



Determinants of Smartphone Repeat Purchase Intention among Malaysians: A Moderation Role of Social Influence and a Mediating Effect of Consumer Satisfaction

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ABSTRACT

The purpose of this research is to examine impact of consumer inertia and product attribute (PA) on consumer intention of repeat purchase. This paper also aims to assess the medication effect of satisfaction on relation between PA and repeat purchase intention (RPI). This research intends to valid a moderator role of social influence (SI) impacting the association between consumer inertia and RPI. This quantitative study proposed a conceptual framework and collected a total of 220 samples from Malaysian consumers to assess research hypothesis and construct associated relationships and impacts among several critical variables. Both measurement model and construct model were established and evaluated using AMOS 21. Results present that PA and consumer inertia significantly influence consumer intention of repeat purchase. Satisfaction partially mediates the relationship between PA and RPI. The moderator role of SI interacts with consumer inertia to have an impact on the level of the RPI.

Keywords: Repeat Purchase Intention, Consumer Inertia, Product Attribute, Satisfaction, Social Influence

JEL Classification: M1

1. INTRODUCTION AND BACKGROUND

The use of mobile phone has increased tremendously in the recent years. It will not be surprising if the usage of mobile phone has surpassed the usage of landline for a typical household, including Malaysia. A mobile phone no longer just limited to receiving calls and short messaging services but a mobile phone could perform multiple tasks through connection to the internet. The demand for smartphone has rapidly surged upward as it enables the consumers to utilize its function into accessing the Internet via the gadget. Mohd Hasan (2013) has found that the amount of people purchasing smartphones in Malaysia has increased to 7.7 million in 2013. With this rapid increase, every player in the smartphone industry is trying to secure their market share by focusing on repurchase behavior as a mean to strengthen its marketing position.

Marketers around the world have invested substantial amount of capital in R and D to determine what could keep consumers loyal to a brand. Sit et al., (2009) further stated that only those

companies that use consumer-oriented approach may stand for a chance to attain customer retention and gain competitive advantage. Balakrishnan and Raj (2012) investigated mobile phone usage behaviour among urbanised youth, and stressed that the top three reasons why Malaysian consumer purchase mobile phone include brand, trend and price. However, most studies conducted are highly emphasis on brand effect or usage of mobile phone towards loyalty (Bojei and Hoo, 2012), purchase intention (Su and Huang, 2010), or consumer retention (Dimitriades, 2006). It lacks of investigations of certain perception and behavioural components affecting consumer intention of repurchase Mobile phones, such as consumer inertia, perceived social influence (SI) and perceived luxury value (LV). In addition, customer satisfaction (CA) and product attribute (PA) are always highlighted as crucial determinants in previous studies (Kuo et al. 2013; Mittal et al., 1998), thus these two factors are retained in this study.

This research paper aims to answer three main research objectives:

- i. To examine the impacts of several key determinants on repeat purchase intention (RPI) of smartphones