



Online Consumer Satisfaction Towards Online Shopping in Malaysia During COVID 19 Pandemic

Sook Fern Yeo^{1,3}, Cheng Ling Tan^{2,4}, Kah Boon Lim^{1(✉)}, Chew Sze Cheah¹, and Zho Chung Goh¹

¹ Faculty of Business, Multimedia University, Melaka, Malaysia
kblim@mmu.edu.my

² Graduate School of Business, Universiti Sains Malaysia, Pulau Pinang, Malaysia

³ Department of Business Administration, Daffodil International University, Dhaka, Bangladesh

⁴ Department of Information Technology and Management, Daffodil International University, Dhaka, Bangladesh

Abstract. The detrimental effects of COVID-19 on all facets of the social-economic system have resulted in the retail sector moving away from conventional methods of purchasing and toward online shopping. The highly advanced technologies of the internet in this era are amazing. Due to the intense competition in the online retailing environment, it is critical for online merchants to discover the aspects that influence their customers' satisfaction with their purchases. As such, this study investigated the relationships between factors that drive customer satisfaction in online shopping within the context of Malaysia during the COVID-19 pandemic. Data were collected from 302 respondents between October 2020 and January 2021. In this study, two statistical analysis techniques were used for data analysis and testing of hypothesis, namely, Statistic Package for Social Science (SPSS) version 25 and Partial Least Square Structural Equation Modeling. As a result, tangibility, responsiveness, assurance and empathy displayed a significant and positive influence on customer satisfaction for online shopping. This research has important implications for online business owners to improve their services, eventually leading to continuous customer satisfaction. Having that said, this study sheds new light on platform serviceability within the e-commerce industry.

Keywords: Customer satisfaction · Online shopping · Responsiveness · Tangibility · COVID 19 · Malaysia

1 Introduction

As the high advance technologies of the internet in this era is simply amaze and it helps the service industry to run businesses effectively as internet has provide many opportunities for company and customer. With the high advance technologies, shopping can be done in much easier way. With just a few clicks in few minutes, people can be browsing all the products through online rather than walk in to the shop and search

for the product. In this era of advance technology, Malaysia still shows a slow growth on e-commerce activities and online shopping has become more preferable way for those with busy lifestyles. There are some existing problems in experiencing online shopping faced by customer. One of the most problems that people concerned is about the card safety and privacy. For example, security system is unsafe. Security is refer to the safety and security of customer transactions made in online purchasing including privacy policy such as password, user information, account number and etc. Therefore, customer information can get protection when the security system is ensured and service becomes more safety.

There are various tools used to study the service quality by researchers over 30 years ago [1]. SERVQUAL model is chosen to study customer satisfaction because it is a multidimensional and able to analyze more accurate information in online business compare with other measurement scales. In order to satisfy customers, they need to understand customer's expectation and experiences on product and service [2]. Classical SERVQUAL model need to be revised and it is necessary because customers interact with technology service quality more rather than the traditional service [1]. Moreover, some of the study said that SERVQUAL scale item should be formulate again in the online shopping [3].

Customer satisfaction is also said as the evaluation of the customer making purchase on goods and services and experience provided over the time [4]. Consumer react to the evaluation of the service provided of actual performance and the expectation of product or service as experience after consume can be called as customer satisfaction [5]. Customer satisfaction is major parts for a business. It can lead to customer to repurchase the product as the satisfied. Customer satisfaction is very important in all the business perception.

Global researchers have widely focused on online shopping behaviour. Thus, this research bridges the divide and initiates an empirical examination into the elements influencing customers' satisfaction in relation to the function of online shopping in Malaysia. The conclusions of this research will help the retailers get a better understanding of customer behaviour and how to maximise market share via consumer satisfaction. In precise, the following factors were assessed: tangibility, reliability, responsiveness, assurance and empathy.

Tangibility is defined as the degree to which a product or service can provide a clear concrete image [6]. Tangibility in SERVQUAL that act as online physical cues that facilitate services more tangibly through effective web design including design aesthetics and ease of use, visualization, and virtual tours [7]. Tangibility is one of the source that will affect customer expectation and satisfaction [8].

All companies have to be conscious about customer expectation of reliability. Customers are judging the dependability and accuracy of reliability in the delivered service and also the service being delivered [9]. As reliability will be impact on the customer satisfaction, therefore the better the consumer perception of the reliability toward the company, the higher the customer satisfaction. Conversely, if consumer perception on the poor reliability of the company, then customer satisfaction will also be lowered down [8].

Responsiveness is the employees need to alert in helping customers and provide good services, which includes fast response, handling transaction and handing complains [8].

Besides that, responsiveness is the service quality attributes that need to carefully investigate as it have negative and positive contribution towards online shopping, therefore need to grant more attention on that negative performance attribution to increase customer satisfaction [10].

Assurance is the ability of employees able to communicate confidence and trust for their customers. Customers will have higher expectations on the assurance in online shopping and look at that personal safety was one of the most important items in assurance. Assurance is the employees need to understand the courtesy their capabilities to convey confidence and trust towards customer to increase their satisfaction and trust towards company. The better the consumer's perception of the guarantees of assurance provided by the company, the customer satisfaction will also be higher [8]. Furthermore, assurance has the largest impact on customer satisfaction as it is fully depending on customer perception [9].

For services industry such as online shopping, empathy is important with giving attention, get to know customers' needs and wants and well manners when received feedback from customers so that can improve and enhance customer satisfaction [11]. In an organization, they need to understand the needs of the customer and make the services accessible for them to keep in touch with the customers [12]. Empathy is very important as a form of service that can be seen in employee's attitude and action and company need to know how to make the service to satisfy the customers [8].

It is worth noting here that only a few research has extensively examined the elements online consumer satisfaction towards online shopping in Malaysia during Covid 19 pandemic. Thus, this research bridges the divide and initiates an empirical examination into the variables influencing online consumer satisfaction in relation to the online shopping in Malaysia. The following criteria were evaluated in detail: tangibility, reliability, responsiveness, assurance and empathy. This study continues the review of the literature and formulation of hypotheses. The following sections provide an overview of the approach and findings. Finally, this research concludes with a discussion of the findings and their ramifications.

2 Methods

The non-probability purposive sampling approach was used in this investigation. Purposive sampling, is limited to a certain type of persons who are capable of providing the information that is sought for in the study [13]. Purposive sampling was determined to be the most appropriate method for this research since users are the online shoppers who were 18 years old or older and who resided in Malaysia were in a better position to contribute the information necessary for this investigation. The questionnaire utilised in this investigation was derived from a previous study, with some modifications made to make it more appropriate for the setting of this study. A total of 30 objects were employed in this study for the aim of gathering information (Table 1). An online invitation with a link to the questionnaire using 'Google form' was sent through WhatsApp and E-mail to all the target respondents from October 2020 to January 2021. Based on G-power with 0.15 effect size, 0.05 alpha, and 0.8 power; the minimum sample size required was 138.

Table 1. Survey items of the study.

Constructs	Indicators	Sources
Tangibility	The information can be found with minimum of clicks.	Wang (2015)
	The link provided is related to the products.	
	It is easy to find relevant information.	
	It is easy to print information from the web.	
Reliability	The access to the web page is fast.	Wang (2015)
	Registration process details are secured.	
	It presents the complete overview of the order.	
	The taxes or charges are shown clear and detailed.	
	Different payment options are stated clearly.	
Responsiveness	Queries or complaints will be solved within 24 h	Wang (2015)
	Graphic and animation on the web page do not minimize by user	
	The return of policy is reasonable.	
	Efficiency to contact customer if there is changes in price, product or may be delay.	
Assurance	Able to answer to client's request of technical information.	Wang (2015)
	Privacy policy can be accessible.	
	There will be guarantee about privacy of personal information.	
	Promises and trustworthiness towards customer.	
Empathy	Potential of high quality products at competitive price.	Wang (2015)
	Creates a pleasurable e-shopping experience for customer.	
	Customer service centre is always available at any time.	
	Navigation is consistent and available on every page.	
Customer Satisfaction	I am satisfied with the quality of the product.	Wang (2015)
	I am satisfied with the price of the product.	
	I am satisfied with the packaging of the product.	
	I am satisfied with the delivery service.	
	I am satisfied with the warranty giving of the product.	

3 Results and Discussion

A response rate of 94.38% was attained after 302 out of 320 respondents completed the questionnaire with the following screening question: “do you perform any online shopping during the COVID 19 pandemic”. From the 302 usable responses, 47.2% were males, while 52.8% were females. More than two-thirds of the respondents fell in the 22–24 age group, earned below RM1000 (31.1%) a month.

The construct measurement’s reliability was determined by assessing composite reliability [14]. The composite reliability, as calculated in Table 2, surpassed the benchmark value of 0.70, indicating construct reliability. Since the average variance extracted (AVE) exceeded the proposed criterion of 0.50, convergent validity was demonstrated for all constructs. Following that, the discriminant validity of the heterotrait-monotrait (HTMT) model was evaluated [15]. As experts have recommended that acceptable HTMT values (see Table 3) be less than 0.85 or 0.90 [15]. Thus, this research used the more stringent HTMT 0.85. Taken together, these findings demonstrated that the prevalent procedure bias did not pose a danger to the current research. As a result, the discriminant validity is acceptable.

Table 2. Measurement items of the study

Variables	Items	Loadings	Cronbach’s Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Tangibility	TAN1	0.823	0.813	0.814	0.877	0.641
	TAN2	0.789				
	TAN3	0.815				
	TAN4	0.773				
Reliability	REL1	0.712	0.806	0.813	0.865	0.561
	REL2	0.715				
	REL3	0.794				
	REL4	0.78				
	REL5	0.742				
Responsiveness	RES1	0.835	0.85	0.852	0.899	0.689
	RES2	0.802				
	RES3	0.828				
	RES4	0.855				
Assurance	ASS1	0.811	0.813	0.825	0.876	0.64
	ASS2	0.782				
	ASS3	0.764				
	ASS4	0.84				

(continued)

Table 2. (continued)

Variables	Items	Loadings	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Empathy	EMP1	0.828	0.782	0.785	0.86	0.606
	EMP2	0.786				
	EMP3	0.726				
	EMP4	0.77				
Customer Satisfaction	CS1	0.779	0.819	0.821	0.873	0.58
	CS2	0.748				
	CS3	0.771				
	CS4	0.745				
	CS5	0.763				

Table 3. Discriminant validity: HMTM

Hypotheses	Path	Std Beta	Std Error	t-value	Remarks
H1	Tangibility > Customer Satisfaction	0.252	0.069	3.662**	Support
H2	Reliability > Customer Satisfaction	0.086	0.071	1.208	Not Support
H3	Responsiveness > Customer Satisfaction	0.149	0.061	2.432*	Support
H4	Assurance > Customer Satisfaction	0.186	0.068	2.749**	Support
H5	Empathy > Customer Satisfaction	0.226	0.087	2.583*	Support

The structural model depicts the links between the research model's hypothesised constructs or latent variables. The R2 score for the endogenous components of customer satisfaction was 0.532 in this model. The R2 value goes from 0 to 1; the higher the number, the more accurate the prediction [16]. Following that, bootstrapping analysis was done on 5000 subsamples to assess the significance of the regression coefficients, which may be used to determine the relevance of the presented hypotheses. From the initial set of paths, four were revealed as significance at the 0.01 level and 0.05 level; and the remaining were insignificant (Table 4). The path coefficients of customer satisfaction with tangibility, responsiveness, assurance, and empathy were 3.662 ($p < 0.01$), 2.432 ($p < 0.05$), 2.749 ($p < 0.01$), and 2.583 ($p < 0.05$), respectively, hence supporting H1, H3,

Table 4. Results of hypotheses testing

	Assurance	Customer Satisfaction	Empathy	Reliability	Responsiveness	Tangibility
Assurance						
Customer Satisfaction	0.708					
Empathy	0.74	0.783				
Reliability	0.568	0.636	0.759			
Responsiveness	0.727	0.626	0.708	0.386		
Tangibility	0.684	0.748	0.776	0.823	0.502	

H4, and H5. Nevertheless, construct reliability, has no effect on customer satisfaction, thus H2 is not supported.

4 Conclusion

Customer is a key contributor for every industry. This research has explained that online shopping is mainly focus on the customer; therefore, customer satisfaction is very important for online shopping. First, online shopping should improvise on their online service. They should make sure all the employees able to provide professional services by providing training and also development programmes. They should learn to handling problems of customers and also enhance their understanding on the importance of providing quality services in order to reduce the negative effect of customer toward online shopping. In the training programme, they should also focus on their communication skills as customers need is personalized services. The ability of employees that provide prompt service to handle problems and interact with customers with an emphatic manner able to increase customer understand and also improve their satisfaction towards online shopping.

Next, based on the research, reliability shows no significant effect on customer satisfaction. Actually all of the service quality is important for all sectors. Therefore, every information and payment should state clearly when customer making any purchase. The order of customer made should be more detail in the invoice and delivery address, the date and the date required, contact details, the products required, quantity, price each and total price. Besides than that, service provider need to ensure the processes of communicating before, during and after the delivery. If the items are damaged, delivery person should call your supplier immediately and report the problem immediately so that they can prevent the damaged or faulty item reach to customer and they making complaint. It will easily affect their satisfaction if something wrong happens.

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