 to RM 15 million (3.3 %) .

**5. ORGANISATION ANNUAL SALES REVENUE FOR THE PAST ONE YEAR**

The highest proportion of 12 unit trusts companies (40 %) have their past one year annual sales revenues below RM 10 million. This is followed by 23.3 % (7) with sales revenue between RM 50 to RM 75 million, 13.3 % (4) with sales revenue between RM 75 to RM 100 million, 10 % (3) with sales revenue between RM 10 to RM 25 million, 6.7 % (2) with sales revenue above RM 100 million.

**6. INTERNET USED BY THE ORGANISATION**

Almost 100 percent of the unit trust companies currently use Internet application, but only 17 of them have own web site ( 56.7 %) and the remain of 13 ( 43.3 %) will plan to have their web site for the future next two years.

**7. YEARS FOR ORGANISATION USED WITH INTERNET**

The highest percentage of unit trusts companies ( 50 %) have been using Internet for 1 to 2 years. Unit trust companies used Internet for 2 to 3 years and more than 3 years are both 20 % respectively. Only 10 % is below 1 year.

**Table 2 : Summary Statistics of the organization profile**

Period for organization has been established	Total Number	Total Percentage (%)
Below 5 years	13	43.3%
5 to 10 years	10	33.3%
11 to 20 years	3	10.1%
21 to 30 years	4	13.3 %
<b>Total</b>	30	100 %

**Table 2 : Summary Statistics of the organization profile**

<b>Organization size</b>	<b>Total Number</b>	<b>Total Percentage (%)</b>
Below 50	23	76.7%
51 to 100	4	13.3%
101 to 150	1	3.3%
More than 200	2	6.7%
<b>Total</b>	<b>30</b>	<b>100%</b>
<b>Ownership of the organization</b>	<b>Total Number</b>	<b>Total Percentage (%)</b>
Fully local ( 0 % foreign)	24	80%
Majority local ( 1 to 49% foreign)	6	20%
<b>Total</b>	<b>30</b>	<b>100%</b>
<b>Paid up Capital (RM million)</b>	<b>Total Number</b>	<b>Total Percentage (%)</b>
< 1	3	10%
1 to 5	20	66.7%
5 to 10	6	20%
10 to 15	1	3.3%
<b>Total</b>	<b>30</b>	<b>100%</b>
<b>Organisation annual sales revenue for the past one year</b>	<b>Total Number</b>	<b>Total Percentage (%)</b>
< 10 ( RM Million)	12	40%
10 to 25	3	10%
25 to 50	2	6.7%
50 to 75	7	23.3%
75 to 100	4	13.3%
> 100	2	6.7%
<b>Total</b>	<b>30</b>	<b>100%</b>
<b>Internet used by the organisation</b>	<b>Total Number</b>	<b>Total Percentage (%)</b>
Yes (with web site)	17	56.7%
Yes (without web site)	13	43.3%
<b>Total</b>	<b>30</b>	<b>100 %</b>
<b>Years for organisation used Internet</b>	<b>TotalNumber</b>	<b>TotalPercentage (%)</b>
< 1	3	10%
1 to 2	15	50%
2 to 3	6	20%
> 3	6	20%
<b>Total</b>	<b>30</b>	<b>100%</b>

## **SECTION B : INTERNET APPLICATION FOR UNIT TRUST COMPANIES**

The result as presented in Table 3 shows the application of Internet in the business process of the organization. As can be seen from the Table 3, the business process which shows the highest usage of Internet ( 83.3%) is the e-mail communication . This is consistent with most research that the Internet is often used for communication. Ranked second ( 63.3%) is the use of Internet for providing product information and services offered. Followed closely is displaying company information ( 60%) .

Marketing research is also another area which has seen high usage of Internet- 56.7% of respondent Internet users used Internet for market research on competitors, followed by 43.4% who used Internet for research on customer preference and 40% who currently used the Internet for research and evaluating new suppliers.

As expected, there were very few application of Internet for e-commerce application. At present, 13.3 % of the respondents used Internet for on line help-product updates and 6.7% of them used Internet for processing electronic payment or credit transaction on line. However, more than half of the respondents ( 60%) intend to use more e-commerce application over the next two years. These cover 60 % for processing electronic processing or credit transaction on line, 63.3 % for providing on line application/registration and 73.3 % percent for on line help-product updates

Overall, very few of the respondents (less than 20%) do not intend to use Internet for their marketing research, marketing and advertising purposes. Out of 30 respondents, only 3 companies did not provide information on the use of Internet for e-commerce application.

Table 3 : Summary statistics of Internet application used by unit trust company

	Currently in use		Intend to use within the next two years		Do not intend to use within the next two years		Data Missing	
	No	%	No	%	No	%	No	%
<b>Marketing and advertising</b>								
▪ Displaying company information	18	60 %	12	40 %				
▪ Displaying the product/service offered	19	63.3%	11	36.7%				
▪ Providing new services-eg search engines, home page/ own web site	14	46.7%	15	50%	1	3.3%		
▪ Electronic catalogue	5	16.7%	20	66.7%	5	16.7%		
<b>Marketing Research</b>								
• Research on customer preference	13	43.3%	14	46.7%	3	10%		
• Research on competitors	17	56.7%	13	43.3%				
• Research and evaluating new suppliers	12	40%	13	43.3%	5	16.7%		
<b>Customer support and services</b>								
▪ On line help-Frequency asked question (FAQ)	9	30%	20	66.7%	1	3.3%		
▪ Handling customers feedback or queries-on line	9	30%	20	66.7%	1	3.3%		
▪ Communication-e mail	25	83.3%	5	16.7%				
▪ Processing electronic payment or credit transaction on line	2	6.7%	18	60%	7	23.3%	3	10%
▪ On line application/ registration			19	63.3%	8	26.7%	3	10%
• On line help-product updates	4	13.3%	22	73.3%	2	6.7%	2	6.7%

### 4.3 HYPOTHESES TESTING

The questionnaire is divided into 3 main parts to explore respondents perception on the usage of Internet, perception on the opportunities and perception on the barriers of the Internet. Likert 4 point scale was used to measure. The scale is from strongly disagree to strongly agree indicated by number 1 to 4. Statements C1 to C15 of section C in the questionnaire are used to measure the perception of the respondents on the usage of the Internet. This looks into the general attitude of the respondents and also their management support. These statements are named TOTPOU.

Section D of the survey questionnaire statements D1 to D15 is used to capture the perception of the respondents on the opportunities of the Internet. These statements are named TOTPOO. TOTPOB scale is derived from the statements E1 to E15 in section E of the questionnaire. These statements are used to measure the perception of the respondents on the barriers of Internet.

### 4.31 MEAN SCORES OF STATEMENTS

To analyze the perceptions of the respondents towards the usage of Internet in unit trust companies, mean score of each statement was calculated. The standard deviation of each statement was also calculated to gauge the degree of agreement with the statement. Higher mean indicated their respondents tend to be more agreeable to the statements as compared to statements having lower mean. The means score of each statement is shown in Table 4, Table 5 and Table 6. The statements are grouped together based on the perceptions measured.

### SECTION C: PERCEPTION ON THE USAGE OF INTERNET IN THE UNIT TRUST COMPANIES

The statistical frequencies output on the perception on the usage of Internet are shown in Table 4. Generally the respondents showed moderate favorable response toward the TOTPOU scale, with an average agreement of 61.11%. Respondents showed strong agreement on statement C1 "Internet is an innovative way to unit

trust investment in the 21<sup>st</sup> century" (mean 3.57), C6 "Most unit trust companies could provide better and faster services to the customers through the Internet"( mean 3.37), C3 "Internet use for business is part of the business strategy" ( mean 3.33)

This study also found that the respondents from unit trust companies disagree with some of the statements. This issue is presented by the statements: C10 "The cost of setting up and maintaining Internet in unit trust companies is always high"(mean 2.53), C11 "Unit trust companies have difficulty in promoting on the web site/ home page"( mean 2.57), C14 "Unit trust companies have difficulty in locating the desired information" ( mean 2.60).

**Table 4: Perception on the usage of Internet in the unit trust companies (Mean scores of statements)**

	Strongly Disagree	Disagree	Agree	Strongly Agree	Mean	Standard Deviation
C1. Internet is an innovative way to unit trust investment in the 21 <sup>st</sup> century		1 3.3%	11 36.7%	18 60%	3.57	0.57
C2 Unit trust companies get full support from the top management for the use of Internet		2 6.7%	17 56.7%	11 36.7%	3.30	0.60
C3 Internet use for business is part of the business strategy			20 66.7%	10 33.3%	3.33	0.48
C4 Most unit trust companies believe Internet is an important means of marketing, advertising and promotion		2 6.7%	19 63.3%	9 30%	3.23	0.57
C5 The use of Internet is an effective way of doing business in unit trust Companies	4 13.3%	5 16.7%	21 70%		2.97	0.56
C6 Most unit trust companies could provide better and faster services to the customers through the Internet			19 63.3%	11 36.7%	3.37	0.49
C7 Extensive training is given to the staff in using the Internet		7 23.3%	19 63.3%	4 13.3%	2.90	0.61

**Table 4: Perception on the usage of Internet in the unit trust companies (Mean scores of statements)**

	Strongly Disagree	Disagree	Agree	Strongly Agree	Mean	Standard Deviation
C8 All the staff in unit trust companies are encouraged to use and access the Internet		4 13.3%	21 70%	5 16.7%	3.03	0.56
C9 Number of hits is the way used to monitor the effectiveness of the web site		6 20%	21 70%	3 10%	2.90	0.55
C10 The cost of setting up and maintaining Internet in unit trust companies is always high		14 46.7%	16 53.3%		2.53	0.51
C11 Unit trust companies have difficulty in promoting on the web site/ home page		14 46.7%	15 50%	1 3.3%	2.57	0.57
C12 Difficulty to target the right customer segment	2 6.7%	10 33.3%	18 60%		2.73	0.58
C13 Customers are reluctant to provide their data on line		6 20%	21 70%	3 10%	3.10	1.24
C14 Unit trust companies have difficulty in locating the desired information	1 3.3%	11 36.7%	17 56.7%	1 3.3%	2.60	0.62
C15 Additional staff and time required to analyze and response to customers feedback/ inquires	2 6.7%	7 23.3%	20 66.7%	1 3.3%	2.67	0.66
Average	7.5%	22.82%	61.11%	21.38%	2.9733	

**SECTION D: PERCEPTION ON THE OPPORTUNITY OF THE INTERNET IN THE UNIT TRUST COMPANIES**

The study found that respondents, in general were in agreement with statements indicating that the Internet plays an important role in the organization and it could create some business opportunities for the unit trusts companies . More than half of the respondents (64.9%) agree to the TOTPOO scale. Respondents showed strong agreement on statement D2 "Internet can enhance corporate image"(mean 3.53), D7

"Customer can get first hand information on the fund performance and services from the Internet" ( mean 3.33), D13 "Internet creates the added value to the customer" ( mean 3.30) .

This study also found that the respondents from unit trust companies disagree with some of the statements. This issue is presented by the statements : D10 "Internet enables unit trust companies to understand consumers needs and wants better"(mean 2.67), D11 "Internet increase responses from customers, create their loyalty and retention"( mean 2.73), D9 "Internet allows unit trust companies to reduce cost for marketing and marketing research" (mean 2.83).

**Table 5 : Perception on the opportunity of the Internet in the unit trust companies ( Mean scores of statements)**

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>	<b>Mean</b>	<b>Standard Deviation</b>
D1 Internet is a way for unit trust companies to enter the new market segment		3 10%	18 60%	9 30%	3.20	0.61
D2 Internet can enhance corporate image			14 46.7%	16 53.3%	3.53	0.51
D3 Internet can increase the sales/ return of the unit trust companies		2 6.7%	23 76.7%	5 16.7%	3.10	0.48
D4 Internet develop new business opportunity for unit trust companies		1 3.3%	21 70%	8 26.7%	3.23	0.50
D5 Internet is putting unit trust company's position on the competitive advantage against competitor.		3 10%	20 66.7%	7 23.3%	3.13	0.57
D6 Internet has increased the accessibility of unit trust marketing		1 3.3%	23 76.7%	6 20%	3.17	0.46
D7 Customer can get first hand information on the fund performance and services from the Internet			20 66.7%	10 33.3%	3.33	0.48



**Table 5 : Perception on the opportunity of the Internet in the unit trust companies  
( Mean scores of statements)**

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>	<b>Mean</b>	<b>Standard Deviation</b>
D8 Internet is a means for reducing the cost for customer support and communication		5 16.7%	20 66.7%	5 16.7%	3.00	0.59
D9 Internet allows unit trust companies to reduce cost for marketing and marketing research	1 3.3%	9 30%	14 46.7%	6 20%	<del>2.83</del>	0.79
D10 Internet enables unit trust companies to understand consumers needs and wants better	1 3.3%	10 33.3%	17 56.7%	2 6.7%	<del>2.67</del>	0.66
D11 Internet increase responses from customers, create their loyalty and retention	1 3.3%	7 23.3%	21 70%	1 3.3%	<del>2.73</del>	0.58
D12 Internet allows unit trust company to collect new information on market trends and changes in the unit trust industry		2 6.7%	22 73.3%	6 20%	3.13	0.51
D13 Internet creates the added value to the customer		1 3.3%	19 63.3%	10 33.3%	<b>3.30</b>	0.53
D14 The use of Internet improves communication among employees and branches		2 6.7%	22 73.3%	6 20%	3.13	0.51
D15 Unit trust companies enter paperless working environment by using the Internet	2 6.7%	5 16.7%	18 60%	5 16.7%	2.87	0.78
<b>Average</b>	<b>4.15%</b>	<b>13.07%</b>	<b>64.9%</b>	<b>22.66%</b>	<b>3.09</b>	

# **SECTION E: PERCEPTION ON THE BARRIERS OF THE INTERNET IN THE UNIT TRUSTS COMPANIES**

Table 6 indicates that only half respondents agree on the TOTPOB scale statement, an average of 50.88% . Generally, respondents agree with some of the statements, examples of these statements were E15 "Lack of standard regulations from government on Internet issues" (mean 3.28), E1 "Unit trust company is concerned with the security problems of marketing on the net (mean 3.07), E13 "Insufficient security to prevent hacking and viruses" ( mean 3.00)

However, some of the respondents from unit trust companies disagree with some of the statements. This issue is presented by the statements : E3 "Internet marketing is in conflict with unit trust company's existing distribution channel" (mean 2.17), E10 "Internet is less effective than traditional marketing channel" (mean 2.27), E4 "Internet requires high skill and knowledge for employees to access" ( mean 2.47).

**Table 6 : Perception on the barriers of the Internet in the unit trust companies ( Mean score of statements)**

	Strongly Disagree	Disagree	Agree	Strongly Agree	Data Missing	Mean	Std Deviation
E1 Unit trust company is concerned with the security problems of marketing on the net		6 20%	16 53.3%	8 26.7%		3.07	0.69
E2 Internet marketing is putting unit trust company on the open competition with other competitors		9 30%	18 60%	3 10%		2.80	0.61
E3 Internet marketing is in conflict with unit trust company's existing distribution channel	2 6.7%	23 76.7%	3 10%	2 6.7%		2.17	0.65
E4 Internet requires high skill and knowledge for employees to access		17 56.7%	12 40%	1 3.3%		2.47	0.57

**Table 6 : Perception on the barriers of the Internet in the unit trust companies ( Mean score of statements)**

	<b>Strongly Disagree</b>	<b>Disagree</b>	<b>Agree</b>	<b>Strongly Agree</b>	<b>Data Missing</b>	<b>Mean</b>	<b>Std Deviation</b>
E5 Internet requires high financial investment		17 56.7%	10 33.3%	3 10%		2.53	0.68
E6 It was difficult to justify the cost with desired benefits		11 36.7%	18 60%		1 3.3%	2.62	0.49
E7 Most unit trust companies are short of people with IT skills		11 36.7%	15 50%	3 10%	1 3.3%	2.72	0.65
E8 Most customers still believe in traditional way of marketing	1 3.3%	5 16.7%	22 73.3%	2 6.7%		2.83	0.59
E9 It is too complicated for consumer to search for a unit trust company's web site	1 3.3%	19 63.3%	9 30%	1 3.3%		2.33	0.61
E10 Internet is less effective than traditional marketing channel	3 10%	17 56.7%	9 30%	1 3.3%		2.27	0.69
E11 Need additional staff to manage the Internet application		10 33.3%	18 60%	1 3.3%	1 3.3%	2.69	0.54
E12 Insufficient security for on line credit payments transaction		5 16.7%	20 66.7%	4 13.3%	1 3.3%	2.97	0.57
E13 Insufficient security to prevent hacking and viruses		4 13.3%	21 70%	4 13.3%	1 3.3%	3.00	0.53
E14 Lack of knowledge about the potential application of Internet.		7 23.3%	19 63.3%	3 10%	1 3.3%	2.86	0.58
E15 Lack of standard regulations from government on Internet issues		1 3.3%	19 63.3%	9 30%	1 3.3%	3.28	0.53
<b>Average</b>	<b>5.825%</b>	<b>36%</b>	<b>50.88%</b>	<b>10.70%</b>	<b>3.3%</b>	<b>2.707</b>	

#### 4.32 RELIABILITY ANALYSIS

It is important to test in the reliability of the measurements. In order to find the consistency and stability of the measurement scales, the reliability test using Cronbach Coefficient Alpha was undertaken. This technique computes the mean reliability coefficient estimates for all possible ways of splitting a set of items in half. Because this is an exploratory type research, the acceptable internal reliability coefficient or alpha is based on Nunnally's (1978 standard), that is 0.5 and above. The result of the reliability test can be seen in Table 7, Table 8 and Table 9. The computed reliability regardless of the method used will have a value ranging from 0 to 1, with 0 being perfectly unreliable and 1 measure being perfectly reliable .

Table 7, Table 8 and Table 9 clearly shows Cronbach Coefficient Alpha ranging from 0.5660 to 0.8636 confirming the internal reliability of the scale used in rating.

**Table 7 : Internal Reliability Coefficient of the scale (Alpha)–Perception on the usage of Internet in unit trust companies**

	Scale mean if item deleted	Scale Variance if item deleted	Corrected item Total correlation	Alpha if item deleted
POU1	41.0333	9.5506	0.870	0.5718
POU2	41.3000	9.1138	0.1974	0.5514
POU3	41.2667	9.0299	0.3191	0.5316
POU4	41.3667	7.9644	0.5898	0.4712
POU5	41.6333	8.2402	0.5106	0.4897
POU6	41.2333	9.2885	0.2178	0.5480
POU7	41.7000	8.5621	0.3512	0.5193
POU8	41.5667	8.4609	0.4356	0.5050
POU9	41.7000	9.3897	0.1459	0.5605
POU10	42.0667	10.0644	-0.443	0.5906
POU11	42.0333	10.4471	-0.1608	0.6152
POU12	41.8667	9.0851	0.2144	0.5480
POU13	41.7000	9.5966	0.0833	0.5717
POU14	42.0000	9.2414	0.1460	0.5623
POU15	41.9333	9.0989	0.1614	0.5602
	No of cases	30	Alpha	0.5660

**Table 8 : Internal Reliability Coefficient of the scale (Alpha)–Perception on the opportunity of Internet in unit trust companies**

	Scale mean if item deleted	Scale Variance if item deleted	Corrected item Total correlation	Alpha if item deleted
POO1	43.1667	22.8333	0.4730	0.8570
POO2	42.8333	22.7644	0.6077	0.8509
POO3	43.2667	23.1678	0.5545	0.8536
POO4	43.1333	22.8782	0.5874	0.8518
POO5	43.2333	23.9092	0.3094	0.8648
POO6	43.2000	22.5103	0.7408	0.8462
POO7	43.0333	22.5161	0.7073	0.8471
POO8	43.3667	23.5506	0.3630	0.8624
POO9	43.5333	21.3609	0.5436	0.8546
POO10	43.7000	22.5621	0.4723	0.8574
POO11	43.6333	24.5161	0.1918	0.8707
POO12	43.2333	22.5989	0.6442	0.8492
POO13	43.0667	22.6161	0.6018	0.8508
POO14	43.2333	22.7368	0.6138	0.8506
POO15	43.5000	22.0517	0.4542	0.8604
	<b>No of cases</b>	<b>30</b>	<b>Alpha</b>	<b>0.8636</b>

**Table 9 : Internal Reliability Coefficient of the scale (Alpha)–Perception on the barriers of Internet in unit trust companies**

	Scale mean if item deleted	Scale Variance if item deleted	Corrected item Total correlation	Alpha if item deleted
POB1	37.8214	11.4854	0.4347	0.6234
POB2	38.0714	12.6614	0.1932	0.6600
POB3	38.6786	11.8558	0.3744	0.6337
POB4	38.3929	13.2844	0.616	0.6762
POB5	38.3571	10.9788	0.5266	0.6065
POB6	38.2500	12.2685	0.4009	0.6347
POB7	38.1786	11.9299	0.3326	0.6398
POB8	38.0000	12.8889	0.2074	0.6567
POB9	38.5000	13.8999	-0.0789	0.6927
POB10	38.2143	11.8042	0.4707	0.6229
POB11	37.9286	12.7354	0.1968	0.6588
POB12	37.8929	12.2474	0.3500	0.6390
POB13	38.0357	11.3690	0.5417	0.6102
POB14	37.6071	12.1733	0.3802	0.6354
POB15	38.5714	14.1058	-0.1346	0.7083
	<b>No of cases</b>	<b>28</b>	<b>Alpha</b>	<b>0.6640</b>

From the SPSS result In Table 7, we can see the TOTPOU scale is reliable as the coefficient Alpha value is 0.5660. The Alpha value cannot further be further improved if we deleted statement POU4 " Most unit trust companies believe Internet is an important means of marketing, advertising and promotion" as the value will drop to 0.4712.

The same analysis was done on the TOTPOO scale and the Alpha value is 0.8636 out of the 15 items. This value is acceptable in this exploratory research and further hypothesis testing can be done by using the scale. If the statement POO6 " Internet has increased the accessibility of unit trust marketing" was deleted, the coefficient value dropped to 0.8462. The result can be seen as in Table 8.

The SPSS output of reliability test on TOTPOB scale gave an Alpha value of 0.6640. This value cannot be further improved if statement POB5 " Internet require high financial investment" was deleted. The new value will drop to 0.6065. ( See Table 9) Overall, we can conclude that the reliability analysis of the measurements on the perception on the usage of Internet, perception on the opportunity of Internet and perception on the barrier of Internet gave Alpha values that are reliable and acceptable.

**4.33 CROSS TABULATION ANALYSIS : USING THE CHI-SQUARE TEST**

A cross tabulation is a joint frequency distribution of observations on two or more sets of variables. The purpose of cross tabulation is to allow the inspection of differences among groups and to make comparisons. This form of analysis allows for determination of the form of relationship between two variables. The chi-square distribution provides a means for testing the statistical significance of contingency tables. ( William G. Zikmund, 1997)

Table 10 presents a summary of cross tabulations from respondents response to a questionnaire on the relationship between the two variables of annual sales for the past one year and the current Internet usage. The percentage table illustrates the

added value of calculating percentage. The calculation of percentages helps us to understand the nature of the relationship by making a relative comparison.

The users who use the current Internet application can be divided into 3 groups, they are the light Internet users, middle Internet users and heavy Internet users. The result output can be seen in Table 10.

**A. Cross tabulation of annual sales revenue and current Internet usage**

As table 10 and table 11 show, 40 % (12) of the respondents are light Internet users, whereas 33.3 % (10) of them are middle Internet users and 26.7% (8) of them are heavy Internet users. Light Internet users were categorized as the users who currently use their internet application from 1 to 3 items, while middle Internet users were categorized as the users currently use their internet application from 4 to 7 items. The last users was categorized as "heavy Internet users", they are the users who are currently using Internet application from 8 to 11 items.

In terms of the annual sales revenue, 56.7 % (17) of respondents reported their past one year annual sales revenue ranged from below RM 10 million to 50 million and majority of them are light Internet users. This is followed by 43.3 % (13) of respondents with annual sales revenue range from RM 50 million to more than RM 100 million . This group of respondents were more likely to be heavy Internet users.

The Chi-square test was used to examine hypotheses about data that are best summarized by a cross-tabulation. The significant level is a critical probability in choosing between the null hypothesis and the alternative hypothesis. The level of significance determines the probability level (0.05), that is too low to warrant support of a null hypothesis. ( William G. Zikmund, 1997)

The Pearson Chi square value for the Table 10 is shown, the observed significant level is less than 0.05, then the data suggest the alternative hypothesis should be accepted. There is evidence to accept the alternative hypothesis at the significant

level 0.002, it indicates there is a relation between the organisation annual sales turnover and the extent of current Internet usage.

**Table 10 : Cross tabulation of annual sales turnover and current Internet usage**

Annual sales turnover for the past one year			
Current Internet usage	Below RM 10 to RM 50 million	RM 50 to more than 100 million	Total
Light Internet User	11 36.7%	1 3.3%	12 40%
Middle Internet user	5 16.7%	5 16.7%	10 33.3%
Heavy Internet User	1 3.3%	7 23.3 %	8 26.7%
Total	17 56.7%	13 43.3%	30 100%

	Value	Df	Asymp Sig ( 2 sided)
Pearson Chi-Square	12.523	2	0.002
Likelihood Ratio	14.279	2	0.001
Linear –by-Linear Association	12.094	1	0.001
N of Valid Cases	30		

**B. Cross tabulation of organization size and current Internet usage**

Table 11 presents a summary of cross tabulations from respondents response to a questionnaire on the relationship between the two variables of organization size and the current Internet usage.

In terms of the organization size, 76.7% of respondents (23) have their organization size ranged below 50, about 16.7% (5) of respondents ranged in size from 51 to 150, 6.7% (2) of respondents ranged in size more than 200. More than three fourth of the respondents are with the organization size below 50, the respondents were



more likely to be light Internet users. The 2 respondents who have their organization size more than 200 employees, they appeared to show a positive preference for using more Internet application at present. They were more likely to be middle and heavy Internet users.

The Pearson Chi square value for the Table 11 is shown, the observed significant level is more than 0.05 and the data suggest the alternative hypothesis should be rejected. There is evidence to accept the null hypothesis at the significant level 0.576, it indicates there is no relation between the organization size and the extent of current Internet usage

**Table 11 : Cross tabulation of organisation size for the past one year and usage of the Internet**

Current Internet Usage	Below 50	51 to 150	More than 200	Total
Light Internet user	11 36.7%	1 3.3%		12 40%
Middle Internet user	7 23.3%	2 6.7%	1 3.3%	10 33.3%
Heavy Internet user	5 16.7%	2 6.7%	1 3.3%	8 26.7%
Total	23 76.7%	5 16.7%	3 10 %	30 100%

	Value	df	Asymp Sig ( 2 sided)
Pearson Chi-Square	2.895	4	0.576
Likelihood Ratio	3.648	4	0.456
Linear –by-Linear Association	2.551	1	0.110
N of Valid Cases	30		

The result as presented in table 12 and table 13 shown the current application of Internet in the business process of the unit trust companies. We explored further the reasons by asking current Internet users what were the most important items for becoming the priority of the Internet usage. The business process which shows the highest current Internet usage by marketing and advertising is displaying the product/service offered (ranked 1), then followed closely is displaying company information (ranked 2) , providing new services-e.g. search engines, home page/own web site (ranked 3) and electronic catalogue (ranked 4).

In terms of marketing research, about 17 of the current users reported that they use Internet for doing research on competitors( ranked 1), then followed closely is research on customer preferences (ranked 2) and research and evaluating new supplier ( ranked 3).

In the area of customer support and services, it was found that 25 of the respondents use Internet for e-mail communication (ranked 1) , ranked second is on line help-frequently asked question and handling customer feedback/queries one line. As we expected, the current Internet usage for e-commerce application are very low if compare to others, these only cover 4 who currently use Internet for on line help-product updates and 2 use Internet for processing electronic payment or credit transaction on line. None of the respondents currently use Internet for on line application.

**Table 12 : Cross tabulation of annual sales turnover and current usage of the Internet by marketing and advertising, marketing research and customer support and services**

Annual sales turnover								
Internet application and non currently in use	Below RM 10 Million	RM 10 to 25 million	RM 25 to 50 million	RM 50 to 75 million	RM 75 to 100 million	Above 100 million	Total	
Marketing and Advertising								
Displaying company information								
Non currently in use	7	2	0	2	1	0	12	
Currently in use	5	1	2	5	3	2	18	
Total	12	3	2	7	4	2	30	

**Table 12 : Cross tabulation of annual sales turnover and current usage of the Internet by marketing and advertising, marketing research and customer support and services**

Internet currently and non currently in use	Below RM 10 Million	RM 10 to 25 million	RM 25 to 50 million	RM 50 to 75 million	RM 75 to 100 million	Above 100 million	Total
<b>Displaying the product/service offered</b>							
Non currently in use	7	2	0	1	1	0	11
Currently in use	5	1	2	6	3	2	19
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Providing new services-e.g search engines, home page/own web site</b>							
Non currently in use	10	2	0	2	1	1	16
Currently in use	2	1	2	5	3	1	14
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Electronic catalogue</b>							
Non currently in use	12	3	1	3	4	2	25
Currently in use	0	0	1	4	0	0	5
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Marketing Research</b>							
Non currently in use	11	3	2	1	0	0	17
Currently in use	1	0	0	6	4	2	13
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Research on competitors</b>							
Non currently in use	10	0	1	2	0	0	13
Currently in use	2	3	1	5	4	2	17
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Research and evaluating new supplier</b>							
Non currently in use	11	1	2	2	1	1	18
Currently in use	1	2	0	5	3	1	12
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Customer support and services</b>							
<b>On line help-frequency asked question</b>							
Non currently in use	12	3	0	3	2	1	21
Currently in use	0	0	2	4	2	1	9
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Handling customer feedback/queries- on line</b>							
Non currently in use	10	3	0	5	2	1	21
Currently in use	2	0	2	2	2	1	9
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Communication-e-mail</b>							
Non currently in use	1	2	0	0	1	1	5
Currently in use	11	1	2	7	3	1	25
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Processing electronic payment or credit transaction on line</b>							
Non currently in use	12	3	2	5	4	2	28
Currently in use	0	0	0	2	0	0	2
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>On line application/registration</b>							
Non currently in use	12	3	2	7	4	2	30
Currently in use	0	0	0	0	0	0	0
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>On line help-product updates</b>							
Non currently in use	12	3	1	5	3	2	26
Currently in use	0	0	1	2	1	0	4
<b>Total</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>

**Table 13: Cross tabulation of organisation size and current usage of the Internet by marketing and advertising, marketing research and customer support and services**

Internet application currently and non currently in use	Organization size				
	Below 50	51 to 100	101 to 150	More than 200	Total
<b>Marketing and advertising</b>					
<b>Displaying company information</b>					
Non currently in use	12	0	0	0	12
Currently in use	11	4	1	2	18
<b>Total</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
<b>Displaying the product /service offered</b>					
Non currently in use	11	0	0	0	11
Currently in use	12	4	1	2	19
<b>Total</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
<b>Providing new services-e.g search engines, home page/own web site</b>					
Non currently in use	14	1	1	0	16
Currently in use	9	3	0	2	14
<b>Total</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
<b>Electronic catalogue</b>					
Non currently in use	19	3	1	2	25
Currently in use	4	1	0	0	5
<b>Total</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
<b>Marketing Research</b>					
<b>Research on customer preferences</b>					
Non currently in use	16	0	1	0	17
Currently in use	7	4	0	2	13
<b>Total</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
<b>Research on competitors</b>					
Non currently in use	12	0	1	0	13
Currently in use	11	4	0	2	17
<b>Total</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
<b>Research and evaluating new supplier</b>					
Non currently in use	15	2	1	0	18
Currently in use	8	2	0	2	12
<b>Total</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
<b>Customer support and services</b>					
<b>On line help-frequency asked question</b>					
Non currently in use	17	2	1	1	21
Currently in use	6	2	0	1	9
<b>Total</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
<b>Handling customer feedback/queries-on line</b>					
Non currently in use	17	2	1	1	21
Currently in use	6	2	0	1	9
<b>Total</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
<b>Communication-e-mail</b>					
Non currently in use	4	1	0	0	5
Currently in use	19	3	1	2	25
<b>Total</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>

**Table 13: Cross tabulation of organisation size and current usage of the Internet by marketing and advertising, marketing research and customer support and services**

Internet application currently and non currently in use	Below 50	51 to 100	101 to 150	More than 200	Total
<b>Processing electronic payment or credit transaction on line</b>					
Non currently in use	21	4	1	2	28
Currently in use	2	0	0	0	2
Total	23	4	1	2	30
<b>On line application/registration</b>					
Non currently in use	23	4	1	2	30
Currently in use	0	0	0	0	0
Total	23	4	1	2	30
<b>On line help-product updates</b>					
Non currently in use	20	4	1	1	26
Currently in use	3	0	0	1	4
Total	23	4	1	2	30

As can be seen from the table 14 and table 15, 36.7 %(11) of the respondents currently do not use any Internet application for the business function of marketing and advertising, but it is followed by 33.3% (10) who currently used the Internet application in 3 items, 16.7 %(5) in 2 items and 13.3% (4) in 4 items. In the area of marketing research, the highest current Internet usage is 3 items (30%), then followed closely is 16.7 % for current Internet usage in 2 items. In terms of customer support and services, the highest percentage of current Internet usage is only one item ( 46.7%), followed by 20 % (6) in 3 items , 6.7 % (2) in 2 items and 3.3 % in 1 item. These results suggest that the respondents appear to be more strongly drawn to the Internet for marketing and advertising, customer service and support , and information gathering. Electronic transaction is much less important that it was for current Internet users.

**Table 14 : Cross tabulation of annual sales revenue and current usage of the Internet by marketing and advertising , marketing research and customer support and services ( By items)**

<b>Annual sales turnover</b>							
	<b>Below RM 10 Million</b>	<b>RM 10 to 25 million</b>	<b>RM 25 to 50 million</b>	<b>RM 50 to 75 million</b>	<b>RM 75 to 100 million</b>	<b>Above 100 million</b>	<b>Total</b>
<b>Current Internet usage by marketing and advertising</b>							
0	7	2		1	1		11
Percentage of total	23.3%	6.7%		3.3%	3.3%		36.7%
2	3			1		1	5
Percentage of total	10%			3.3%		3.3%	16.7%
3	2	1	1	2	3	1	10
Percentage of total	6.7%	3.3%	3.3%	6.7%	10%	3.3%	33.3%
4			1	3			4
Percentage of total			3.3%	10%			13.3%
<b>Total Count</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Percentage of total</b>	<b>40%</b>	<b>10%</b>	<b>6.7%</b>	<b>23.3%</b>	<b>13.3%</b>	<b>6.7%</b>	<b>100%</b>
<b>Current Internet usage by marketing research</b>							
0	9		1	1			11
Percentage of total	30%		3.3%	3.3%			36.7%
1	2	1	1	1			5
Percentage of total	6.7%	3.3%	3.3%	3.3%			16.7%
2	1	2			1	1	5
Percentage of total	3.3%	6.7%			3.3%	3.3%	16.7%
3				5	3	1	9
Percentage of total				16.7%	10%	3.3%	30%
<b>Total count</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Percentage of total</b>	<b>40%</b>	<b>10%</b>	<b>6.7%</b>	<b>23.3%</b>	<b>13.3%</b>	<b>6.7%</b>	<b>100%</b>
<b>Current Internet usage by customer support and services</b>							
0	1	2			1	1	5
Percentage of total	3.3%	6.7%			3.3%	3.3%	16.7%
1	9	1		3	1		14
Percentage of total	30%	3.3%		10%	3.3%		46.7%
2	2						2
Percentage of total	6.7%						6.7%
3			1	3	1	1	6
Percentage of total			3.3%	10%	3.3%	3.3%	20%
4			1		1		2
Percentage of total			3.3%		3.3%		6.7%
5				1			1
Percentage of total				3.3%			3.3%
<b>Total count</b>	<b>12</b>	<b>3</b>	<b>2</b>	<b>7</b>	<b>4</b>	<b>2</b>	<b>30</b>
<b>Percentage of total</b>	<b>40%</b>	<b>10%</b>	<b>6.7%</b>	<b>23.3%</b>	<b>13.3%</b>	<b>6.7%</b>	<b>100%</b>

**Table 15 : Cross tabulation of organization size and current usage of the Internet by marketing and advertising, marketing research and customer support and services ( By items)**

<b>Organization size</b>					
	<b>Below 50</b>	<b>51 to 100</b>	<b>101 to 150</b>	<b>More than 200</b>	<b>Total</b>
<b>Current internet usage by marketing and advertising</b>					
0	11				11
Percentage of total	36.7%				36.7%
2	3	1	1		5
Percentage of total	10%	3.3%	3.3%		16.7%
3	6	2		2	10
Percentage of total	20%	6.7%		6.7%	33.3%
4	3	1			4
Percentage of total	10%	3.3%			13.3%
<b>Total Count</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
Percentage of total	<b>76.7%</b>	<b>13.3%</b>	<b>3.3%</b>	<b>6.7%</b>	<b>100%</b>
<b>Current internet usage by marketing research</b>					
0	10		1		11
Percentage of total	33.3%		3.3%		36.7%
1	5				5
Percentage of total	16.7%				16.7%
2	3	2			5
Percentage of total	10%	6.7%			16.7%
3	5	2		2	9
Percentage of total	16.7%	6.7%		6.7%	30%
<b>Total count</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
Percentage of total	<b>76.7%</b>	<b>13.3%</b>	<b>3.3%</b>	<b>6.7%</b>	<b>100%</b>
<b>Current internet usage by customer support and services</b>					
0	4	1			5
Percentage of total	13.3%	3.3%			16.7%
1	11	1	1	1	14
Percentage of total	36.7%	3.3%	3.3%	3.3%	46.7%
2	2				2
Percentage of total	6.7%				6.7%
3	4	2			6
Percentage of total	13.3%	6.7%			20%
4	1			1	2
Percentage of total	3.3%			3.3%	6.7%
5	1				1
Percentage of total	3.3%				3.3%
<b>Total count</b>	<b>23</b>	<b>4</b>	<b>1</b>	<b>2</b>	<b>30</b>
Percentage of total	<b>76.7%</b>	<b>13.3%</b>	<b>3.3%</b>	<b>6.7%</b>	<b>100%</b>

#### 4.34 ONE WAY ANOVA TEST

One way analyses of variance (ANOVA) were conducted to determine significant differences between the three groups with their responses. It was also used to analysis the data and determine if statistically significant differences of means between the three groups. The sample consisted of 3 Chief Executive Director/ Officer, 18 managers, 9 executives. The standard construct is measured by 15 items from three sections. The F-ratio is the test statistic that measures the ratio of one sample variance to another sample variance, such as the variance between groups to the variance within groups. In the following analysis, a statement is considered to be significantly different if  $p < 0.05$  . When  $p < 0.10$ , the statement is considered to be more marginally significant.

Table 16 shows a summary of the ANOVA results in this study. When the perception were further analyses in the form of the usage of Internet, no much significant differences among the three groups were found for all the statements, with the observed significant level is more than 0.05. But however, it was found out that the employees with different position from unit trust companies disagree with the statement C10 "The cost of setting up and maintaining Internet in unit trust companies is always high", with the observed significant level less than 0.05. The variance of the means of the three groups is large with the chief executive director differ in their perception from managers and executives in terms of cost setting and maintaining Internet is always high. If we calculate this variance within groups and compared it to the variance of the group means, we can determine the means are significantly difference, with the F- ratio at the level of 4.464.



**Table 16 : Summary ANOVA for the tests done on all three groups –Perception on the usage of Internet**

	Designation	Mean	F-Ratio	Significant
C1. Internet is an innovative way to unit trust investment in the 21 <sup>st</sup> century	Chief Executive Director Manager Executive	3.33 3.56 3.67	0.688	0.688
C2 Unit trust companies get full support from the top management for the use of Internet	Chief Executive Director Manager Executive	3.67 3.44 2.89	0.033	0.033
C3 Internet use for business is part of the business strategy	Chief Executive Director Manager Executive	3.33 3.28 3.44	0.710	0.710
C4 Most unit trust companies believe Internet is an important means of marketing, advertising and promotion	Chief Executive Director Manager Executive	3.00 3.17 3.44	0.382	0.382
C5 The use of Internet is an effective way of doing business in unit trust companies	Chief Executive Director Manager Executive	3.00 2.94 3.00	0.967	0.967
C6 Most unit trust companies could provide better and faster services to the customers through the Internet	Chief Executive Director Manager Executive	3.00 3.39 3.44	0.392	0.392
C7 Extensive training is given to the staff in using the Internet	Chief Executive Director Manager Executive	3.00 2.83 3.00	0.257	0.775
C8 All the staff in unit trust companies are encouraged to use and access the Internet	Chief Executive Director Manager Executive	2.67 3.11 3.00	0.835	0.445
C9 Number of hits is the way used to monitor the effectiveness of the web site	Chief Executive Director Manager Executive	3.00 2.94 2.78	0.318	0.731
C10 The cost of setting up and maintaining Internet in unit trust companies is always high	Chief Executive Director Manager Executive	2.00 2.72 2.33	<del>4.484</del>	<del>0.021</del>
C11 Unit trusts companies have difficulty in promoting on the web site/ home page	Chief Executive Director Manager Executive	2.33 2.67 2.44	0.726	0.493
C12 Difficulty to target the right customer segment	Chief Executive Director Manager Executive	2.33 2.83 2.67	1.031	0.370

**Table 16 : Summary ANOVA for the tests done on all three groups –Perception on the usage of Internet**

	Designation	Mean	F-Ratio	Significant
C13 Customers are reluctant to provide their data on line	Chief Executive Director Manager Executive	2.33 2.94 3.00	1.931	0.164
C14 Unit trust companies have difficulty in locating the desired information	Chief Executive Director Manager Executive	2.33 2.72 2.44	0.900	0.418
C15 Additional staff and time required to analyze and response to customers feedback/ inquires	Chief Executive Director Manager Executive	3.00 2.61 2.67	0.428	0.656

Table 17 and Table 18 present two summaries of the ANOVA results in this study. When the perception were further analyses in the form of the opportunity of Internet and the barriers of Internet, no significant differences among the three groups were found, with the observed significant level is more than 0.05 and the data suggest the null hypothesis should be accepted.

Therefore, it can conclude that the variables is significantly similar of means among the three groups-in which related to 3 Chief Executive Officer, 18 managers, 9 executives. This can indicate that employees with different position from unit trust companies all agree with the statements and they all hold the same perceptions toward the opportunity and barriers of Internet usage.

**Table 17 : Summary ANOVA for the tests done on all three groups –Perception on the opportunity of Internet**

	Designation	Mean	F-Ratio	Significant
D1 Internet is a way for unit trust companies to enter the new market segment	Chief Executive Director Manager Executive	3.67 3.00 3.44	2.902	0.072
D2 Internet can enhance corporate image	Chief Executive Director Manager Executive	3.67 3.50 3.56	0.142	0.868

**Table 17 : Summary ANOVA for the tests done on all three groups –Perception on the**

	Designation	Mean	F-Ratio	Significant
D3 Internet can increase the sales/ return of the unit trust companies	Chief Executive Director Manager Executive	3.00 3.17 3.00	0.415	0.664
D4 Internet develop new business opportunity for unit trust companies	Chief Executive Director Manager Executive	3.00 3.22 3.33	0.485	0.621
D5 Internet is putting unit trust company's position on the competitive advantage against competitor.	Chief Executive Director Manager Executive	3.00 3.17 3.11	0.112	0.895
D6 Internet has increased the accessibility of unit trust marketing	Chief Executive Director Manager Executive	3.00 3.22 3.11	0.375	0.691
D7 Customer can get first hand information on the fund performance and services from the Internet	Chief Executive Director Manager Executive	3.33 3.39 3.22	0.346	0.710
D8 Internet is a means for reducing the cost for customer support and communication	Chief Executive Director Manager Executive	2.67 3.17 2.78	1.978	0.158
D9 Internet allows unit trust companies to reduce cost for marketing and marketing research	Chief Executive Director Manager Executive	3.00 2.89 2.67	0.295	0.747
D10 Internet enables unit trust companies to understand consumers needs and wants better	Chief Executive Director Manager Executive	3.00 2.67 2.56	0.491	0.617
D11 Internet increase responses from customers, create their loyalty and retention	Chief Executive Director Manager Executive	2.67 2.83 2.56	0.687	0.512
D12 Internet allows unit trust company to collect new information on market trends and changes in the unit trust industry	Chief Executive Director Manager Executive	3.33 3.17 3.00	0.565	0.575
D13 Internet creates the added value to the customer	Chief Executive Director Manager Executive	3.33 3.28 3.33	0.036	0.964
D14 The use of Internet improves communication among employees and branches	Chief Executive Director Manager Executive	3.00 3.11 3.22	0.245	0.784
D15 Unit trust companies enter paperless working environment by using the Internet	Chief Executive Director Manager Executive	3.00 2.72 3.11	0.791	0.464

**Table 18 : Summary ANOVA for the tests done on all three groups –Perception on the barriers of Internet**

	Designation	Mean	F-ratio	Significant
E1 Unit trust company is concerned with the security problems of marketing on the net	Chief Executive Director Manager Executive	2.67 3.00 3.33	1.279	0.295
E2 Internet marketing is putting unit trust company on the open competition with other competitors	Chief Executive Director Manager Executive	2.67 2.67 3.11	1.758	0.192
E3 Internet marketing is in conflict with unit trust company's existing distribution channel	Chief Executive Director Manager Executive	2.00 2.17 2.22	0.124	0.884
E4 Internet require high skill and knowledge for employees to access	Chief Executive Director Manager Executive	2.67 2.39 2.56	0.442	0.647
E5 Internet requires high financial investment	Chief Executive Director Manager Executive	2.33 2.61 2.44	0.308	0.738
E6 It was difficult to justify the cost with desired benefits	Chief Executive Director Manager Executive	2.33 2.71 2.56	0.829	0.448
E7 Most unit trust companies are short of people with IT skills	Chief Executive Director Manager Executive	2.33 2.76 2.78	0.590	0.562
E8 Most customers still believe in traditional way of marketing	Chief Executive Director Manager Executive	3.00 2.94 2.56	1.473	0.247
E9 It is too complicated for consumer to search for a unit trust company's web site	Chief Executive Director Manager Executive	2.00 2.39 2.33	0.511	0.606
E10 Internet is less effective than traditional marketing channel	Chief Executive Director Manager Executive	2.33 2.33 2.11	0.310	0.736
E11 Need additional staff to manage the Internet application	Chief Executive Director Manager Executive	2.67 2.76 2.56	0.424	0.659

**Table 18 : Summary ANOVA for the tests done on all three groups –Perception on the barriers of Internet**

E12 Insufficient security for on line credit payments transaction	Chief Executive	2.67	0.717	0.498
	Director			
	Manager	3.06		
	Executive	2.89		
E13 Insufficient security to prevent hacking and viruses	Chief Executive	3.00	0.282	0.756
	Director			
	Manager	3.06		
	Executive	2.89		
E14 Lack of knowledge about the potential application of Internet.	Chief Executive	2.33	1.568	0.228
	Director			
	Manager	2.88		
	Executive	3.00		
E15 Lack of standard regulations from government on Internet issues	Chief Executive	3.33	0.070	0.933
	Director			
	Manager	3.29		
	Executive	3.23		

**4.35 MULTIPLE REGRESSION ANALYSIS**

Multiple regression analysis is an extension of bivariate regression analysis, which allows for simultaneous of the effect of two or more independent variables on a single interval-scaled dependent variable. Variations in the dependent variable were attributed to changes in a single independent variable. (William G.Zikmund, 1997).

In this study, the dependent variable was the current Internet usage. To determine which variables are relatively more important in potentially explaining the current Internet usage, it should applied a linear regression model - the model had the following independent variable:

**With the following independent variables**

1. Annual sales turnover
2. Organization size
3. Total perception on the usage of the Internet ( TOTPOU)
4. Total perception on the opportunity of the Internet ( TOTPOO)
5. Total perception on the barriers of the Internet (TOTPOB)

The current Internet usage might be hypothesized to depend not only on the organization size and annual sales revenue but also on the perception on the usage, perception on the opportunity and perception on the barrier of Internet. Thus the problem required identification of a linear relationship with multiple regression analysis. Table 19 shows the statistical results from the multiple regression after computations have been made by the stepwise method. The multiple regression equation is:

$$Y = a + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + \beta_5 X_5$$

X1= Annual sales turnover

X2 = Organisation size

X3= Total perception on the usage of the Internet (TOTPOU)

X4 = Total perception on the opportunity of the Internet (TOTPOO)

X5 = Total perception on the barrier of the Internet (TOTPOB)

The results of the estimates are presented in Table 19. It indicates current Internet usage (Y) is positively related to X1 (annual sales turnover), X2 (organization size), X3 (TOTPOU) and X5 (TOTPOB). The coefficients show the effects on the dependent variable of unit increase in any of the independent variable. The value of  $\beta_1 = 1.216$  indicates that an increase of one unit of current Internet usage is expected with a annual sales increased of 1.216, X2 (organization size), X3 (TOTPOU), X5 (TOTPOB) do not add to the predictor power of the equation.

The results also shows that the annual sales turnover was the only significant factor in explaining the variance of the dependent variable, it is the most important factor as it affects the adoption of current Internet usage, with the observed significant level at 0.000 level. This will provide strong support to hypothesis 1 and we could conclude that this variable had an direct effect on the current extent of Internet usage through the annual sales. However, the relationship is statistically insignificant with the X2 (organization size), X3 (TOTPOU), X4 (TOTPOO) and X5 (TOTPOB).

From table 19, it was also shows that current Internet usage (Y) is negatively related to X4 (TOTPOO). The value of  $\beta_4 = -0.087$  indicates that an increase of current Internet usage is expected with a total perception on the opportunity decreased of 0.087. One explanation can be given here is the total perception on the opportunity of Internet does not play the only factor in influencing the decision on Internet adoption as well as the extent of current Internet usage, that may be some other factors such as rising cost of utilizing the Internet, problems with the use of Internet for marketing, support difficulties in application, rapid environmental changes and technological advances to influence the usage of Internet. All these factors provide evidences why the current Internet usage (Y) is negatively related to X4 (TOTPOO).

On the other hand, current Internet usage (Y) is positively related to X5 (TOTPOB). This may due to the most respondents perceive positively on the use of Internet in business as a business tool. This formed a highly positive overall perception of the Internet use for businesses. Most of the respondents agree that Internet marketing is a new way for staying up to date with the latest technology to do unit trusts business.

The coefficient of multiple determination is shown in Table 19. The coefficient of multiple determination indicates the percentage of variation in Y explained by the variation in the independence variables. Multiple R value is found at 0.673, giving R square value 0.452 with F value = 23.133 at significant of 0.000. This indicates that the model is significant and the variance of the predictor variable account for 45.2% of the variance of the dependent variable. Overall, the results shows the signs of the regression coefficients are not consistent with expectation.

The regression result equals to :

$$\begin{aligned}
 Y &= a + \beta_1 X_1 \\
 &= 1.496 + 1.216 X_1 \\
 F \text{ Value} &= 23.133 \\
 R \text{ square} &= 0.452 \\
 \text{Adjusted R square} &= 0.433
 \end{aligned}$$

**Table 19 : Regression Results (Coefficients) – with the method of “ Stepwise”**

Model	Unstandardized Coefficients		Standardized Coefficients/			
	B	Std.Error	Beta	T	Significant	Remarks
(Constant)	1.496	0.833		1.795	0.083	
Annual sales turnover	1.216	0.253	0.673	4.810	0.000	
Organisation size	0.094			0.610	0.547	Excluded variables
TOTPOB	0.211			1.538	0.136	Excluded variables
TOTPOU	0.069			0.484	0.632	Excluded variables
TOTPOO	-0.087			-0.618	0.542	Excluded variables
Model	Sum of square	Df	Mean Square	F	Significant	
Regression	134.231	1	134.231	23.133	0.000	
Residual	162.469	28	5.802			
Total	296.700	29				
Model Summary	R	R square	Adjusted R square	Std Error of the Estimate		
	0.673	0.452	0.433	2.41		

a. Predictors: (Constant), Annual sales turnover

b. Dependence variable : Current Internet usage



#### 4.4 SUMMARY OF RESEARCH RESULTS

The survey of 30 respondents included manager (60%), executives (30%) and chief executive director (10%). These unit trust companies ranged in size from under 50 employees to more than 200 employees. About three fourth of the total employing under 50 employees. Most of the respondents indicated that they have established their organization less than 5 years and they are almost fully local owned. In terms of paid up capital, more than two third of the respondents ranged in paid up capital from RM 1 million to RM 5 million. 40 % of respondents have their past one year annual sales revenues below RM 10 million.

Almost 100 % of the respondents indicated that they were are currently using the Internet, with 17 of them have own web site and the remain of 13 will plan to have their web site for the future next two years. Furthermore, half of the unit trust companies ( 50 %) have been using Internet for 1 to 2 years.

The top business values expected from the Internet were as a "source of information and as a "new market". The most common Internet applications used were E-mail, research, services providing and company information displaying. These four were expected to be the leading applications again in future. The majority of respondents indicated that the Internet is currently not yet secure for electronic commerce but significant growth is expected in future of the Internet use for electronic commerce.

The respondents showed moderate favorable response toward the TOTPOU scale statement (Perception of the usage of Internet), with an average agreement of 61.11%. This study also found out more than half of that respondents (64.9%) agree to the TOTPOO scale statement (Perception of the opportunity of Internet). But however, respondents only agree on the TOTPOB scale (Perception of the barriers of Internet) scale statement, an average of 50.88%.

Based on the result of cross tabulation analysis, the demographic of the three categories of respondents (Light Internet users, middle Internet users and heavy Internet users) are different:

- Current Internet users were more likely to be light Internet users ( 40% of the respondents) have their annual sales turnover ranged from below RM 10 to RM 50 million, with majority organization size ranged below 50 employees.
- Current Internet users were somewhat likely to be middle Internet users ( 33.3% of the respondents) have their annual sales turnover ranged form below RM 10 to RM 100 million, with two third respondents are with the organization size ranged below 50 employees and one third respondents ranged from 51 to more than 200 employees.
- Current Internet users were least likely to be heavy Internet users ( 26.7% of the respondents) have their annual sales turnover ranged from RM 50 to RM 100 million, with two third respondents are with the organization size ranged below 50 employees and one third respondents ranged from 51 to more than 200 employees.

For the one way ANOVA results in this study, no much significant differences among the three groups were found for all the statements in section D and E ( see questionnaire in the appendix 2). All three groups-in which related to 3 Chief Executive Officer, 18 managers, 9 executives all agree with the statements and they all hold the same perceptions from the opportunity of Internet and barriers of Internet. But it was only found out that the employees with different position from unit trust companies disagree with the statement C10 "The cost of setting up and maintaining Internet in unit trust companies is always high.

The result of the multiple regression shows that the annual sales turnover for the past one year was the significant factor in explaining the variance of the dependent variable. In this study, the dependent variable was the current Internet usage.

Annual sales turnover plays the most important factor as it affects the adoption of current Internet usage.

Generally, unit trust companies place considerable importance on Internet in business practices. This is consistent with other studies. These findings suggest that a wide range of Internet linkages has been built up by unit trust companies, particularly the respondents are in the highest annual sales revenue. The respondents perceive positively on the use of Internet in business and they appeared to show a positive preference for using more Internet application in future. This growing interest may be attributed to government efforts in setting up MSC and the cooperation with Internet bodies such as United Nation and APEC to facilitate and develop the e-commerce infrastructure in Malaysia. Furthermore, the decreasing price of the software and hardware, in addition to the increasing number of innovations developed to resolve the security issues would motivate the unit trust companies in Malaysia to use more Internet for their business.

**Table 20: Summary results for testing the hypothesis**

HYPOTHESIS	Significant
<p><b>Hypothesis 1:</b></p> <p>H0 : There is no relation between the organization annual sales turnover and the extent of current Internet usage</p> <p>H1 : There is a relation between the organization annual sales turnover and the extent of current Internet usage</p>	<p>Reject</p> <p>Accept</p>
<p><b>Hypothesis 2</b></p> <p>H0 : There is no relation between the organization size and the extent of current Internet usage</p> <p>H1 : There is a relation between the organization size and the extent of current Internet usage</p>	<p>Accept</p> <p>Reject</p>
<p><b>Hypothesis 3:</b></p> <p>H0 : Employees with different position from unit trust companies do not differ in their perception on the usage of Internet</p> <p>H1 : Employees with different position from unit trust companies differ in their perception on the usage of Internet</p>	<p>Reject</p> <p>Accept</p>
<p><b>Hypothesis 4:</b></p> <p>H0 : Employees with different position from unit trusts companies do not differ in their perception on the opportunity of Internet</p> <p>H1 : Employees with different position from unit trusts companies differ in their perception on the opportunity of Internet</p>	<p>Accept</p> <p>Reject</p>
<p><b>Hypothesis 5:</b></p> <p>H0 : Employees with different position from unit trust companies do not differ in their perception on the barriers of Internet</p> <p>H1 : Employees with different position from unit trust companies differ in their perception on the barriers of Internet</p>	<p>Accept</p> <p>Reject</p>