The antecedents of customer satisfaction and its link to complaint intentions in online shopping: An integration of justice, technology, and trust

Ing-Long Wu*

National Chung Cheng University, Information Management, 168 University Road, Ming-Hsiung, Chia-Yi 621, Taiwan

ARTICLE INFO

Article history:
Available online 1 October 2012

Keywords:
Online shopping
Customer satisfaction
Complaint intention
Justice theory
Expectation–confirmation model
Trust

ABSTRACT

Complaint behaviors are critical to maintaining customer loyalty in an online market. They provide insight into the customer’s experience of service failure and help to redress the failures. Previous studies have shown the importance of customer satisfaction as a mediator for complaint intentions. It is important to examine the antecedents of customer satisfaction and its link to complaint intentions. Online shoppers are both buyers of products/services and users of web-based systems. Trust also plays a critical role in forming a psychological state with positive or negative feelings toward e-vendors. In this context, there are three major concerns: justice, technology, and trust. This study proposes a research model to combine these issues, in order to investigate complaint intentions. Data were collected from an online survey wherein subjects were encouraged to reflect on recent service failure experiences. The results from testing a structural equation model indicate that distributive and interactional justice contribute significantly to customer satisfaction and, in turn, to complaint intentions, but procedural justice does not. Technology-based features and trust are also important in determining the two target variables. The implications for managers and scholars are also discussed.

© 2012 Elsevier Ltd. All rights reserved.

1. Introduction

The emergence of e-commerce has motivated a rapid growth in online trading, beyond country borders. According to Forrester Research, online sales in the United States will grow to $250 billion, by 2014, and are expected to exhibit an 8–10% annual increase in the near future (March, 2010). This is accompanied by a growing number of complaints by consumers about service failures in online shopping, in a virtual environment without physical contact (Forbes, Kelley, & Hoffman, 2005). Complaint behaviors are critical to customer loyalty, customer retention and profitability (Holloway, Wang, & Parish, 2005). Consumer research also shows that acquiring a new customer is about five to eight times more expensive than retaining an existing one (Breazeale, 2009). This provides motivation to understand complaint intentions in online shopping.

Research concerning online shopping behaviors has focused on the understanding of the consumer’s adoption/purchase behaviors, but recently, more attention has been paid to the consumer’s post-adoptions/repurchase behaviors (Chea & Luo, 2010; Kim & Son, 2009). Specifically, repurchase behaviors place the emphasis on the understanding of customer satisfaction and its link to complaint/repurchase intention (Finn, Wang, & Frank, 2009; Thogersen, Juhl, & Poulsen, 2009). That is, as consumers become more dissatisfied with services, their propensity to complain to e-vendors increases (Holloway et al., 2005; Voorhees & Brady, 2005). Research concerning complaint/repurchase behaviors has two major approaches: social exchange and technology use. The studies concerned with social exchange have been conducted in a traditional shopping environment and have emphasized the importance of perceived justice in service encounters (Martinez-Tur, Peiro, Ramos, & Moliner, 2006; Son & Kim, 2008). The studies concerned with technology use for online services have taken relevant technology-based acceptance models, such as TAM and its many extensions, in association with trust belief to verify a high level of uncertainty in e-vendors (Gefen, Karahanna, & Straub, 2003a; Kim, Ferrin, & Rao, 2009; Wu & Chen, 2005). Trust belief is an important precursor to online consumers forming a psychological belief in e-vendors (Hong & Cho, 2011; Palvia, 2009).

As online shopping involves a virtual store, rather than a physical store, online consumers are viewed differently from traditional consumers, in terms of their shopping behaviors in the particular setting of a web-based environment (Shankar, Smith, & Rangaswamy, 2003; Teo, 2006). That is, online consumers are both purchasers of products/services and users of web-based technologies in the shopping process. Previous studies concerning complaint behaviors have partially focused on either social exchange or technology use (Breazeale, 2009; Thogersen et al.,...
2.1.1. The possible reasons for consumer complaints about online services may not be fully explained in terms of these two factors. Hence, complaint intentions toward e-vendors should be viewed in terms of a combination of these three factors: social exchange, technology use and trust.

Specifically, justice perception as a social exchange issue has been widely established as a key predictor of customer satisfaction and its link to complaint intentions in the traditional market (Martinez-Tur et al., 2006; Voorhees & Brady, 2005). Justice theory states that when people feel that there is injustice, they are dissatisfied and take actions to remedy the injustice. However, the literature does not consider the influence on complaint intentions in the online market. The expectation–confirmation model (ECM) of IS continuance suggests that there is a link between technology-based features, such as perceived usefulness (Wu, Li, & Fu, 2011; Yi & Hwang, 2003), and customer satisfaction and that this is linked to continuance intention (Bhattacherjee, 2001a). ECM has been widely used to study e-commerce and has been extended to include two other post-adoption behaviors: complaint and recommendation intention (Chea & Luo, 2008; Finn et al., 2009; Yen & Lu, 2008). Trust belief is argued to be an important determinant of the consumer’s willingness to transact with e-vendors and has been identified as being directly linked to customer satisfaction in the online context (Gefen et al., 2003a; Kim et al., 2009).

Concentrating on the issues of justice, technology-based features in ECM and trust, this study proposes an integrated research model to increase understanding of the major drivers of customer satisfaction and the link to complaint intentions in online shopping. Empirical data for service failure was collected and was further used to test the research model. Many studies have proposed a moderating role for some personal attributes toward complaint intentions in online shopping, such as prior shopping experience and the perceived responsiveness of an e-vendor (Khalifa & Liu, 2007; Pavlou, Liang, & Xue, 2007). This study specifies prior shopping experience and perceived responsiveness as two moderators.

2. Literature review and hypotheses development

Based on the above discussion, the basic logic of the research model is defined. Online shopping involves a web-based environment, without any face-to-face contact between consumers and physical products. Online consumers inherently shop with a high level of uncertainty, compared to traditional consumers. They are both shoppers for products and users of web-based technologies in the purchasing process. These online-based features present new forms of service failure and create new complaint behaviors. Most research has focused on either the justice issue, for the traditional market, or technology use and the trust issue, for the online market. Few studies have proposed a combination of these two approaches. A similar logic for integration has been suggested (Fang & Chiu, 2010). Fig. 1 provides a pictorial depiction of this research model. The following discusses the theoretical basis and the development of hypotheses.

2.1. Literature review

2.1.1. Justice theory

The concept of justice concept is founded in social exchange. Researchers have used social exchange frameworks to evaluate the fairness of some exchanges and emphasize the role of equity in shaping subsequent exchanges, namely equity theory (Smith, Bolton, & Wagner, 1999; Voorhees & Brady, 2005). Justice theory broadly explains the behaviors when individuals face a complex conflict in their minds (Son & Kim, 2008). Colquitt, Wesson, Porter, Conlon, and Ng (2001) comprehensively reviewed 183 justice-related studies from literature and classified these into three major justice dimensions: distributive, procedural and interactional justice. Distributive justice refers to the perceived fairness, when individuals assess the fairness of an exchange by comparing their inputs to outcomes and form an equity score (Martinez-Tur et al., 2006).

Procedural justice refers to the perceived fairness of the policies, procedures and criteria used by decision makers in mediating a dispute or negotiation (Martinez-Tur et al., 2006; Voorhees & Brady, 2005). Leventhal (1980) first discussed procedural justice in non-legal contexts, such as organizational settings, and identified six evaluation criteria for perceived procedural fairness. Procedures should (1) be consistent: applying procedure consistently across individuals and time, (2) be unbiased: omitting the self-interest of the decision maker, (3) be accurate: ensuring that accurate information is collected and used in making decisions, (4) be corrective: having some mechanisms to correct wrong decisions, (5) be representative: ensuring that the opinions of all parties affected by the decision have been taken into account, and (6) be ethical: meeting the ethical and moral values of the social system.

Bies and Moag (1986) separated the interpersonal aspect of procedural justice, termed interactional justice. Interactional justice refers to the perceived fairness of personal treatment that an individual receives in the decision making process (Martinez-Tur et al., 2006; Son & Kim, 2008). There are four criteria for the assessment of interactional justice: (1) justification for decisions, (2) truthfulness, (3) respect and (4) propriety. Recently, one study that investigated online users’ information privacy defined interactional justice as the degree to which online users perceive online companies as honest and trustworthy, in complying with their promises relating to information privacy (Son & Kim, 2008).

The online shopping process can be considered as an exchange of time, effort and money for the receipt of products or services in a virtual store. From the transactional perspective, both virtual and physical stores have similar perceptions of consumers, in terms of product information, negotiation and order in the purchase process. The original concept of justice assumes that perceived justice affects all types of social exchange behaviors. Justice perception has been widely used, not only in exploring the service recovery process, such as post-recovery satisfaction and repurchase intention, but also in understanding the entire service failure experience in an online shopping context (Chiu, Lin, Sun, & Hsu, 2009; Turel, Yuan, & Connelly, 2008). In an online context, distributive justice refers to the extent to which consumers feel that their transactional efforts are fair, when compared to the outcomes offered by e-vendors (Holloway et al., 2005). Procedural justice for web stores concerns consumers’ perception of fairness, in terms of the policies, procedures and criteria offered by vendors in their transactions (Pizzutti & Fernandes, 2010). In the case of consumers interacting with online stores, the focus is mainly on two parties, the system interface and online shoppers, rather than the interpersonal exchange in a physical environment. The design of system interface, in an online context, should be perceived by consumers to be both trustworthy and user-friendly. Accordingly, interactional justice reflects the perceived fairness of a communication between system interface and online consumers. Therefore, this paper uses justice theory to investigate consumer’s complaint intentions in online shopping.

2.1.2. Expectation–confirmation model

While initial acceptance of IS is the first step toward its success, the long-term viability of an IS and its eventual success depend on user satisfaction and its continued use. Bhattacherjee