UNDERSTANDING ONLINE REPEAT PURCHASE INTENTIONS: A RELATIONSHIP MARKETING PERSPECTIVE

Mercy Mpinganjira^{*}

Received: 8. 5. 2014 Accepted: 27. 10. 2014

Preliminary communication UDC 004.738.5:658.8

This study investigates online customers' repeat purchase intentions from a relationship marketing perspective. Data was collected from 201 online customers from Gauteng, South Africa, using a structured questionnaire. The findings show that online repeat purchase intentions are strongly driven by customers' satisfaction with an online retailer. Customer satisfaction with an online retailer was found to be positively influenced by a number of relationship building related factors, including personalization, ease of communication as well as assurance of customer privacy. Relationship cultivation efforts were, however, found not to have a significant influence on online customer satisfaction. The online environment makes it difficult for retailers to differentiate themselves on the basis of traditional elements of the marketing mix. Online retailers can, however, improve their chances of retaining customers by focusing on relational issues. The findings in this study highlight some important relationship-related factors that online retailers can work on in order to retain customers.

1. INTRODUCTION

Rapid penetration of the Internet in Africa is quickly transforming not only the way people interact and search for information, but also how business transactions are conducted. The Internet is helping many businesses to diversify their distribution networks and reach more customers than would otherwise be possible. Statistics show that at the end of 2012 business to consumer ecommerce sales worldwide stood at \$1 trillion US dollars and forecasts were that by the end of 2013, the sales figures would be at around \$1.3 trillion (E-

^{*} Mercy Mpinganjira, University of Johannesburg, Department of Marketing Management, P.O. Box 524, Auckland Park 2006, Tel: 011 559 2129, Fax: 011 726 2811, E-mail: mmpinganjira@uj.ac.za

Marketer, 2013). While only 1.9% of the stated 2012 sales figures were from Africa and the Middle Eastern region, forecasts point to steady growth in online sales from the region. The region's share of total online sales is expected to grow from 1.9% in 2012 to 2.3% by the end of 2015 (E-Marketer, 2013). While many businesses have been taken up with developments in online retailing there are many businesses that are venturing into it without much knowledge on how to ensure its success.

As a result, chances of online business failure are currently very high with some statistics putting it at as high as 90 percent (Ducker, 2010). Stiff competition in the online environment is one of the main contributing factors to such high failure rates. Success in this environment entails great need for online retailers to find means of not only attracting customers to their websites but also of retaining them.

One of the widely acknowledged ways of managing stiff business competition points to the need for marketing efforts to focus on the development and maintenance of long term relationships with customers and not just on immediate exchange (Gilaninia et al., 2011). Researchers suggest that building and maintaining good relations with customers, also known as relationship marketing, can help reduce marketing costs and enhance business performance including sales growth, profits and ensure customer retention (Sanzo and Vázquez, 2011).

While the importance of building strong relationships may not be disputed, a review of literature shows that the concept of relationship marketing is known to be one of the not so well understood concepts in marketing. Gilaninia et al. (2011) attributed this to the fact that relationship marketing is a broad topic that can be approached from different perspectives. A review of literature also shows that the concept is widely used and researched in business to business contexts.

According to Johns (2012), relationship marketing is particularly seen to be important in business-to-business contexts due to the small number of customers involved in such transactions which makes it easy to develop strong relationships and also due to the high value associated with individual transactions in such contexts.

Emami et al., (2013) as well as Halima et al., (2011) however argue that building, maintaining and enhancing relationships with customers needs to be a pre-occupation of every marketer and manager irrespective of context. The online shopping environment presents a unique context when it comes to establishing and maintaining relationships with customers. As more and more retailers in emerging markets go online to sell their products and competition intensifies, there is an urgent need for developing and implementing effective strategies aimed at retaining existing customers. Johns (2012) observed that there is limited understanding in literature about how technology, particularly self-service technologies, impact business relationships. Not much is specifically known about how online retailers can use relationship marketing principles to retain customers.

This paper helps address the gap using a sample of customers drawn from an emerging African market. The main purpose of the paper is, thus, to understand online customers' repeat purchase intentions from a relationship marketing perspective. The following section presents the conceptual framework for the study followed by a description of the methodology used to collect and analyse the data. The findings are thereafter presented followed by the discussion and implications. The final section outlines conclusions drawn from the findings, limitations of the study and offers suggestions for future research.

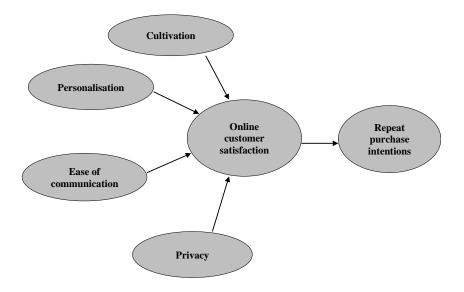
2. CONCEPTUAL FRAMEWORK

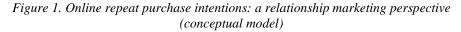
2.1. Online repeat purchase intentions

The phenomenon of repeat purchase intentions is of significant interest in marketing more so in online retailing. Lien et al. (2011) argued that behaviour intentions have a diagnostic value. They help management to know whether customers will switch to competitors or not. Repeat purchase intention in this study is accordingly defined as the degree to which customers are willing to purchase from the same online retailer in future. Stiff competition on the online environment makes it difficult for firms to differentiate their offers using the traditional marketing mix elements of product, price, place and promotion.

Srinivasan et al. (2002) observed that the online environment has resulted in firms operating under near perfect market conditions where they find themselves facing many competitors offering similar products to their own. Hence, there is a need for online firms to find alternative effective ways of differentiating themselves so as to ensure customer retention. Figure 1 presents the conceptual model used in this study to understand online repeat purchase intentions from a relational perspective.

Management, Vol. 19, 2014, 2, pp. 117-135 M. Mpinganjira: Understanding online repeat purchase intentions: a relationship marketing...





2.2. Online customer satisfaction

Hau and Ngo (2012) noted that relationship marketing efforts are specifically aimed at building and maintaining strong satisfactory relations between businesses and their customers. According to Das (2009) customer satisfaction is a major objective of relationship marketing. A review of literature on customer satisfaction shows that the concept can be looked at from an overall/ cumulative perspective or from a transaction specific perspective. This study focuses on customers' overall evaluation of online retailers and thus takes a cumulative perspective to understanding customer satisfaction. Kou et al., (2013) noted that cumulative satisfaction is a holistic evaluation of all aspects of consumption and as a result is known to provide a better evaluation of firm performance.

Researchers, such as Ramayah and Leen (2013), Zhang et al. (2011), as well as Svensson and Mysen (2011), argue that customer satisfaction is a key dimension of relationship quality. Zhang et al. (2011) argue that relationships with customers can be said to be of high quality only when previous interactions with a seller have been positive and future interactions are expected. Studies by Kou et al. (2013) and Abdul-Muhmin (2011) support the argument that satisfaction is an important factor to predicting post-purchase behaviours and

behavioural intentions including re-purchase intentions. Capraro et al. (2003) noted that most firms' efforts aimed at controlling customer defection tend to heavily centre on management of customer satisfaction. It is, therefore, hypothesised that:

H1: Online customer satisfaction has significant positive influence on repeat purchase intentions.

2.3. Relationship marketing drivers of satisfaction

2.3.1. Relationship cultivation

Relationship marketing literature often highlights the importance of communication between buyers and sellers as a key factor to building strong relationships (Chung and Shin, 2010). Relationship cultivation refers to businesses' efforts of staying in touch with customers by proactively sending them information and incentives aimed at encouraging them to come back and buy again. Such efforts help online retailers extend the breadth and depth of purchase over time (Srinivasan et al., 2002).

When properly managed, such efforts can assist in building strong relationships between buyers and sellers. Capel and Ndubisi (2011) observed that communication with customers can be used to achieve many varied objectives including building awareness, customer preference, encouraging purchase decision and nurturing customer relationships. Srinivasan et al. (2002) noted that when sellers take the effort to keep in touch with customers, buyers may be made to feel valued and can help reduce search efforts on the part of customers. This study postulates that relationship cultivation efforts can contribute to customer satisfaction. It is, thus, hypothesised that:

H2: Relationship cultivation has a significant positive influence on customer satisfaction with online retailers.

2.3.2. Personalisation

The concept of personalisation is often used interchangeably with the concept of customisation in marketing literature. The concept is concerned with the degree to which a seller can tailor its offer and services to the customer. Personalisation is considered to be in line with relationship marketing as the very essence of relationship marketing is the need to view target customers as individuals with unique needs and wants (Halima et al., 2011). Vasanen (2007)

contends that personalisation helps enhance customer satisfaction by addressing customers' unique needs and wants. There are different ways in which the concept of personalisation can be put into practice by online retailers. They include addressing customers using personal names, providing personalised recommendations on products to buy as well as enabling customers to interact with the website in accordance with their preferences, e.g. to customise product size or view angle (Chung and Shin, 2008; Srinivasan et al., 2002). Thongpapanl and Rehman (2011) noted that personalisation in online retailing can help minimise search efforts by customers. They also claimed that it is one effective way in which businesses can enhance customer satisfaction. Halima et al. (2011) reported findings that showed a positive relationship between personalisation and customer satisfaction. It is, thus, hypothesised that:

H3: Personalisation has a significant positive influence on online customer satisfaction with online retailers.

2.3.3. Ease of communication

According to Andersen (2001), marketing communication traditionally emphasises the persuasion objective, with the marketer being an active sender of information and the customers the passive recipient. While the importance of actively sending information to customers should not be de-emphasised, building of strong relationship is difficult if not impossible in the absence of opportunities for a two-way interaction. Halima et al. (2011) argued that a twoway communication is a fundamental aspect of relationship development. It provides business with opportunities to listen and respond to customer queries, gain a better understanding of customer needs and find effective ways of meeting those needs.

When problems occur, two-way communication can help ensure that problems are amicably resolved and thus avoid straining relations with customers. Accordingly, it is important for online retailers to find ways of facilitating and managing quality two-way communication between themselves and their customers. Providing customers with different contact options, including phone and fax numbers, as well as e-mail addresses can assist customers to easily make contact with the organisation when necessary (Parasuraman et al., 2005). In managing communication with customers, Yen and Lu (2008) emphasised the need for online retailers to ensure that customer queries are attended to without delay. They found that difficulties associated with contacting online service providers result in customers evaluating services negatively. Accordingly, it is hypothesised that: H4: Ease of communication has a significant positive influence on online customer satisfaction.

2.3.4. Privacy

Online retailing makes it easy for businesses to gather a lot of customers' personal information including their background, credit card details and purchase history. Hence, it is necessary for online businesses to have adequate capacity to securely store large data files relating to their online customer transactions. When well-managed, such information can be very useful in helping business better understand their customers' purchase behaviours. Inadequate protection or misuse of such information can, on the other hand, have severe negative consequences on customers' trust in an online retailer.

Beresford et al. (2011) noted that online customers often have great concerns over potential misuse of and unauthorised access to personal information. Success in providing assurance to customers on matters relating to privacy of their information can enhance customers' trust in an online retailer. Nikhashemi (2013) reported that trust is one of the significant factors necessary for an online business to be able to have successful relationships with customers. Antón et al. (2010), as well as Yen and Lu (2008), noted that online customers want assurance that an online retailer will not only protect their information from unauthorised access, but also that they will not willingly share their personal information with third parties without their consent. Customer uncertainty regarding the possibility of an online retailer acting opportunistically towards them can greatly weaken their willingness to engage with the retailer. Tsarenko and Tojib (2009) observed that betrayal of personal privacy can lead to defection by customers. Consequently, it is hypothesised that:

H5: Perceived level of privacy protection has significant positive influence on online customer satisfaction.

3. METHODOLOGY

3.1. Operationalization of constructs

Constructs of interest in this study and items used to measure them are provided in table 1. In operationalising the constructs, the study mainly drew on and adapted measures used in previous studies, thus, enhancing validity of the study. There were two dependent and four independent variables in the model. The dependent variables were online repeat purchase intentions and online customer satisfaction. The independent variables were relationship cultivation, personalisation, ease of communication and privacy. Online repeat purchase intention was measured using items adapted from Hausman and Siekpe (2009) as well as Zeithaml et al. (1996), while online customer satisfaction was measured using items adapted from Lien et al. (2011). Relationship cultivation was measured using items adapted from Srinivasan et al. (2002), while personalisation items were adapted from Harris and Goode (2010) and Srinivasan et al. (2002). Items used to measure ease of communication were adapted from Dholakia and Zhao (2009), while those used to measure privacy were adapted from Yen and Lu (2008).

3.2. Sample and data collection

The target population in this study were the online customers, 18 years old or older. The study was conducted in Gauteng, South Africa. Quota sampling was used to select the respondents in order to ensure that both male and female shoppers were adequately represented in the study. A structured selfadministered questionnaire was used to collect the required data. Respondents were asked to indicate, on a five point Likert scale, ranging from 1 = strongly disagree to 5 = strongly agree, the extent to which they agreed with the statements associated with each construct. Online purchase behaviours are known to be memorable events that can be recalled by customers (Zhang et al., 2011). Accordingly, the respondents were asked to keep a specific online retailer in mind when answering the questions. Trained field workers were used to collect the data. The process involved personally approaching respondents and asking them to participate in the study. At the end of the data collection phase, a total of 201 fully completed usable questionnaires were received. 98 of the respondents were male while 103 were female. In terms of age, 24.9 percent of the respondents were below the age of 30, 63.7 percent were between 30 and 49 with the rest being 50 and above.

3.3. Data analysis

Structural Equation Modelling was used to analyse the data using SPSS/Amos version 21. A two-stage process was followed in the analysis. The first stage involved evaluation of the measurement model in terms of reliability, convergent validity and discriminant validity. Confirmatory factor analysis was run with six constructs and 18 indicator variables. The second stage involved assessment of the structural model and testing of the proposed hypotheses. The chi-square statistic with degrees of freedom and five different model fit indices

were used to evaluate both the measurement and structural model. These indices include the normed chi-square, the goodness of fit index (GFI), the Tucker Lewis Index (TLI), the Comparative Fit Index (CFI) and the Root Mean Square Error of Approximation (RMSEA).

4. RESULTS

4.1. Measurement model - reliability and validity

The reliability of the constructs was assessed by observing the composite reliability coefficients (CR). The results, presented in table 1, show that all the factors had composite reliability coefficients of above the recommended 0.70 (Hair et al., 2010). The actual results ranged from .790 to .858, which shows that the constructs met conditions for reliability. The validity of the measurement model was evaluated by examining indicators of goodness of fit and construct validity, including convergent validity, discriminant validity and nomological validity.

Goodness of fit "indicates how well a specified model reproduces the observed covariance matrix among indicator variables" (Hair et al., 2010:63). There are different measures that can be used to measure goodness of fit. This study made use of the chi-square, the normed chi-square, the goodness of fit index (GFI), the Tucker-Lewis index (TLI), the comparative fit index (CFI) and the root mean square error of approximation (RMSEA). According to Hair et al. (2010), the chi-square is a "statistical measure of difference used to compare observed and estimated covariance matrices" (p. 665). Hopper et al. (2008) pointed out that while a good fit model should provide an insignificant result at a .05 level of significance, the chi-square statistics nearly always provide a significant result. They attributed this to the fact the statistic is sensitive to large sample sizes and pointed out that it is as a result advisable that the statistic be always used in conjunction with other fit statistics as was done in this study. AMOS software was used to calculate the statistics.

GFI, TLI and CFI values of .9 and above, normed chi-square values of less than 3 and RMSEA values of less than .08 are commonly used to indicate a good model fit (Byrne, 2009; Hooper et al., 2008). In this study, the Chi-square (χ^2) of the measurement model was found to be 193.91, with 120 degrees of freedom and a high statistical significance (p =.000). An examination of other fit indices showed acceptable fit as per Byrne (2009) and Hooper et al. (2008). The normed chi-square (χ^2 /df) was 1.616, the goodness of fit index (GFI) was .907, the Tucker-Lewis index was .946, the Comparative Fit Index (CFI) was .956 while the Root Mean Square Error of Approximation (RMSEA) was .055.

Convergent validity was assessed by using the average variance extracted (AVE). According to Hair et al. (2010), convergent validity measures the extent to which indicators of a specific construct share a high proportion of variance in common. They further stated that AVE's of .5 or higher indicates adequate convergence. The results in table 1 show evidence of convergent validity for all the constructs. The AVE's were all above the recommended 0.5 level, with actual results ranging from .565 and .669.

	Factor Loadings	CR	AVE
Relationship cultivation			
I do receive invites/reminders about making purchases from this	.741	.858	.669
website I feel that this online retailer actively seeks my business	.807		
I feel that this website makes an effort to increase its share of my	.786		
business			
Personalisation			
The services of this web site are often personalised to me	.703	.804	.578
This online store treats me as an individual unique customer	.747		
When communicating with this online store I am often addressed	.706		
using my name Ease of communication			
I feel that this retailer responds to customers queries very fast	.670	.794	.565
This site provides multiple ways of quickly getting in contact with	.775	.//+	.505
the retailer	.665		
The website facilitates a two-way communication			
Privacy			
I feel this site keeps information about my transactions secret	.575	.790	.565
I think this site will not share my personal information with others	.761		
This site will protect my personal information from unauthorised	.763		
access			
Online Customer Satisfaction	51.4	0.40	< 10
Overall I am satisfied with the services provided by this online	.716	.843	.642
store	.781		
In my opinion, this online store provides satisfactory services I feel pleasant about my decision to buy from this online store	.781		
Repeat purchase intentions	./01		
I will definitely buy products from this site again in the near future	.718	.815	.595
I intend to purchase through this site in the near future	.715	.015	.575
It is likely that I will purchase through this site in the near future	.688		

Table 1. Construct reliability and convergent validity

Discriminant validity, which measures the extent to which a construct is distinct from other constructs, was tested by comparing the square root of the average variance extracted with the absolute values of the correlations and by comparing the average variance extracted (AVE) values with the maximum shared variance (MSV). Discriminant validity is evident when the square root of the average variance extracted is greater than the absolute values of the correlations (Chiu et al., 2009). The results in table 2 show that this condition was met for all the factors in the model. Discriminant validity is also evident when AVE is greater than MSV (Chong, 2013).

The results in this analysis also show that this condition was met, thus giving additional evidence of discriminant validity. Results in table 2 also show that the relationships between online customer satisfaction and its proposed predictors namely relationship cultivation, personalisation, ease of communication and privacy, were all statistically significant. Statistically significant correlation was also found between online customer satisfaction and repeat purchase intentions. As per Hair et al. (2010), these significant correlations between hypothesised related factors give evidence of nomological validity of the proposed model. They pointed out that nomological validity examines whether correlation between constructs in the measurement theory makes sense.

Construct	Mean	Std. Dev.	1	2	3	4	5	6
Relationship cultivation	3.82	.896	.818					
Personalisation	3.73	.802	.549**	.760				
Ease of communication	3.83	.732	.550**	.502**	.752			
Privacy protection	4.09	.690	.448**	.294**	.465**	.752		
Satisfaction	4.27	.599	.392**	.401**	.426**	.474**	.801	
Repeat purchase intentions	4.23	.651	.410**	.330**	.462**	.364**	.585**	.771
MSV			.445	.445	.420	.453	.489	.489

Table 2. Testing for discriminant validity and descriptive statistics

** Correlation is significant at 0.01 level.

Coefficients in bold are the square root of the average variance extracted. Below them are the correlation coefficients between constructs.

4.2. Structural model – goodness of fit and hypothesis testing

The proposed structural model was tested for goodness of fit and the results show that the model adequately represents the proposed relationships. This is evidenced by the goodness of fit statistics. Chi-Square Statistic was 206.611, with 124 degrees of freedom and its probability level was .000. The examination of other fit indices provided evidence of good fit. The normed chi-square was 1.666, GFI was .901, TLI was .946, CFI was .956 while the RMSEA was .058.

The structural paths, as per the hypothesised relationships, were examined after assessing the model fit. The results, as presented in table 3, show that four of the hypothesised five relationships were supported. Specifically, the results show that online customer satisfaction has a significant influence on repeat purchase intentions (p <0.001). *Hypothesis 1 is, thus, accepted.* The results further show that personalisation, ease of communication and privacy have significant influence on online customer satisfaction (p < 0.05). *Hypotheses 3, 4 as well as 5 are, thus, accepted.* Relationship cultivation was, however, found not to have a significant influence on online customer satisfaction (p > 0.05). *Thus, hypothesis 2 is not accepted.* The standardised regression coefficients show that privacy protection exerts the greatest influence on online customer satisfaction of all the relationship related factors investigated ($\beta = .499$). It was followed in order by personalisation ($\beta = .239$) and ease of communication ($\beta = .224$).

REGRESSION WEIGHTS						
Path	Standardised Regression Coefficient	SE	Р	Conclusion		
Satisfaction ← Relationship cultivation	066	.073	.540	H1: Not supported		
Satisfaction	.239	.084	.024	H2: Supported		
Satisfaction	.224	.084	.041	H3: Supported		
Satisfaction	.499	.079	.000	H4: Supported		
Repeat purchase intentions ← Customer satisfaction	.720	.091	.000	H5: Supported		

Table 3. Regression weights and model summary

5. DISCUSSION AND IMPLICATIONS

Several researchers in marketing advocate a paradigm shift from transactional marketing to relationship marketing. While this is the case, it is often not always clear from literature as to what businesses, particularly online ones, need to do to, in order to develop and maintain quality relations with their customers. Espousing the view that good relations need to be characterised by customer satisfaction, this study proposed a conceptual model aimed at understanding online repeat purchase intentions from a relationship marketing perspective. The findings provide evidence in support of the proposed conceptual model and most of the hypothesised relationships. Specifically, the findings show that the development of satisfactory online business relations with customers requires that attention is paid to a number of aspects, including personalisation, ease of communication and protection of privacy. They also show that online customer satisfaction has a significant influence on repeat purchase intentions.

The findings relating to personalisation are in line with assertions by Thirumalai and Sinha (2011) that personalisation can help firms build strong relations with their customers. There is evidence showing the need for online retailers, as to make sure that their services, including offers, are, as much as possible, tailored to their individual customers. The findings that show the importance of ensuring that customers are able to easily communicate with online retailers are consistent with arguments by Halima et al. (2011), who observed that a two-way communication is an essential aspect of relationship development. Furthermore, the high regression coefficient, associated with the influence of privacy protection on online customer satisfaction, confirms concerns that customers often have with online buying. Large volumes of customers' personal information, that can be easily collected by online retailers, makes privacy concerns a matter of significant importance to online customers. The findings show that the protection of customer's privacy contributes significantly to ensuring customer satisfaction. The findings are consistent with arguments by Tsarenko and Tojib (2009), who noted that failure to keep customer information private can lead to a loss of confidence and defection of customers.

The findings in this study have significant managerial implications, related to ensuring satisfactory relations with online customers. Firstly, it is important for online store managers to realise that the online environment is characterised by very stiff competition. Their focus, in terms of customer relationship building and management, needs to encompass all the major stages associated with the purchase process, including the pre-purchase stage, the purchase stage and the post-purchase stage. Measures need to be taken to develop and make use of customer databases effectively, for the purposes of getting to know customers well, so as to be able to provide personalised services. Building customer relations requires that online store managers focus on the concept of personalisation of offers and services. This entails tailoring of services and offers to individual customers. There are several ways in which this can possibly be put into practice, for example ensuring that messages sent to customers address them by name, ensuring the recommendations made are in line with customers' needs or preferences, allowing customers (where possible) to have personal online accounts that can be accessed online through personalised URL's. Online retailers can also allow for customers to be able to customise, for example, the way in which they want to view products on offer, including the angle and size of view. Through personalisation, retailers can help their customers to reduce their search efforts and efficiently complete their transactions.

Managers also need to appreciate the importance of making it easy for customers to get in contact with the retailers, by providing different contact options on their websites. Provision of telephone numbers, apart from e-mail addresses, can help reduce anxiety, associated with technology-mediated nonpersonal transactions. The findings in this study point to the need for online retailers to find effective ways of keeping information relating to customer transactions secure. Having clear policies relating to handling of customers' personal data and communicating the same to customers is essential. Among other things, customers need to be clear on how personal information collected by the retailer is used. Managers, in general, need to avoid the temptation of selling customers' personal information to third parties without permission. Ensuring customer privacy also entails the need for online retailers to find effective ways of securing their networks and servers, so as to avoid security breaches and fraud. This is an area that requires specialist skills and managers are better off engaging security experts for assistance.

Lastly, managers need to take note of the fact that relationship cultivation does not have significant influence on satisfaction. This may be due to the fact that customers often get bombarded by messages from different retailers. Thus, instead of finding retailers relationship cultivation efforts to be helpful, customers may end up resenting these. Thus, where such efforts are practiced, managers need to manage such efforts carefully so as not to continuously bombard customers with unsolicited information that may end up annoying them. Decisions have to be made on the frequency of contact, based on careful consideration of customers' need not to feel besieged by information, coming from a retailer.

6. CONCLUSION

The study proposed and tested a conceptual model, aimed at understanding repeat purchase intentions from a relationship marketing perspective. The findings show that online buyer-seller relations, characterised by high levels of satisfaction, have a significant positive influence on repeat purchase intentions. They also show that, in order to ensure high levels of online customer satisfaction, retailers need to take concerted efforts to ensure personalisation of services and make sure that customers can easily communicate with them. Retailers also need to take necessary security measures, aimed at ensuring the privacy of customer related information. In general, the findings in this study point to the need for online retailers to be relationship-oriented in their dealings with customers. Such an orientation is beneficial, not only to the retailer, but also to customers.

By proposing and testing the conceptual model, this paper contributes to a better understanding of how businesses can build satisfactory relations with customers in the online environment. Much of the literature, available on relationship marketing, is focused on business relations that allow for face to face interaction. Numerous benefits, commonly associated with successful retention of customers, coupled by the rapid rate, at which businesses and customers are turning to the online platform to sell and buy products, heighten the need to understand strategies that firms can adopt in order to build strong relations with their customers.

While this study contributes to a better understanding of relationship marketing from an online business perspective, the findings need to be interpreted in light of some limitations, associated with the study. First, the results are based on a study that is not industry specific. The respondents were asked to have a specific online retail store in mind, when answering the questions. Thus, stores that sell a wide range of consumer products were included, including clothing, electronic products and books. The findings may not necessarily be used to explain industry-specific relationship marketing factors. The second limitation relates to the fact that the study is cross-sectional in nature and did not capture changes over time in levels of customer satisfaction, associated with implementation of relevant satisfaction-oriented strategies. Future research can take these limitations into account by investigating online relationship marketing from the perspective of industryspecific customers, as well as conducting longitudinal studies, so as to capture the dynamics, associated with relationship-building and management, over a period of time.

REFERENCES

- 1. Abdul-Muhmin, A. G. (2010). Repeat purchase intentions in online shopping: the role of satisfaction, attitude, and online retailers' performance. *Journal of International Consumer Marketing*, 23(1): 5-20.
- Andersen, P. H. (2001). Relationship development and marketing communication: an integrative model, *Journal of Business and Industrial Marketing*, 16(3): 167-183.
- 3. Beresford, A. R., Kübler, D. and Preibusch, S. (2012). Unwillingness to pay for privacy: A field experiment, *Economics Letters*, 117(1): 25-27.
- Byrne, B. (2009). Structural Equation Modelling with AMOS: Basic concepts, applications and programming, 2nd Edition, New York: Routledge Taylor and Francis Group.
- 5. Capel, C. M. and Ndubisi, N. O. (2011). Examining the Inter-relationships among the dimensions of relationship marketing, *Asian Journal of Business Research Volume*, 1(1): 18-36.
- Capraro, A.J., Broniarczyk, S. and Srivastava, R. K. (2003). Factors influencing the likelihood of customer defection: the role of consumer knowledge, *Journal of the Academy of Marketing Science*, 31(2): 164-75.
- Chiu, C. M., Lin, H. Y., Sun, S. Y. and Hsu, M. H. (2009). Understanding customers' loyalty intentions towards online shopping: an integration of technology acceptance model and fairness theory, *Behaviour and Information Technology*, 28(4): 347-360.
- Choi, T. M., Chow, P. S., Kwok, B., Liu, S. C. and Shen, B. (2013). Service quality of online shopping platforms: a case-based empirical and analytical study, *Mathematical Problems in Engineering*, pp. 1-9, available at: http://www.hindawi.com/journals/mpe/2013/128678/abs/. Accessed 12 December 2013.
- 9. Chong, A. (2013). A two-staged SEM-neural network approach for understanding and predicting the determinants of m-commerce adoption, *Expert Systems with Applications*, 40(4): 1240-1247.
- 10. Chung, K. H. and Shin, J. I. (2008). The relationship among e-retailing attributes, e-satisfaction and e-loyalty, *Management Review: An International Journal*, 3(1): 23-45.
- 11. Chung, K. H. and Shin, J. I. (2010). The antecedents and consequents of relationship quality in internet shopping, *Asia Pacific Journal of Marketing and Logistics*, 22(4): 473-491.
- Das, K. (2009). Relationship marketing research (1994-2006): an academic literature review and classification, *Marketing Intelligence and Planning*, 27(3): 326-363.

- 13. Dholakia, R. R. and Zhao, M. (2009). Retail web site interactivity: How does it influence customer satisfaction and behavioural intentions? *International Journal of Retail and Distribution Management* 37(10): 821-838.
- Ducker, C (2010). Why are so many internet start-ups failing today? Available at: http://www.chrisducker.com/internet-business-failures/. Accessed 22nd October 2014.
- Emami, J., Lajevardi, M. and Fakharmanesh, S. (2013). The Influence of Relationship Marketing Tactics on Customer's Loyalty in B2C Relationship

 the Role of Communication and Personalization, *Australian Journal of Basic and Applied Sciences*, 7(2): 399-407.
- E-Marketer (2013). Ecommerce sales topped \$1 Trillion for the first time in 2013, available at: http://www.emarketer.com/Article/Ecommerce-Sales-Topped-1-Trillion-First-Time-2012/1009649. Accessed 12 December 2013.
- 17. Gilaninia, S., Almani, A. M., Pournaserani, A. and Javad, S. (2011). Relationship marketing: a new approach to marketing in the third millennium, *Australian Journal of Basic and Applied Sciences*, 5(5): 787-799.
- 18. Hair, J., Black, W., Babin, B. and Anderson, R. (2010). *Multivariate data analysis: A global perspective*. Pearson Education, New Jersey
- 19. Halima, A., Chavosh, A. and Choshalyc, S. (2011). The influence of relationship marketing tactics on customer's loyalty in b2c relationship: the role of communication and personalization, *European Journal of Economics, Finance and Administrative Science*, 31: 49-56.
- 20. Harris, L. C. and Goode, M. M. (2010). Online servicescapes, trust, and purchase intentions, *Journal of Services Marketing*, 24(3): 230-243.
- 21. Hau, L. and Ngo, L. (2012). Relationship marketing in Vietnam: An empirical study, *Asia Pacific Journal of Marketing and Logistics*, 24(2): 222-235.
- 22. Hausman, A. V. and Siekpe, J. S. (2009). The effect of web interface features on consumer online purchase intentions, *Journal of Business Research*, 62(1): 5-13.
- Hooper, D., Coughlan, J., Mullen, M. (2008). Structural Equation Modelling: Guidelines for determining model fit, *Electronic Journal of Business Research Methods*, 6(1): 53-60.
- 24. Johns, R. (2012). Relationship marketing in a self-service context: No longer applicable? *Journal of Relationship Marketing*, 11(2): 91-115.
- 25. Lien, C. H., Wen, M. J. and Wu, C. C. (2011). Investigating the relationships among e-service quality, perceived value, satisfaction, and behavioural intentions in Taiwanese online shopping, *Asia Pacific Management Review*, 16(3): 211-223.

- 26. Ndubisi, N. O., Khoo-Lattimore, C., Yang, L. and Capel, C. M. (2011). The quality antecedents of relationship in Malaysia and New Zealand, International Journal of Quality and *Reliability* Management, 28(2): 233-248.
- 27. Nikhashemi, S. R., Paim, L., Haque, A., Khatibi, A. and Tarofder, A. K. (2013). Internet technology, CRM and customer loyalty: Customer retention and satisfaction perspective, *Middle-East Journal of Scientific Research*, 14(1): 79-92.
- 28. Parasuraman, A., Zeithaml, V. A. and Malhotra, A. (2005). ES-QUAL a multiple-item scale for assessing electronic service quality, *Journal of Service Research*, 7(3): 213-233.
- 29. Ramayah, T. and Leen, J. Y. A. (2013). What drives relationship quality? A study of two retail clothing stores, *Journal of the Asian Academy of Applied Business*, 2(1): 33-43.
- 30. Sanzo, M. J. and Vázquez, R. (2011). The influence of customer relationship marketing strategies on supply chain relationships: the moderating effects of environmental uncertainty and competitive rivalry, *Journal of Business-to-Business Marketing*, 18(1): 50-82.
- 31. Souitaris, V. and Balabanis, G. (2007). Tailoring online retail strategies to increase customer satisfaction and loyalty, *Long range planning*, 40(2): 244-261.
- 32. Srinivasan, S. S., Anderson, R. and Ponnavolu, K. (2002). Customer loyalty in e-commerce: an exploration of its antecedents and consequences, *Journal of Retailing*, 78(1): 41-50.
- Thirumalai, S. and Sinha, K. K. (2011). Customization of the online purchase process in electronic retailing and customer satisfaction: An online field study, *Journal of Operations Management*, 29(5): 477-487.
- 34. Thongpapanl, N. and Rehman Ashraf, A. (2011). Enhancing online performance through website content and personalization, *Journal of Computer Information Systems*, 52(1): 3-13.
- 35. Tsarenko, Y. and Tojib, D. R. (2009). Examining customer privacy concerns in dealings with financial institutions, *Journal of Consumer Marketing*, 26(7): 468-476.
- 36. Yen, C. H. and Lu, H. P. (2008). Effects of e-service quality on loyalty intention: an empirical study in online auction, *Managing Service Quality*, 18(2): 127-146.
- 37. Zeithaml, V. A., Berry, L. L. and Parasuraman, A. (1996). The behavioural consequences of service quality, *The Journal of Marketing*, 60(2): 31-46.
- Zhang, Y., Fang, Y., Wei, K. K., Ramsey, E., McCole, P. and Chen, H. (2011). Repurchase intention in b2c e-commerce - a relationship quality perspective, *Information and Management*, 48(6): 192-200.

RAZUMIJEVANJE NAMJERA PONOVNE KUPOVINE U INTERNETSKOJ TRGOVINI: PERSPEKTIVA MARKETINGA ODNOSA

Sažetak

U ovom se radu istražuju namjere ponovne kupnje iz perspektive marketinga odnosa. Prikupljeni su empirijski podaci o 201 kupcu internetske trgovine iz Gautenga (Južna Afrika), koristeći strukturirani anketni upitnik. Rezultati pokazuju da je namjera ponovne kupovine snažno ovisna o zadovoljstvu kupca s prodavateljem u internetskoj trgovini. Za samo je zadovoljstvo utvrđeno da na njega pozitivno utječe niz čimbenika, usmjerenih na izgradnju dugoročnih odnosa s kupcem. Oni uključuju personalizaciju, jednostavnost komunikacije, kao i osiguranje privatnosti kupca. Međutim, za napore za unapređenjem dugoročnih odnosa s kupcima utvrđeno je da nemaju značajnog utjecaja na zadovoljstvo kupaca u internetskoj trgovini. Internetsko okruženje otežava diferencijaciju maloprodavača na temelju tradicionalnih elemenata marketinškog miksa. Međutim, internetski maloprodavači mogu poboljšati zadržavanje kupaca fokusiranjem na čimbenike dugoročnog odnosa. Rezultati ove studije ukazuju na značajne čimbenike, povezane s održavanjem dugoročnih odnosa s kupcima, a koje bi trebalo unapređivati, kako bi se zadržali kupci.