# STRATEGIES TO INCREASE USER SATISFACTION IN ONLINE SHOPPING APPLICATIONS

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Abstract: This research was conducted to know the effect of Perceived Usability, Website Functionality, and Perceived Usefulness on Customer Satisfaction of Shopee application users in Surabaya. It is a basic research project that falls under causal research. A structural model was used in the quantitative research technique. Non-probability sampling utilizing the snowball sampling method was utilized. This research was conducted using a questionnaire to 100 people with online purchasing experience on Shopee, aged 15-34 years and residing in Surabaya were chosen as the sample criterion. Amos 21.0 software is used to process research data. Each variable, namely Perceived Usability, Website Functionality, and Perceived Usefulness, substantially affected Customer Satisfaction. There are some implications that Shopee can do, including paying attention to the quality of application usability in each of its uses. Such as speed in responding to customers in product searches, providing easy product recommendations based on purchase and search history, increasing customer data privacy policies, and providing a sense of security with black agreements. Above is white (digitally) that Shopee will maintain and not disseminate customer data to third parties, the quality of the Shopee application's speed to make payments easier and faster when the app is busy.



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Online transactions allow for a better understanding of consumer purchasing behavior. Davis (1989) established the Technology Acceptance Model (TAM) to explain a model of online purchasing behavior. As online retail practices evolve, a detailed understanding of the aspects that contribute to customer satisfaction becomes vital.

Several studies have been conducted to investigate the elements that influence B2C e-commerce satisfaction, with the important importance of characteristics such as perceived utility being highlighted (Bhattacherjee, 2001; Devaraj et al., 2002; Ha and Stoel, 2009; Luarn and Lin, 2005), perceived usability (Casaló et al., 2008; Flavián et al., 2006), and website characteristics (Khare and Rakesh, 2011; Prasad and Aryasri, 2009).

According to Palmer (2002), five usability factors are critical for customer satisfaction: navigation capabilities, site content, interaction, responsive-

ness, and download delays. Furthermore, Kim and Stoel (2004) discovered that the simplicity of comprehending the website is a crucial feature that might boost contentment, even while making online transactions (Tandon et al., 2017). In online transactions, the website is also an essential aspect. If customers can't locate what they're looking for, they'll move to another website. As a result, website features are critical for consumer satisfaction and must be carefully evaluated. Customer satisfaction is aided by security and privacy, website design, experience features, navigation characteristics, and website consistency (Tandon et al., 2017). According to Ha and Stoel (2009), customer views of usability can influence satisfaction and intent to make online transactions. Furthermore, Luarn and Lin (2005) state that the greater the benefits are seen by the client, the greater the likelihood of satisfaction and the number of transactions. It demonstrates how perceived utility might influence online consumer satisfaction.

According to data from the Indonesian Internet Service Providers Association (APJII), the majority of users (96.5 million), Tokopedia (85 million), Bukalapak (31.4 million), Lazada (22.7 million), Blibli (18.7 million), JD ID (4.8 million), Orami (3.1 million), Bhineka (2.8 million), Sociolla (2 million), and Zalora (1.8 million) open Shopee (APJII, 2020). The Shopee online shopping application is the most popular among consumers. This behavior is intriguing to study because of the advent of Shopee, which is slower than Tokopedia and Lazada but has a greater ability to pique consumers' curiosity and entice them to open the site of Theory of Planned Behavior (TPB).

In terms of perceived usability, currently, Shopee presents the 'Live Chat' feature, which makes it different and superior to e-commerce competitors. Through the 'Live Chat' feature, buyers can directly talk to sellers to make purchase transactions, and even price offers. This feature makes it very easy for Shopee users, considering that in other e-commerce applications, buyers must save the seller's phone number first to make direct contact. In addition, to realize perceived usefulness, Shopee also integrates the hashtag feature, which allows users

to search for trending goods/products that are currently popular (Jeko, 2015). In terms of web functionality, the Shopee shopping site makes it easy for marketers to enter product images to be marketed so that nine images can be uploaded simultaneously. In the sales section, some features will make it easier for sellers to wait for payment before the product is sent until the transaction's status has been completed (Aina, 2016).

This study replicates the previous research, namely by Tandon et al. (2017), who examined the effect of perceived usability, usefulness, and website functionality on customer satisfaction. The results showed that perceived usefulness and website functionality significantly affected customer satisfaction, while perceived usability had no significant effect. In addition, research was conducted to answer the research gap regarding the impact of perceived usability on customer satisfaction. In contrast, another study by Casaló et al. (2008) proved the opposite result, where perceived usability significantly affected customer satisfaction.

This study aims to examine and analyze the effect of perceived usability on customer satisfaction of Shopee users in Surabaya. Test and analyze the impact of website functionality on the customer satisfaction of Shopee users in Surabaya and test and analyze the effect of perceived usefulness on the satisfaction of Shopee users in Surabaya. The theoretical benefits for academics are that this research is expected to provide empirical evidence about the factors affecting consumer satisfaction at the online shop: perceived usability, usefulness (perceived usefulness), and website functionality. Especially to emphasize the effect of perceived usability, which is still found in the research gap in previous studies. The practical benefits envisaged from this research include developing sales methods through the website and accepting a companywide information system.

## LITERATURE REVIEW

## **Technology Acceptance Model**

Research by Tandon et al. (2017) explain that most of the previous studies used constructs that have been stated in the TAM (technology acceptance model) and TPB (theory of planned behavior) models, so those previous studies have not tested further on aspects that make up the construct. Tandon et al. (2017) examined aspects of the TAM (technology acceptance model) and TPB (theory of planned behavior) constructs in greater depth, namely by using variables consisting of customer satisfaction, website functionality, perceived usability, and perceived usefulness.

## **Technology Acceptance Model**

Perceived usability is also defined as ".... refers to the value users attach to products and services concerning the expected performance level received during consumption" (Alcántara-Pilar et al., 2017). Perceived usefulness refers to the value users attach to products and services concerning the expected level of performance received during consumption. Tandon et al. (2017) measure perceived usability using four indicators. Those indicators are Ease Of Use (It was easy for me to learn internet shopping, Internet shopping websites are easy to use, Navigation for internet shopping is easy for me), Ease Of Purchase (Online retailers provide sample information, the information provided by online retailers help me to purchase the product, Successful initial purchasing builds confidence for further purchasing), Ease Of Understanding (The language used by online retailers is easy to understand, Display pages lead to further detailed information, Process of the transaction on the web is easy to understand, It is easy to place orders online), and Ease Of Ordering (It is easy to track orders placed online, It is easy to modify orders placed online, It is easy to cancel orders placed online, It is easy to replace orders placed online).

## Website Functionality

Website functionality describes the extent to which a website operates in a structured way and is expected to be able to provide functions according to the wishes of users ((Bertot et al., 2006) (Tandon et al., 2017)). According to Tandon et al. (2017), Website functionality is measured by three indicators, namely: (1) Security and Privacy (The websites have adequate security measures, I feel safe while using my credit card/debit card on the websites, I trust that the websites will not give my details to other websites without my permission, Online retailers offer user memberships for surfing on the password-protected web pages within the website), (2) Navigation (Pictures of products are downloaded quickly, The search function at the websites is helpful, The websites allow an easy return to the previous display pages), and (3) Website Design (The attractive color scheme of online retailing websites facilitates shopping. The graphics displayed in websites provide ease for ordering product, shopping online is an exciting experience).

## **Perceived Usefulness**

Davis (1989) defines perceived usefulness as a prospective user's subjective possibility that using an application system will improve his job performance in an organizational context. Further, Tandon et al. (2017) explain ree indicators can measure that perceived usefulness, namely: (1) Time Convenience (Online shopping enables me to accomplish shopping more quickly than traditional stores, Online shopping helps me to find product information within the shortest time frame, shopping online takes less time from the search of products to transaction), (2) Product Usefulness (Online retailers provide a wide assortment (variety) of products than traditional stores, Online retailers provide more information about the features of products than traditional stores), dan (3) Promotional Usefulness (I can find some products that are not readily available in physical stores while shopping on the internet, Online discounts and promotions offered are often attractive, Detailed order submission helps in purchasing as per my, Online shopping facilitates comparative analysis of similar products).

## **Customer Satisfaction**

Tandon et al. (2017) measure online customers' satisfaction using two indicators. Namely, (1) Attitude To Buy (Products purchased online have measured up to my expectations, I am satisfied with the way online retailers carry out transactions, and I am satisfied with the COD mode of online retailers). And (2) Behavioral Intention (I am satisfied with the product range offered by online retailers, I am satisfied with the quality of products offered online, I would continue to purchase products online, and I recommend online shopping websites to other people). Research from Tandon et al. (2017) test that the factors that affect the satisfaction of online shop users are perceived usability, perceived usefulness, website functionality

#### **METHOD**

This research can be categorized as basic research because this research is a replication of previous research conducted by Tandon et al. (2017). It tested the effect of perceived usability, website functionality, and perceived usefulness on customer satisfaction among online shop users, which consists of exogenous and endogenous variables. The exogenous variables in this study are perceived usability, website functionality, and perceived usefulness. At the same time, the endogenous variable in this study is customer satisfaction.

The data type used is quantitative data. This information was gathered by distributing questionnaires regarding the impact of the variables Per-

ceived usability, Website functionality, and Perceived usefulness on the Customer satisfaction variable. Individuals who give data about online buying experiences are known as data sources.

Respondents who have made online purchases through Shopee are the study's target population. Respondents 100 people with online buying experience on Shopee aged 15-34 years and residing in the city of Surabaya, taking into account their ability to interpret and fill out surveys with reliable data, are the population's characteristics. The data processing approach employed in this investigation was SEM (Structural Equation Modeling), utilizing AMOS 22.0 software. Before the SEM test, the validity and reliability of the 30 questionnaires were assessed using the SPSS 20.0 for the Windows program.

## **RESULTS**

An influence relationship between variables can be said to be significant if the resulting significance value (p-value) is <0,05 ( $\alpha$  = 5%) or C.R. > 1.96. The standardized estimate value, C.R. value, and significance value (p-value) are presented in the Table below:

Table 1. The Result of Hypothesis Testing

Hypothesis		Std. Estimate	C.R.	p-value	Description
H1	Perceived Usability on Customer Satisfaction	0,269	2,052	0,040	Supported
H2	Website Functionality on Customer Satisfaction	0,357	2,008	0,045	Supported
Н3	Perceived Usefulness on Customer Satisfaction	0,294	2,207	0,027	Supported

Source: Data Processed (2022)

Based on the results of hypothesis testing in Table 1, it can be seen that each hypothesis is supported. It is indicated by the value of C. R. above 1.96 and p-value below 0.05. In general, the results of this study indicate that Perceived Usability, Website Functionality, and Perceived Usefulness (perceived benefits) each have a positive and significant effect on Customer Satisfaction from Shopee users.

The description of the Perceived Usability variable shows an overall average of 3.67, which indi-

cates that respondents tend to agree with statements regarding perceived usefulness in the Shopee application related to the performance received by users. The highest rating from respondents regarding Perceived Usability is related to the Easy of Understanding dimension, which means that the ease of understanding the system structure, function, interface, and content on the Shopee application is considered better than the ease of other dimensions. The lowest standard deviation shows the most homogeneous assessment in the second statement on

the Easy of Use dimension regarding the Shopee shopping application's ease.

The description of the Website Functionality variable shows an overall average of 3.62, which indicates that respondents tend to agree with statements regarding operating functions on the Shopee application that follow the wishes and needs of users. The highest rating from respondents regarding website Functionality is related to the Website Design dimension, which means that the design of the Shopee application is considered better when compared to other functions. The lowest standard deviation indicates the most homogeneous assessment, located in the third statement on the Security and Privacy dimension regarding user trust that Shopee will maintain personal identity and not disseminate

The description of the Perceived Usefulness variable shows an overall average of 3.65, which indicates that respondents tend to agree with statements regarding the benefits of technology in the Shopee application. The highest rating from respondents regarding Perceived Usefulness is related to the Product Usefulness dimension, which means that the perception of the availability of a wider variety of products compared to offline stores is considered better when compared to other benefits. The lowest standard deviation shows the most homogeneous assessment, which lies in the first statement on the Promotional Usefulness dimension regarding the tendency of users to be able to find some products that are not easily available in offline stores.

The description of the Customer Satisfaction variable shows an overall average of 3.67, which indicates that respondents tend to agree with statements regarding satisfaction with the Shopee application. The highest rating from respondents regarding Customer Satisfaction is related to the Behavioral Intention dimension, which means that users' behavioral intention on the Shopee application is considered better when compared to the Attitude to Buy dimension. The lowest standard deviation shows the most homogeneous assessment, located in the second statement on the Attitude to Buy dimension regarding satisfaction with the Shopee online store's way of conducting transactions.

#### DISCUSSION

The estimated coefficient generated is positive, which means that if the perceived usefulness of the Shopee application related to the performance received by the user is higher, the satisfaction of the Shopee application user will increase. According to Palmer (2002), characteristics connected to ease of use in online applications such as purchasing and menu navigation will affect customer satisfaction. Furthermore, Kim and Stoel (2004) assert that the simplicity of comprehending the website is a key feature that might increase contentment and trigger online purchases. This study corroborates Lee and Kozar's (2012) study, which found that perceived usability had a positive and significant effect on customer satisfaction.

Data analysis results show that Website Functionality has a positive and significant effect on Customer Satisfaction. The estimated coefficient generated is positive, indicating that if the operating aspects of the Shopee application are following user wishes and needs, user satisfaction will increase. Online shoppers are usually looking for a specific product or service. Customers' satisfaction will deteriorate if they do not locate what they are seeking, and they will be more likely to visit another online application site. As a result, the features of the online application site are crucial to increasing user satisfaction (Tandon et al., 2017). Understanding the website is a key dimension that can drive satisfaction and trigger online purchases. This study corroborates Lee and Kozar's (2012) study, which found that perceived usability had a positive and significant effect on customer satisfaction.

The results of data analysis show that Website Functionality has a positive and significant effect on Customer Satisfaction. The estimated coefficient generated is positive, indicating that if the operating features of the Shopee application follow the wishes and demands of users, user satisfaction will grow. The findings of this study support the findings of Tandon et al. (2017), who found that website functionality has a positive and significant effect on customer satisfaction.

Data analysis shows that Perceived Usefulness has a positive and significant effect on Customer Satisfaction. The computed coefficient is positive, implying that as the benefits of technology in the Shopee application improve, so will the satisfaction of Shopee application users. Perceived usefulness is a key predictor of customer behavioral intentions, and it is the primary element affecting attitudes toward online purchases (Tandon et al., 2017). Furthermore, saving time and meeting consumer demands by obtaining products through internet media will increase consumer pleasure (Alreck et al., 2009). The findings of this study are consistent with the findings of Lee and Kozar's (2012) studies.

#### **CONCLUSIONS**

There is a positive effect of Perceived Usability on Customer Satisfaction. It can be seen with a p-value of 0.040 and a C. R. value of 2.052. That means that the usability of the Shopee application is related to the performance received by the user, which means that the higher the quality, the higher the user's satisfaction with the Shopee application. There is a positive influence of Website Functionality on Customer Satisfaction. It can be seen from the p-value of 0.045 and the value of C.R. of 2,008. It means that when the operating functions of the Shopee application improve in response to user requests and demands, customer satisfaction with the Shopee application will rise. Perceived usefulness positively influences Customer Satisfaction, as evidenced by its p-value of 0.027 and C.R. value of 2.207. It indicates that the more the benefits of technology in the Shopee app, the greater the satisfaction of Shopee app users. Shopee needs to pay more attention to the quality of the application's usability in each of its uses, such as the speed with which it responds to customers in product searches and providing easy product recommendations for customers based on purchase and search history, to increase customer satisfaction. For convenience, the Shopee program could update its customer data privacy policy, offering a sense of confidence with a black and white agreement (digitally) that Shopee will keep and not distribute customer data to third parties. Improve the speed quality of the Shopee application to make payments easier and faster when the application is busy at a specific time. For future researchers, it is recommended to research with a broader population coverage area and use different indicators to find out whether further research can support the results that have been carried out by current researchers or find the opposite results.

## **IMPLICATIONS**

The Shopee Indonesia Online Shopping Application can carry out several implications. It is paying attention to the quality of application usability in each of its uses, such as speed in responding to customers in product searches and providing convenience in product recommendations for customers according to purchase and search history, improving customer data privacy policies, providing a sense of safety with a black and white agreement (digitally) that Shopee will maintain and not disseminate customer data to third parties, and the quality of speed of the Shopee application makes payments easier and faster when the application is busy at a certain time.

## **LIMITATIONS**

Even though it was conducted on respondents who have made online purchases using Shopee and are between the ages of 15-34 and live in Surabaya, this cannot be applied to all Shopee Indonesia customers because different regions will have different situations and settings. The opposite result may occur by relying on the utilization of indicators listed.

## RECOMMENDATIONS

For Shopee's customer satisfaction to increase, Shopee needs to pay more attention to the quality of the usability of the application in every use, such as speed in responding to customers in product searches and providing convenient product recommendations for customers according to purchase and tracking history. For the convenience of customers, the Shopee application needs to improve customer data privacy policy, providing a sense of security by agreement (digitally) that Shopee will maintain and not disseminate customer data to third parties. Improve the speed quality of the Shopee application to

perform payments are easier and faster when the application is crowded at a certain time. For the next researcher, it is recommended to research areas with wider population coverage and use different indicators to find out whether further research can support the results that have been carried out by current researchers or found the opposite.

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