How Consumer Attitudes Improve Repurchase Intention

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ABSTRACT
In this research, we study factors such as perceived ease of use, perceived usefulness and personal innovativeness in order to understand the consumer attitude construct to affect loyalty, satisfaction and repurchasing intention of mobile wallet applications in Thailand. We developed a research model based upon previous research where we propose and examine seven constructs. In general, thirteen out of fifteen hypotheses are supported by variables related to mobile technology adoption, usage and retention with the 461 Thai consumers sampled. Personal innovativeness, perceived usefulness, and perceived ease of use strongly loaded on consumer attitudes for mobile wallet applications as originally hypothesized. It was found that consumer attitudes are the key factor that drives satisfaction, increases loyalty and improves repurchase intention of mobile wallet applications in Thailand.

KEYWORDS
Consumer Attitudes, Consumer Satisfaction, Ease of Use, Loyalty, Mobile Wallet, Personal Innovativeness, Repurchase Intention

INTRODUCTION
In a rapidly changing economy, it is essential for a business to understand and gauge their consumers’ retention as returning consumers may contribute to the greatest percentage of revenues. Returning consumers can play the role of a referring agent and provide advocacy for recruiting new customers. For years, researchers have investigated the relationship between consumer satisfaction and repurchase intention (Qureshi et al., 2009, Pavlou, 2003), finding that consumer satisfaction alone does not solely lead to higher repurchase intention. Other related factors such as trust, expectation, perceived usefulness, perceived ease of use, perceived incentives, loyalty, consumer characteristics (including innovativeness and attitude), social influence factors, and consumer experience (enjoyment) have been studied and have shown substantial linkages with consumer repurchase intention (Sunyanasanoa, 2013; Atchariyachanvanich et al., 2006; Aren et al., 2013). The notion of what increases consumer retention using mobile applications (apps), particularly mobile wallet in this wireless era, is relatively new and has not been extensively examined, especially in Thailand.

Summary Statement of Contribution
This study offers an important first preview in understanding the repurchase intention of mobile wallet applications in Thailand, an emerging economy. While some of the constructs and relationships have already been studied, such as perceived ease of use, perceived usefulness, and consumer attitudes, we found gaps in the research including the impact of personal innovativeness, loyalty, and satisfaction.

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Overall the research model examines the constructs and relationships together, using structural equation modeling, so that we can analyze the direct and mediating effects. The model serves as an important step toward subsequent predictive modeling of Thai consumers’ repurchase intention with critical marketing variables. The value of our study suggests the importance of new constructs, such as personal innovativeness, loyalty, and satisfaction in understanding repurchase intention. The overall model provides value in that the constructs and their relationships are analyzed at the same time, rather than in smaller models in different studies.

**Mobile Phone Market**

For the past few years in Southeast Asia, consumer interest in mobile applications (apps) has been high because of poor land line infrastructure; mobile phone adoption has been rapid and even saturated in many Southeast Asian countries. In Thailand, there are 97 million mobile subscribers over a 64.9 million population. Therefore, there is 120% penetration rate for the mobile phone market implying that Thai people own multiple handsets with multiple SIM cards (Thaitech, 2015). Also, the total market value for mobile phones in Thailand is around US$3.12 billion, with US$2.96 billion for smartphones and US$16 million for feature phones, with 10% growth in terms of units sold and 5% growth in terms of value (Positioning, 2015). Despite the very high penetration rate and market value, mobile coverages quality still varies widely in different geographical locations. While access to mobile signals is relatively consistent in urban areas, provincial access has been somewhat spotty. Furthermore, Thai mobile phone users heavily subscribe to SMS, as it is offered as a cheaper service than voice or data services, but still three times more expensive than the rate of neighboring countries. Postpaid plans are also too expensive for the majority of the population; hence, more than 80% of Thai mobile phone users still operate on prepaid basis (Ipsos, 2013; Yozzo, 2015).

**Mobile Content and Applications Market**

Although there are limited services and some peculiarities in market pricing, the mobile content and applications market in Thailand continues to grow at more than double for the past five years, with revenue streams reaching US $600 million in 2015 (Bangkok, 2015). According to IDC’s study on the Thailand mobile content market, there are 87.5 million mobile subscribers on 3G and LTE network. Out of that number, 24 million consumers actively use mobile applications, including Facebook, LINE, WhatsApp, Google Maps, TripAdvisor, Agoda, YouTube, mobile games, and mobile music. While mobile shopping also has high activity rates especially, discount deals, other mobile applications related to lifestyle are growing, such as mobile banking, accommodation and travel booking via mobile platforms, mobile commerce, food review, health and living.

Thailand is the ninth largest Facebook user community in the world, and the second largest LINE user in Asia (Zocial Inc, 2014). Everyday Thai people spend over an average of four hours on the Internet using a mobile phone, of which over three and a half hours are spent on social networking and entertainment applications, while only two hours and 46 minutes are spent on watching television (ThaiTech, 2015). Because of that, Thai consumers are heavy users of social networking and entertainment applications. Hence, there is room and opportunity for mobile content and applications to develop in Thailand, especially mobile applications that relate to lifestyle, making the mobile application market attractive to both local and international content developers.

**Mobile Wallet**

Cash on delivery is a critical payment method in Thailand, predominantly due to limited access to credit cards and security issues. Due to the recent advancement of technologies, readiness of
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