

E-Service Quality Factors Impacting Customers Purchase Retention in E-Retailing in Malaysia

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ABSTRACT

Many organizations have faced problems and challenges on furnishing online service quality to satisfy the customers. In Malaysia e-retailing is still a new business area. All Malaysians are not exposed to the online transaction over the internet and most often they are still hesitate to make online purchasing due to reasons of security, reliability and threat of fraud on transactions. Education of internet use for reliable information search and internet purchasing is also one of the main factors required to go for e-retailing. Without this technical literacy it would be very difficult for the consumers to go for online purchasing. This study designed and collected data from 148 customers who purchase online.

Findings of this study indicate that “Information Quality,” “Internet Security,” “Service reliability” are the key determinants of E-Service Quality among online buyers in Malaysia.

The implication for the owner-managers of the businesses in Malaysia is that they must be aware of the significance of the key E-Services Quality indicators while designing their businesses, to attract and retain customers.

1. INTRODUCTION

The growth of e-commerce in the global and emerging markets has created an important and special interest on the measurement of the e-service quality and also on the dimension of the e-services that influences on the customer’s satisfaction and their experience on the shopping through e-commerce or e-retailing (J. Yang, G. Miao, 2005).

With the rapid development of information and communication technology, Internet and World Wide Web have become important tools in business which has a major impact on business world. (Li, Hongxiu, Liu, Yong, Suomi, Reima, 2009) With the increase of e-service adoption in business field, the importance of measuring and monitoring e-service quality in the virtual world has been recognized, and e-service quality posits to be a hot topic in research field. Some academic researchers have

already been conducted to develop e-service quality measurement. From the existing literature, it is evident that these studies have been conducted mainly in the domains of online retailing service, online shopping website quality, and e-service quality. There has been limited attention on online service sector.

The activities of online retailers are focusing on the measurement and the improvement of e-service quality that is provided to their potential customers. E-service quality can be defined as “the extent to which the web site promotes efficient and effective shopping, purchasing, and delivering of products and services”. The e-commerce refers to generally all forms of transactions relating to commercial activities including both organizations and individuals that are based on the processing and transmission of the digitalized data. Since it was found by many researchers that service quality is the main aspects of the e-commerce, there have been many investigations done on how to improve the online services to attract the online customers and also how to retain current customers.

This study makes an attempt to investigate the factors of the e-service quality which have a drastic effect on the customer’s retention to go for e-retailing.

2. LITERATURE REVIEW

Web service or online service is related to various attributes of an online retailing web site. According to (Renata Mekovec, 2007) the activities of online retailers are focusing on the measurement and the improvement of e-service quality that is provided to their potential customers. E-service quality can be defined as “the extent to which the web site promotes efficient and effective shopping, purchasing, and delivering of products and services”. The quality of service is one of the essential elements of competitive advantage of online retailers whose objectives are to convert web site visitors into customers and also to retain the customers in the competitive market where other vendors are just a click away and are offering similar products at a comparable price (S. Ba, J. Stallaert, Z. Zhang, 2005).

Since the Internet was discovered, Web sites have become an important channel for companies to provide services to the customers. Businesses around the world now operate more than 400,000 publicly accessible Web sites. In recent years, the applications of information technology have provided a powerful platform for e-service. One noticeable trend of e-service is the increasing use of self-service technologies. According to (Rust and Kannan, 2003), the implementation of SSTs in e-service extends more choices, more options, and, ultimately, more power to customers in their transactions with businesses.

In Malaysia, internet business is not so advanced and is a new business area. It is because not all the Malaysians are exposed to the online transaction through internet and also they hesitate to make online purchasing due to various problems like security, reliability, threats of frauds etc. (Noor HabibahArshad et al, 2008).

Furthermore, research on the determinants of service quality can be evaluated with the help of two streams i.e. The first concentrated on the quality of the Web site's interface design and hardware performance which was not able to fully capture the service quality of a technical support Web site due to the neglecting of the quality of the Web content for customers. And the second focused on service quality during the order fulfillment process of transaction-based Web sites. (Po-Young, Chia-Yi, Yu-Ling and Wei-Chen, 2009).

The growth of e-commerce in the global and regional markets creates a special interest in the measuring of e-service quality and also in the investigation of the dimensions of e-service as one of the important factors that influence customer satisfaction and shopping experience of the customers of e-commerce web sites.

E-service quality covers various aspects of the e-commerce web site and diverse elements of customer's experience. It includes all phases of the customers' interactions with a web site and refers to the extent in which the e-commerce oriented web site supports shopping behavior, as well as the processes of buying and delivery. The rapid increase in the number of e-commerce web sites initiated research studies that were focused on the measurement and evaluation of online service quality (A. Parasuraman, V.A. Zeithaml, A. Malhotra, 2005).

2.1. E-retailing

E-retailers are major players in the field of electronic commerce and their success would seem to depend on service quality, because they are selling the same products that traditional retailers sell. E-retailing is the largest marketing activity in the rapidly growing field of electronic commerce and, logically, perceived service quality would seem to be the key success factor that lifts this new form of retailing above traditional retailing because the products the two types of retailers sell are the same. However, e-retailing service quality must be validly measured if its actual role is to be demonstrated empirically. Moreover, a valid measure of service quality at each stage of e-retailing is required if e-retailers seek to improve their service quality. (John R. Rossiter, 2007).

Successful Web-based information systems (WIS) are critical for electronic retailers to attract and retain consumers and deliver business functions and strategy. Previous researches show that the gap in Internet usage has been declining between men and women, and among different age groups. However, online customers still represent a distinct group with higher income and education. In making their decisions, they search the Web for information and explore lower prices and higher value. They have more access to information and thus possess more market knowledge. They actively exchange information with other customers. They may evaluate products and purchase online or offline. Online customers may also have different decision-making processes using different evaluation criteria that may rely on electronic tools. (Fang Wang and Milena M. Head, 2001).

The Internet as a direct selling technique has attracted the attention of established retailers and potential entrants. Although the concept of direct selling is not a novelty for the sector, the scope that the Internet offers is much broader than the scope of traditional direct selling techniques like catalogs and TV shopping. This new communication and distribution tool has questioned the necessity of traditional distribution channels in areas like software and music, and it is increasingly becoming established in markets. In order to understand the behavior of retailers, both incumbent and new, attention should be paid to the characteristics and the importance of the intermediation function they perform between manufacturers and consumers. (Veneta Andonova, 2003).

The internet together with the implementation of innovative business practices plays a fundamental role in the development of e-commerce. However, at the early stage, it was not uncommon that many virtual business models cannot achieve expected outcomes because of the misunderstanding of consumer behavior and the inconsistency with a particular market and social environment. Some service providers intensively promoted the benefit of e-commerce and assumed that individual consumers might be willing to use the services. The retail market in Malaysia is characterized by the availability of a variety of different goods and services in the metropolitan area. Many consumers enjoy shopping individually or with friends and relatives. Individual style, taste and shopping behavior can be easily influenced by fashion, in-group opinions and shared assumption in such a collective society. Thus, subjective norm might affect consumer perception and shopping behavior. The issue of social context being involved in the process of psychological adoption of technological innovation should not be overlooked in certain circumstances. (Ziqi Liao and Xinping Shi, 2009).

2.2.1 Information Quality

The Internet is an innovative form of information technology, yet most commercial Web sites function as well-defined information systems. Information system quality can be divided into system and information quality. (Zhilin Yang, 2004) System quality refers to software development caliber, while information quality embraces accuracy, timeliness, currency and reliability of information. The principal goal of information systems service is to enable customers to function independently and to conduct numerous transactions on their own. In addition, as end users, consumers often seek desired product and service information through Web sites.

Information quality means to the correct information quality in the website. In e-service, the accurate information quality makes customers always accessible to the online service offered by online companies, which can help customers to have a good image of online companies. If customers cannot use the online system when they need online service, they will switch to some other online companies. Dissemination of information not related to price favors a decision based on quality, thereby helping the consumer to select the product which best suits his desires and needs. Greater qualitative information transparency may mitigate the importance of price, thereby

affording greater profitability to the electronic retailer. With respect to the emphasis on price information consumers tend to underestimate the frequency of more regular promotions and overestimate the frequency of promotions. In other words, those who offer promotions sporadically are doubly benefited, both by the mistaken perception of consumers and by the expected higher profit margins obtained over the course of time. (Luiz Antonio Joia and Paulo Sanz, 2005).

With the rapid development of information and communication technology, Internet and World Wide Web (WWW) have become important tools in business, which has a major impact on business world. In the virtual environment of e-service, for customers website is the main access to online organizations and to a successful purchase process. The deficiency of website design can result in a negative impression of the website quality to the customers, and customers may exit the purchase process. Website is the starting point for customers to gain confidence. Website design can influences customers' perceived image of company, and attract customers to conduct purchasing online easily with good navigation and useful information on the website. Website should provide appropriate information and multiple functions for customers. (Li Hongxiu, Liu Yong, Suomi, 2009).

Since the main purpose of technical support Web sites is to provide information and after-sales service, they do not emphasize online transactions. A review 3of functions provided by real-world technical support Web sites shows that many do not even support online transactions. The transaction-based approach, therefore, may also not adequately measure the service quality of a technical support Web site. To date, few studies have explored factors that determine customers' service quality perceptions of technical support Web sites. The present study, therefore, aims to fill this research gap. (Po-Young Chu, Chia-Yi Chen, Yu-Ling Lin, Wei-Chen Wu, 2009)

This current study examines the combined effects of perceived information availability and perceived e-service quality on customers' retention value of e-retailing.

H1: there is a positive effect of Information Quality of e-Service quality on the customer retention towards e-retailing

2.2.2 Website Security

Security refers to the freedom from danger, risks or doubts during the service process. This dimension holds an important position in e-service. Customers perceive significant risks in the virtual environment of e-service stemming from the possibility of improper use of their financial data and personal data, which is an important barrier to online customers to purchase online. The following are the attributes of security dimension of e-service quality.

- Protect the financial data of customers.
- Protect the personal data of customers.
- Terms on payment and delivery.

- Good reputation.

Research on service quality on the Internet has been mainly based on the SERVQUAL model. Recent studies have also tried to model and measure e-Service Quality. Research in the e-retailing context (Zeithaml, 2002) showed that e-SQ has seven dimensions that form two scales: including efficiency (ability, easiness to get to and navigate a Web site), fulfillment (having products in stock and delivering them on time), reliability (technical functioning of a Web site), and privacy (assurance regarding data sharing and security); and a recovery e-Service Quality scale including responsiveness (provide appropriate data when problems occur, online guarantees and mechanisms for handling returns), compensation and contact. (Marianna Sigala&Odysseas Sakellaridis, 2004).

In e-service, interactivity between customers and companies offers opportunities for companies to obtain information about customer, such as purchasing habits, needs, preferences and so on, which makes it possible to offer customer personalized service. Personalized service can improve customer's satisfaction, and customers will be reluctant to try other companies. Not only services and products, but also payment and delivery in the service process, can be personalized, which is aimed at meeting all the requirements and demands of customer. Personalization constitutes a vehicle to retain the customer in e-service. This research examines the combined effects of Website Security and perceived e-service quality on customers' retention value of e-retailing.

H2: There is a positive effect of Website Security of e-Service quality on the customer retention towards e-retailing.

2.2.3 Service Reliability

Reliability on e-service quality is defined as ability to perform the promised service dependably and accurately. Reliability is associated with the technical functioning of the site, particularly the extent to which it is available and functioning properly. The privacy dimension includes assurance that shopping behavior data are not shared and that credit card information is secure. It is important to stress that the solution space only contains feasible solutions. In the example above, if a specific interconnection mix violates the requirements of the Internet Service Providers with respect to other criteria's like security or reliability it is not considered feasible and therefore not part of the solution space.

The assessment of service quality is largely based upon Parasuraman et al.'s (1988) original development of the measure of perceived service quality. Considerable empirical examination of the reliability and validity of the scale has resulted in a 22-item scale. Reliability is the dominant dimension in traditional service quality. In the context of the web, reliability is defined as the proper functioning of the website and the ability to perform the promised services dependably and accurately. (Lee & Lin, 2005) Moreover, the reliability of the website can be reflected in the reliability of

the information that is captured by information quality. Information quality should meet certain criteria, namely: accuracy, timeliness, relevance and understandability. The presence of high quality information increases satisfaction with both the experience and product purchase.

The research on the reliability towards service quality has passed more than twenty years which says that it is one of the most important dimensions for all the services provided. (Santos, 2003) quoted to reliability as the ability to perform the promised service accurately and consistently, including frequency of updating the web site, prompt reply to customer enquiries, and accuracy of online purchasing and billing. Reliability specifically involves consistency of performance and dependability.

This research investigates on the factors of e-service quality influencing the customer's retention on e-retailing. Thus it is very important to find the contribution of e-service quality which can change the customer's retention in e-retailing in Malaysia.

H3: Reliability of the Website is having positive influence on the customer retention in e-retailing.

3. RESEARCH METHOD

3.1 Research Problem

The main problem for the e retailing companies is of convincing surfers to advance beyond monitor shopping" to make purchases and, more importantly, to become repeat customers has proven to be difficult. On average, only 5 percent of unique visitors to sites become customers and only 1.6 percent of all visits result in purchases (Boston Consulting Group, 1998). The problem is that consumers develop entrenched shopping habits exhibiting complex and interrelated behaviors and responding to various motivators to make their purchase decisions. Successful e-commerce retailers tap into these motivators and present new motivators to encourage consumers to alter their normal pattern of behavior and purchase over the Internet.

(Brandt, 1997) quoted that the primary reasons for these difficulties reside in service providers' lack of experience in streamlining operations of this fairly recent channel and their limited understanding of online customers' usage behaviors. Moreover, as online firms often possess limited resources, priorities must therefore be determined among alternative service attributes when making investment decisions related to achievement of superior services. As such, it is desirable for online service providers to uncover what attributes consumers utilize in their assessment of overall service quality and satisfaction and which attributes are more important (Zhilin Yang & Xiang Fang, 2004).

3.2 Research Questions

- What is the impact of Information Quality of the service quality on the customer retention for e-retailing in Malaysia?

- How the Internet Security have high impact on the customer retention for e-retailing in Malaysia?
- How Service reliability of the service quality have impact on the customer retention for e-retailing in Malaysia?

3.3. Research Hypothesis

Hypothesis 1

H0: There is no influence of information quality of the e-service quality on the customer retention for e-retailing in Malaysia.

H1: There is a positive influence of information quality of the e-service quality on the customer retention for e-retailing in Malaysia.

Hypothesis 2

H0: There is no influence of Internet Security of the e-service quality on the customer retention for e-retailing in Malaysia.

H1: There is a positive influence of Internet Security of the e-service quality on the customer retention for e-retailing in Malaysia.

Hypothesis 3

H0: There is no influence of Service Reliability of the e-service quality on the customer retention for e-retailing in Malaysia.

H1: There is a positive influence of Service Reliability of the e-service quality on the customer retention for e-retailing in Malaysia.

4. DATA ANALYSIS

4.1. Descriptive Statistics

Descriptive statistics are used to describe the basic features of the data in a study. They provide simple summaries about the sample and the measures. The respondents chosen for data collection are located in the areas located in the Selangor and Kuala Lumpur of Malaysia. The major respondents targeted were the high level and highly educated customers having experience of online purchasing in past. A set of questionnaires was developed and sent to more than 200 respondents.

Data gathering proceeded by telephone interview with a follow up mail out of the full instrument, inclusive of responses made to the subset of questions. Validation testing was performed with a cross tabulation of non-respondents and respondents. From this testing it was found that 148 respondents performed positively whereas the rest of 52 were considered as a non-respondent. However, the research was further extended by investigating on the customer's experience on e-retailing before. This investigation would seek to know the confidence level of the customers. The data of the respondents are described with the frequency distributions and depending on the particular variables all the data's have been represented and then they are grouped into categories first. Overall in total around 148 questionnaires were considered as 100%

contributed and were included as a final data. And as outlined below are the demographic profiles of the respondents Table 1:

Table 1: Demographic profile of respondents

Demographics	Frequency	Percentage
Age:		
18 to 27	41	27.70%
28 to 37	64	43.20%
38 to 47	34	23.00%
48 and above	9	6.10%
Gender:		
Male	95	64.20%
Female	53	35.80%
Qualification		
Diploma	24	16.20%
Degree	51	34.50%
Master	35	23.60%
Professional/Doctorate	29	19.60%
others	9	6.10%
internet access		
Yes	125	84.50%
no	23	15.50%
Online usage		
less than one hour	10	6.80%
1 to 5 hours	70	47.30%
more than 5 hours	68	45.90%
E-retailing		
Yes	50	33.80%
no	71	48%
In future	27	18.20%
E-retailing experience		
less than 1 year	9	6.10%
1 to 5 year s	19	12.80%
more than 5 years	22	14.90%
no experience	98	66.20%

From the demographic results it was found that most of the respondents were at the range of 28 to 37 with 43.2% of the respondents, whereas less respondents were from the age of above 47 years with 6.3%. It is concluded from the age as a demographic profile of respondents that the middle aged peoples are more attracted towards the online purchasing.

Gender was also taken into account as a medium of profile to investigate on the taste of the customers on the e-retailing. From the findings it was noted that around 64.2% of the respondent were masculine were as around 35.8% of the respondents were feminine.

Qualification or education are very important to know whether the respondent is properly educated to seek the knowledge on the usage of online purchasing. From the analysis it was known that the respondents with degree as their prime qualification were around 34.5%, whereas the master degree holders were found to be of 23.6% which they are the bigger number. Thus from this finding it can be said that the respondents were having a good understanding on the research topic.

The next question asked to the respondents was regarding the internet access availability. Almost more than 80% of the respondents were having access to internet via hand phone or through internet connection or broadband.

After the access of internet the next question that was asked to the respondents was regarding the internet usage in their daily activities. The response was quite positivistic as majority of the respondents use internet of more than 5 hours daily. This shows the importance of internet in their daily life.

The next important question that was asked to the respondent was regarding the online purchasing intention. This question was quite negative to the research as the majority of the respondents were against e-retailing. From the finding it was noted that around 48% of the respondents have never performed online purchasing in their life, whereas around 18% shows their intention to do e-retailing in future. This shows that the belief and trust on the e-retailing. Thus it can be said that the antecedent variables taken in this research could increase the trust on the e-retailed customers. This approach would increase the usage on technology in this 21st century of modern era.

4.1. Correlation Test

Correlation analysis is used to know how the variables are correlated with each other. For the collection of the data's the symmetric quantitative variables for the Pearson's correlation coefficient is used. Before calculating the correlation coefficients we need to screen the data's for the outlier. Pearson's correlation coefficient assumes that each pair of the variables is the bivariate normal and it is a measure of the linear associations. For the Pearson's correlation coefficient to be efficient the variables need to be linear and accurate. For example there must be a linear relationship between the dependent and the independent variables. And as outlined in Table 2:

Correlations

		tot_er	tot_iq	tot_ws	tot_sr
Pearson Correlation	tot_er	1.000	.882	.819	.808
	tot_iq	.882	1.000	.730	.699
	tot_ws	.819	.730	1.000	.626
	tot_sr	.808	.699	.626	1.000
Sig. (1-tailed)	tot_er	.	.000	.000	.000
	tot_iq	.000	.	.000	.000
	tot_ws	.000	.000	.	.000
	tot_sr	.000	.000	.000	.
N	tot_er	148	148	148	148
	tot_iq	148	148	148	148
	tot_ws	148	148	148	148
	tot_sr	148	148	148	148

Table 2: Correlation analysis of the data

The significance level of each correlation coefficient is stated in the correlation table. The significance level or the p-value is the probability of obtaining results as extreme as the one observed. If the significance level is small i.e. less than 0.01 then we can say that the two variables are linearly correlated. If the significance level is large than 0.01, then we can say that the two variables are not significant and also they are not linearly related. In the above figure we can see the significant level of all the three independent variables is having high value of Pearson correlation and have good significant of less than 0.01 so we can say that the variables may have positive relationship with each other. The figure also shows that there is a high correlation between information quality and e-retailing from all the other independent variables. There is a strong relation between the independent variables.

4.2. Reliability Test

The reliability test is having the main efforts in identifying and knowing the exact result of the research because we can know from this test whether the test is reliable or not. This result will also give us an idea whether the test conducted was correct or not. Only one item question cannot be used to measure the reliability test. For the reliability test there must be more item questions so that the result could be accurate. Here the mean of the items are taken into consideration for the test. Mean is taken to know the exact reliability.

Variable Name	No of Items	Mean (Std deviation)	Cronbach's alpha	Comments
Information Quality	6	4.31 (0.370)	0.789	Strong
Website security	3	4.28 (0.375)	0.734	Strong

Service Reliability	6	4.29 (0.337)	0.782	Strong
E-retailing	5	4.60 (0.434)	0.706	Moderate
Overall	4		0.927	Strong

Table 3: Reliability test of the variables

as outlined in Table 3 which shows the Reliability test of the variables . the reliability test says that the Cronbach’s alpha of overall is 92.7 % which indicates us that the test is reliable and can proceed further. The closer Cronbach’s alpha coefficient is to 1.0 the greater the internal consistency of the items in the scale. George and Mallory (2003) provide the following rules of thumb“_ > .9 – Excellent, _ > .8 – Good, _ > .7 – Acceptable, _ > .6 – Questionable, _ > .5 – Poor, and _ < .5 – Unacceptable”. As our result comes under the range of excellent, this says that there is a deep influence of the independent variable on the dependent variable.

Also the other independent variables information quality, Webiste security and service reliability are having good reliability and covers the rule of thumb criteria. Thus all the variables are exactly fit for the study and can proceed for further analysis. Also the reliability test talks positively on the accuracy of the questionnaire.

4.3. Linear Regression Analysis

Regression analysis is a statistical tool for the investigation of relationships between variables. Usually, the investigator seeks to ascertain the causal effect of one variable upon another. It shows the influence of one variable on the other.

To explore such issues, the investigator assembles data on the underlying variables of interest and employs regression to estimate the quantitative effect of the causal variables upon the variable that they influence. The investigator also typically assesses the “statistical significance” of the estimated relationships, that is, the degree of confidence that the true relationship is close to the estimated relationship.

Thus after the linear regression analysis done individually between the dependent and independent variables it was found that the information quality was having influence of 77.7% on the customer retention of E-retailing in Malaysia, and it outlined in table 4.

Although all the variables are having high influence they cannot be neglected as they all are significant.

Variables	R square	Significant level
Information Quality ↔ E-retailing	77.7%	0.000

Website Security ↔ E-Retailing	67.7%	0.000
Service reliability ↔ E-Retailing	65.3%	0.000

Table 4: Linear regression analysis of the data

4.4.Coefficient Model

In multiple regressions the model takes the form of an equation that contains the coefficient of the independent variables.

From the above table the b value indicates us the individual contribution of the independent variables on the dependent variable.

The b value also tells us the relationship between the predictor and the outcome.

Thus from the table the following equation is obtained:

$$Y = a + b1X1 + b2X2 + b3X3 + e$$

$$Y = -.850 + 0.526 (\text{Information quality}) + 0.346 (\text{website security}) + 0.395 (\text{service reliability}) + e$$

From the above estimated equation we can say that all the factors are positively related with the dependent variable customer retention on e-retailing in Malaysia.

The equation above shows the coefficients of the independent variables. From the coefficient analysis we can say that the information quality and the website security play a significant role in enhancing the retention of the customers to adopt e-retailing and make easy online transactions. From the findings it seems that the information on the quality of the products and also the transaction information are very important in order to increase the online purchase increase and marketing by the producers.

Coefficients^a

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Correlations		
		B	Std. Error	Beta			Zero-order	Partial	Part
1	(Constant)	-.850	.165		-5.160	.000			
	tot_iq	.526	.054	.449	9.835	.000	.882	.634	.274
	tot_ws	.346	.049	.299	7.140	.000	.819	.511	.199
	tot_sr	.395	.052	.307	7.653	.000	.808	.538	.213

a. Dependent Variable: tot_er

Table 5: Coefficient model of the variable

4.5.Multiple Regression Analysis

Multiple regression analysis is a technique that allows additional factors to enter the analysis separately so that the effect of each can be estimated. Multiple

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Change Statistics				
					R Square Change	F Change	df1	df2	Sig. F Change
1	.943 ^a	.889	.886	.14652	.889	382.541	3	144	.000

a. Predictors: (Constant), tot_sr, tot_ws, tot_iq

regressions are essential when the investigator is only interested on the overall influence of the dependent variable due to the independent variables.

Table 6: Multiple regression of the variable

Here we have the R Square value as 0.889, which states that approximately 88.9% of the dependent variable is influenced by the independent variable. The result was not able to feel the total gap of the research. Although the results are relevant to investigate on the dependent variable cannot say that the variables taken for the research was enough to investigate on the wide topic of customer retention on e-retailing.

The significant level is also satisfied and acceptable. To confirm that our analysis is acceptable we also need to see the difference between the R Square and Adjusted R Square. If there is a wide difference in their value than the model is not acceptable.

Thus overall the model is fit as it satisfies all the criteria for the model fit in the regression analysis.

5. CONCLUSION AND RECOMMENDATION

5.1. Findings and Conclusions

From the recent evidence it is clear that the factors involved in the e-retailing intention by the customers have great impact on it and also for an effective growth of the retail producers in Malaysia. From the analysis it was found that all the factors are having positive relationship with the customer intention of e-retailing. That means all the factors are playing there part for enhancing the retail business in Malaysia with an influence of having great impact on the minds of customers.

From the analysis the main contribution was fulfilled by the Information quality factor and Service reliability factor. This means there is a positive relationship between Information qualities with the Customer retention on e-retailing in Malaysia. Findings show that when there is an increase of one unit in the information quality, then there is an increase of around 52.6% in the customer retention on e-retailing in Malaysia.

From the practical point of view we can say that there is a significant effect of information quality to have impact on the customer retention on adoption of e-retailing in Malaysia.

Hypothesis Findings

H1: From the analysis it was found there is a positive relationship between information quality and customer retention on e-retailing in Malaysia. There is a total influence of 52.6% of the independent variable information quality on the dependent variable customer retention on e-retailing in Malaysia.

H2: From the findings we can say that there is a positive relationship between Internet security and the customer retention on e-retailing in Malaysia. The analysis

found that there was in total 34.6% of influence on the customer retention for e-retailing in Malaysia.

H3: The finding says that there is a positive relationship between the service reliability and the customer retention on e-retailing in Malaysia. In total there was 39.5% of influence of service reliability on the customer retention for e-retailing in Malaysia.

By using the empirical model through regression analysis we have noticed that the information quality on the retail product is the main factor to watch for an increase in the customer retention on e-retailing. The quality of information availability needs to be speculated and demonstrated at every moment which will help the customer to make a decision on online purchasing.

5.2.Recommendation of the Study

Previous research has shown that the widespread consumer experiences of inadequate e-service quality stall the growth of the emerging economy. Therefore, it is important to develop an appropriate instrument to measure e-service quality. The researcher able to find three dimension representation of e-service quality. In terms of actual performance in relation to the provision of e-service quality on their e-retailing sites, the banks appear to be performing well. The theoretical implications of this research are manifold. First, the support for and importance placed upon all service quality dimensions suggests that different aspects of e-service quality.

Customers prefer multiple channels to make transactions and to access online service providers, including phone, email, and physical access, even if they intend to execute most transactions over the Web site. Our results suggest that customers are concerned with three key factors closely related to information systems quality, i.e. ease of use, timeliness of information, and security. Additionally, adequate navigation functions such as site search engines and clear menus are critical factors in enhancing the usability of a Web site.

The variables were not enough to indicate the total gap of the research. Thus it is necessary to analyze the dependent variable in future research with different variables.

5.3.Limitation of the Study

As this research was very widely popular then also the information based on the literature review was not easily available.

There was not much time for the completion of such a wide sector of e-retailing and the customer retention to analyze which was a major limitation of the research. There are various other factors affecting the customer retention on e-retailing in Malaysia which were not included in this research. Thus only 80% of the influence was explained by the variables and the rest of 20% were still remains to evaluate. The number of respondents for conducting the research was not sufficient to go on major decisions. As the sample is derived from one region of Malaysia, generalizability of the results is limited. The items are drawn from existing measures and although tests for reliability and validity

provide initial support for the adopted measures, there remains a possibility that not all e-service quality dimensions are captured.

Finally, although this research considers customer retention as an overall outcome, future qualitative research may provide a better understanding of the factors influencing lower levels of customer satisfaction with current e-retailing approaches and uncover aspects that are missing from current banking online service provision.

5.4.Suggestions for the Further Research

It was known from the current research that there are various other factors which affect the customer's retention in Malaysia, thus it is highly suggested to include these variables in the further research.

It is also highly suggested to know the key areas that have high effect on customer retention on e-retailing have to look to increase the customer's importance on the retail products in Malaysia.

There must be involvement of the other factors like user friendliness, Efficiency, Site organization and several others as a variable in the further research.

Retail firms should look upon the improvement on the products and service quality to increase the value of the product in customer's retention.

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