The Moderating Roles of Online Shopping Experience on the Relationship between E-service Quality and Online Purchase Intention among Customers in the Klang Valley, Malaysia

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Abstract---This research was conducted to examine e-service quality dimensions (trust, shopping enjoyment, website design and privacy) that predicted online purchase intention, as well as to examine the moderating roles of online shopping experience on the relationship between e-service quality and online purchase intention. In this study, data was collected using a set of questionnaires as the survey instrument. Two hundred and thirty questionnaires were distributed using purposive sampling technique within the period of two weeks. However, only 212 questionnaires were usable for further analysis. The findings revealed that all e-service quality dimensions (trust, shopping enjoyment, website design and privacy) had positive and significant relationships towards online purchase intention. For the moderating role analysis, it was found that only one sub-variable under e-service quality moderated the relationship, while other elements (enjoyment, website design and privacy) did not moderate the relationship. This research also suggests several recommendations for future research; among others are for the researchers to include and explore more variables such as information factors, brand equity, risk factors and other demographic factors that could influence online purchase intention. It is further suggested that online shoppers who have good experience with vendors will like to make purchases because of trust issue. Besides, it is suggested to expand the theoretical framework to include socio-economic background in the hope to find a more fruitful finding for future research.

Keywords---Online Purchase Intention, E-Service Quality Dimensions, Online Shopping Experience.

I. Introduction

In the past few decades, purchases were largely completed in a traditional way where physical transactions took place. In other words, buyers would physically visit a vendor to buy the things they liked by physically visiting the business premises. They would choose the items and pay for them, all completed physically. In recent years however, the advancement of technology has witnessed the birth of the Internet and the World Wide Web (WWW) that enable almost every business transaction conducted online in real time, in faster manner and available just about anytime and anywhere. In essence, whenever the internet is available, business transaction can be executed. This is particularly true for electronic transactions; rather than just being a tool for searching, analyzing and exchanging information, people in general are shifting their purchasing trend from the traditional method to an online medium (Van Horn et al., 2012, Octavia & Tamerlane, 2017). Kamaruzaman et al., (2010) also reported that buying using online platform has become a new trend among customers.

Obviously, the Internet offers customers with extra information regarding products or services quickly and at lower cost compared to traditional ways (Jamali et al., 2015). From the customer’s perspective, online purchases may provide a lower price, offer a variety of products and services which ease the customer to choose and pick...
without the trouble to even move from their desk. In retrospect however, Samadi et al., (2015) reported that there are still many Internet users who avoid purchasing online due to their concern on privacy issues and security features of the websites. Perhaps, one of the main causes in avoiding shopping on line is due to the lack of trust (Chayapa & Wang, 2011; Ndubisi, Lee & Eze, 2011). It is because the customers preferred to do brick and mortar transactions in which they can feel and touch the product and be more confident to purchase it.

With the increase of modern and varied commercial platforms, it has become important to conduct research to understand customer online purchase intention and behaviour. In recent times, online business transactions have boomed very quickly. Based on the analysis presented in Export Government (2018), the most popular shopping websites visited by Malaysians are Lazada, Zalora, Shoppe, eBay, 11th Street, Taobao, etc. Malaysians in general purchased beauty and fashion products, electronics and hobby-related items (Asean Up, 2018). Hence, in making sure that customers continue to make purchases online, vendors need to examine how well their websites fulfill the expectations of online shoppers (Lee, et al., 2016). It is also important to examine the e-service quality of online sellers that might affect the continuance of online purchases in Malaysia. It will also help online sellers to have some ideas on the behavioural intention about online customers that serves as the ground to generate a long term profitable association with the customers. This study was conducted to examine the e-service quality dimensions that predict online purchase intention among online customers, as well as examining the moderating role of online shopping experience among shoppers in Malaysia.

**Online Purchase Intention**

Online purchase intention is also known as online purchase behaviour or online shopping intention in various studies. The emergence of e-commerce has made online purchase the third most popular activity after email and Web surfing (Jamali et al., 2014). There are several definitions of online purchase intention derived from the literature. According to Dig et al., (2017), purchase intention is the customers’ decision to purchase or not the products or services online. As reported by El-Ansary and Roushdy (2013), online purchase intention can also be defined as the desire of customers to make an actual purchase through online retail shops. Meskaran et al. (2013) defined online purchase intention as the customers’ readiness to purchase through the internet. Online purchase intention is the desire of consumer to build a business relationship and have business transactions with the online retailers (Kwek, et al., 2011). Other than that, Ling, et al., (2010) explained that online purchase intention refers to the willingness of the customer to deal with business via the Internet. Online purchase intention can be explained when an individual is willing to and wanting to engage in an online transaction (Pavlou, 2003).

**E-Service Quality**

Most previous studies focused on the impact of e-service quality on customer satisfaction or e-satisfaction. This study proposes a focus on the dimensions of service quality which are trust, shopping enjoyment, website design, and privacy towards online purchase intention. Earlier study by Zeithaml (2002) defined e-service quality as the extent to which a web site facilitates efficient and effective shopping, purchasing and delivery of goods and services. According to Parasuraman, Zeithaml, and Malhotra (2005), e-service quality refers to the degree on which the website is assisting customers for a well-organized and effective shopping, buying, and delivery experience. As reported by Santos (2003), e-service quality can be defined as overall customer evaluations and judgments regarding the level of excellence and quality of e-service delivery in the virtual marketplace. Raje and Vandana (2012) mentioned that e-service quality is the degree of professionalism and effectiveness of online sellers to manage customer interaction linking to browsing, spending, buying and order accomplishment. Wolfinbarger and Gilly (2003) on the other hand reported that e-service quality had elements of seeking information, exploring the website, making an order and dealing with customer service. This may include the delivery and customer’s satisfaction with the purchase from logging onto the website until the customer logs off. When the customers start to go online in order to make a purchase, they will visit the website to explore and navigate the things they want to buy. Customers are likely make purchases once they have a stress-free and peace of mind to navigate the websites.

E-service quality according to Lee and Lin (2005), is the success and quality of e-service delivery in the cyber space that can be associated with customers’ evaluation of the products or services. Online retailers are recognized not only for the unreasonable prices and attractive websites, but also the success or failure of the online businesses through evaluations by online customers. According to Yang (2001) service quality is determined by the differences between expected and perceived service from businesses. Past studies have also reported on how e-service quality influenced online purchase intention (Nikhashemi et al., 2012). In addition, Vidya et al., (2012) found a similar finding where e-service quality determinants consisted of trust, responsiveness, reliability and design of the website.
influenced online purchase intention. Similarly, research findings by Lien et al. (2011) revealed that e-service quality positively predicted behavioral intention among online shoppers.

II. Literature Review

Online Shopping Experiences

Online shopping experience is referred as prior online purchase experience. For this study, the definition of online shopping experience is also referred to the familiarity of customers with the purchasing through website (Broekhuizen, et al., 2008). There were four dimensions of online shopping experience identified in this study which were ideological, physical, social and pragmatic. Liang and Huang (1998) revealed that customers who have high-experienced shopping online are more likely to continue shopping online. In other words, customers who have high intention for online purchases are those who have previous positive experience in online purchases because successful experience diminishes their fear of doubts during shop online (Mohseni, et al., 2018). Having worthy experiences in previous purchases may gain customers’ confidence to do more online transactions in the future. Ilias et al., (2014) noted that experience is considered the key element in creating customers’ insights with regards to their expectations of online vendors. According to Ling et al., (2010), customers’ prior positive experiences online purchases has been found to influence future purchasing behaviour. Weisberg et al., (2011) studied people with past online purchasing experiences and found that those who had positive online experiences would have higher intention to repurchase in the future. It is because some customers are still skeptical about shopping online—they still have the thought that it is riskier to shop online compared to the traditional way of physical shopping. Due to that, a clear understanding of online shoppers is needed for web retailers to make effective business strategies concerning technology, marketing, and website design (Rose et al., 2012). In principle, future online purchase intention is largely due to positive and prior online purchase experiences that play a major role in motivating customers to make online purchases (Ling et al., 2010).

A good experience with online shopping creates positive attitudes, increases customers’ self-efficacy and influences future intentions, while a bad experience will have adverse effects towards online purchasing. Thus, online shopping experience is important to instill intention of shoppers to purchase online by providing satisfying purchasing experience. Past research by Zhou et al., (2007) revealed that online purchase experience influenced positively towards intention to purchase. There were studies that examined prior online purchase experience towards online purchase intentions (Kim, et al., 2012, Lynch & Ariely, 2000; Brown et al., Pope & Voges, 2001; Shim et al. 2002; Song et al., 2005) and found that online purchase intention of shoppers positively influenced online shopping experience. Forsythe and Shi (2003) also found that prior positive online purchase experience positively influenced future online purchases.

Trust

Trust plays a significant role when it comes to the decision of a customer to make online purchases or not. Trust, credibility and security are synonymous (Van Riel, Semeijn & Janssen 2003). Kolsaker and Payne (2002) and Rowley (2006) also found that trust was the dominant predictor in developing business relationship with both customers and service providers. Trust can also be referred to as the belief of buyers towards sellers’ perceived integrity, benevolence, and competence. Simply put, trust can be described as an expectation that others will not behave opportunistically (Gefen et al., 2003), and that the vendor will provide what has been promised (Ganesan, 1994).

According to Zeithaml et al., (2000), trust is the customers’ confidence in dealing with the website, followed by reputation, products or services provided, with clear and truthful details presented. Online trust is built by customers’ perceptions on the reliability of the information on the website and how the it develops customers’ confidence that meets their expectations (Prompongsetorn et al., 2012). Trust is established when the customer feels comfortable to interact on the website. In essence, the customer has the intention to make a purchase online when trust is developed. Dutta (2016) highlighted that trust as the first thing that needs to be present in building a relationship between a customer and a seller. In the concept of online purchase intention, the customer relies on the website information before deciding to make a purchase. Jarvenpaa and Staples (2000) claimed that trust can be developed with the interaction between a customer and online retailer. Some customers are unwilling to purchase online because they do not trust online retailers—as a result, they prefer to go directly to a physical store where they can touch and see the goods. The absence of trust is the main reason why customers did not want to be involved with online transaction (Turban et al., 2002 and Pavlou, 2003). On the other hand, trust can be disrupted by customers’ perceived risk of other people hacking their financial data and details that can lead to a decline in the intention to
purchase online (Li & Suomi, 2009). According to Leeraphong and Mardjo (2013), an efficient seller will make a customer feel safe during online business transaction and provide quality service.

**Shopping Enjoyment**

Online customers may not perceive the pleasure of going to the physical store because they can be crowded and noisy and will definitely disrupt their shopping enjoyment. Due to that, some customers prefer to purchase online (Diptiet al., 2014). Shopping enjoyment represents the customers’ feeling of pleasure when shopping. Ingham et al., (2015) reported that customers find enjoyment shopping online if they perceived the pleasure of using the website. This simply means that the feeling of pleasure is generated when the customers visit the websites, are able to explore and enjoy what they are looking for without any hassles.

The intent to purchase online depends on the customers feeling or enjoyment while making online purchases. If they like or enjoy using the website, the intention to purchase online will increase (Kim et al., 2011). In addition, Im & Ha (2011) also reported that the level of intent to purchase online increased when the customer felt delight visiting the website plus if the shopping experience was enjoyable. The result of a study by Dutta (2016) revealed that purchase intention was influenced by online shopping enjoyment.

In addition, Childers et al., (2001) reported shopping enjoyment as a strong predictor towards online purchase intention. Past study by Koufais and Kambil (2002), showed that there was a positive and significant relationship between online shopping enjoyment and purchase intention. According to Mandilas et al., (2013), online purchase intention was positively affected by the enjoyment of shopping online. Spears (2015) also found shopping enjoyment positively influenced online purchase intention. In order to enhance the enjoyment of online shopping as well as the level of online purchase intention, Seock and Bailey (2008) suggested for vendors to have an interactive networking community such as by adding 3D features. Kim et al. (2007) agreed that by adding advanced technology on website experience such as a 3D virtual model, can actually make the customers “feel” the product descriptions and enhance customers’ shopping enjoyment.

Although there are many studies that show positive relationships between the enjoyment of online shopping towards purchase intention, Yee et al., (2014) found a contradictory result in which the enjoyment of online shopping did not affect the online purchase intention.

**Web Design**

Websites are rapidly becoming the platform in which virtual companies sell goods and services (Casati & Shan, 2001). The main goal of websites is to deliver goods and services to its intended customers with an elegant design (Turban, et al., 2004). According to Kim and Lee (2002), the website design describes the appeal of the user interface features presented to surfers. In addition, as reported by Burke (2002), website design enables enjoyment to customers when shopping. Admittedly, Koufaris (2002) reported that it is important to have a good website design due to its positive impact on customers. This is because website design significantly affects customer emotional arousal towards online purchase intention. A website that has an attractive design will grab customer's attention to browse simply because of its elegant design (Liang & Lai, 2002).

A website’s features will be the customer’s first impression towards online seller. The quality of website design is significant because a website that is interactive, attractive and provides accurate information will attract customers to visit it. Website design is concerned with how information is put up by online sellers. The influence of website design on e-service quality has been studied extensively. In one previous study conducted by Wolfinbarger and Gilly (2003) found that website design factors were the dominant antecedents towards customer quality judgments, satisfaction and loyalty for future purchase intention.

**Privacy**

Online customers consider privacy and trust as two most important factors, as the latter are sensitive towards the reliability and trustworthiness of payment method, personal data transmission and storage. Customers who chose to make offline purchases did so mainly because the lack of trust on the privacy of their personal details and financial information. Privacy is the customer’s confidence and belief that the website is free from hackers and fraud (Zeithaml, et al., 2000). Most online customers are worried about being cheated by online vendors especially in two categories: transaction and information (Trocchia and Janda, 2003).

According to Madu and Madu (2002), transaction refers to the safety of the transaction made using credit cards and the details revealed when purchasing online. Information on the other hand, refers to the risk of misusing buyers’ personal information. According to Santouridis et al., (2012), there exists many customers who are not...
willing to be involved in online purchases for fearing the risk in falsifying or misusing their personal information. Online sellers need to provide protection to their customers and enhance privacy features during online transaction (Ranganathan & Ganapathy, 2002) and to protect customers from the leakage of information (Weisberg et al., 2011). A past study by Loiacono et al., (2002) found a strong relationship between privacy and customer purchase intention. Thus, privacy is a critical factor in online purchase intention of e-commerce services.

Figure 1: The Conceptual Framework of the Study

Figure 1 depicts the framework of the study. The independent variable is e-service quality (trust, shopping enjoyment, website design and privacy) and the dependent variable is online purchase intention. The moderating variable for this study is online shopping experience.

Research Questions

This study sought to find answers to the following questions:

1. What is the relationship between e-service quality and customers’ online purchase intention?
2. Which dimensions of e-service quality attributes (trust, shopping enjoyment, website design and privacy) predict online shopping intention?
3. Does online shopping experience moderate the relationship between e-service quality dimensions and online purchase intention?

III. Methodology

Research Design

The type of research design for this study was correlational as it aimed to examine e-service quality dimensions that influence online purchase intentions among customers. Correlational research also provides some indication as to how two or more things are related to one another or, in effect, what they share or have in common, or how well a specific outcome might be predicted by one or more pieces of information (Salkind, 2014).

Research Instrument

In order to analyze respondents’ answers, a 6 – point Likert scale was used in the survey form for sections B and C, which ranged from 1 for "Strongly Disagree" to 6 for "Strongly Agree". According to the Chomeya (2010), a 6 – point Likert scale had higher reliability score and was more appropriate to reduce the deviation and risk that might happen due to personal decision-making.
IV. Findings and Discussions

Table 1: Respondents’ Profile (n=212)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Description</th>
<th>Frequencies</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male</td>
<td>103</td>
<td>48.6%</td>
</tr>
<tr>
<td></td>
<td>Female</td>
<td>109</td>
<td>51.4%</td>
</tr>
<tr>
<td>Age</td>
<td>20 years and below</td>
<td>29</td>
<td>13.7%</td>
</tr>
<tr>
<td></td>
<td>21 – 30 years old</td>
<td>85</td>
<td>40.1%</td>
</tr>
<tr>
<td></td>
<td>31 – 40 years old</td>
<td>66</td>
<td>31.1%</td>
</tr>
<tr>
<td></td>
<td>41 – 50 years old</td>
<td>25</td>
<td>11.8%</td>
</tr>
<tr>
<td>Income</td>
<td>Below RM999</td>
<td>39</td>
<td>18.4%</td>
</tr>
<tr>
<td></td>
<td>RM1000-RM1999</td>
<td>52</td>
<td>24.5%</td>
</tr>
<tr>
<td></td>
<td>RM2000 – RM2999</td>
<td>63</td>
<td>29.7%</td>
</tr>
<tr>
<td></td>
<td>RM3000 – RM3999</td>
<td>31</td>
<td>14.6%</td>
</tr>
<tr>
<td></td>
<td>RM4000-RM4999</td>
<td>12</td>
<td>5.7%</td>
</tr>
<tr>
<td></td>
<td>RM5000 and above</td>
<td>15</td>
<td>7.1%</td>
</tr>
<tr>
<td>Most Favourite Online Shopping Website</td>
<td>Lazada</td>
<td>68</td>
<td>32.1%</td>
</tr>
<tr>
<td></td>
<td>Zalora</td>
<td>30</td>
<td>14.2%</td>
</tr>
<tr>
<td></td>
<td>Shopee</td>
<td>84</td>
<td>39.6%</td>
</tr>
<tr>
<td></td>
<td>11Street</td>
<td>11</td>
<td>5.2%</td>
</tr>
<tr>
<td></td>
<td>Others</td>
<td>19</td>
<td>8.9%</td>
</tr>
</tbody>
</table>

As displayed in Table 1, the total number of respondents involved in this study was 212. The return rate was 92.2%. The majority of respondents was female (n=109, 51.4%) from the age group of 21-30 years old (n=85, 40.1%). It was also found that majority of the respondents' income was in the range of RM2000-RM2999 group (n=63, 29.7%) and their most favorite online shopping website was Shopee (n=84,39.6%).

Research question 1: What is the relationship between e-service quality and customers’ online purchase intention?

Table 2: Correlation between E-service Quality and Online Purchase Intention

<table>
<thead>
<tr>
<th>E-Service quality</th>
<th>Online purchase intention</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pearson Correlation Sig. (2-tailed)</td>
<td>N</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).

It was found that there was a moderate, positive and significant relationship between e-service quality and online purchase intention (r=.606, p<0.01). Further analysis as displayed in table 3 revealed that all five elements under e-service quality had significant and positive relationships with online purchase intention (trust r=0.629, p<0.01, shopping enjoyment r=.645, p<0.01, website design r=0.606, p<0.01 and privacy r=.636, p<0.01). Considering all aspects equal, it was found that, shopping enjoyment trait had the highest positive and significant relationship with online purchase intention, signifying the greater enjoyment toward online purchase intention, the higher buying intention online customers would have. This finding corresponds with Leeraphong and Mardjo (2013) who also found a strong online purchase intention is usually resulted from customers who already have had past positive purchase experiences that help them to reduce uncertainties.

Table 3: Relationships between Sub Variables e-service Quality vs. Online Purchase Intention

<table>
<thead>
<tr>
<th>No</th>
<th>Variable</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Trust</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Shopping Enjoyment</td>
<td>.537**</td>
<td>1</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3</td>
<td>Website Design</td>
<td>.573**</td>
<td>.629**</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>4</td>
<td>Privacy</td>
<td>.689**</td>
<td>.550**</td>
<td>.567**</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>5</td>
<td>Online Purchase Intention</td>
<td>.629**</td>
<td>.645**</td>
<td>.636</td>
<td>.606**</td>
<td>1</td>
</tr>
</tbody>
</table>

** Correlation is significant at the 0.01 level (2-tailed).

Research Question 2: Which dimensions of e-service quality attributes (trust, shopping enjoyment, website design and privacy) predict online shopping intention?
It was found that all elements of e-service quality (trust, shopping enjoyment, website design and privacy) predicted online shopping intention with the sub-variable *shopping enjoyment* was found to be the most influential predictor ($\beta=0.287$, $p<0.001$, followed by *web design*($\beta=0.235$, $p=0.001$).

**Table 4: Multiple Regression Analysis between Dimensions under E-Service Quality towards Online Purchase Intention**

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Standardized Coefficients</th>
<th>Collinearity Statistics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust</td>
<td>.234*</td>
<td>16.726</td>
</tr>
<tr>
<td>Shopping Enjoyment</td>
<td>.287*</td>
<td>4.590</td>
</tr>
<tr>
<td>Web Design</td>
<td>.235**</td>
<td>22.218</td>
</tr>
<tr>
<td>Privacy</td>
<td>.153*</td>
<td>7.486</td>
</tr>
<tr>
<td><strong>R Square</strong></td>
<td>.575</td>
<td></td>
</tr>
<tr>
<td><strong>F</strong></td>
<td>69.898</td>
<td></td>
</tr>
<tr>
<td><strong>Sig. of F value</strong></td>
<td>.000</td>
<td></td>
</tr>
<tr>
<td><strong>Durbin Watson</strong></td>
<td>1.992</td>
<td></td>
</tr>
</tbody>
</table>

The findings for multiple regression analysis are tabulated in Table 4. It was discovered that the $R^2$ was 0.575 which emphasized that all four independent variables which comprised of trust, shopping enjoyment, web design and privacy explained 57.5% of the variance for online purchase intention. In addition, it was also found that the value for Durbin Watson was 1.992, which can be considered as good as it fell within the range of 1.5 to 2, in line with the assumption for multivariate analysis. Furthermore, the results also showed that shopping enjoyment had the greatest influence towards online purchase intention among consumers in the Klang Valley ($\beta=0.287$, $p<0.05$), followed by the variables of web design, trust and privacy ($\beta=0.235$, $p<0.05$; $\beta=0.234$, $p<0.05$; $\beta=0.153$, $p<0.05$ respectively). Based on this analysis, it can be concluded that all dimensions under e-service quality were found to be significantly contributing in predicting the consumer’ online purchase intention with shopping enjoyment dimension as the most influential factor.

**Table 5: Hierarchical Regression between Online Shopping Experience, E-Service Quality and Online Purchase Intention**

<table>
<thead>
<tr>
<th>Independent Variables</th>
<th>Online Purchase Intention</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model 1</td>
</tr>
<tr>
<td>Trust</td>
<td>.234*</td>
</tr>
<tr>
<td>Shopping Enjoyment</td>
<td>.287**</td>
</tr>
<tr>
<td>Website Design</td>
<td>.235**</td>
</tr>
<tr>
<td>Privacy</td>
<td>.153**</td>
</tr>
<tr>
<td><strong>Moderator</strong></td>
<td></td>
</tr>
<tr>
<td>Online Shopping Experience</td>
<td></td>
</tr>
<tr>
<td><strong>Interaction Term</strong></td>
<td></td>
</tr>
<tr>
<td>Trust*OSE</td>
<td></td>
</tr>
<tr>
<td>Shopping Enjoyment*OSE</td>
<td></td>
</tr>
<tr>
<td>Website*OSE</td>
<td></td>
</tr>
<tr>
<td>Privacy*OSE</td>
<td></td>
</tr>
<tr>
<td><strong>R</strong></td>
<td>.758</td>
</tr>
<tr>
<td><strong>R Square</strong></td>
<td>.575</td>
</tr>
<tr>
<td><strong>R Square Change</strong></td>
<td>.575</td>
</tr>
<tr>
<td><strong>F Change</strong></td>
<td>.69.898</td>
</tr>
<tr>
<td><strong>Sig. F Change</strong></td>
<td>.000</td>
</tr>
<tr>
<td><strong>Durbin Watson</strong></td>
<td>1.992</td>
</tr>
</tbody>
</table>

*p-value less than 0.05 level
**p-value is less than 0.01 level

The findings of hierarchical regression analysis are tabulated in Table 5 and it sought to answer research question three which is to investigate the moderating effects of online shopping experience on the relationship between e-service quality and online purchase intention. Model 1 explained 57.5% of the variance while Model 2
explained 63.7% of the variance with 6.2% increment. In addition, Model 3 explained 64.8% with a slight increment of 1.2% in the total variance explained. Moreover, it was also discovered that the interaction between consumers’ online shopping experience and online purchase intention has strengthened the relationship between trust and website design towards online purchase intention (β=0.359 and β=0.343, p<0.01 respectively).

This study found that online shopping experience did not moderate the relationship between e-service quality and online shopping intention. However, upon close investigation, it was found that two sub-elements under e-service quality which were trust and website design did moderate the relationship, while shopping enjoyment and privacy were found not to moderate the relationship. In other words, the findings suggested that “the better online shopping experience, the greater are the effects of trust and website design towards online purchase intention”. These findings are supported by a study conducted by Hsieh and Liao (2010) who found that online shopping experience significantly moderated the relationship between trust and online purchase intention. This is due to the fact that consumers will have strong online purchase intention when positive past online shopping experiences reduced their insecure feelings about online shopping uncertainties.

V. Conclusion and Recommendations

The results of the findings were found to be consistent with the study conducted by Delafrooz, Paim and Khatibi (2011) who also found that trust had significant relationship with online purchase intention. As stated by Richard and Guppy (2014), trust is one important factor that predicted customers’ behavior to purchase online because trust can reduce the hesitation of both online and offline purchasing intention. When customers trust web retailers, they also believe that the vendors are reliable and that the information they share will be kept as private and confidential. As online transactions are generally viewed as riskier, the sense of trust can diminish the fear of uncertainty in purchasing online, thus eradicate the psychological fear of customers about web retailers (Mohseni & Sreenivasan, 2014). It can be concluded that respondents in this study trusted the capability of the web retailers and influenced their decision to make online purchases, as suggested by Ho and Chen (2014) that higher online customers’ trust leads to higher intention to purchase online.

It can also be concluded that website design is the main driver towards the decision to make online purchases or not. The design of the website serves as the first impression that there is a well-established company behind the screen. Hence, the design of the website, which acts as the interface of web retailers, plays a major role in influencing customers’ intention to purchase online. According to Lee and Lin (2005), customers will shop online when they experience user-friendly websites with great features, thus will have higher intention to make online purchases. Customers will avoid spending their time to browse complicated shopping websites or interface that are hard to navigate (Chui, Lin, & Tang, 2005). In essence, customers’ perceptions of the design and atmosphere of website may stimulate positive or negative emotions that will influence their purchase intention.

Previous study by Niranjanamurthy and Dharmendra (2013) found positive and significant influence of privacy towards intention to purchase online. According to Belanger et al., (2002), privacy was a contributing factor towards online purchase intention. Privacy and trust are significant among online shoppers. Online customers only choose vendors they trust and expect online sellers to protect their personal details. It is most crucial for online retailers to provide the feeling that customers are safe using their websites, and that the information they share is protected. There is a high possibility that customers will make purchases online if online retailers guarantee that the features in their websites are genuine and the process of online transactions are safe. In other words, customers tend to make online purchases if they perceive the web retailers are reliable and assertive towards the online transaction processes (Liat & Wuang, 2014). Hsu et al., (2014) highlighted that once customers are assured that their privacy is in safe hands, their trust level and intention to shop online is automatically enhanced. What customers expect from a good website design is how it displays products information, making less time spent in looking for information and getting a personalized interaction (Shergil & Chen, 2005). Customers will revisit and tend to shop at websites if they are pleased with the website design quality (Ganguly et al., 2010).

Hsieh and Liao (2010) reported that customers these days are more alert with website scams and frauds through online shopping. As a result, online vendors need to provide assurance to online customers on the safety, privacy and trust issues. This study also revealed that experienced online customers are more prone to adapt online shopping activities without fear because they knew that their information especially bank account details are secured, personal information is protected and not be shared with others (Rezaei, Amin & Wan Khairuzzaman, 2014). Therefore, experienced customer may overcome the perceived risk or uncertainties associated to online purchase (Ling, Chai & Pew, 2010).
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References


