# THE IMPACT OF ONLINE SHOPPING SERVICE QUALITY ON ONLINE SHOPPING INTENTION: THE MEDIATING EFFECT OF ONLINE SHOPPING DRIVERS.

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## INTRODUCTION

This research study is focused on examining the influence of online shopping service quality (OSSQ) on online shopping intention (OSI) within the e-retail industry of Sri Lanka, with a particular focus on elucidating the mediating role of online shopping drivers (OSD). The research problem is structured to explore and elucidate the intricate relationship between OSSQ and OSI. Extant scholarly literature has consistently underscored the pivotal role of service quality in shaping critical factors such as customer satisfaction, loyalty, and decision-making processes. However, it is noteworthy that the existing body of research lacks comprehensive investigation and integration of both OSSQ and OSI within the unique context of Sri Lanka's e-retail landscape.

The research objectives are to measure the impact of OSSQ and its dimensions, which are website design (WD), responsiveness (RP), reliability (RL), trustworthiness (TW), and communication (CM) on OSI, as well as the impact of OSD on OSI and the mediating role of OSD. The significance of the study lies in its contribution to the existing literature on the Unified Theory of Acceptance and Use of Technology (UTAUT) (Venkatesh et al., 2012) and SERVQUAL theory (Zeithaml et al., 2002) by testing their applicability in the Sri Lankan contextand its practical implications for e-retailers, policymakers, and marketers in developing strategies to enhance the effectiveness and adoption of online shopping in Sri Lanka.

Sri Lanka has emerged as a rapidly growing e-commerce market within the Asian region. In the midst of prominent players like China, Indonesia, and India in the Asian e-commerce landscape, Sri Lanka is currently experiencing a substantial increase in the demand for reliable e-commerce platforms. Notably, middle-income consumers in Sri Lanka, particularly those within the age group of 25-34, are increasingly adopting e-commerce due to their affinity for technology. The majority of e-commerce transactions (approximately 60%) are concentrated in key urban areas such as Colombo, Kandy, and Galle. Furthermore, a noteworthy statistic from a previous research study indicates that approximately 14% of users exhibit a preference for shopping from familiar websites, while the remaining portion of consumers actively engages in price comparisons and explores package deals prior to completing their purchases. (Withanagamage et al., 2017).

#### **METHODOLOGY**

The methodology succinctly outlines the research's design, data collection methods, and analytical approaches. Based the UTAUT and SERVQUAL theories and models, the conceptual framework guides comprehension of technology acceptance and utilization, introducing OSSQ as an exogenous variable, and SERVQUAL as the measure of customer-

perceived service quality. Modified SERVQUAL scale items from Cai and Jun (2003) and Lee and Lin (2005) were utilized for assessing e-service quality dimensions.

Hypotheses were formulated, emphasizing OSSQ and its dimensions' substantial impact on OSI, as well as OSD's influence on OSI. The study also posited OSD's mediating effect in the relationship between OSSQ and OSI.

Data was collected via self-administered online questionnaires from 384 Sri Lankan participants who had engaged with e-retail platforms in the past year, using convenience sampling. Statistical methods, including regression analysis and descriptive statistics, were employed to analyze the data. The research adopts a positivist approach, deductively testing hypotheses based on established theory, and utilizes a quantitative strategy with a 45-item questionnaire measured on a 5-point Likert-type scale.

RESULTS AND DISCUSSION
Table 1
Hypothesis summarization and result

Hypothesis	Hypothesis	В	$\mathbb{R}^2$	Beta	P-Value	Decision
				value		
H <sub>1</sub>	OSSQ→OSI	0.882	0.546	0.739	0.000	Accepted
$H_{2a}$	WD <b>→</b> OSI	0.184	0.554	0.180	0.000	Accepted
$H_{2b}$	RP→ OSI	0.079	0.554	0.079	0.102	Rejected
$H_{2c}$	RL→OSI	0.156	0.554	0.165	0.002	Accepted
$H_{2d}$	TW→OSI	0.262	0.554	0.278	0.000	Accepted
$H_{2e}$	CM <b>→</b> OSI	0.194	0.554	0.202	0.000	Accepted
$H_3$	OSSQ→OSD	0.758	0.672	0.820	0.000	Accepted
$H_4$	OSD→OSI	0.909	0.496	0.704	0.000	Accepted
$H_5$	Mediation effect					Partial
						mediation

Above table presents the results of a statistical analysis involving multiple hypotheses. Hypothesis  $H_1$ , suggesting that OSSQ influences OSI, is accepted due to a highly statistically significant relationship (p-value = 0.000, beta value = 0.739). The coefficient value of 0.882 suggests a strong positive influence. This finding aligns with the study by Lee and Lin (2005) which demonstrated a significant positive effect of online service quality on consumer satisfaction and loyalty.

Similarly,  $H_{2a}$  indicates that WD influences OSI, with a statistically significant relationship (p-value = 0.000) with a weaker positive effect (beta value = 0.180) and a positive coefficient of 0.184, resulting in the acceptance of this hypothesis as well. This finding aligns with a study by Yaseen et al. (2020), which demonstrated the positive influence of website design factors on consumers' perceived enjoyment, trust, satisfaction, and intention to shop online.

However,  $H_{2b}$  proposes that RP influences OSI. While the coefficient is positive (0.079), the p-value of 0.102 leads to the hypothesis's rejection. Park and Kim (2017) found no significant effect of customer service responsiveness on repurchase intention.

 $H_{2c}$ , RL's influence on OSI is statistically significant (p-value = 0.002) but with a relatively weak positive effect (beta value = 0.165) and a positive coefficient of 0.156, leading to its acceptance. This finding aligns with a previous study by Nasidi et al., (2021), showing the significant role of perceived website reliability in influencing consumers' trust and purchase intention.

 $H_{2d}$  and  $H_{2e}$ , which involve TW and CM's influence on OSI, respectively, both show highly significant relationships (p-value = 0.000) with moderate and weak positive effects (beta

values = 0.278 and 0.202). Both show a positive coefficient (b = 0.262 and 0.194), resulting in the acceptance of both hypotheses. These findings align with a study by Pavlou & Fygenson (2006) which demonstrated a positive relationship between trustworthiness and consumers' purchase intentions. And Study conducted by Cheung et al., (2008) demonstrates the positive impact of communication on consumers' trust, satisfaction, and intention to purchase online. Additionally, H<sub>3</sub> and H<sub>4</sub> explore the relationships between OSSO and OSD, and OSD and OSI, respectively. In both cases, the analysis reveals highly significant relationships (p-values = 0.000) with strong positive effects (beta values = 0.758 and 0.909). Both show a positive coefficient (b = 0.262 and 0.194), leading to the acceptance of these hypotheses. These findings align with a study by Perea y Monsuwé et al., (2004) which demonstrated that OSSQ has a significant impact on various factors such as customer satisfaction, performance expectancy, effort expectancy, and social influence. The study supports the notion that these drivers have a significant impact on consumers' intentions to engage in online shopping. Lastly, H5 suggests partial mediation in the relationships between the variables, which is consistent with Szymanski and Hise (2000) who found that OSSQ had a significant positive effect on OSI, partially mediated by effort expectancy, social influence, and facility condition.

#### CONCLUSION AND IMPLICATIONS

The findings of this study hold significance in both theoretical and practical realms. Theoretically, it enriches existing literature by offering deeper insights into the influence of OSSQ on OSI, with OSD acting as a mediator. This contributes to the refinement and enhancement of the UTAUT framework and fosters a holistic comprehension of online shopping behavior. In practical terms, e-retailers can benefit from this research as it underscores the imperative of enhancing OSSQ, alongside WD, RL, TW, CM, and other key drivers. By prioritizing these factors, businesses can craft a user-friendly online shopping experience that aligns with customer preferences, ultimately boosting customer satisfaction, loyalty, and revenue.

In terms of future research, recommendations include expanding sample sizes, employing diverse research methodologies, and considering alternative research designs and populations to enhance the findings' generalizability and validity. Additionally, avenues for further research encompass exploring the impact of additional factors on OSI, conducting crosscultural studies, scrutinizing the influence of service quality on post-purchase behavior, and investigating the role of technology readiness. These research directions promise to enrich the understanding of online shopping behavior and provide actionable insights for businesses to optimize their online shopping strategies.

*Keywords*: E-retailing, online shopping drivers, online shopping intention, online shopping service quality, UTAUT

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