

## Consumers Perception on Continuance Intention of Online Shopping

Wiryanta Muljono<sup>a\*</sup>  
Sri Setiyawati<sup>b</sup>

<sup>a</sup>Graduate School of Economics, Universitas Sebelas Maret Surakarta, Indonesia;

<sup>b</sup>Department of Management, Universitas Sebelas Maret Surakarta, Indonesia

### Abstract

Service quality includes shipping has been considered a critical factor that affects continuance intention consumers in online shopping. This study investigate whether attitude acts as a moderator between service quality and shipping with regard to continuance intention in online shopping. This study was conducted using a quantitative approach by distributing questionnaires to online shopping consumers. Utilizing SEM with AMOS 22 by sampling 400 respondents. These empirical findings provide one, among several others, insight (recommendation) to startup in developing service quality and shipping because online shoppers are more concerned with their goods being immediately received thus weathering the competition from other startups. Study concluded that the employed service features produced a significant influence on the continuance intention of online shopping. The Startup company knew who its consumers can differentiate products and services which are offered by the company and others. Righteously startup company has also a strong commitment to ensuring that it will deliver goods on time to consumers. The limitation of the present study originates from the research scope which revolves around consumer's perception of service quality included shipping on a startup company.

### Keywords

Service quality; shipping; attitude; continuance intention; startup; online shopping

Received: 25 January 2021; Accepted: 22 February 2021; Published Online: 30 April 2021

DOI: 10.21776/ub.apmba.2021.009.03.5

### Introduction

E-commerce in Indonesia has become increasingly important in all market segments, and in retail segments, it already accounts for \$ 2.6 billion or 0.6% of the total trade in 2014. E-retail reached \$8 billion in 2017, and it is even predicted to increase to \$ 55 billion to \$ \$ 130 billion in 2020, with 171 million internet users (Setiyawati et. al., 2019). Most retail goods traded via e-commerce are produced by

small and medium enterprises (SMEs). Furthermore, the majority of businesses in Indonesia are SMEs, which represent 99% of the operating businesses (Das et al., 2018).

The sharing economy model has predicted considerable growth in e-commerce. For example, GoJek in partnership with SMEs contributed a transaction volume of \$ 1.2 billion in 2017 (Demographic Institute, 2018), which means that e-commerce in

the SME sector is expected to grow considerably. Annually, the willingness to buy products such as GoFood, which until recently was not considered by consumers, is growing.

The e-retail industry has been developing very rapidly and changing prior distribution systems. Hence, e-retail has higher opportunities to improve their performance if they have strong logistics capabilities. The modern logistics performance means to improve the efficiency of material flow, reduce distribution costs in various industries; at the same time, the recent development of e-commerce contributed to the expansion of the logistics market and promote logistics technologies (Ying Yu et al., 2016). This condition has a consequence service quality (SQ) and shipping have significantly influence attitude and continuance intention of online shopping (CIOS).

The most favourite website to visit by Indonesian internet users are apparently online shopping sites, which are Shopee, Tokopedia, and Bukalapak (iPrice, 2020). This means that the service quality of online shopping sites is more innovative. This is also offset by courier services for shipping goods purchased online. Shipping services Shipping services need to involve users in the process of service development. Service is focused on the offerings which fulfil customer needs and make an effort in terms of performance. Shipping services should be directed towards the understanding and interpretation of a customer need and expectation (Ejdys & Gulc, 2020). Service quality perceived by clients should be a crucial element in the process of co-creating courier services, considering user expectations and needs, and allowing service providers to improve them. This approach involves all stakeholders in the process of service creation. The perceived service quality measures the level, to which a provided service matches customer expectation. As a consequence, it affects

consumer to repurchase. There are at least 5 freight forwarding expeditions in Indonesia that have worked together with startups, such as JNE, Ninja Xpress, TIKI, J&T Express Indonesia, and Sicepat. However, not all startup features such services, although some companies have their own expeditions to send goods to the hands of consumers.

It does not mean there are no gaps in online shopping. Previous research, like Dai et al. (2014), pointed out the shortcomings, that lack of access to sales associates on e-commerce is considered another restriction. Indeed, the critical aspect could have implications for declining consumer intentions of online shopping. Witnessing the strong growth of e-commerce, academics have directed increasing attention to e-commerce research because e-commerce provides a choice of diverse goods, methods of payment, and delivery for items purchased through delivery services, which has led to a number of challenges.

E-commerce websites and the presence of the website-based app were initially thought to be the drivers of success, SQ issues soon became pivotal. When consumers could not complete transactions, products were not delivered on time or at all and desired information could not be accessed, the viability of e-commerce websites was jeopardized, with the chance to be abandoned by consumers (Parasuraman, et al., 2005). If e-commerce websites are to be accepted by consumers, start-up companies must shift the focus to e-service quality rather than an electronic transaction process. The phenomenon of e-service as a novelty of technology adoption is an interesting and challenging issue to be studied.

Inconsistencies is observed between attitude and CIOS models related to adoption of e-commerce. Case in Indonesia is affected by several factors which are perceived benefits, technology readiness, innovativeness, IT experience and IT

ability. The consumer factors play a significant role in e-commerce usage. Besides that, each study is based on different objects and settings (Rahayu & Day, 2015). This condition provides an opportunity to design alternative models that are able to describe the phenomenon to be observed. An alternative model is built based on four variables, namely, SQ, shipping, customer attitudes, and CIOS, which can be explained by the previous factors.

This research contributes to understanding SQ, shipping, and its attributes either directly or through attitudes towards CIOS. In an effort to provide a clearer picture of the relationships among SQ, shipping, and attitude and thus explain the effects of these factors on the CIOS, a Structural Equation Model (SEM) analysis is employed to generate a predictive answer.

## Literature Review

The relevant literature for this study is discussed in this section, based on literature reviews. There are two main areas of literature used in the paper. The first is related to attitude and CIOS. Then, the next is related to the SQ offered by e-commerce companies and the shipping goods service.

### *Service Quality*

The SQ becomes the associate's adequate activity for promoting to seek out and analyse data regarding consumer's needs, wants, and perceptions relating to the product offered. SQ refers to providing service that meets or exceeds consumers' expectations (Parasuraman et al., 1988). In line with Mestrovic (2017), this definition was most cited by the other researchers for outlining SQ. Today, within the digital age, consumers have high expectations for startup firms to offer them what they require, once they wish it. Digital remodel from conventional SQ to electronic SQ is more beneficial for consumers.

Service quality is known as SERVQUAL, which contains five dimensions: reliability, responsiveness, assurance, empathy, and tangibles have used as a measurement (Parasuraman et al., 1988). However, SERVQUAL dimensions not all suitable to measuring aspects of a website due to the various characteristics and features of SQ on the website displayed. Culiberg (2010) argued that these five dimensions are industry-specific and cannot be applicable to any service industries without modifications.

Previous research has shown that prediction models of individual behaviour intention show that SQ needs to be examined because this variable effectively influences consumer attitudes. Consumer perceptions regarding SQ are changeably caused by consumer psychological influences (Zhou et al., 2019).

To apply the SQ framework to the current analysis, we have ensured that the choice of dimensions of the framework is compatible with the SQ on the website displayed. Previous studies stated high standard of service quality not only makes consumers stick to one particular website, but also encourage them to be loyal consumers. Perceived service quality not only positively influences the relational variables such as trust and satisfaction but also on repurchasing (Goutama & Gopalakrishna, 2018).

Pearson et al. (2012) demonstrate that 2 key dimensions, particularly perceived SQ and perceived information quality of knowledge, each absolutely influences CIOS. Perception of SQ and information quality are both closely related to reliability and responsiveness. Reliability is the ability to perform the services in a dependable, accurate, and totally accountable manner, without access failure (An & Noh 2009). Responsiveness involves a willingness to respond quickly, keeping consumers informed regarding the availability of goods, delivery services, way of payment, and a set price.

Assurance involves the consumers' trust in the website. Trust in the start-up website depends on the consumers' notion of security of however the website manages their personal information. Websites will increase the trust of the consumers by enhancing website system security (Eid, 2011). According to researchers that privacy is the most serious issue is attracting a lot of online potential consumers and retains current consumers. Empathy is outlined by creating a relationship between consumers and sellers via web platforms, smart communication, and understanding the wants of consumers. According to Lundstrom and Dixit (2008), tangibility is defined as the appearance of a website or application, the Android software package, straightforward and various options, and attention-grabbing content. For the needs of this study, SQ is measured by SERVQUAL modifications, particularly reliability, responsiveness, assurance, empathy, and tangibility. Accordingly, we have proposed the following hypothesis:

Hypothesis 1. **SQ** is positively correlated with CIOS.

### ***Shipping***

Shipping in online shopping is a service used by start-up companies that sell goods over the internet. Thus, start-up companies have to hold the proper shipping partner. Startup ought to notice faster, cheaper, a lot of economical shipping resources in order to stay up and meet consumer expectations. That is where the shipping service companies play a role in partnering with start-up companies and goods suppliers.

Shipping is a link within the supply chain that directly affects the consumer and triggers their satisfaction. Where is the reliability of goods shipping service is a road to the consumer's CIOS. It implies that the consumer can receive the ordered product, that is well packed, which quantity, quality, and specification unit in accordance with the order to a set delivery time and place. According to Ziaullah et al. (2014), a reliable, safe, and timely delivery

is something essential for online consumer satisfaction.

Shipping service is evaluated by consumers once shopping goods purchased online are shipped quickly, safely, and received on time in accordance with its promise or vice versa. Contrary, a study by Ahmadinejad et al. (2014) found that shipping sensitivity had no impact on the consumer's purchase intention. Shipping services ought to be investigated as a result of our understanding of the interaction between shipping and CIOS. However, the interaction between shipping and CIOS remains unclear. Accordingly, it is therefore hypothesized as follow:

Hypothesis 2. **Shipping** is positively correlated with CIOS.

### ***Attitude***

Today, attitude occupies a central role within the theories and analysis concerning consumer behaviour. From a business perspective, consumer attitude is responsible for an evaluation of a product or service. Concerning consumer attitude towards product and service, the previous study claimed that attitude is an important factor in influencing consumers' intention towards product and service (Chaniotakis et al., 2010).

We begin by considering the definition of attitudes, which is individually attributed to emotions, beliefs, and behavioural tendencies an individual has towards a specific object. We have concentrated on uncovering the factors that affect the attitude towards goods purchased online. According to Andrews and Bianchi (2012), consumers' attitude on online shopping is an important factor that influences the CIOS. Through internet shopping, consumers can purchase more alternatives for products and shipping services.

Attitude is defined as the degree of one's positive feelings about taking part in online shopping (Azjen, 2005). A purchase will happen solely if consumers exhibit a positive attitude towards online shopping.

Therefore, consumers' attitudes, be it positive or negative are related to finishing shopping for behavior via the website. Attitude plays a vital role in forming CIOS. It is believed that consumers with more positive attitudes can have a lot of tendencies to repeatedly purchase online. This is often indicated by many studies that attitude has a positive impact on the intention to purchase online (Islam, 2015; Zhao & Othman, 2011).

To analyse consumer's attitudes, we use 3 components: cognitive, affective, and conative (Jin, 2011). This research focus explains model predictions of attitude and CIOS. Though most attitudes have all 3 components mentioned above, they will be strongly rooted in either the cognitive or the affective component (Lim et al., 2011). Thus, an attitude reflected by indicators such as useful, entertaining, and interesting is used to identify consistencies in attitude as an indicator of consumer goodwill. In this case, the researcher seeks to identify an individual's needs through the attitude dimension as a moderating variable. Accordingly, we have proposed the following hypothesis:

Hypothesis 3. Attitude is positively correlated with CIOS.

### ***Continuance intention of online shopping***

The CIOS is adopted from several earlier studies that designated continuance intention as a dependent variable (Wang et al., 2010). In a similar vein, Dutta and Singh (2014) define intentions as the consumer's conscious motivation to make an effort to engage in a specific behaviour. In short, CIOS is how hard consumers are willing to try, of how much of an effort they are planning to exert, in order to perform the behaviour (Lindblom & Lindblom 2018).

Online shopping is buying goods and its related services (included delivery service) over the Internet (Chaffey, 2009). The consumers are interested in exploring shopping websites depending on the goods

and services being sold, the quality of website services, reliability of promised shipments, the experience of using online shopping websites, and payment security and privacy. These factors affect customers' behaviour when shopping online.

In this research, the concept of continuance intention is analysed using the Theory of Planned Behaviour (TPB) by Ajzen (2005). We use TPB because it is suitable to explain any behaviour which requires planning, such as consumers' CIOS. Various researchers used different approaches to the TPB model: TPB was integrated with the construct derived from various theories or models. In another study, TPB was employed as a research tool on the attitude towards the transaction and subjective norm directly influences the intention of online transactions.

As indicated in TPB, attitudes of consumers are affected by subjective norms to deal with CIOS. Furthermore, subjective norms are expressed by how the behaviour is being affected by the perceived opinions of others.

Our study tried to reveal that attitude is positively related to consumers' CIOS. It can be argued that TPB is a useful theoretical framework to investigate the attitudes among consumers to engage in consumers' CIOS. TPB proposes that consumers' intentions can best be predicted by their attitudes, subjective norms, and perceived behavioural control (Ajzen, 2005). Under the TPB especially due to the addition of the perceived behavioural control factor, a decision to act is the best predictor of consumer intentions.

This study examines consumer CIOS using the key constructs of the TPB which are attitude and subjective norms. Taking an attitude-behaviour approach, this study empirically tests relations of consumer personal values, attitude, social norm, perceived behavioural control (PBC), and willingness to buy goods online. Lim et al.

(2016) found that a person has a positive attitude, adheres to subjective norms, a span of stimulation of perceived behavioural control and intention, that certain people will perform the behaviour. Xie et al. (2011) found that subjective norm has a direct significant influence on the CIOS.

Trust is a crucial factor in online purchasing intention. Perceived risk has also been a determining factor in Internet shopping intention (Leeraphong & Mardjo, 2013). Hence, trust has a key role in online transactions that can change attitudes and online shopping intentions.

In summary, CIOS translates to the consumer's willingness to repurchase goods via the internet. Also, the CIOS is defined as a specific desire to continue an online shopping relationship with a goods provider. Accordingly, it is therefore hypothesized as follow:

Hypothesis 4. **SQ** and shipping are positively correlated with CIOS.

Hypothesis 5. Attitude acts as a moderator of the relationship between **SQ** and shipping and thus affects the CIOS.

### Research Method

The research was conducted in the Greater Jakarta area using a online survey technique. The target population of this research was consumers who intended to repurchase goods online. The probabilistic samples were collected using the following criteria: (1) the respondents have had online shopping experiences in

marketplace by using a mobile-based apps; and (2) the respondents have shopped online at shop at least once per month in the last three months. This criterion relates to the aim of this study, to examine their perceptions of **SQ** and the CIOS. This research was carried out for three months, from September to November 2019.

Sampling is performed by allotting the same probability of selection to all units of analysis within the population. Based on the sampling, the following sampling measures were applied:

First, to accurately determine a target group, samples are selected to represent the target population. Second, identify the elementary units of the population (**N**), namely, 9,884,803 smartphone users, and then assess the population based on a confidence degree of 95% and standard error of  $\pm 5\%$ . This study applied a margin of error of 5% or 0.05.

The sample size used the Slovin formula (Ryan 2013) as follows:

$$n = N / (1 + (N \times e^2))$$

$$n = 9,884,803 / (1 + (9,884,803 \times 0.05^2))$$

$$n = 9,884,803 / (1 + (9,884,803 \times 0.0025))$$

$$n = 9,884,803 / (1 + 24,712)$$

$$n = 9,884,803 / 24,713$$

$$n = 399.98$$

When rounded out, the sample size is 400.

**n** = sample

**N** = population

**e** = margin error.

The sample size of 400 respondents was suitable for the SEM criteria (Hooper et al., 2008).

**Table 1. Survey Items**

Service Quality	Adapted from Parasuraman et al. (1988), Zhou et al
Service Quality1	reliability
Service Quality2	responsiveness
Service Quality3	assurance
Service Quality4	empathy
Service Quality5	tangible
Shipping	Adapted from Ziaullah et al.
Shipping1	reliable
Shipping2	safe
Shipping3	affordable
Shipping4	consolidated
Shipping5	timely
Shipping6	return of goods
Attitude	Adapted from Rosenberg and Hovland (1995)
Attitude1	useful
Attitude2	entertaining
Attitude3	interesting
Continuance intention of online shopping	Adapted from Ajzen (2005)
CIOS	intend
CIOS	willingness
CIOS	friendly
CIOS	subjective norm
CIOS	fruitful
CIOS	beliefs

## Results

For the demographic section, the respondents are divided into 4 different characteristics which are gender, level of education, age as well as total annual income. In terms of gender, 42.4% of the respondents are male and 57.6% are female. In terms of age, the majority of respondents came from the millennial generation and

generation Z by 88.9% and only a small portion of the baby boomer generation was 6.9%. In terms of the education of the respondents, most of them had high school education (39.3%), followed by those with a diploma, undergraduate and postgraduate level, respectively 24.6%, 11.3%, and 21.6%. These results indicate that millennials tend to have a better education (see Table 2).

**Table 2. Demographic Characteristics**

Characteristics	Categories	Frequency	(%)
Gender	Male	170	42.4
	Female	230	57.6
	Total	400	100
Education	Junior high school	13	3.2
	Senior high school	157	39.3
	Diploma	98	24.6
	Undergraduate	45	11.3
	Postgraduate	87	21.6
	Total	400	100
Age group	13 - 23	275	68.8
	24 - 41	80	20.1
	42 - 52	28	6.9
	53 and above	17	4.2
	Total	400	100

The analysis in this section is conducted to provide information about the consumer profiles consist of start-up choices and products purchased online. Based on Table 2, the choice of application/website for online shopping is as follows: Shopee (23.50%), Tokopedia (23.25%), Bukalapak

(15.75%), Blibli (15%), Lazada (12%) and JD.id (10.50%). According to iPrice (2020) Indonesia, for the fourth quarter of 2019 and the Indonesian E-commerce Map, which ranks the large e-commerce players based on the average website visitors in each quarter, are similar.

**Table 3. Start-up Options for Online Shopping**

Category	Frequency	(%)	Cumulative (%)
Bukalapak	63	15.75	15.75
<b>Blibli</b>	60	15.00	30.75
JD.id	42	10.50	41.25
Lazada	48	12.00	53.25
Shopee	94	23.50	76.75
Tokopedia	93	23.25	100

The categories of products purchased online are fashion products; 33.50%, souvenirs, 17.25%; cosmetic products, 16.75%; gadgets, 13.50%; electronics, 10%; and health products, 9%. A research by MARS Incorporated (2018) shows relatively

similar results and indicates that fashion products are the most popular among consumers. The products most often purchased online are fashion (45.8%), accessories (10.9%), shoes (6.7%) and cosmetic products (3.5%).

**Table 4. Products Purchased Online**

Category	Frequency	(%)	Cumulative (%)
Electronic goods	40	10.00	10.00
Health products	36	9.00	19.00
Gadgets	54	13.50	32.50
Cosmetics	67	16.75	49.25
Souvenirs	69	17.25	66.50
Fashion	134	33.50	100

The results of the confirmatory factor analysis via SEM are used to analyse each

indicator variable in this study. Construct measurements are presented in Table 5.

**Table 5. Construct Measurements**

Variables	Indicators	Weight value factor	$\alpha$	CR	P
Service Quality	reliability	.90	.82	62.59	.00**
	responsiveness	.78	.61	37.41	.00**
	assurance	.92	.85	70.60	.00**
	empathy	.65	.43	25.70	.00**
	tangible	.65	.43	25.70	.00**
shipping	reliable	.75	.56	33.26	.00**
	safe	.70	.49	28.92	.00**
	affordable	.78	.61	37.14	.00**
	consolidated	.68	.46	27.62	.00**
	timely	.86	.75	50.77	.00**
	return of goods	.55	.30	19.43	.00**
attitude	useful	.82	.67	42.08	.00**
	entertaining	.85	.72	47.16	.00**
	interesting	.83	.69	43.80	.00**
CIOS	intend	.79	.62	37.81	.00**
	willingness	.79	.63	38.82	.00**
	friendly	.76	.57	34.33	.00**
	subjective norm	.83	.69	44.47	.00**
	fruitful beliefs	.83	.69	44.18	.00**

Note: \*\* represents the .05 level ( $p < .05$ )

The various types of SQ organized by start-up were measured by the SQ, which requires SQ attributes, namely, reliability, responsiveness, assurance, empathy, and

tangibility. The results showed that assurance (with  $\alpha = .85$ ), reliability (with  $\alpha = .82$ ) and responsiveness (with  $\alpha = .61$ ) were the main service quality measures,

which indicates that start-up companies that already running well as a trusted and reliable start-up companies. The construct of SQ observed is consistent with the research by An and Noh (2009); Eid (2011); Zhou et al. (2019), who indicated that the perceived SQ is based on reliability (i.e., accurate, fully responsible and without access failure) and assurance (i.e., security, protect data, and guarantee not to abuse).

Hereafter, the constructs of shipping include (1) reliable, (2) safe, (3) affordable, (4) consolidated, (5) timely and (6) return of goods. The results showed the following: timely,  $\alpha = .75$ ; affordable,  $\alpha = .61$ ; and reliable,  $\alpha = .56$ . Thus, these three constructs are the main measures of shipping, which indicates that timeliness does affect consumer perception of continuance intention to purchase in online shopping. This result is consistent with the study by Ziaullah et al. (2014), who reported that a reliable, safe and timely delivery is something essential for online consumers.

Several indicators are used to measure attitude, namely, useful as a cognitive element ( $\alpha = 0.67$ ), entertaining as an affective element ( $\alpha = 0.72$ ), and interesting as a conative element ( $\alpha = 0.69$ ). All three indicators are the primary measures for attitude. In addition, the constructs of CIOS

include intend ( $\alpha = .62$ ); willingness ( $\alpha = .63$ ); friendly ( $\alpha = .57$ ); subjective norms ( $\alpha = .69$ ), fruitful ( $\alpha = .69$ ) and beliefs ( $\alpha = .73$ ), which are the primary measures for the CIOS.

We used SEM to test and analyse the hypothesized relationships in the proposed research model. This method was chosen because SEM allows for the testing of independent variables against the dependent variables at the same time. Thus, the SEM technique is simultaneously applied to several dependent variables that are directly or indirectly related to consumers' CIOS. Hypothesis testing using the SEM analysis method is performed to determine the model suitability and parameters used in the research through an absolute test of goodness-of-fit. According to Hair et al. (2009), six tests must be performed to determine whether a model has reached the stage of absolute goodness-of-fit, and four of these six tests indicate that the model has reached the stage of absolute goodness-of-fit. The SEM analysis shows that the six absolute goodness-of-fit tests are appropriate and suitable: probability values of the chi-square ratio statistics 6.79 ( $df = 3$ ,  $p = .08$ ); GFI = .97; RMSEA = .08; AGFI = .89; CFI = .98; and NFI = .97. Thus, this model can be used as a tool to confirm the theory formed based on observational data.

**Table 6. Determination of Goodness-of-Fit via SEM**

Model	df	$\chi^2$ (p)	GFI	RMSEA	AGFI	CFI	NFI
SQ, shipping, attitude and CIOS	7	3.18 (.07)	1	.05	.98	.97	.95

Note: GFI = Goodness-of-fit index, RMSEA = Root mean square error of approximation, AGFI = Adjusted goodness of fit index, CFI = comparative fit index, and NFI = normed fit index  
\*\*  $p < .05$

The effect of SQ, shipping, attitude and CIOS can be identified based on the path coefficients between the variables used. Attitude is influenced by SQ as indicated by the p-value =  $.00 < .05$ , while shipping (p-

value =  $.09 > .05$ )) does not affect attitude. CIOS is significantly affected by attitude (p-value =  $.00 < .05$ ) and SQ (p-value =  $.00 < .05$ ). Meanwhile, shipping (p-value =  $.13 > .05$ ) does not affect CIOS.

**Table 7. Path Coefficients of the Variables**

Variables	Estimate	S.E.	C.R.	P	
SQ	attitude	.27	.08	3.43	.00**
shipping	attitude	.07	.04	1.70	.09
attitude	CIOS	.74	.20	3.69	.00**
SQ	CIOS	.85	.18	4.74	.00**
shipping	CIOS	.08	-.05	-1.52	.13

Note: CR= Critical Ratio  
 \*\*p < .05

The relationship model used to test the hypotheses is presented in Figure 2. Shipping is negatively associated with CIOS as indicated by the -.05 coefficient, whereas the coefficient between SQ and continuance intention is .18, between attitude and CIOS is .20, between attitude and shipping is .04 and between attitude and SQ is .08.

The hypotheses are tested by comparing the p-value < .05 to determine the significance level. When the p-value is < .05, Ho is not supported, whereas if the p-value is > .05, Ho is supported. From Table 6 above, the research hypothesis test was performed for all analysis results.

As described, SQ is positively associated with CIOS, which is indicated by a positive regression coefficient of .85 with CR at 4.74 and p = .00 < .05 In other words, the results of this research show that higher SQ has a significant effect on CIOS. Thus, the hypothesis is supported.

Furthermore, shipping negatively CIOS influences, although the effect is not significant as indicated by the p-value of .13 > .05 and regression coefficient of .08, which indicate that increased shipping does not affect attitude (critical ratio (p = .08 > .05). The CR value is -1.52, which indicates that none of the relationship effects were detected. Thus, the hypothesis stating that there is positive effect of shipping on CIOS is not supported.

Attitude also has a significant influence on CIOS (regression coefficient of .74 with CR at 3.69 and p-value = .00 < .05); thus, H3 is supported. As described in Table 6, SQ and shipping are positively associated with CIOS as indicated by the following results: p = .00 < .05 and F = 13.73. Thus, H4 is also supported. Furthermore, the R<sup>2</sup> value was .03, which means that the CIOS is only 3% influenced by SQ and shipping.

**Table 8. Relationship between service quality and shipping with continuance intention<sup>b</sup>**

R	R <sup>2</sup>	Change R <sup>2</sup>	S.P.	F	df1	df2	Sig. F
.17 <sup>a</sup>	.03	.03	8.70	13.71	2	881	.00**

Note: <sup>a</sup> Predictors: (Constant) SQ and shipping  
 \*\* level value .00 < .05  
<sup>b</sup> dependent variable: CIOS

Finally, the relationship between attitude and shipping is not significant, which is indicated by the p-value of .09 > .05 and regression coefficient of .04. This finding

means that a person's attitude does not change because of shipping. Furthermore, the relationship between attitude and SQ is significant, which is indicated by the p-

value of  $.00 < .05$  and regression coefficient of  $.08$ . This finding indicates that there is a positive relationship between attitude and SQ. Attitude has a significant relationship with CIOS, which is indicated by the p-value of  $.00 < .05$  and beta coefficient of  $.20$ . This finding shows that there is a positive relationship between attitude and CIOS. The results showed that the relationship between attitude and shipping is not significant while the relationship between attitude and SQ is significant. Therefore, attitude does not act as a moderator of the relationship between SQ and shipping and CIOS. Thus, the empirical results do not support H5.

### Discussion

The hypotheses tests have proven that SQ and consumers' attitude affects the CIOS. The study's findings also confirmed that if together, SQ and shipping have a positive effect on the CIOS, implying that if the companies can offer a better SQ on their websites, consumers will continue to buy online. This finding is in line with An and Noh (2009), Cho et al. (2008), Eid (2011), Mestrovic (2017), Pearson et al. (2012), and Zhou et al. (2019).

Consumers considered moving from traditional shopping to online shopping due to its efficiency. Information, ease of use, security, privacy, and reliability are the other main concerns for consumer members when using websites. Consumers expect to get access to websites with facilities that make it easy for them to navigate, to search for products and information, to keep all their personal information in advance, that offer various types of delivery services, and have good and attractive designs and layouts. Besides, this study highlights that attitude is key to CIOS (Andrews & Bianchi, 2012; Chaniotakis et al., 2010; Islam, 2015; Zhao & Othman, 2011).

Finally, if companies want to maintain a long term relationship with customers, they should provide excellent service for them in their choices for using websites, moreover,

in e-commerce, where the SQ instruments are different from conventional businesses. One implication of these findings for managers both startup and shipping companies are to assess website platform as part of assessing perceptions of SQ.

### Conclusion

Startup company has the potential to offer micro-, small and medium-sized enterprises almost instant access to the global market like never before. SMEs can trade with a higher number of consumers and partners. In turn, several important enablers play a role in moving the startup ecosystem forward. Looking to the future, technology harnessed to bridge the gap between conventional SQ and electronic SQ. However, technological solutions are less applied by SMEs due to the high costs and fewer involvement of companies.

In Indonesia, the e-commerce market is expected to grow rapidly. The country is home to some 272 million consumers, 171 million of whom are already online. Several major e-commerce platforms have increased their interest in the country, although SMEs may not easily adapt to this trend due to the many obstacles.

In general, startups selected by consumers for shopping online are well-established start-ups, which are considered unicorns. Most of the products purchased online, such as fashion, cosmetics, souvenirs or gadgets. We identified certain effects between variables in the structural equation modelling analysis.

The findings indicate that SQ and attitude are positively correlated with continuance intention. Besides SQ, attitude constructs are critical factors that promote the CIOS. The constructs of attitude, namely, the cognitive, affective and conative elements, can explain each desire and generate a positive attitude towards online purchasing. Finally, this research found that attitude is not a moderator of the relationship between SQ and shipping and CIOS. Thus, attitude

cannot change the relationship between SQ and shipping with the CIOS. Moreover, attitude in the context of e-commerce cannot be used to measure the strength of the relationship between SQ and shipping and the CIOS.

Implementation of SQ constructs into online shopping that the employed service features produced a significant influence on the CIOS. Besides, a startup company must understand who its consumers can differentiate products and services which are offered by the company.

### **Limitation**

This study also has certain limitations. First, this research analyses the effect of attitude towards online shopping, SQ, shipping and CIOS. Because there might be some other variables which can affect CIOS, the author strongly suggests that in the future research, these other variables should be explored and analysed as well an indicator in this study need to be more widely developed. Second, this research has been conducted exclusively on startup companies that partner with shipping companies and SMEs and the results and conclusions of this research might not apply to other industries. Third, due to a shortage of time, the researchers did not manage to select a greater number of subjects to meet the requirement of a large sample size. Those who were chosen were based in Jakarta, hence not able to represent the population of Indonesian online consumers. Therefore, future research should be done with an increased sample size with various characteristics.

### **Notes on Contributor**

**Wiryanta Muljono** is a senior lecturer in the Faculty of Economics and Business, Universitas Sebelas Maret, Surakarta. Currently he is the director of Infocom PMK at MCIT Indonesia. His research interests are digital economics, management information system,

Governance of Science, Technology and Innovation, and public communication for public health issues.

**Sri Setiyawati** is a senior lecturer in the Faculty of Economics and Business, Universitas Prof. Dr. Moestopo (Beragama), Jakarta. She obtained a doctorate in economics from Sebelas Maret University, Surakarta. Her research interests are digital economics, marketing management, Governance of Science, Technology and Innovation.

### **References**

- Ahmadinejad, B., Karampour, A., & Nazari, Y. (2014). A Survey on Interactive Effect of Brand Image and Perceived Quality of Service on Each Other: Case Study: Etka Chain Stores. *Kuwait Chapter of Arabian Journal of Business and Management Review*, 3(8), 217–224.
- Andrews, L., & Bianchi, C. (2012). Consumer internet purchasing behavior in Chile. *Journal of Business Research*, 66(10), 1791-1799.
- Ajzen, I. (2005). *Attitudes, Personality, and Behavior*, 2<sup>nd</sup>. Berkshire: Open University Press and McGraw-Hill, Inc.
- An, M., Noh, Y. (2009). Airline customers' satisfaction and loyalty: impact of in-flight service quality. *Services Business*, 3 (3), 293-307.
- Chaffey, D. (2009). *E-Business and E-Commerce Management*, 4<sup>th</sup> ed. England: Pearson Education.
- Chaniotakis, I.E., Lymperopoulos, C., and Soureli, M. (2010). Consumers' intentions of buying own - label premium food products. *Journal of product and Brand Management*, 19(5), 327-334.
- Culiberg, B. (2010). Identifying service quality dimensions as antecedents to customer satisfaction in retail banking. *Econ. Bus. Rev.*, 12(3), 151–166.
- Dai, B., Forsythe, S., & Kwon, W. S. (2014). The Impact of Online

- Shopping Experience on Risk Perceptions and Online Purchase Intentions: Does Product Category Matter? *Journal of Electronic Commerce Research*, 15(1), 13-24.
- Das, K., Tamhane, T., Vatterott, B., Wibowo, P., and Wintels, S. (2018). The digital archipelago: How online commerce is driving Indonesia's economic development. *McKinsey&Company: Indonesia's online commerce journey*, 1-11.
- Demographic Institute (LD FEB UI). (2018). *The Impact of GoJek on the Indonesian Economy*. Jakarta, Indonesia: LD FEB UI.
- Eid, M.I. (2011). Determinants of E-Commerce Customer Satisfaction, Trust, and Loyalty in Saudi Arabia. *Journal of Electronic Commerce Research*, VOL 12(1), 87-90.
- Ejdys, J. & Gulc, A. (2020). Trust in Courier Services and Its Antecedents as a Determinant of Perceived Service Quality and Future Intention to Use Courier Service. *MDPI Journal*. 12 (9088).
- Goutama, D. & Gopalakrishna, B. V. (2018). Customer loyalty development in online shopping: An integration of e-service quality model and commitment-trust theory. *Management Science Letters*, 1149–1158.
- Hair, J.F. (2009). *Multivariate Data Analysis*. 9<sup>th</sup> ed. New Jersey: Pearson Education.
- Hooper, D., Coughlan, J., & Mullen, M. (2008). Structural Equation Modelling: Guidelines for Determining Model Fit. *Electronic Journal of Business Research Methods*, 6(1), 53 – 60.
- Iprice.co.id. (2020). *Top 50 E-Commerce Sites & Apps Indonesia in 2019*. [online] Available at: <https://iprice.co.id/insights/mapofecommerce/en/>
- Islam, M.S. (2015). An Analysis of Factors Affecting on Online Shopping Behavior of Consumers. *European Journal of Business and Management*, 7(28).
- Jin, C. (2011). The role of animation in the consumer attitude formation: Exploring its implications in the tripartite attitudinal model. *Journal of Targeting, Measurement and Analysis for Marketing*, 19, 99 – 111.
- Leeraphong, A., & Mardjo, A. (2013). Trust and Risk in Purchase Intention through Online Social Network: A Focus Group Study of Facebook in Thailand. *Journal of Economics, Business and Management*, 314-318.
- Lim, Y. J., Osman, A., Salahuddin, S. N., Romle, A. R., & Abdullah, S. (2016). Factors Influencing Online Shopping Behavior: The Mediating Role of Purchase Intention. *Procedia Economics and Finance*, 35, 401-410.
- Lim, Y. M., Yap, C. S., & Lee, T. H. (2011). Intention to shop online: a study of Malaysian baby boomers. *African Journal of Business Management*, 5(5),1711-1717.
- Lindblom, A., & Lindblom, T. (2018). Applying the Extended Theory of Planned Behavior to Predict Collaborative Consumption Intentions. *Translational Systems Sciences*, 167–182. [https://doi.org/10.1007/978-981-10-8956-5\\_9](https://doi.org/10.1007/978-981-10-8956-5_9).
- Lundstrom, W.J., Dixit, A. (2008). Is trust Trustworthy in customers' relationship management? *Journal Academic Business Economic*, 8 (2), 140-144.
- MARS Incorporated. (2018, November 6). Finding Business Opportunities. The Importance of Market Research. Retrieved December 20, 2019, from [https://cdn2.hubspot.net/hubfs/209482/docs/White%20Papers/FindingBusinessOpportunities\\_whitepaper.pdf](https://cdn2.hubspot.net/hubfs/209482/docs/White%20Papers/FindingBusinessOpportunities_whitepaper.pdf).
- Mestrovic, D. (2017). Service quality, students' satisfaction and behavioral intentions in STEM and IC higher education institutions. *Interdisciplinary*

- Description of Complex Systems*, 15(1), 66-77.
- Parasuraman, A., Zeithaml, V.A., & Malhotra, A. (2005). ES-QUAL: A multiple-item scale for assessing electronic service quality. *Journal Service Research*, 7(3), 213–233.
- Pearson, A., Tadisina, S., and Griffin, C. (2012). The role of e-service quality and information quality in creating perceived value: antecedents to web site loyalty. *Information Systems Management*, 29(3), 201-215.
- Rahayu, R. & Day, J. (2015). Reexamining the Dimensionality of Brand Loyalty: A Case of the Cruise Industry. *Journal of Travel & Tourism Marketing*, 25(1), 68–85. <https://doi.org/10.1080/10548400802164913>.
- Setiyawati, et al. (2021). Barriers to ICT adoption by SMEs in Indonesia: How to bridge the digital disparity? *Journal of Applied Management*, No. 9 (1).
- Wang, Y. S., Lin, H. H., & Liao, Y. W. (2010). Investigating the individual difference antecedents of perceived enjoyment in the acceptance of blogging. *World Academy of Science, Engineering and Technology*, 4(7), 1798-1807.
- Xie, G., Zhu, J., Lu, Q., & Xu, S. (2011). Influencing factors of consumer intention towards web group buying. Presented at the IEEE International Conference on Industrial Engineering and Engineering Management, Singapore. <https://doi.org/10.1109/IEEM.2011.6118146>
- Ying Yua, Xin Wanga, Ray Y. Zhong, George Q. Huang. (2016). E-commerce Logistics in Supply Chain Management: Practice Perspective, *Procedia CIRP* 52, 179-185.
- Zhao, W., & Othman, M. N. (2011). Predicting and explaining complaint intention and behaviour of Malaysian consumers: An application of the Planned Behaviour Theory. *Advances in International Marketing*, 2(1), 229–252.
- Zhou, R., Wang, X., Shi, Y., Zhang, R., Zhang, L. & Guo, H. (2019). Measuring e-service quality and its importance to customer satisfaction and loyalty: an empirical study in a telecom setting. *Electronic Commerce Research*, 19, 477–499. <https://doi.org/10.1007/s10660-018-9301-3>.
- Ziaullah, M., Feng, Y., & Akhter, S. N. (2014). E-Loyalty: The influence of product quality and delivery services on e-trust and e-satisfaction in China. *International Journal of Advancements in Research & Technology*, 3(10).

