Current Trends in Technology and Science

ISSN: 2279-0535. Volume: II, Issue: II

The effects of online shopping factors on customers repurchase intention in Malaysia

Meisam Karami,

P.HD Scholar, Faculty of Management and HRD (FPPSM), 81310 UTM Skudai, Johor, Malaysia E-mail: kmeisam3@live.utm.my Tel: #+60147765651

Dr. Saif-Ur-Rehman Khan

Associate Professor, Faculty of Management and HRD (FPPSM), 81310 UTM Skudai, Johor, Malaysia Email: saif@utm.my

Sayyedeh Parisa Saeidi

P.HD Scholar, Faculty of Management and HRD (FPPSM), 81310 UTM Skudai, Johor, Malaysia Email: saeidi55@yahoo.com

Parvaneh Saeidi

P.HD Scholar, Faculty of Management and HRD (FPPSM), 81310 UTM Skudai, Johor, Malaysia Email: saeidi.parvaneh@yahoo.com

Sayedeh Parastoo Saeidi

P.HD Scholar, Faculty of Management and HRD (FPPSM), 81310 UTM Skudai, Johor, Malaysia Email: parastoo_saeidi@ymail.com

Abstract — the aim of this study is to look at the quick changes in the environment of the internet, carefully that make a competitive business landscape for online repurchases. It creates challenges and opportunities for businesses and also to examine the elements that can affect the intentions of online consumers to repay the service and product. The purpose of the present study is supplying a literature that can help of online stakeholder. On top of that, the results reinforce many existing literature in the context of the online shopping factors effect on customer repurchase. It prepares for in advance functional information for controlling businesses particularly in online shopping factors effect on customer repurchase. The finding of this study is able to help to businessman in developing their internet and online shopping as well.

Keyword — customers repurchase intention, Malaysia, online shopping.

1. INTRODUCTION Internet usage grew extremely quickly and disclosed everything at unexplored places for commerce and trade which is called Electronic Commerce (E-Commerce). At the present time, ecommerce has started a worldwide transact thunder and E-Commerce pursuit expansion powerful speed of progress. E-commerce involves the internet exploit in the identification, marketing, services and goods delivery and payment. It has turned into one of the necessary distinguishing qualities in the time of internet. In accord

with UCLA (University of California, Los Angeles) midpoint of policy of communication, internet transaction is changed the most common activity on the internet, at once following email utilizing web browsing and messaging. It is even more interesting than news and entertainment information as well.

For business, online business reduces the cost of purchasing. The nature of distribution in E-commerce eliminates the role of middleman and hence cuts a considerable cost to the firm. Moreover, firms that engage in online business do not need to rent or own a space of a building and in that way avoid expenses. On the other hand, online business provides consumers with quite a good number of benefits ranging from more interactive communications present in the system, both the distribution and the delivery are efficient and fast, product and services that are available in online business are more customized and one can get almost what he order if not exactly. In addition the range that exists between products or services in different forms gives a very competitive advantage to online customers as they can easily compare prices of the products/services.

The latest online statistics of [1] A. C. Nielsen stated that the most Malaysians are expending much time for internet access contrasted to the prior years. The usage of internet obtained 41% in the year 2010 contrasted to a year ago 25% in accord with the most recent result of Nielsen Mobile Insights directed upon the country [1]. A survey which has been done in the mid of 2005 through the Malaysian communication and Media Corporation (MCMC), in three months paying attention to only 9.3 percent of consumers of internet has purchased services



Current Trends in Technology and Science ISSN: 2279-0535. Volume: II, Issue: II

or goods on the internet throughout. Amid those airline tickets which are already purchased and it is very familiar items (43%) trailed through the reserve (15%) and music (6%). Quantities expended on these stuffs were weakly, nevertheless with 55.7% of interaction value not more than \$500. Furthermore, there is predicting that online interaction of Malaysians will expand year by year. There are some streams of research which are linked to this survey. They are consisted those addressing the causes which have an important impact on shopping in online [2], [3], [4], [5], [6], [7], [8]. It recognized that the elements which had been discovered may capable consequently toward antecedent inquiry regarding online shopping.

Having online transaction is a current method of shopping which is becoming very familiar and prevailing in Malaysia. Malaysian people can have shopping just by utilizing their bank account from anywhere and anytime. Online shopping can save energy, money and time in the modern world. As a result, there are plenty of chain stores which are developed very fast in Malaysia nowadays and customers are able to offering their product and service via internet. Therefore, it is very significant to consider the online shopping effect on customer repurchase intention in Malaysia.

2. LITERATURE REVIEW

2.1. Perceived value

The fundamental marketing activities outcome and is a first-order factor in relationship marketing (RM) is perceived value [9]. Hume study shows that there is an encounter-specific and direct perceived association between value satisfaction [10]. Therefore, online shopper may by a perception mix their comprehension of which they obtain "benefits" and which they have to stop trying "sacrifices" in order that get a particular service or goods [11]. On top of that, [10] proposes that perceived value is the consequential repurchase intention indicators as well. If an online transaction presented a higher value level, this will get better the customer's return label and buying again in future. In the retailing literature, discovered merchandise [12] that perceptions mediate the influence of store option standard and environmental of store indicates for example quality of merchandise on the intentions of store sponsorship. In a similar manner, [12] discovered proof which the perceived value has a direct relationship and impact on intentions of loyalty.

2.2. Efficiency

Efficiency explains as the ability of a customer to productively access to the internet, find their longed for a product, have a good relationship with information and make a detailed examination with simple attempt [13].

Efficiency has a direct attention to the downloading speed, navigation and searching [14]. There is agreement amid respondents about the necessity for effective service which has a fast loading page, the images and speedy search mechanisms and fast downloading. Despite the fact that company which provides Internet access for a fee or by public subsidization frequently accuse the conditions of the hardware in the consumer's possession for lack of efficiency, providers are capable to enlarge efficiency, even though users have low-speed computers, through decreasing the complicated graphics number and also through utilizing interlacing (method of display in which even and odd lines are scanned separately on the screen so that the display seems to skip).

2.3. Firm reputation

[15] indicates that firm reputation is delineated as perceptions of customers that in what manner well an organization watches over customers and is sincerely worried about their welfare. On top of that, [15] indicates that good name supply organization with a buffering impact; separate the users from negative failure outcomes. Hess disputes that firm reputation mediated the association amid lowered stability and controllability attributions, satisfaction and failure severity and also goes to superior repurchase intentions subsequent failures of service. Stability and controllability attributions are connected merely to repurchase intentions; satisfaction is not completely mediating these associations. In accord to the above research result, it is clear that having good firm reputation can drive to have excellent online repurchase intentions.

2.4. Responsiveness

Responsiveness are measuring the company capability to supply suitable information for customers whereas a problem is happening, Responsiveness have a system for providing online guarantees and handling returns [13]. The prompt capability is provide a service; responsiveness examples comprise serving lunch fast to someone which is in a hurry or mailing an interaction slip at once and calling the customer back rapidly [16]. Correspondingly, [17] indicates responsiveness as pleasantness to assist online shoppers and it possibly measured in the preceding time of writing back to customer questioning. [18] suggested that responsiveness is improved when the site supply exchange policies and elastic return that would support customers to have online shopping when it decrease the perceived risk related to the online shopping. [19] indicate that customers are anticipating online store managers have a response to their exploration immediately. Therefore, prior researchers discovered that the web-based service responsiveness have emphasized the significance of the customer satisfaction and perceived service quality [20].

2.5. Privacy



Current Trends in Technology and Science ISSN: 2279-0535. Volume: II, Issue: II

Table (1) Literature summery

Privacy is directing attention to the degree to which the internet transaction protects and save the information of customers [21]. Nowadays technology's improving the capacity of information processing, plus its complexity and have created privacy a progressively significant problem [22]. As a result, online shopper mistrust is growing concern in what manner their personal information is processed and gathered [22]. In Malaysia, there some online shoppers seem to be frightened for buying services and products online or to supply personal data online because of concern over the lack of possibility and privacy which online retailers can use improperly their data. For instance, online shoppers are uncertain to buy online if they do not feel secure about their information such as credit card data is protected and secured from hackers in internet or not [23]. The previous literature context of online shopping shows that consumers' understanding of privacy has an important and positive impact on their trust through online shopping [21]. The quantitative significance of online shopping privacy is indicated by [24], which draws attention to the privacy protection which is the main interest of online shoppers [22]. As it is, if the online shopper does not fell score of their data and privacy, they would not desire to repurchase, but if they fell score of their data and privacy they will be desirous of buying again.

2.6. Trust

Trust of customer has an important function in supporting long-time connections with the retailer. [21] indicates the trust which is shown as a set of particular opinion direct principally with the qualification, integrity and benevolence with the next party. Benevolence is the opinion that the trustee will not perform opportunistically opposite a person who trusted, even bestowed the chance [21], [25]. Qualification is the opinion in the trustee's capability to gratify its duty responsibility as anticipated through a person who trusted [21]. Integrity is the opinion which the trustee can faithful to reality and will faithfully to the reality of its obligations [21], [25]. Trust of customer indirectly suggests that the excellent firm intentions are not asked through the online shopper, that the declaration of intention made does not create doubtfulness in the customer, and that the communication amid the parties is truthful. The uncertainty of customer can indirectly suggest the ability for negative outcomes and service failure. Hence, trust turns into important to long-lasting associations [26]. Trust absence decreases the shoppers' chances to occupy with the internet transaction due to the fact that they are reluctant to have a transaction with a vendor whom they do not trust. Truthfully, previous studies show that trust has a functional function for online shopper to have repurchase [21].

		1) Literature summery
S-	Author(s)	Major Findings/Concepts
No	and Year Moliner et	The indicate that Contains 1
1	al., (2007).	They indicate that fundamental marketing activities outcome and
	an., (2007).	are a first-order factor in
		relationship marketing (RM) is
		perceived value.
2	Jessica,	He indicates that efficiency has a
	(2003)	direct attention to the
		downloading speed, navigation
		and searching.
3	Hume,	He proposes that perceived value
	(2008)	is the consequential repurchase
		intention indicators
4	Hess,	He indicates that firm reputation
	(2008)	is delineated as perceptions of
5	Zaitham1	customers.
J	Zeithaml, (2002)	He shows that responsiveness is measuring the company capability
	(2002)	to supply suitable information for
		customers.
6	Dubbs,	He suggested that responsiveness
	(2001)	is improved when the site supply
	` /	exchange policies and elastic
		return that would support
		customers to have online
		shopping when it decrease the
		perceived risk related to the
_	.	online shopping.
7	Liao and	They indicate that customers are
	Cheung, (2002)	anticipating online store managers have a response to their
	(2002)	exploration immediately.
8	Chiu et al.,	They represent that privacy is
	(2009).	directing attention to the degree to
		which the internet transaction
		protects and save the information
		of customers.
9	Flavia´n	They show that online shopper
	and	mistrust is growing concern in
	Guinalı'u,	what manner their personal
	(2006).	information is processed and
10	Udo	gathered.
10	Udo, (2001)	He indicates the quantitative
	(2001)	significance of online shopping privacy.
11	Chiu et al.,	He depute that the trust of the
11	(2009)	customer has an important
	(2007)	function in supporting long-time
		connections with the retailer.
12	Chiu et al.,	They show that trust has a
	(2009).	functional function for online
		shopper to have repurchased.
		shopper to have repurchased.



Online shopping factors Perceived value Efficiency Firm reputation Responsiveness Privacy Trust Customers repurchase intention

Fig. 1. Research model

3.Discussion and conclusion

Existent study is indicating widely with the impact of online shopping factors on customers repurchase intention in Malaysia. Comparatively, the researches are taken into account for online shopping repurchase are small; but this study supplement value through contributing to the proportionately scanty literature through mixing various pattern from prior researches. This study implies that the all the identified factors have influenced the intention to online repurchase. This research confirms many others of the prior study's findings. To a certain degree, the integrated model is more useful in comprehending online shopping repurchase. According to context, there is some contribution form of the context on the subject in Malaysia. Whereas, there is the new enlarge studies in Malaysia, the quality and quantum are still far from the other Asian countries amount of work done for online shopping. Malaysian people research contribution practitioners can be useful for the information and knowledge to reveal particularly for decisions that are strategic [27].

Online retailers must endeavor to create excellent trust and reputation that can make buyers possible to go on their shopping from them. Privacy also is a very significant issue. Internet transaction must go on to concentrate upon enhancing their benevolence through supporting excellent business ethics that can assist in creating confidence and trust amid buyers. In addition, guarantee information privacy prepares for in advanced through online shoppers, creating trust and added value, excellent reputation and condition of being useful of this mode must be communicated and improved to online shopping. The greater usefulness intuition of online shoppers, the greater their returning likelihood, thus, online retailers must manifestly present these advantages in their proposal of advantages to the public [27].

In this study clearly demonstrated that the factors are very important. May be it is hard for the some particular

Current Trends in Technology and Science ISSN: 2279-0535. Volume: II, Issue: II

organizations in Malaysia for understanding the significance of administering buyers' anticipation and be capable to supply trustworthy, practical and comfortable in using and learning systems which is capable gratifying online shopping knowledge obtained by online transaction [27].

As the research is present, online shoppers will be pleased to buy again services and products from an online store which is suggesting a good practical store front which is free of hiccups and any other restriction may disappoint online shoppers potential. Having an online transaction should be comprehended that what is an online shopping experience for Malaysians by supplementation, and try to supply them. Most prior research where the effectiveness and customers procedure orientations were useful in their online shopping; Malaysian studies show that relational and ethical variables particularly, trust, reputation and privacy are too many significant elements to having more studying [27].

Obviously for obtaining online transaction/shopping prosperity, businesses of online in Malaysia should invest time and resources to comprehend online shoppers need in the marketplace. On the foundation of this study, the online organizations must put to ethical practical use, customers process orientations, outcome, and inward that improve appropriate strategies of marketing to keep in possession their buyers, that may increase repurchase activities in the future.

An excellent customer relationship management (CRM) will give power to an organization to supply best quality of service to gratify buyers' needs. It may increase online shopper satisfaction, and is the reason to decrease switching of customer behavior. It also might be for online organization to develop their quality of being competitive through delivering services to customers and effectively managing which is guaranteeing the ethical standards highest level, beneficial outcomes and efficient processes [27].

Some government agencies in Malaysia are capable to find this paper result functional, especially with respect to improving internet substructure. Some needs are there that required to increase competition amid providers of internet service. And the outcome of this paper may be able to help to businessman in developing their internet and online shopping as well in Malaysia.

5.2. References

- [1] Nielsen, A. C., Seek and You Shall Buy, Entertainment and Travel, Viewed 18 September 2011.
- [2] George, J.F., Influences on the intent to make Internet purchases', Internet Research: Electronic Networking Applications and Policy, Vol. 12, No. 2, pp. 165-180, 2002a.
- [3] Shergil, G.S, and Z. Chen., Web-based shopping: consumers' attitudes towards online shopping in



- Current Trends in Technology and Science ISSN: 2279-0535. Volume: II, Issue: II
- New Zealand, Journal of Electronic Commerce Research, Vol. 6, No. 2, pp. 79-94, 2005.
- [4] Hellier, P.K, G.M. Geursen, R.A. Carr., and J.A. Rickard., Customer repurchases intention: A general structural equation model, European Journal of Marketing, Vol. 37, No. 11/12, pp. 1762-1800, 2003.
- [5] Ward, M.R., and M.J. Lee., Internet Shopping, consumers search and product branding, The Journal of Product & Brand Management, Vol. 9, No. 1, pp. 6-20, 2000.
- [6] Phau, I., and S.M. Poon., Factors influencing the types of products and services purchased, Internet Research: Electronic Networking Applications and Policy, Vol. 10, No. 2, pp. 102-113, 2000.
- [7] Jarvenpaa, S.L, P.A. Todd., Consumer reactions to electronic shopping on the World Wide Web, International Journal of Electronic Commerce, Vol. 1, No. 2, pp. 59-88, 1997.
- [8] George, J.F., The theory of planned behavior and Internet purchasing, Internet Research, Vol. 14, No. 3, pp. 198-212, 2004.
- [9] Moliner, M.A., Sa'nchez, J., Rodrı'guez, R.M. And Callarisa, L., Perceived relationship quality and post-purchase perceived value: an integrative framework, European Journal of Marketing, Vol. 41 Nos 11/12, pp. 1392-422, 2007.
- [10] Hume, M., Understanding core and peripheral service quality in customer repurchase of the performing arts, Managing Service Quality, Vol. 18 No. 4, pp. 349-69, 2008.
- [11] Ha, H.Y. And Janda, S., An empirical test of a proposed customer satisfaction model in eservices, Journal of Services Marketing, Vol. 22 No. 5, pp. 399-408, 2008.
- [12] Guenzi, P., Johnson, M.D. and Castaldo, S., A comprehensive model of customer trust in two retail stores, Journal of Service Management, Vol. 20 No. 3, pp. 290-316, 2009.
- [13] Zeithaml, V., Parasuraman, A. and Malhotra, A., Service Quality Delivery Through Websites: A Critical Review of Extant Knowledge. Journal of the Academy of Marketing Science. 30(4): 362-375, 2002.
- [14] Jessica Santos, E-service quality: model of virtual service quality dimensions Managing Service Quality, Valume 13, pp.233-246, Numeber 3, 2003
- [15] Hess, R.L., The impact of firm reputation and failure severity on customers' responses to service failures, Journal of Services Marketing, Vol. 22 No. 5, pp. 385-98, 2008.
- [16] Lamb, Hair, McDAniel, Marketing, South-Western Cengage Learning, pp 352-355, 2009.
- [17] Watson, R.T., Pitt, L.F., and Kavan, C.B. "Information Systems Service Quality: Lessons from Two Longitudinal Case Studies," MIS Quarterly (23:1), pp 61-79, 1998.

- [18] Dubbs, D., Many (ubhaooy) returns, available at: http://multichannelmerchant.com/psandfulfillment/warehouse/fulfillment_unhappy_return/indix.html (accessed June 23, 2006, 2001.
- [19] Liao, Z. and Cheung, M., Internet based e-banking and consumer attitudes: an empirical study, Information and Management, Vol. 39 No. 4, pp. 283-95, 2002.
- [20] Yang, Z. & Jun, M., Consumer Perception of Eservice Quality: From Internet Purchaser and Non-purchaser Perspectives. Journal of Business Strategies, 19, 1, 19-41, 2002.
- [21] Chiu, C.M., Chang, C.C., Cheng, H.L. and Fang, Y.H., Determinants of customer repurchase intention in online shopping, Online Information Review, Vol. 33 No. 4, pp. 761-84, 2009.
- [22] Flaviaa'n, C. and Guinali'u, M., Consumer trust, perceived security and privacy policy: three basic elements of loyalty to a web site, Industrial Management & Data Systems, Vol. 106 No. 5, pp. 601-20, 2006.
- [23] Collier, J.E. and Bienstock, C.C., Measuring service quality in e-retailing, Journal of Service Research, Vol. 8 No. 3, pp. 260-75, 2006.
- [24] Udo, G., Privacy and security concerns as major barriers for e-commerce: a survey study, Information Management & Computer Security, Vol. 9 No. 4, pp. 165-74, 2001.
- [25] Ndubisi, N.O., Conflict handling, trust and commitment in outsourcing relationship: a Chinese and Indian study, Industrial Marketing Management, Vol. 40 No. 1, pp. 109-17, 2011.
- [26] Eisingerich, A.B. and Bell, S.J., Maintaining customers' relationships in high credence services, Journal of Services Marketing, Vol. 21 No. 4, pp. 253-62, 2007.
- [27] Chai Har Lee, Uchenna Cyril Eze, Nelson Oly Ndubisi., Analyzing key determinants of online repurchase intentions, Asia Pacific Journal of Marketing and Logistics, Vol. 23 Iss: 2 pp. 200 221, 2011.