ACM-6983 INVC. nms 16/8/01

# E-COMMERCE: WEB PAGE STANDARDS AND CONSUMER CONFIDENCE

Natarajan @ Kumar NC Krishnan

Bachelor of Electrical Engineering
University of Malaya
Kuala Lumpur
Malaysia
1996

Submitted to the Faculty of Business and Accountancy, University of Malaya, in partial fulfillment of the requirements for the Degree of Master of Business Administration (MBA).

February 2000

A510305207

## **ABSTRACT**

This thesis involves around the generation of a set of recommendations for web page design that could be possibly used by authorities or auditing firms to audit and approve commercial web pages that comply to the standards. The recommendations shall cover what information consumers would like to see on commercial web pages. The contents of a web page are critically important in Electronic Commerce as it is the only interface between consumers and the merchant.

Web Page Approval shall be a preferred way of identifying a web page to do on line business by potential consumers. Consumer shall have increased confidence to make on line payments on web pages that have been internationally recognized.

# ACKNOWLEDGMENTS

I would like to express my sincere wishes of heartfelt thanks and gratitude to my thesis supervisor, Professor Sieh Lee Mei Ling, for her invaluable advice, great patience, constant encouragement, and step by step guidance. These have not just helped me complete my thesis successfully, but also to build up self-confidence in myself with regards to the nature of the study.

I would also like to thank all the people of the Faculty, who directly or indirectly helped me to complete my thesis and also for making my presence in University of Malaya an enjoyable and a memorable one.

Finally, if at all my lips had slipped unintentionally or I have inadvertently caused some distress to anyone, anytime, anywhere - I humbly apologize.

Thank You

Dedicated to my family, for their kind support, patience, understanding and encouragement, for if not I couldn't have achieved what I have achieved.

" Hard work is the best investment a man can ever make" Tennyson

THANKS!

Natarajan @ Kumar NC Krishnan February 2000.

## **Table Of Contents**

ABSTRACT	. i				
ACKNOWLE	DGEMENT		ii		
DEDICATIO	NS	iii			
TABLE OF (	CONTENTS		iv		
LIST OF TA	BLES	vi			
LIST OF EX	HIBITS	vii			
LIST OF AP	PENDIXES		ix		
CHAPTER 1	- INTRODUC	CTION	1		
1.1	Consumer Conf	fidence in	E-Commerce	1	
1.2	Objective	4			
1.3	Purpose and Sig	gnificanc	e of the Study	4	
1.4	Research Idea	5			
1.5	Research Mech	anism	5		
1.6	Sampling Desig				
1.7	Data Collection				
1.8	Scope and Limi			7	
1.9	Organization of	the Stud	ly 7		
CHAPTER 2	:LITERATUR		IEW 8		
2.1	E-Commerce G		8		
2.2	E-Commerce in				
2.3	Global Happen			14	
			Dialogue (GBD)		- I (UNCITD AI)
	14				e Law (UNCITRAL)
			Economic Coope		opment (OECD) 14
			ganization (WTO)		
			nomic Cooperatio		15
			the Internet (OB)		16
2.4			al and Cultural A	spect. 17	
2.5	How does E-Co				
2.6	Setting Up E-Co				
2.7	Standardization			10	
			Standardization	19	20
			Pages Need Stan		20
	2.7.3 Charac	ieristics o	f The Standard	23	

Table of Contents Page iv

Appendix

CHAPTER :	3 - CONSUMERS @ S	SHOPPING	25	
3.1	Executive Summary	25		
3.2		25		
3.3	Demographic Description	26		
		26		
	3.3.2 Age 27			
	O .	29		
		30		
	4	32		
	0	33		
	3.3.7 E-mail Account	34		
3.4	Correlation Among Varia	ibles 35		
3.5	_	37		
3.6	Payment Mechanism	39		
CHAPTER A	4 - CONTENTS @ WE	B SITE	41	
4.1	Descriptive Analysis	42		
	4.1.1 Information About	it Merchant.	42	
	4.1.2 Contact Details	43		
	4.1.3 Product Description	on 43		
	4.1.4 Information Curr	ency 44		
	4.1.5 Privacy 44			
	4.1.6 Delivery Options			
	4.1.7 Support Informati			
	4.1.8 Warranty Details	46		
	4.1.9 Cancellation of O			
		47		
		48		
	4.1.12 Others 48			
	4.1.13 Overall Summary			
4.2	Correlation Between Item		50	
4.3	Factor Reduction	50		
4.4	Reliability Analysis	58		
CHARTER	E-CONCLUCION & DE		ID A TION	60
	5:CONCLUSION & RE	COMINEN	DATION	63
	Conclusion 63			
5.2	General Recommendation			
5.3	Specific Recommendation			
5.4	Specific Recommendation			
5.5	Recommendations for Fun	rther Researc	h 70	
Bibliograph	iy 71			
	'Hard' References	71		
	'Soft' References	73		

Table of Contents Page v

#### List Of Tables

Table 2.1: Commonly used Cryptographic Algorithms	21
Table 3.1: Survey Responses	26
Table 3.2: Cross-tabulation of Gender - Willingness to buy Online	27
Table 3.3: Cross-tabulation of Age - Willingness to buy Online	28
Table 3.4: Cross-tabulation of Education - Willingness to buy Online	30
Table 3.5: Cross-tabulation of Occupation - Willingness to buy Online	31
Table 3.6: Cross-tabulation of Organization - Willingness to buy Online	32
Table 3.7: Cross-tabulation of Internet Usage - Willingness to buy Online	34
Table 3.8: Correlation Matrix	36
Table 3.9: One-Tail significance level of Correlation	36
Table 3.10: Major Correlation Among Variables	37
Table 4.1: List of Items and Variables	41
Table 4.2: Ranking - Information About Merchant	42
Table 4.3: Ranking - Contact Details	43
Table 4.4: Ranking - Product Description	43
Table 4.5: Ranking - Information Currency	44
Table 4.6: Ranking - Privacy	44
Table 4.7: Ranking - Delivery Options	45
Table 4.8: Ranking - Support Information	46
Table 4.9: Ranking - Warranty Details	46
Table 4.10: Ranking - Cancellation of Order	47
Table 4.11: Ranking - Security	47
Table 4.12: Ranking - Reliability	48
Table 4.13: Ranking - Others	48
Table 4.14: Ranking - For the Combined Item	49
Table 4.15: Major Correlation Components	51
Table 4.16: Correlation Among Items	52
Table 4.17: Communality of Variables	54
Table 4.18: Component Matrix	55
Table 4.19: Comparison of Variance Explained by each Factor	55
Table 4.20: Component Matrix (after rotation)	56

#### MBA Thesis

Table 4.21: Component Score Coefficient Matrix	57
Table 4.22: Covariance Matrix For Estimated Regression Factor Scores	58
Table 4.23: Summary Statistics For Items	59
Table 4.24: Item-Total Summary Statistics	60

#### List Of Exhibits

Exhibit 3.1: Gender Willingness to Buy Online	27
Exhibit 3.2: Age Breakdown	28
Exhibit 3.3: Age - Willingness to Buy Online	29
Exhibit 3.4: Education - Willingness to Buy Online	30
Exhibit 3.5: Occupation Breakdown	31
Exhibit 3.6: Occupation - Willingness to Buy Online	31
Exhibit 3.7: Organization Breakdown	32
Exhibit 3.8: Organization - Willingness to Buy Online	33
Exhibit 3.9: Internet Usage - Willingness to Buy Online	34
Exhibit 3.10: Type of E-mail Account	35
Exhibit 3.11 E-mail Account Held - Willingness to Buy Online	35
Exhibit 3.12: Selection of Web Page	38
Exhibit 3.13: Choice of Payment Mechanism	40
Exhibit 4.1: Bartlett's Test of Sphericity	53
Exhibit 4.2: Scree Plot	53
Exhibit 4.3: Relationship - Original Variables and Extracted Factors	57

## List of Appendixes

Code Book Survey Form