

INTI INTERNATIONAL UNIVERSITY

MASTER OF BUSINESS ADMINISTRATION

**The factors influence the SNS switching of Chinese students
who study in Malaysia**



Author: Liu Jia chi
Student Number: I12002135
Supervisor: Ms. Haryati Hashim
Submission Date: 27th August 2014
Ethics Number: cBUS/PG/CP/00200
Final Word Count: 15015

Faculty of Business, Communications and Law

Abstract

This study focuses on determining the significance of the factors which influence Chinese student users' intention to switch between SNSs, to analyze the reasons for the inability Chinese SNSs to hold and retain their users.

This research used quantitative. 220 questionnaires were distributed to the respondents in those four universities. The respondents are individuals from China who are currently studying in Malaysia. Of the 220 questionnaires distributed, 200 were completed and returned. The data were analysed using SPSS software version 20. Factor analysis and reliability testing were conducted to test the validity and reliability of the questions before proceeding in analyzing the data. In order to check the relationship and significance of the independent variables to the dependent variable, correlation, linear regression, and multiple regression analysis were used.

Based on the results of this study, Dissatisfaction, Switching Cost and Relative Attractiveness are all significant factors which has influence with the dependent variable: Switching Intention. In addition, both dissatisfaction and relative attractiveness are positively correlated with switching intention. Switching cost is the only one negative factor in this study.

Acknowledgement

I would like to thank INTI International University for providing me the platform to increase my knowledge and experience during the learning process for my MBA project. I would like to take this opportunity to express my appreciation and gratefulness to those who have contributed in this MBA project.

Firstly, I would like to express my deepest gratitude to my supervisor, Ms. Haryati Hashim who constantly gave me guidance and encouragement in this project. Her willingness to share her expertise knowledge and her passion in guidance has improved the overall quality of my MBA project. Ms. Haryati Hashim has put considerable effort to monitor and advise me from the very beginning to the end of this project. With her professional knowledge and experiences, I am able to think critically and add value to this project. Hence, I would like to thank her for her constant supervision that is vital for the accomplishment of this project.

Apart from that, I would like to thank my family members who have consistently given me support and strength throughout the journey in this MBA project. Their encouragement has boosted my confidence throughout this project.

Liu Jia chi

Date:

Table of Contents

| | |
|--|------|
| Abstract..... | I |
| Acknowledgement..... | II |
| List of Figure | VII |
| List of Table..... | VIII |
| List of Abbreviations | X |
| Chapter 1: Introduction..... | 1 |
| 1.1 Background of the Study..... | 1 |
| 1.1.1 Overall Background | 1 |
| 1.1.2 What is SNS? | 2 |
| 1.1.3 Major SNSs in the world | 4 |
| 1.1.4 Social impact of SNS | 5 |
| 1.1.6 Features of SNSs..... | 6 |
| 1.1.6 SNSs in China..... | 6 |
| 1.2 Theoretical Background | 7 |
| 1.3 Problem Statement | 7 |
| 1.4 Research Questions | 8 |
| 1.5 Research Objectives | 8 |
| 1.6 The Significance of the Research | 9 |
| 1.7 Limitation of Study | 9 |
| 1.8 Scope of Study..... | 10 |
| Chapter 2: Literature Review..... | 11 |
| 2.1 Definition of Social Network Sites | 11 |
| 2.2 Consumer-Switching Behavior | 11 |
| 2.3 Human migration and service migration..... | 12 |
| 2.4 The Push-Pull-Mooring Migration Model..... | 12 |

| | |
|--|----|
| 2.4 Hypothesis Development..... | 13 |
| Chapter 3: Research Methodology..... | 19 |
| 3.1 Research Design | 19 |
| 3.2 Measuring Instrument | 19 |
| 3.3 Type of Research..... | 19 |
| 3.4 Research Approach | 20 |
| 3.5 Research Framework..... | 21 |
| 3.6 Validity and Reliability Test and Analysis | 22 |
| 3.7 Research Strategy | 22 |
| 3.7.1 Study Population..... | 22 |
| 3.7.2 Sample Size | 23 |
| 3.7.3 Unit of Analysis | 23 |
| 3.7.4 Sampling Design..... | 23 |
| 3.7.5 Data Collection and Analysis Methods..... | 24 |
| 3.8 Questionnaire Design | 25 |
| Chapter 4: Findings and Discussions..... | 29 |
| 4.1 Introduction | 29 |
| 4.2 Descriptive Analysis..... | 29 |
| 4.3 Factor Analysis | 34 |
| 4.3.1 Summary of Research objective and Research Hypothesis | 34 |
| Table 6: The table of Research objective and Research Hypothesis | 34 |
| 4.3.2 Measurements and interpretation of KMO value and Bartlett's test.. | 34 |
| 4.3.3 Independent Variables Factor Analysis | 36 |
| 4.4 Reliability Analysis | 44 |
| 4.4.1 Reliability testing on all variables | 44 |
| 4.4.2 Reliability testing on independent variables..... | 45 |

| | |
|---|----|
| 4.4.3 Reliability testing on dependent variable | 45 |
| 4.4.4 Summary of the reliability testing | 46 |
| 4.5 Correlation Analysis | 47 |
| 4.5.1 Correlation of Dissatisfaction with Switching Intention..... | 47 |
| 4.5.2 Correlation of Switching Cost with Switching Intention | 48 |
| 4.5.3 Correlation of Relative Attractiveness with Switching Intention | 49 |
| 4.5.4 Summary of the results in correlation analysis | 50 |
| 4.7 Multiple Regressions..... | 50 |
| 4.7.1 Multiple regressions of Dissatisfaction, Switching Cost and Relative Attractiveness on Switching Intention. | 50 |
| 4.8 Summary of Hypothesis Results | 54 |
| Chapter 5: Conclusion and Recommendation..... | 56 |
| 5.1 Introduction | 56 |
| 5.2 Conclusion..... | 56 |
| 5.3.1 Recommendation based on Dissatisfaction..... | 58 |
| 5.3.2 Recommendation based on Switching Cost and Relative Attractiveness | 58 |
| 5.4 Contribution | 59 |
| 5.5 Implications for Future Research | 59 |
| 5.6 Personal Reflection..... | 60 |
| References..... | 61 |
| Appendices | 65 |
| Appendix 1: Questionnaire..... | 66 |
| Appendix 2: SPSS Testing Results..... | 70 |
| Appendix 3: Initial Research Paper Proposal..... | 86 |
| Appendix 4: Project Paper Log | 92 |

| | |
|--|-----|
| Appendix 5: Turnitin Report | 99 |
| Appendix 6: Ethics Form and Ethics code memorandum | 100 |
| Appendix 7: Consent Letter | 124 |

List of Figure

Figure 1: Launch Dated of Major Social Network Site Page 7

Figure 2: Research Framework Page 30

List of Table

| | |
|--|-------------------------------------|
| Table 1: Major SNSs and their launch dates | 5 |
| Table 2: Summary of demographic question..... | Error! Bookmark not defined. |
| Table 3: Summary of Most frequently previously used (Chinese SNS)..... | Error! Bookmark not defined. |
| Table 4: Summary of Most preferred SNS to switch (Global SNS) | 32 |
| Table 5: Summary of Mainly Uses of SNS | 33 |
| Table 6: The table of Research objective and Research Hypothesis | 34 |
| Table 7: Acceptance level of KMO value | 35 |
| Table 8: Summary of Factor Analysis on Dissatisfaction | 36 |
| Table 9: Summary of Factor Analysis on Switching Cost | 38 |
| Table 10: Summary of Factor Analysis on Relative Attractiveness..... | 40 |
| Table 11: Summary of Factor Analysis on Switching Intention..... | 42 |
| Table 12: Reliability testing on all variables | 44 |
| Table 13: Reliability testing on independent variables | 45 |
| Table 14: Reliability testing on dependent variable | 45 |
| Table 15: Categorization of the scale of correlation coefficient..... | 47 |
| Table 16: Correlation of Dissatisfaction with Switching Intention..... | 47 |
| Table 17: Correlation of Switching Cost with Switching Intention | 48 |
| Table 18: Correlation of Relative Attractiveness with Switching Intention | 49 |
| Table 19: Model Summary of Dissatisfaction, Switching Cost and Relative Attractiveness on Switching Intention..... | 50 |

| | |
|--|----|
| Table 20 : ANOVA test of Dissatisfaction, Switching Cost and Relative Attractiveness on Switching Intention..... | 51 |
| Table 21:Coefficient of Dissatisfaction, Switching Cost and Relative Attractiveness on Switching Intention..... | 52 |
| Table 22: Summary of Hypothesis Results | 55 |

List of Abbreviations

SNS: Social Networks Sites

PPM Model: Push Pull Mooring Model

Dissatisfaction (DS)

Switching Cost (SC)

Relative Attractiveness (RA)

Switching Intention (SI)

Chapter 1: Introduction

1.1 Background of the Study

1.1.1 Overall Background

Personalized Web services have gradually assimilated into the mainstream Internet activity, especially the development of Social Network Sites (SNS), in recent years, SNS is a new breakthrough Internet application that promotes interpersonal communication. SNS first became popular among young adults and later spread to other social groups; people have then come to accept the Internet as a tool for social activities. Pew Research Center conducted a survey of American young adults regarding their Internet use and found that more than half of the respondents use SNS (Lenhart et al., 2010). For example, Facebook, provides a platform for the younger generation to maintain social ties that are relevant to the school experience. Facebook, launched in 2004, has already become one of the most critical tools for social communication. To date, there are more than 400 million active users logging into facebook.com at any given moment, compared to 12 million users in 2007. Among all of these users, more than 35 million people update their status and spend 10 to 30 minutes communicating with people on their "Friend List" daily (Facebook.com, 2013). Though the total number of SNSs has been growing rapidly in recent years, some SNSs have closed down or are facing financial problems due to intense competition. For instance, SixDegrees.com, launched in 1997, was recognized as the pioneering Social Network sites but was closed in 2000 because it failed to sustain its business. Friendster.com, which was launched in 2002 but received little traffic in the US, was warmly received in Asia (Boyd and Ellison, 2007). Pownce, launched in 2007, was a free social networking and micro-blogging site taken offline at the end of 2008. Bebo, generally considered to be a young User Profile - mainly school-age children, has also been lost: Independent User drop by 24 per cent to 9 million years by April 2009. Its parent company, AOL, has decided against investing further on the venture and is contemplating either selling the website or simply closing it (Arthur and Kiss, 2009). As the social networking stage is rife with heavy competition, it is important for service operators to retain their current customers. Furthermore,

attracting new users is considered an important mission. However, existing research on SNS mainly concentrated on the users' intention to participate in (Park et al., 2009; Shin and Kim, 2008), the motivation for using SNS among late adolescents (Barker, 2009), and the assessment of the impact of using SNS on teens' well-being (Raacke, 2008). However, few studies have shed light on users' behavior toward SNS services. In the service literature, online service switching has captured researchers' interest (Kim et al., 2006). User turnover affects the success of an SNS and is therefore crucial in understanding the factors influencing the users' switching intention and behaviour. The most important objective of this study is to determine the significance of the factors which influence users on their switching intention. For SNS service providers, understanding the behavioral intention of SNS users can help them design features for a target group of particular users and hence sustain their business.

1.1.2 What is SNS?

The social networking sites, is a kind of website which has multiple users which enable them to share, publish themselves and to connect with their friends or others who like to sharing or publishing as well.

According to Nagra and Gopal (2013): SNS is being used widely in the world, users treat it as an important platform for connecting with other in the world. Furthermore, SNSs are a type of online social media platform website which includes blogs or micro blogs, but the SNSs have different characteristics, which make them unique and these are notable reasons for their success increased in the majority of countries. According to Boyd and Ellison (2007), SNS covers three main areas. First, it discloses in public or semi-public the user profile, second, it aims to share with other users with the user list information,. Third, visibility and wire connection links, allow users to extend their social networks beyond their direct contact.

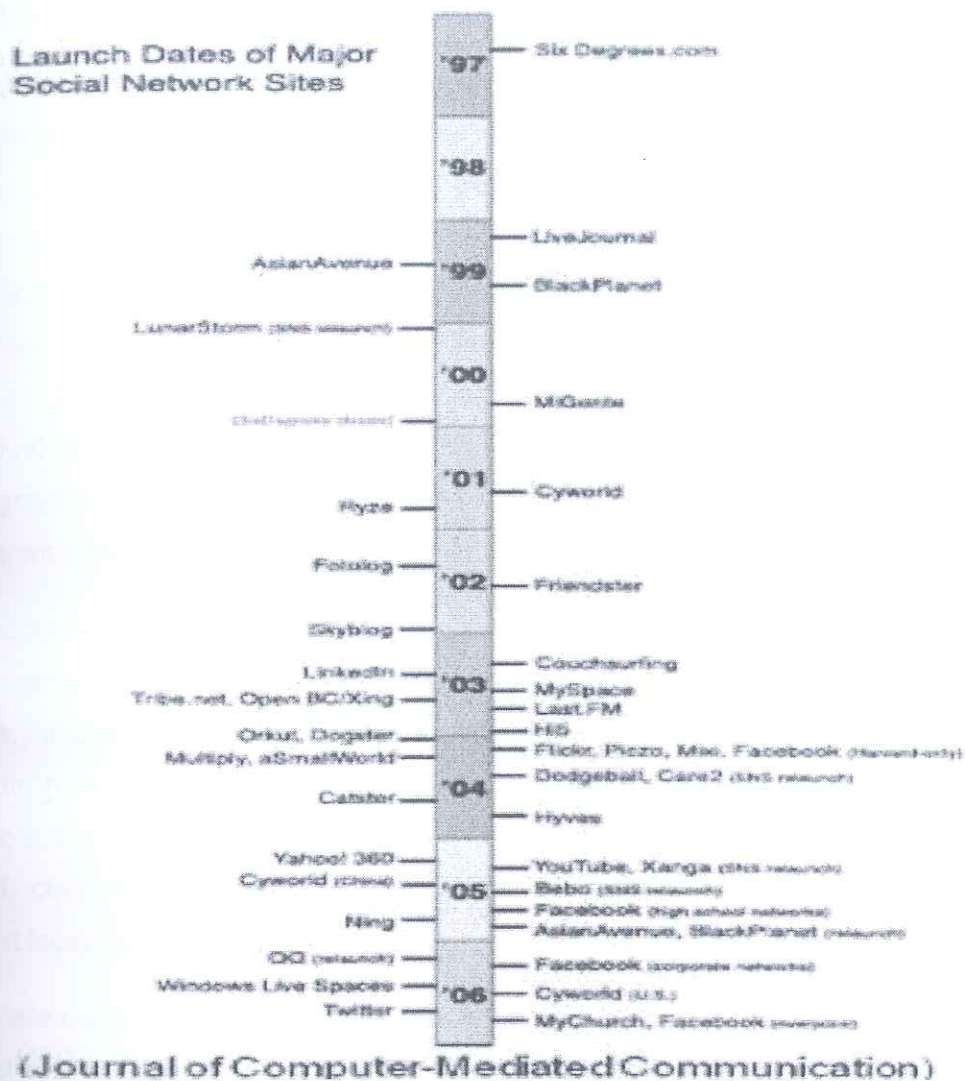


Figure 1: Launch Dates of Major Social Network Sites

Source: <http://www.marklund.no/the-launch-dates-of-major-social-networking-sites/> Marklund (2009)

Based on the above figure 1, it can be seen that many different types of SNSs were launched from 2002 to 2006. The Facebook was first time launched in 2004 as the social network site of Harvard only. Then in 2005, Facebook was launched again as the high school networks, with the high development speed of SNS industry, Facebook was launched one more time in 2006, and it became a SNS for servicing the public, that it provides services for everyone in the world.

1.1.3 Major SNSs in the world

Facebook is one of the fastest growing social network sites in the world. It was first introduced in February 2004 as the Harvard online social networking site. This site was first time to the general public in 2006 from a college confined registration condition. In 2006 the numbers of Facebook users was more than 12 million in the world and it reached 350 million in 2009 (Abro, 2014). In 2014 Facebook is used by more than 1.3 billion users across the globe (Facebook statistics, 2014). Facebook is basically an online social network site where an individual could transfer and share information, knowledge, news, video clips, photographs, personal information, and contact their new and old groups of friends with one another. (Sheldon, 2013)

The social networking sites have provided many things such as audio and visual capabilities comprising of web-blogs, wikis, social bookmarking, media shares, information spaces, Feeds, micro-blogging sites. Facebook and LinkedIn have abilities to facilitate communication and interaction online. There is a clear trend among users to hold the above social media sites particularly at school, college and university level. It has changed communication patterns even at local level (Armstrong, 2008)

There are many different types of SNSs which are being used around the world. Almost every country has its own local SNSs, but only a few SNSs are widely used around the world, for example, Facebook and Twitter. For now, Facebook is the most popular and attracts the biggest group of users in the world.