

# The Impact of Attitude Towards E-Payment and Shipping Service Quality on Online Store Satisfaction and Online Purchase Intention

Tural Rahimli

Azerbaijan State University of Economics (UNEC), Azerbaijan.

## Abstract

The purpose of this study is to reveal the impact of attitude towards e-payment and shipping service quality on online store satisfaction and online purchase intention. Data was collected through an online survey. The population of the study was online shoppers over the age of 16. The data were analyzed using structural equation model analysis. The findings revealed that attitude towards e-payment has a positive effect on satisfaction with online stores and online purchase intention. Shipping service quality had an effect on satisfaction, but had no significant effect on purchase intention.

**Keywords:** E-payment, Shipping service quality, Satisfaction, Purchase intention, Online shopping

## Introduction

The Internet affects people's lives in many ways. Companies that do not want to lag the competition move their activities online. Consumers also use online shopping because of its various advantages.

The aspects of online commerce that make users' lives easier, such as cheaper prices, easy availability of products, price comparisons, 24/7 shopping opportunities, are among the attractive aspects of e-commerce. In addition to the attractive aspects of e-commerce, in some cases, negative consequences arise, and these situations result in users approaching e-commerce skeptically.

As online shopping develops, the issues of payment and delivery of purchased goods to the customer are becoming more important. This raises questions about the impact of e-payment and transportation on satisfaction and purchase intention.

There are several studies on the role of e-payment (Singh, 2002; Kilay, 2022) and shipping (Yendola and Windasari, 2022; Han et al., 2022) in online shopping.

This study, specifically, investigates the impact of e-payment and shipping quality on satisfaction and purchase intention in the case of Azerbaijan. Furthermore, the study also examines the moderating role of gender in the relationships between the variables.

---

## Cite this article:

Rahimli, T. (2023). The Impact of Attitude Towards E-Payment and Shipping Service Quality on Online Store Satisfaction and Online Purchase Intention. *Scholedge International Journal of Multidisciplinary & Allied Studies*, 10(9), 86-95. <https://dx.doi.org/10.19085/sijmas100901>

## **Literature Review**

### ***Electronic Payment***

Electronic payments are a cashless payment mechanism that uses electronic means. According to the Federal Financial Institutions Examination Council (2010), electronic payment is a payment practice in which a merchant receives payment information for goods and services and places this information in an electronic template that creates electronic files for transacting over the network. The e-payment service comes with a web-based user interface that allows customers to access and manage their bank accounts and transactions remotely (Fatonah et al., 2018).

### ***Shipping (Cargo) After Purchase***

Distribution channel decisions, i.e. decisions on the transportation of products from the source to the consumer, closely affect all business activities (Mirzayeva et al., 2016). The rapid expansion and expected future growth of e-commerce is attributed, among other reasons, to increased transportation and payment options.

It is reported that many online shoppers abandon orders when free shipping is not provided, and 78% of consumers consider free shipping to be “very important” or “somewhat important” in their online purchasing decisions. UPS and ComScore’s study reported that free shipping and delivery is key to customer satisfaction. Leveraging post-purchase activities such as shipping is considered to be one of the most important strategies (Lee and Whang, 2001).

### ***Purchase Intention***

Consumer purchase intention is an important predictor for online shopping so that consumers can behave if they have the intention. Purchase intention is defined as decision-making by a customer who examines the reasons for purchasing a particular brand (Shah et al., 2012). On the other hand, online purchase intention is a state that occurs when a person has a desire to purchase products or services through a website (Chen & Chang, 2009; Pavlou & Fygenon, 2006). If marketers can identify the factors that influence purchase intention, marketers can develop effective and efficient marketing strategies to acquire new and potential customers (Thamizhvanan & Xavier, 2013).

### ***Customer Satisfaction***

Customer satisfaction emerges when products and services meet consumers’ expectations (Akbarov, 2018). It is very important that consumers are satisfied with the products and services provided by the particular website. Because satisfied customers are likely to be loyal and make repeat purchases, that will increase the profitability of the e-commerce company in question (Jiradilok et al., 2014).

In traditional markets, consumers’ service experience is seen as an important indicator to predict their satisfaction and repeat purchase intention (Park et al., 2014).

## **Research Hypotheses and Research Model**

### ***Digital Payment and Consumer Behavior***

The pain of payment is the effect associated with making the payment (Gourville and Soman, 1998). According to Soman (2001), payments made in cash produce the highest pain of payment

compared to other payment mechanisms. The payment itself is very salient, both quantitatively and physically, as it can be seen, counted and given when paying for a payment. On the other hand, studies show that credit card use results in less impact (pain) (Soman, 2001). Hahn, Hoelzl, and Pollai (2013) suggest that payment pain also affects feelings about the product.

Cash has the highest degree of transparency, while credit cards and other electronic payment methods have a low degree of transparency (Soman, 2003). Customers therefore prefer to pay in cash to protect their money. This preference is further influenced by the occasional problems with digital payments. Within the framework of the above, it is possible to propose the following hypothesis:

H1: Customers' positive perceptions of e-payments have a positive effect on purchase intention when shopping online.

H2: Customers' positive perceptions of e-payments in online shopping have a positive effect on customer satisfaction.

### ***Shipping Quality and Consumer Behavior***

Consumers have different price acceptability and price sensitivities, and these differences can lead to marked differences in the free shipping method (Monroe, 2011).

Various customers view shipping costs differently. Some customers view shipping fees negatively, as they see them as an unfair source of profit for the online retailer (Schindler et al., 2005). Therefore, they are more sensitive to shipping costs and prefer free shipping. In contrast, other customers may view shipping charges as a fair fee to cover the cost of product delivery (Schindler et al., 2005) and are willing to pay for shipping. Smith and Brynjolfsson (2001) found that customers are almost twice as sensitive to changes in transportation charges. Heim and Sinha (2001) find that customers make an online purchase for three reasons: convenience, time and delivery. If the delivery time is long, the perception of convenience may be reduced and the time of use may decrease with increasing delivery time. As a result, customer satisfaction may also decrease and their overenthusiasm to buy may erode.

Within the framework of the above discussion, it is possible to propose the following hypotheses:

H3: Shipping quality has a positive effect on purchase intention in online shopping.

H4: Shipping quality in online shopping has a positive effect on customer satisfaction.

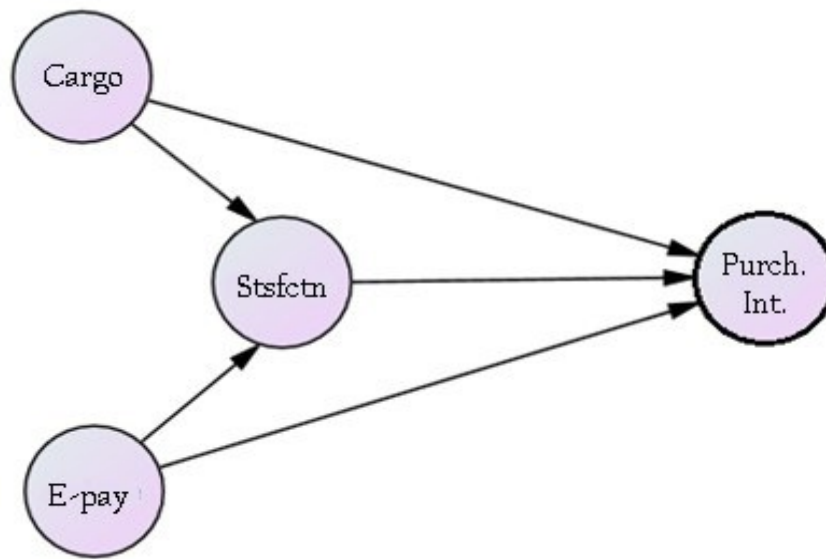
### ***Satisfaction and Purchase Intention***

Research shows that satisfied customers will increase their repurchase intention (Ekber and Mirzayeva, 2017, Maharsi et al., 2021).

H5: Satisfaction with online shopping will positively affect online purchase intention.

Based on the above hypotheses, the model in Figure 1 is adopted as the research model:

**Figure 1: Research Model**



### **Research Methodology**

People over the age of 19 living in Azerbaijan were selected as the research population. The convenience method was chosen as the sampling method. The questionnaire was prepared online and distributed through social networks and the Facebook page of one of the university research centers. In order to reach more people, a post on the Facebook page was advertised. A total of 750 people participated in the study. The data collection process took place between 08.09.2019-22.11.2019.

The items were measured on a Likert-type scale, with 1 being “strongly disagree” and 5 being “strongly agree”. Likert statements were taken from the works of Golletz and Ogheden (2010), Rahman and Lili (2011). on electron commerce. The data obtained in the research were analyzed with SPSS 24 and AMOS 23 programs. Reliability analysis, confirmatory factor analysis, Structural Equation Model analysis were conducted.

### **Analysis and Findings**

Of the 750 participants, 66.5% were female and 33.5% were male. More than 80% of the participants were young people.

#### ***Reliability Test***

Cronbach's alpha method was used to test the reliability of the scales. According to the results of the test, Cronbach's alpha value was determined as 0.899. This value shows that the reliability of the scale is high.

#### ***Confirmatory Factor Analysis***

In order to test the model fit, the items of the scales were subjected to confirmatory factor analysis. Indicators related to goodness of fit values are within acceptable values: CMIN/DF = 2.883; GFI=0.951; CFI=0.970; RMSEA=0.050

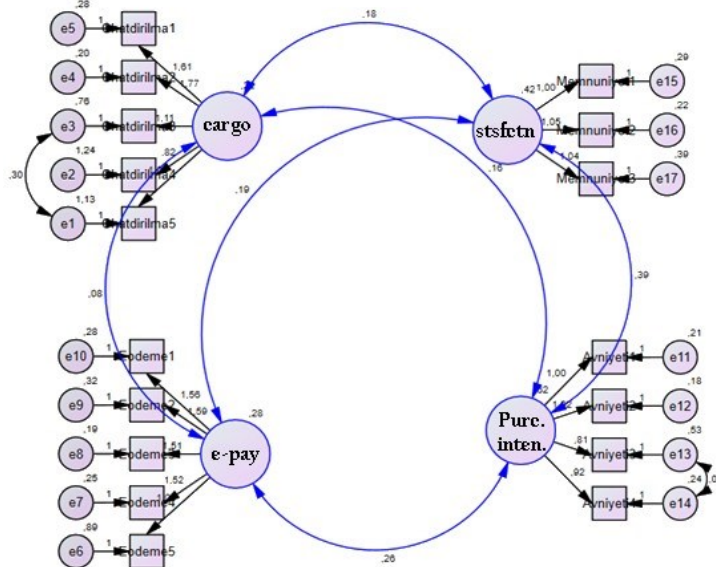


Figure 2: Confirmatory Factor Analysis

**Structural Equation Model Analysis**

In order to test the research model, Structural Equation Model analysis was conducted using AMOS program. The results of the analysis are given below (Figure 3 and Table 1).

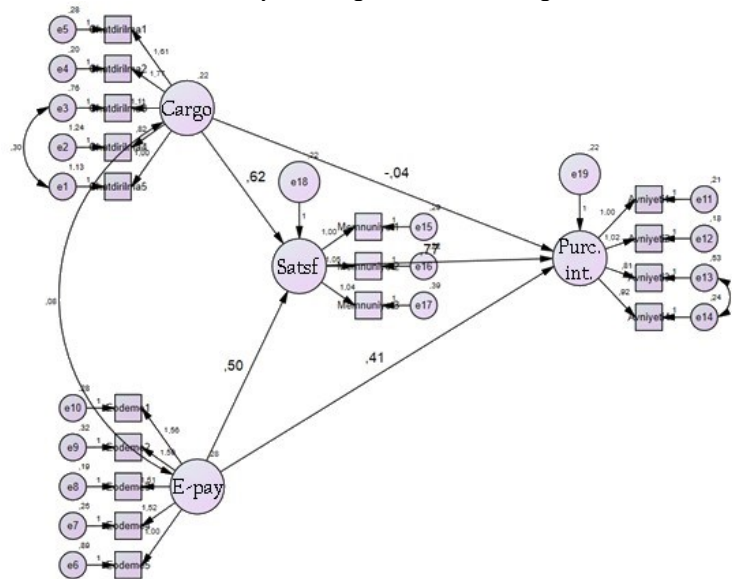


Figure 3. Structural Equation Model analysis output

**Table 1: Results of hypothesis testing**

Dependent variables		Independent variables	Estimates	P	Hypothesis
Purchase Intention	<---	E-payment	,407	***	H1-Accepted
Satisfaction	<---	E-payment	,502	***	H2-Accepted
Purchase Intention	<---	Shipping	-,043	,524	H3-Rejected
Satisfaction	<---	Shipping	,624	***	H4-Accepted
Purchase Intention	<---	Satisfaction	,766	***	H5-Accepted

\*\*\*p<0,001

According to the analysis findings, all hypotheses except H3 are accepted. The direct effect of shipping quality on purchase intention was found to be statistically insignificant ( $P > 0.05$ ).

The indirect effect of e-payment and shipping quality on purchase intention was also analyzed (satisfaction was considered as a mediating variable). The indirect effect of e-payment on intention is 0.384. Although the direct effect of shipping on purchase intention is insignificant, the indirect effect is significant ( $b = 0.478, p < 0.01$ ). The total effect of e-payment on purchase intention is 0.791. The total effect of shipping on purchase intention is 0.435.

Positive attitude towards shipping quality and e-payment explain 49.1% of the variation in satisfaction. Shipping quality, e-payment and satisfaction variables explain 64.5% of the change in purchase intention.

**Analysis of the Moderating Effect of Gender**

In order to analyze the moderating effect of gender, Multigroup Moderation analysis was conducted in AMOS program. The results of the analysis are given below:

**Table 2. Analysis Results Regarding the Moderating Effect of Gender**

			Male		Female	
			Estimates	P	Estimates	P
Satisfaction	<---	Shipping	,631	,002	,701	,002
Satisfaction	<---	E-payment	,352	,002	,756	,003
Purchase Intention	<---	Shipping	,493	,003	,393	,001
Purchase Intention	<---	E-payment	,629	,002	1,027	,004
Purchase Intention	<---	Satisfaction	,839	,002	,628	,001

As seen in Table 2, the effect of shipping quality on satisfaction (Female:  $B = 0,631$ ; Male:  $B = 0,701$ ), the effect of positive perception towards e-payment on satisfaction (Female:  $B = 0,352$ ; Male:  $B = 0,756$ ), the effect of positive perception towards e-payment on online purchase intention (Female:  $B = 0,629$ ; Male:  $B = 1,027$ ) are higher in males than females. The effect of shipping quality on online purchase intention (Female:  $B = 0,493$ ; Male:  $B = 0,393$ ), the effect of satisfaction on online purchase intention (Female:  $B = 0,839$ ; Male:  $B = 0,628$ ) is higher in females than in males.

**Discussion**

This study investigates the impact of attitude towards e-payment and consumer perception of shipping service quality on satisfaction with online stores and purchase intention. The findings revealed that attitude towards e-payment has a positive effect on satisfaction with online stores and online purchase intention. Shipping service quality had an effect on satisfaction, and had indirect effect on purchase intention.

Individuals with positive attitudes towards e-payment are satisfied with online shopping stores and intend to shop there. By communicating to consumers that e-payment saves time and money, optimizes the payment process, and is faster, online stores can increase consumers' satisfaction and willingness to shop with them. Online stores should design their payment systems in a way that ensures the above-mentioned.

A positive perception of the quality of shipping services will increase satisfaction with online stores. Online stores should try to improve the service quality of both their own and cooperating

carriers. In particular, delivery times, delivery at the promised time, and the ability to monitor the delivery status by the customer are important.

Although shipping service has no direct effect on purchase intention, it has a significant indirect effect through the mediating role of satisfaction. In this respect, it is possible to state that perceived shipping service quality will also trigger repurchase intention. Satisfied customers will exhibit purchase intention towards the online shopping store.

Gender is found to be a moderator in the relationships between shipping service quality and e-payment with satisfaction and purchase intention. Although the relationships are positive in both groups, some relationships may be more intense in certain groups (see Table 2).

One of the main limitations of the research is the application of the convenience sampling method. This situation creates difficulties in generalizing the results (Ekber and Gurbanova, 2021).

## References

- Akbarov, S. (2018). Market orientation and customer point of view – In the case of Azerbaijan. *Scholedge International Journal of Multidisciplinary & Applied Studies*, 5(6), 58–67. <https://doi.org/10.19085/journal.sijmas050601>
- Chang, H.H. and Chen, S.W. (2009). Consumer Perception of Interface Quality, Security, and Loyalty in Electronic Commerce. *Information and Management*, 46, 411-417. <https://doi.org/10.1016/j.im.2009.08.002>
- Ekber, Ş. ve Gurbanova, Z. (2021). Kişilik Özelliklerinin Faydacı ve Hedonik Tüketim Davranışı Üzerindeki Etkisi. *Anadolu Üniversitesi İktisadi ve İdari Bilimler Fakültesi Dergisi*, 22 (2), 1-14. DOI: 10.53443/anadoluibfd.884138
- Ekber, Ş., & Mirzayeva, G. (2017). Azerbaycan'da İç Turizmin Yerel Turistler Tarafından Değerlendirilmesi. *Uluslararası Türk Dünyası Turizm Araştırmaları Dergisi*, 2(1), 1-14.
- Fatonah S., Yulandari A. and Wibowo F.W. (2018). A Review of E-Payment System in E-Commerce, *J. Phys.: Conf. Ser.* 1140, 012033
- Federal Financial Institutions Examination Council (2010). Bank secrecy act/anti-money laundering examination manual. [http://www.ffiec.gov/bsa\\_aml\\_infobase/pages\\_manual/manual\\_online.htm](http://www.ffiec.gov/bsa_aml_infobase/pages_manual/manual_online.htm)
- Golletz, M., & Ogheden, P. (2013). Customer Returns In *E-Commerce: And Consumer Interaction Via Social Media*. LAP LAMBERT Academic Publishing.
- Gourville, J. T., & Soman, D. (1998). Payment depreciation: The behavioral effects of temporally separating payments from consumption. *Journal of Consumer Research*, 25(2), 160–174. <https://doi.org/10.1086/209533>
- Hahn, L., Hoelzl, E., & Pollai, M. (2013). The effect of payment type on product-related emotions: Evidence from an experimental study. *International Journal of Consumer Studies*, 37(1), 21–28. <https://doi.org/10.1111/j.1470-6431.2011.01072.x>
- Han, S., Chen, S., Yang, K., Li, H., Yang, F., & Luo, Z. (2022). Free shipping policy for imported cross-border e-commerce platforms. *Annals of Operations Research*, 1-30.
- Heim, G. R., & Sinha, K. K. (2001). Operational Drivers of Customer Loyalty in Electronic Retailing: An Empirical Analysis of Electronic Food Retailers. *Manufacturing and Service Operations Management*, 3(3), 264-271. <https://doi.org/10.1287/msom.3.3.264.9890>
- Kilay, A. L., Simamora, B. H., & Putra, D. P. (2022). The influence of e-payment and e-commerce services on supply chain performance: Implications of open innovation and solutions for the

- digitalization of micro, small, and medium enterprises (MSMEs) in Indonesia. *Journal of Open Innovation: Technology, Market, and Complexity*, 8(3), 119.
- Lee, H. and Whang, S. (2001). E-Business and Supply Chain Integration, Stanford University. Global Supply Chain Management Forum SGSCMF-W220, 17-26.
- Maharsi, A. R., Njotoprajitno, R. S., Hadianto, B., & Wiratmaja, J. (2021). The Effect of Service Quality and Customer Satisfaction on Purchasing Intention: A Case Study in Indonesia. *The Journal of Asian Finance, Economics and Business*, 8(4), 475–482.  
<https://doi.org/10.13106/JAFEB.2021.VOL8.NO4.0475>
- Mirzayeva, G., Sarıışık, M., & Ekber, Ş. (2016). Otel İşletmelerinin Dağıtım Kanalları Seçimindeki Davranışları: Bakü'deki Otel İşletmelerinde Bir Araştırma. *ASSAM Uluslararası Hakemli Dergi*, 3(6), 21-32.
- Monroe, K. B. (2011). Some Personal Reflections on Pricing Research. *Review of Marketing Research*, 8, 209–241.
- Park, I.; Bhatnagar, A.; and Rao, H.R. (2010). Assurance seals, on-line customer satisfaction, and repurchase intention. *International Journal of Electronic Commerce*, 14(3), 11–34.
- Pavlou, P.A. and Fygenson, M. (2006). Understanding and Predicting Electronic Commerce Adoption: An Extension of the Theory of Planned Behavior. *MIS Quarterly*, 30, 115-143.  
<https://doi.org/10.2307/25148720>
- Rahman, H., & Lili, H. (2011). Customer satisfaction in e-commerce: a case study of China and Bangladesh.
- Schindler, R.M., Morrin, M. and Bechwati, N.N. (2005). Shipping Charges and Shipping-Charge Skepticism: Implications for Direct Marketers' Pricing Formats. *Journal of Interactive Marketing*, 19, 41-53. <https://doi.org/10.1002/dir.20030>
- Shah, H., Aziz, A., Jaffari, A. R., Waris, S., Ejaz, W., Fatima, M. and Sherazi, K.(2012), The Impact of Brands on Consumer Purchase Intentions, *Asian Journal of Business Management* 4(2): 105-110
- Singh, M. (2002), "E-services and their role in B2C e-commerce", *Managing Service Quality: An International Journal*, Vol. 12 No. 6, pp. 434-446.  
<https://doi.org/10.1108/09604520210451911>
- Smith, M. and Brynjolfsson, E. (2001). Consumer Decision-making at an Internet Shopbot: Brand Still Matters, *Journal of Industrial Economics*, 49, issue 4, p. 541-558
- Soman, D. (2001). Effects of payment mechanism on spending behavior: The role of rehearsal and immediacy of payments. *Journal of Consumer Research*, 27(4), 460–474.  
<https://doi.org/10.1086/319621>
- Soman, D. (2003). The Effect of Payment Transparency on Consumption: Quasi-Experiments from the Field. *Marketing Letters*, 14, 173-183.
- Taweerat J., Malisuwan S., Madan N., and Sivaraks J. (2014). "The Impact of Customer Satisfaction on Online Purchasing: A Case Study Analysis in Thailand," *Journal of Economics, Business and Management* vol. 2, no. 1, pp. 5-11.
- Thamizhvanan, A. and Xavier, M.J. (2013). Determinants of Customers' Online Purchase Intention: An Empirical Study in India. *Journal of Indian Business Research*, 5, 17-32.  
<https://doi.org/10.1108/17554191311303367>



Yendola, R. A. & Windasari, N. A. (2022). The role of threshold of free shipping promotion and product type on impulsive buying behaviour in e-commerce platform. *The Winners*, 23(2), 161-171. <https://doi.org/10.21512/tw.v23i2.8140>

---

## APPENDIX

### **Shipping**

- Online stores deliver the product at the agreed time
- I usually get the product I ordered within the time I have to wait
- Online stores provide me with a convenient delivery option
- I can track the progress of my order
- I can choose the delivery time of the product myself

### **Satisfaction:**

- I am satisfied with the products I buy from online stores
- I am satisfied with the purchase process (steps) in online stores.
- Web services of online stores are convenient.

### **Purchase intent:**

- I will continue to shop online for the foreseeable future
- I will recommend my friends / relatives to shop online
- When I want to buy a product, I will check online sites first
- I will buy new products and services from an online site

### **E-payment:**

- Electronic Payment systems save time and money
- Electronic payment systems are better than cash
- Electronic payment systems optimize financial transactions
- Electronic payment systems help make my payments faster
- Electronic payment systems help to increase my earnings