Faculty of Technology Management and Technopreneurship

FACTORS INFLUENCING ONLINE CUSTOMER'S SATISFACTION AND LOYALTY ON SHOPEE SELLER

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UNIVERSITI TEKNIKAL MALAYSIA MELAKA

Bachelor Degree in Technopreneur with Honours

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FACTORS INFLUENCING ONLINE CUSTOMER'S SATISFACTION AND LOYALTY ON SHOPEE SELLER

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The thesis submitted in partial fulfillment of the requirements for the award of Bachelor Degree in Technopreneurship with honour

Faculty of Technology Management and Technopreneurship Universiti Teknikal Malaysia Melaka

UNIVERSITI TEKNIKAL MALAYSIA MELAKA

2023

SUPERVISOR DECLARATION

"I/We hereby declare that I/We had read through this thesis and in my/our opinion that thesis is adequate in terms of scope and quality which fulfil the requirements for the reward of bachelor Degree of Technology Management (Technopreneurship with honour)

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DECLARATION

"I acknowledge that this report is the result of my own work except for the summary and

passages, each of which I have explained the source "

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DEDICATION

This thesis dedicated:

I would like to dedicate the success of this project research especially to my parent which is my Roshida binti Azinuddin and Azinuddin bin Mat din. This report will be dedicated to them because I want to thank that for all the sacrifices that they made for me while I have studies at this university. Secondly, this dedication is given to my friend who have helped in emotional support, advice and encouragement to make and complete this report. Not forget to my supervisor, Dr Fam Soo Fen for helped me while completing this Final Year Project thesis report

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ABSTRACT

Problem statement - To understand the factors that affect customer satisfaction so that they can become loyal customers.

Research objective - To identify factors influencing online customer satisfaction loyalty on Shopee seller, to analyses data for factors that influencing online customer satisfaction loyalty on Shopee seller, and to justify factors influencing online customer loyalty on Shopee seller the most

Respondent - The respondents who answered the survey were 215 respondents, but the analysis only took 204 respondents due to the fact that 11 respondents did not have a Shopee account.

Method - Pearson *r* correlation and multiple regression

Findings - Perceived value and customer expectation has effect toward customer satisfaction but customer trust and customer complaint does not have any effect on customer satisfaction

Keyword: *perceived value, customer trust, customer expectation, customer complaint, customer loyalty customer satisfaction, Shopee seller*

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CHAPTER 1

INTRODUCTION

This chapter describes an overview of the study conducted by the researcher. There are several sections is divided in this chapter to facilitate the researcher's understanding to achieve the objectives of the study. The background of the study, problem statement, research question, research objective, and limitations of the study will be given focus in this chapter.

1.0 Background of The Study

Shopee is one of the e-commerce platforms that can be considered famous because almost all Malaysians know Shopee. An orange-white platform with a background that is able to attract the interest of anyone who sees it. Shopee is a customer-to-customer (C2C) platform (SEOves, 2022). Shopee allows the seller to open an account to sell and the account opened by the e-retailer can also buy like a regular customer. Although, they can use their business account as a regular user, to create an e-retailer selling session need to open a specifics website provided by Shopee and the website is the Shopee Seller Centre.

Customer expectation is the first thing a customer will have before purchasing goods or services and expectations vary according to the individual (David M. Gligor & Michael J. Maloni, 2021). Customer expectations are sometimes high and sometimes low depending on the perceived value provided by the company to them. The study will

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show how customer expectations change to customer loyalty after going through several factors, including perceived value, customer satisfaction, customer trust, and customer complaining. Quantitative methods will be used to achieve the study's objectives.

The goal of this research is to help Shopee sellers on to become worth seller that can gain customer loyalty.

1.1 Problem Statement

As common knowledge, electronic commerce or e-commerce is a marketplace that uses the Internet to conduct buying and selling transactions. Currently, e-commerce is a "common" market where society makes purchases without leaving home. It became popular among urban and rural areas consumer (Dwi Nita Aryani,2021). E-commerce simplifies not only purchasing but also selling. A company is also allowed to choose any e-commerce platform to conduct business. The company that open business in internet are called it as e-retailer or e-reseller. E-commerce can be done using any device such as smartphones, tablets, laptops, and computers.

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Shopee have become something that can be considered common among Malaysians. Shopee is an e-commerce that regularly gives discounts, coupons, and coins to customers. Shopee is a well-known C2C company in Malaysia. Customer can make a purchase any type of merchandise except an asset like house or car. Shopee is an e-commerce platform that benefits both consumers and sellers.

However, Shopee is the third platform that allows sellers to open their stores there. It is certain that this will cause fierce competition for sellers to sell and get customers who are loyal to buy in their stores. Loyal customers are customers who are satisfied after buying from the store once and they come to buy again from the store. Additionally, the researcher believes there are definitely features that are taken into account by customers when making purchases on Shopee. This is important for the

Shopee seller to take care to ensure that the customer is satisfied with their shop setup on Shopee. This study was conducted to help Shopee sellers to understand the factors that affect customer satisfaction so that they can become loyal customers.The factors presented have been supported by previous studies.

1.2 Research Question

The researcher purposes three (3) questions to achieve the objectives of the study. The research questions are:

RQ1: What factors influence customer satisfaction and loyalty on Shopee sellers?

RQ2: How to analyses factors that influence customer satisfaction and loyalty on Shopee sellers?

RQ3: Which are factors influence customer satisfaction and loyalty on Shopee sellers the most?

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1.3 Research Objectives

This study was conducted to achieve the 3 objectives of the study to be achieved by the researcher. The following are the objectives of the study presented by the researcher:

RO1: To identify factors influencing online customer satisfaction and loyalty on Shopee seller

RO2: To analyses data for factors that influencing online customer satisfaction and loyalty on Shopee seller

RO3: To justify factors influencing online customer satisfaction and loyalty on Shopee seller the most

1.4 Scope of Study

This research was conducted in Malaysia. The research will use the entire state in Malaysia taken under consideration to obtain accurate and valid results. Although the people in Malaysia are not only Malaysian citizens, but there are also non- Malaysian citizens. Therefore, the researchers conducted the study more focused on Malaysian citizens. Also, the study was conducted on e-commerce consumers who have accounts on Shopee. In addition, consumers who have their own income or not are also a measurement value in the research conducted. This study focuses more on factor influencing customers' "expectations" that become customer loyalty.

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1.5 Importance of Study

Firstly, the knowledge will help researchers in learning more about the factors that influence the customer satisfaction barometer of e-commerce users. Second, the researcher is able to increase current knowledge and further understanding of the relationship between customer expectations and customer loyalty that involves several independent variables. Third, this research was carried out in order to answer the researcher's questions and objectives for the study. In addition, the study conducted is also able to help companies or organizations in terms of improving the quality of service or sales to customers by understanding the factors that affect customers so that customers become loyal to the company.

1.6 Key Assumption of the study

There are several assumptions that researchers put forward for the success of this research. First, the questionnaire distributed to respondents has a sufficient sample size for the research to be conducted. Second, the respondents' responses were genuine and accurate. Third, the target sample and the data obtained are adequate. Fourth, the questionnaire's respondents were Shopee users.

1.7 Thesis outline (Summary)

Overall, the background of the study has been discussed in Chapter 1, where consumers' shopping habits have shifted from offline to online shopping, and the researcher believes that the e-retailer and researcher must understand factors that influence customer loyalty in order to substance business in the current or new field. Consumers are no longer what they once were. The goal of this research is to help e-retailer on to become worth seller that can gain customer loyalty.

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CHAPTER 2

LITERATURE REVIEW

2.0 Introduction

This chapter will explore previous studies that are important to the context of the research that the researcher will conduct. Previous ideas and models will be used as a reference and guide to support the current research's outcomes. In addition to identify factors that influence the customer satisfaction barometer on e-commerce consumers.

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2.1 Online Shopping Consumer Behaviour

(Rusnifaezah Musa, et al, 2022) stated that consumer behaviour can change when shopping online. The study conducted by researchers showed that 6 independent factors influence consumer behaviour when they purchase online. The researcher identified 6 factors that can impact online consumers: customer happiness, security, site design, convenience, delivery, and product brand. Furthermore, the research said that the purchasing habits of internet consumers can be changed when they use any social media or e-commerce platform. The data show consumers take time before making any purchase of a product or service without reading information from individuals who have experienced the purchase of a product or service, especially information on social media and e-commerce platforms. According to the findings of the researcher's study, there are both negative and positive experiences that consumers have when purchasing things or

services online. Consumer behaviour differs when using the services offered by e-commerce. This difference can be seen from the perspective of 6 independent factors presented by the researcher, which include security when making payment transactions, informative site design, the convenience offered to the consumer, fast delivery, and product brand that users want.

(Dwi Nita Aryani, et al, 2021) conducted a study on 200 respondents involving Malaysian and Indian consumers when the Covid-19 pandemic hit the world. Researchers have conducted research investigations on consumers' preferred ways of shopping, reasons for choice, transaction problems that consumers confront, and consumer experience in dealing with online purchase transaction issues. This research allows consumers to make choices in their preference answers either through online purchases or traditionally. Digitization has resulted in consumers benefiting in consumer lives as consumers can find high-quality products or services and even digitization can meet the individual demands of consumers and is considered to be convenient for either metro or non-metro consumers. However, traditional purchases have traditionally allowed consumers to touch, view, and feel the object before purchasing, but digital shopping does not. The conclusions of research show that traditional purchasing methods are still prevalent in Malaysian and Indian society, especially in the purchase of daily groceries such as wet or dry goods. If the product is other than everyday items, respondents choose to make an online purchase because they can make comparisons between sellers offering similar deals. This research also allows Malaysian and Indian respondents to give individual opinions or suggestions on how to improve shopping methods from the owner's point of perspective such as enhancing customer services, advertising, promotion, SOP, use of e-wallet payment, arranging merchandise, and a variety of goods.

(Wann-Yih, et al, 2018) used an online survey method to perform a study on online buying behaviour with 505 respondents who had previously done so. According to a study conducted by researchers, three crucial aspects influence consumer behaviour while purchasing online: trust, appreciation, and attitude. The study of the researcher is

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primarily concerned with utilitarian and hedonistic aspects. This study intends to incorporate utilitarian and hedonistic elements by examining their impact on individual and firm attitudes, satisfaction, and repurchase intentions. According to a study conducted by researchers, three crucial factors influence consumer behaviour while purchasing online: trust, appreciation, and attitude. The study of the researcher is primarily concerned with utilitarian and hedonistic factors. This research aims to integrate both utilitarian and hedonistic factors by assessing their influence on attitudes, satisfaction, and repurchase intentions from individuals and firms. The researcher also stated that the purpose of this study was to develop an integrated framework. The integrated framework created by the researchers is related to consumer attitudes toward internet buying. The researchers attempted to construct an integrated framework that includes parts of intellectual and emotional states that customers experience when purchasing online. The previous study in the researcher's article said almost a similar thing. The previous researchers have implemented it to focus more on individuals' rational and emotional decisions in online purchases at that time. Even a more comprehensive framework is rare in previous studies. There are three results that researchers obtained from the results of the study that is the antecedent effect on innovation of online shopping intentions, the functional-related website design that influences aspects of consumer behaviour with there are three results that the researcher obtained from the results of the study, namely the antecedent effect on the innovation of online shopping intentions, the functional-related website design that influences aspects of consumer behaviour effectively and personality differences are also factors that influence consumer behaviour. The results obtained in this research are more focused on the nature of consumers who make online purchases involving electronic commerce.

The conclusion that can be obtained from previous studies on online shopping consumer behaviour is that several factors influence consumer behaviour These element factors affect the way or method of purchase made, reasons for choice, transaction problems that consumers face, and consumer experience in dealing with online purchase transaction issues. However, customer satisfaction can change individuals based on personal reasons and current behaviour.

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2.2 Customer Satisfaction Original Framework Model

2.2.1 Swedish Customer Satisfaction Barometer

(Eugene W Anderson, 1996) This study focuses on the relationship between consumer satisfaction and price tolerance. The Swedish Customer Satisfaction Barometer (SCSB) model was used by the researcher to achieve the study's goals and hypotheses. Researchers want to know if there is a positive or negative relationship between satisfaction and price tolerance. According to the researchers, the research is an attempt to understand the level of price that customers are willing to pay before switching to a different product. Past studies in research state that SCSC will provide data in the form of estimating for a specification that the researcher. Researchers collected data from 14 businesses using a computer-assisted telephone survey method. The time taken to conduct a telephone interview takes an average of 8 minutes per call. The researcher asked related questions such as customer expectation and perceived quality. The information gathered has a foundation that measures key constructs to represent the level of customer satisfaction, including the index of each firm. The researcher stated that previous studies using the SCSB method did not study the price tolerance variable as a whole. The researcher's most important reason for the data obtained through the SCSB method is that data is in the form of "expected" or estimate. SCSB needs to collect an estimate of 200 respondents for each firm for a year and the researcher noted that the estimate is a small estimate for the business-to-business (B2B) category. According to past studies, the researchers showed that SBSC data were collected by 503 firms with an equivalent of 102,271 total data for individual observations. The results of the study obtained from 14 firms show that the maximum price increase that can satisfy customers is the price that customers are willing to pay before customers change the goods to other goods. According to studies results, lowering the price elasticity of demand by 0.6 percent can increase customer satisfaction by 1%.

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Fig. 1. The original SCSB Framework Model Eugene W Anderson (1996)

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2.2.2 American Customer Satisfaction Index

(Samir Boujaddaine, et al, 2021) have stated that customer satisfaction studies conducted by many researchers are more focused on marketing. For researchers, the definition of satisfaction in marketing activities cannot be measured comprehensively. Various other sectors influence the exact definition of customer satisfaction itself. The study conducted by the researchers focused on the mobile banking sector in the country of Morocco. The American Customer Satisfaction Index (ACSI) was used to test the researchers' 10 hypotheses of the study. Researchers state that when a company focused on customer satisfaction, a company wants to improve its quality of service. The main objective of the researcher's study is to develop a proposed conceptual framework to answer the research question of whether the ACSI model can clarify customer behaviour in Morocco's mobile banking sector. The conceptual framework is used to measure customer satisfaction with mobile banking. 7 original frameworks were studied by the researcher before the proposed conceptual framework was created. According to the

study, the 7 original frameworks from the Customer Satisfaction Barometer (SBCS), American Customer Satisfaction Index (ACSI), Swiss Satisfaction Index (SWICS), Russian Customer Satisfaction Index (RCSI), Hong Kong Consumer Satisfaction Index (HKCSI), Norwegian Customer Satisfaction Index (NCSI), and European Customer Satisfaction Index (ECSI) were analysed. A total of 530 survey question forms were distributed to Moroccan mobile customers, with 504 responses received. Researchers use a structural equation modelling (SEM) approach to analyse the study. A confirmatory factor analysis (CFA) was used. The study's findings indicate that the proposed framework presented by the researchers can help identify affect other important factors that can be used to improve Moroccan mobile commercial banking. The use of this framework is successful where there is a significant effect on customer satisfaction with other factors such as reasonable transaction fees, or low fees interbank transfers.

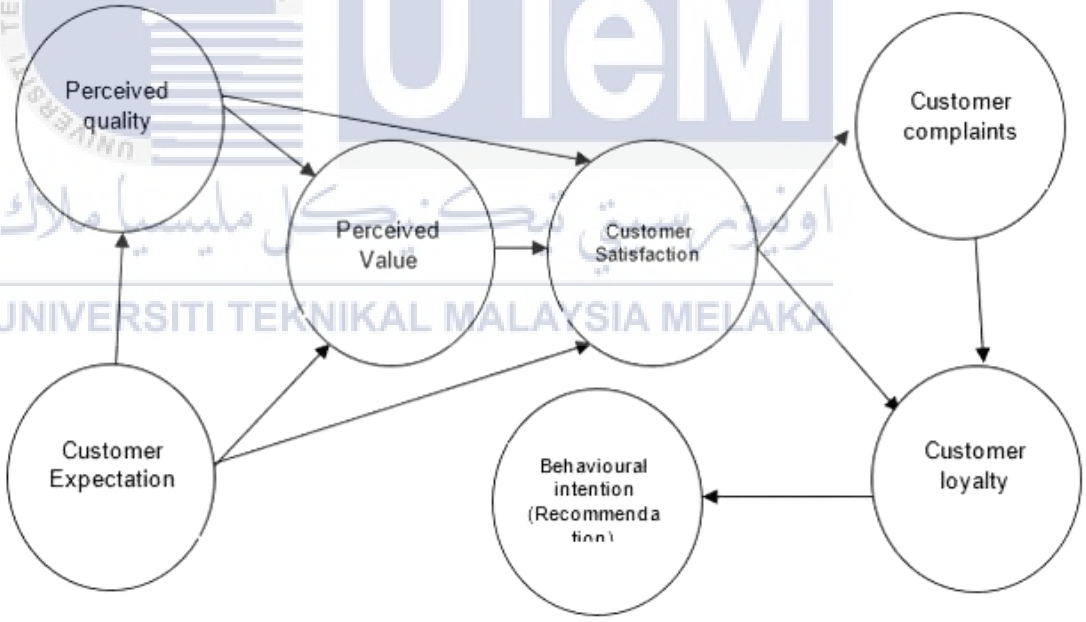

Fig. 2. The ASCI Framework Model from Samir Boujaddaine (2021)

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2.2.3 The Causal Loop Diagram

(Rahajeng Puput Aryani & Manahan Siallagan, 2021) conducted a study on customer satisfaction in Indonesian public transportation. Studies were conducted to measure consumer satisfaction to improve the quality of services of transport companies. Index measurement was used for data analysis. A linear thinking technique is used in this study. A linear thinking technique is able to show a particular point of view continuously and this is appropriate when data is needed to be analysed frequently. Researchers also stated that their goal is to better understand the structures generated by customer satisfaction in a more systematic approach and solve "common" problems occurring in Indonesian public transport. The proposal structures introduced by the researchers are references from The Causal Loop Diagram (CLD). The structure or diagram in their study can be divided into several parts based on the hypotheses that the researcher is attempting to achieve. The sections are Balancing 1 (B1), Balancing 2 (B2), Balancing 3 (B3), and Reinforcing (R). The findings indicate that there are still many other factors that influence the process of creating a customer satisfaction structure in the use of transportation services.

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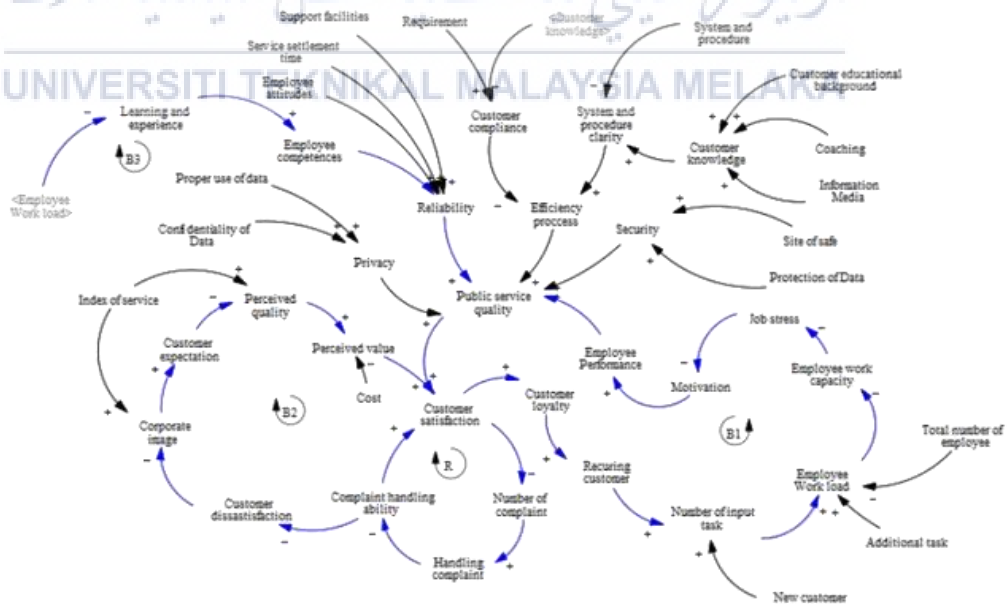

Fig 3. The whole proposed diagram by Rahajeng Puput Aryani (2021)

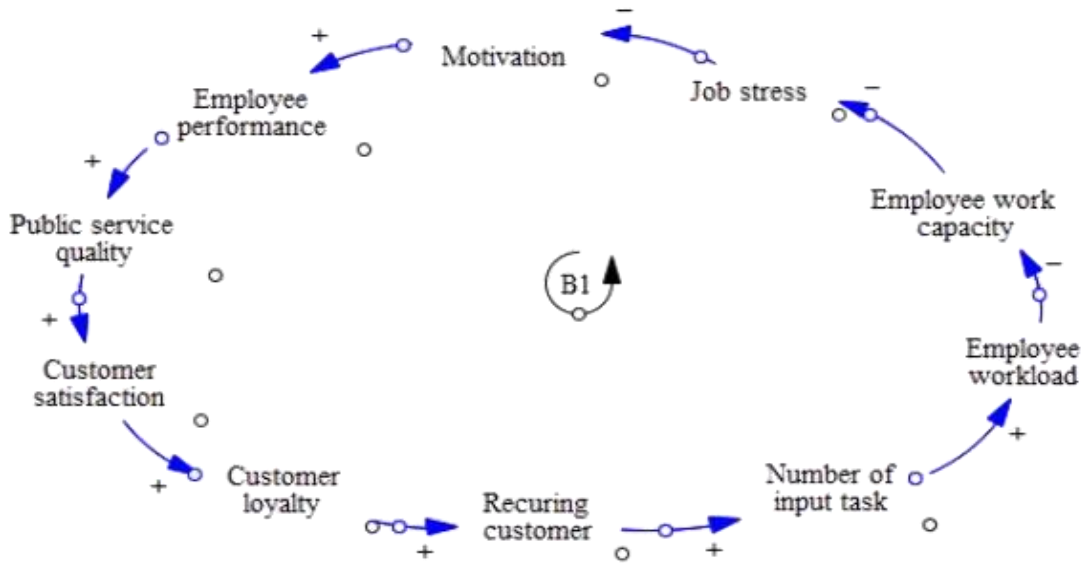

Fig 4. Balancing loop 1 (B1)

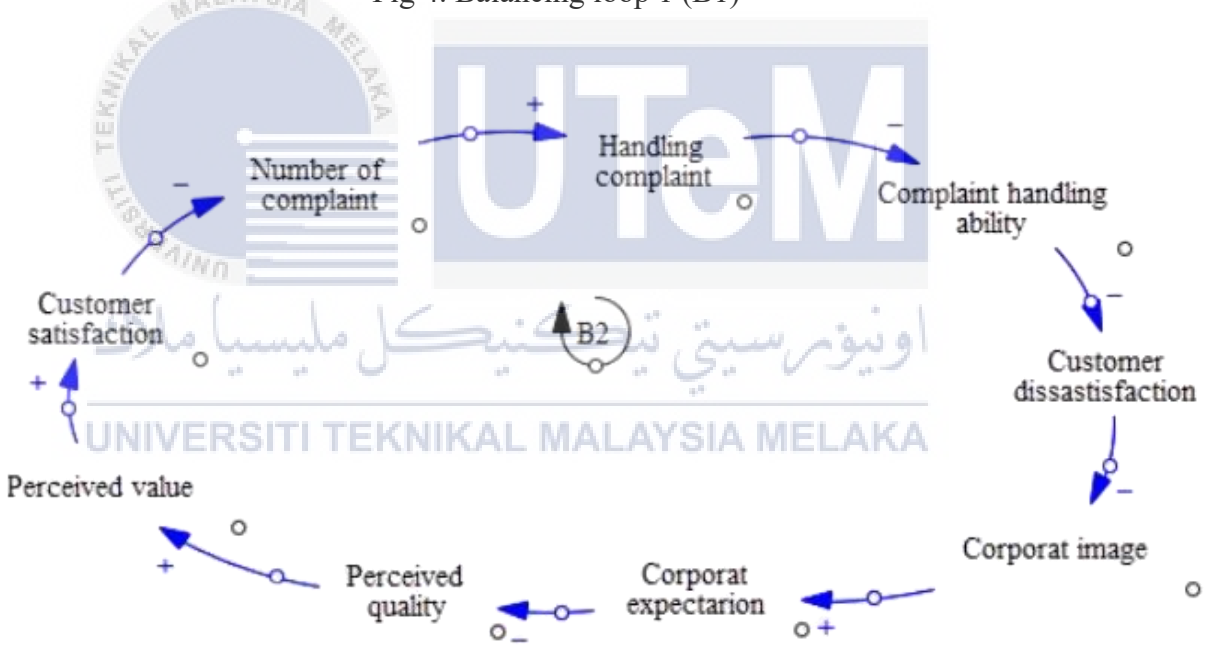

Fig 5. Balancing loop 2 (B2)

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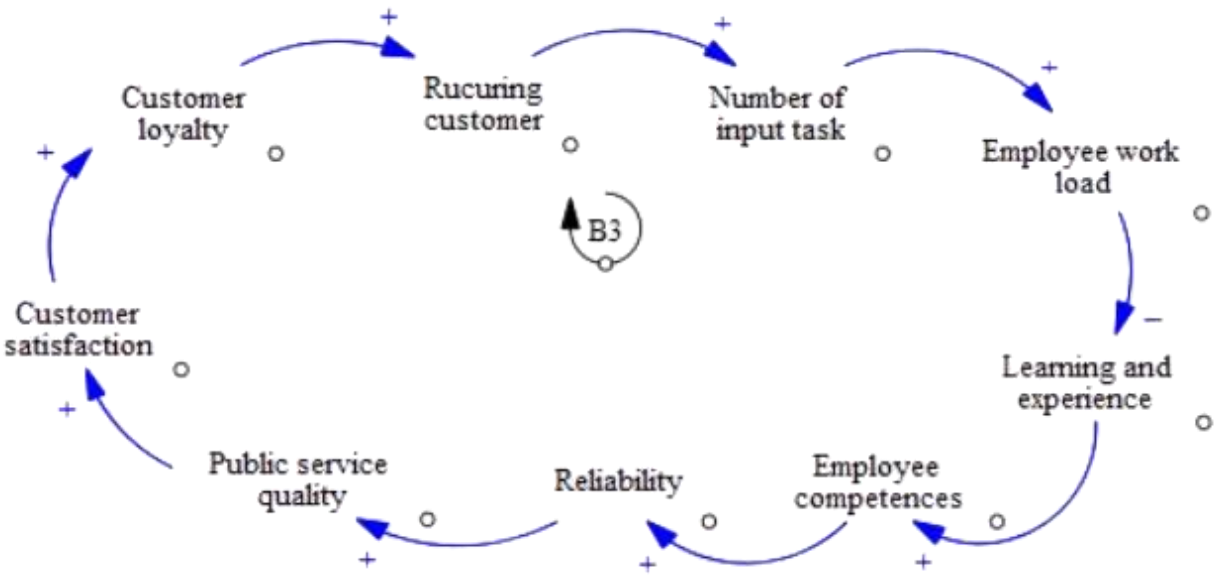

Fig 6. Balancing loop 3 (B3)

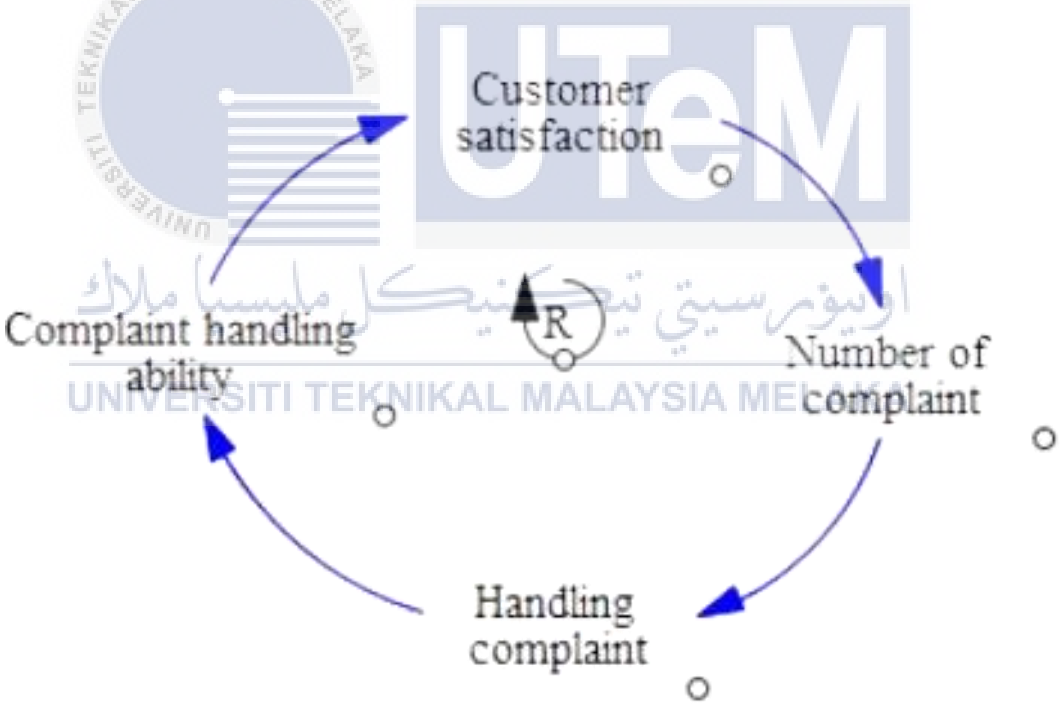

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Fig 7. Reinforcing Loop (R)

2.2.4 Swiss Customer Satisfaction Index

(Dung Phuong Hoang, 2019) stated that the study conducted by her is to investigate the role of customer dialogue in the banking industry in Vietnam related to customer satisfaction, trust, value, and loyalty using an expended Swiss Customer Satisfaction Index (SWICS) model. According to researcher, the previous SWICS model has been tested in 20 industries, including banking. This research focuses on Vietnamese consumers. The researcher prepared a questionnaire of 389 bank customers. To make it easier for respondents to respond, the questionnaire was translated into Vietnamese. The researcher stated that his pilot test was a total of 20 Vietnamese bank customers. This article has also mentioned the limitations of the study to assist future researchers in furthering this study for future society. The intended limitation is that this study uses sample size, suitable sampling method with sufficient sample representation. However, the study's largest sample size was determined by the diversity of age range and the usage of banking services. Data collection efficiency and concern of the parsimony model were the second limitations in the study where there were not many sets of measurement items that were appropriate to the objectives of the study. The researcher presents 17 hypotheses to answer the relationship of the proposed framework. The confirmatory factor analysis (CFA) and exploratory factor analysis (EFA) were analysed using SPSS and AMOSS 22. (EFA). The results of the study show that customer dialogue not only independently enhances customer loyalty staff need to improve communication skills by regularly contacting customers and but has effects on customer trust. The suggestion of the study is that the front-office offering the latest service that the bank provides.

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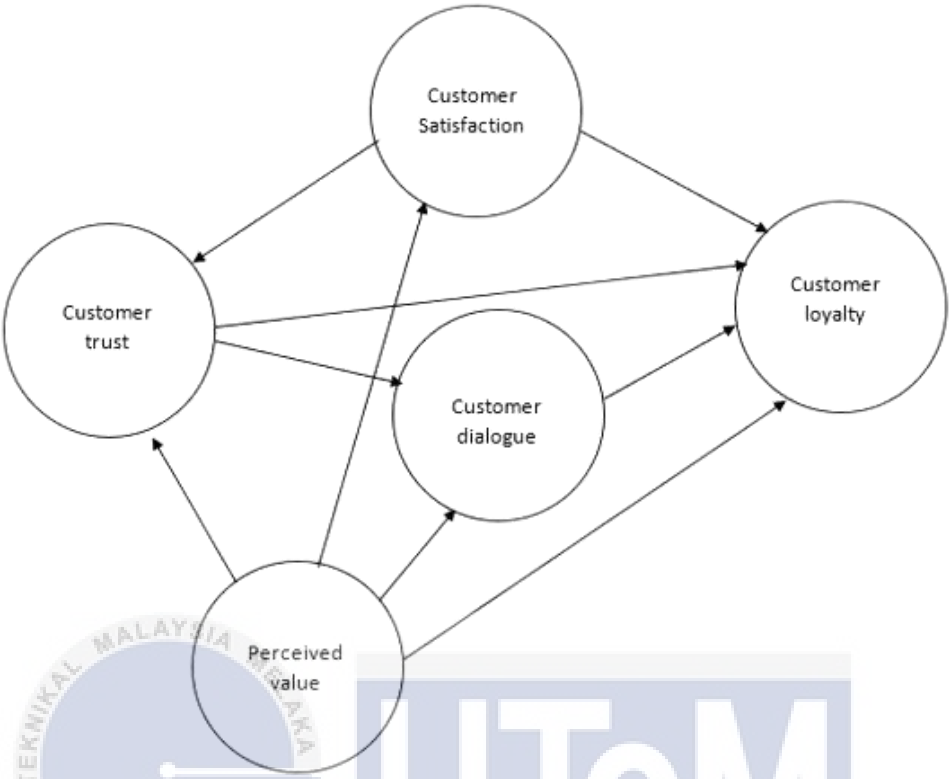

Fig 8. The SWICS Proposed Framework by Dung Phuong Hoang (2019)

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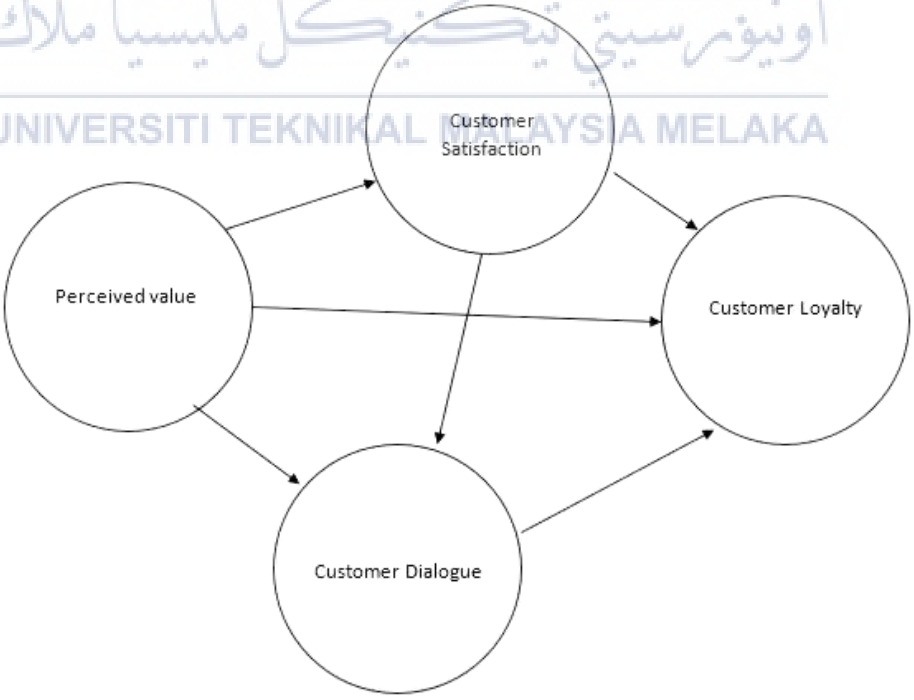

Fig 9. The SWICS Model 1 by Dung Phuong Hoang (2019)

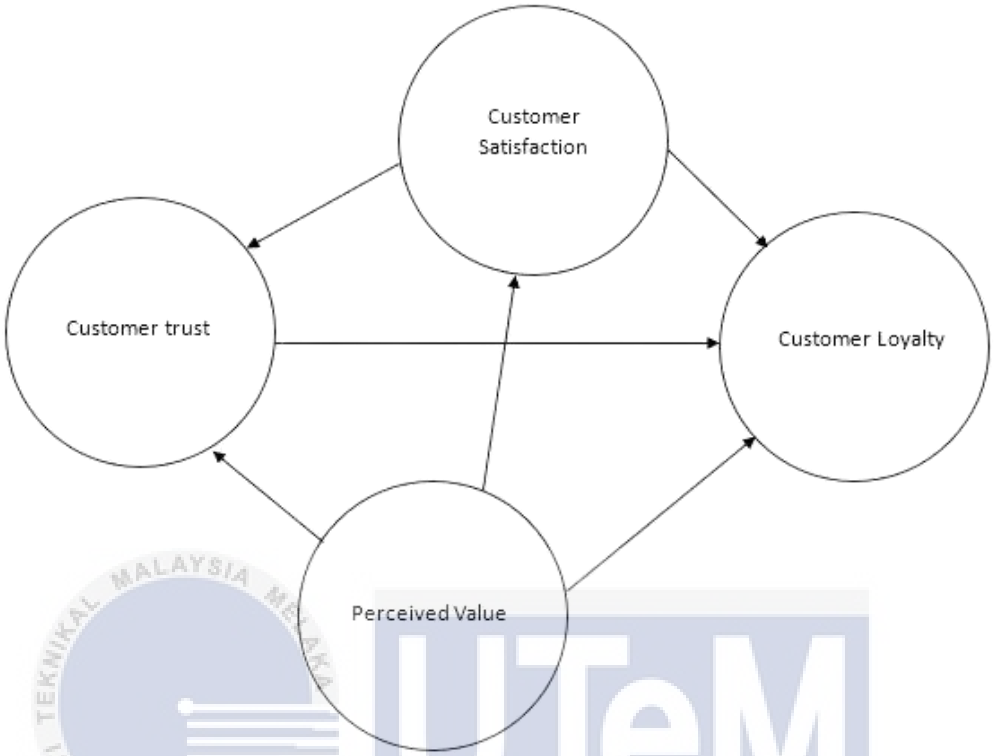

Fig 10. The SWICS Model 2 by Dung Phuong Hoang (2019)

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2.3 The Theoretical Framework

The theoretical framework is a diagram-based illustration was using to explain, predict, and comprehend phenomena and knowledge in a more systematic and in-depth sense.

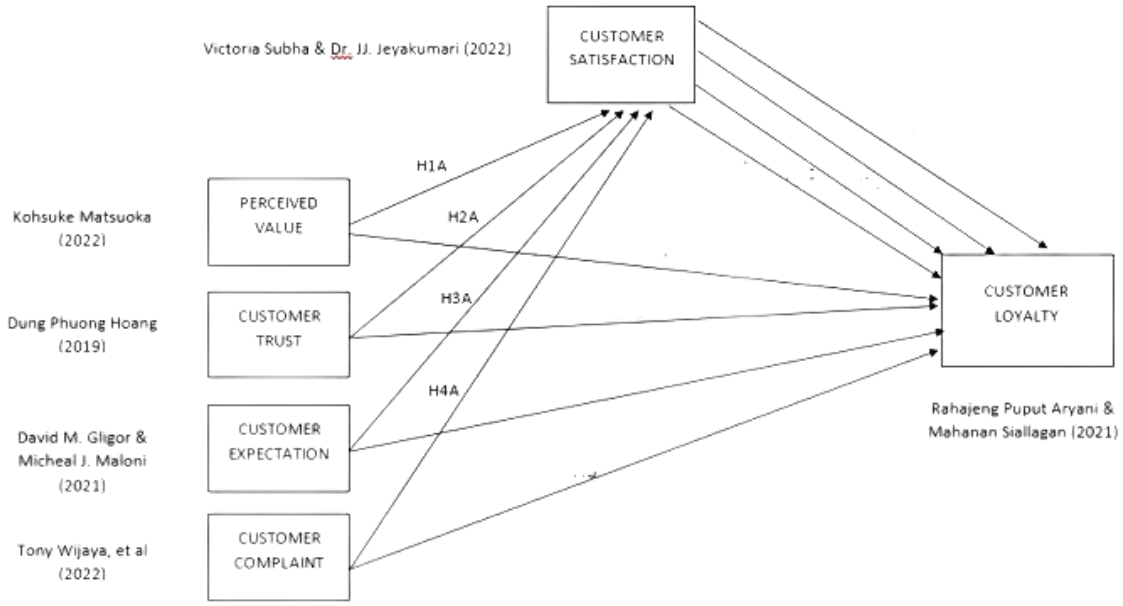

Fig 11. The Proposed Framework

2.4 Hypothesis

This study requires hypotheses for to identify factor that influence factors influencing online customer satisfaction and loyalty on Shopee seller . The hypothesis that is presumptive of the proposition that the investigation aims to achieve; the hypothesis's studies are:

<u>Perceived Value</u>:

(Kohsuke Matsuoka, 2022) said perceived value is operationally defined as the balance between quality and objective price based on the simplistic measure.

H1A: Perceived value has significant value on customer satisfaction.

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Customer trust:

(Tony Wijaya, et al., 2022) have conducted a study on Islamic Banks in Central Java, Indonesia. In her study showed that there is a positive effect between customer trust and customer loyalty. However, researchers do not conduct a relationship between customer trust and customer complaining.

H2A: Customer trust has a significant value on customer satisfaction

Customer Expected:

(David M. Gligor & Michael J. Maloni, 2021) stated that customers have their expectations of the company to meet their needs such as goods and services.

H3A: Customer expected has a significant value on customer satisfaction

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2.5 Summary of Variable

Table 2.5 shows the factors obtained from previous studies that help form the framework and research hypothesis to answer the research questions.

Table 2.5 Summary of variable

PREVIOUS STUDY	VARIABLE					
	CUSTOMER EXPECTATION	PERCEIVED VALUE	CUSTOMER TRUST	CUSTOMER SATISFACTION	CUSTOMER COMPLAINT	CUSTOMER LOYALTY
Kohsuke Matsuoka (2022)		✓		✓		✓
Tony Wijaya, et al (2022)			✓		✓	✓
Samir Boujaddaine (2021)		✓		✓		
Rahajeng Puput Aryani & Mahanan Siallagan (2021)				✓	✓	✓
David M. Gligor & Michael J. Maloni (2021)	✓	✓		✓		
Victoria Subha & Dr. JJ. Jeyakumari (2021)				✓		
Dung Phuong Hoang (2019)		✓	✓	✓		✓

2.6 Thesis outline (Summary)

The content in this chapter extracted from secondary data such as online journal, article, and thesis. This chapter provide a better understanding on this researcher will do in this study based on previous study. In addition, this chapter emphasizing one of the objectives of the study that is to identify factors influencing customer loyalty on Shopee. The theoretical framework and hypothesis were also developed.

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CHAPTER 3

RESEARCH METHOD

3.1 Research Design

The research was conducted using a descriptive approach. The primary goal of descriptive research is to obtain data that is accurate and systematic, situation, population, or phenomenon. This approach is reliable with the study's objectives, which involve Shopee users. The descriptive approach allows the researcher to survey the respondents' opinions through the likert-scale and analysed primary data in numerics. Thus, using numeric can be analysed data rationally and systematically.

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3.2 Methodological Choice

The quantitative approach was utilized and adequate for the descriptive study conducted by the researcher. This research requires an analysis of data collection to answer the questions and objectives of the study. Studies that can be converted into numerical form allow researchers to conduct more accurate analyses. Furthermore, the most reliable and efficient method of analysis to analyse the primary data collected is required for descriptive research.

Quantitative techniques begin with data collection based on a hypothesis or theory and are followed by analytical or inferential statistics. There are several commonly used examples of statistical correlations, which are surveys and findings. A

quantitative method is an adequate approach for calculating the relationship between the independent variable (IV) and the dependent variable (DV).

Likert scale is one of the quantitative methods that researchers will use in this study. This approach enables a simple message to customers (Stephen Littlechild, 2021) for responding to the questionnaire that will be provided to them. Overall, for measuring Shopee user answer from a cumulative perspective using a verbalised five-point Likert scale (Dung Phuong Hoang, 2019) which ranges each item from "1 = strongly disagree" to "5 = Strongly agree". This method is important to .

3.3 Data Collection

The method of obtaining, implanting, and accumulating respondent information through questionnaire surveys is referred to as data source information. According to the previous study, the research usually required a combination of primary and secondary data to achieve the study objectives. The researcher will use primary and secondary data in this research study as a method that has been used to extract data collection to analyse and complete the study.

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3.3.1 Primary Data Source

(Rast, 2018) primary data is data that is gathered directly from the primary unit of analysis. Primary data and information are still inaccessible, and in order to solve the issue of analysis, data must be retrieved from the original source. Primary data was generated from the research questions provided to respondents. The primary data sources and information are the respondents' perspectives and expectations. The

questionnaire serves as a tool to assist the researcher in gathering data from consumers have a Shopee account.

3.3.2 Secondary Data Source

The evidence gained from journals, articles, books, website, news, and publications is referred to as secondary data. This is extremely crucial for descriptive research since there are theories that assist the researcher in this study. Although, the secondary is either tangible or gathered the information for the related functions. Secondary data is more accurate than a primary data source as it interprets carefully by expert analysts. Secondary data, according to (Saunders et al., 2016), are resources that were originally collected for another purpose and are then analysed to provide additional knowledge, interpretations, or conclusions. The secondary data use to support the research objective of the thesis because it has already been analysed by experts.

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3.4 Sampling Design

The simple random probability sampling method was used in this study, which takes random individuals whose has a Shopee account are easiest to access as study respondent. The sample size chosen by the researcher is simple random sampling. 200 respondent for sample size are use to get a result for this study and around 32 respondent for pilot test.

3.4.1 Questionnaire Design

The researcher must create the questionnaire in this analysis for the purpose of data collection in order to find the solution to the problem statement. The researcher will design the questionnaire based on previous research studies relevant to this research. The proper questions will be created by the researcher. The study aim to Malaysian participants for the data collection specifically on Shopee customer.

The questionnaire is a reformulated written set of questions that participants respond to and are typically reported under very loosely specified alternatives to their answers. In the questionnaire, the Likert Scale is being used to determine the multiple variables that provide in the proposed framework. The questionnaires were divided into three sections: Section A, Section B, and Section C.

Section A are intended to collect the respondent's demographic details, such as gender, age, income, level of education, and occupation. While Section B will determine the factors that influence the customer satisfaction and loyalty. Lastly, Section C will determine factors influencing customer loyalty on Shopee user.

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A five-point Likert scale ranges each item from “1 = strongly disagree” to “5 = Strongly agree”. This method is important to determine factors influencing customer loyalty on Shopee users.

Table 2. Likert Scale Format from Mark Bounthavong (2019)

Strongly Disagree	**Disagree**	**Neutral**	**Agree**	**Strongly Agree**
1	2	3	4	5

3.4.2 Pilot Test

The data for the pilot test analyses was collected from a family and friends. They can be considered appropriate respondents for a pilot test study since their responses can be direct to the researcher in current times. The other potential respondent to fulfill the pilot test were approached randomly. Before the respondents fill in each questionnaire, respondents were educated on the research aim and objective. The pilot test's initial total sample size was 32 respondents. There is a probability that some respondents answered casually. The questionnaires were finalized after being refined base on the valid and proper responses during the pilot study. The questionnaire was a total of 38 items for 4 hypothesis presented in the proposed theoretical framework. The appendix section contains the entire pilot test survey, along with all variables used in the statistical analysis. This is to verify the instrument's validity and relevance, as well as the value of the questions through extracting the right information to answer the primary questions, were asked in order to increase the response rate from respondents, and the validity of the questionnaire in ensuring the research questions of this study can be answered.

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3.5 Research Strategy

A research strategy is a comprehensive plan for conducting a research study. A research strategy directs a researcher's study planning, implementation, and monitoring**.** This study will be creating an online survey form and distributing the questionnaire through Google Form. (Kohsuke Matsuoka, 2022) The questionnaire was designed to be as easy to answer as possible for the respondent. The aim of the questionnaire is to standardise data collection from the online customer who use Shopee app to test perceived value, customer trust, customers' expectations and customer complaints on customer satisfaction.

To ensure the validity and reliability of the research pilot test will be conducted. The 32 respondents will read the survey questions and respond without bias based on their own experiences and thoughts. The questionnaire will be distributed online for real tests after the pilot test has proven its validity and reliability. (Ratna Dewi, 2021) using 100 questionnaires distributed for sample size to measure respondents. However, the researcher decides to distribute 200 questionnaires for 200 respondent for sample size because this study focus to Shopee. The estimate for each respondent used to answer the Google Form is 8 minutes. The data obtained were used analyse carefully.

3.6 Method of Data Analysis

The statistical analysis method of data analysis utilises either logical or mathematical mechanisms for illustrative and relevant information assessment purposes. The proper method to analyse the results is Pearson *r* correlation and multiple regression. The software will use is Statistical Package for Social Science (SPSS) will be used to analyse the data collected from questionnaires. A literature review was conducted prior to the creation of a questionnaire in obtaining as many inputs as possible for use in independent variables and dependent variables. The variables are used as a reference for a questionnaire sample.

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3.6.1 Scale of Measurement

An online survey was conducted, and respondent were asked their expectation before they become loyal to their favourite e-commerce platform. The questionnaire is divided into three sections. Section A includes demographic questions about respondents' backgrounds in order to obtain demographic information about the respondent. Section B contains questions about e-commerce platforms, while Section C

contains questions about the independent variable and dependent variable by using the Customer satisfaction score method or Likert scale.

Section C uses a 5-point Likert scale where 1= strongly disagrees and 5= strongly agree. The questionnaire designed in this section is to determine the relationship between 8 hypothesis factors that will influence customer expectation to become customer loyalty.

3.6.2 Statistical Tool

The analysis tools used initially are Statistical Package for Social Science (SPSS) version 27 and continued modeling (SEM) using SPSS Analysis of Moment Structure (AMOS). SPSS version 27 will be used to visualise important data for the testing of hypotheses, as well as to evaluate the information gathered from the questionnaire.

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3.7 Respondent of study

This study focuses more on individuals who have accounts in Shopee. Additionally, to achieve the quality results, the respondent must have income. This help researcher to see relationship between B40, M40 and T20 with 5 factor.

3.8 Location of study

The study's location refers to the area where the researcher will conduct the research to solve the problem. This study will be conducted throughout Malaysia in order to collect data on Malaysian Shopee customers.

3.9 Duration of period

The time frame is the amount of time it took a researcher to collect information and complete the research. According to (Saunders et al.,2007), the time frame is unaffected by the research strategy employed or pursued. In general, time frame are classified into two parts: cross-sectional studies and longitudinal studies. (Sekaran and Bougie, 2016) portray cross-sectional research, also known as "one-shot" and "snapshot" research. Cross-sectional research are appropriate for research that collects data all at once, perhaps over days, weeks, or months. According to (Saunders et. al., 2016), cross-sectional research are conducted on a specific phenomenon or phenomena at a particular time. This research was carried out between April 2022 and January 2023. The data collection process began in 1 December 2022 and end in 30 December 2022.

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3.10 Thesis Outline (Summary)

This study's research design is in approach, and qualitative analysis will be used. The questionnaire was created to gather data. Each section of the online questionnaire is rated using a Likert scale. The time required to complete the proposal for this research is approximately 2 months, and the time required to collect data, analyse data, and complete the thesis is approximately 5 months. Following that, the study will perform pilot testing in this study, and SPSS software version 27 will be used to perform a mean

and standard deviation to analyses the primary data and Cronbach alpha to verify the research's validity and reliability.

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CHAPTER 4

DATA ANALYSIS

4.1 Introduction

This chapter will go into greater detail about the factors influencing online customer's satisfaction and customer loyalty on Shopee seller analysis and findings. The data collected is random data of 215 respondents throughout Malaysia. To analyse the data, Social Science Statistical Package (SPSS) version 27.0 was used. The analysis will be divided into three sections. Part A is used to get information from respondents such as gender, income, occupation and education level. Part A also includes filter questions that will eliminate respondents who do not have the Shopee application. Part B focuses on the consumer experience on the Shopee platform. Section c has 33 questions about the factors influencing online customer's satisfaction and customer loyalty on Shopee seller. Finally, this chapter will include a finalised study framework proposal.

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4.2 Response Rate

The researcher conducted cross-section survey research using Google Forms. The researcher distributed the questionnaire to close friends and family to complete at the start of the survey. The researcher then instructed them to distribute the questionnaire to their friends and family. The researcher is not present while the respondent answers the given question. Intermediaries between acquaintances and the

researcher's close family are only able to correct errors or misunderstandings if there are corrections on the questionnaire. There is an overabundance of respondents who answered from the original sample that the researcher wants to collect. Table 4.2 displays the number of response . The original sample size was 200 respondents, but the researcher managed to collect 15 extra* respondents. This excess occurs due to the fact that the survey was conducted randomly. The 15 respondents were taken into account in this study to strengthen the accuracy of the analyses data.

Table 4.2 Mode of respondent

Mode of response	Number of response	Response rate (%)
Google Form	200	100
	15*	
Total	215	100

* Indicates an overabundance of respondents from the original sample.

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4.3 Reliability of study

In the research model, cronbach alpha is used to examine the degree of correlation to observe variables in the same factors (Thu Hien Nguyen, 2022). The researcher employs Cronbach alpha to assess the reliability of the questionnaire's questions. Cronbach's alpha should be 0.6 or higher before the survey is considered a success. This is necessary to ensure that the study's objectives are met. Table 4.3.1 shows correlation. The study's findings revealed that all of the questions presented in the questionnaire exceeded 0.8, with the exception of the question "The products are of higher quality," which will be discarded or not considered in the T-test analysis. This question was discarded or not taken into account on the grounds that there is a correlation between 8 questions below 0.6 and will interfere with the accuracy of the

analysed data. "The products are high quality" is a question under the perceived value factor. Table 4.3.3 contains statistics on reliability for five factors: perceived value, customer trust, customer expectation, customer complaints, and customer satisfaction. Cronbach's alpha for perceived value in Table 4.3.3 is Cronbach's alpha after question 2 is removed because Cronbach's alpha is less than 0.4 and interferes with the accuracy of the analysis carried out. In order to maintain accurate data, this action is taken into account.

Table 4.3.3 Reliability Statistics for 5 factors

Factors	Cronbach's Alpha	Cronbach's Alpha Based on Standardized items	N of items
Perceived Value	0.880	0.884	7
Customer Trust	0.917	0.920	8
Customer Expectation	0.925	0.925	8
Customer Complaints	0.911	0.914	4
Customer Satisfaction	0.874	0.875	5

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4.4 Demographic

The purpose of this study is to identify the factors that contribute to factors influencing online customer's satisfaction and loyalty on Shopee sellers to help Shopee sellers understand customers to maximise the profit. The frequency analysis was used to analyse the background of respondents. The observation of the data obtained revealed

that 137 of the respondents were female. According to statistics, there is a 27.4% difference between the genders. This shows that 63.7% of the total respondents who answered the survey were dominated by women while only 36.3% were men. Next, respondents need to justify their income. (Comparehero, 2022) refers to (DOSM, 2019) stating that income levels are divided into 3 categories, namely B40 income, M40 income and T20 income. B40 income is divided into 4 levels; B40 income is classified into four levels: B1 income for households earning less than RM 2500 (Comparehero, 2022), B2 income for households earning around RM 2500 to RM3169 (Comparehero, 2022), B3 income for households earning is RM 3170 to RM 3969 (Comparehero, 2022) and B4 income for households earning is around RM 3970 to RM 4849 (Comparehero, 2022). Following that, M40 income is divided into 4 levels. M1 household income ranges from RM 4850 to RM 5879. (Comparehero, 2022). M2 household income ranges from RM 5880 to RM 7099. (Comparehero, 2022). M3 household income ranges from RM 7100 to RM 8699 (Comparehero, 2022), while M4 household income ranges from RM 8700 to RM 10959. (Comparehero, 2022). Finally, T20 income is divided into two categories. T1 income range for Malaysian households is RM 10960 to RM 15039 (Comparehero, 2022), and T2 income range for Malaysian households is above RM 15040. (Comparehero, 2020).

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Table 4.4.2 shows the entire income range or household income stated in the questionnaire based on the Department of Statistics Malaysia in 2019. Respondents can choose the income range for B40 from 3 options. First option is RM0 to RM2849, second option RM2851 to RM4850 and the third option RM4851 to RM6850. Respondents that have income that above M40, are given two options to justify their income range or household income. First option is RM6851 to RM8850 and the second option is RM8851 to RM10959. For an income range more than RM10959 will justify as T20 income. The researcher provided one option only for them to choose. T20 are counted from RM10959 until an unlimited amount. It is impossible for researchers to give specific answers for the T20 income range. Figure 4.4.2.1 shows the comparison of income range for B40 in the bar chart. B40 income has been split into two options. The first choice starts from RM0 to RM 2850 and the second choice from RM 2851 to RM

4849. The data obtained show that a total of 96 respondents (44.7%) have justified their income around RM 0 to RM 2850 while a total of 33 respondents (15.3%) with B40 income have chosen RM 2851 to RM 4849. A total of 29.4% is the difference in income level between those earning B40.

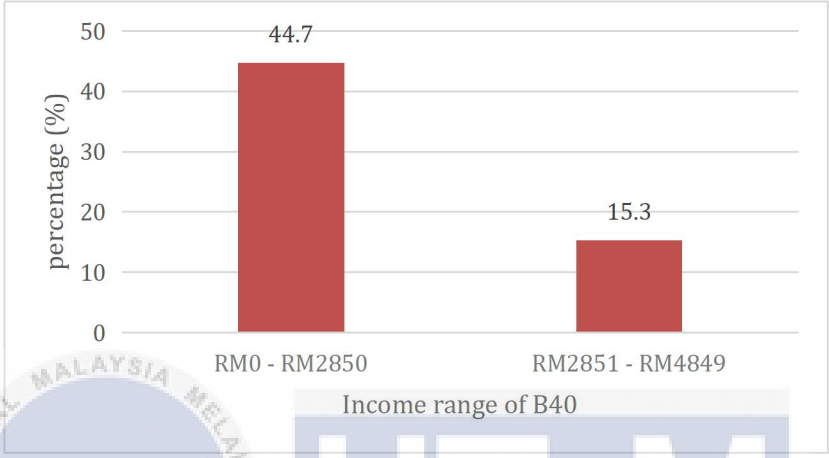

Figure 4.4.2.1 Bar chart for comparison of B40 income range

Figure 4.4.2.2 depicts a bar graph of the difference in M40's income range. The M40 income is then divided into three answer options. The first income range option is RM4850 to RM 6850, the second option is RM 6851 to RM 8850, and the final option for the M40 income range is RM 8851 to RM 10959. According to the data gathered, 70 of the 215 respondents have an income of M40. A total of 26 respondents justify their income between RM 4850 to RM 6850, 28 respondents have an income range between RM 6851 to RM 8850, and a total of 16 respondents justify their income RM 8851 to RM 10959. Finally, T20 income was given only one option, and 16 respondents justified their income in a surplus of RM10960.

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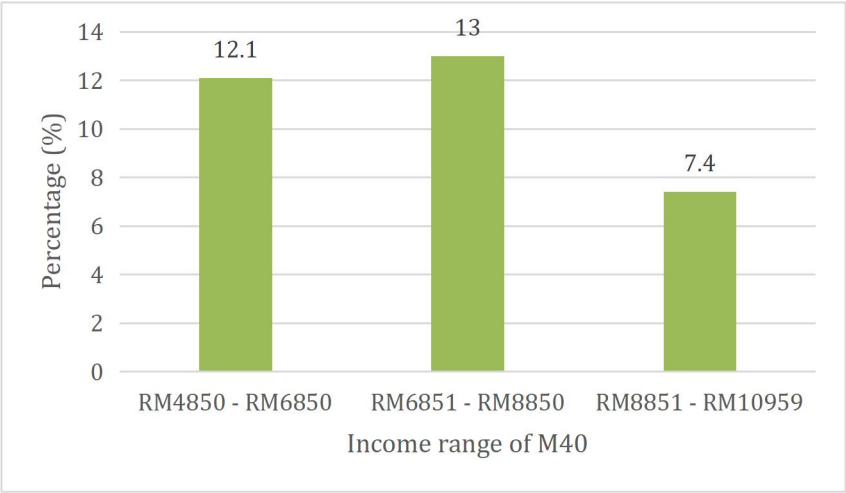

Figure 4.4.2.2 Bar chart for comparison of M40 income range

Occupation is a person's job (Cambridge Dictionary, 2022). There are 8 options given to respondents to choose from. For this section, respondents are allowed to choose two answers. Table 4.4 shows the eight options presented in the bar chart are general and not specific answers. The data obtained for the public sector was 71 answers (29.8%) while the private sector was 56 answers (23.5%). The percentage difference between the public and private sectors is 6.3%. Finally, table 4.4 also shows the actual respondent that has an account Shopee. This question are considered a filter question. 204 of 215 respondents only have a Shopee account.

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Table 4.4 Summary of background respondent

	Item	Frequency	Percentage (%)
Gender	Female	137	63.7
	Male	78	36.3
Income	RM0 - RM2850	96	44.7
	RM2851 - RM4849	33	15.3
	RM4850 - RM6850	26	12.1
	RM6851 - RM8850	28	13
	RM8851 - RM10959	16	7.4
	> RM10960	16	7.4

Occupation	Public sector	71	29.8
	Private sector	56	23.5
	Self-employed	25	10.5
	Student	69	29
	Retired	4	1.7
	Job-hunting	6	2.5
	Jobless	7	2.9
	Gib-job	0	0
Education level	UPSR	0	0
	PMR	1	0.5
	SPM	26	12.1
	STPM	13	6
	DIPLOMA	41	19.1
	DEGREE	98	45.6
	MASTER	22	10.2
	PhD	14	6.5
Shopee user	Yes	204	6
	No	13	94

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4.5 Descriptive analysis

4.5.1 Income and Perceived Value

Table 4.5.1 depicts the relationship between income and value that online customers will receive from Shopee purchases. The total number represents the number of options respondents selected for each question (N=204). The questions that respondents must answer are divided into two parts: perceived value (product) and perceived value (store), with the total of both parts shown in the table. According to

table 4.5.1, perceived value is very important to Shopee customers. They choose Shopee because the value they perceive is worthwhile. The researcher believes that there is a difference in the type of sales from every Shopee seller, different in terms of value, price, and quality of goods, causing each level of income to take into account perceived value. Only a small part choose not to agree that their purchase on Shopee seller has an impact. According to the researchers is assuming, this small group believes that purchases made on Shopee and in stores are the same.

Table 4.5.1 Income and Perceived Value Cross-tabulation

		Perceived	**Value**	**(Total**)**		
	RM	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Income	0 - 2850	5	22	160	260	272
	2851- 4850	1	6	78	81	130
	4851- 6850	2	3	62	90	43
	6851- 8850	0	15	74	72	31
	8851- 10959	5	22	30	33	2
	> 10960	1	10	20	51	51
Total		14	78	424	587	529

** Total in a cross-tabulation table is the total amount from the option of respondent choose not total respondent. The total respondent is N=204.

4.5.2 Income and Customer Trust

The relationship between income and trust between online customers and Shopee sellers is depicted in Table 4.5.2. The total number represents the number of options respondents selected for each question (N=204). The question requires respondents to answer two parts: the customer's trust in the Shopee seller during and after the purchase. Table 4.5.2 shows a cross-tabulation between the respondent's income and the trust

factor given when buying with a Shopee seller. According to the findings, respondents have a high level of trust in Shopee sellers to sell their products exactly as they advertise. The researchers believe they will receive the product as described if they purchase from an authentic Shopee seller. Table 4.5.2 also shows that a small proportion does not believe their goods are genuine compared to what they buy in stores. This may be due to the fact that there are items that are sold at a cheaper rate than the store and there is no feedback on the product page.

Table 4.5.2 Income and Customer Trust Cross-tabulation

		Customer Trust (Total)**				
	RM	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Income	0 - 2850	10	46	151	262	265
	2851- 4850	2	7	30	107	110
	4851- 6850	0	13	58	90	47
	6851- 8850	0	10	48	83	31
	8851- 10959	3	16	32	43	34
	> 10960	4	3	18	49	60
Total		19	95	337	634	547

** Total in a cross-tabulation table is the total amount from the option of respondent choose not total respondent. The total respondent is N=204.

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4.5.3 Income and Customer Expectation

The relationship between income and customer expectation is illustrated in Table 4.5.3. The total number represents the number of responses for each question (N=204).

Respondents have to answer 8 questions which are divided into 2 parts, namely customer expectation during purchase and customer expectation after purchase. According to Table 4.5.3, respondents have high expectations when purchasing from a Shopee seller. Results show that those who earn B40, M40 and T20 still have expectations for Shopee sellers. The researcher assumes that each respondent has different expectations for the goods purchased, delivery, brand, or trusted Shopee seller based on their income level. Only a small part did not place any expectations. Researchers think that it is possible that they do not place any expectations on Shopee sellers due to certain factors such as fraud.

Table 4.5.3 Income and Customer Expectation Cross-tabulation

		Customer Expectation (Total)**				
	RM	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Income	0 - 2850	5	22	167	260	290
	2851-4850	1	3	40	82	130
	4851- 6850	2	3	62	90	55
	6851- 8850	0	13	44	88	31
	8851-10959	5	10	30	40	49
	> 10960	1	7	14	46	55
Total		14	58	357	606	610

** Total in a cross-tabulation table is the total amount from the option of respondent choose not total respondent. The total respondent is N=204.

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4.5.4 Income and Customer Complaint

The cross-tabulation between income and customer complaint is divided into strongly disagree, disagree, neutral, agree, and strongly agree to answer options that need to be answered by the respondent. Table 4.5.4 shows a summary of the level of income and customer complaints. According to the findings, the four most common responses are those who prefer that Shopee sellers handle their complaints. The researchers believe that when Shopee sellers show that they respond well to customer complaints, customer's confidence in Shopee sellers will increase. Almost 147 neutral answers were chosen by the 204 respondents for the 4 questions that were presented, indicating that the respondents do not care whether the Shopee seller cares about the complaints they make. The table simply shows all the answer choices chosen by the respondents for four questions, the respondents are 204 (N=204).

Table 4.5.4 Income and Customer Complaint Cross-tabulation

		Customer Complaint (Total **)				
	RM	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Income	0 - 2850	2	10	66	132	169
	2851- 4850	0	3	17	49	70
	4851- 6850	0	1	30	35	30
	6851- 8850	0	6	22	29	23
	8851- 10959	2	8	8	17	34
	> 10960	2	1	4	29	28
Total		6	29	147	291	354

** Total in a cross-tabulation table is the total amount from the option of respondent choose not total respondent. The total respondent is N=204.

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4.5.5 Income and Customer Satisfaction

The researcher asked 5 questions to the respondents regarding customer satisfaction, and table 4.5.5 summarises the relationship between income and customer satisfaction. Referring to table 4.5.5 shows that those earning T20 are satisfied with their chosen Shopee seller. Findings also show that those with an M40 income are generally satisfied with the Shopee seller. In addition, those with an income of B40 showed that their accumulated answer choices were between neutral, agree and strongly agree. Some of them may not know whether they are satisfied with the purchase on Shopee or otherwise. The table simply shows all the answer choices chosen by the respondents for four questions, the respondents are 204 (N=204).

Table 4.5.5 Income and Customer Satisfaction Cross-tabulation

		Customer Satisfaction (Total)**				
	RM	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Income	0 - 2850	1	13	102	205	144
	2851- 4850	0	1	14	73	72
	4851- 6850	0	2	32	66	25
	6851- 8850	0	3	13	81	13
	8851- 10959	0	11	23	30	16
	> 10960	0	1	5	49	25
Total		1	31	189	504	295

** Total in a cross-tabulation table is the total amount from the option of respondent choose not total respondent. The total respondent is N=204.

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4.6 Pearson correlation

The study aims to learn if perceived value, customer trust, customer expectation, customer complaints are associated to online customer to become loyal on certain Shopee seller. It was hypothesized 4 factors if positively correlated with customer satisfaction before the became loyalty. The Pearson *r* correlation was using to analysed collected data. The results reveals the perceived value has a strong positive correlation with customer satisfaction ($r = 0.691$). Furthermore, the data from table 4.6.1 reveal the customer expectation are more likely has a better impact on online customer to satisfied compare others factor ($r = 0.789$). Besides, customer trust is a second strong positive correlation on customer and have slightly less impact compare to customer expectation ($r = 0.733$). Although, customer complaints the lowest compare to others, it is still have a strong positive correlation and have high impact on customer satisfaction ($r = 0.660$). Thus, the findings suggest, Shopee sellers should consider all factors to increase customer satisfaction and turn them into loyal customers.

Table 4.6.1 The Pearson *r* correlation

		1	2	3	4	5
1. Perceived value	Pearson Correlation		0.723**	0.690**	0.614**	0.691**
	Sig. (2-tailed)		<0.001	<0.001	<0.001	<0.001
	N		204	204	204	204
2. Customer Trust	Pearson Correlation	0.723**		0.849**	0.723**	0.733**
	Sig. (2-tailed)	<0.001		<0.001	<0.001	<0.001

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	N	204		204	204	204
3. Customer expectation	Pearson Correlation	0.690**	0.849**		0.743**	0.786**
	Sig. (2-tailed)	<0.001	<0.001		<0.001	<0.001
	N	204	204		204	204
4. Customer Complaints	Pearson Correlation	0.614**	0.723**	0.743**		0.660**
	Sig. (2-tailed)	<0.001	<0.001	<0.001		<0.001
	N	204	204	204		204
5. Customer Satisfaction	Pearson Correlation	0.691**	0.733**	0.786**	0.660**	
	Sig. (2-tailed)	<0.001	<0.001	<0.001	<0.001	
	N	204	204	204	204	

**Correlation is significant at the 0.01 level (2-tailed)

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4.7 Multiple regression

This study set out to see whether there is a link between the five factors presented that influence customer satisfaction with Shopee purchases until they become

loyal customers. The relationship between the perceived value in the store and the items the customer is looking for while browsing Shopee, customer trust when buying and after buying, customer expectation during and after the purchase is made, and customer complaints given to the seller has been hypothesised in chapter 2 to have a positive effect on customer satisfaction. Multiple regression was used to test the hypothesis presented in this study. Table 4.7 (a) illustrates a summary of the results obtained. Referring to the results of table 4.8 (a) show that 66.1% of the variance can be accounted for, F (4,199) = 99.804. Looking at each factor's specific contribution, the results clearly show that perceived value (H1A) (β = 0.247, t = 3.994, p = < 0.001) and customer expectation (H3A) (β = 0.415, t = 5.694, p = <0.001) highly effect customer satisfaction. However, the results also show that two factors have a high p-value and have become insignificant or have no effect on customer satisfaction. The intended factors are customer complaints (H4A) (β = 0.077, t = 1.513, p = 0.132) and customer trust (H2A) (β = 0.077, t = 1.513, p = 0.132).

Table 4.7 (a) Summary of Multiple regression

Hypothesis	Regression Weights	Beta Coefficient	$Adj.R^2$	F	t - Value	P - Value	Hypothesis Support
H1A	PV →CSAT	0.247	0.661	99.804	3.994	< 0.001	Statistically highly Significant
H2A	CT → CSAT	0.071	0.661	99.804	0.969	0.334	Insignificant
H3A	CE → CSAT	0.415	0.661	99.804	5.694	< 0.001	Statistically highly Significant
H4A	CC →CSAT	0.077	0.667	99.804	1.513	0.132	Insignificant

*P-value are significant at <0.01

*Perceived value = PV, Customer trust = CT, Customer expectation = CE & Customer satisfaction = CSAT

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4.8 Thesis Outline (Summary)

To test four hypotheses about the relationship between five factors, the statistical or parametric approach is used. The Pearson r correlation and multiple regression are used to thoroughly analyse the data. This analysis examined 4 hypotheses and 2 of them are highly significant.

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CHAPTER 5

DISCUSSION AND RECOMMENDATION

5.0 Introduction

This chapter will explain the findings that can be derived from the study's objectives. The researcher also makes recommendations for future research that other researchers can use to study the same or nearly the same problem as the research topic.

5.1 Summary of findings

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Research Objective 1: To identify factors influencing online customer satisfaction and loyalty on Shopee seller

The researcher identified five factors: perceived value, customer trust, customer complaints, customer expectation, and customer trust. This factor is derived from secondary data, which is obtained by reading previous studies. The study aims to learn if perceived value, customer trust, customer expectation, and customer complaints are associated with online customers becoming loyal to certain Shopee sellers. It was hypothesized 4 factors if positively correlated with customer satisfaction before becoming loyal. The Pearson *r* correlation was used to analyse the collected data. To identify whether perceived value, customer trust, customer complaint, and customer expectation have a correlation with one another, allowing that factor to influence

customer satisfaction as previously stated in studies. The results reveal that perceived value, customer expectation, customer trust, and customer complaint have a strong positive correlation with customer satisfaction. This demonstrates that all factors are related and should be considered by Shopee sellers who want to stay in business on Shopee. This statement is supported by (N.A. Syazwani et al, 2021), who state that the factors affecting customer loyalty must not be ignored by marketers in order to sustain e-commerce.

Research Objective 2: To analyses data for factors that influencing online customer satisfaction loyalty on Shopee seller

This study set out to see whether there is a link between the five factors presented that influence customer satisfaction with Shopee purchases until they become loyal customers. The relationship between perceived value, customer trust, customer expectation, customer complaint, and customer satisfaction was investigated using multiple regression. Referring to the results of table 4.8 (a) show that perceived value and customer expectation have a statistically highly significant effect on customer satisfaction. Hypothesis H1A (perceived value) and H3A (customer expectation) have a significant value toward customer satisfaction. Results show that anything related to perceived value and customer expectation must go to customer satisfaction before customers become loyal to Shopee sellers. This result clearly supports the statement (D. S. France & L. P. Tomas, 2019) that perceived value has some influence on loyalty. However, table 4.8 (a) shows that customer trust and customer complaints have an insignificant value toward customer satisfaction. The results suggest that even customers do not care if Shopee seller takes their complaint seriously because they might not trust any Shopee seller but still purchase with them. This is due that that particular seller has sold something the customer needs and desired.

Research Objective 3: To justify factors influencing online customer loyalty on Shopee seller

According to findings from multiple regression analysis, two factors have a significant impact on customer satisfaction and lead to loyal behaviour among online Shopee customers. Among the two factors, the researcher concluded that customer expectation ($\beta = 0.415$, $t = 5.694$, $p = <0.001$) has a high risk in influencing customer satisfaction, but this factor brings a high return compared to perceived value ($\beta = 0.247$, $t = 3.994$, $p = < 0.001$).

5.2 Implication of research

Two out of four factors have highly significant relationship to online customer toward customer satisfaction but another two factor are proved to be insignificant. Based on the results of this study, these two factors; customer expectation and perceived value need to be considered by Shopee seller to implant in their business to gain more loyal customer. However another two factors; customer complaint and customer trust even it did not give any effect to satisfaction but it still good to consider to implant goog customer service that can gain customer trust and handling complaint. This might can help a Shopee seller stand out more than competitors. The findings can help the many shopee seller to take action and improve their business.

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5.3 Recommendation for future research

This study has limitations that open up opportunities for future researchers to study the limitations to strengthen the research results for this topic. The researcher could not make all the hypotheses in the proposed framework proposal due to time constraints. Future researchers can continue the relationship between perceived value, customer expectation, customer trust and customer complaint directly to customer loyalty without looking at the intermediate relationship that is customer satisfaction. In addition, future researchers can also find 386 respondents to answer the research problem in more detail and accurately. Additionally, future researchers can use the framework provided in the study to learn more about the relationship between perceived value, customer trust, customer expectation, customer complaint, and customer satisfaction with customer loyalty in greater detail.

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5.4 Limitation

The study was only conducted on 204 respondents even though the respondents who answered were 215 respondents. In addition, this study only looks at the relationship between 4 factors with customer satisfaction. The researcher did not see a direct relationship between the 4 factors directly to customer loyalty without having to go through customer satisfaction. Because of that, the relationship between the 4 factors and customer loyalty is only an assumption after the analysis carried out showed insignificant to the two factors presented by the researcher.

5.5 Conclusion

Overall, this research discusses the perspective of online customers. customer satisfaction and loyalty among Shopee customers can be improved or taken seriously by Shopee sellers based on two factors. The purpose of this study is to help Shopee seller improve their business by knowing which factor can help them gains a loyal customer.

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APPENDICES

APPENDIX I: GRANTT CHART FOR FINAL YEAR PROJECT 1

GRANTT CHART
PSM 1 (BPTU 4072)

YEAR	2021/2022														
WEEK	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
ACTIVITIES															
PSM 1 BRIEFING															
IDENTIFY RESEARCH AREA															
IDENTIFY TOPIC															
TOPIC CONFIRMATION															
CONSTRUCT RQ & RO															
IDENTIFY RESEARCH FRAMEWORK															
COMPLETE CHAPTER 1: INTRODUCTION															
COMPLETE CHAPTER 2: LITERATURE REVIEW															
COMPLETE CHAPTER 3: RESEARCH METHOD															
PSM 1 SUBMISION															
PSM 1 PRESENTATION															
MEETING WITH SUPERVISOR															

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APPENDIX II: GRANTT CHART FOR FINAL YEAR PROJECT 2

GRANTT CHART

PSM 2 (BPTU 4072)

YEAR	2021/2022														
WEEK	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
ACTIVITIES															
FYP Talk															
Questionnaire Development															
Pilot test															
Collect Data															
Analyse the Data															
Chapter 4															
Chapter 5															
Revised report															

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before presentation															
Viva presentation for FYP 2															
Submission of full thesis															

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APPENDIX III: QUESTIONNAIRE

"FACTOR INFLUENCING CUSTOMER SATISFACTION AND LOYALTY ON SHOPEE SELLER".

INSTRUCTIONS:

Purpose of Survey:

The aims to investigate customer satisfaction and customer loyalty based on customer experience and expectations while buying online at Shopee. This research will help improve the understanding of researchers and sellers on Shopee.

Notes:

This questionnaire consists of 3 sections you need to answer all questions. Section A is a demographic question, section B is about consumer experience using the Shopee platform and section C is a factor influencing online customer satisfaction and customer loyalty. It may take you about 8-15 minutes to complete it. All the information that you provided is only for academic purpose and it will keep confidential. Your cooperation and contributions is highly appreciated. Thank you.

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STATEMENT OF CONFIDENTIALITY

The information you provide will be held as strictly confidential. We will neither publish, release, nor disclosure any information on or identifiable with, individual persons, organization, or companies.

FACTOR INFLUENCING CUSTOMER SATISFACTION AND CUSTOMER LOYALTY ON SHOPEE SELLER

SECTION A: DEMOGRAPHIC / DEMOGRAFIK

This section relates to your background in brief. Please tick your answer.

Q1. Gender	: Male	
	Female	
Q2. Income	: RM0 - RM2850	
	RM2851 - RM4850	
	RM4851 - RM6850	
	Z	
	RM8851 - RM10959	
	> RM10960	
Q3. Are you employed?	: Yes, fully employed	
	Yes, half-employed (part-time)	
	No	

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Q4. What is your current position?	: Public Sector	
(you can choose two option)	Private Sector	
	Housewive	
	Self-employed	
	Student	
	Retired	
	Job-hunting	
	Gib-job (content creator on	
	TikTok, Youtube, etc.)	

Q5. Education Level	: PMR	
	SPM	
	STPM	
	Diploma	
	Degree	
	Master	
	PhD	

Q6. Are you Shopee user?	: Yes	
(Question might end here)	No	

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SECTION B: CONSUMER EXPERIENCE IN SHOPEE PLATFORM

This section relates to consumer experience while using the Shopee platform. Please check your answer. Some questions allow you to tick more than 1 answer.

Q1.	How many Shopee accounts do you have?	: Only 1	☐
		>1	☐

Q2.	How frequently do you use the Shopee platform?	: Daily	☐
		3-4 times a week	☐
		Twice times a week	☐
		Once a week	☐
		Twice in a month	☐
		Once in a month	☐
		Less than 1 time in a year	☐

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Q3.	How much time did you usually spend in Shopee when you open it?	: Less than hour	☐
		2-3 hours	☐
		More than 3 hours	☐

Q4.	What is your reason when opening the Shopee platform?	: I need to buy something	☐
		I need to know about current discount	☐
		I want to watch live in Shopee	☐
		I'm just bored	☐

Q5.	What do you usually purchase on Shopee? (can choose more than 1)	: Groceries	☐
		Electrical and electronic appliances	☐
		Hygiene product	☐
		Pet product	☐
		Food Delivery	☐
		Fashion and accessory	☐
		House equipment	☐
		Beauty and health	☐
		Toy and education	☐
		Automotive equipment	☐
Q6.	How much did you spend every time you make a purchase in Shopee?	: <RM200	☐
		RM201-RM400	☐
		RM401-RM600	☐
		RM601-RM1000	☐
		> RM 1001	☐

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SECTION C: FACTOR INFLUENCING ONLINE CUSTOMER'S SATISFACTION AND CUSTOMER LOYALTY

Please tick on how strongly you agree or disagree with the statements. You can answer from a scale 1 to 5;

1	Strongly Disagree	2	Disagree	3	Neutral	4	Agree	5	Strongly Agree

A. This comparison is between items/products in online stores (Shopee) and physical stores**

Perceived Value

(product)

no	Statement	Likert scale				
		1	2	3	4	5
1	The products are cheaper					
2	The products are higher quality					
3	The products are more appealing					
4	The products are more convenient and durable					

Perceived value

(store)

no	Statement	Likert scale				
		1	2	3	4	5
1	The store that is available 24 hours a day					
2	The store that sells a diverse range of products					

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3	The store that has many followers					
4	The store that has good rate					

B. **This question focuses more on the customer's trust in the shopee seller****

Before buying online, I trust the store more if..

Customer Trust (during purchase)

no	Statement	Likert scale				
		1	2	3	4	5
1	The products are genuine					
2	The products are exactly as described					
3	The products have received positive feedback					
4	The product has not been used.					

Customer Trust (after purchase)

no	Statement	Likert scale				
		1	2	3	4	5
1	The products are shipped as soon as possible					
2	The products are wrapped in bubble wrap					

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3	The products are not broken/damaged					
4	The products were attached with fragile stickers.					

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