

The Effect of E- Commerce on Customer Satisfaction in Malaysia

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KEY WORDS Internet; marketing; security; customer

ABSTRACT Building long-term customer relationships through customer satisfaction is one of the crucial keys to successful marketing including internet marketing. An organisation exists to satisfy customer wants and needs while meeting organisational objectives of increased sales and higher profit. The Internet is now firmly established as a new marketing tool. Marketers use the Internet to gather data for marketing planning. The Net has become an integral piece of the marketing mix, spawning new products and serving as both a digital distribution channel and an electronic storefront. Malaysians have not yet fully appreciated the benefits of Internet marketing in bringing increased customer satisfaction. However, this study indicates that there is a positive trend in increasing awareness of the benefits of Internet marketing. Some of them such as global access and the 24-hour availability of the Internet, convenience, increase product information, and the availability of special services in the Internet were recognised as ways of enhancing customer satisfaction. One significant obstacle expressed by the respondents in this research was the fear of payment in security in the Internet. The time for rapid development in Internet marketing has come. It is inevitable that more and more businesses are and will be going online. The question in everyone's mind is, "Will Internet marketing bring increased customer satisfaction, and hence, increased sales and profitability?" The objective of this research is aimed at studying how Malaysians view Internet marketing in comparison with traditional marketing as a tool in building long-term customer relationships through customer satisfaction.

DATA ANALYSIS

<i>Internet marketing is important because it provide global access and 24 hours availability.</i>	The means for Question 1 is high (4.02 on a 5-point scale). This shows that global access and 24-hour availability are important feature of Internet marketing
<i>Shopping and buying online is more convenient than traditional marketing.</i>	The means for Question 2 is 3.54 on a 5-point scale. This shows that the respondents agree that buying online is more convenience.
<i>Internet marketing is more fun than traditional marketing.</i>	Question 3 has the mean of 3.5 on a 5-point scale. This shows that the respondents are unsure whether shopping online is fun.
<i>Price of goods bought through the Internet is cheaper.</i>	The means for Question 4 is 3.17 on a 5-point scale. This shows that the respondents are of the opinion that prices of good online may or may not be cheap.
<i>Internet marketing provides better and wider selection.</i>	The means for Question 5 is 3.67 on a 5-point scale. This shows that the respondents feel that Internet marketing can provide better and wider selection.
<i>Internet marketing provides the expected quality of goods and services.</i>	The means for Question 6 is 2.99 on a 5-point scale. This shows that the respondents are doubtful about the quality of product purchased online.
<i>Payment through Internet is safe and secure with present technology.</i>	The means for Question 7 is 2.43 on a 5-point scale. This expresses the lack of confidence in payment security online.
<i>Buying online saves time (fast order processing etc).</i>	The means for Question 8 is 3.49 on a 5-point scale. This reflects uncertainty in term of time saved in buying online.
<i>Internet marketing provides instant gratification just like traditional marketing.</i>	Respondents are unsure as to whether Internet marketing gives instant gratification (2.95 on a 5-point scale)
<i>Internet marketing provides in-depth, up-to-date product information.</i>	The respondents clearly agree that they can obtain in-depth and up-to-date product information through Internet marketing (3.95 on a 5-point scale).
<i>Internet marketing able to deliver special services such as personal notification services (send birthday card, information of latest product).</i>	The respondents agree the special services can be delivered through Internet Marketing (3.64 on a 5-point scale).
<i>A customer can receive similar personal attention in Internet marketing as in traditional marketing</i>	The respondents are uncertain that they can receive personal attention as much as traditional marketing (2.84 on a 5-point scale).
<i>Overall, Internet marketing gives more satisfaction than traditional marketing.</i>	The respondents show their doubt whether Internet marketing brings more satisfaction than traditional marketing (3.26 on a 5-point scale).

Table 1: Personal profile and general information of respondents

<i>Personal Profile/ General Information</i>	<i>Frequency</i>	<i>Percentage (%)</i>
<i>Age</i>		
<20	16	8.0
20-29	66	33.0
30-39	70	35.0
10-49	39	19.5
>50	9	4.5
<i>Gender</i>		
Male	112	56.0
Female	88	44.0
<i>Race</i>		
Chinese	124	62.0
Malay	49	24.5
India	23	11.5
Others	4	2.0
<i>Income Level (RM)</i>		
<1500	36	18.0
1500-5000	135	67.5
>5000	29	14.5
<i>Educational Level</i>		
SPM/STPM or lower	46	23.0
Certificate/Diploma	63	31.5
Basic Degree/Master/PhD	91	45.5
<i>Frequency Access</i>		
Once per week	52	36.0
2-10 times per week	97	48.5
>10 times per week	51	25.5
<i>ISP Subscribe</i>		
Jaring	68	45.3
Tmnet	76	50.7
Maxis	6	4.0

