The Influences Between E-Service Quality Toward Positive and Opposition Brand Referral in Malaysia

1Nur Hidayah Ayob, 2Nurul Zahidah Md Juperi, 3Mohd Safwan Ramli, 4Nur Hanisah Mohamad Razali, 5Al Amirul Eimer Ramdzan Ali

1,2,3 Faculty of Business and Management, Universiti Teknologi MARA (UiTM) Jengka, Pahang, Malaysia, 4 Faculty of Business and Management, Universiti Teknologi MARA (UiTM) Segamat, Johor, Malaysia, 5 Kuliyyah of Languages and Management, International Islamic University Malaysia (IIUM), Pagoh Edu Hub, Muar, Johor

Correspondence Author: nzahidah@uitm.edu.my & safwanramli@uitm.edu.my

Abstract

Telecommunication sector is one of the drivers in the new digitalization era by providing the basis for business expansion and flow of investment through the communication. In Malaysia, this sector had faced some of the challenge regarding the customer perception which led the industry facing some negative brand referral and directed the brand evangelism failed to develop. Therefore, this research aims to identify the influences between e-service quality dimension consist of responsiveness, ease of use, privacy & security, functionality, reliability, efficiency towards the positive brand referrals as well as oppositional brand referrals. Through quantitative analysis, questionnaires were distributed, and the answers were analyzed. Based on the analysis conducted, it was found that reliability, functionality, and ease of use significantly contributed in predicting the positive brand referral. While reliability, privacy, and functionality significantly supported in predicting the oppositional brand referral in Malaysia.

Keywords: Telecommunication, Brand Referral, Positive Brand Referral, Opposition Brand Referral

Introduction

Malaysian telecommunication is witnessing a change in the market structure. Furthermore, the Malaysian telecommunication market in this developing economy has become saturated, with subscriptions frequently outstripping the size of population (MCMC, 2019). The challenges arise for the incumbents such as Maxis and Celcom to sustain their market shares, which were observed to have been declining over the past 10 years to 26% and 22% respectively by 2017. Meanwhile, the Digi’s market share has been almost constant
throughout the past 10 years as U-Mobile’s market share has increased gradually from 1% to 14% (6.12 million) and 11% (4.79 million) respectively by the end of 2017. Additionally, on 3 December 2019, the Malaysian Communications and Multimedia Commission (MCMC) bestowed awards to the Digi Telecommunication Sdn Bhd with the Star Rating Award 2018 for the best public cellular service provider, best consumer satisfaction and best quality of service.

Telecommunication brands in Malaysia are finding it increasingly challenging to compete and grow in such markets by employing a traditional go-to-market strategy (Ali et al., 2020). In the mature market, every brand has been unable to sustain growth levels by relying on the traditional go-to-market approaches. After the revenues have stopped growing in this saturated market, Malaysian telecommunication brands need to package their products and services innovatively, as well as get a new stream of income to sustain business (Ahmad et al., 2020). Therefore, in today’s global competitive business environment, innovation has become essential for organisational success and survival (Aji et al., 2020) and companies need to quickly provide the required number of services to consumers to satisfy their changing needs effectively (Chakraborty et al., 2019). These telecommunication brands are shifting their strategies to improve consumer value by offering new forms of products or services, not only to attract new consumers, but also to retain existing consumers through the promotion of customer loyalty. Hereby, the telecommunication sector depends heavily on innovation as an important source of sustainable growth and to generate new revenue streams such as value-added services.

**Problem statement**

Statistics released by Duczeminski on 29 June 2017 revealed that 83% of telecommunication consumers said that they were willing to refer certain brands to their networks but in reality, only 29% of these individuals actually did it. Even worse is when Malaysian Internet Users Survey 2020 by MCMC showed that those who used the Internet to visit social networking sites were 157% more likely to share content online and 43% of the Internet users shared negative referrals, cyberbullying and online criminal activities. The consumers preferred to spread negative word-of-mouth instead of being positive brand referrals especially after they have perceived poor service experience. According to a Malaysian telecommunication study by Goutam et al., (2022), dissatisfied consumers reach out to more people in sharing their past experiences. Ilhamilmy (2021) also agreed that consumers will spread negative word-of-mouth if the services do not meet their expectations or preferences.

However, what are the issues that have led these telecommunication consumers to continuously spread the negative word-of-mouth instead of being positive brand referrals and oppositional brand referrals? Brand evangelism failing to be developed by Malaysian telecommunication brands is because of consumers continuously perceiving poor service quality experience. This issue has been complained by the consumers for decades. Irawan et al., (2020) claimed that the issue of unsatisfactory service quality in Malaysia has been one that has been lamented on social media for quite some time. In addition, the 2020 annual report by Communications and Multimedia Consumer Forum of Malaysia (CFM) disclosed that there were 1632 complaints on billing disputes and 814 complaints on the issues of service quality in the Malaysian telecommunication. However, customer dissatisfaction has remained unsolved as a lot of complaints also arose from official social media platforms of every brand regarding the difficulty of reaching service quality agents through phone calls, the need for customers to wait for a long time, the treatment given to customers as they are
transferred to many departments, the unreliability of service, the unsolved problems and lack of integrity among service quality staff. These negative experiences have reflected on the consumers’ negative perception towards the image and attributes of the telecommunication brands.

Literature Review

Theoretical Implications

This study clarified the applicability of the consumer behavioural theory through the consumer decision journey model (CDJ) by Court, Elzinga, Mulder and Vetnik (2009). The consumer decision journey model assessed the consumer’s consideration of internal and external experiences of e-service quality until the stimulation of the brand evangelism effect at the post purchase action and loyalty loop. Thus, the marketers’ main goal is to reach the consumers with influential messages during each stage of their decision-making process. The consumer decision journey used to be simpler, with fewer touch points that influenced the ultimate behavioural outcome.

Positive Brand Referrals

The referral behaviour or specifically known as positive brand referrals denotes the propensity to engage consumer-to-consumer communication about the brand they most preferred. In other words, positive brand referral is the tendency to praise one’s favourite brand and convince others to consume the same brand. Jameel et al., (2021) argued that positive brand referrals are the brand evangelists’ active behavioural support for a brand, which they are disseminating favourable opinions, recommending and attempting to convince others to engage with the same brand. An evangelist is known as a consumer who engages in creating a meaningful impression of the brand and spends resources to promote a brand willingly (Juwaini et al., 2022). In addition, (Jameel et al., 2021) believed that it was an individual’s attachment to a brand that predicts their commitment to the brand, particularly presenting their willingness to invest time and effort in building and promoting a relationship with the brand they consume. These groups of consumers are considered as active supporters of a brand with behavioural support by purchasing products and recommending the brand (Kalia et al., 2016).

A consistent positive service experience is a key trigger for consumers to refer their consuming experience to people around them. A previous study by (Kalia et al., 2016) in the cruise context discovered that the passengers who are highly attached to a cruise brand and retain positive memories from their trip are willing to refer their experiences with others. The engagement of past consumers' experiences can lead to feelings of psychological ownership of the brand, which can encourage consumers to preserve and protect the brand from competitors (Ramli et al., 2022). According to (Irawan et al., 2020), brand evangelists modify their tone when speaking about a brand experience and bolster their pro-brand arguments by referring to their own experiences as a consumer. In addition, once the consumers feel comfortable from the value of experience perceived, they engage in positive referrals activities and shared with others in the consumers' sphere (Jameel et al., 2021).

The positive referrals from these brand evangelists are vital to generating critical brand outcomes, which can positively influence other customers (Ilhamlimy, 2021). Besides, these brand referrals behaviour are proven significant in influencing other consumers and converting non-users into followers and admirers of a brand ( ). This is because ( ) revealed that new customers always evaluate the credibility of brand claims based on the experiences
and judgments of past consumers before they make their purchasing decision. Therefore, every brand needs positive brand referrals to sustain their existing consumers to develop more potential and new customers to purchase the product or service. The stimulation for positive consequence from the referral behaviour among consumers is growing in importance especially for brands to achieve long-term customer value, profitability and customer loyalty through existing consumers acquisition (Irawan et al., 2020). Positive brand referrals do not only promote support for a brand among its consumers, but also encourage smarter purchasing skills (Kalia et al., 2016). Hence, it will be the best competitive advantage for the brand to implement it as brand evangelism will reflect it naturally.

Oppositional Brand Referrals

In the marketing field, expressing negative referrals about a brand is a well-documented topic which is often associated with negative word-of-mouth. According to (Ahmad et al., 2020) and (Aji et al., 2021), negative word-of-mouth applies in situations where people refer the negative information about a brand with which they had a bad experience. However, consumers might express negative opinions about a brand that they have no direct experience with. Therefore, in those cases, the negative referrals are not the result of dissatisfaction (Kalia et al., 2016). The main goal is rather to denigrate a brand that may be perceived as a threat to the consumers’ preferred brand and rather it is known as oppositional brand referrals.

Oppositional brand referrals can be recognised as negative attitude toward competing brands, resulting from attachment and loyalty to a brand (Kalia et al., 2016). This kind of referral behaviour is referred to as the predisposition to defend their preferred brand from any undesirable views and threaten rival brands with negative word-of-mouth. Oppositional brand referrals are considered to be more powerful than word-of-mouth and advocacy. In fact, (Irawan et al., 2020) identified that it is the consumer proactive behaviours towards strongly attached brands as well as anti-brand behaviours towards competing brands. It is undeniable again when Kang et al. (2020) agreed that oppositional brand referrals signify a more proactive and devoted opinion-sharing behaviour and a more aggressive persuasion of others to consume the same brand. Consumers are likely to express their support for a brand and offer negative feedback about competing brands (Juwaini et al., 2020).

Thus, the more the consumer feels connected with the brand, the more intense the oppositional brand referrals are likely to be. This loyalty action is enhanced by the participation of the consumers in a brand community and the attachment on a focal brand. This is especially true when the competition in market is highly concentrated among just a few players, increasing the likelihood of great rivalries developing between competing brands. Such polarised forces may lead some consumers to express negative emotions and expressions towards rival brands and in turn helps the consumer to define oneself against the group (Goutam et al., 2022). Therefore, consumers may engage in trash-talk about a rival brand to weaken it, thus render it less threatening to the consumer’s preferred brand (Chakraborty et al., 2019).

Indeed, consumers are more likely to develop a desire to harm rival brands when they pose a threat to the brand the consumer supports (Goutam et al., 2022). Thus, the rejection of alternative brands is a way to strengthen his or her attachment with the focal brand (Chakraborty et al., 2019). Conversely, praise for the brand may be perceived as a compliment, reinforcing the notion that the consumer has made a good decision in supporting
the brand and individuals who are highly connected have everything to gain by defending the brand.

**E-Service Quality**

Zeithaml et al., (2000) defined e-service quality as the extent to which a web facilitates efficient and effective shopping, purchasing and delivery. Meanwhile, Kamal (2022) defined e-service quality as global assessment and judgment of excellence, and quality of service delivery in a virtual market. Another definition by Carlson and O’Cass (2010) is the provision of superior consumer experience in all aspects of the service provided via a company’s website. Therefore, the e-service quality quality in this study was expanded from the e-service quality, as this study adapted the definitions of e-service quality by Ramli et. al., (2022) and Zeithaml et al. (2000).

a) Gurus for service quality, Parasuraman et al. (1985) defined responsiveness as the willingness or readiness of employees to provide service.

b) Ease of use is reflected in the site if it contains functions that help customers find what they need without difficulty, has good search functionality, and allows customers to maneuver easily and quickly back and forth through the pages (Zeithaml et al., 2000).

c) Ramli et al., (2022) defined functionality in e-service quality as the functional dimension involving customer perceptions of the process of how the service interaction occurs.

d) Garvin (1984, 1987) defined reliability as the product’s probability of failure-free performance over a specific period of time. Santos (2003) defined reliability as the ability to perform a promised service accurately and consistently, including the frequency of updating the website, prompt reply to customer inquiries, and accuracy of online purchasing and billing processes.

e) Zeithaml et al. (2000) defined efficiency as a properly structured site, which requires a maximum amount of information to be provided to the customer. Meanwhile, Ahmad (2020) observed efficiency in e-service quality as the speed of downloading, searching, and navigating the website.

**Research Objectives and Hypotheses**

**Research objective**

The research objectives for this study are:

RO1: To identify the influences between e-service quality dimension (responsiveness, ease of use, privacy & security, functionality, reliability, efficiency) and positive brand referrals as well as oppositional brand referrals.

**Research Questions**

RQ1: Does e-service quality dimension (responsiveness, ease of use, privacy & security, functionality, reliability, efficiency) have any influences with positive brand referrals and oppositional brand referrals?

Besides, researchers have also formulated several hypotheses for this study which are:
Hypotheses for research question.

H₁a : Responsiveness control has an influence on positive brand referral
H₂b : Ease of use has an influence on intention to positive brand referral
H₃c : Privacy and security has an influence on positive brand referral
H₄d : Functionality has an influence on intention to positive brand referral
H₅e : Reliability has an influence on positive brand referral
H₆f : Efficiency has an influence on intention to positive brand referral
H₇g : Responsiveness control has an influence on opposition brand referral
H₈h : Ease of use has an influence on intention to opposition brand referral
H₉i : Privacy and security has an influence on opposition brand referral
H₁₀j : Functionality has an influence on intention to opposition brand referral
H₁₁k : Reliability has an influence on opposition brand referral
H₁₂m : Efficiency has an influence on intention to opposition brand referral.

**Figure 1:** Conceptual Framework on the relationship between e-service quality dimension (responsiveness, ease of use, privacy & security, functionality, reliability, efficiency) and positive brand referrals as well as oppositional brand referrals.

**Methodology**

The respondents are from the user of social media which are netizen in Malaysia, 281 respondents answered the questionnaires through purposive sampling techniques. As Instrument for e-service quality of 28 items was used while positive brand referral and opposition brand referral consisting was measured by using 3 items of questionnaire by (Conner, 2020). A five-point Likert scale was used with the values from 1=strongly disagree to 5=strongly agree.
Results And Discussion

Reliability Analysis

All domain for independent variable were reported to have Cronbach’s Alphas of <0.8 which were considered acceptable (Hair et al., 2010; Sekaran et al., 2005). The researchers decided to still use the instrument because it was a well-established set of questionnaires commonly used in various studies of e-service quality. In fact, this instrument was found to be a reliable instrument in Malaysia’s settings, whereby the Cronbach’s Alpha were all greater than 0.7 (Ramli et al., 2022). Next, the instrument on dependent variable only had one domain had Cronbach’s alpha of 0.8 and above. The researchers decided to still use the instrument because it was a well-established set of questionnaires commonly used in various studies.

Pearson-Correlation and Multiple Regression Analysis

Table 1 shows the findings on the correlation between e-service quality variable and positive brand referral among netizen in Malaysia. The result pointed there are all independent variable significant positive relationships on positive brand referral with the value (r=.928 p<.01), (r=.210 p<.01) (r=.580 p<.01) (r=.232 p<.01) (see Table 1). Second, e-service quality variable and opposition brand referral among netizen in Malaysia. The result pointed there are all independent variable significant positive relationships on positive brand referral with the value (r=.928 p<.01), (r=.210 p<.01) (r=.580 p<.01) (r=.232 p<.01) (see Table 1). This indicates that there is significant relationship between e-service quality toward positive brand referral and opposition brand referral among netizen in Malaysia.

Table 1: Correlation between respondent e-service quality dimension (responsiveness, ease of use, privacy & security, functionality, reliability, efficiency) and positive brand referrals as well as oppositional brand referrals.

<table>
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<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
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<tr>
<td>Responsiveness</td>
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<td>Ease of Use</td>
<td>.643**</td>
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<tr>
<td>Privacy and Security</td>
<td>.396**</td>
<td>.711**</td>
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<td>Functionality</td>
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<td>.887**</td>
<td>.725**</td>
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<td>Reliability</td>
<td>.438**</td>
<td>.210**</td>
<td>.580**</td>
<td>.232*</td>
<td>1</td>
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<tr>
<td>Efficiency</td>
<td>.442**</td>
<td>.210**</td>
<td>.580**</td>
<td>.232*</td>
<td>.928*</td>
<td>1</td>
<td></td>
<td></td>
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<tr>
<td>Positive Brand Referral</td>
<td>.431**</td>
<td>.210**</td>
<td>.580**</td>
<td>.232*</td>
<td>.928*</td>
<td>.928*</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>Opposition Brand Referral</td>
<td>.443**</td>
<td>.336**</td>
<td>.188</td>
<td>997*</td>
<td>996*</td>
<td>.991*</td>
<td>1</td>
<td></td>
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</tbody>
</table>

Table 1: Correlation between respondent e-service quality dimension (responsiveness, ease of use, privacy & security, functionality, reliability, efficiency) and positive brand referrals as well as oppositional brand referrals.
Table 2:
Multiple Regression Analysis (Positive Brand Referral)

<table>
<thead>
<tr>
<th>Independent variables</th>
<th>Standardized Coefficients</th>
<th>t</th>
<th>Sig.</th>
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<tr>
<td></td>
<td>Beta</td>
<td></td>
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<tr>
<td>Responsiveness</td>
<td>.001</td>
<td>1.255</td>
<td>.210</td>
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<tr>
<td>Ease of Use</td>
<td>.005</td>
<td>3.180</td>
<td>.002</td>
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<tr>
<td>Privacy and Security</td>
<td>-.038</td>
<td>-36.303</td>
<td>.000</td>
</tr>
<tr>
<td>Functionality</td>
<td>.028</td>
<td>22.934</td>
<td>.000</td>
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<tr>
<td>Reliability</td>
<td>1.739</td>
<td>75.492</td>
<td>.000</td>
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<tr>
<td>Efficiency</td>
<td>-.018</td>
<td>-1.247</td>
<td>.213</td>
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<tr>
<td>R Square</td>
<td></td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>F</td>
<td></td>
<td>366899.175</td>
<td>.000</td>
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<tr>
<td>Sig. F Value</td>
<td></td>
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<tr>
<td>Durbin Watson</td>
<td></td>
<td>1.511</td>
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</table>

Findings from the regression analysis between e-service quality variable which are and positive brand referral were tabulated in Table 2. It was found that $R^2$ was 1.000, in which all of the independent variables such as responsiveness, ease of use, privacy and security, functionality, reliability and efficiency explained 100% of the variance ($R^2$) for e-service quality, with significant of F value of .000. Plus, the Durbin Watson value was 1.511 which was values range of 1.5 to 2.5 are relatively normal in line with one of the assumptions for bivariate and multivariate correlation analysis. The analysis revealed that reliability was the most influential component of e-service quality on the positive brand referral with value ($\beta=1.739, p<.000$). Also, other dimensions such as ease of use and functionality were had positive influences with positive brand referral among netizen in Malaysia. Consecutively, there are two elements of e-service quality had negative influence on positive brand referral. So does only three hypothesis that support which is $H_{2b}, H_{4d}, H_{5e}$. Therefore, it can be concluded that based on this analysis, it was found that realbility, functionality and ease of use significantly contributed in predicting the positive brand referral in Malaysia.
Findings from the regression analysis between e-service quality variable which are and opposition brand referral were tabulated in Table 3. It was found that $R^2$ was .865, in which all of the independent variables such as responsiveness, ease of use, privacy and security, functionality, reliability and efficiency explained 45.4% of the variance ($R^2$) for e-service quality, with significant of F value of .000. Plus, the Durbin Watson value was .558 which was values approaching 0-4 indicate positive autocorrelation, in line with one of the assumptions for bivariate and multivariate correlation analysis. The analysis revealed that reliability was the most influential component of e-service quality on the opposition brand referral with value ($\beta=1.988, p<.000$). Also, other dimensions such as privacy and functionality were had positive influences with opposition brand referral among netizen in Malaysia. Consecutively, there are two elements of e-service quality had negative influence on opposition brand referral. So does only three hypothesis that support which is $H_{9i}$, $H_{10j}$, $H_{11k}$. Therefore, it can be concluded that based on this analysis, it was found that reliability, privacy and functionality significantly contributed in predicting the opposition brand referral in Malaysia.

**Conclusions**

This research is an E-service quality is the electronic transmission of information and interactions which reflects and influences consumers’ perceptions, attitudes and behaviour journeys. This study discussed the emerging trends and recent advances in digital service quality research, as well as future opportunities for service quality practices and research. Taking advantage of the vast increase in chatbot data would prove enormously beneficial especially for Malaysian telecommunication brands. Through a slightly different approach, this study combined the elements of internal and external measurements of e-service quality on the consumer decision journey, especially on the attitude and behavioural outcome towards a brand.
Contextual Contribution

Contextual contribution of e-service quality is a crucial factor in shaping customers' perceptions and, subsequently, their brand referrals and opposition brand referrals. In recent years, the digital landscape has evolved rapidly, and customers now demand seamless online experiences. High e-service quality, encompassing factors like website functionality, responsiveness, security, and user-friendliness, plays a pivotal role in creating positive brand referrals. Customers are more likely to recommend a brand to others when they have a smooth and satisfactory online interaction. On the flip side, poor e-service quality can lead to opposition brand referrals, where dissatisfied customers actively discourage others from engaging with a brand. Studies in the field of e-commerce and digital marketing underscore the importance of these dynamics, emphasizing that maintaining a high level of e-service quality is essential for not only attracting positive referrals but also preventing negative ones. In today's competitive digital marketplace, understanding and optimizing e-service quality's contextual contribution is fundamental for brand success.

Theoretical Contribution

A century of the implementation of traditional service quality portrays the failure of Malaysian telecommunication brands to recruit positive brand referral and opposition brand referral. Consequently, the new execution of e-service quality by utilising chatbots is a ray that is expected to be able to strengthen the relationship between the telecommunication brands and consumers. Despite the widespread use of chatbots in the industry, there have only been a few studies on this topic in the marketing literature (Ramli et al., 2022 & Ahmad, 2020). Therefore, the study on e-service quality was established after (Ramli et al., 2022) proposed for future researchers to identify the digital service quality usage which helps to optimize the e-service quality efficiency to build a successful business. In this matter of fact, this study measured the quality and branding attributes of e-service quality. The outcomes of this study were successful in expanding the identification of e-service quality in the marketing literature, especially from the Malaysia telecommunication perspective, and the impact of the execution of e-service quality towards the telecommunication brands.

Recommendations

In this research study, this study investigated the combination of branding and behavioural outcomes on the decision-making process. However, marketing literature on the branding impacts of e-service quality onto the customer decision-making journey was found to be limited and challenging to find. Therefore, future studies through social study should identify whether the branding of e-service quality could give an impact to the customer decision-making process. The concept and better understanding could be useful to students and marketing practices in the implementation of digital services.

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