

**✓ PERCEIVED RISK AND PURCHASE LIKELIHOOD OF YOUNG  
PROFESSIONALS TOWARDS ONLINE SHOPPING  
OF CONSUMER ITEMS**

Undergraduate Thesis  
Submitted to the Faculty of the  
College of Economics, Management and Development Studies  
Cavite State University  
Indang, Cavite

In partial fulfillment  
of the requirements for the degree  
Bachelor of Science in Business Management

**CHRISTIAN JOY B. ACUÑA  
MICHELLE M. CLAMOR  
ARLENE E. TOLENTINO**

August 2016



## ABSTRACT

**ACUNA, CHRISTIAN JOY B.; CLAMOR, MICHELLE M.; TOLENTINO, ARLENE E. Perceived Risk and Purchase Likelihood Of Young Professionals Towards Online Shopping Of Consumer Goods.** Undergraduate Thesis. Bachelor of Science in Business Management major in Marketing Management. Cavite State University, Indang, Cavite. April 2016. Adviser: Mailah M. Ulep.

The purpose of this study is to analyze the factors affecting on online shopping behavior of consumers that is one of the most important concerns of e-commerce and internet marketing. A conceptual model was proposed to illustrate the correlation of the participant's socio-demographic profile, online buying behaviour, perceived risks and purchase likelihood. To investigate these, 300 online and printed questionnaires were dispersed to the online consumers through internet and personal interviews. The collected data were analyzed by using frequency, mean, standard deviation, Kruskal Wallis Test and Mann-Whitney Test.

The study identified that young professional online shoppers are mostly from 20 to 25 years, mostly female, single, attained a Bachelor's degree, and having an income of Php 15,000 below. These consumers are commonly buying from Facebook and Instagram online shops; using the internet for buying for about three years; were using payment facilities such as LBC, Smart Padala, Cebuana Lhuillier, Western Union, etc. for paying their online transactions; and are usually buying products such as apparel, jewelry, footwear and personal accessories.

The study identified that there is no significant relationship between online consumers' socio-demographic profile and perceived risks. The young professionals rate the level of perceived risks regardless of the age, civil status, gender and income. The



study also showed that purchase likelihood was positively affected by the perceived risk online consumers had. Product risk, delivery risk and after sales risk shows no significant relationship on purchase likelihood while financial, social, security and privacy shows positive relationship on purchase likelihood. As the perceived risk improves, purchase likelihood increases.



## TABLE OF CONTENTS

	Page
<b>BIOGRAPHICAL DATA</b> .....	ii
<b>ACKNOWLEDGEMENT</b> .....	v
<b>ABSTRACT</b> .....	vii
<b>LIST OF TABLES</b> .....	xi
<b>LIST OF APPENDICES</b> .....	ix
<b>INTRODUCTION</b> .....	1
Statement of the Problem.....	2
Objectives of the Study.....	4
Significance of the Study.....	5
Time and Place of the Study.....	6
Scope and Limitation.....	6
Definition of Terms.....	7
Conceptual Framework.....	9
<b>REVIEW OF RELATED LITERATURE</b> .....	10
<b>METHODOLOGY</b> .....	26
Research Design.....	26
Hypothesis.....	26
Source of Data.....	27
Participants of the Study.....	27
Sampling Technique.....	28



Data Gathered.....	28
Statistical Treatment of Data.....	36
<b>RESULTS AND DISCUSSIONS.....</b>	<b>32</b>
Socio Demographic Characteristics of Online Shoppers.....	32
Online Buying Behavior of Young Professional Online Shoppers .....	35
Level of Perceived Risks Associated with Online Shopping .....	41
Degree of Purchase Likelihood of Online Consumers .....	49
Significant Relationship of Socio-Demographic Profile and Perceived Risk.....	54
Significant Relationship of Online Consumer's Socio-Demographic Profile and Purchase Likelihood on Consumer Goods.....	57
Significant Relationship between Level of Perceived Risk to Purchase Likelihood of Consumer Goods .....	58
<b>SUMMARY, CONCLUSION AND RECOMMENDATION.....</b>	<b>62</b>
<b>REFERENCES.....</b>	<b>66</b>
<b>APPENDICES.....</b>	<b>71</b>