A STUDY ON THE RELATIONSHIP AMONG TRUST, SATISFACTION AND REPURCHASE INTENTION TOWARDS E-SHOPPING

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ABSTRACT:

The shift in the shopping behavior towards online shopping in particular has encouraged many organizations to launch e-store businesses. Trust is considered to be the most crucial factor for the success of e-shopping. Customer's trust has generally been identified in terms of beliefs and behavior/ behavioral intention. Customer satisfaction is determined by emotional reactions. In general, satisfaction leads to positive results such as increase in customer loyalty and customer repurchase intention. In India online shopping is expected to grow to 65 million by end of 2015 with better infrastructure in terms of logistics, broadband and Internet-ready devices.

Key Words: **Online shopping, Trust, Satisfaction and Repurchase Intention**

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INTRODUCTION

In today's information society, the use of a computer with an internet connection has become a part of daily life and has altered the way we live our lives. The shift in the shopping behavior toward online shopping in particular has encouraged many organizations to launch e-store businesses. Most of the users access internet for general search, social networking browsing and entertainment. Interestingly 61 percent access internet for online shopping and 63 percent access to do online transactions. About 40 million consumers purchased goods and services through online shopping in the year 2014. It is expected to grow to 65 million by end of 2015 with better infrastructure in terms of logistics, broadband and Internet-ready devices.

Trust is considered to be the most crucial factor in the success of e-shopping. Trust has generally been identified in terms of beliefs and behavior/ behavioral intention. Trust may be defined as the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the trustor.

Customer satisfaction or dissatisfaction with an e-shopping is closely related to its ability to fulfill customer's demands and desires, which depends on the level of their expectation before the visit as well as the experience they get during each visit. Customer satisfaction is determined by emotional reactions. In general, satisfaction leads to positive results such as increase in customer loyalty and customer repurchase intention.

Customer repurchase intention is the interest of the respondents to visit the website again and involve in the purchase activity.

REVIEW OF LITERATURE

Liljander and Mattsson, (2002) in their study demonstrated the importance of past service experiences for customers responses, especially their repurchase intentions. Since past service experiences or product experiences influence future purchases, marketers need to focus on improving experiences. Communicating about customer experience assumes significance.

Bennett, R., & Rundle-Thiele, S., (2004). Customer satisfaction is an important issue for marketing managers, particularly those in services industries. However, it appears that achieving customer satisfaction is often the end goal, as evidenced by the emphasis on customer satisfaction surveys. This paper proposes that this focus is due to the assumption that satisfied customers are loyal customers and thus high levels of satisfaction will lead to increased sales. As a result of this assumption, customer satisfaction is often used as a proxy for loyalty and other outcomes. The authors empirically demonstrate that satisfaction is not the same as attitudinal loyalty and that there are instances where satisfaction does not result in loyalty. A business sample was selected due to the relevance of satisfaction and attitudes in settings of high risk where a high level of decision making is involved.

Frow, P., & Payne, S.A., (2007) states that customer experience management is to enhance relationships with customers and build customer loyalty. Research suggests, however, that service quality and customer satisfaction may actually be declining as customers often receive service and quality that falls well below their expectations. Their paper examines the concept of customer experience and considers how an 'outstanding' or 'perfect 'customer experience might be achieved at an affordable cost. Their result states derivation of managerial implications, such as the careful management of customer touch points", based on qualitative case studies.

Mohammed Rafiq, Heather Fulford & Xiaoming Lu.,(2013). This paper examines the challenge of building customer loyalty in the e-tailing environment. It examines the role of relationship quality (RQ) in the formation of customer loyalty in Internet retailing. In a departure from existing research, RQ is treated as a disaggregated, multidimensional construct, rather than a global one, consisting of relationship satisfaction (RS), trust, and commitment. Based on an online survey of 491 Internet grocery shoppers, structural equation modeling is used to test the influence of the different dimensions of RQ on e-loyalty. Results show that RS, perceived relational investment, and affective commitment have a strong and positive impact on e-loyalty. Trust also has a strong effect but works via RS. The results suggest that the disaggregated model of RQ provides a better prediction of e-loyalty than the aggregated model of RQ.

OBJECTIVES OF THE STUDY

- To identify the purchase pattern of the young graduates in e- shopping.
- To analyze the relationship among trusts, satisfaction and online repurchase intention.
- To measure the association of trusts, satisfaction and online repurchase intention across the demographic profile.

RESEARCH METHODOLOY

Descriptive research design is used for the study. The respondents of the study constitute post graduate students in Coimbatore district of Tamil Nadu. The data was collected from 201 respondents through a survey for the study. The sampling technique used is purposive sampling. Primary data was collected through a questionnaire and the secondary data was collected through various research journals and IAMAI survey report. The data collected was processed through SPSS Version 22. Mean, standard deviation, one way ANOVA and Karl Pearson correlation were used to analyze the data.

ANALYSIS AND FINDINGS

TABLE 1.1

GENDER OF THE RESPONDENTS

Gender	Frequency	Percentage
Male	115	57.2
Female	85	42.8
Total	200	100

TABLE 1.2
EXPERIENCE IN INTERNET SURFING

	Frequency	Percent
Less than one year	16	8
1 yr to 2yr	39	19.4
2yr to 3 yr	40	19.9
More than 3 yrs	105	52.7
	200	100

TABLE 1.3

AMOUNT SPENT IN ONLINE SHOPPING IN THE LAST 6 MONTHS

Amount spent	Frequency	Percent
Less than Rs. 1000	43	8.3
1001-10,000	97	18.8
10,001 -20,000	32	6.2
More than 20,000	20	3.9

Among the 201 respondents, 115 were male and 86 were female.(table 1.1). 106 students have more than three years of experience in online shopping. Maximum amount spent online by the students vary from Rs.1000/- to Rs.10000/-. (Table 1.3)

TABLE 1.4
TYPE OF PRODUCT

Product	Frequency	Percent
Household	21	10.4
Books	66	32.8
Clothes and outfits	30	13.5
Ornaments	27	13.4
Electronic Items	51	25.4
Durable Goods	5	2.0
Total	201	100

Table 1.4 shows the distribution of the product that was purchased by the participants. It is very clear that students are interested in buying books and electronic goods by online shopping. 13% of the participants are also involved in the purchase of clothes, outfits and ornaments.

TABLE 1.5
MODE OF PAYMENT

	Frequency	Percent
Credit Card	49	9.5
Debit Card	131	25.4
Cash on Delivery	5	1.0
Total	201	100

TABLE 1.6

FREQUENCY OF PURCHASE

	Frequency	Percent
Once in a week	20	10.0
Once in a month	94	46.8
Once in a year	24	11.9
During festivals/functions	17	8.5
During offers/ discounts	46	22.9
Total	201	100

Table 1.5 and 1.6 shows the mode of payment and frequency of purchase. Debit card is the most preferred mode of payment. 46 percent of the respondents shop online once in a month and 46 percent also prefers to shop during offers and discounts.

TABLE 1.7 INTERDEPENDENCE OF THE FACTORS

	Trusts	Satisfaction	Repurchase Intention
Trusts	1	.357** .000	.147* .037
Satisfaction	.357** .000	1	.089 .210
Repurchase Intention	.147* .037	.089 .210	1

**Correlation significant at the 0.01 level (2 tailed)

*Correlation significant at the 0.05 level (2 tailed)

There is a high degree of correlation between trusts and satisfaction at 0.01 level of significance. There is a moderate degree of positive correlation between trusts and repurchase intention at .05 level of significance. There exists a positive correlation between satisfaction and repurchase intention but it is not significant at both the level of significance.

Testing of Hypothesis

ONE WAY ANOVA FOR TESTING THE SIGNIFICANCE DIFFERENCE

Ho1: There is no significance difference in the opinion towards trust in online shopping within gender

Ha1: There is significance difference in the opinion towards trust in online shopping within gender

Ho2: There is no significance difference in the opinion towards trust in online shopping within gender within experience in internet surfing.

Ha2: There is significance difference in the opinion towards trust in online shopping within experience in internet surfing.

Ho3: There is no significance difference in the opinion towards satisfaction in online shopping within gender

Ha3: There is significance difference in the opinion towards satisfaction in online shopping gender

Ho4: There is no significance difference in the opinion towards satisfaction in online shopping within experience in internet surfing.

Ha4: There is significance difference in the opinion towards satisfaction in online shopping.

Ho5: There is no significance difference in the opinion towards repurchase intention in online shopping within gender

Ha5: There is significance difference in the opinion towards repurchase intention in online shopping within gender

Ho6: There is no significance difference in the opinion towards repurchase intention in online shopping within experience in internet surfing.

Ha6: There is significance difference in the opinion towards repurchase intention in online shopping within experience in internet surfing.

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TABLE 1.8

ONE WAY ANOVA FOR TESTING THE SIGNIFICANCE DIFFERENCE IN TRUSTS

		Sum of Squares	df	Mean Square	F	Result
Gender	Between Groups	10.780	29	.372	1.654	Rejected
	Within Groups	38.424	171	.225		
	Total	49.204	200			
Experience in Internet Surfing	Between Groups	37.517	29	1.294	1.338	Accepted
	Within Groups	165.389	171	.967		
	Total	202.905	200			

TABLE 1.9

ONE WAY ANOVA FOR TESTING THE SIGNIFICANCE DIFFERENCE IN SATISFACTION

		Sum of Squares	df	Mean Square	F	Result
Gender	Between Groups	7.390	13	.568	2.542	Rejected
	Within Groups	41.814	187	.224		
	Total	49.204	200			
Experience in Internet Surfing	Between Groups	13.320	13	1.025	1.011	Accepted
	Within Groups	189.585	187	1.014		
	Total	202.905	200			

TABLE 1.10

ONE WAY ANOVA FOR TESTING THE SIGNIFICANE DIFFERENCE IN REPURCHASE INTENTION

		Sum of Squares	df	Mean Square	F	Result
Gender	Between Groups	.943	7	.135	.539	Accepted
	Within Groups	48.261	193	.250		
	Total	49.204	200			
Experience in Internet Surfing	Between Groups	8.468	7	1.210	1.201	Accepted
	Within Groups	194.438	193	1.007		
	Total	202.905	200			

Table 1.8 shows the results of one way ANOVAs. Since the calculated value for Ho1 is more than the tabulated value, the hypothesis is rejected. So there is a significance difference in the opinion towards trust in online shopping in terms of Gender. In case of second hypothesis, the calculated value is less than the tabulated value; hence the null hypothesis is accepted.(table no.1.9) There is a significance difference in the opinion towards satisfaction in online shopping gender. There is no significance difference in the opinion towards satisfaction in online shopping within experience in internet surfing. There is no significance difference in the opinion towards repurchase intention in online shopping within gender. There is no significance difference in the opinion towards repurchase intention in online shopping within experience in internet surfing.(table 1.10)

CONCLUSION

Although e-commerce has increased a large amount benefits such as creating superior value for customers beyond geographic barriers and generating the unprecedented business growth e-commerce has not been realized by many people. It can be said that the internet users may frequently visit the shopping sites but many of them do not perform the actual transaction with the sites. The above study reveals that youths can also contribute considerably towards the online

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shopping. The study clearly reveals that there is strong association between trusts in online shopping, customer satisfaction and ultimately customer repurchase intention.

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