

An Examination of the Effects of Mobile Shopping Factors on Customer Perceived Value, Satisfaction, and Loyalty

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Agenda

- M-shopping Background
- Research Motivation
- Theoretical Background
- Literature Review
- Research Framework
- Hypotheses Development
- Method & Data Analysis
- Implications & Limitations

M-shopping Background

□ M-shopping

- The practice of buying goods or services by using a mobile device connected to the retailers via mobile or wireless networks (Gupta & Arora, 2017; Lu et al., 2017)
- Disadvantages: usability-related limitations (Huang et al., 2016)
- Advantages: ubiquity, localization, convenience, personalization (San-Martín et al., 2015)

□ U.S. m-shopping statistics

- No super app (many sub-apps within an umbrella app) or dominating app
- In 2018, 8 in 10 Americans are online shoppers. Half of them use a mobile device for shopping (Pew Research Center, 2019); mobile sales accounted for nearly 40% of all retail e-commerce sales (eMarketer, 2019)

Research Motivation

❑ Why customer loyalty?

- Major source of a firm's sustainable growth and profitability (Toufali et al., 2013)
- Higher cost in attracting new customers than retaining existing customers (Carter et al., 2014)
- Prior studies focus on m-shopping adoption, post-adoption customer behaviors (e.g., loyalty) remain empirically unexamined

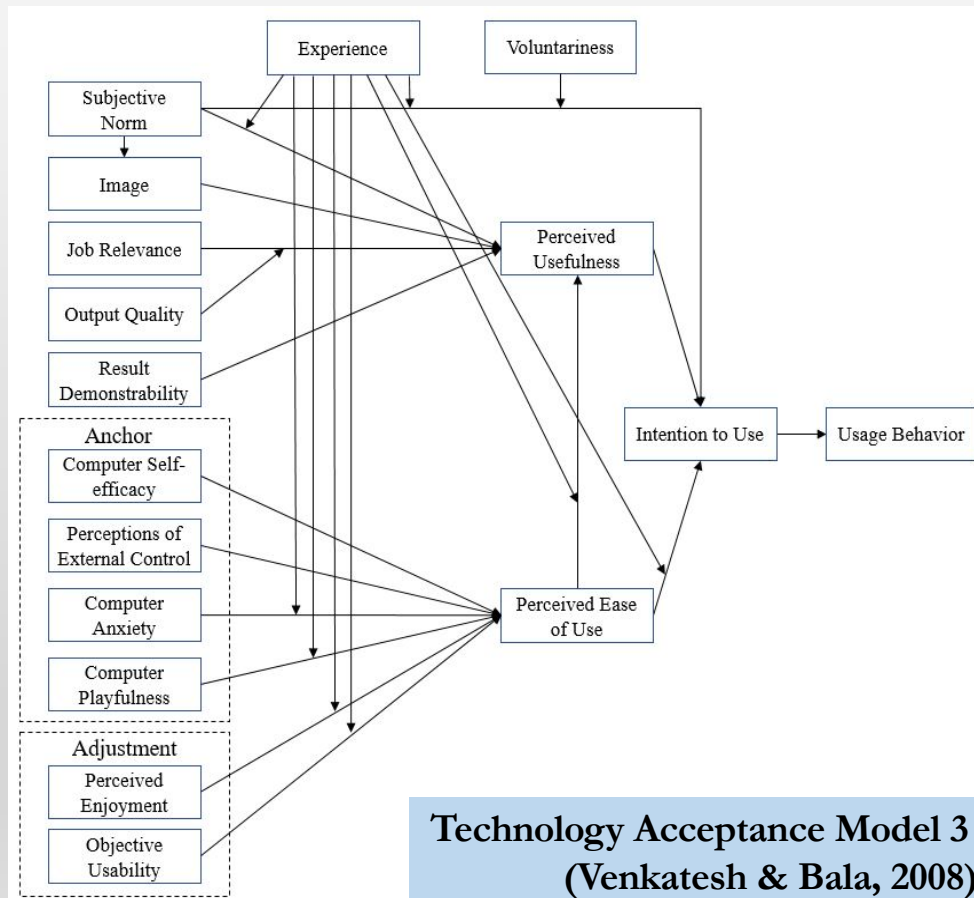
❑ What factors drive customer loyalty in the m-retailing context?

- Customer satisfaction
- Customer-perceived value
- M-shopping factors (product perceptions, customer service quality, mobile apps design quality, etc.)

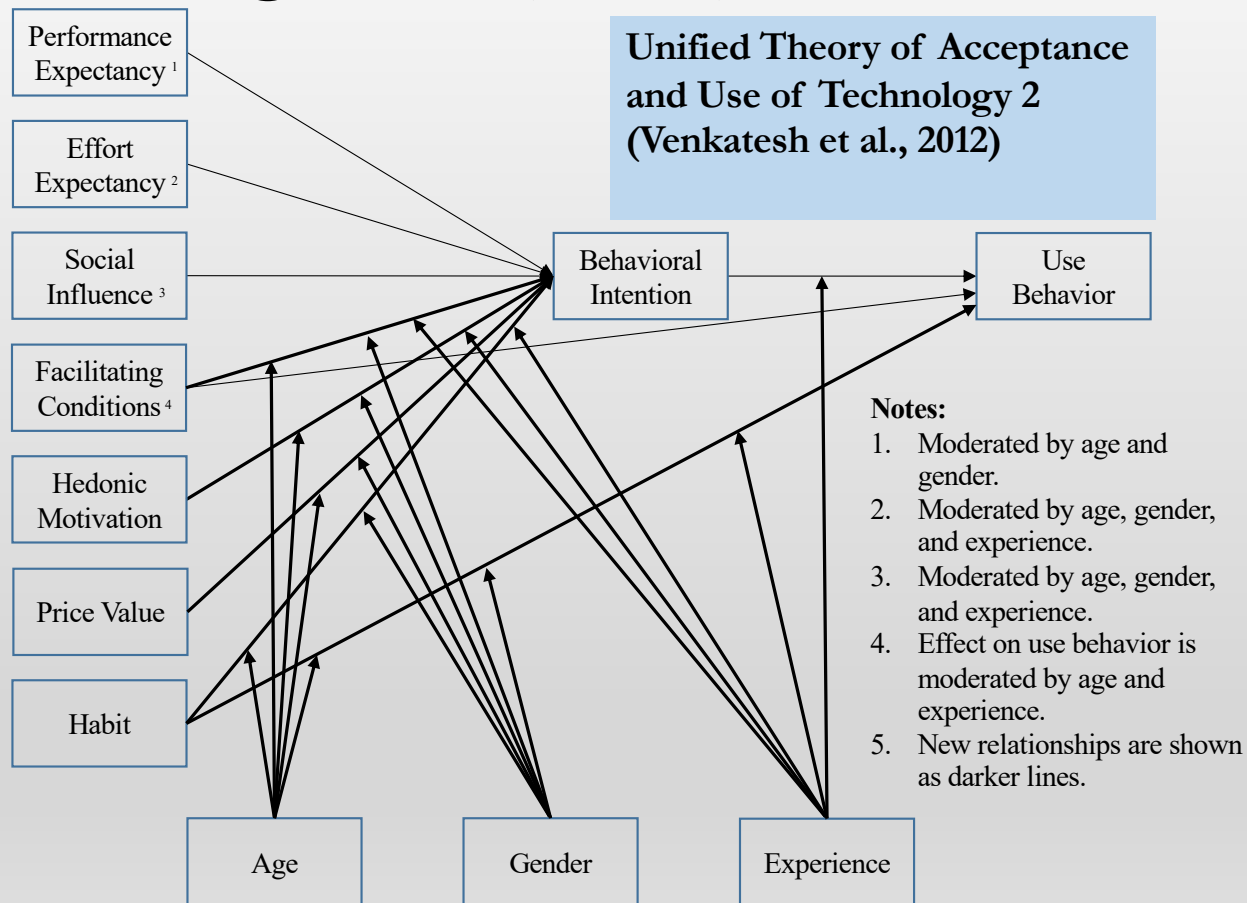
❑ Why study these factors?

- Identify key m-shopping factors: not all m-shopping factors have equal contribution
- The impacts of the key m-shopping factors on customer perceived value, satisfaction, and in turn, loyalty are not well understood

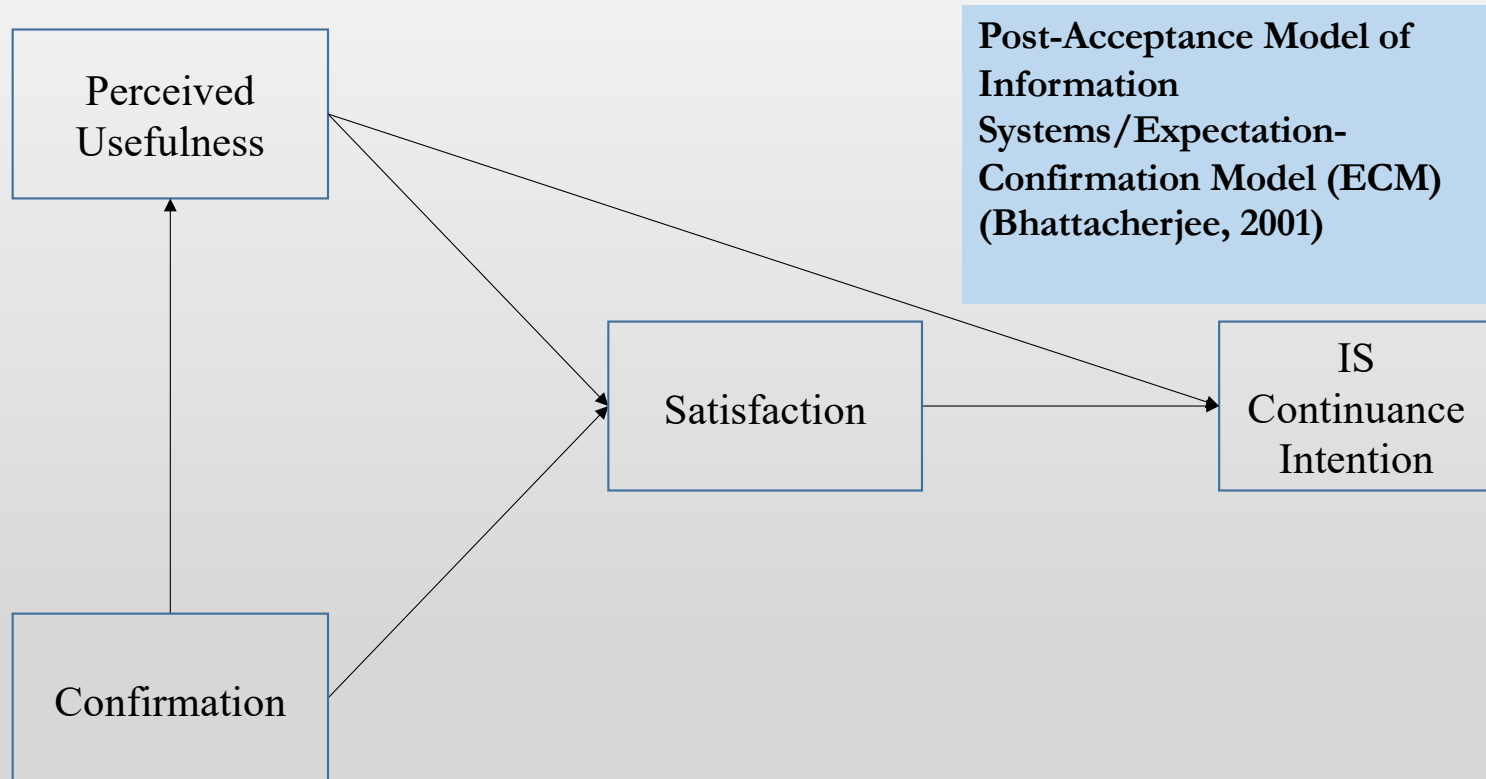
Theoretical Background



Theoretical Background (Cont.)



Theoretical Background (Cont.)



Hypotheses Development

Relationship	Previous Key Findings
<p>H1 Each Key M-shopping Factor → Customer-Perceived Value</p>	<ul style="list-style-type: none"> • Product Perception → Customer-Perceived Value (e.g., [Online] Crespo & Del Bosque, 2010; Fang et al., 2016; Jiang et al., 2016; Kim, Zhao, & Hang, 2008; [Mobile] Gupta & Arora, 2017) • M-Shopping Experience → Customer-Perceived Value (e.g., [Mobile] Kim, Chan, & Gupta, 2007; Kleijnen et al., 2007; Ko et al., 2009; Liu et al., 2015) • Customer Service Quality → Customer-Perceived Value (e.g., [Online] Bernardo et al., 2012; Fang et al., 2016; Jiang et al., 2016) • App Design Quality → Customer-Perceived Value (e.g., [Mobile] Ko et al., 2009; Sohn, 2017) • Perceived Risk → Customer-Perceived Value (e.g., Kleijnen et al., 2007; Liu et al., 2015; Yang et al., 2014)

H1: Each key m-shopping factor has a direct and significant impact on customer-perceived value.

Hypotheses Development (Cont.)

Relationship	Previous Key Findings
<p>H2 Each Key M-shopping Factor → Customer Satisfaction</p>	<ul style="list-style-type: none"> • Product Perception → Customer Satisfaction (e.g., [Online] Crespo & Del Bosque, 2010; Kim et al., 2008; Wen et al., 2014; Yang et al., 2004) • M-Shopping Experience → Customer Satisfaction (e.g., [Mobile] Chen, 2013; Chou et al., 2013; Agrebi & Jallais, 2015; San-Martín et al., 2016) • Customer Service Quality → Customer Satisfaction ([Mobile] Chen, 2013; Yang et al., 2017; Thakur, 2018) • App Design Quality → Customer Satisfaction ([Mobile] Agrebi & Jallais, 2015; Chen, 2013; Gao et al., 2015; Natarajan et al., 2017; Shang & Wu, 2017; Thakur, 2018) • Perceived Risk → Customer Satisfaction ([Mobile] Gao et al., 2015; Natarajan et al., 2017;)

H2: Each key m-shopping factor has a direct and significant impact on customer satisfaction.

Hypotheses Development (Cont.)

Relationship	Previous Key Findings
H3 Customer-Perceived Value → Customer Satisfaction	<ul style="list-style-type: none"> Lin & Wang (2006) Shang & Wu (2017) find that perceived value has a strong positive impact on customer satisfaction, which in turn positively influences customers' repurchase intention
H4 Customer-Perceived Value → Customer Loyalty	<ul style="list-style-type: none"> Lin & Wang (2006) find that when customers perceive the value of a certain retailer's service as superior to competitors' offerings, they tend to exhibit loyalty to the firm. [Online] Bernardo et al. (2012)
H5 Customer Satisfaction → Customer Loyalty	e.g., Gao et al., 2015; Hung, 2012; San-Martín et al., 2016; Shang & Wu, 2017; Thakur, 2016

H3: Customer-perceived value has a significantly positive impact on customer satisfaction.

H4: Customer-perceived value has a significantly positive impact on customer loyalty.

H5: Customer satisfaction has a significantly positive impact on customer loyalty.

Method and Data Analysis

☐ Measures and data collection

- A total of 57 scale items adapted from empirically validated research for measuring the seven constructs
- Measured in a 5-point Likert scale (1=strongly disagree, 5=strongly agree)
- 240 usable responses out of 350 samples (68.6% effective response rate)
- Amazon's Mechanical Turk (AMT) (www.mturk.com)

Implications and Limitations

□ Theoretical implications

- This work advances understanding of customer loyalty in the m-shopping context
- It identifies five key m-shopping factors as product perception, app design quality, customer service quality, perceived risk, and m-shopping experience
- It also empirically validates that customer-perceived value, customer satisfaction, together with the five shopping factors, are key determinants of customer loyalty in the context of m-shopping

□ Managerial implications

- Our study provides an effective tool that assesses what m-shopping features m-shoppers value most, ascertaining areas for improvement and implementing effective solutions

□ Limitations

- Relatively small sample size
- Generalizability – data were collected in U.S.

Thank You

Comments/Questions?