

**FACTORS INFLUENCING CONSUMERS' TRUST IN
ONLINE SHOPPING**

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Online Shopping**

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ABSTRACT

Despite the growing development of e-commerce and emerging of online shopping as a new way of doing business, it is still a new technology breakthrough in Malaysia. Unlike the traditional bricks and mortar marketplace, the online shopping includes several distinct factors that will influence consumers' trust to shop and subsequently purchase online. As stated by Kaufaris and Hampton-Sosa (2004), lack of trust in online environment is a primary reason why many web users do not shop online. This study aims to identify what factors influencing consumers' trust in online shopping, to examine whether trust influence consumers to purchase online, and to determine whether trust mediates the relationship between factors influencing consumers' trust in online shopping to actual purchase. The proposed research model and questionnaires was adopted from prior research. A total of 170 responses were collected mainly in Klang Valley area.

The findings show that perceived usefulness, perceived ease of use, perceived reputation, perceived security, perceived privacy and propensity to trust are positively related to consumers' trust in online shopping. Furthermore, it also found that trust is positively related to consumer actual purchase. It also indicates that trust mediates the relationship between factors influencing consumers' trust with consumer actual purchase.

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