A Study of Online Customers Repurchase Intention Using the 4Rs of Marketing Framework

Enrico C. Mendoza*

RVR College of Business, De La Salle University, Philippines. *Email: enricocmendoza@hotmail.com

ABSTRACT

With increased e-commerce competition, people are now resorting to online shopping instead of traditional stores to do personal shopping. With the current pandemic, there is more reason why shoppers would not step out of their homes. It's therefore imperative for companies engaged in e-commerce to find ways on how to influence its customers to do a repeat purchase with an eye towards the long-term goal of cultivating long term relationships with them. The main purpose of this study was to investigate the impact of variables based on the framework of the 4Rs of marketing towards trust and online customers repurchase intentions. Ninety-seven customers of Lazada website participated with data collection done mainly using online questionnaire. Findings indicated that the variables assurance, corporate image, customer satisfaction, perceived usefulness, and perceived value significantly predicted trust and online customer repurchase intentions. Furthermore, the study revealed that trust can be a significant mediator between the abovementioned variables and online customer repurchase intentions. Lastly, this study has provided a useful insight to help managers understand how to maintain a long-term relationship by enhancing its customers repurchase intentions. Considering the intense competition, long term marketing relationship is the only way to go to survive.

Keywords: Online Customers Repurchase Intention, 4Rs of Marketing, Relationship Marketing
JEL Classifications: M1, M3

1. INTRODUCTION

Growth of global e-commerce was at 18% during 2018. Growth in U.S. online sales is expected to jump by only 15%. Consumers worldwide purchase of goods online was valued at $2.86 trillion in 2018, up from $2.43 trillion in 2017. The United States and China, the two biggest economies in the world, have contributed to more than half of the global e-commerce business in 2017. Based on the report coming from its own government, China which has the world's biggest e-commerce market had its online sales growth at 28% or roughly $877 billion. China's total retail industry revenues coming from online sales went up to 15.0% in 2017, compared to the previous year of only 12.6% (Young, 2019).

B2C e-commerce competition has increased tremendously in the past few years. More and more people are now resorting to online shopping instead of going out in person to malls and traditional stores to do their personal shopping. Especially in the Philippines, where its citizens are one of the most hooked with the internet, it is all but inevitable that Filipinos would be very easy to sway into online shopping. Add to this the constant ever getting worst traffic in most of the metropolis in the Philippines, then the more reason that a sane shopper would not dare to step out of the convenience of his or her own home to do its personal shopping. This and many other factors have led to the advent of a burgeoning e-commerce industry in the Philippines.

Considering the low switching cost for internet online shoppers, and you will find customers switching left and right, replacing their vendors with other vendors in a snap of a finger. With this, online retailers/vendors are now scrambling and constantly thinking on how to win, sustain and retain their customers invariably fearing

that with the seamless nature of surfing one website to the other on the internet, an online vendor can lose a hard-earned customer after a few clicks and in a matter of few seconds. Online retailers now realized that satisfaction of their customers may not be sufficient anymore to keep them. And that there must be something more to it in keeping online customers not only satisfied but loyal as well to one and only one online vendor.

Relationship marketing characterized as "all marketing activities towards establishing, developing, and maintaining successful relational exchanges" (Morgan and Hunt, 1994), has long been touted as the most suitable solution in keeping customers loyal. In addition, and according to Palmatier et al. (2006), relationship marketing tactics (RMTs) are one of the best ways to mold a dynamic and vigorous customer relationship. Before there was the 4Ps (product, price, place, promotion) which was a market-oriented marketing strategy (Lin and Wang, 2015). Then came the 4Cs, wherein customers were the focus of the marketer. There was nothing wrong with keeping in mind and focusing on the customers and how to best satisfy them as marketers try to find ways on how to keep them, but it seems that 4Cs was not enough, then came along an improvement in the form of 4Rs of marketing which is a competition oriented type of marketing mix wherein the focus is on the vendor-vendee interaction with the goal of finding a win-win solution for both (Ettenberg, 2002).

On the other hand, trust has been studied multiple times in the past in the fields of organizational behavior, economics and even marketing (Doney and Cannon, 1997). In addition, trust was defined as "a belief that trusted parties will behave in accordance with the trusting party's confident expectations by exhibiting ability, integrity, and benevolence" (Mayer et al., 1995). Considering the nature of online transactions wherein the potential buyer has no means of meeting in person either the owner or even the salesperson or any staff for that matter of the vendor company, then one must wonder how could one albeit a potential buyer put his faith in a website in the execution of their transaction, more so if the online vendor would require that you provide your credit card details first before your transaction could proceed and be finalized. Either trust therefore or one might say reckless behavior will need to come into play for that potential customer to put his finger and click "go."

In addition to trust, nowadays one will find the literature abound with studies concerning repurchase intentions (Anderson and Mittal, 2000). It seems scholars are becoming more and more eager in understanding what drives customer to behave the same way repeatedly while maintaining and in pursuit of loyalty to and with the same vendor. Customer repurchase intentions represents "a commitment by the customer to purchase more goods and services from the organization, and also to promote positive word-of-mouth recommendations" (Khan et al., 2012). In other words, customers who intend to repeat as buyers of the same company usually spend more and provide positive word of mouth. Corollary to this, sellers benefit by having increased sales in tandem with minimal client acquisition costs, plus costs savings in serving repeat customers. Over-all, profitability goes up for the seller (Ganesh et al., 2003).

As reported in CNN Philippines website, e-commerce market sales in the Philippines in 2018 went up to $840 million from $688 million in 2017. Revenue is projected to accelerate to around 10.5% annually bringing the market volume at $996 million dollars by 2019 (Zialcita, 2019).

Based on "Digital in 2018," an internet industry report published by WeAreSocial, consumer goods in the Philippines sold using the e-commerce platform totaled $1.2 billion in 2017, a 23% increase from the previous year. The same report said that 33.8 million Filipinos purchased goods via e-commerce in 2017, representing 32% of the country's population (We are Social, 2018).

In its report "The Map of E-Commerce Philippines," iPrice listed fifty of the Philippines' biggest e-commerce players and ranked them based on social media presence, monthly website visits, and mobile app store rankings. And while <20% of the fifty online vendors were foreign entities, four of them captured more than 92% of the average monthly visits for the second quarter of 2018 (We are Social, 2018).

Leading the foreign group of entities is Lazada, which has approximately 30 million visits each month in the second quarter of year 2018. iPrice further emphasized Lazada's dominance in the Philippines as unique to the market, as it commanded over two-thirds of total monthly traffic. Coming in second is Shopee, which has 8.5 million monthly visits between April and June. Zalora and eBay complete the top four with 1.7 million and 1.1 million visits per month. The top three online vendors have their headquarters based in Singapore, while eBay is based in the United States (We are Social, 2018).

Considering the role that e-commerce plays nowadays in connection with the global economy and trade, and in particular to the Philippines as well, coupled with the ever- increasing competition among online shopping websites to capture and retain customers, it is very intriguing therefore to investigate the antecedents or factors that will influence online customers repurchase intentions. And since Lazada is the clear dominant player in the B2C e-commerce platform not only in the Philippines but in Southeast Asia as well, this study will focus then only on Lazada customers.

1.1. Statement of the Research Problem

In view of the ever increasing competition in the online e-commerce platform, and as a follow up to a similar study conducted in Taiwan in 2015 (Lin and Wang, 2015) in which the authors have intimated and recommended the need to further test their developed model in other geographical areas so as to increase generalizability, researcher therefore proposed the following research problem to be tested in the Philippines:

Research problem: Does trust have a mediating role between the 4R marketing strategy and online customers repurchase intentions?

Sub Problems:
1a Does assurance coming from an e-commerce website positively impact online customers' trust towards that same website?

1b Does assurance coming from an e-commerce website positively influence customers' repurchase intentions towards the same website?

2a Does customer satisfaction on an e-commerce website positively impacts customers' trust towards the same website?

2b Does customer satisfaction on an e-commerce website positively impacts customers' repurchase intention towards the same website?

3a Does perceived usefulness on an e-commerce website positively influence customer trust towards the same website?

3b Does perceived usefulness on an e-commerce website positively impacts customer repurchase intentions towards the website?

4a Does corporate image of an e-commerce website positively influence customer trust towards the same website?

4b Does corporate image of an e-commerce website positively influence customer repurchase intentions towards the website?

5a Does perceived value of an e-commerce website positively influences customer trust in the website?

5b Does perceived value of an e-commerce website positively influences customer repurchase intentions with regards the website?

6   Does customer's trust in an e-commerce website positively influences their repurchase intentions towards the same website?

1.2. Objectives of the Study

This research is intended to add to the extant marketing literature by investigating the mediating influence of consumer trust in the 4R marketing strategy in predicting online customers repurchase intentions towards a different geographical location which is the Philippines.

Conceptual model to be utilized will be Lin and Wang's (2015) empirically tested model used previously in investigating whether consumer trust can has a mediating effect on customer satisfaction, assurance, perceived usefulness, corporate image, and perceived value, in predicting customers repurchase intentions. Lin and Wang (2015) used the 4R marketing strategy (Ettenberg, 2002) as its central framework in their study.

1.3. Significance of the Study

This research has the potential to substantiate and support if not disprove results of an earlier study conducted in Taiwan in 2015. Considering that Taiwan's internet infrastructure is one of the best and modern in the whole world which is in stark contrast to the poor state of the internet infrastructure in the Philippines, it might be of a big surprise to find out what the results of this study will be considering the Philippine setting.

1.4. Scope and Limitations of the Study

Data gathering will include only respondents who had previous online purchase experience with Lazada in the past twelve (12) months. A screening question will be provided in the questionnaire to ensure this.

Questionnaires using google forms will be sent online. Likewise, printed version of the questionnaire shall also be utilized with the researcher administering it to potential respondents.

One glaring limitation of this research will be the utilization of non-probability sampling, specifically convenience sampling. There is no existing sample frame to start with, therefore it is rather impossible for the researcher to perform a probability sampling. Given this, there is no possible way that the author can provide reasonable certainty that the sample would be a good representation of the population.

1.4.1. Literature review

In a previous study, the concept of relationship marketing was used in enhancing online customer relationships (Lin and Wang, 2015). And in support of this concept, they chose to utilize the 4Rs of marketing strategy by Ettenberg (2002). 4Rs of marketing is composed of four (4) elements: to improve the market reaction rate (entrenchment), to implement relationship marketing (relationship), to establish relevance with customers (relevance), and return as the reward for marketing (reward). Customer satisfaction, perceived usefulness, assurance, corporate image, and perceived value were found to positively influenced online customers repurchase intentions. Trust was likewise confirmed to be statistically significant as mediator between the above-mentioned constructs and repurchase intentions.

1.5. Customer Repurchase Intentions

Online-customer repurchase intention as a major indicator of customer loyalty is generally acknowledged int the extant literature. It is also believed to be one of the most usual results of relationship marketing. Repurchase intention as a dependent variable has been used in a variety of studies before, one of which was a study by Fang et al. (2014) in which Perceived Effectiveness of E-commerce Institutional Management (PEEIM) was found to have negatively moderated the relationship between repurchase intention and trust in vendor. When PEEIM is high, the positive impact of trust in vendor on repurchase intention is minimal (Fang et al., 2014).

Though trust can be a predictor variable as mentioned above, one study (Chen et al., 2019) asserted that brand awareness can also positively influence perceived value, result of which leads also to an increased repurchase intention. While another study (Khan et al., 2012) regarding Japanese B2B services, the findings showed that an essential antecedent of repurchase intentions is indeed customer satisfaction.

To further support the above findings, a study by Sullivan and Kim (2018) revealed the mechanism as to how perceived value exerts its influence towards perceptions of online trust among customers along with their willingness to do a repeat purchase from the same website. The findings thus showed that online trust and perceived value are significant antecedents of repurchase intention.

Lastly, one study revealed that electronic word of mouth quantity provides negative influence towards repurchase intention while quality on the other hand has a positive impact. Repurchase intentions mediated by trust on the online vendor is likewise indirectly influenced by EWOM credibility and quality (Matute et al., 2016).

1.6. Relationship Marketing

Morgan and Hunt (1994) defined relationship marketing (RM) as "all marketing activities directed towards establishing, developing and maintaining successful relational exchanges." While relationship marketing tactics (RMTs) are "one of the most effective ways to build strong customer relationships" (Palmatier et al., 2006). Among the many other RMT frameworks or strategies that can be used, RM is thought to be the most suitable strategy to be adopted in the fiercely competitive B2C online environment.

In a study, relationship marketing was asserted in helping improve loyalty among customers (Peng and Wang, 2006) while another study revealed that RM strategies do provide multiple ways to effectively cultivate strong relationships. Overall, the most effective relationship-building strategies across all elements in a relationship are expertise and communication (Palmatier et al., 2006).

In addition, Palmatier et al. (2006) also discovered that strong relationships are better in building customer loyalty. Lastly, the results indicated that strong customer relationships are more significant when the other party is an individual person rather than when it is a selling firm. Finally, it was confirmed that relationship marketing is most effective in dealing with individuals and service products (Palmatier et al., 2006).

1.7. Mediating Variable - Trust

Trust as a variable has been used in a number of different fields including psychology, sociology, marketing, organizational behavior and economics (Doney and Cannon, 1997). Where interdependence and uncertainty are at play, trust is asserted to be important with regards commercial and interpersonal relationships. Furthermore, trust is acknowledged to be an essential antecedent of online behavior considering the virtual nature of the internet environment (Chiu et al., 2009).

Extant literature likewise also asserts the impact of trust towards attitude, intention, and behavior (Gefen, 2003) while in another study, it was revealed that trust appears to be central to the subjective development of the committed relationships, emotional attachments, and a collective orientation in forming the backbone of social structure (Burke and Stets, 2009).

Furthermore, trust was also used as an independent variable predicting attitudinal loyalty and behavioral loyalty (Kaur and Soch, 2018) while in another study trust was used this time as a mediating variable between five independent variables namely privacy, system availability, fulfillment, contact and responsiveness towards dependent variable repurchase intention (Chiu et al., 2009).

Lastly, it seems apparent that trust has been used extensively as a direct predictor as well as mediating variable towards repurchase intentions. In addition, trust has also been used extensively in a variety of studies as a predictor towards the use of new banking channels, committed relationships, loyalty, among others.

1.8. Conclusion

Numerous studies have been done already with regards the general topic of e-commerce especially with regards the positive behavior of online customers. And with the advent of increased competition, the ongoing and current objective of majority of the businesses is not just to win new customers but to retain existing ones, thus numerous research on what could influence repurchase intentions are abound.

Research studies that have utilized key variables such as trust, customer satisfaction, loyalty, perceived value, perceived images and repurchase intentions are abundant, and majority of these studies were conducted in isolation in their own particular countries. In addition, majority of these studies could have served a better purpose if it was longitudinal but considering the difficulty and high cost of such study, most researchers went with cross sectional.

2. METHODOLOGY

2.1. Theoretical Framework

The theoretical framework used in this study was the adoption of relationship marketing (RM) as a central concept that can and will enhance online vendors relationship with its customers thus leading to a stronger and long-term relationship. Based on relationship marketing, the 4Rs of marketing as a strategic tool was then tapped to implement the concept of relationship marketing. Based on its definition, 4R has four elements namely, reward, relationship, relevance and retrenchment. It was posited that RM by using the 4Rs of marketing can positively influence customers repurchase intentions. Lastly, trust as a mediating variable was also used to find out if it has a mediating effect between the constructs based on 4R and that of online customers repurchase intentions.

2.2. Conceptual Framework

The conceptual framework given below in Figure 1 is based on the model of Lin and Wang (2015).

2.2.1. Hypotheses of the study

H_{1a}: The assurance coming from an e-commerce website has a positive impact towards customer trust towards the same website.
H_{1b}: The assurance coming from an e-commerce website has a positive impact towards customer repurchase intention towards the same website.
H_{2a}: Customer satisfaction towards an e-commerce website has a positive influence on customer trust with the same website.
H_{2b}: Customer satisfaction towards an e-commerce website has a positive influence on customer repurchase intention with the same website.
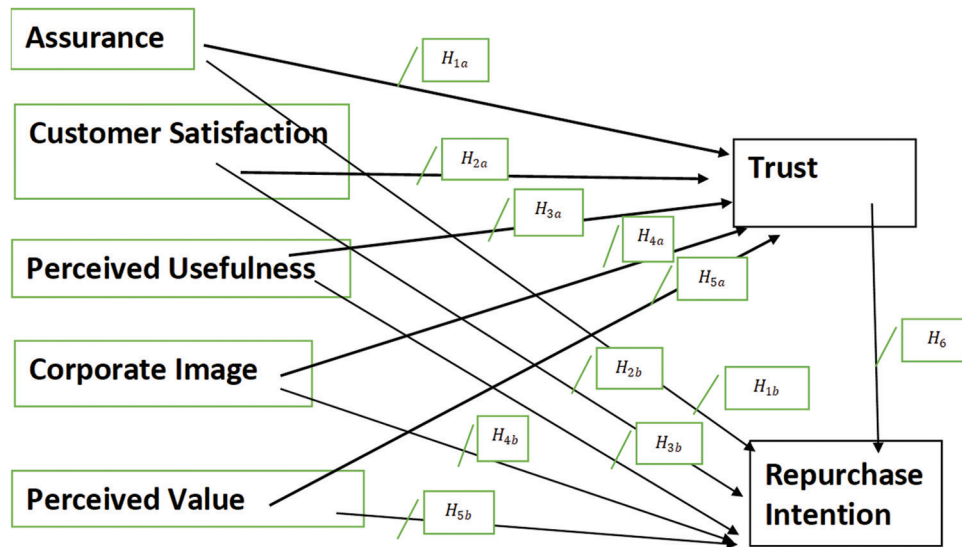H_{3a}: Perceived usefulness of an e-commerce website has a positive influence on customer trust towards the website.
H_{3b}: Perceived usefulness of an e-commerce website has a positive influence on customer repurchase intentions towards the website.
H_{4a}: Corporate image of an e-commerce website has a positive impact on customer trust towards the website.
H_{4b}: Corporate image of an e-commerce website has a positive impact on customer repurchase intentions towards the website.

Figure 1: Conceptual framework

H$_{5a}$: Perceived value of an e-commerce website has a positive impact on customer trust towards the website.

H$_{5b}$: Perceived value of an e-commerce website has a positive impact on customer repurchase intention towards the website.

H$_6$: Trust towards an e-commerce website has a positive impact on customers repurchase intentions towards the same website.

2.3. Research Design

In this research, causal explanatory research design was utilized. Research locale was Manila, Philippines. Respondents were individuals who had purchased online from the LAZADA website in the previous 12 months. Convenience sampling technique was utilized in reaching out to the respondents were predominantly residents of the greater Metro Manila area.

Data collection method was predominantly thru the online questionnaire which was augmented with self- administered survey and face-to-face interview. A five-point Likert scale was adopted in the survey instrument. According to Buttle (1996), five-point Likert scale provides better response rates from respondents as compared to seven or nine point scales (Buttle, 1996).

Descriptive analysis was used with measures of frequency, central tendency and dispersion all taken. Multiple linear regression modeling was utilized to test the different hypotheses. Various diagnostic tools that will test the robustness of the model were also be applied which included the Breusch Pagan test, Ramsey's RESET test, as well as a test of the residuals of the various models.

Measurement scales developed and tested previously were utilized to measure the variables in this study. The variable assurance was measured with the measurement scale developed by Devaraj et al. (2002). For customer satisfaction, measurement scale by Tsai and Huang (2007) was used. While for perceived usefulness, measurement scale by Gefen (2003) was utilized. For perceive

value it was the scale by Sirdeshmukh et al. (2002), for the construct of trust it was the scale of Gefen (2003).

3. RESULTS AND DISCUSSION

Majority of the respondents are females comprising 68% of the total who participated in the study. As for the age range, the bracket of 31-50 years old totaled 65%. Lastly, 71% of those who participated have obtained a university degree.

3.1. Linear Regression

H$_{1a}$: The assurance coming from an e-commerce website has a positive impact towards customer trust towards the same website.

$$H_{1a}: y_1 = a + b_1 x_1$$

A linear regression analysis was used to test if assurance scores significantly predicted trust scores. The result of the regression indicated that the predictor explained 58% of the variance (R^2=058, F (1, 95) = 134, P < 0.001). It was found that assurance scores significantly predicted trust scores (β = 0.86, P < 0.001).

For every 1 unit increase in assurance scores, there is a 0.86 increase in trust scores.

3.2. Diagnostic Tests

Breusch-Pagan test indicated there is homoscedasticity in the model based on P = 0.28.

Ramsey's RESET test showed that there is no specification error based on the P = 0.31.

H$_{1b}$: The assurance coming from an e-commerce website has a positive impact towards customer repurchase intention towards the same website.

$$H_{1b}: y_2 = a + b_1 \, x_1$$

A linear regression analysis was used to test if assurance significantly predicted repurchase intention scores. The result of the regression indicated that the predictor explained 51% of the variance ($R^2 = 0.51$, $F(1, 95) = 100$, $P < 0.001$). It was found that assurance significantly predicted repurchase intention scores ($\beta = 0.91$, $P < 0.001$).

For every 1 unit increase in assurance score, there is a .91 increase in repurchase intention scores.

3.3. Diagnostic Tests
Breusch-Pagan test indicated there is heteroscedasticity in the model based on $P = 0.031$.

Ramsey's RESET test showed that there is no specification error based on the $P = 0.45$.

H_{2a}: Customer satisfaction towards an e-commerce website has a positive influence on customer trust with the same website.

$$H_{2b}: y_1 = a + b_2 \, x_2$$

A linear regression analysis was used to test if customer satisfaction significantly predicted trust scores. The result of the regression indicated that the predictor explained 63% of the variance ($R2 = 0.63$, $F(1, 95) = 161$, $P < 0.001$). It was found that customer satisfaction significantly predicted trust scores ($\beta = 0.84$, $P < .001$).

For every 1 unit increase in customer satisfaction, there is a .84 increase in trust scores.

3.4. Diagnostic Tests
Breusch-Pagan test revealed there is homoscedasticity in the model based on $P = 0.15$.

Ramsey's RESET test likewise revealed that there is no specification error based on the $P = 0.28$.

H_{2b}: Customer satisfaction towards an e-commerce website has a positive influence on customer repurchase intention with the same website.

$$H_{2b}: y_2 = a + b_2 \, x_2$$

A linear regression analysis was used to test if customer satisfaction significantly predicted repurchase intention scores. The result of the regression indicated that the predictor explained 54% of the variance ($R2 = 0.55$, $F(1, 95) = 115$, $P < 0.001$). It was found that customer satisfaction significantly predicted repurchase intention scores ($\beta = .89$, $P < .001$).

For every 1 unit increase in customer satisfaction, there is a 0.89 increase in repurchase intention scores.

3.5. Diagnostic Tests
Breusch-Pagan test revealed there is homoscedasticity in the model based on $P = 0.25$.

Ramsey's RESET test likewise revealed that there is no specification error based on the $P = 0.24$.

H_{3a}: Perceived usefulness of an e-commerce website has a positive influence on customer trust towards the website.

$$H_{3a}: y_1 = a + b_3 \, x_3$$

A linear regression analysis was used to test if perceived usefulness significantly predicted trust scores. The result of the regression indicated that the predictor explained 46% of the variance ($R2 = 0.46$, $F(1, 95) = 82.2$, $P < 0.001$). It was found that perceived usefulness significantly predicted trust scores ($\beta = 0.70$, $P < 0.001$).

For every 1 unit increase in perceived usefulness, there is a 0.70 increase in trust scores.

3.6. Diagnostic Tests
Breusch-Pagan test revealed there is homoscedasticity in the model based on $P = 0.36$.

Ramsey's RESET test likewise revealed that there is no specification error based on the $P = 0.36$.

H_{3b}: Perceived usefulness of an e-commerce website has a positive influence on customer repurchase intentions towards the website.

$$H_{3b}: y_2 = a + b_3 \, x_3$$

A linear regression analysis was used to test if perceived usefulness significantly predicted repurchase intention scores. The result of the regression indicated that the predictor explained 59% of the variance ($R2 = 0.59$, $F(1, 95) = 138$, $P < 0.001$). It was found that perceived usefulness significantly predicted repurchase intention scores ($\beta = 0.90$, $P < 0.001$).

For every 1 unit increase in perceived usefulness, there is a 0.90 increase in repurchase intention scores.

3.7. Diagnostic Tests
Breusch-Pagan test revealed there is homoscedasticity in the model based on $P = 0.08$.

Ramsey's RESET test likewise revealed that there is no specification error based on the $P = 0.51$.

H_{4a}: Corporate image of an e-commerce website has a positive impact on customer trust towards the website.

$$H_{4a}: y_1 = a + b_4 \, x_4$$

A linear regression analysis was used to test if corporate image significantly predicted trust scores. The result of the regression indicated that the predictor explained 47% of the variance ($R2 = 0.47$, $F(1, 95) = 85.9$, $P < 0.001$). It was found that corporate image significantly predicted trust scores ($\beta = 0.65$, $P < 0.001$).

For every 1 unit increase in corporate image, there is a 0.65 increase in trust scores.

3.8. Diagnostic Tests
Breusch-Pagan test revealed there is homoscedasticity in the model based on P = 0.29.

Ramsey's RESET test likewise revealed that there is specification error based on the P ≤ 0.001.

H_{4b}: Corporate image of an e-commerce website has a positive impact on customer repurchase intentions towards the website.

$$H_{4b}: y_2 = a + b_4\, x_4$$

A linear regression analysis was used to test if corporate image significantly predicted repurchase intention scores. The result of the regression indicated that the predictor explained 66% of the variance (R2=0.66, F (1, 95) = 188, P < 0.001). It was found that corporate image significantly predicted repurchase intention scores (β = 0.87, P < 0.001).

For every 1 unit increase in corporate image, there is a .87 increase in repurchase intention scores.

3.9. Diagnostic Tests
Breusch-Pagan test revealed there is heteroscedasticity in the model based on P = 0.039.

Ramsey's RESET test likewise revealed that there is specification error based on the P = 0.02.

H_{5a}: Perceived value of an e-commerce website has a positive impact on customer trust towards the website.

$$H_{5a}: y_1 = a + b_5\, x_5$$

A linear regression analysis was used to test if perceived value significantly predicted trust scores. The result of the regression indicated that the predictor explained 68% of the variance (R2=0.69, F (1, 95) = 210, P < 0.001). It was found that perceived value significantly predicted trust scores (β = 0.80, P < 0.001).

For every 1 unit increase in perceived value, there is a 0.80 increase in trust scores.

4. DIAGNOSTIC TESTS

Breusch-Pagan test revealed there is heteroscedasticity in the model based on P = 0.047.

Ramsey's RESET test likewise revealed that there is specification error based on the P = 0.013.

H_{5b}: Perceived value of an e-commerce website has a positive impact on customer repurchase intention towards the website.

$$H_{5b}: y_2 = a + b_5\, x_5$$

A linear regression analysis was used to test if perceived value significantly predicted repurchase intention scores. The result of the regression indicated that the predictor explained 69% of the variance (R2=0.70, F (1, 95) = 220, P < 0.001). It was found that perceived value significantly predicted repurchase intention scores (β = 0.92, P < 0.001).

For every 1 unit increase in perceived value, there is a 0.92 increase in repurchase intention scores.

4.1. Diagnostic Tests
Breusch-Pagan test revealed there is homoscedasticity in the model based on P = 0.61.

Ramsey's RESET test likewise revealed that there is no specification error based on the P = 0.09.

H_6: Trust towards an e-commerce website has a positive impact on customers repurchase intentions towards the same website.

$$H_6: y_2 = a + b_6\, x_6$$

A linear regression analysis was used to test if trust significantly predicted repurchase intention scores. The result of the regression indicated that the predictor explained 58% of the variance (R2=0.58, F (1, 95) = 131, P < 0.001). It was found that trust significantly predicted repurchase intention scores (β = 0.87, P < 0.001).

For every 1 unit increase in trust, there is a .87 increase in repurchase intention scores.

4.2. Diagnostic Tests
Breusch-Pagan test revealed there is heteroscedasticity in the model based on P = 0.02.

Ramsey's RESET test likewise revealed that there is no specification error based on the P = 0.12.

4.3. Causal Analysis
After testing all the hypotheses using linear regression, results, all of which, did yield significant results as shown below in Table 1.

Result of the study showed that assurance positively and directly influenced both trust and repurchase intentions among online customers. It further shows that as long as online customers feel assured with the online website, trust can also be earned and that there is a high probability that customers will want to repeat its purchase from the same website.

In addition to assurance, shopping websites that did provide products that at least has met the expectations of its customers are bound to earn the trust of these same customers and at the same time will lead to a significant probability that these same customers will revisit and repeat its purchase from this same website.

Aside from assurance and customer satisfaction, results further showed that online shopping websites that helps online customers

Table 1: Linear regression

Variable	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6	Model 7	Model 8	Model 9	Model 10	Model 11
Trust Constant	0.41	1.16***	0.49	0.82**	0.57**						
	(0.28)	(0.27)	(0.25)	(0.31)	(0.21)						
p-value	<0.001	<0.001	<0.001	<0.001	<0.001						
RI Constant						0.58	0.70**	0.68*	0.42	0.51*	0.87**
						(0.35)	(0.25)	(0.31)	(0.31)	(0.24)	(0.28)
P-value						<0.001	<0.001	<0.001	<0.001	<0.001	<0.001
AS	0.86***					0.91***					
	(0.074)					(0.091)					
CI		0.65***					0.87***				
		(0.07)									
CS			0.84***				(0.063)	0.89***			
			(0.066)					(0.083)			
PU				0.70***					0.90***		
				(0.077)					(0.077)		
PV					0.80***					0.92***	
					(0.055)					(0.062)	
TR											0.87***
											(0.076)
R-squared	0.58	0.47	0.63	0.46	0.69	0.51	0.66	0.55	0.59	0.70	0.58
Adjusted R-squared	0.58	0.47	0.63	0.46	0.68	0.51	0.66	0.54	0.59	0.69	0.58
No. of observations	97					97					

Standard errors are reported in parentheses. *,**,*** indicates significance at the 90%, 95% and 99% level, respectively

to be efficient and effective with regards their search and purchase of products will make these customers trust and at the same time have the intention to repurchase once again given the opportunity from the same website.

Corporate image also has a significant influence towards online customers. Based on the results of the study, online customers have a tendency to put their trust on those online shopping websites that they believe maintain a positive corporate image and that this same positive corporate image also has a tendency to influence these same online customers in doing a future repeat purchase from the same online shopping website.

Furthermore, online customers also put significant emphasis on perceived value that they get in transacting with an online shopping website. Online shopping websites tend to earn the trust of its customers and at the same time influences these same online customers to do a repeat purchase as long as these customers perceived that what they paid for and the amount of time they spent with this website is reasonable and of substantial value.

Lastly, online shopping websites that can elicit the trust of its customers will significantly increase the likelihood that these same customers will do a repeat purchase from the same website. It is therefore imperative for online shopping websites in the pursuit of ensuring repeat purchase from its existing customers to earn and sustain that trust.

5. CONCLUSIONS

The main objective of this research was to examine the significance of the 4Rs of marketing as a framework in enhancing trust and online customers repurchase intentions. Results revealed valuable insights into the factors that significantly impacts the trust level and consequently the repurchase intentions of online customers.

Furthermore, the models indicated that constructs namely assurance, customer satisfaction, corporate image, perceived usefulness and perceived value, directly and significantly enhanced trust and online repurchase intentions of customers. Therefore, this study provided a very useful insight as well as a guideline to help managers better understand how to maintain a long-term relationship with its customers by enhancing its customers repurchase intentions. Nowadays, long term marketing relationship is the only way to go to survive.

5.1. Research Implications

The present study examined the relationships between the 4Rs of marketing constructs and that of trust and online customers repurchase intentions. Outcome of this research has both theoretical and managerial implications.

First, this study added more to the extant research regarding antecedents and consequence of trust in the online shopping industry. Due to the increasing competition that is prevalent nowadays in every corner of the business world, and despite the fact that long term customer relationship in the form of repeat purchase is an important factor in the survival of businesses, there has been relatively few empirical research concerning online repeat purchase intentions especially in the Philippines. This study showed the significance and influence of corporate image, assurance, customer satisfaction, perceived usefulness and perceived value in understanding online customers trust formation and repeat purchase intentions. This research therefore, gives us a basis for the online shopping industry researchers to further test the given relationships among the constructs stated in this study.

Second, results give decision-makers in the online shopping industry with valuable perspectives towards the formation of online customers trust and repurchase intentions. Outcome of this research revealed that the 4Rs of marketing represented by

the constructs customer satisfaction, corporate image, perceived usefulness, perceived value and assurance have a strong impact on customers' trust and repurchase intentions. Given the nature of these relationships, managers therefore need to find ways on how to make their websites useful to its customers in terms of efficiency in searching and purchasing products. In addition, managers should also always bear in mind on how to provide more value to its customers on top of providing reasonably priced and excellent quality products. Customers are always on the lookout for that extra edge in terms of value that one can provide over the other websites.

Furthermore, managers should seek ways on how to enhance their website's corporate image. Enhancing corporate image might be in the form of engaging in socially responsible initiatives or being active in the immediate community among others, since corporate image plays a factor in earning the trust of online customers.

Likewise, managers should make sure that their online customers are always satisfied with the products and services that they do provide since satisfied customers have a tendency to repeat its online purchase if they find satisfaction with a specific website. Providing customer satisfaction might be in the form of speedy delivery, or minimization of errors in the product being delivered, as well as providing timely feedback with regards any information that customers may deem to be important.

Lastly, since trust plays a big hand in the online customers repurchase intentions, managers therefore should always be on their toes thinking of new ways on how to earn and sustain the trust of its online customers.

5.2. Limitations

Just like any empirical study, this endeavor likewise has its own share of limitations. First limitation is based on the methodology, because data that were collected came from customers of an online website selling personal retail products to the public; this study therefore may not be generalizable to other product categories, i.e., non-personal products, industrial products, etc. Second, the direction of causality cannot be ascertained considering the cross-sectional research design of this study wherein data was collected at a specific and single point in time only. As an example and as a consequence, it may turn out that over time perceived value towards the website used in the study might wane down due to the emergence of other websites perceived to be better in enhancing the efficiency and effectiveness in product search among online customers.

5.3. Areas for Future Research

This research has given a conceptual basis for the constructs of trust and online customers repurchase intentions. The study of the antecedents of online customers repurchase intentions resulted in a better understanding of the variables or factors fundamental in encouraging repeat purchase from online customers. Future research should examine other antecedents that may also contribute in enhancing online customers repurchase intentions. Another interesting area that may need further investigation is the replication of this study in other countries wherein the

population is known to be relatively less active using the internet and social media. The Philippines despite the unsavory condition of its internet infrastructure has a population that is known to be relatively very active in various social media platforms as well as the other internet related activities. It is very interesting to find out if the attitude and behavior of the population towards the internet and social media have a major impact in relation to their online purchase intentions.

The objective of a longitudinal study is to observe the consistency of the responses and to examine changes that might happen over a given period of time (Zikmund, 1997). Online customers perceptions of perceived value, perceived usefulness, assurance, trust, corporate image might change over the course of time and it will be very interesting to find out the reasons that might have caused these possible changes. Thus, longitudinal research is also recommended.

REFERENCES

Anderson, E.W., Mittal, V. (2000), Strengthening the satisfaction-profit Chain. Journal of Service Research, 3(2), 107-120.

Burke, P.J., Stets, J.A.N. (2009), Trust and commitment through self-verification. American Sociological Association Social Psychology, 62(4), 347-366.

Buttle, F. (1996), Servqual: Review, critique, research agenda. European Journal of Marketing, 30(1), 8-32.

Chen, L., Li, Y.Q., Liu, C.H. (2019), How airline service quality determines the quantity of repurchase intention-mediate and moderate effects of brand quality and perceived value. Journal of Air Transport Management, 75, 185-197.

Chiu, C.M., Chang, C.C., Cheng, H.L., Fang, Y.H. (2009), Determinants of customer repurchase intention in online shopping. Online Information Review, 33(4), 761-784.

Devaraj, S., Fan, M., Kohli, R. (2002), Antecedents of B2C channel satisfaction and preference: Validating e-commerce metrics. Information Systems Research, 13(3), 316-333.

Doney, P.M., Cannon, J.P. (1997), An examination of the nature of trust in buyer-seller relationships. Journal of Marketing, 61(2), 35-45.

Ettenberg, E. (2002), The Next Economy: Will You Know Where Your Customers Are? New York: McGraw-Hill.

Fang, Y., Qureshi, I., Sun, H., McCole, P., Ramsey, E., Lim, K.H. (2014), Trust, satisfaction, and online repurchase intention: The moderating role of perceived effectiveness of E-commerce institutional mechanisms. MIS Quarterly, 38(2), 407-427.

Ganesh, J., Arnold, M.J., Reynolds, K.E. (2003), Understanding the customer base of service providers: An examination of the differences between switchers and stayers. Journal of Marketing, 64(3), 65-87.

Gefen, D. (2003), Trust and TAM in online shopping: An integrated model. MIS Quarterly, 26(4), 275-284.

Kaur, H., Soch, H. (2018), Satisfaction, trust and loyalty: Investigating the mediating effects of commitment, switching costs and corporate image. Journal of Asia Business Studies, 12(4), 361-380.

Khan, M.S., Naumann, E., Williams, P. (2012), Identifying the key drivers of customer satisfaction and repurchase intentions: An empirical investigation of Japanese B2B services. Journal of Consumer Satisfaction Dissatisfaction and Complaining Behavior, 25, 159-178.

Lin, M., Wang, W.T. (2015), Explaining online customer repurchase intentions from a relationship-marketing perspective. Journal of Organizational and End User Computing, 27(3), 1-26.

Matute, J., Polo-Redondo, Y., Utrillas, A. (2016), The influence of EWOM

characteristics on online repurchase intention: Mediating roles of trust and perceived usefulness. Online Information Review, 40(7), 1090-1110.

Mayer, R.C., Davis, J.H., Schoorman, F.D. (1995), An integrative model of organizational trust. Academy of Management Review, 20(3), 709-734.

Morgan, R.M., Hunt, S.D. (1994), The commitment-trust theory of relationship marketing. Journal of Marketing, 58(3), 20-38.

Palmatier, R.W., Dant, R.P., Grewal, D., Evans, K.R. (2006), Factors influencing the effectiveness of relationship marketing: A meta analysis. Journal of Marketing, 70, 136-153.

Peng, L.Y., Wang, Q. (2006), Impact of relationship marketing tactics (RMTs) on switchers and stayers in a competitive service industry. Journal of Marketing Management, 22(1-2), 25-59.

Sirdeshmukh, D., Singh, J., Sabol, B. (2002), Consumer trust, value, and loyalty in relational exchanges. Journal of Marketing, 66(1), 15-37.

Sullivan, Y.W., Kim, D.J. (2018), Assessing the effects of consumers' product evaluations and trust on repurchase intention in E-commerce environments. International Journal of Information Management, 39, 199-219.

Tsai, H.T., Huang, H.C. (2007), Determinants of E-repurchase intentions: An integrative model of quadruple retention drivers. Information and Management, 44(3), 231-239.

We are Social. (2018), Digital in 2018. Available from: https://www.digitalreport.wearesocial.com.

Young, J. (2019), Global Ecommerce Sales Grow 18% in 2018. Available from: https://www.digitalcommerce360.com/article/global-ecommerce-sales.

Zialcita, S. (2019), PH E-Commerce Industry Sees More Growth in 2019. Available from: https://www.cnnphilippines.com/business/2019/01/04/philippine-e-commerce-2019.htm.

Zikmund, W.G. (1997), Business Research Methods. Canada: Harcourt Canada Limited.