The Role of Familiarity in Increasing Repurchase Intentions in Online Shopping

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ABSTRACT
This study aims to determine the relationship between trust, satisfaction, and repurchase intention at online shopping providers, such as Tokopedia, Bukalapak, Lazada, Zalora, and Blibli, in Kendari City. In detail, this study also aims to determine the role of familiarity in strengthening the relationship between trust, satisfaction, and repurchase intentions. There are 250 respondents involved in this study obtained through convenience sampling technique. The analysis is carried out in 2 stages. The first stage is to simultaneously test the role of trust and satisfaction in increasing repurchase intention. The second stage is to determine the role of familiarity as a moderating variable. Moderating Regression Analysis (MRA) is used to test the causal relationship. The results of this study indicate that familiarity increases the effect of trust on satisfaction, the effect of trust on repurchase intention, and the effect of satisfaction on repurchase intention. The results of this study contribute to the development of the concept of relationship marketing, especially to increase repurchase intention through the development of the concept of familiarity. This study’s limitation is that there is no comparison between familiarity attitudes for each online shopping service provider.

1. INTRODUCTION
The current development of information and communication technology has given rise to online shopping as an alternative medium for goods and service transactions (Ishak, 2012; Anwar & Adidarma, 2016). Online shopping is growing along with the increasing number of information and communication technology users (Mujiyana & Elissa, 2013). Online shopping is increasingly being used as a medium of transactions. In addition to providing many conveniences, online shopping has also become a lifestyle for most people in the world.
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This impacts the increasing number of online shopping sites and applications (Pramono, 2012). In practice, however, online shopping does not always go smoothly. Online shopping site users often experience failure in doing online shopping. Fraud cases often occur so that the trust factor is an essential factor to consider in the online shopping business (Anwar & Adidarma, 2016). Trust built in the presence of reliability and security is needed by online shopping sites or applications (Siau & Shen, 2003). Trust has a significant effect on satisfaction (Herrera & Blanco, 2011; Ahmed, Vveinhardt, Štreimikië, Ashraf, & Channar, 2017; Selnes, 1998) and satisfaction has a significant effect on repurchase intention (Herrera & Blanco, 2011; Bianchi, Bruno & Sarabia-Sanchez, 2019; Elbeltagi & Agag, 2016). Trust can also significantly influence repurchase intention (Herrera & Blanco, 2011; Gefen, 2000).

The causal relationship between trust, satisfaction, and repurchase intention will even be tighter with the presence of familiarity (Herrera & Blanco, 2011). Familiarity is an individual feeling based on previous experiences, learning, and interactions about what he did (Zhang, Ghorbani & Cohen, 2007). Familiarity can increase the complexity of the relationship between trust, satisfaction, and repurchase intention. Based on this description, this study focuses on the role of customer trust, satisfaction, and purchase intention in online shopping behavior.

2. THEORETICAL FRAMEWORK AND HYPOTHESES

Trust
Trust is the belief of an individual to interact in the future based on his experiences. Trust is an essential factor in improving relationships and builds business success (Thakur, 2018; Vivek, Beatty & Morgan, 2013; Rahman, Sofian, Asuhaimi & Shahari, 2020). Trust that arises from past transaction experiences will be the basis for making future transaction decisions (Coulter & Coulter, 2003). Trust will lead to the emergence of repurchase intention, which in turn can increase high loyalty to customers (Kishada & Wahab, 2013). Several research results indicate that trust plays a role in increasing satisfaction (Selnes, 1998; Zboja & Voorhess, 2006). Trust also plays a role in increasing purchase intention (Gefen, 2000).

Based on these arguments, the hypotheses built in this study are:

H₁: Trust affects in increasing satisfaction
H₂: Trust affects in increasing purchase intention

Satisfaction
Satisfaction is a comparison between expectations and reality. Satisfaction arises as a result of evaluation and experience. Customer satisfaction is a confirmation or disconfirmation of perceived performance and reality (Selnes, 1998; Toyama & Yamada, 2012; Ahmed et al., 2017). The most intuitive pattern that can satisfy customers is one or more of their experiences, then the company must produce products according to customer wants and needs (Harsanto & Jatnika, 2017; Lundberg & Rzaczni, 2000; Risnawati, Sumarga & Purwanto, 2019; Stiawan & Syah, 2017). The concept of customer satisfaction consists of two components: expectations and actual performance. Actual performance is the result of purchases received by customers, while expectations are what customers predict about what they receive from consumption of the product (Soderlund, 2002; Mulyana & Prayetno, 2018). Satisfaction plays a role in increasing repurchase intention (Soderlund, 2002).

Based on these arguments, the hypothesis built in this study is:

H₃: Satisfaction affects in increasing purchase intention

Repurchase Intention
Customers' intention to repurchase can reflect a proper evaluation of their previous purchases, which can be a critical factor in the company's success (Chung & Lee, 2003). The intention to repurchase is customers' behavior based on an evaluation of their previous purchase and experience. Some people have the intention to repurchase because it is based on their assessment of previous purchases, and this can have an impact on the possibility of customers not to switch to other products or services (McDougall & Levesque, 2002). Repurchase intention is an antecedent of familiarity, trust, and satisfaction.

Familiarity
Familiarity is a reflection of a good relationship, resulting from the interaction between customers and producers based on purchase evaluation (Luhmann, 2001). It can be the result of information seeking activities carried out by consumers. Several research results indicate that familiarity influences trust (Komiak & Benbasat, 2006; Macintosh, 2009;
Yao & Li, 2009). Apart from influencing trust, familiarity also plays a role in building satisfaction (Tam, 2008; Toyama & Yamada, 2012; Ha & Jang, 2010). Other studies also show that customer familiarity can have a moderating effect on the relationship between trust, satisfaction, and repurchase intention (Herrera & Blanco, 2011).

Based on this explanation, the hypotheses built in this study are:

- **H4a**: Familiarity moderates the effect of trust in increasing satisfaction
- **H4b**: Familiarity moderates the effect of trust in increasing repurchase intention
- **H4c**: Familiarity moderates the effect of satisfaction in increasing repurchase intention

Based on the description above, the model built in this study is as follows:

![Figure 1: Research Models and Hypotheses](image)

### 3. RESEARCH METHOD

This research was conducted in Kendari City, involving 250 respondents who did shopping through online sites, such as Tokopedia, Bukalapak, Lazada, Zalora, and Blibli, with the criteria of having done online shopping at least five times. The number of respondents was determined proportionally according to the number of online shopping sites, or as many as 50 respondents for each online shopping site. This was done considering that the number of consumers for each site was unknown (Cooper & Schindler, 2003). The determination of the number of respondents was based on convenience sampling technique. One of the reasons for using this sampling technique was the difficulty of finding respondents who fit the existing criteria (Cooper & Schindler, 2003). Therefore, the convenience sampling technique was based on the consideration that it was challenging to get respondents who did shopping online because they did not make direct visits to the place of purchase and only based on online transactions.

Hypothesis testing was done by using moderating regulation analysis (MRA). This analysis is used in the research model to be tested relationship complexity and is based on the use of moderating variables in the research model (Ghozali, 2014).

Measurement of each variable in this study was carried out by adopting some of the results of previous studies; such as trust (X1) was adopted from research conducted by Herrera & Blanco (2011), satisfaction (X2) was adopted from research conducted by Lundberg & Rzacnicki (2000), repurchase intention (Y) was adopted from research conducted by Wu, Chen, Chen & Cheng (2014), and familiarity (Z) was adopted from research conducted by Soderlund (2002). The analysis used in this research was Path Analysis, which was carried out in two stages. The first stage was to test the effect of trust and satisfaction in increasing repurchase intention simultaneously. The second stage of analysis was used to test hypotheses 1, 2, and 3. The second stage was to test the moderating variable by including the variable of familiarity. The moderation test was carried out using the moderated regression analysis (MRA). The second stage analysis was used to test hypotheses 4a, 4b, and 4c.

### 4. DATA ANALYSIS AND DISCUSSION

The first stage test results, that is, to test the role of trust and satisfaction in increasing repurchase intention simultaneously can be seen in Figure 2 and Table 1.
The first stage of model testing is as follows. The results of simultaneous model testing show that the path coefficient value of the influence of trust on satisfaction is 0.648, with a p-value of 0.000. Thus, hypothesis 1 (H1) in this study is accepted. This means that the trust held by respondents can significantly increase their satisfaction in doing online shopping. The results of this study are in line with the results of research conducted by Selnes (1998) and Zboja & Voorhess (2006) that the higher the level of trust, the higher the level of satisfaction.

The path coefficient value of the influence of trust on repurchase intention is 0.712 with a p-value of 0.000. Thus, hypothesis 2 (H2) in this study is accepted. This means that the trust held by respondents can significantly increase their repurchase intentions. The results of this study are in line with the results of research conducted by Gefen (2000) that the higher the level of trust, the higher the level of repurchase intention.

The path coefficient value of satisfaction on repurchase intention is 0.577, with a p-value of 0.002. Thus, hypothesis 3 (H3) in this study is accepted. This means that respondents’ satisfaction in online shopping can significantly increase their repurchase intention. The results of this study are in line with the results of research conducted by Soderlund (2002), Bianchi et al. (2019), and Elbeltagi & Agag (2016) that the higher the level of satisfaction, the higher the level of repurchase intentions.

The second stage of model testing is carried out by including familiarity as a moderating variable to test hypotheses 4a, 4b, and 4c (Figure 3 and Table 2). The moderation model testing results show that an increase in the path coefficient value of the trust affects satisfaction (from 0.648 in the first stage of testing to 0.708 in the second stage of testing with p-value = 0.000). This means that there is an increase in the effect of trust on satisfaction by 0.06 (6%) after being moderated by familiarity. Thus, hypothesis 4a (H4a) is accepted, which means that the presence of high familiarity with online shopping sites will further strengthen the effect of trust on satisfaction. This indicates that the higher the respondents’ familiarity with online shopping sites, the higher their trust and satisfaction.
Table 2: The Results of the Second Stage of Hypothesis Testing

<table>
<thead>
<tr>
<th>Independent Variable</th>
<th>Dependent Variable</th>
<th>Path Coefficient</th>
<th>Sig (p-value)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust</td>
<td>Satisfaction</td>
<td>0.708</td>
<td>0.000</td>
</tr>
<tr>
<td>Trust</td>
<td>Repurchase Intention</td>
<td>0.753</td>
<td>0.000</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>Repurchase Intention</td>
<td>0.621</td>
<td>0.000</td>
</tr>
<tr>
<td>Trust*Familiarity</td>
<td>(Moderator)</td>
<td>0.359</td>
<td>0.044</td>
</tr>
<tr>
<td>Trust*Familiarity</td>
<td>(Moderator)</td>
<td>0.664</td>
<td>0.000</td>
</tr>
<tr>
<td>Satisfaction*Familiarity</td>
<td>(Moderator)</td>
<td>0.476</td>
<td>0.035</td>
</tr>
</tbody>
</table>

The results of moderation model testing show that an increase in the path coefficient value of the trust has an effect on repurchase intention (from 0.712 in the first stage of testing to 0.753 in the second stage of testing with p-value = 0.000). This means that there is an increase in the effect of trust on repurchase intention by 0.041 (4.1%) after being moderated by familiarity. Thus, hypothesis 4b (H4b) is accepted, which means that the presence of high familiarity with online shopping sites will further strengthen the influence of trust on repurchase intention. This indicates that the higher the respondents’ familiarity, the higher the level of their trust, and repurchase intention.

The results of moderation model testing show that an increase in the path coefficient value of satisfaction has an effect on purchase intention (from 0.577 in the first stage of testing to 0.621 in the second stage of testing with p-value = 0.000). This means that there is an increase in the effect of satisfaction on purchase intention by 0.044 (4.4%) after being moderated by familiarity. Thus, hypothesis 4c (H4c) is accepted, which means that the presence of high familiarity with online shopping sites will further strengthen the influence of satisfaction, formed by trust, on repurchase intention. This indicates that the higher the level of familiarity, the higher the level of trust, satisfaction, and purchase intentions. The results of the test of simplicity show that the high level of respondent familiarity generally strengthens the relationship between trust, satisfaction, and purchase intention. These results are in line with the results of research conducted by Herrera & Blanco (2011).

The findings of this study (see Figure 3 and Table 2) show that customer familiarity with online shopping sites, such as Tokopedia, Bukalapak, Lazada, Zalora, and Blibli, can be an absolute requirement in increasing repurchase intentions. In building the concept of relationship marketing, especially in online shopping, it is emphasized that good relationships can be created based on trust and satisfaction. This study’s findings reinforce the concept of a good relationship between consumers and producers, which is based on a high level of familiarity in online shopping businesses, such as Tokopedia, Bukalapak, Lazada, Zalora, and Blibli. Therefore, it is recommended that online shopping sites continue to build customer trust and satisfaction by increasing familiarity with consumers to achieve customer value with longevity.

In some cases, it was found that consumer trust and satisfaction have not created a good relationship between consumers and producers. This can happen because the trust and satisfaction built are not based on good familiarity. The findings of this study emphasize that familiarity can be an excellent marketing strategy to retain customers in the long term. The high level of familiarity possessed by consumers can be achieved through efforts to understand customer needs and wants, provide the best service, and align customer expectations with the perceptions of performance offered by producers. If all of this is done, the opportunity to create longevity customer value will be achieved.

5. CONCLUSION, IMPLICATION, SUGGESTION, AND LIMITATIONS

This study’s results indicate that trust has a significant effect on satisfaction, which means that the higher the level of respondents’ trust in online shopping sites, the higher the level of their satisfaction. Trust has a significant effect on repurchase intention, which means that the higher the level of respondents’ trust in online shopping sites, the higher the level of their repurchase intention. Satisfaction has a significant effect on repurchase intention, which means that the higher
the level of respondents’ satisfaction, which is created by the trust they have, with online shopping sites, the higher the level of their repurchase intention. Familiarity moderates the relationship between trust, satisfaction, and repurchase intention, which means that the higher the level of respondents’ familiarity with online shopping, the stronger the relationship between trust, satisfaction, and purchase intention.

For managerial implications, there needs to be concrete efforts to create a high level of consumer familiarities with online shopping sites, such as Tokopedia, Bukalapak, Lazada, Zalora, and Blibli. Trust and satisfaction alone are not enough to build long-term relationships with customers. There need to be efforts to create a high level of familiarity, by better understanding customer wants and needs, including developing a marketing strategy concept based on the match between customer expectations and perceived performance.

The limitation of this study is that there is no comparison between familiarity attitudes on any online shopping site. This limitation is due to the sampling technique used, making it impossible to do. For this reason, it is suggested that further research compares customer familiarity for each online shopping site using more general sampling techniques, such as probability sampling.

REFERENCES


