
Nguyen Ngoc Duy Phuong*, Tran Thi Dai Trang
International University, Vietnam National University HCMC, Vietnam

ABSTRACT

This study employs DeLone and McLean’s information system success model to measure the effect of service quality, system quality, information quality on repurchase intention of the smartphone-based ride hailing service in Vietnam. Data were gathered by surveying 427 customers using Grab and Uber services. PLS was employed to analyze the measurement and structural model. The statistical results supported all five proposed hypotheses. The study confirmed that electronic service quality of information system were significant predictors of overall perceived service quality. Additionally, this study reported a significant positive effect of perceived service quality and customer satisfaction on repurchase intention. The study also confirmed the relationships of the three variables representing the electronic service quality on the overall service quality, which directly effects customer satisfaction, considering a more comprehensive model for service in m-commerce context. This paper extends the knowledge on the service factors and customer satisfaction of repurchase intention.

Keywords: repurchase intention, customer satisfaction, system quality, service quality, information quality, m-commerce

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Introduction

In recent years, thanks to the advance of smartphone technology that has enabled customers to hail a taxi or motorbike taxi via their smartphones instead of going out and hailing on
street. The efficiency of communication between customers and drivers has improved throughout the online ride-hailing service application. The platform typically follows the following procedures: After entering pick-up locations and destinations, the price with the corresponding vehicles appears, customers choose a suitable vehicle and payment method and then request the ride; the information is sent out to the nearby available drivers; after accepting service request, driver’s information is sent to that customer; driver contacts and comes to pick up customer and the ride-hailing process completes. Many state that the smartphone-based ride-hailing service offers facilities such as reducing searching and meeting time, transparent price, and flexible paying methods. It could be seen that this ride-hailing service platform causes significant impacts on the riding service system. Since 2014, Vietnam market has witnessed a dramatic race of two popular smartphone-based ride-hailing service brand, namely Grab and Uber. The taxi market has been extremely competitive since the online ride-hailing service through mobile application Grab and Uber launched in Vietnam, which forces the traditional taxi service companies to develop themselves to survive in the market. Many traditional taxi companies have launched their own ride-hailing service mobile applications such as Mai Linh, Vinasun, Thanh Cong, and a new comer, namely Facecar, a Vietnamese start-up with different innovative features and services. The smartphone-based ride-hailing service market has recently become extremely competitive. This persuades service provider to improve the quality of service and invest in technology to build up their competitive advantage in the market. Further investigation is required to examine the service quality of the mobile application, which could lead to customer satisfaction and finally result in customer repurchase intention. Therefore, this study aimed at investigating the determinants of repurchase intention of the smartphone-based ride-hailing service through the mediating effect of customer satisfaction.

Electronic Service Quality

In e-commerce business, electronic service quality (e-SQ) is progressively critical in customer evaluations and judgments such as the quality of e-service delivery in the virtual marketplace (Ting, Ariff, Zakuan, Sulaiman, & Saman, 2016). The e-SQ is highly acknowledged due to its high relation with the success or failure of an internet-based company such as the smartphone-based ride-hailing service. The online ride-hailing service helps customers access their mobile application to purchase a service; therefore, the extent to which their needs are fulfilled online is important. The transactions between customers and service providers are conducted through mobile application and the smooth transactions have significant effect on the level of e-SQ. Quality of the mobile application plays a key role in online marketing. In other words, a mobile application is perceived as one of the online business’s instruments for delivering quality of electronic services to customers like the online ride-hailing service.

The terms online service quality and web service quality have alternately been used by many researchers (Lee & Lin, 2005; Piccoli, Brohman, Watson, & Parasuraman, 2004; Zeithaml, Parasuraman, & Malhotra, 2002). Zeithaml et al. (2002) is one of the pioneers introduced the concept of e-SQ and examined its role delivering value to customers via website. They stated that service quality of website provides better ways in shopping,
purchasing, and delivery of products and services. According to this definition, the quality of a website is characterized as an important factor in providing customers sufficient service to shop confidently and comfortably, and to have expectation on fast delivery and reliable service.

Many past measurement models of electronic service quality are presented. Salameh and Hassan (2015) found that in academic environment, mobile-commerce (m-commerce) is a new area of research and it is very challenging to find related studies with supported evidence. Not many researches have investigated the relationship between perceived service quality, sacrifices, value, customer satisfaction, and their effects on customer behavior intentions within the m-commerce service industry. Nevertheless, service through website and mobile can be expected to have similarities as both are internet-based services. Based on the study of Salameh and Hassan (2015) and updated model Information System Success of DeLone and McLean (2003), three variables including service quality, information quality, and system quality are used in this study to represent electronic service quality of the mobile information system (IS).

**Service Quality**
Service quality is customers’ attitude established by a long-term evaluation of an m-commerce service performance. Two dimensions used to measure the service quality are responsiveness (employees’ willingness to deal with customers’ complaints and requests) and customization (the degree of individualization of communication and awareness of service providers of consumer needs).

**Information Quality**
Information quality is perception of customer on the quality of information displayed on a mobile commerce application. Information quality consists of two dimensions, namely content adequacy (reliability, sufficiency, and completeness of information provided) and content usefulness (informativeness and valuableness of information displayed).

**System Quality**
System quality is customers’ perception of information retrieval and delivery of a mobile commerce application performance. To evaluate system quality, four dimensions including easy of use (degree of person’s perception that using the system is free of effort), navigation (evaluation of links to needed information), interactivity (accessing search engine and the personal design, i.e., the shopping cart feature), and accessibility (speed of access and availability of system) are employed.

**Overall Perceived Service Quality**
In the modern marketing perspective, perceived service quality focuses on consumer perceptions of excellence service, product, and satisfaction of consumer requirements (Ghobadian, Speller, & Jones, 1994; Parasuraman, Zeithaml, & Berry, 1985, 1988). From this perspective, perceived service quality has been termed as overall impression of customers on superiority/ inferiority of the organization and its service (Bitner & Hubbert, 1994) and a
global judgment or attitude, associating with the superiority of the service (Parasuraman et al., 1988). Generally, overall perceived service quality is explained as the direction and degree resulting from evaluating actual perceptions of service performance and consumer expectations (Zeithaml, Parasuraman, & Berry, 1990). In the past three decades, research has demonstrated that service quality affects the purchase decisions; however, only few has applied m-commerce service (Salamed et al., 2015).

**Customer Satisfaction**

Customer satisfaction is characterized as needs and goals to achieve a pleasurable level of fulfillment and emotional response provided by a service (Oliver, 1997). Customer satisfaction is a critical factor to understand how customers’ need and want is fulfilled. Furthermore, dissatisfaction is likely happened when perceived service performance does not meet expectations (Churchill, 1991). Attitudes and perceptions from previous service experiences can reflect the level of satisfaction or dissatisfaction and may influence repurchase intentions (Cronin, Brady, & Hult, 2000). Customer satisfaction is an important element in delivery service for understanding and satisfying the customers’ needs and wants, which further can increase market share resulting from repeat purchases and referrals (Kotler, 2000).

**Repurchase Intention**

According to Ibzan, Balarabe & Jakada (2016), repurchase is described as a real action of customer in buying or using the product again. Once, a customer bought a certain thing, it is potentially to repeat purchases (Peyrot & Doren, 1994). It means that customers repeatedly consume similar services or products from similar sellers. Whereas repurchase is the actual action, repurchase intention exhibits customer’s decision to engage in future activities with the retailer or supplier (Hume, Mort, & Winzar, 2007; Puon & Dat, 2017). Customer repurchase intention has been conceptualized in some recent studies on the basis of two aspects namely the intention to re-buy (repurchase) and the intention to engage in positive word-of-mouth and recommendation (referral) (Fitzgibbon & White, 2005; Phuong & Dat, 2017; Yi & La, 2004). In this study, the repurchase intention focuses on customers’ intention using their smartphone to repurchase the riding service provided by m-commerce company.

**The Study**

Figure 1 shows the proposed conceptual model.
Research Hypotheses
Based on the above concepts, the relationships between information quality, system quality, service quality, overall perceived service quality, and customer satisfaction on online repurchase intention are demonstrated in Figure 1. The dependent variable, online repurchase intention, is defined as a consumer’s intention in the purchase of the same product or service on more than one occasion (Ibzan et al., 2016). All the key variables are explained and their relationships are discussed as follows.

Electronic Service Quality and Overall Perceived Service Quality
In a study on IT-based services and service quality in consumer banking Zhu, Wymer, and Chen (2002) discussed the effects between the e-service quality and overall service quality and their linkage with customer satisfaction. They suggested that the electronic service quality has a direct and positive influence on overall service quality. In addition, they examined the relationship between e-service quality and customer purchase intentions mediated by overall perceived service quality; following this, customer satisfaction of Lee and Lin (2005) claimed the relationship of electronic service quality and overall perceived service quality. This led to the following proposed hypotheses:

H1: Service quality is positively and directly related to overall perceived service quality.
H2: System quality is positively and directly related to overall perceived service quality.
H3: Information quality is positively and directly related to overall perceived service quality.

Overall Perceived Service Quality, Satisfaction and Online Repurchase Intention
In the literature of marketing, the relationship between perceived quality and customer satisfaction has been a controversial issue (Rahim, 2016). Perceived service quality is suggested to be an antecedent of customer satisfaction in some previous studies (Bitner & Hubbert, 1994; Ravald & Gronroos, 1996). On the other hand, some researchers claim that satisfaction of customer precedes perceived service quality (Bolton & Drew, 1991;
Parasuraman, 1997). Teas (1993) explained that the confusion of the causal relationship between perceived quality and customer satisfaction was the result of insufficient consensus on the definition and analysis of the two constructs. Teas explained that in most service quality research, the perceived service quality is viewed as a global judgement opposed to transaction-relationship focus in most customer satisfaction research. Based on the definition of Kasper, Helsdingen and Gabbott (2006), service quality is a multidimensional and temporary construct that refers to some attribute of what is delivered, while satisfaction indicates how customer reacts to that offer. According to Parasuraman et al. (1985), customer satisfaction is claimed to be a transaction-specific, while quality is more general and established over a long time period. This leads to a clear conclusion that the different perspectives of researchers result in confusion on the causal relationship. However, perceived service quality can be discussed on both global and transactional perspective (Oliver, 1997; Teas & Agarwal, 1997). On the transactional perspective, the accumulative transaction-specific of customer satisfaction with the service influences the perception of service quality; and on the global perspective, customer satisfaction is based on perceived service quality (Tam, 2004).

This research examine the relationships between perceived service quality, customer satisfaction, and repurchase intention based on the global perspective. The inseparability of the production and consumption of service creates an opportunity for organization to capture customer future purchase. During the process of service consumption, consumers are able to evaluate service quality and their level of satisfaction (Christian, 2000). In service consumption, it is assumed that if quality of service is perceived to be high, then satisfaction occurs. In contrast, if the quality of service is perceived to be low, then dissatisfaction happens. The study of Lee & Lin (2005) reveals a strong and significant relationship between overall service quality, customer satisfaction, and repurchase intention. Hence, the following hypotheses are suggested:

\[ H_4: \] Overall perceived service quality positively and directly affects customer satisfaction.

\[ H_5: \] Customer satisfaction positively and directly affects online repurchase intention.

**Method**

**Measurement Development**

The measurement scale for the variables were developed according to the previous related studies. The questionnaire for this research is divided into two parts: The first section of the questionnaire contains questions on the demographic profile such as respondents’ age, gender, job status, and monthly income. The second section of the questionnaire focuses on responses on the key constructs of the research framework namely, service quality, information quality, system quality, service quality, perceived value, overall perceived service quality, perceived sacrifices, and repurchase intention. All measures were based on a seven-point Likert scale ranging from (1) “Strongly Disagree” to (7) “Strongly Agree” and (1) “Extremely Low” to (7) “Extremely High”. The measurement items were adapted from previous studies and revalidated for this study. The three constructs represent Electronic Service Quality of the Information System including Information Quality, Service Quality,
and System Quality which involves the online service performed by mobile application. The evaluation of these three variables was employed from the studies of Yang, Caib, Zhou, & Zhou (2005), Salameh and Hassan (2015), Ribbin, Riel, Liljander, and Streukens (2004), Kassim and Abdullah (2008), and McKinney, Yoon, and Zahedi (2002) that aim to evaluate the online service quality during and after online transaction through mobile application. Overall Perceived Service Quality involves the overall perception of customers to service performed by both mobile application of company and the drivers. Three items are based on the research of Yang et al. (2005). The next construct is Customer Satisfaction which contains four manifest variables from the study of Valvi and West (2013). The final construct used in this study is Online Repurchase Intention. It is assessed using four questions that focus on the willingness of respondents to purchasing the service again. The wordings of the questions are based on the studies of Parasuraman et al. (2005).

A small scale pre-test was conducted to assess the appropriateness of the items and make revision prior to the final survey. The survey was sent to some parties including university students, officers, and some experts, who have experiences in research to validate the questionnaire language and format and ensure the logical consistencies, contextual relevance, ease of understanding, and content validation. Using the suggestion, comments, and critiques, the questionnaire was revised twice before sending out for the reliability test. To evaluate the reliability of the questionnaire, a pilot study was conducted. Twenty-five copies of the survey were distributed to users of Grab and Uber including university students and officers. The data was then entered into SPSS to examine the internal consistency reliability of the construct by Cronbach’s alpha. The findings show that all the constructs have the Cronbach’s Alpha above 0.7 (Nunnally, 1978); so no item was eliminated.

Sample Data and Data Collection Preference
Given that this research aims to understand customers’ repurchase intention in smartphone-based ride-hailing service, the target population of this study comprises all users of the online ride-hailing services in Vietnam. Respondents of the survey were selected among consumers who used smartphone-based ride-hailing service at least one time and consumers who experienced the entire process of hailing a vehicle on mobile application. The convenience sampling technique was employed for this research due to the limited time and resources of the study. This method is preferred when the population are easily accessible to researchers (Given, 2008). The respondents from an age range of 18-22 were overrepresented in the sample as they were more accessible. In addition, respondents above 35 years were excluded from the sample due to their limited ability to be accessible to the researcher. However, although the convenience sample might not best represent the population in general, the respondents between 18-35 were chosen for this research as they were the main users of this service (McGrath, 2015). After determining the sample, questionnaire was used to obtain the data because the questionnaire could directly and further promote the consistency and reliability results and enable the researcher to collect sufficient amount of data in a limited timing period and finance resources and require less time for data being processed (Dörnyei & Taguchi, 2010). To collect the data, online self-administrative survey link is published on several social networks and paper self-administrative surveys were also handed on to
university students in campus and officers in the office. Comrey & Lee (1992) suggested that a minimum of 200 valid responses is required to achieve a fair assessment regarding the sampling accuracy with a confidence level of 95 percent and a confident interval of 5 percent. In this sampling plan, 450 sample elements were selected because they were believed to be representatives of the population of interest and were expected to serve the research purpose of our study. To reduce the respondents’ inability to understand the question and their discomfort, both English and native language Vietnamese were used for the survey instruments and correspondence. The adapted instruments were translated into native language, Vietnamese.

Results
Data analysis utilized a two-step approach as recommended by Anderson and Gerbing (1988). The first step involves the analysis of the measurement model, while the second step tests the structural relationships among latent constructs. The aim of the first step approach is to assess the reliability and validity of the measures before applying in the full model. The main purpose of this investigation was to access the relationships and the effect of the main factors affecting on repurchase intention in the online ride-hailing service. To accomplish this objective, PLS-SEM was used as it is appropriate for complex structural model and it allows researcher to identify the key factors in the model. The methods of using PLS might be appropriate for its ability to improve the propositions by investigating in detail the relationships among variables. PLS-SEM method was employed in this study for the reasons that: (1) this study contains exploratory consideration and intents to detect the fundamental trigger constructs in the model; (2) the proposed model is quite complicated with the structural relationships among latent variables (Hair, Hult, Ringle, & Sarstedt, 2016). Table 1 represents the demographic information of the respondents.

<table>
<thead>
<tr>
<th>Table 1</th>
<th>Demographic Information of the Respondents (N=427)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td>Male  33.26% Female  66.74%</td>
</tr>
<tr>
<td></td>
<td>Application</td>
</tr>
<tr>
<td>Age</td>
<td>&lt;18 years old 0</td>
</tr>
<tr>
<td>Job</td>
<td>Unemployed 43.33%</td>
</tr>
<tr>
<td>Income</td>
<td>No income 24.36%</td>
</tr>
</tbody>
</table>

Measurement Model
The analysis of the validity and reliability of the measurement model is the first step in the procedure. Composite Reliability (CR) was employed to examine internal consistency. The
results showed that all the CR values were above 0.7, which is the threshold value as suggested by Hair et al. (2016). Moreover, the convergent validity was examined using the two criteria recommended by Fornell and Larcker (1981): (1) all indicator loadings should be significant and exceed 0.7; and (2) Average Variance Extracted (AVE) by each construct should exceed the variance due to measurement error for that construct (i.e. AVE should exceed 0.50). As presented in Table 2, all the loadings are above 0.7 and AVE of all construct is from 0.63 to 0.87. Therefore, the results confirm the convergent validity and internal consistency of the constructs. Table 2 presents the outer loadings and internal consistency results.

Table 2
Outer Loadings and Internal Consistency Results

<table>
<thead>
<tr>
<th>Constructs</th>
<th>Items</th>
<th>Outer Loadings</th>
<th>CR</th>
<th>AVE</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Quality</td>
<td>Customization</td>
<td>ECUS1</td>
<td>0.79</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>ECUS2</td>
<td>0.86</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Responsiveness</td>
<td>ERES2</td>
<td>0.77</td>
<td>0.87</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ERES3</td>
<td>0.75</td>
<td></td>
</tr>
<tr>
<td>System Quality</td>
<td>Accessibility</td>
<td>EACC1</td>
<td>0.76</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>EACC2</td>
<td>0.81</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>EACC3</td>
<td>0.85</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Navigation</td>
<td>ENAV1</td>
<td>0.78</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>ENAV2</td>
<td>0.74</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>ENAV3</td>
<td>0.82</td>
<td>0.95</td>
</tr>
<tr>
<td></td>
<td>Usability</td>
<td>EUSE1</td>
<td>0.84</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>EUSE2</td>
<td>0.85</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>EUSE3</td>
<td>0.84</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>EUSE4</td>
<td>0.84</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>EUSE5</td>
<td>0.82</td>
<td></td>
</tr>
<tr>
<td>Information Quality</td>
<td>Content Adequacy</td>
<td>IADE1</td>
<td>0.81</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IADE2</td>
<td>0.83</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IADE3</td>
<td>0.83</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IADE4</td>
<td>0.80</td>
<td>0.92</td>
</tr>
<tr>
<td></td>
<td>Content Usefulness</td>
<td>IUSE1</td>
<td>0.73</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IUSE2</td>
<td>0.79</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>IUSE4</td>
<td>0.80</td>
<td></td>
</tr>
<tr>
<td>Overall Perceived Service Quality</td>
<td>Overall Perceived Service Quality</td>
<td>OPSQ1</td>
<td>0.91</td>
<td></td>
</tr>
<tr>
<td>Repurchase Intention</td>
<td></td>
<td>OPSQ2</td>
<td>0.92</td>
<td>0.92</td>
</tr>
<tr>
<td></td>
<td></td>
<td>OPSQ3</td>
<td>0.84</td>
<td></td>
</tr>
<tr>
<td>Customer Satisfaction</td>
<td></td>
<td>REIN1</td>
<td>0.90</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>REIN2</td>
<td>0.93</td>
<td>0.91</td>
</tr>
<tr>
<td></td>
<td></td>
<td>REIN3</td>
<td>0.81</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SAT1</td>
<td>0.93</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>SAT2</td>
<td>0.92</td>
<td>0.93</td>
</tr>
<tr>
<td></td>
<td></td>
<td>SAT3</td>
<td>0.93</td>
<td></td>
</tr>
</tbody>
</table>

To assess the discriminant validity, the construct should share more variance with its measures than with any other constructs using the square root of AVE (Hair et al., 2016). It is shown that the square roots of AVE for each construct was greater than the correlations between constructs, indicating the discriminant validity. Another assessment to assess discriminant validity is cross-loading. According to Hair et al. (2016), each item should have a higher loading on its latent variable rather than any others. The results confirmed the sufficient discriminant validity. Table 3 shows the findings of discriminant validity.
Table 3

<table>
<thead>
<tr>
<th></th>
<th>Customer Satisfaction</th>
<th>Information Quality</th>
<th>Online Repurchase Intention</th>
<th>Overall Perceived Service Quality</th>
<th>Service Quality</th>
<th>System Quality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Satisfaction</td>
<td>0.93</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information Quality</td>
<td>0.65</td>
<td>0.80</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Online Repurchase Intention</td>
<td>0.61</td>
<td>0.49</td>
<td>0.88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Overall Perceived Service Quality</td>
<td>0.82</td>
<td>0.71</td>
<td>0.53</td>
<td>0.89</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Quality</td>
<td>0.62</td>
<td>0.54</td>
<td>0.51</td>
<td>0.61</td>
<td>0.79</td>
<td></td>
</tr>
<tr>
<td>System Quality</td>
<td>0.70</td>
<td>0.63</td>
<td>0.46</td>
<td>0.68</td>
<td>0.50</td>
<td>0.81</td>
</tr>
</tbody>
</table>

Structural Model

In PLS analysis, the explanatory power of a structural model is examined by the structural paths and the $R^2$ of the dependent variables. The analysis provides supports for all seven hypotheses with all p-value below 0.00. The non-parametric bootstrapping procedure was applied to 427 cases, 5000 subsamples, and individual sign changes. The $R^2$ indicates that the three predictors explain 68.2% of the overall perceived service quality; following this, overall perceived service quality accounts for 63.9% of customer satisfaction. Customer satisfaction accounts for 38.2% of the repurchase intention variable. Figure 2 represents the analysis for the research model.

![Figure 2. Analysis for research model](image)

Discussion and Conclusion

The statistical results confirmed the hypotheses proposed in the model. The results suggested that perceived value was the key determinant influencing customers’ repurchase intention ($\beta=0.61$). Furthermore, customer was an important mediator between overall perceived service quality and repurchase intention ($\beta=0.82$). Regarding the outcome for Overall Perceived Service Quality, all the predictors had positive and significant effects on the overall perceived service quality. To be more specific, service quality, system quality, and information quality are $\beta=0.24$, $\beta=0.32$, and $\beta=0.368$, respectively.

This study successfully extended the application of three factors of Information System Success on smartphone-based ride-hailing service. The three factors and their indicators have been proposed by Salameh and Hassan (2015) but have not been widely tested in the m-commerce industry. This research is an early attempt to uncover the application of the three factors on m-commerce. Many past researchers employed the information quality, system quality, and service quality as the manifest variables for the perceived service quality as a
latent variable. However, this study focused on examining particular effect of individual factor on how customers perceive the overall quality of service. Furthermore, this research also confirmed the relationship between the overall service quality, with the contributions of the three electronic service quality factors on customer satisfaction (Chang & Hsu, 2013; Salameh & Hassan, 2015). There are several key constructs that this research contributed to the e-commerce research explaining which crucial factors make customer decide to repurchase the service or product.

There are several advantages that the current research offers to the smartphone-based ride-hailing service industry. The statistical results indicate that overall perceived service quality has strong effect on customer’s satisfaction and finally leads to repurchase intention, which is similar to the studies of Lin and Wang (2006) and Kuo, Wu, and Deng (2009). It is suggested that if companies want to increase customer repurchase intention, they should focus on customer satisfaction by increasing the electronic service quality of the mobile application. The results also confirm the significant effects of service quality, system quality, and information quality on overall perceived service quality. This indication is similar to the research of Chang and Hsu (2013) in online travel industry. Furthermore, the statistical analyses infer the effect of information quality on overall perceived service quality. The second important construct is system quality; then service quality is the least influencer of overall service quality. A possible explanation for this is that customers have limited experience in contacting the service customer as a result they are not sufficient to evaluate the quality of service of mobile application. To improve the perception of customer on service quality, the company should consider improving the adequacy and usefulness of information appeared on the mobile application. For example, the information should provide the relevant information to customer and specific instruction for using the application. Moreover, the application should contain the information that is regularly updated and more specific on the service description like information of pick-up locations, time picking up, and the current location of diver. In terms of system quality, the mobile application is required to be easy to use, navigate, and access. For instance, the user interface should have simple layout and content, which should be well organized, have clear design, and be friendly to user. The navigation of the mobile application is also important. It should be easy to go back and forth between the pages/tabs. The application should require few clicks to locate information. This is very often important when customers use the application that they are in hurry going somewhere. The responsiveness of the application is also an important determinant and it should quickly load the content. In addition, the system should provide for the driver with the booking in an acceptable time and avoid the unpleasantness of customers. The result reflects the need of giving feedback and being replied promptly when requests sent. Moreover, the application should be customized to customer such as suggesting the appropriate kinds of vehicles, convenient pick-up location, and time and methods of payment.

While this study contributes to the smartphone-based ride-hailing service industry, there are several limitations which should be pointed out. Firstly, the data collected using the convenience sample methods and exclusively from Vietnamese respondents in the age of 18-25. Although being the most appropriate method under cost and time constrains, convenience sampling has the limitation in generalizing the findings as the sample does not ensure to
represent the population (Bryman & Bell, 2003). However, this paper could provide the valuable information about the determinants and their influence on customers’ repurchase intention in smartphone-based ride-hailing service. This age group is important for the online ride-hailing service industry as the main segmentation falls in this age range. To gain a better insight, further research is recommended to study other nationalities and broader age group. Moreover, the respondents only chose Grab or Uber for the evaluation and most of them are Grab’s customers. Nevertheless, this could represent for the smartphone-based ride-hailing service in Vietnam as they are the two most popular applications on the market. Another limitation in this study is that there was no segmentation comparison; to be more specific, no analysis of the difference between the groups was conducted. For example, the effects of the three factors of electronic service quality could be different between the two group of customers using the service from Grab and Uber. In addition, the evaluation for the customer satisfaction could be distinct from the segmentation that drives cars or rides bikes. Having a better understanding between the service companies provided or the kinds of vehicles customers rode could invoke a better insight into specifics requirements and needs for the companies.

References


