

CHAPTER V

CONCLUSION AND RECOMMENDATION

This chapter is going to explain the conclusion of the study. Managerial implications and recommendation will also included.

5.1 Conclusion

This research study examine the relationship between online retail web characteristics on online satisfaction and online loyalty which are not directly related with product or price. The sample respondents are chosen from the part of population which is readily available, which resulting in variety of demographic information. This study also observe the most influencing factors in online retail web characteristics that influence customer online satisfaction.

This research also intended to seek out whether there are mediating factors between online retail web characteristics and online loyalty. Another finding in this research is convenience is the most influencing factors in determining the level of satisfaction of the online shopper. The fact that convenience is the primary motivation for online shoppers, but convenience in terms of this research is related to the personal experience of an e-commerce website such as ease of navigation and search engine optimization and how all the features mentioned before can affect customer online satisfaction.

The main finding of this research is all the alternate hypotheses is accepted which means all factors in online retail web characteristics have a positive influence on online satisfaction, the study also concluded that online satisfaction is positively related with online loyalty. This research also found that online satisfaction fully

mediated between information, customization, communication, web appearance, entertainment and online loyalty. While online satisfaction is partially mediated convenience and online loyalty because there is a direct relationship between convenience and online loyalty.

There are seven research questions that needed to be answered by this research. Below are the interpretation of the SPSS results of the research questions;

1. Convenience have a positive influence on online satisfaction

Based on the results of the research, convenience have a direct relationship with online satisfaction. When customers visit the online store, customers needs to have a good interaction with the website and how the website can offer an easy navigation to accustomized the need of customer. A good e-commerce website is able to help the customers to minimize the error during their transaction with the e-commerce website. Therefore convenience has a positive effect in the level of customer online satisfaction

2. Information have a positive influence on online satisfaction

The results shows that information have a positive relationship with online satisfaction. Information in online context is the availability of the information that is related with trust, security and privacy issues. Trust, security and privacy is important for customer who is engaging in online activity because there is no pyhsical interaction between customer and the seller and there is a concern of credit card fraud and whether the company gives their personal information without their permission. Therefore the availability of information related to trust, security and privacy issues has a positive effect on the level of customer online satisfaction

3. Customization have a positive influence on online satisfaction

The results shows that customization have a positive relationship with online satisfaction. Customization in online environment is tailored the e-commerce website to suit the individual need of the customers. Customization gives the customers lots of options that suit they personal need and personality. Therefore, customization have a positive influence on online satisfaction.

4. Communication have a positive influence on online satisfaction

Based on the results of the study, communication have a direct linear relationship with online satisfaction. Communication in online context enables customers to exchange information about product/services and a good communication also enables customers to easily contact the retailers should they encounter any problems or issues. A good communication also resolve customer problems or issues quickly and efficiently. Therefore communication have a positive influence on the level of online satisfaction.

5. Web appearance have a positive influence on online satisfaction

Based on the results, web appearance have a direct linear relationship with online satisfaction. The positive results indicate that a good and interesting web appearance shows a good impression on the customers cognitive response and makes the customer feels satisfied. Therefore web appearance have a positive influence on online satisfaction.

6. Entertainment have a positive influence on online satisfaction

Entertainment have a direct relationship with online satisfaction. Entertainment is related with graphical appearance of the e-commerce website which makes shopping is a pleasureable experience. Therefore entertainment have a positive influence on online satisfaction.

7. Online satisfaction have a positive influence on online loyalty

Based on the results, online satisfaction have a positive influence on online loyalty. A satisfied customers means that the e-retailers have a very good performance and how the experience satisfies them, it can trigger loyalty because it gives the customers a strong reason to stay with one particular e-retailers. Therefore online satisfaction have a positive influence on online loyalty.

5.2 Managerial Implications

The results of this research is expected to benefits the retailers who engaged in online business. This research is focusing on which attributes that should be prioritized and focused on.

A) The research shows a direct effect between convenience and online satisfaction. Retailers should be able to ensure customer convenience when they browse in the online store. Website with a good navigation system enables customers to find what the customer needed quickly and efficiently. Retailers should ensure that the website is easy to use and able to guide customers through the whole process.

B) A direct effect is found between information and online satisfaction. This means the retailers should focus on the availability of the information, since the customer saw availability of information as one important factor to purchase from one

particular online store. The retailers should ensure that their website provided information that the customer needed, because the availability of information can trigger the sense of security which is needed in online environment.

C) Retailers should focus on the communication aspect in the website. Retailers should ensure that the communication features are available in the website. Understanding this, communication is one of the factor that becomes customer consideration when the customer shopped online because it act as an helping features for the consumers when the customer encounter any problems or any issues. Management should understand that communication is one of the factor that ensure customer satisfaction.

D) The research reveals that customization have a positive correlation with online satisfaction. Retailers should understand the effect of customization on the level of online satisfaction. Customization gives customers an ability to choose lots of options that suits the needs and wants of the customers. Retailers should improve the customization in the website and gives customers an option to choose.

E) The research also shows that web appearance is a significant factor in deterimining the level of online satisfaction. Website that have a good appearances stimulates customer satisfaction. Retailers that doesn't put attention on the appearance of the website will see a decrease in the level of satisfaction and ultimaltely hamper customer loyalty.

F) Retailers should focus on entertainment features in the website because it seen as supporting features that makes the shopping experience more enjoyable especially for young customers.

G) Online satisfaction has a positive correlation with online loyalty. Retailers should be able to maintain customer online satisfaction level at the highest standard. Failure in maintaining the level of satisfaction can decrease the loyalty of the online shoppers.

5.3 Limitations of the Research

Although this research study has reached its objectives, this research still present several limitations. Some identified limitations are;

- a) The sample of this research is university student in Jakarta who have been shopped online. This sample cannot represent Jakarta or Indonesia population.
- b) Due to the limited time frame, only three statistical method are being used to analyze the research data. More statistical method is needed to get more accurate and better results.
- c) Due to limited time, the author only managed to conduct a research with small number of respondents. Larger sample size is needed for this research study to represent the majority of university student in Jakarta.
- d) The respondents of this research is limited to university students in Jakarta. A various occupation for the respondents could give interesting aspects of the research study.

5.4 Recommendation for Further Research

The following are the author recommendation for future research;

- a) For future research, it could be better to conduct the research outside Jakarta and include respondents from outside Jakarta as well to give more diversified results of the research study.
- b) In the future research, the online web characterisites should be applied on specific type of e-commerce sector to get more accurate and precise results. This could gives a comparison of the effects on different sector.