Vol 14, Issue 7, (2024) E-ISSN: 2222-6990

Determinant of Satisfaction Towards E-Commerce among Youth Customer in Malaysia

Boo Zhi Yang^a, Mohammed Hariri Bakri^a, Geraldine De Mello^b

^aUniversiti Teknikal Malaysia Melaka, Hang Tuah Jaya 76100 Durian Tunggal Melaka, ^bUniversiti Teknologi MARA Melaka ,78000, Alor Gajah, Melaka

To Link this Article: http://dx.doi.org/10.6007/IJARBSS/v14-i7/21808

DOI:10.6007/IJARBSS/v14-i7/21808

Published Date: 10 July 2024

Abstract

In this modern age, e-commerce had become a culture and a purchase behavior in our daily life. However, the customers will feel unsatisfied when the service provider can't serve them appropriate. Thus, the current study was conducted to explain to determine the factor which will affect the youth customer satisfaction on E-Commerce Malaysia, the relationship between the youth customer satisfaction toward E-Commerce Malaysia. Quantitative methods have been applied this research for data collection purpose. Data were collected on the five-point Likert scale through questionnaire survey from the youth residences Malaysia in Malacca. The data was gathered from 384 respondents located in Malacca, Malaysia. The reliability of the instrument was ensured by Cronbach's Alpha test. In addition, Pearson Correlation and multiple regression tests had been applied to measure the nature and size of the association between variables and research hypotheses.

Keyword: E-Commerce, Customer Satisfaction, Youth

Introduction

E-commerce, it was a new purchase behavior for Malaysians. E-commerce is defined as customers visiting web stores with the access of internet and purchase the products or services from a seller immediately through the internet (Vipin, 2021). With the advent of e-commerce, we can purchase goods easily by tapping our fingertip on the device. According to (Simon, 2022), there are 66.6 percent of Malaysians purchase goods or services online weekly. Department of Statistics Malaysia (2021) found out the income of e-commerce in Malaysia are showing an upping trend and increase about 42.42 percent from RM 195.9 billion in Quarter 1 2020 to RM279 Billion in Quarter 3 2021. The report of Department of Statistics Malaysia but it also became an important sector towards Malaysia's economy. According to Praveen (2015), online shopping is kind of similar as the customers purchase the products or services at a physical store and it called business to consumer (B2C).

Other than that, a business purchases the products or services from another business, the process is called business to business (B2B). Higher levels of education and personal income are often associated with more favourable opinions about online shopping. Exposure to technology increases the possibility that consumers will develop favorable attitudes about new commerce channels. Many people prefer to shop online since it is convenient. Nowadays, the cases about E-commerce fraud have been getting serious and it shows upping trend for the E-commerce fraud cases since 2018. According to Kah Boon (2021) finds out security is an important content to achieve customer satisfaction. The essential elements of customers purchasing goods or services online are safety of trade and the protection of personal information. The trust and satisfaction of customers will be destroyed by hackers who can create fake content and cause the customer to trust and purchase the products.

E-Commerce Consumers Survey 2018 stated that more than half of online shoppers which is 53.4 percent out of 2400 respondents are care about the online shopping fraud. There are the threats concerned by the respondents which are cards fraudulent, trust concern, fake online retailers, bank details theft, and identity theft. Among those threats he first 3 concern areas by the respondents were cards fraudulent, trust concerns, and fake online retailers. In addition, 25 percent of the respondents did not perform online transactions due to their concerns about security and privacy.

Majlis Keselamatan Malaysia (MKN) had listed the Cybercrime Statistics by offenses from Royal Malaysia Police the second higher cybercrime was e-commerce fraud. The number of e-commerce fraud cases in 2018 was 3,325 and it had increased to 3,520 cases in 2019. According to this government article, lack of awareness may be a main factor for most of the victims in fraud cases. Malaysia also facing a lack of workforce to ensure cyber security. It was a critical reason the e-commerce fraud case increased and security was important to ecommerce.

Inspector-General of Police Datuk Seri Acryl Sani Abdullah Sani said that the online shopping fraud cases in 2019 was 3,520 cases and it had increased to 5,846 cases in 2020. For the first 10 months in 2021, the reported cases had risen to 8,162 cases. Acryl Sani was worried about the rise of online shopping fraud cases because the number of cases hasn't included other related scams such as parcel and love scams. He also said the current number of online shopping fraud cases may not be accurate because some of the consumers may not report it due to a small amount of losses (Kalbana, 2021). Bukit Aman Commercial Crime Investigation Department (CCID) assistant director (telecommunications criminal investigation) Supt Rozeni Ismail from Kementerian Komunikasi dan Multimedia Malaysia (KKMM) said some of the victims never heard or knew the information about the fraud case. There are 1,500 suspicious websites have been blocked by the Malaysian Communications and Multimedia Commission (MCMC) until 10 March 2021. Since the appearance of e-commerce had become popular in Malaysia, there is a lot of e-commerce websites launched in Malaysia such as Shopee- Lazada, Mudah.my, ZALORA and so on. Customer satisfaction is becoming more important for every e-commerce website and online seller to retain existing customers or attract new customers. Therefore, this study aims to identify the factor affect youth customer satisfaction towards online e-commerce Malaysia.

By identify these factors affect youth customer satisfaction towards e-commerce Malaysia, this study contributes to understand better the factor influence customer satisfaction. Furthermore, the result can help online sellers have a better understanding about customer satisfaction and improve their business by having their own strategies

Vol. 14, No. 7, 2024, E-ISSN: 2222-6990 © 2024

Literature Review

Based on Simon (2022), the top three of online purchase driver are free delivery, coupons and discounts, and customer reviews. Especially free delivery is very attractive to online shoppers. According to Praveen (2015), a satisfied customer will introduce the products or services to their family and friends and it will increase the sales of the company. Unsatisfied customer will influence the growth and the profit of the company. Negative review from the customers has more influence on a business and it is out of expect from owner. Next is about advertisement, The company always spend a lot of money for advertisement. Word of mouth is a best way from the customers promote the products or services without any cost. The company must evaluate the customers about the needs and the complaint through the questionnaire survey and solve the problem immediately. According to Li & Zhang (2002), most of the consumers will have expectations towards the products, vendor, services, and quality of the website before make purchase through online shopping. All the expectations will influence the customer satisfaction and intentions of the consumers towards online shopping

Based on the research of Mishra & Ayatham (2017), young shoppers had been targeted in this study. This is because more than half of Malaysian population had responded positively and had a positive image towards online shopping in the previous 3 years. Most of the Malaysians populations who had responded positively are belongs to youth shopper who are overwhelmed with social media website such as Facebook, Instagram, and WhatsApp. This age group had been influenced by the huge impact of the increase of buying power in Malaysia and they assume themselves can adopt the new technology immediately.

In addition, most of the company believe consumers will prefer for social shopping compared to traditional shopping. This is because it had let the consumers feel satisfied and convenience especially view and purchase the products and service with a click. Company also believe consumers will always purchase their products if they can fulfill the customer satisfaction and customer loyalty (Han et al., 2018).

According to Nazaria et al (2020), there are a lot of young persons in Malaysia able to accept and adopt the new technology in industry. This is because the median age of Malaysians for male and female was around 25 to 26 years old. Malaysians have a wonderful potential to adopt e-commerce because to the influence of young people on social media. Many Malaysians are computer savvy and able to speak in a variety of languages, including Malay, English, Chinese, Tamil, and other languages, allowing them to easily interact with individuals from all over the world. Based on ecinsider report (2019), there are 51% which means more than half of the online shoppers in Malaysia are the persons between the ages from 25 to 34 years old. The second higher quarter was 24% which is people from 18 to 24 years old. As a result, we can know that there is a strong purchase power around 75% from the young shoppers in Malaysia. Based on the research of Kim & Ammeter (2008), young people can proceed the website information up to five times quicker than older people because young people are familiar with e-commerce.

E-commerce

There are different definition and understanding towards e-commerce, some of them include electronic data interchange (EDI), electronic funds transfer (EFT) and all credit/debit activities (Collecchia, 1999). The different definition towards e-commerce is because the meaning itself are comes from the understanding of researcher without rely on the elements of e-commerce. There are some researchers such as Turban et al., 2002 had defined e-commerce

Vol. 14, No. 7, 2024, E-ISSN: 2222-6990 © 2024

is a process of purchasing and selling products or services by using the Internet. In addition (Collecchia, 1999) state that the meaning of e-commerce can be different depend on three key elements which is activities or transactions, applications, and communication networks. In simple words, the meaning of e-commerce must include the features which is cover the issues of transforming the economic activities, focusing on certain technologies, and not only justify the recent attention given by policymakers. Therefore, Collecchia (1999) will asked by own self which is three before making any definition. For example, why we want to measure, what do we want to measure and what can we measure.

Based on the research of Whiteley (2001), e-commerce had been defined as the provision of information and purchasing and selling products or services among business stakeholders by the using of Information System, Information Technology or Information and Communication Technologies. One of the impacts of e-commerce is internet-based technology that provides the widest network of information systems. Other than that, Doernberg et al (2001) had another understanding about e-commerce. E-commerce is a business activity by using a computer include online trading of products or services, electronic fund transfers, online trading financial instruments, electronic data exchanges between companies and electronic data exchanges within a company. The scope of e-commerce had extended from simple web presence to sharing business processes connecting different organization. Nowadays, the World Wide Web ("www" or simply "the web") has become a mainstream because it had moved across its original presence. It has caused the rapid growth of the web because of the organization start to sell the web-based products and services and it has required for e-commerce application (Gaedke and Turowski 2000).

Customer Trust

With the advent of e-commerce, the concept of trust becomes complex. According to several previous study Corritore et al (2003); Grabner & Kaluscha (2003); Mittal & Kamakura (2001), the researchers believe that further study on various forms of trust in online environments is needed. Nevertheless, each of the field have examines trust from its own distinct perspective and there are literally thousands of definitions of trust such as from the economic field, finance field, marketing field, personality, and social psychology field. Based on several previous study Grabner & Kaluscha (2003); McKnight & Chervany (2001), trust was hard to define and become a difficult concept. According to the study from Ling et al (2010), ecommerce is seen to be riskier and more dangerous. Hence, trust is a important things in ecommerce. To put it another way, trust is the assurance a person has in anything coming from someone else and is based on that person's sense of integrity, their approaches, and their abilities (Madjid et al., 2018).

Customer trust is commonly defined as the desire to rely on an exchange partner in whom one has faith in a vulnerable scenario (Moorman et al., 1992). Based on the research from Mayer et al (1995), online store trust has been defined as a consumer's readiness to depend on the seller and take action in situations when doing so puts the consumer at risk of being exploited by the seller. According to several studies, There are two important underlying elements of online trust which are credibility which means the buyer's belief in the expertise of seller to do the job effectively and benevolence which means the buyer's belief in the seller's positive intention.

In addition, consumers trust in online shopping has been modelled by Lee and Turban (2001) using four groups of factors as antecedents:

(1) Online merchant trustworthiness, which includes perceptions of the merchant's ability, integrity, and benevolence;

Vol. 14, No. 7, 2024, E-ISSN: 2222-6990 © 2024

(2) Online shopping medium trustworthiness, based on perceptions of the Internet merchant's technical competence and performance level (e.g., reliability, speed, and availability), as well as understanding of the Internet shopping medium;

(3) Contextual factors such as the perceptions of effectiveness of third-party certification and public key security infrastructure systems; and

(4) Other factors, such as company size and demographic variables.

Lastly, Shopee as a good example of e-commerce platform in Malaysia. The good reputation of Shopee come from the innovation to keep the consumers trusted. Other than that, Shopee was mainly focused on the development of mobile application. As a result, Shopee had provide a good shopping experience for the customers and feel satisfied and trusted by their customers. Shopee had proof that customer trust is an important element to fulfill the customer satisfaction.

Customer Loyalty

(Keller, 1993) defined loyalty as repetitive purchase behavior exhibited over some undefined time frame driven by a good disposition toward the subject such as attitudinal and conduct perspectives. However, Berkotwitz et al (1978) argued the reliability of consolidated conceptualization who criticized the social part of reliability explore which is focusing on continue purchasing (Kim et al., 2009). Furthermore, some of shopping website such as Lazada, Shopee and Zalora want to encourage online social shopping by empower user to find and follow items they interest and share the shopping tips with friends and family (Yang et al., 2015). Based on the research of Pavlou (2002), better feedback from buyer will prompt trust. So, the customers will purchase more items and again from the specific website if they assume the website can be trusted. The website will protect the personal information of buyer from the seller with bad reputation (Tsai & Yeh, 2010).

According to the previous study Baldinger & Rubinson (1996), loyal consumers remain longer, cost less to serve, generate greater profits, buy more across product lines, disseminate positive word-of-mouth, are less price sensitive, and are prepared to pay a premium to do business with their favorite merchants. As a result, customer loyalty has emerged as a critical determinant in a company's profitability and long-term success (e.g., Bowen & Shoemaker, 1998). Customer loyalty is a good result in a long-term for a business if the customer has high customer satisfaction towards the products or services. The customers will continue to purchase the products or services again.

Service Quality

According to the concept of service quality developed by Parasuraman et al (1988), service quality mainly used in the comparison of the excellence service encounters by the customers. Based on the research of Bitner (1990), service quality had been defined as the view from the customers towards the service provider and the quality of the service, and it often will be considered as the overall impression of the company (Parasuraman et al., 1988). Based on the several previous study, the definition of service quality had covered several features and one of the features from them is an attitude towards the service provider from the previous encounters (Bitner, 1990; Parasuraman et al., 1988).

According to Groonroos (1990), the content of "attitude" includes the quality of output and process. Meanwhile, other researchers had defined quality of output as what the customers actually received and quality of process as the method of deliver service. Nevertheless, the quality of output are difficult to measure because service tend to have more credibility and experience (Rushton and Carson, 1985). This situation had lead to the customers evaluated

vol. 14, No. 7, 2024, E-ISSN: 2222-6990 © 2024 the quality of process during the delivery (Swartz and Brown, 1989). So, the evaluation of customers includes quality of output and quality of process. Those of the components have huge influence to the future expectation of service provider but the actual impact may different depend on the types of service (Bitner, 1990). Service quality had been briefly describing as the output and process quality of the service from the previous encounters. As a result, the evaluation of the customers towards the products was depend on the extent is tangible or intangible (Rushton and Carson, 1985). In the context of e-commerce, service quality has been defined as the evaluation of the customers to wards the web-based products or services in the virtual marketplace (Santos, 2003).

SERVQUAL Theory

In early 1980s, Parasuraman et al., (1988) had developed the SERVQUAL. This theory was one of the famous theories to measure service quality in customer satisfaction. At the first, there are ten dimensions applied in SERVQUAL Theory (reliability, tangibles, competence, responsiveness, security, courtesy, communication, understanding, access and credibility) (Yousapronpaiboon, 2014). Ten dimensions had been reduced to five used to measure the service quality which are tangible, reliability, responsiveness, assurance, and empathy (Parasuraman,1985). Crompton (1989) had discussed about the SERVQUAL Theory and proofed the validity and reliability of SERVQUAL Theory. Parasuraman et al (1991) finds out SERVQUAL Theory is widely used in the measurement of service quality.

According to Devaraj et al (2002) stated that SERVQUAL Theory also used in the measurement of service quality in e-commerce. There are some of the related studies have applied the SERVQUAL Model and used for the measurement in their study such as web-based service Kuo (2003), internet retail Barnes (2001), and electronic banking (Zhu et al., 2002).

Nevertheless, web-based services differ from traditional brick-and-mortar customer service, which has become a challenge to measure the service quality of web-based services (Li et al, 2002). Parasuraman and Grewal (2000) had gave the suggestion there is the need to study "whether the definition and relative importance of SERVQUAL dimensions change when customers interact with technology rather than service personnel".

Reliability

Reliability means the capacity of a service provider to fulfill the promised services honestly and consistently (Blery et al., 2009). Customers desire dependable services they can trust on (Khan et al., 2014). In addition, reliability is a measurement of the company in the terms of performance and dependable (Choy et al., 2013). Based on the research of Hennayake (2017), reliability had been understand as the ability of a company provide their service as promised. For example, problem solving, pricing and after sell service. The previous study shows that reliability has positive influence towards customer satisfaction (Jamal & Anastasiadou, 2009). For example, the customer satisfaction will increase when a company can keep the promise of customers (Yuen & Chan, 2010).

H1: Reliability have positive relationship between customer satisfaction.

H0: Reliability don't have positive relationship between customer satisfaction. *Responsiveness*

In the research of Gulc (2017), responsiveness defined as the capacity to respond quickly and provide feedback when consumers have an issue with the organization. Responsiveness as an important factor in service quality by identifies the responsiveness of staff towards the requests from customers and their willingness to fix the problem. If the consumers keep

Vol. 14, No. 7, 2024, E-ISSN: 2222-6990 © 2024

waiting without any reason, they will doubt about the quality of service and show negative perception (Millas, 2013). The one who could solve the problem and react immediately about the problem or issues from consumers can create and improve a positive perception of quality (Firdous, 2017). Responsiveness has the effect will influence the customer perception. As a result, responsive is an important factor will influence the customer satisfaction. H2: Responsiveness have positive relationship between customer satisfaction.

H0: Responsiveness don't have positive relationship between customer satisfaction.

Assurance

According to Zaim et al (2010), assurance defined as the knowledge of service provider and ability to proof their confidence and service can be trust to consumers. In the research of (Parasuraman et al., 1985), assurance had include the security and privacy perceived by consumers. Based on the literature from service quality, trust can be understand as 'trust in the service itself'. According to Ma (2012); Madu & Madu (2002), an organization should ensure their employees well training and understand their own task. Employees should always show their kindness and patience to fulfill the customer's needs such as questions from the customers and customer's feedback. This is because the customers will change their choice to another company if they feel unsatisfied to the current company service. According to Goh, Kow, Lee, Loh and Sam (2013), a experienced employees will provide a fast service to their customers. This is one of the ways to shows their assurance to customers. The customers will feel satisfied and trust towards our employees if they able to show their ability and confidence to the customers. It can help the employees to build a relationships with the customers (Baruah, Nath, & Bora, 2015). According to the study of Phiri and Mcwabe (2013); Cook (2000), assurance is the most important element in service quality. In fact, customers will choose to deal with the company or person they trust or believe. Assurance have positive influence towards customer satisfaction and it can be verified from several previous study which is (Phan, 2015; Shanka, 2012).

H3: Assurance have positive relationship between customer satisfaction.

H0: Assurance don't have positive relationship between customer satisfaction.

Empathy

According to Blery et al (2009), empathy refers to a service provider's capacity to effectively resolve these issues by comprehending the customer's concerns and demand. Felix (2017) had stated in his own research, empathy represented a service provider's willingness to treat consumers with kindness and personalized attention. Empathy includes physical and social aspects such as making it easy to reach consumers, communicating with them in suitable language, listening to their criticism, and trying to understand their preferences and wants.

In addition, Qadri (2015) stated that empathy also can defined as a company understand the customer's needs and wants and give attention to the customers. At the same time, Nautiyal (2014) stated that empathy shows that a employee was kindness, helpful and able to understand the customer's needs. Employees who are cares and give attention to the customers will let their customers feels satisfied and value. In summary, the empathy of a employee will help the company to retain the customers and deal with the customers.

According to the previous studies, empathy can be mention as one of the important features that will affect the customers satisfaction and customer loyalty. The customer satisfaction level will increase if the employees can provide good service to their customer (Goh et al., 2013).

Vol. 14, No. 7, 2024, E-ISSN: 2222-6990 © 2024

H4: Empathy have positive relationship between customer satisfaction.H0: Empathy don't have positive relationship between customer satisfaction.

Tangibles

Tangibles defined as the things which have the appearance in physical form and it can be see and touch such as shape and color (Khan et al., 2014). In the research Blery et al (2009), tangible in the terms of service quality defined as Information and Communications Technology (ICT) equipment, facilities and their appearance in physical form (ambience, lighting, air-conditioning, color of wall, shape of building); and most important is provide the service for the staff of the organization. Based on the research of Zeithaml et al (2000), the design and usability of website are the important things as the tangible elements of an online store. According to Muda & Muda (2002), provide a website that is easy to use and understand is good start to fulfill customer satisfaction. There are some of the key elements will affect the usability of website which are organization, download speed and website's search function (Parasuraman et al., 2005). According to the previous study Jeong et al (2010), the author had apply the variable which is tangible in his study and it had a positive influence on customer satisfaction. As a dimensions of service quality, tangible was important in increase the customer satisfaction and loyalty.

H5: Tangibles have positive relationship between customer satisfaction.

H0: Tangibles don't have positive relationship between customer satisfaction. *Security*

Security defined as the capacity of website to protect and avoid the customer information from the being misused during an electronic transaction (Yoo & Donthu, 2001; Parasuraman et al., 2005). The first portion of security is concerned with data and transaction security, while the second part is concerned with user authentication (Guo et al., 2012). According to previous study, security is one of the important elements influence the customers to visit the website and make purchases (Ranganathan & Ganapathy, 2002; Yoo & Donthu, 2001).

H6: Security have positive relationship between customer satisfaction.

H0: Security don't have positive relationship between customer satisfaction.

Methodology

This study required a public level of analysis; hence Malacca youth residents which is the respondents between 15 to 30 years were chosen in this study. The researcher had chosen Malacca as the state to collect data because of the researcher study at Universiti Teknikal Malaysia Melaka. It was more convenience for the researcher collect the data since the researcher study and stay at Malacca. Based on the report of Department of Statistics Malaysia (DOSM), there are about 930,000 residences in Malacca. However, researcher face the challenge to get the accurate number of the Malacca youth residence. So, the researcher had got the latest data which is 2020 from the Department of Statistics Malaysia (DOSM) as an example of sample size to consider in this study. According to the table from Krejcie and Morgan (1970), 382 is the sample size of Malacca youth residences needed for a population of 930,000.

This study employed a convenience sampling technique, which is a sort of nonrandom or nonprobability sampling in which study participants meet specified criteria, such as proximity

Vol. 14, No. 7, 2024, E-ISSN: 2222-6990 © 2024

to the study site, ease of access, willingness to participate, or availability at a given time. Convenience sampling is sometimes known as accidental or haphazard sampling.

Multiple Regression Analysis

"To see if the constructs were positively significant predictors, multiple regression analysis was used. A typical multiple regression was used in the initial analysis, with all six construct inputs functioning as independent variables and customer satisfaction as the dependent variable. The findings were utilized to put the hypothesized causal link discovered in this study to the test. Multiple regression was a good choice for this study since it allows you to see how far an outcome variable can be predicted when all of the variables are known. When all predictors are known, the approach also allows you to see how far an outcome variable can be predicted (Vogt, 2007).

Analysis

The quantitative approach had been used by the researcher to conduct the result of the research. The range of data collection included the youth residents around the Malacca area. This research will explore to determine the factor which will affect the youth customer satisfaction on E-Commerce Malaysia, and then analyze the relationship between the youth customer satisfaction and E-Commerce Malaysia and finally examine the extent of the impact of the youth customer satisfaction toward E-Commerce Malaysia.

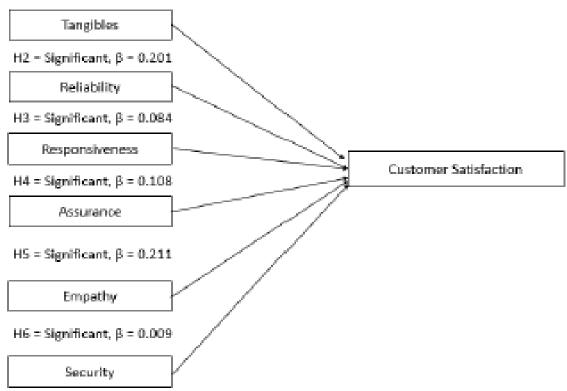
Next, hypothesis testing, Pearson Correlation and Multiple Regression Testing will be used to conduct the data analysis. The data analysis is tested based on 384 respondents at Malacca area with a questionnaire of 2 section which is Section A for demographic and Section B for SERVQUAL Factors such as Reliability, Responsiveness, Assurance, Empathy, Tangibles, Security and Customer Satisfaction.

Multiple Linear Regression Analysis

 R^2 indicates the percentage of independent variables that can be explained by the dependent variables. From the model summary in Table 4.16, the R^2 of 0.268 indicates that 26.8% of the variation in the performance can be explained by the six independent variables in this study which is reliability, responsiveness, assurance, empathy, tangibles, and security. In addition, it can be explained that 100% - 26.8% = 73.2% is caused by other factors affecting customer satisfaction.

Vol. 14, No. 7, 2024, E-ISSN: 2222-6990 © 2024

H1 = Significant, β = 0.158



In this part, the researcher doing the discussion as mentioned in Chapter 1, which is determine the factor which will affect the youth customer satisfaction on E-Commerce Malaysia.

H1: Tangibles have positive relationship between customer satisfaction.

The result shows that tangibles has positive relationship between customer satisfaction by reviewed on previous studies (Hamawandy, 2021; Jeong et al., 2010). However, there is a weak positive result shows in the previous study (Gajeswka, 2019). This is because tangibles more focus on the appearance of a thing in physical form such as shape and colour, but online shopping only can see and cannot feel it by touch. Although the results show tangibles have positive relationship between customer satisfaction, the previous study proof that some of the customers prefer to touch and feel the product in physical form. As a result, customers will more focus on the service and product quality provide by the seller. Also, the appearance of the website and online shop will be the key to fulfil the customer satisfaction.

H2: Reliability have positive relationship between customer satisfaction.

According to the previous studies, reliability has positive relationship between customer satisfaction (Sarita, 2019;Samar, 2007; Lee, 2005). The study from Gajeswka (2019) also shows that reliability is one of the dimension has high influence to the customer satisfaction. In addition, this study had mentioned the level of customer satisfaction was analysed as one of the main factors of e-commerce success. Based on the research from Lee (2005) had given some suggestions for online seller to improve the dimensions of reliability. For example, providing to up to date, provide the service on time, provide the service as promise. There is other suggestion from the study Samar (2007), the researcher had gave the suggestions for online seller to developing a logistics support to ensure the efficient and accurate of delivery. In addition, the researcher also suggested the online seller to provide

Vol. 14, No. 7, 2024, E-ISSN: 2222-6990 © 2024

flexible receive method for the products such as self-collect for the customers who are stay nearby.

H0: Responsiveness don't have relationship between customer satisfaction.

According to previous studies, responsiveness has positive relationship between customer satisfaction (Gulc, 2017; Firdous, 2017). However, the study of researcher shows responsiveness don't have relationship between customer satisfaction because the significant level more than 0.005 which is 0.072. The different results between researcher and previous studies caused by the different data collection method. One of the previous studies Mashaqi (2020) has used different data collection method compare to another studies which is qualitative method. The results obtained from 10 respondents showed responsiveness has a positive influence on customer satisfaction. In addition, the previous studies Gulc (2017); Firdous (2017) shows the positive relationship between customer satisfaction. This is because the previous studies have more wide area of target respondents which is the person who had used e-commerce compared to researcher who are target for youth residents. The previous studies also mentioned that provide prompt delivery to customers have positive influence on customer satisfaction.

H4: Assurance have positive relationship between customer satisfaction.

According to previous studies, assurance have positive relationship between customer satisfaction (Majeed & Hamawandy, 2020 ; Samar, 2007). The results from previous studies are match with the study of researcher. It had show that how important of assurance on customer satisfaction. In addition, the study of Kassim (2010) mentioned that the quality of website design was one of the important thing to achieve customer satisfaction. Kassim (2010) also stated that the information on the website will help customers to understand more details about the products or services. As a result, it will help the online seller to fulfil the customer satisfaction

H5: Empathy have positive relationship between customer satisfaction.

According to previous studies, the result had showed the positive relationship between customer satisfaction (Gajewska, 2020; Phan, 2015; Wilson, 2019). The result was matched with the result of this study. The previous studies stated that provide a good service is a key to achieve customer satisfaction. This is because most of the customers prefer to the service which will respond and solve their problem. Wilson (2019) mentioned in his study about empathy as one of the elements in service quality is important between customer satisfaction. In addition, Wilson (2019) also stated that as a product or service provider should have the knowledge and skills to answer and solve the question and problem face by the customers.

H0: Security don't have positive relationship between customer satisfaction.

The result of this study had showed security don't have relationship between customer satisfaction. There are previous studies from Nemati (2012) shows the same result with the study of researcher. Although the result shows don't have relationship between customer satisfaction, Nemati (2012) suggest that also should pay high concern to security or privacy to ensure the safety of customer profile. However, there is previous study shows that security have positive relationship between customer satisfaction (Lau, 2020). This study stated that security is significant and positive related to customer satisfaction. This is because security is a key to ensure the safety of the customer profile and credit.

Vol. 14, No. 7, 2024, E-ISSN: 2222-6990 © 2024

Conclusions

In conclusion of this chapter, the researcher able to gather 384 samples for analysis according to the theory from Krejcie and Morgan (1970) about sample size calculation. First, the data analysed for frequency analysis so that the distribution of gender, age, education level and occupation were known. Second, descriptive analysis was applied to determine the data for means and standard deviation. The following tools used in this study was EFA to understand whether there were underlying items in the variables. The results of KMO fulfils the sampling adequacy requirement for factor analysis. Fourth, the variables were analysed for reliability to test the validity of each variable. Fifth, the relationship between the variables was determined by using correlation analysis and multiple regression analysis. As a result, the correlation between all independent variables and dependent variable were positive.

SERVQUAL Theory can positively and significantly influence youth customer satisfaction. The SERVQUAL Theory include Reliability, Responsiveness, Assurance, Empathy and Tangibles (Parasuraman et al., 1988). Researcher had added security as the sixth factor because the researcher felt security was an important factor to ensure the youth customer satisfaction on E-commerce Malaysia.

According to the result of descriptive analysis, the result showed that most of the respondents agreed with the items from each variable because the mean of each item from each variable was more than 3.00. As a result, it had proofed that most of the respondents agreed that all the factors in this study could influence the youth customer satisfaction on E-commerce Malaysia.

he usage of SERVQUAL factors in this study has enabled the researcher to determine the factor affect youth customer satisfaction towards E-commerce Malaysia. The SERVQUAL model mentioned that youth customer satisfaction is influenced by several factors which are reliability, responsiveness, assurance, empathy, and tangibles. In the end, the customer satisfaction was significantly influenced by the SERVQUAL factors. It shows that the reliability which is the promise service of online seller affected the customer satisfaction, the responsiveness which is the capacity of quick respond and feedback to customers, the assurance which is the knowledge and ability of online seller to give commitment to customers, the empathy which is the capacity to solve the issues effectively, and tangibles which is the appearance of products or services and websites.

In addition, apart from SERVQUAL factors, this research added security as the sixth factor. The researcher believed that security is the main factors to affect customer satisfaction. In the end, security has lowest influence on customer satisfaction. Hence, security couldn't add as factor affect youth customer satisfaction.

The first recommendation of this study is future studies can focus on the residents from whole state in Malaysia. Compare to focused on Malacca, collect the data from whole state in Malaysia could get the result more accurate.

Next, this study applied SERVQUAL factors in determining the factor affecting youth customer satisfaction. However, this research did not use the moderator of the variables in the SERVQUAL model. As such, future research could use the entire model so that more refined findings could be achieved. There are other theories can apply to determine the customer satisfaction, such as E-SERVQUAL and others; future research could also apply other theories. Furthermore, the qualitative method and mix methods can apply to determine the factor affecting youth customer satisfaction towards E-commerce Malaysia. This is because qualitative method and mix method can obtain more detail results. Finally, there are several topics under E-commerce that are recommend for future researchers which are the

Vol. 14, No. 7, 2024, E-ISSN: 2222-6990 © 2024

relationship between customer satisfaction and E-commerce Malaysia, factor influence customer satisfaction and loyalty towards E-commerce Malaysia.

E-commerce was a new purchase behaviour for Malaysians. It had become popular after the pandemic of COVID-19. The rise of E-commerce had born more business opportunity for people. The advent of E-commerce had let our shopping experience become more convenience by tapping our fingertip on the device. The logistic service also become more popular because of the rise of E-commerce. Now a day, E-commerce was same as usual as the customers purchase the goods in the store.

On the other hand, the rise of E-commerce also encourages the E-commerce fraud. Ecommerce fraud was getting serious and showing upping trends since 2018. The online shopping website which is lack of security will cause the customer profile steal by the hackers and sell to others. As a result, it had become an alert to the consumers to choose the website which are more safety, popular and secure. For example, Shopee and Lazada are the popular website used by the consumers.

E-commerce had changed the purchase behaviour of Malaysians. Especially E-commerce was very convenience by tapping on the device anywhere and anytime. The products will deliver directly to our place. Other than that, the price of products or services sell on the online website are cheaper than physical store. This is because online store doesn't have rental fees compare to physical store.

Acknowledgement

The authors would like to the Faculty of Technology Management and Technopreneurship, Universiti Teknikal Malaysia Melaka, Malaysia and The Centre of Technopreneurship Development (C-TeD) for the support and encouragement along the process of this research.

References

- Abdulrahman, M. (2013). The Link Between Services Quality And Customer Satisfaction In The Retail Banking In Tanzania, Case Study Of Crdb Bank. [Master dissertation, Malaysia Open University]
- Baldinger, A. L., & Rubinson, J. (1996). *Brand loyalty: the link between attitude and behavior*. Journal of Advertising Research, 36(6), 22-34.
- Barnes, S. J., & Vidgen, R. (2001). An evaluation of cyber-bookshops: The WebQual method. *International Journal of Electronic Commerce*, 6(1), 11-30.
- Baruah, D., Nath, T., & Bora, D. (2015). Impact of service quality dimensions on customer satisfaction in telecom sector. *International Journal of Engineering Trends and Technology*, 27(2), 111-117.
- Berkowitz, E. N., Jacoby, J., & Chestnut, R. (1978). Brand loyalty: Measurement and management. *Journal of Marketing Research*, *15*(4), 659.
- Bitner, M. J. (1990). Evaluating service encounters: The effects of physical surroundings and employee responses. *Journal of Marketing*, *54*(2), 69.
- Blery, E., Batistatos, N., Papastratou, E., Perifanos, I., Remoundaki, G., & Retsina, M. (2009). Service quality and customer retention in mobile telephony. *Journal of Targeting, Measurement and Analysis for Marketing*, *17*(1), 27-37.
- Bowen, J. T., & Shoemaker, S. (1998). *Loyalty: A Strategic Commitment*. Sage Journals. https://journals.sagepub.com/doi/10.1177/001088049803900104 62

- Collecchia. (1999). *Defining And Measuring E-Commerce: A Status Report*. Oecd. https://www.oecd.org/sti/ieconomy/2092477.pdf
- Cook, S. (2000). Customer care : how to create an effective customer focus. K. Page; Digital library of University of Maribor. http://www.kogan-page.co.uk
- Corritore, C. L., Kracher, B., & Wiedenbeck, S. (2003). On-line trust: Concepts, evolving themes, a model. *International Journal of Human-Computer Studies*, *58*(6), 737-758.
- Choy, M., Laik, M. N., & Shung, K. P. (2013). Performance measurement design for a parcel deliverycompany. Lecture Notes in Engineering and Computer Science, 3 LNECS.
- (23) (PDF) Factors Influencing Customer Satisfaction In Using J&T Express Service Delivery During Covid-19 Pandemic In Malaysia. Available from: https://www.researchgate.net/publication/374377953_Factors_Influencing_Custome r_Satisfaction_In_Using_JT_Express_Service_Delivery_During_Covid-19 Pandemic In Malaysia [accessed Jul 15 2024].
- Crompton, J. L., & Mackay, K. J. (1989). Users' perceptions of the relative importance of service quality dimensions in selected public recreation programs. *Leisure Sciences*, *11*(4), 367-375.
- Department of statistics Malaysia. (2021). *Department of statistics Malaysia official Portal*. https://www.dosm.gov.my/v1/index.php?r=column/cone&menu_id=TmlOYTJZTEJJZX g5QUZQMUxrRVFKUT09
- 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.
- Felix, R. (2017). Service quality and customer satisfaction in selected banks in Rwanda. *Journal* of Business & Financial Affairs, 06(01). https://doi.org/10.4172/2167-0234.1000246
- Firdous, S., & Farooqi, R. (2017). Impact Of Internet Banking Service Quality On Customer Satisfaction. The Journal of Internet Banking and Commerce, 22(1), 1-17.
- Gaedke, M. & Turowski, K. (2000) 'Integrating Web-based E-Commerce Applications withBusiness Application Systems', in Netnomics Journal, Vol. 2, 117--138
- Gajewska, T., Zimon, D., Kaczor, G., & Madzík, P. (2019). The impact of the level of customer satisfaction on the quality of e-Commerce services. International Journal of Productivity and Performance Management, 69(4), 666-684.
- Gaura, N. (2014). Impact Of Service Quality On Customer Satisfaction In The Retail Banking Sector. *Global Journal of Commerce & Management Perspective*, 3(3),77-80
- Grabner-Kräuter, S., & Kaluscha, E. A. (2003). Empirical research in on-line trust: A review and critical assessment. *International Journal of Human-Computer Studies*, *58*(6), 783-812.
- Gulc, A. (2017). Models and methods of measuring the quality of logistic service. Procedia Engineering, 182, 255-264.
- Guo, X., Ling, K. C., & Liu, M. (2012). Evaluating factors influencing consumer satisfaction towards online shopping in China. *Asian Social Science*, 8(13).
- Hellerstein, Walter; Doernberg, Robert L.; Hinnekens, Luc; and Li, Jinyan, "Electronic Commerce and Multijurisdictional Taxation" (2001). Books.
 72.https://digitalcommons.law.uga.edu/books/72
- Hennayake, H. M. G. Y. J. (2017). Impact of service quality on customer satisfaction of public sector commercial banks: A study on rural economic context. *International Journal of Scientific and Research Publications* 7(2): 156
- Jamal, A., & Anastasiadou, K. (2009). Investigating the effects of service quality dimensions and expertise on loyalty. *European Journal of Marketing*, 43(3/4), 398-420.

Jeong, Y., & Lee, Y. (2010). A study on the customer satisfaction and customer loyalty of furniture purchaser in on-line shop. *Asian Journal on Quality*, *11*(2), 146-156.

- Kassim, N., & Asiah A. N. (2010). The effect of perceived service quality dimensions on customer satisfaction, trust, and loyalty in E-commerce settings. *Asia Pacific Journal of Marketing and Logistics*, 22(3), 351-371.
- Keller, K. L. (1993). Conceptualizing, measuring, and managing customer-based brand equity. *Journal of Marketing*, *57*(1), 1.
- Khan, M. M., Fasih, M. (2014) : Impact of service quality on customer satisfaction and customer loyalty: Evidence from banking sector, Pakistan Journal of Commerce and Social Sciences 8, (2) 331-35
- Kim, D., & Ammeter, A.P. (2018), Shifts in online consumer behavior: a preliminary investigation of the netgeneration, Journal of Theoretical and Applied Electronic Commerce Research, 13(1), 1-25
- Kim, J., Jin, B., & Swinney, J. L. (2009). The role of etail quality, E-satisfaction and E-trust in online loyalty development process. *Journal of Retailing and Consumer Services*, *16*(4), 239-247.
- Krejcie, R. V., & Morgan, D. W. (1970). Determining Sample Size for Research Activities. *Educational and Psychological Measurement*, *30*(3), 607-610.
- Kuo, Y. (2003). A study on service quality of virtual community websites. *Total Quality Management & Business Excellence*, *14*(4), 461-473.
- Lee, G. G., & Lin, H. F. (2005). Customer perceptions of e-service quality in online shopping. International Journal of Retail & Distribution Management, 33(2), 161–176.
- Li, N., & Zhang, P. (2002). Consumer online shopping attitudes and behavior: An assessment of research. AMCIS 2002 proceedings, 74
- Madjid, I., Ma, J. J., Ibrahim, M., Havizatun, M., & Ibrahim, M. (2018). Factors Affecting Online Shopping Attitudes and the Role of Trust as Mediating. International Journal of Management and Economics, 04(09), 1929–1935.
- Ma, Z. (2012). Assessing serviceability and reliability to affect customer satisfaction of internet banking. *Journal of Software*, 7(7).
- Madu, C. N., & Madu, A. A. (2002). Dimensions of e-quality. International Journal of Quality & reliability management, 19(3), 246-258.
- Mashaqi, E., Al-Hajri, S., Alshurideh, M., & Al Kurdi, B. (2020). The impact of E-Service quality, E-Recovery services on E-Loyalty in online shopping: theoretical foundation and qualitative proof. PalArch's journal of archaeology of Egypt/Egyptology, 17(10), 2291-2316.
- Mayer, R. C., Davis, J. H., & Schoorman, F. D. (1995). undefined. *The Academy of Management Review*, 20(3), 709.
- McKnight, D. H., & Chervany, N. L. (2001). undefined. *International Journal of Electronic Commerce*, 6(2), 35-59.
- Shanka, M. S. (2012). Bank Service Quality, Customer Satisfaction and Loyalty in Ethiopian Banking Sector. Journal of Business Administration and Management Sciences Research 1(1), 1-9
- Mishra, O., & Ayatham, P. (2017). Online retailers connecting to the youth segment through Facebook (A study on the influence of gender and personality type). *Journal of Asia Business Studies*, 11(4), 387-412.

- Moorman, C., Zaltman, G., & Deshpande, R. (1992). Relationships between providers and users of market research: The dynamics of trust within and between organizations. *Journal of Marketing Research*, 29(3), 314.
- Nemati, B., Gazor, H., Mirashrafi, S. N., Ameleh, K. N. (2012) Analyzing e-service quality in service-based website by E-SERVQUAL.Managing. Science Letter 2, 727–734.
- Ogiemwonyi, O., Harun, A., Rahman, A., Alam, M. N., & Hamawandy, N. M. (2020). The relationship between service quality dimensions and customer satisfaction towards hypermarket in Malaysia. International Journal of Psychosocial Rehabilitation, 24(5), 2062–2071.
- Parasuraman, A., & Grewal, D. (2000). undefined. *Journal of the Academy of Marketing Science*, *28*(1), 168-174.
- Parasuraman, A., Zeithaml, V. A., & Berry, L. L. (1985). A conceptual model of service quality and its implications for future research. *Journal of Marketing*, *49*(4), 41.
- Parasuraman, A., Zeithaml, V. A., & Malhotra, A. (2005). E-S-QUAL: A Multiple-Item Scale for Assessing Electronic Service Quality. *Journal of Service Research*, 7(3), 213-233.
- Pavlou, P. A. (2002). Institution-based trust in interorganizational exchange relationships: the role of online B2B marketplaces on trust formation. *The Journal of Strategic Information Systems*, *11*(3-4), 215-243.
- Phan, C., & Nham, P. (2015). Impact of service quality on customer satisfaction of automated Teller machine service: Case study of a private commercial joint stock bank in Vietnam. *Verslas: Teorija ir Praktika*, 16(3), 280-289.
- Phan, C. A., & Nham, P. T. (2015). Impact of service quality on customer satisfaction of automated teller machine service: case study of a private commercial joint stock bank in Vietnam. *Verslas: Teorija Ir Praktika, 16,* 280-289.
- Phiri, M. A., & Mcwabe, T. (2013). Customers' expectations and perceptions of service quality: The case of pick n pay supermarket stores in Pietermaritzburg area, South Africa. International Journal of Research in Social Sciences, 3(1), 96–104
- Qadri, U. A. (2015). Measuring service quality expectation and perception using SERVQUAL: A gap analysis. *Business and Economics Journal*, *06*(03).
- Ranganathan, C., & Ganapathy, S. (2002). Key dimensions of business-to-consumer web sites. *Information & Management*, *39*(6), 457-465.
- Rushton, A. M., & Carson, D. J. (1985). The marketing of services: Managing the intangibles. *European Journal of Marketing*, *19*(3), 19-40.
- Swaid, S., & Wigand, R (2007). Key dimensions of e-commerce service quality and its relationships to satisfaction and loyalty. Proceedings of the 20th Bled Electronic Commerce Conference. 1-15.
- Santos, J. (2003). E-service quality: A model of virtual service quality dimensions. *Managing Service Quality: An International Journal*, *13*(3), 233-246.
- Simon Kemp. (2022, February 15). Digital 2022: Malaysia DataReportal Global digitalinsights.DataReportal Global Digitalhttps://datareportal.com/reports/digital-2022-malaysia
- Swartz, T., & Iacobucci, D. (2000). Handbook of services marketing and management. SAGE.
- Vipin J. (2021). An overview of electronic commerce (e-Commerce). *Journal of Contemporary Issues in Business and Government*, 27(3).
- Whiteley. (2001). *E-Commerce: Strategy, technologies and applications*. Tata McGraw-Hill Education. 76

- Yang, K., Li, X., Kim, H., & Kim, Y. H. (2015). undefined. *Journal of Retailing and Consumer* Services, 24, 1-9.
- Tsai Y. C., Yeh, J. C. (2010) Perceived risk of information security and privacy in online shopping: A study of environmentally sustainable products. *African Journal of Business Management* 4(18), 4057-4066
- Yousapronpaiboon, K. (2014). Servqual: Measuring higher education service quality in Thailand. *Procedia Social and Behavioral Sciences*, *116*, 1088-1095.
- Yoo, B., & Donthu, N. (2001). Developing a scale to measure theperceived quality of an Internet shopping site (SITEQUAL).*Quarterly journal of electronic commerce, 2*(1), 31–45
- Yuen, E. F., & Chan, S. S. (2010). The effect of retail service quality and product quality on customer loyalty. *Journal of Database Marketing & Customer Strategy Management*, 17(3-4), 222-240.
- Zaim, H., Bayyurt, N., & Zaim, S. (2013). Service quality and determinants of customer satisfaction in hospitals: Turkish experience. *International Business & Economics Research Journal (IBER)*, 9(5).
- Zeithaml, V. A., Berry, L. L., & Parasuraman, A. (1996). The behavioral consequences of service quality. *Journal of Marketing*, *60*(2), 31-46.
- Zeithaml, V. A., Parasuraman, A., & Malhotra, A. (2000). A conceptual framework for understanding e-service quality: implications for future research and managerial practice (Vol. 115). Marketing Science Institute
- Zhu, F. X., Wymer, W., & Chen, I. (2002). IT-based services and service quality in consumer banking. *International Journal of Service Industry Management*, *13*(1), 69-90.