EXAMINING THE ASSOCIATION BETWEEN CUSTOMER SATISFACTION AND REPURCHASE BEHAVIOR IN FASHION RETAILING

Benjawan Leecharoen¹, Ken Butcher², Rojanasak Chomvilailuk³

¹70/9 Moo 16, Vibhavadi Rangsit Rd., Kukot, Lumlaka, Pathum Thani, 12130.
Email: lookpla_talent@hotmail.com

²Department of tourism, leisure, hotel and sport management, Griffith University, Australia

³School of Business, University of the Thai Chamber of Commerce, Bangkok, 10400, Thailand

ABSTRACT

In general, when customers are satisfied with a product, service, and/or brand, the possibility of customer repurchase is expected to be stronger. However, previous research indicates that this relationship between customer satisfaction and customer repurchase is difficult to predict. This current research aims to examine this issue within the retail fashion clothing context by proposing five mediating variables to add further predictive power: information sharing, customer trust, customer commitment, perceived product value, and perceived in-store service value. Fashion-clothing retail shops in Bangkok, Thailand, were chosen as the context for a survey of 374 existing customers. Structural equation modeling was used for data analysis.

The findings indicate that satisfied customers will have a higher chance of repurchase when the customers’ trust toward the retail shop is higher, which in turn results in higher commitment with the shop. Specifically, two types of mediation—partial and complete—are found. When either customer trust or customer commitment mediates the customer satisfaction-repurchase relationship, partial mediation is supported. However, when the customer satisfaction-repurchase behavior relationship is first mediated by customer trust and then mediated by customer commitment, complete mediation is supported. Particularly, the customer satisfaction-repurchase relationship is reduced to non-statistical significance. Variance in repurchase behavior increases from 17% in the non-mediated model to 38% in the mediated model.

With respect to this current research, there is a need to develop the current theory explaining and predicting the customer satisfaction on repurchase behavior. Although the current findings did not support a significant mediating effect of perceived values: product and in-store service values on the customer satisfaction-repurchase relationship, the in-depth interview results showed an expected impact of the perceived values. For the future research, a reinvestigation on the conditions of significant and insignificant effect of the perceived values on the customer satisfaction-repurchase model should be conducted. In addition, suspected moderating variables, shopping involvement, variety-seeking behavior, and customer demographics should be included in the model.

Keywords: customer satisfaction, repurchase behavior, information sharing, customer trust, customer commitment, product values, in-store service value

INTRODUCTION

How to attract customers to buy again is a question that retailers pay their attention to study. The reason is that when customers come back to retailers, retailers will have lower cost due to the decrease of marketing cost and the higher sales volume of increasing purchases. Consequently, retailers can make more profit leading to achieve a competitive advantage (Mittal & Kamakura 2001; Voss, Godfrey & Seiders 2010; Wen, Prybutok & Xu 2011). With respect to the importance of customers’ repurchase, previous research generally examines the determinants of repurchase behavior and finds the major roles of customer satisfaction (Curtis, 2009; Cooil et al., 2007; Gustafsson et al., 2005; Mittal & Kamakura, 2001). Because the greater the degree to which a
consumer experiences satisfaction with a retailer, the greater the probability the consumer will repurchase the retailer (Curtis, 2009).

However, academics and practitioners have found diverse results in terms of the explanation and prediction power of satisfactions on repurchase response. Specifically, the current research has reviewed and found various degree of the association between customer satisfactions and repurchase from strong to zero effects (Mittal & Kamakura, 2001; Seiders et al., 2005; Tuu & Olsen, 2010; Voss, Godfrey & Seiders, 2010). Therefore, research problem is to understand repurchase behavior, which turn to research questions is “what factor(s) mediate the relationship between customer satisfaction and repurchase behavior.” Specifically, this research reviews literature and develops a conceptual framework and hypotheses, including recommendation to conduct empirical research in order to test the research hypotheses.

From reviewing previous literature, the effect of satisfaction on repurchase behavior is proposed to be mediated by five following variables: information sharing, customer trust, customer commitment, product value and in-store service value. According to the mediators, thus, this research expects to have higher explanatory power of customer satisfaction on repurchase behavior.

In order to study the customer satisfaction-repurchase behavior relationship, this research particularly focuses on shoppers of fashion clothing retail. Fashion clothing is considered as high-involvement products (Hourigan & Bougoure, 2012). Therefore, buying patterns and reasons to repurchase fashion clothing can be observed and investigated from fashion retail shoppers when compared to low involvement products such as toothpaste or soap.

Moreover, fashion retail business is now expanding and playing a key role for Thailand’s economy. In Thailand, fashion clothing industry is categorized under textile and garment industry in which textile is accounted for 40% while fashion clothing is accounted for 60%. The value of the textile and clothing industry is 245 million baht or 3.82% of GDP of the industrial sector (Thailand Textile Institute, 2012).

This study therefore proposes to 1) develop a modified conceptual framework from the study of the relationship between customer satisfaction and repurchase behavior in fashion-clothing retail shops in Thailand. 2) investigate the mediating variables on the relationship between customer satisfaction and repurchase behavior. Practitioners may then use the findings from this study to make decisions on what practitioners should accomplish in order to improve customer satisfaction that would result in higher repurchase behavior.

LITERATURE REVIEW AND RESEARCH HYPOTHESES

2.1 A Review of Customer Satisfaction and Repurchase Behavior Relationship

Generally, repurchase behavior is the concept of customer purchasing again after an initial purchase has been made (Akhter, 2010; Seider et al., 2005; Voss, Godfrey & Seiders, 2010). The types of repurchase may be the repurchase from the same store, brand, product and service. Based on the literature review, although there are many factors affecting customer repurchase, customer satisfaction is the factor which researchers pay the most attention to as a major driver of repurchase behavior (e.g., Akhter, 2010; Curtis, 2009; Gustafsson et al., 2005; Lam et al., 2004). Customer satisfaction is usually defined as the degree of overall pleasure felt by the customer resulting from the ability of a product to fulfill the customer’s needs (Anderson et al., 1994; Oliver, 1997).

Customer satisfaction is frequently studied as the determinant of repurchase behavior because satisfied customers are more likely to come back to buy the same products again than dissatisfied ones (Wong & Sohal, 2003). However, research findings on the relationship between customer satisfaction and repurchase are
inconsistent. Some findings found that satisfied customers do not buy the product despite their previous purchase and satisfying experiences. In contrast, dissatisfied customers continue to purchase the product (Mittal & Kamakura, 2001; Seiders et al., 2005; Verhoef, 2003; Voss, Godfrey & Seiders, 2010). On the contrary, some findings suggested that satisfied consumers are more likely to continue their relationship with a particular shop than general ones (e.g., Akhter, 2010; Gotlieb et al., 1994). According to the arguments above, it can be inferred that consumer satisfaction and repurchase behavior still have positive association between them. The first hypothesis is proposed that:

Hypothesis 1: The customer satisfaction has a positive association with repurchase behavior.

2.2 Mediating Variables

2.2.1 Information Sharing

Information sharing refers to the amount of useful information shared by the shops to their customers (Godfrey, Seiders, & Voss, 2011). In another word, information sharing means the amount of information that the shop shares in the relationship (Lages, Lages & Lages, 2005). Moreover, Leeman & Reynolds (2012) defined it as the formal or informal sharing of meaningful and timely information during the relationship between vendors and clients.

In this research, information sharing was proposed to be a mediator between customer satisfaction and repurchase behavior due to two main reasons. First, this research found positive relationship between satisfaction and information sharing. For example, Godfrey, Seiders, and Voss (2011) indicated that shops usually exchanged clothing information (i.e., new arrival, discount, promotion, best seller items) with satisfied customers. Second, the literature review also indicated that the amount of information sharing was positively and significantly associated with customer retention (Duncan & Moriarty, 1998; Lages, Lages & Lages, 2005).

As a result, it was possible that relationship between customer satisfaction and repurchase behavior might be mediated by information sharing. The operational definition was defined as sharing useful information between customer and the fashion clothing shop. Sharing useful information in fashion clothing shops can include, for example, information on new arrival products, monthly promotions, and social activities. This research proposes that when customers are satisfied with clothes shops, they are willing to receive product information from the shops so that they can follow the information related to products and the update of new products. As a result, the shops would have a higher chance of customers coming back to repurchase the products. Therefore, second hypothesis is as follows:

Hypothesis 2: The information sharing mediates the relationship between customer satisfaction and repurchase behavior.

2.2.2 Customer Trust

Trust plays a critical role in an enduring customer-retailer relationship (Ercis et al., 2012; Twing-Kwong et al., 2013). Customer trust has been defined in various ways in the relationship quality literature as “a willingness to rely on an exchange partner in whom one has confidence” (Moorman et al., 1992) and as “one party’s confidence in an exchange partner’s reliability and integrity.” (Morgan & Hunt, 1994). Moreover, Geyskens, Steenkamp, and Kumar (1999) defined customer trust as a feeling of security held by the consumer that the store will meet his/her consumption expectations. As a result, this research adapted existing definitions to be the operational definition. In this research, customer trust is defined as the confidence in a fashion clothing shop’s reliability and integrity.
Moreover, this research found positive relationships among customer trust, customer satisfaction, and repurchase behavior. Geyskens, Steenk, and Kumar (1999) stated that satisfying shopping experience could contribute to perceptions of trust. In another word, satisfaction was an antecedent to trust (Garbarino & Johnson, 1999; Ercis et al., 2012; Twin-Kwong et al., 2013; Curtis, 2009). Customer satisfaction is viewed as an essential construct for successfully created customer trust (Ercis et al., 2012).

In all, this research proposes that the more customers trust the relationship with the fashion clothing shops, the more he or she feels the need to go back to buy fashion clothing from the same shops. It could be concluded that trust could mediate the relationship between customer satisfaction and repurchase behavior. Therefore, this research proposes the third hypothesis as follows:

Hypothesis 3: The customer's trust mediates the relationship between customer satisfaction and repurchase behavior.

2.2.3 Customer Commitment

Similar to customer trust, customer commitment appears to be one of the most important variables for predicting future repurchase behavior (e.g., Ercis et al., 2012; Twin-Kwong et al., 2013; Morgan & Hunt, 1994). Literature review defined commitment as a desire to maintain a relationship (Morgan & Hunt, 1994), a pledge of continuity between parties (Dwyer et al., 1987), and the sacrifice or potential for sacrifice if a relationship ends (Anderson & Weitz, 1992). To some others, commitment referred to an enduring desire to continue the relationship with a shop (Twin-Kwong et al., 2013).

The importance of customer commitment for explaining customer satisfaction-repurchase behavior relationship has been recognized in the literature (Curtis et al., 2009; Ercis et al., 2012; Morgan & Hunt, 1994). In regards to satisfaction-commitment relationship, previous research has indicated that satisfaction is related to commitment (e.g., Curtis, 2009; Ercis et al., 2012). In general, satisfied customers tended to feel more commitment to sellers and were willing to improve and sustain an affective bond with the shop that made consumers feel satisfied and enjoyable (e.g., Ercis et al., 2012; Nusair, 2007).

For customer commitment-repurchase behavior relationship, a study by Curtis (2009) showed that committed customers have a much stronger behavior to repurchase in a regular shop than general customers. The more commitment a customer had on the shop, the more he or she would stay with the shop and less likely that he or she would switch to another shop (e.g., Curtis, 2009; Morgan & Hunt, 1994; Wong & Sohal, 2002). Based on the association among these variables, it seems plausible to hypothesize that customer commitment could be proposed as a mediator between customer satisfaction and repurchase behavior.

Hypothesis 4: The customer’s commitment mediates the relationship between customer satisfactions and repurchases behavior.

2.2.4 Customer trust and commitment

Previous research also found that customer trust was a predictor of customer commitment (e.g., Garbarino & Johnson, 1999; Morgan & Hunt, 1994; Smith (1998); Wetzels et al., 1998). For example, Morgan and Hunt (1994, p.24) indicated that “the more customers perceive trust in a seller, the more he/she is attached to the relationship”. This research found that creating repurchase behavior from satisfied customers needed trust as the first priority to build customers’ trust in retailers., which then led to commitment in shops. Therefore, this research proposed H5:
Hypothesis 5: Relationship between customer satisfaction and repurchase behavior is first mediated by customer trust and then mediated by customer commitment.

2.2.5 Perceived Shopping Values

Perceived shopping value was also proposed as a mediator of customer satisfaction-repurchase behavior relationship after this research found a positive relationship between them. Perceived shopping value was defined as customer’s overall assessment of the utility of a product based on perceptions of what was received and what was given (Zeithaml, Berry & Parasuraman, 1996). In addition, Woodruff (1997, p. 141) described that the perceptions of value typically involved a trade-off between what the consumer received (e.g., quality, benefits, and utility) and what he or she gave up to acquire and use a product (e.g., price, sacrifices).

Accordingly, although most research on perceived value focused on perceived economics and product performance value, the literature stated that in retail shops especially clothing retail, customer perceived value actually focused on shopping values (Davis & Hodges, 2012; Sweeney & Soutar, 2001; Terblanche & Boshoff, 2004). Perceived shopping value in clothing shop includes product and in-store service value (Davis & Hodges, 2012; Seo & Lee, 2008; Terblanche & Boshoff, 2004). For these reasons, perceived shopping value in this research is composed product and service. The operational definition of customer’s perceived shopping value in this research is defined as customers evaluating the worthiness of shopping experiences in fashion clothing shop. The specific definitions of the four components of perceived shopping value are further explained as below.

In regards to the mediating effect of perceived shopping value, this research proposes this construct to be a mediator because of two major reasons. First, this research found that customer’s perceived shopping value and satisfaction were correlated. Previous research showed that perceived value was positively influenced by customer satisfaction (Cronin et al., 2000; Sweeney, Soutar, & Johnson, 1999). Second, the positive relationship between customer’s perceived shopping value and repurchase behavior was found (Patterson & Spreng, 1997; Sweeney & Soutar, 2001).

From these reasons, it could be concluded that perceived shopping values are the consequence of customer satisfaction, which in all lead to higher repurchase rates. This research expects that the relationship between customer satisfaction and repurchase behavior could be better explained by customer’s perceived product and service values. Hypotheses are therefore proposed as follows:

Hypothesis 6: The customer perceived product value mediates the relationship between customer satisfactions and repurchase behavior.

Hypothesis 7: The customer perceived in-store service value mediates the relationship between customer satisfactions and repurchase behavior.

In accordance with the literature reviews above, this research proposes the research hypotheses and developed conceptual model as shown in the Figure 1.
3. Research Methodology

3.1 Measures

The measurement scales were adopted and adapted from existing measurement scales after considering consistency and relevancy in definition and importance in meaning. All five latent variables were measured using seven-point Likert scales with “strongly disagree” and “strongly agree” anchoring the scales. First, customer repurchase behavior was measured using a combination of six items from a repurchase behavior scale developed by Curtis (2009) and Voss, Godfrey and Seiders (2010). Second, customer satisfaction items were adapted from Vesel and Zabkar (2009) who modified the items to measure satisfaction level of retail customers. Third, regarding information sharing, all four items were adapted from Rachjaibun (2007). Original items were adapted to use to measure customer’ perceived information sharing level in hotel industry because there were consistency and relevancy in information sharing definition and meaning between this research and Rachjaibun’ study. Fourth, for 5 items of customer trust and 4 items of customer commitment were adapted and adopted from Wong and Sohal (2002). Finally, for product value and in-store service value, all measures items were adapted and adopted from Terblanche and Boshoff’s (2004) items.

3.2 Sample and Survey Method

This research distributed questionnaires in three areas: Siam Square, Ladprao and Pratunam, in Bangkok, Thailand in order to increase the representative of sample. The sampling method was a convenience sample. The questionnaires collected daily from 500 shoppers at the three areas during 3 periods: peak hours of shopping (11 am. to 1 pm., 2 pm. to 4 pm., 5 pm. to 7 pm.). This research approached the shoppers every 10 minutes at the sampling areas. In order to receive qualified shoppers, this research asked shoppers the screening questions 1.) In the past 12 months, have you bought clothes by yourself? , 2.) Have you ever bought clothes from the same shop? and 3.) Are you between 18 and 49 years old?.

The questionnaire contained three sections. The first section included characteristics of fashion clothing shops.
The second section included survey questions related to purchases and five latent variables. All items were measured on a 7-point Likert Scale that ranged from (1) strongly disagree to (7) strongly agree. The last part included demographic questions. After screening data and preliminary analyses, there were 364 useable questionnaires for analyzing Confirmatory Factor Analysis and Structural Equation Modeling.

4. Results and Discussion

4.1 Descriptive Statistics

All respondent numbers and percentage classified by location and entire respondents were shown in Table 4.3. Regarding gender of the entire participants, most of them were females accounted for 66.8% and males for 32.2%. Most of the participants were 18-27 years old (44.2%) and had income in the range of less than 10,000 – 20,000 Baht (45%). A large portion of the sample had a bachelor’s degree 62.6%. The occupational composition of the respondents was student 32.1%, office worker 30.7%, government official 18.7%, professionals 9.1% and business owner 9.6%. After considering respondents’ characteristics from each area, this research revealed that from Siam square, 41.8% of the respondents were students, their age was 18-27 years old accounted for 44.2% and the education level of most respondents was bachelor’s degree (66.1%).

4.2 Scale Development of Measurement Model

Before CFA analysis, the measurement items were developed to receive final items by eliminating measurement items and latent factors that did not make the model fit well. The elimination criteria were factor analysis, reliability and construct validity.

Factor analysis was conducted to identify factor loading and also eliminate some items with high cross-loadings or low loading. The criteria for item elimination were high cross-loadings (>0.4) or low loading (<0.5) (Hair et al., 2010). Table 1 presented that final scales had high factor loading (from 0.54 and 0.96) and high reliabilities. Cronbach’s alpha ranged from 0.82-0.95. The results indicated high internal consistency among the scales within each factor. Also, all AVE values were greater than 0.50 indicating convergent validity (Anderson and Gerbing, 1988). AVE values were greater than squared correlations. These results indicated that there were no problems with discriminant validity for the research model. These results suggested that the five variables were distinct and unidimensional. These results suggested that the all variables were distinct and unidimensional.

Table 1

<table>
<thead>
<tr>
<th>Items</th>
<th>Measurements</th>
<th>Factor loadings</th>
<th>% of variance</th>
<th>Cronbach’s alpha</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Repurchase Behavior</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RB 1</td>
<td>You often buy fashion clothing from the shop.</td>
<td>0.59</td>
<td>58.82</td>
<td>0.82</td>
</tr>
<tr>
<td>RB 2</td>
<td>You own several pieces of fashion clothing from this shop.</td>
<td>0.66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RB 3</td>
<td>You have visited this shop many times in the last 12 months.</td>
<td>0.56</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RB 5</td>
<td>You use this shop to buy most of your fashion clothes.</td>
<td>0.86</td>
<td></td>
<td></td>
</tr>
<tr>
<td>RB 6</td>
<td>You usually go back to buy fashion clothing from this shop.</td>
<td>0.78</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Customer Satisfaction</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAT 2</td>
<td>You feel happy with shopping at this shop.</td>
<td>0.64</td>
<td>72.22</td>
<td>0.86</td>
</tr>
<tr>
<td>Items</td>
<td>Measurements</td>
<td>Factor loadings</td>
<td>% of variance</td>
<td>Cronbach’s alpha</td>
</tr>
<tr>
<td>------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-----------------</td>
<td>----------------</td>
<td>------------------</td>
</tr>
<tr>
<td>SAT 3</td>
<td>You are satisfied with products and other things from this purchase.</td>
<td>0.98</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SAT 4</td>
<td>You enjoy visiting at this shop.</td>
<td>0.98</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information Sharing</td>
<td>This shop usually sends you useful fashion clothing information.</td>
<td>0.91</td>
<td>75.15</td>
<td>0.88</td>
</tr>
<tr>
<td>INF 1</td>
<td>This shop usually informs the values or benefits that you get as a customer.</td>
<td>0.79</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INF 2</td>
<td>This shop often asks for your opinion about your experience of shopping.</td>
<td>0.89</td>
<td></td>
<td></td>
</tr>
<tr>
<td>INF 3</td>
<td>The shop usually asks for your opinion about quality of service.</td>
<td>0.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Trust</td>
<td>This shop is reliable.</td>
<td>0.81</td>
<td>66.04</td>
<td>0.83</td>
</tr>
<tr>
<td>TRUST 1</td>
<td>You can trust that this shop can do as promised.</td>
<td>0.77</td>
<td></td>
<td></td>
</tr>
<tr>
<td>TRUST 2</td>
<td>This shop is very honest.</td>
<td>0.86</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Customer Commitment</td>
<td>The relationship between you and this shop is important.</td>
<td>0.85</td>
<td>85.53</td>
<td>0.91</td>
</tr>
<tr>
<td>COMMIT 1</td>
<td>You give importance to the relationship between you and this shop.</td>
<td>0.88</td>
<td></td>
<td></td>
</tr>
<tr>
<td>COMMIT 2</td>
<td>You like to tell others that you are a customer of this shop.</td>
<td>0.73</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Product Value</td>
<td>Fashion clothing of this shop is good quality fabric.</td>
<td>0.54</td>
<td>69.96</td>
<td>0.88</td>
</tr>
<tr>
<td>QUAL 1</td>
<td>Fashion clothing of this shop has high quality.</td>
<td>0.66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>QUAL 4</td>
<td>The price of fashion clothing in this shop is worth the money.</td>
<td>0.93</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRICE 1</td>
<td>Fashion clothing at this shop offers value for money.</td>
<td>0.96</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PRICE 2</td>
<td>You feel that the price of fashion clothing in this shop is cheaper than other shops.</td>
<td>0.66</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Value</td>
<td>Salespeople of this shop are very willing to serve you.</td>
<td>0.76</td>
<td>72.11</td>
<td>0.90</td>
</tr>
<tr>
<td>SERVE 2</td>
<td>Salespeople of this shop provide you prompt service.</td>
<td>0.91</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SERVE 3</td>
<td>Salespeople of this shop are polite to provide services.</td>
<td>0.87</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SERVE 4</td>
<td>Salespeople of this shop are very friendly to customers.</td>
<td>0.79</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

4.3 Structural Equation Modeling
Before SEM analysis, CFA was used to confirm all the final scale items if there were good measurement model. Results indicated that all measurement model provided a good fit to the data because the goodness of overall model met the fit index suggested by Hair et al. (2010). Hair et al. (2010) suggested that p value should be more than 0.05, GFI and AGFI ≥0.90, RMSEA 0.05-0.08, CFI and NFI ≥0.90.

Regarding non-mediated model, SEM finding showed that customer satisfaction has a positive association with repurchase behavior. The result of first SEM indicated a good model fit with $\chi^2 = 10.812$ with 15 degrees of freedom...
freedom \((p = 0.766)\), Root Mean Square Error of Approximation (RMSEA) = 0.02, Goodness-of-Fit Index (GFI) = 0.99, Adjusted Goodness-of-Fit Index (AGFI) = 0.97, Comparative Fit Index (CFI) = 0.99, and Normed Fit Index (NFI) = 0.99. This research found that customer satisfaction was statistically significant and positively associated with repurchase behavior \((\beta = 0.25, p < 0.01)\). Therefore, the H1 was supported.

Regarding mediating effects, five mediators of this research: information sharing, customer trust, customer commitment, perceived product value and in-store service value, were included in to the SEM model as presented in Figure 2. Those mediators were measured both direct and indirect relationships between customer satisfaction and behavioral repurchase. Path coefficients and significance levels were assessed to determine whether the mediators mediate the relationship between customer satisfaction and repurchase behavior according to three criteria suggested by Baron and Kenny (1986) and Hair et al. (2010).

**Figure 2**

Hypotheses testing results for the conceptual model

Regarding Figure 2, the results indicated a good model fit with \(\chi^2 = 222.95\) with 224 degrees of freedom \((p = 0.62)\), Root Mean Square Error of Approximation (RMSEA) = 0.02, Goodness-of-Fit Index (GFI) = 0.98, Adjusted Goodness-of-Fit Index (AGFI) = 0.95, Comparative Fit Index (CFI) = 0.99, and Normed Fit Index (NFI) = 0.98. Information sharing, product value, and in-store service value, the results did not support the mediating effects whereas customers trust and commitment, the results supported the mediating effects. Therefore, H2, H6 and H7 were not supported.

This research found two types of mediating effects: partial and complete. When either customer trust or customer commitment mediates the customer satisfaction-repurchase relationship, the results presented partial mediation. Therefore, H3 and H4 were supported. However, when the customer satisfaction-repurchase behavior relationship is first mediated by customer trust and then mediated by customer commitment, complete mediation is supported. Particularly, the customer satisfaction-repurchase relationship is reduced to non-statistical significance zero \((\beta = 0.06, p > 0.05)\). Variance in repurchase behavior increases from 17% in the non-
mediated model to 38% in the mediated model. Thus, this research supported H5. This research presented summary of hypotheses testing result in Table 2.

In summary, this research indicated that satisfied customers repurchase because of trust and commitment. The more satisfaction in shopping experience at the fashion clothing shop leads to more trust in relationship with shop, which in turn results in higher commitment with the shop. Consequently, they usually go back to buy fashion clothing from this same shop. If customers feel satisfied without feeling of trust and commitment, it is possible that they can defect to another shop. Trust and commitment are key factors to increase repurchase rate.

Table 2 The results of hypotheses testing

<table>
<thead>
<tr>
<th>Research Hypotheses</th>
<th>Supported/Not supported</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1: Customer satisfaction has a positive association with repurchase behavior.</td>
<td>Supported</td>
</tr>
<tr>
<td>H2: Information sharing mediates the relationship between customer satisfactions and repurchases behavior.</td>
<td>Not supported</td>
</tr>
<tr>
<td>H3: Customer’s trust mediates the relationship between customer satisfactions and repurchases behavior.</td>
<td>Supported</td>
</tr>
<tr>
<td>H4: Customer’s commitment mediates the relationship between customer satisfactions and repurchases behavior.</td>
<td>Supported</td>
</tr>
<tr>
<td>H5: Relationship between customer satisfaction and repurchase behavior is first mediated by customer trust and then mediated by customer commitment.</td>
<td>Supported</td>
</tr>
<tr>
<td>H6: Customer perceived product value mediates the relationship between customer satisfactions and repurchase behavior.</td>
<td>Not supported</td>
</tr>
<tr>
<td>H7: Customer perceived in-store service value mediates the relationship between customer satisfactions and repurchase behavior.</td>
<td>Not supported</td>
</tr>
</tbody>
</table>

5. Limitations and Recommendation for future research

Two limitations of this research should be addressed. First, this research studied customer satisfaction-repurchase behavior relationship in fashion clothing retailing, and therefore it may not be applicable to other industries. Future research should study this relationship in other industries to present different repurchase reasons and patterns. Second, in the process of scale development, nine scales including RB4, SAT1, SAT5, TRUST4, TRUST5, COMIT4, QUAL2, QUAL3, and PRICE3 were eliminated due to the lack of either reliability or discriminate validity or a combination of both. All of these eliminated scales may actually be able to apply to other study contexts and may turn out to be reliable and valid.

For the future research, a reinvestigation on the conditions of significant and insignificant effect of information sharing and perceived values on the customer satisfaction-repurchase model should be conducted because the current findings did not support a significant mediating effect of information sharing and perceived values on the customer satisfaction-repurchase relationship but the literature review showed an expected impact of both variables.

Furthermore, to be specific benefits for market practitioners, the future research should identify and investigate clearly what scope of aspects; product, brand, and shop, will be appropriate for the testing of the customer satisfaction and repurchase relationship. Based on this aim, the product category chosen must have the customers’ noticeable re-buying patterns. This research recommends the future study to investigate shopping product which is a consumer and a considerable involvement product compared to low involvement products such as toothpaste or soap. Also, durable goods like automobile may not be appropriate because customers
hardly get back to buy the product often. In addition, regarding moderating effects, suspected moderating variables including shopping involvement, variety-seeking behavior, and customer demographics should be included in the model to enhance understanding of customer satisfaction-repurchase behavior relationship.

REFERENCES


