Customer Satisfaction Towards Online Shopping

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ABSTRACT

The purpose and main goal of this study was to analyze and find factors affecting customer satisfaction towards online shopping that might be one of the most critical issues of e-commerce and marketing field nowadays. However, there is extremely limited knowledge and experience about online consumer satisfaction because it is complicated socio-technical phenomenon and involves too many factors more than what we have experimented with in this study. This goal has been followed by using a model examining the impact of usefulness, compatibility, ease of use, trust, risk, social influence, privacy, security and price on customer satisfaction toward online shopping for shoppers in Oman among students and employees, that mean to take in consideration the demographic profile of respondents such as: Educational level, gender, age group and monthly household income. In this study, the primary data was collected from designed questionnaire. Secondary data was collected from various sources such as articles, internet, literature, and books. Questionnaire distributed to students and employees from different organizations and sectors, government and private. Respondents to the questionnaire were customers of online shopping in Oman which selected only from Oman country. The sample size was two hundred from Waljat college of applied science and others from outside of this college which found all in Muscat, 200 questionnaires were distributed online. Of the filled questionnaires 106 were found complete and valid for study. The respondents' categories are divided into monthly household income, gender, age group, educational level. The questionnaire attached shows that each topic has been collected from one source as its mention in the annexure. The dataset has been conducted by the PLS-SEM. The outcomes and findings of this research was measured by using the following methods such as: first; to check the reliability and validity by using Cronbach alpha (α), second: also, it will find the average path coefficient, third; finding the average R-squared and the average variance inflation factor. Last, we must evaluate hypothesis by T-test available in PLS-SEM (Structural Equation Model) software and we have 11 hypotheses to test the relationship between factors with customer satisfaction towards online shopping. After that we have shown the frequency according to the demographic profile (Gender, Age group, educational level, Monthly household income). The result of this study showed that was particularly good fit the model data which designed for this study. PLS-SEM used hypothesis to evaluate and analysis, H1, H2, H3, H4, H5, H7, H10 are not supported because they are insignificant relationship while H6, H8, H9 and H11 have significant relationship and supported. The price factor has strongly affected customer satisfaction towards online shopping while the social influence factor is considered the weakest impact on customer satisfaction towards online shopping.

Keywords: Customer satisfaction, Perceived ease of use, Perceived usefulness, Perceived compatibility, trust, Perceived risk, social influence, internet self-efficacy, privacy, security, internet shopping anxiety and price.

CHAPTER 1 INTRODUCTION & LITERATURE REVIEW

Introduction

The growth of Internet technology always led to change in the role of information technology. Businesses area can grow. Businesses were growing in technology. The internet was changed so many industries and sectors in purchasing. The internet shopping can be considered as the new way of doing business. This type of business will play a key role in developing countries. There are relatively different issues that have underpinned the acceptability of internet technology which among other considerations include: Cost, Risk, Language barrier, IT infrastructure, Computer literacy, Internet accessibility, Personal computer penetration rate, Cultural and trust issues, Social and demographic issues, Security and privacy dilemmas.(Abbad et al, 2011; Alshehri et al, 2012; Aldraehim et al, 2013 Albarq, 2014; Ho and Chen, 2014; Nabot et al, 2014; Abu Shamaa and Abu Shanab, 2015).The implementation of technology for purchasing products online, its actually demanded by the customers in nowadays , its only need to have more knowledge on how to adopt and become familiar to the internet shopping. There are so many factors helping to motivate or encourage consumer adoption of internet shopping and there are some factors that may lead to slow down the adoption of consumer toward online shopping. This topic has been covered by many of researchers for a long time. Most of the studies related to internet shopping was focused on the following: Internet shoppers and Internet shoppers versus internet non-shoppers. (Anckar,2003; Mutum and Ghazali, 2006; Soopramanien and Robertson, 2007; Lian and Lin, 2008; Roca et al, 2009; Saprikis et al, 2010; Yatigammana, 2011; Acilar, 2011; Almousa, 2011; Cheng et al, 2011; Gurleen, 2012 and Sohail, 2014). Online shopping need

It in nowadays more than previous years because of technology is growing Fastly. And there is another research that has overcome the gap to find the reasons why the consumer doesn't like to purchase online and these focused again on non-shoppers. (Hernandez Garcia et al, 2013 and Iglesias Pradas et al, 2013). The use of the internet is easy, we can make our purchases in minutes and that do not waste the time, and some of necesssities product or services, can find it easily and faster through internet shopping like electronic book.

On the internet also we can find the price which is suitable for our budget and always it is cheaper than the physical way of purchasing, the cheap product is due to arriving the product at once from manufacturer to consumer. There are online shops that offer discount coupons and rebates as well. In internet also we can get different kind and brands of product which may lead to be in the situation that you do not know which product you will buy due to having lot of choices. Nowadays, online shopping making an easier to send gifts to anyone you want and anywhere. May the people they are do not care about small amount of expenses but that also will be affect if the individual takes a decision to buy physically from the market and that will need to pay for your food outside, for the transport and other needs. But through the internet the individual should forget all those expenses. By online shopping, the individual avoids the crowd which they face in the special days like Aids in Muslims countries. Also, one important thing is that when buying online, there is no force to buy more than what you need, I mean the advertisement or marketing people or shop keeper itself, so by online shopping the individual can avoid these things. (HubPagesInc, 2016)

Problem Statement

There are so many issues which we can find in the business environment, especially in which modern life depends upon technology, which is growing fast, and that life will be easier if people follow technological innovations. One of the popular issues related to business is Online shopping, and how much customers agree to shop online and there are so many factors that can be taken into consideration that may affect customer satisfaction toward online shopping. So, in this study we are going to explore the degree of customer satisfaction and let compare two groups of customers: employees and college students all that will find for the online shoppers in Oman. And, because the online shopping in Oman may have started

extremely late, so in this study we can find which factors can motivate the people to follow the Internet shopping due one kind of developing country context.

Theoretical Concepts and Framework

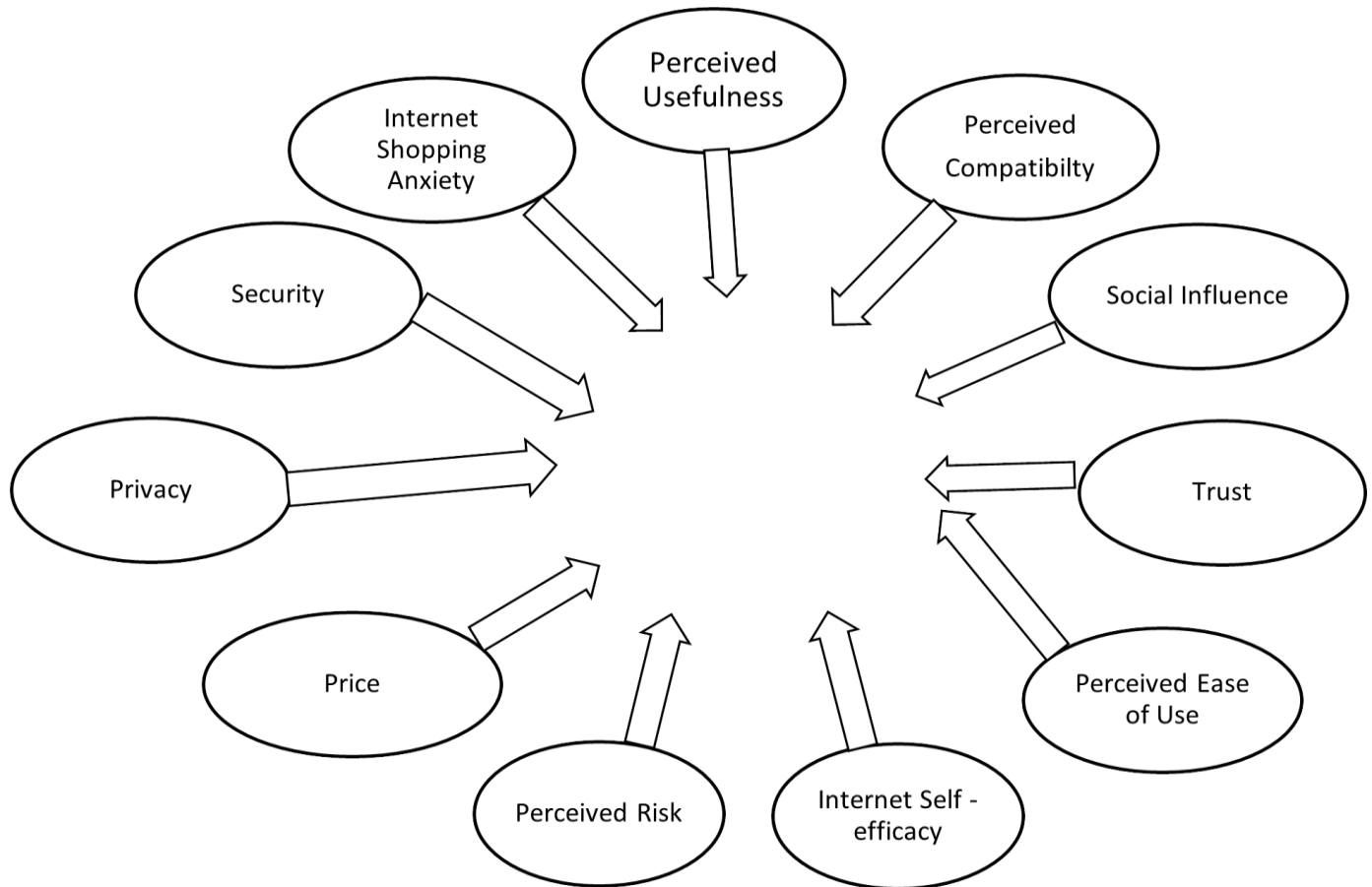Theoretical Framework: Factors affect customer satisfaction toward online shopping.

Fig 1.2.1: Factors affect customer satisfaction toward online shopping.

The customer faces so many factors that could affect their satisfaction toward online shopping. And these factors are showing in the figure 1.2.1 that are eleven factors: Perceived Usefulness, Perceived Compatibility, Social Influence, Trust, Perceived ease of use, Internet self-efficacy, Perceived risk, Price, Privacy, Security, and Internet shopping anxiety. (Khalid M.S Faqih, 2016)

Online Shopping has been defined as the process that customer buys a service or product over the internet. And also, it can be defined as that a consumer may at his or her leisure buy from the comfort of their own home products from an online different store. This concept came before the establishment of (WWW) World Wide Web. (Jusoh, M.Z. and Ling, H.G., P 223-224, 2012)

Consumer attitude on Online Shopping can be explained that consumer's attitude and behaves is influenced factor that affects the consumers' buying interest. For example, a person who hates to play games online that related to his attitude toward online games. (Jun, G. and Jaffar, I.N., P 124, 2011)

Perceived ease of use and perceived usefulness the technology acceptance model (TAM) is always using to understand the information system and how to use it. There are so many characteristics and features of TAM such as cost-effectiveness, adaptability, reliability, and robustness. (Venkatesh and Davis, P 186-204, 2000)

Have managed its enormous popularity among IS researchers and IT practitioners, and we can say the TAM is especially important for explaining the technology acceptance. The TAM is confirmed across a wide range of IT domains, contexts, technologies, and cultural settings. In the TAM we can find that two fundamental determinants (perceived ease of use and perceived usefulness) have strongly influence individuals' decisions on the adoption of biometric technology. (Davis et al., P 103-123, 1989)

Perceived compatibility here the research talking about the innovation Diffusion Theory (IDT) which is responsible of adoption of modern technology will be entering in our area. (Jeyaraj et al., P 131-157, 2006) The perceived compatibility defined here as the degree of individual use of innovation and that they have taken in consider the cultural values and beliefs, past and present experiences and the potential need. The modern technology found that can be affected by perceived compatibility and it was got a positive impact on it, such as: electronic technology. (Vijayasarathy, Pages 1-23, 2004; Papies and Celment, 2008)Social Influence always focused on the social influence and how it will affect the customer purchase through Internet and the social influence construct will be addressed as the combination of subjective norm and image attributes.(Johnston and Warkentin, P 549-566, 2010)This study have been focused on the academic staff within Jordan University concluded that subjective norm has a significant positive influence on intentions to purchase through the Internet medium and that was one of the outcomes of this study.(Al Jabari et al., P 125-129, 2012) .Trust. From the result, there are so many definitions of trust that can be evolved. Definitely, because the way of defining the trust in this literature is can be according to the high variations.(Colquii et al., P 909, 2007)Extensive research has been defined the online trust perception because online shopping should include accurate information which can give trust to consumer to be able to buy through internet without any worrying. There were studies have found that the trust will affect the behavior of the consumer intention for both repeats. customers and potential customers and that affects the growing of online shopping. (Gefen et al., P 51-90, 2003; Pavlou and Gefen, 2004; Kim et al., 2009; Chiu et al., 2010; Lu et al., 2010; Faqih, 2011). Perceived risk the consumer who always use internet for purchase, he has an experience about the risks and the level of risk. Through online channel. The free nature of doing online shopping may cannot protect the customer from the risk and because of that they should have knowledge to do online shopping to avoid these risks..(Faqih, P 67-77, 2013) .Privacy and security till today, there are so many studies have taken to identify and talk about the privacy and security that can be affecting the customer who make online shopping. For example, consumer concerns about data security and privacy issues as major factors affecting Internet shopping adoption. (Wang and Head, P 296-302, 2007; McCole et al., 2010; Antoniou and Batten, 2011)Always the privacy-related problems should be reduce it negative effects and should gain the consumer confidence to do their shopping through online and also should improve and enhance the customer desire to adopt of internet shopping technology. And here also mention that the consumer who does not have any experience to doing online activities that they have an elevated level of anxiety toward online shopping. (Malhotra et al., P 336-355, 20; Awad and Krishnan, 2006; Cho et al., 2009). Internet self- efficacy Internet self-efficacy (ISE) can be defined as the judgment about an individual capability to organize and execute Internet actions that required conducting online tasks or assignments. (Eastin and LaRose, P 1-20, 2000; Tsai and Tsai, 2003). Price. Most of the online shoppers should take care about the prices. Equally, and always the price affects customers desire to buy a product because they are comparing their purchase in real life with purchase through online. (Kim et al., P 241-252, 2012)

Literature Review

Customer Satisfaction towards Online Shopping

There are a lot of literature reviews on Online Shopping, customer Perception and behavior toward online shopping and factors affecting customer buying behavior. I have collected the following literatures: Zang, P. has mention that here are some factors have been used, these factors can be as the following, The following

factors have mentioned here they are as following: Consumer attitudes, intentions purchasing behavior, personal characteristics, vendor/service/product characteristics and website quality. It was found that the following factors such as: personal characteristics, vender/service/product characteristics, and website quality significantly affect strongly the online shopping attitudes, intention, and behavior. The aims of this study were to target more proper consumers groups, improving product and/or service quality, and improving website quality, these can directly affecting the consumer behavior and attitudes. So, this study has been found six factors in the online shopping area. Li, N. and Zhang, P. (2002). According to other research papers, the potential respondents were drawn from Ipsos MORI's global online panel. It was focused the following countries to do their survey. The countries are as following: France, Germany, Great Britain, Italy, Poland and Spain. This report presents the findings of a survey among over 3,000 online shoppers in six different European countries. 500 of them have participated in the survey. The objectives of the survey was: First, to understand online shopping behavior, second, establish the extent to which online shoppers are thinking and worry about the legal framework that associated with their purchases and how they refer to the conditions, third objective was to assess the potential effect of a new Europe- wide contract law on online shopping. Allen and OveryLLP (2011). The other study focuses on the consumer and how they perceive online shopping. The main purpose is to examine and decide some factors that could affect consumer online shopping. Primary data was collected through a survey that was conducted on students at the University of Kristiansted. Here, they have found the 3 most important factors such as: Price, Trust and Convenience and Price. Furthermore, There have found also segments which they have identified like: High Spenders, Price Easers and Bargain SeekersHasslinger, A., Hodzic, S. and Opazo, C. (2007). This report is the first in a series of three research reports to be published as part of the ACMA's Communication report 2010-11 series including three different reports, these reports involving some information about ACMA stakeholders about digital economy and how much impact on communication and media services and also on consumer behavior. This report is the ACMA's second examination of online purchasing behaviors focused on the Australian internet users…This report provides an information about the Australian participation in online shopping and understand their feeling and the study focus on the issue of adopting the mobile e-commerce. And that is all to improve the Australian Business by motivate the consumers to check and find the online shopping services. Australian Communications and Media Authority (AC&MA), (2011). Sometimes we have seen that specializes in engaging, handling, organizing and understanding the new digitally driven consumer in the fast-moving media and technology. The report includes some criteria which have.

focused on things like: Smartphone users, tablet and computers. And here the study is focused on the issue of, if using these three criteria of shopping or other services and they have found that the consumers who use smart phones, tablet and computers used for both, shopping online and in store. Research Debunks Common Myths. (RDCM), (2010). It was mentioned in this research that the most companies like to sell and buy through internet. The study focused on the impact of demographic factors which can be affect the online shopping consumers and that parameters like satisfaction with on-line shopping, future purchase intention, frequency of on-line shopping, numbers of items bought, and overall spend on on-line shopping. This study has been done in India and the findings were the online shopping in India affected by some factors like gender, age, marital status, family size and income. Nagra, G. and Gopal, R. (2013). Online shopping gets a definition that can be considered an immense importance in the modern business environment. The study is trying to cover some issues of online shopping. The aims of this research were to: First, understanding present status of online shopping, second, to explore and find some factors that affect online shopping. It focused on the behavior of online shopping consumers. Third, the study has tried to explore the difficulties and problems which they may face when they have chosen the Internet as the main shopping medium. The findings were that both privacy and security risks can be considered as two main factors that make consumers wary when they have chosen to buy online. Shopping convenience, immediate possession, information seeking, social interaction, and variety affect the consumer attitude towards online shopping. Kumar, S. and Maan, S. (2014). The aim in sometimes can be as how a consumer learns online

shopping especially for physical goods and how can create a mode for that? What are the processes? The study takes into consideration some factors that can create the process of learning online shopping. The factors were: motivational drivers; perceived usefulness and benefits; ease of use and perceived control; social groups and media influences; attitude towards internet shopping; prior knowledge and experience; individual trust propensity; familiarity; confidence, trustworthiness of B2C online merchants; and qualifying trust. And the study focuses on the Qualify trust to adopt online shopping Puni, F.E. (2013). From the result we have found that focused on the consumer of the United States broadband population by age, income, and region. It covered three topics as following: 1) Devices and Channel usage in IoE world; 2) Anticipated usage of eight in-store digital concepts by industry segment. The research was looking for three main points are: enhance the retailer business, the managers who manage the private sector in the business area and how they have managed their business. successfully and improve their profitability and productivity Stine, J. and Sethi, H. (2014). The part that talks about consumer reaction to a poor online shopping experience. Here the study reported that the consistent and loyalty of the customer positively affects the success of online retailers and that depends on many factors. And it was focused on the consumer opinions when they were faced so many problems during online purchase. Some of the factors which have been mentioned in this study were: deficient performance of web site, Site loyalty, duration of visits. Jupiter Kagan Inc. (2006). Online shopping and retailer success depend on the attract consumer to buy online. And nowadays the number of consumers is going to increase due to the requirement of modern life. The study was focused on the consumer acceptance of online shopping. The factors which have been used in this research were: Demographic information, Shopping orientation, Internet experience and perceived risk. Keywords: online shopping, acceptance, consumer behavior, shopping intention, and e-commerce. Zhou, L., Dai, L. and Zhang, D. (2007). For finding the factors that affect consumer behavior during online shopping, the study has chosen two groups of people and two countries: United Kingdom and Turkey. The important thing to an organization is to know the consumer needs and wants in the competitive business area. The factors which were found in this study were: culture, social class; references group relation, family, salary level and salary independence, age, gender. This study has been done to keep the loyalty of the customers who are already in market and who want to penetrate market in Turkey and United Kingdom.Yoldas, S. (2011). The online channel is the most important part that can be seen in day-to-day behavior. The aim of this study is to find the answer to the following question: What is the multichannel picture in US? How the global and US retailers respond. The study focused on the multichannel commerce experience through working with clients in the marketplace. And focused on the global online shoppers and trying to find the area around the world had experience to convert from single to multichannel retailing. This research covered eight countries as following:(US, China, Hong Kong, Germany, France, UK, Switzerland, and The Netherlands), and also it was taken in consideration the demographic profiles such as : age , gender, employment statues and region .McPartlin, S. and Dugal, F.L. (2012). A critical issue in e-commerce was the purchase by websites and the second thing was focused on the shipping and post purchase services that will help and improve customer knowledge and experience. There were so many questions can be answered from this study like: Whet was the important concept of online shopping experience; which kind of shipping services are always available? How do services provided after online shopping have an impact on the overall online retailer? The topics which we can find from this study were: returns and shipping. And it focused on the way of gaining customer satisfaction, loyalty and lifetime value of customers. The finding of this study was mentioned that customer satisfaction toward online shopping is strongly related to two main factors: returns and shipping. Free shipping attracts and motivates customers to continue buying through the internet. And the customer is ready to pay any amount of money related to shipping to get the product faster. Also, the time is important that affects the customer satisfy about online purchase. Because the customer is always worrying about the time of package arriving. Kleinman, S. (2012). Here the researcher was applied study on the receptivity to online shopping. There were 9 factors have been used to find out the result of this study. The nine factors which were used in this study were: Price, Refund, and Convenience, Auction websites, Security, Brand, Search engines, Promotion and Online shopping malls. These factors have arranged from highest affect the internet users to accept the online shopping to lowest one. They have found that there was different between

male and female when check the result of the study. The goal of this study was to understand customer behavior during online shopping by some factors in 3 purchasing stages. Akbar, S. and James, D. (2014). In educational institutions in Coimbatore City. The research is trying to find the variables or factors that affect the consumer intention to buy online. They have used the following factors: Time saving, Customer interest on e-shopping, Travel is not much required, High searching time, Impact of internet speed, Possibility of shopping experience, Preference of e-shopping in future, easy payment, less cost benefit, attractive offers, negotiation is not possible, product can be customized, purchase is possible everywhere, lack of physical evidence, Access to Global brands, More brand choices, Less varieties available to view on website, and Product intangibility makes customer difficult to choose. The findings were factors like perceived risk, ease of use and product attributes are positively correlated with online purchase intention. Among these variables, product attributes are the major factor that leads to high purchase intention for online shopping. Balamurugan, N. R., Sathish, M. and Sathyanarayanan, S. R. (2013). Here also in this research, the researcher aims to find some key factors that can affect the customer behavior toward online shopping. According to the researcher, he mentioned that the knowledge of consumer behavior toward online shopping was very less because it was to be thinking about substantial number of factors in this area. So, this study focused on the following factors that could strongly affect consumer behavior such as: perceived risks, infrastructural variables and return and there are specific innovativeness and subjective norms. The result of this study was that the financial risks and non-delivery risk negatively affected attitude toward online shopping, and the innovativeness and subjective norms positively affected on the consumer behavior. Javadi, M.H.M., Dolatabadi, R.H., Nourbakhsh, M., Poursaeedi, A. and Asadollahi, R.A. (2012).

Significance of Study

This study will be helpful of the following areas:

1. <u>Developing country</u>. It plays a key role in developing our country to use new technology innovations. The study is covering the online shopping in Oman. So that may lead to develop Oman in the information technology.
2. <u>People Knowledge</u>. Online shopping knowledge in Oman is very less. So, the study will be helpful to improve the knowledge of employment and non-employments shoppers online. And this study led to an increase and search more about the factors affecting customer satisfaction toward online shopping more than the factors which we have found in this research.
3. <u>Business environment</u>. Increasing profitability of some Omani vendors by online selling and making offers through internet. So, in the marketplace the seller and buyer find that the good opportunity to make so many offers through online which can be get a high profit in less time due to millions of people are online most of their time.
4. <u>Reference of researcher</u>. The study may be taken by some of business researchers to be used as references when they want to set up any kind of electronic business or to do other research which may cover the shortage of the recent study.
5. <u>Increase knowledge of shoppers.</u> The factors which have used in this research can be help the people who are always using internet shopping and that lead them to increase their knowledge to avoid any problems in this case.
6. <u>Establish real project.</u> The study can be a basis for setting up the project in real life. Such as: setting up an electronic shop that provides services to buy products online from foreign countries.

- **Objectives of the Study**

The aims of the study were-

1. To find the factors that induces customer in Oman- Muscat for Online Shopping.
2. Find the relationship between each factor with customer satisfaction towards online shopping.

3. To know the percentage of these factors that affect customer satisfaction toward online shopping.
4. To find which factors will affect negatively and which factors affect positively the customer satisfaction toward online shopping.
5. To understand how online shopping attracts customers more than the physical way of purchasing.
6. To find out the relationship between demographic profile of respondent and their satisfaction towards online shopping.

Hypotheses

Hypotheses test can be called also as significance testing, Hypotheses test including steps and each element in the procedure should be understood. In this study we want to see the value of t. And understand the relationship between each factor have been used with customer satisfaction towards online shopping. The application of t-value can be as follows: Comparing two sample means, comparing the means of paired observation, decide the significance of regression coefficient and it can compare two regression coefficients.

H1. There is a positive relationship between perceived ease of use and customer satisfaction towards online shopping.

H2. There is a positive relationship between perceived usefulness and customer satisfaction towards online shopping.

H3. There is a positive relationship between perceived compatibility and customer satisfaction towards online shopping.

H4. There is a positive relationship between social influence and customer satisfaction towards online shopping.

H5. There is a positive relationship between trust and customer satisfaction towards online shopping.

H6. There is a negative relationship between perceived risk and customer satisfaction towards online shopping.

H7. There is a negative relationship between privacy and customer satisfaction towards online shopping.

H8. There is a positive relationship between security and customer satisfaction towards online shopping.

H9. There is a negative relationship between internet shopping anxiety and customer satisfaction towards online shopping.

H10. There is a positive relationship between internet self-efficacy and customer satisfaction towards online shopping.

H11. There is a positive relationship between price and customer satisfaction towards online shopping.

Scope of the Study

The scope of this study is restricted to Oman-Muscat region. The emphasis was to find factors that affect customer satisfaction towards online shopping in Oman. That was focused on the shoppers among country contexts. Purchasing and selling products and services over the internet without the need of going physically to the market is what online shopping is all about. Online shopping is just like retail store shopping that we do by going to the market, but it is done through the Internet.

CHAPTER 2 RESEARCH METHODOLOGY

Research Design

The research design is created to seek answers for research questions. Descriptive research design was used in this study by applying questionnaire. A structural questionnaire was used to collect data. The data in descriptive research is usually correct, factual and systematic but it cannot describe the cause and effects of every think of phenomenon. A descriptive research method can provide a number of answers to various aspects being studied because you have the numerical element as well as the personal and observational element as well as the personal and observational element involved.

Sampling Design

The sampling design has two main parts, sampling method and the estimator. The sample method is the rules and procedure which can be taken by some elements from the population and the most familiar type of sampling are random sampling, stratified sampling and cluster sampling. In this study, the sample size was 200 employees and students from Waljat College of applied science and other respondents from outside from this college which located all in Muscat 200 questionnaire were distributed. From the filled questionnaires106 were found complete and valid for study. The respondents are classified into occupation, gender, age group, educational level. The questionnaire attached shows that each topic has been collected from one source as its mention in the annexure. The customer satisfaction factors towards online shopping that have been collected from: Faqih, M.S. (2016) [18]. And after taking from the sources some items were deleted which was not required in this study.

Data Collection Method(s)

Data collection is considered a process of collecting data and here we have used questionnaire which has been created through online Google document and distributed randomly. These data which has been collected was related to 11 variables such as: Perceived ease of use, perceived compatibility, perceived risk, price, security, privacy, perceived usefulness, social influences, Internet shopping anxiety, trust and internet self-efficacy. And also we have collect some personal information like: Gender, age group, monthly household income and educational level. In this study the primary data was collected from designed questionnaire. Secondary data was collected from different sources such as article, internet, literature and books.

Analysis of Data: Tools & Techniques

Regarding the primary data analysis, the questionnaire was used to analyze the perceived customer satisfaction and other related factors can be included to enhance the capability of customers adopt Internet Shopping based on the following factors, such as: Perceived ease of use, Perceived usefulness, Behavioral intention, Perceived compatibility, Trust, Perceived risk, Social influence, Internet self-efficacy, Privacy, Security, Internet shopping anxiety, and Price. The questionnaire structure is using Likert scale, a statement with which the respondent shows a specific amount of agreement/disagreement. Has seven points interval scale, select anyone of them it based on the degree important of question to the respondents. A Likert item showing the respondent degree of agreement and helping to get their evaluation regarding the research. The format of a typical seven-level Likert item, for example, could be:

1. Strongly Disagree
2. Strongly Agree

Then we have to apply what we have got from gathering data through survey by using

SmartPLS2, firs; to check the reliability and validity by using Cronbach alpha (α), second: also, it will find the average path coefficient, third; finding the average R- squared and the average variance inflation factor. Last, we must test hypothesis by T-test available in Smart PLS software and we have 11 hypotheses to test the relationship between factors on customer satisfaction towards online shopping.

Factors that affect customer satisfaction toward online shopping.

	Determinants		Items
1	Perceived ease of use	1	Internet shopping is easy to do.
		2	It is easy to become skilful using Internet shopping.
		3	Learning to shop online is easy.
		4	Internet shopping is clear and understandable.
		5	When I shop online, it is easy to do what I want to do.
2	Perceived usefulness	6	Internet shopping improves my ability to make good purchase decisions.
		7	Internet shopping allows me to get my shopping done more quickly.
		8	Internet shopping allows me to enhance my purchasing effectiveness.
		9	When I shop online, my performance in purchasing is improved.
3	Perceived compatibility	10	Using Internet shopping fits well with my lifestyle.
		11	Using Internet shopping fits well into my work style.
		12	Using Internet shopping fits well with my shopping needs.
4	Trust	13	I feel safe in my transactions with the Web site.
		14	I trust the Web site to keep my personal information safe
		15	I trust the Web site administrators will not misuse my personal information.
		16	I believe in the information that Internet shopping sites provides.
		17	There are negative outcomes to Internet shopping.
		18	Based on my feeling of Internet shopping, I know it is not opportunistic.
5	Perceived risk	19	Shopping on the Internet is risky
		20	There is too much uncertainty associated with shopping on the Internet.
		21	Compared with other methods of purchasing, Internet shopping is riskier.
6	Social Influence	22	People who are important to me would think that I should use Internet shopping.
		23	People who influence me would think that I should use Internet shopping.
		24	People whose opinions are valued to me would prefer that I should use Internet shopping.
		25	People in my organization who use Internet shopping have a high profile.

7	Internet Self efficacy	26	I could easily use the web to find product information on a product/service.
		27	I can get to a specific Web site with a browser.
		28	I feel comfortable searching with World Wide Web on my own.
		29	I would be able to use Web on my own to locate Internet shopping sites.
8	Privacy	30	I am worried about the security of financial transaction on the web.
		31	I am uncomfortable giving my credit card number on the Web.
		32	I am concerned over the security of personal information on the web
9	Security	33	Internet shopping system provides good protection of personal information.
		34	Internet shopping system does not cause discomfort in the checkout and payment process.
		35	Internet shopping system does not cause worry regarding potential leak of personal information.
		36	Internet shopping system generally offers safe transactions.
		37	In general, making payments online is risk free.
		38	When I send data through a web site, I am sure they cannot be modified by a third party.
10	Internet shopping anxiety	39	I feel apprehensive about using Internet shopping technology for purchase.
		40	I hesitate to use Internet shopping technology for fear of making mistakes I cannot correct.
		41	I have avoided Internet shopping technology because it is unfamiliar to me.
11	Price	42	I consider price when I buy online.
		43	Price is an important motivation for me when I am shopping through the Internet.
		44	I use the Internet to buy at a lower price.
12	Customer Satisfaction	45	I satisfy to shop online
		46	I am comfortable with online shopping
		47	I consider online shopping is the best way of shopping.
		48	I will strongly recommend internet shopping to others.

Table2.4.1: Factors that affect customer satisfaction toward online shopping.

Factors items taken from M.S Faqih, K.M (2016) and Customer satisfaction items has been taken from SurveyMonkey 2016

Limitations to the Study

1. Less secondary information from the websites.
2. Lack of researcher knowledge in using modern statistical calculation software.
3. Respondents have not answered all questions in the questionnaire.
4. Extremely limited duration of study (4 months).
5. The time and way of getting the shoppers among employees and students is difficult.

6. Online shopping which uses the internet is a new way of shopping. It provides much benefit to companies and consumers by using the advanced technological capabilities of the Internet.

7. Although online shopping is a new tool for marketing and is thought to be a modern way of shopping, it brings some disadvantages with it. (Risk and Security Risks).

8. Individuals who avoid shopping online are concerned about the satisfaction with the purchase. Mostly they think that this activity will not meet their needs.

9. The other risk feeling is about transaction. System security can influence shopping intention.

10. As the Internet becomes more integral to daily life, we spend considerable time online. Concerns over security, risk and legal issues remain mostly unresolved. There are mainly two types of risk that have been realized "product category risk and financial risk".

CHAPTER 3 RESULTS & DISCUSSION

Findings of the Study

According to 11 factors we have used in this thesis, we have applied thesis factors into Muscat region. Then we have applied what we have got from gathering data through survey by using SmartPLS2, first; to check the reliability and validity by using Cronbach alpha (α), second: also it will find the average path coefficient, third; finding the average R- squared and the average variance inflation factor. Last, we have to test hypothesis by T-test available in SmartPLS software and we have 11 hypotheses to test the relationship between factors with customer satisfaction towards online shopping.

Discussion on findings of the study

Frequency according to gender:

From 106 respondents. In the figure3.2.1 represent the frequency according to gender, which is show that females got the higher percentage than males which are represent that the females are more interest to do online shopping than males.
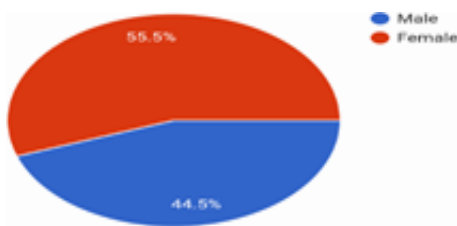

Fig. 3.2.1 Frequency according to gender

Frequency according to Age Group:

The respondents who are between 15 – 25 years old are the most interest to do online and the percentage they have got around 45 % and the people who are above than 45 years old got the least percentage amount around 6 %.
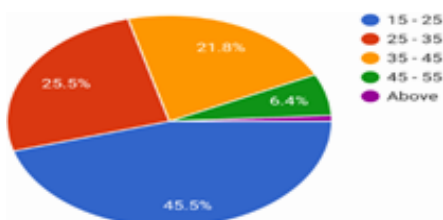

Fig. 3.2.2 Frequency according to Age Group

Frequency according to monthly household income:

As shown in the figure, that the people who are their monthly household income less than 300 R.O are more familiar and interest to do online shopping may be because of the prices offers are suitable more for this category.
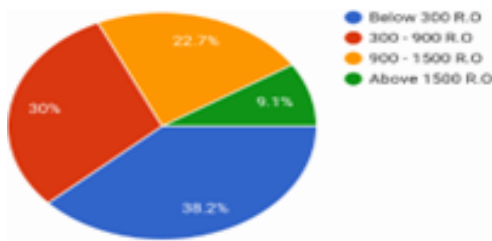

Fig 3.2.3 Frequency according to monthly household income

Frequency according to Educational Level:

The survey was distributed to the 6 different categories of educational level, they were: High school diploma, some college/associate's degree, master degree, doctoral degree and profession-all degree. The respondent who has Bachelor degree got 38 % were high school diploma got few in numbers around 5 %.
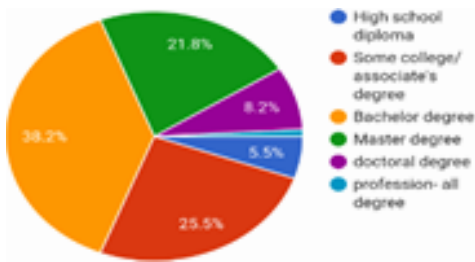

Fig 3.2.4 Frequency according to Educational Level

Constructs Path Model

The software PLS-SEM can provide the bootstrapping and the relationship between 11 factors used in this research (Perceived ease of use PEOU, Perceived Usefulness PU, Perceived risk PR, Price, Security, Privacy, Internet self-efficacy ISE, Internet shopping anxiety ISA, Social Influence SI, Perceived compatibility PC and Trust TR) with Customer Satisfaction towards online shopping and the result which we have got from different measurement by using PLS-SEM Partial Least Structural-Structural Equation Modeling.
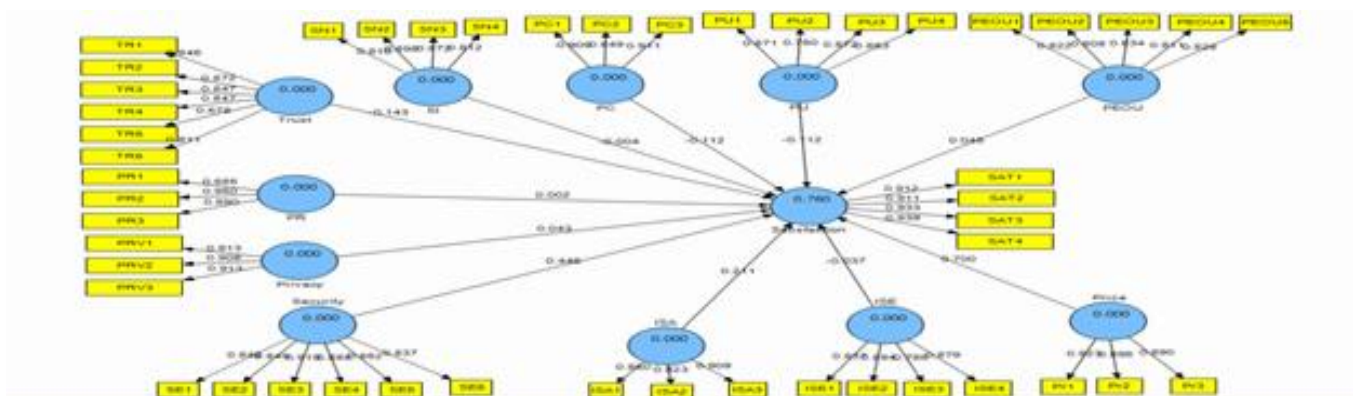

Fig 3.2.5 Constructs Path Mode

Validity and Reliability:

The first step in PLS-SEM is to examine the measure's reliability and validity of constructs which we have in this research. The composite reliability should be higher than 0.7 and for the exploratory research should be 0.6 to 0.7 to be acceptable. As shown in the result, the composite reliability for all constructs is higher than 0.7. And AVE (Average Variance Extracted should be higher than 0.5 and here in the following table are showing higher than 0.5 for all constructs. The PLS have been used also Cronbach Alpha because the survey includes 7-point scale, so thus an alpha below 0.7 suggests you have a poor scale. And here the result showing all items have higher than 0.7 alpha.

Constructs	R Square
Customer Satisfaction	0.759866

Table 3.2.1 Validity and Reliability

R Squared:

R squared is a statistical measure of how close the data are to the fitted regression line. Here the R Squared shows that 75% of the model explained variability of the response data around its mean. R^2 that is coming as 0.831206 that means it is large and it shows that 83% of the variation in Privacy is explained by the factor model. The result suggests that the factor analysis does the best job of explaining variation in Privacy, Price, Perceived compatibility and Security.

Table 3.2.2 R Squared

Constructs	code	AVE	Composite Reliability	R Square	Cronbachs Alpha	Communality	Redundancy
Internet Shopping Anxiety	**ISA**	0.742159	0.896054		0.827624	0.742159	
Internet Self Efficacy	**ISE**	0.722693	0.912274		0.872031	0.722693	
Perceived Compatibility	**PC**	0.792243	0.919535		0.868675	0.792243	
Perceived Ease of Use	**PEOU**	0.673277	0.911520		0.880529	0.673276	
Perceived Risk	**PR**	0.720976	0.883907		0.829093	0.720976	
Perceived Usefulness	**PU**	0.718974	0.910696		0.871548	0.718974	
Price	**Price**	0.815307	0.929775		0.886602	0.815307	
Privacy	**Privacy**	0.831206	0.936600		0.898625	0.831206	
Social Influences	**SI**	0.721610	0.911896		0.871843	0.721610	
Customer Satisfaction	**Satisfaction**	0.853339	0.958796	0.759866	0.942732	0.853339	0.123123
Security	**Security**	0.748240	0.946842		0.932424	0.748240	
Trust	**Trust**	0.650593	0.916643		0.889601	0.650593	

Latent Variable Correlation

The correlation explained the relation to each construct with others. The correlation coefficient range should be between -1 and +1 as shown in the table below the correlation for all factors are +1. Here is computing the correlation among the constructs. This is the scores of evaluations of discriminant validity are given in the following table.

	ISA	ISE	PC	PEOU	PR	PU	Price	Privacy	SI	Satisfaction	Security	Trust
ISA	1.000											
ISE	0.211	1.000										
PC	0.272	0.715	1.000									
PEOU	0.140	0.659	0.745	1.000								
PR	0.508	0.250	0.220	0.216	1.000							
PU	0.244	0.694	0.810	0.771	0.221	1.000						
Price	0.193	0.637	0.596	0.538	0.207	0.592	1.000					
Privacy	0.546	0.314	0.255	0.207	0.605	0.260	0.338	1.000				
SI	0.418	0.609	0.550	0.515	0.342	0.576	0.402	0.190	1.000			
Satisfaction	0.446	0.491	0.482	0.414	0.316	0.465	0.760	0.425	0.473	1.000		
Security	0.410	0.527	0.634	0.554	0.276	0.627	0.463	0.223	0.709	0.632	1.000	
Trust	0.329	0.573	0.627	0.682	0.259	0.668	0.470	0.074	0.647	0.422	0.673	1.000

Table 3.2.3 Latent Variable Correlation

Total Effects- Path coefficients (Mean, STDEV, T-Values)

To find the correlation, first should find mean (Average) which we can say the set of results of survey, and then can find the standard deviation etc. This study result shows the earlier section set up was particularly good fit the data to the model which is designed for this study. PLS-SEM have used hypothesis also for analysis. The result which we have gotten from the hypothesis test was that the eleven factors significantly affect Customer Satisfaction towards online shopping.

The price factor has greatest positive impact on the customer satisfaction towards online shopping while the social influence factor considered as the weakest impact on the customer satisfaction towards online shopping. We can say that the first three factors affecting the customer satisfaction towards online shopping are: Price, Security and Internet shopping anxiety. The hypotheses result showing the following: H1, H2, H3, H4, H5, H7, H10 are not supported because they are insignificant relationship while H6, H8, H9 and H11 have meaningful relationship and supported.

	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	Standard Error (STERR)	T Statistics (|O/STERR|)
ISA -> Satisfaction	0.211452	0.209647	0.084362	0.084362	2.506485
ISE -> Satisfaction	-0.036874	-0.033532	0.097044	0.097044	0.379974
PC -> Satisfaction	-0.112216	-0.102321	0.123111	0.123111	0.911506

PEOU -> Satisfaction	0.045159	0.046518	0.091637	0.091637	0.492805
PR -> Satisfaction	0.001659	0.015146	0.097217	0.097217	0.017062
PU -> Satisfaction	-0.112250	-0.104878	0.118107	0.118107	0.950411
Price -> Satisfaction	0.699737	0.701885	0.079636	0.079636	8.786747
Privacy -> Satisfaction	0.043418	0.022584	0.103849	0.103849	0.418088
SI -> Satisfaction	-0.003936	-0.008473	0.083455	0.083455	0.047165
Security -> Satisfaction	0.446163	0.418832	0.151568	0.151568	2.943660
Trust -> Satisfaction	-0.142785	-0.128900	0.113029	0.113029	1.263264

Table 3.2.4 Total Effects (Mean, STDEV, T-Values)

Critical t-values for a two-tailed test are 1.65 for significance level of 10%, 1.96 for significance level of 5% and 2.58 at significance level of 1%.
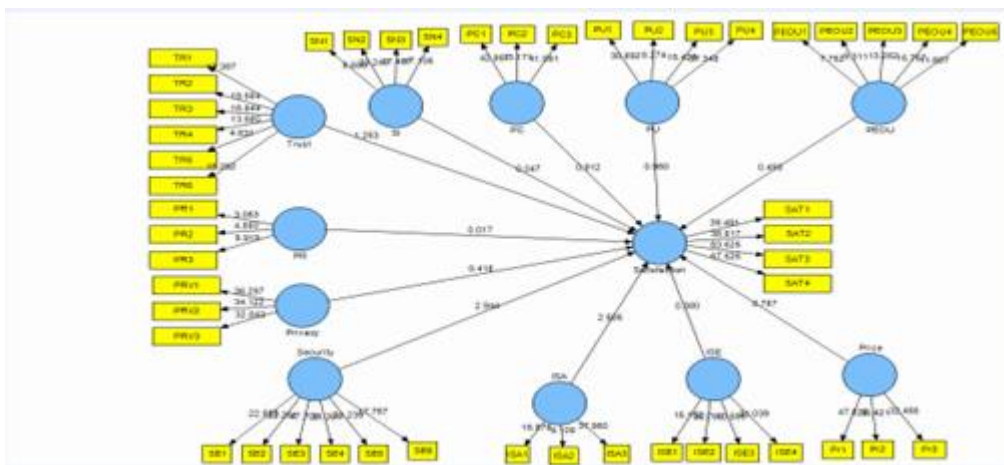

Table 3.2.6 Bootstrapping

CHAPTER 4 CONCLUSIONS

After conducted this research, it was indicate that online shopping in Oman – Muscat region become very familiar and the customer prefer to do online shopping instead of visiting shops physically, mainly because it is so convenient but in other hand there is also risks while doing online shopping, so in this research we have conduct online survey to collect the primary data of respondents. This survey includes three sections. First, there are 11 factors affect customer satisfaction towards online shopping, these factors are: Perceived Usefulness, Perceived Compatibility, Social Influence, Trust, Perceived ease of use, Internet self-efficacy, Perceived risk, Price, Privacy, Security and Internet shopping anxiety. According to the result the most factors affect customer satisfaction towards online shopping was done first by drawing a model of path constructs through PLS-SEM. The first step in PLS-SEM is to examine the measure's reliability and validity of constructs which we have in this research. As shown in the result, the composite reliability for all constructs are higher than 0.7. And AVE (Average Variance Extracted should be higher than 0.5 and here in

the following table are showing higher than 0.5 for all constructs. Let we see the R^2 that is coming as 0.831206 that mean it is substantial and it indicates that 83% of the variation in Privacy is explained by the factor model .The result suggest that the factor analysis does the best job of explaining variation in Privacy, Price, Perceived compatibility and Security . Then the correlation has seen that there is a relation between the constructs for each one with others. By PLS-SEM we have done cross loading technique for analyzing the study and the result was, the evaluation of indicators by cross loading showing that the measuring item are loading more strongly on their constructs than other constructs. And to find the correlation, first should find the mean (Average) which we can say the set of results of survey, and then can find the standard deviation…etc. as shown in table 3.2.4. This study result shows that shows there was particularly good fit the data to the model which is designed for this study. PLS-SEM have used hypothesis also for analysis. The result which we have from the hypothesis test was: H1, H2, H3, H4, H5, H7, H10 are not supported because they are insignificant relationship while H6, H8, H9 and H11 have meaningful relationship and supported. The price factor has the greatest positive impact on customer satisfaction towards online shopping while the social influence factor is considered the weakest impact on customer satisfaction towards online shopping. We can say that the first three factors affecting the customer satisfaction towards online shopping are: Price, Security and Internet shopping anxiety. In the other hand we have found the frequency of demographic profile which have been used in this study such as: Gender, Age group, educational level and Monthly household income. Females are more interest in doing online shopping than males which their frequency showing around 55 %. In age group and that may cause of lack attractive way to males for motivating them to do online shopping, the people between 15 to 25 years old segment were the most familiar with online shopping were the people who are above 45 years old got the least percentage in the respondent because this segment may feel that online shopping is fit the modern lifestyle of young people only and they need to provide them with knowledge and what is available exactly in internet shopping to encourage them. According to the monthly household Income, the respondent who get less than 300 R.O per month are more interested to do online.

Shopping due to the fewer prices of products available on the internet. The educational level of respondents also shows a different view. Bachelor degree students got the highest percentage in doing online shopping which is reached around 38 %. It may cause of some reasons, one of them may be the student of bachelor they are be a ready to join or finding jobs so that consider as new way of life they are going so they need to increase their knowledge in internet searching whatever , shopping, job seeker or education.

CHAPTER 5 SUGGESTIONS & DIRECTIONS FOR FUTURE RESEARCH

Suggestions

According to the result in the study of customer satisfaction towards online shopping, females got the higher percentage than males in buying through online and more interest to do the online shopping so if focus on the comparing these two segments in this kind of study will get different view of results. Also, there is one more suggestion from the customer who would like to do online shopping, they prefer to call the shop itself before going to buy online, this issue can be taken for future study.

Directions for Future Research

After doing my research on Customer Satisfaction with Online Shopping. We have gotten the

Positive result according to the research conducted in Sultanate of Oman, especially in Muscat.

Region. I have pointed some views which will be useful in future research use:

- I would like to conduct one survey in other Gulf country to see their people's satisfaction towards

online shopping.

- In future research, the larger sample will be taken and will cover the people in rural areas to examine whether the new technology has reached to that places and how the people will acts in front of online shopping, then that study will help to improve the development of the rural areas.
- In future that can take some goods that are remarkably familiar to customers, and they prefer to buy it online and be more specific.
- This kind of study will help so many disciplines like: Marketing, Business, Education, Psychology…etc. So, if it is implemented in different areas the result may come in a unique way.

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