

The Effect of Expectancy, Satisfaction of Product Attributes and System Attributes in Repurchasing Online

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Abstract—*The growth of e-commerce in Indonesia at early January 2018, 45% of internet users looking for products or services to be purchased online, 45% users visit online retail stores, and 40% users make purchases of a product or service online. Bank Indonesia estimates the value of e-commerce transactions in 2018 reached 144 trillion rupiahs. Based on data of Badan Koordinasi Penanaman Modal (BKPM), the value of investments in e-commerce and financial technology reaches more than US \$ 5 billion. The critical measure of success factors for online stores is the behavior of repeat purchases by consumers. Expectancy and satisfaction of product attributes and system attributes can be the factors that affect online repurchasing. These factors have a positive effect on online repeat purchase. To deepen the phenomenon of the influence in expectancy and satisfaction on product attributes and system attributes, researchers conducted in-depth analysis using qualitative methods. The qualitative method used is a phenomenological approach so that it can describe general meaning of some individuals about life experiences related to the phenomenon. The result of this research is the implications for e-commerce developers. The implications are based on research findings based on e-commerce users, both buyers and experts in the field of business and communication. The implications hopefully can provide insight into the factors affecting the community to shop online in Indonesia and help e-commerce in Indonesia to improve and expand its business.*

Keywords—*Repurchasing Online, Expectancy Confirmation Theory, Product Attribute, System Attribute, Qualitative Method, Phenomenological Approach.*

I. INTRODUCTION

The growth of internet usage in Indonesia is very fast until 2018. The survey results conducted "we are social" states that of the total population in Indonesia, 50% use the internet that reaches 132.7 million people. The growth of e-commerce in Indonesia in January 2018, 45% of internet users looking for products or services to be purchased online. As many as 45% of users visit online retail stores. And 40% of users make purchases of product or service online.

This is consistent with surveys conducted by "we are social", the top 20 websites that are frequently visited and viewed by internet users. The website of tokopedia.com is ranked sixth, followed by bukalapak.com in the eighth

rank. Based on the data of e-marketers on the techno.liputan6.com page Bank Indonesia estimates the value of e-commerce transactions in 2018 reached 144 trillion rupiahs, up from 69.8 trillion rupiahs in 2016, and 25 trillion rupiahs in 2014. In addition, based on data from the Investment Coordinating Board (BKPM). the value of investments in the e-commerce sector and financial technology reached more than US \$ 5 billion. It makes e-commerce as one of the most strategic sectors of the economy.

In an online shopping environment, system quality should support consumer purchasing activities by providing security and accessibility, in addition to speed and other convenience features[1]. If these factors are not guaranteed, consumers will not use online shopping sites. In addition to the quality of the system, in the online shopping environment there are also factors of product attributes. A research done by Kotler[2] uses different product characteristics including product design, quality, packaging design, and features to build research models. The result explains that product attributes (information, quality, and price) have a positive effect on buying intention. Other than that, previous study of Blackwell, D., Miniard, P., and Engel, J. [3] suggests that the price of a product is a connection or process between consumers and companies to pursue and achieve communication with each other.

It's important for companies that intend to expand their digital business. Just like a traditional physical store, the critical measure of success factors for online stores is customer repurchasing behavior. The average customer needs to shop four times in the online store before profits are earned. Because online retail success depends on the continued use of the internet to buy much range of products than on early adoption[4].

The purpose of this study is more in-depth study of the factors that affect the Indonesian community to repurchasing online as a result of consideration between expectations and satisfaction with product attributes, system attributes. Then it can give insight into the factors that affect the community to repurchasing online and help e-commerce in Indonesia to improve and expand its business.

The research question that we proposed are:

RQ1: Self-efficacy, effort expectancy, and performance expectancy (expectancy) can affect the satisfaction to repurchasing online.

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RQ2: Satisfaction with product attributes and system attributes may affect online repurchasing activity.

II. BACKGROUND OF STUDY

A. Expectancy Confirmation Theory (ECT)

According to ECT, consumers define their repurchase intention by determining whether the product or service meets their initial expectations. Their comparison of perceived benefits with their original expectations will affect their continuous intentions[5]. For example, expectations may derive knowledge and information gathered from mass media or other sources that predict that a product or service will perform in a certain way. As consumers use their products, he or she confirms expectations about the value and benefits of the product or service. If it meets its initial expectations and makes consumers happy and satisfied, these consumers experience a positive intention to buy back[6].

B. Repurchasing Online

Yu [7] mentioned that adoption is not equivalent to sustainable use. In the early stages of technology introduction (example, adoption of online shopping), users make an acceptance decision to use a product or service, which is different from the decision to use on an ongoing basis. Because continuous use is post-adoption behavior. Long term sustainable purchases have been defined as the intention of continuing to buy goods after customers purchase products or services[8]. Continuing the intention or intention of repurchasing refers to an individual's valuation to repurchase certain products or services of the same business, by taking account the current situation and possible circumstances[9].

III. METHODOLOGY OF THE STUDY

We applied the qualitative approach to conduct this study. We conducted phenomenological qualitative research because we expected to comprehend the profound situated social circumstance, draw patterns, and investigate the popularity of repurchasing online shopping in Indonesia. Phenomenology studies can be used to explore the general meaning of the life experiences of some individuals which is related to phenomena[10].

The issues of research topics were identified based on the interesting phenomenon which was happened in society. Information, theories, and previous research were conducted to establish the basic theories involved with research topics. A conceptual model was drawn to conduct the study as a guide. The related domains are used to describe the factors of online repurchasing, that derived from the literature review. The conceptual model is shown by figure 2.

The study was conducted in Surabaya, Indonesia. Surabaya is the city with the second largest number of population and has the availability of good internet access and as a large population have known and used the internet. Sampling technique used is purposive sampling that is sampling technique of data source with certain consideration[11]. We interviewed informants who ever did online shopping and also repurchasing on that at least once in a month. Informants are divided into two categories, namely online shoppers and economic experts who understand the development of e-commerce.

We conducted responsive interviews to five informants with different backgrounds. Small details in responsive interviews are important[12]. So that we immediately transcribe the interview results which is done earlier. Then we translated the code into themes based on the model that has been established (Figure 2).

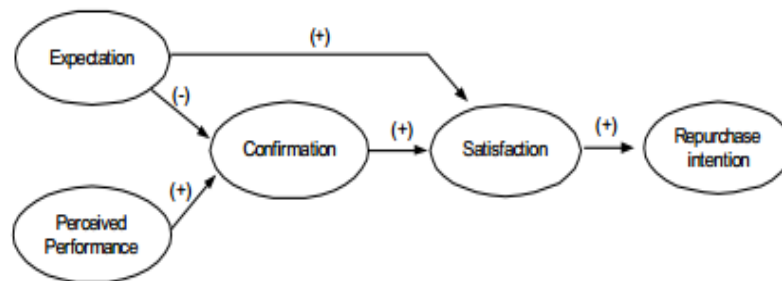


Figure 1. Expectancy Confirmation Theory's Model.

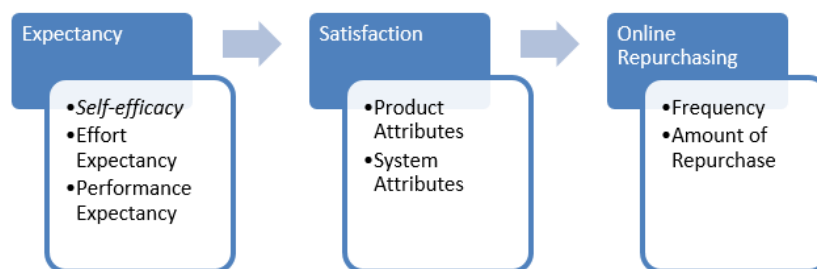


Figure 2. Conceptual Model

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IV. FINDINGS

A. *RQ1: Self-efficacy, effort expectancy, dan performance expectancy (expectancy) can affect the satisfaction to repurchasing online.*

All informants expressed enough confidence and courage to do online shopping activities.

Very confident. I can not ride a vehicle and I'm a lazy person if have to come to the mall. So I choose online shopping. (Informant 1, Mei 22, 2018)

Very confident. Because of the need for the profession. (Informant 3, Mei 31, 2018)

Sure. there is star seller, so more trusted. (Informant 4, June 4, 2018)

All informants stated that using e-commerce is easy. Difficulties are felt at the beginning because they need an adaptation. Informants who is an economic expert states, ease of transaction is very influential. When the e-commerce platform is not familiar with users, users find it difficult to make transactions, will definitely left behind. No matter the e-commerce provides a great discount. Shopping online using the e-commerce platform is very efficient and easy, can be controlled easily through tablets, laptops or mobile phones.

Nothing difficult. Just follow the steps. (Informant 1, Mei 22, 2018)

Just at the beginning, because it is new to use e-commerce. Just need to click - click, easy. Login is also easy using Facebook and Gmail. (Informant 2, Mei 30, 2018)

The difficulty does not exist, more to the adaptation with the application interface. (Informant 3, Mei 31, 2018)

All informants stated, in carrying out their activities can be done anywhere and anytime. Efficiency in terms of time can also be felt. Ease with the only scroll, felt by the informant. Cost savings are felt by informants.

I can do shopping anywhere and anytime. Make it easy with online shopping. Because I can't ride

vehicle, I just need to scroll and scroll then transfer. Simple. (Informant 1, Mei 22, 2018)

The advantage is I don't need to come to the place for shopping. We just need to pick and scroll and then click to choose the product. (Informant 2, Mei 30, 2018)

Efficient. I can do the activity anywhere and anytime. The time is more flexible. (Informant 4, Mei 26, 2018)

No need to bother and saving time. E-commerce can save time and cost of transport that must be issued. (Informant 5, June 7, 2018)

These findings were consistent with research conducted by Ilias, Michail, Giannakos, Adamantia, and Vassilios[13] that the desire to make online repurchasing is a form of calculation of self-efficacy, effort expectancy, and performance expectancy.

B. *RQ2: Satisfaction with product attributes and system attributes may affect online repurchasing activity.*

All the informants stated that they were satisfied with the product attributes (price, quality, and product information) provide by e-commerce. If e-commerce seeks to always provide the best quality of price, quality, and product information for customers, it will encourage buyers to continue repurchasing.

I choose the price that makes sense but cheaper. If the discount was real from the original price, I'm interested. I already have a subscription to repurchasing the product. If run out I would buy again in the store. The price, I think is the best. (Informant 1, Mei 22, 2018)

There is a quality guarantee that is sometimes given by the seller or e-commerce. (Informant 5, June 7, 2018)

Like buying a cat in a sack if there is no description. If it does not fulfill right, i left. (Informant 3, Mei 31, 2018)

These findings were consistent with research conducted by Abdul-Muhmin and Alhassan G.[14], Pingjun Jiang and Bert Rosenbloom[15], Wan-I, L., Shan-Yin, C., and Yu-Ta Shih[16] that satisfaction with product attributes (price, quality, and product information) affect online repurchasing.

All informants stated that they were satisfied with the system attributes (system quality, quality of information, and quality of service) provided by e-commerce. They stated that if they are comfortable with one of the e-commerce, they will be loyal to shop again on e-commerce.

All save. There is a privacy policy. For the transaction, money held in a joint account, just after the product gets to the buyer, the funds are transferred to the seller. It's comfortable, starting from the interface, the steps is easy in terms of payment. (Informant 3, Mei 31, 2018)

User friendly interface. So many interesting promo. And there are reviews product from another

customer. They send us newsletters. And real time information. (Informant 1, Mei 22, 2018)

On time for the delivery service. E-commerce has given the time limit for packing and shipping. Provided return and warranty. There is a free shipping fee also very tempting. (Informant 2, Mei 30, 2018)

These findings were consistent with research conducted by Changsu, K., Robert D., G., Namchul Shin, and Joo-Han Ryoo, J[17] that satisfaction with system attributes (system quality, quality of information, and quality of service) affect online repurchasing.

V. SUMMARY

Based on the above description, the result of the research and interviews confirm the conceptual model proposed in the previous chapter based on the theoretical studies conducted. Starting from expectations in online repurchase affect the satisfaction in online repurchase. Satisfaction with product attributes and system attributes affects online repeat purchases.

We also get several notable findings out the two research questions that have been proposed which are still related to this research objective that can be implications for e-commerce developer to expand their business. The findings are:

1. Users feel safe by doing shopping online on e-commerce.
2. Users feel comfortable doing online shopping on e-commerce.
3. Cheap prices and discounts are not always factored that driving online shopping activities.
4. Product quality becomes the main driving factor of online repurchasing activity.
5. Product description becoming user considerations to conduct online shopping activity.
6. Free shipping fee becomes a factor that driving users performing to repurchasing online.

We built the final model based on research findings. The final model of this qualitative research could be developed and then tested using a qualitative approach. The future research also can add demographics factors. The type of e-commerce not determined in this study, by pursuing the type of e-commerce can make the research more focused. This study didn't segregate gender as a factor that differentiates behavior in repurchasing online, further

research can consider the behavior of users of repurchasing in online shopping.

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