Social Media and Consumer Satisfaction Effect on Consumer Purchase Intention with the Moderating Role of Trust

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Abstract: The main purpose of the current study is to determine the direct and indirect influence of social media and customer satisfaction on consumer purchase intention with trust. The model of Current study is based on the theoretical contextual. To achieve this goal, 380 questionnaires were observed using Smart PLSSEM. Simple random sampling. Majority of prior studies on consumer purchase intention, have focused on other factors but in this study the focus was on social media and customer satisfaction at the same time. Prior studies ignored moderating effect but in this study trust has shown as a moderating variable. Social media, customer satisfaction, and trust proved to have significant influence on consumer purchase intention. This study offers supplementary insights into how customer satisfaction and social media can increase the consumer purchase intention that can enhance the purchasing power of consumers.

Keywords: social media, customer satisfaction, trust, consumer purchase intention.

INTRODUCTION

The internet changes the human life by its accessibility and extra benefits, since it makes possible to be linked with each other like a family through the internet. Purchase intention is an individual intention to buy something in future. The main purpose of this study is to determine the factors that influence consumer purchase intention. There are several studies available on this topic but in developing countries this amount is very low (Adnan, 2014; Bhatti, 2018b; Khan, Ghauri, & Majeed, 2012). Consumer purchase intention is a significant indicator of everyday life. The intention is a kind of likelihood. Higher likelihood means to have more intention to purchase and fewer likelihood means having less intention to purchase things.

E-commerce becomes very important and irreplaceable in our life due to various purposes such as buying and purchasing through the internet via online websites, companies use various ways to promote their product, maintain their position in customers mind, attract and retain them by using ads, sales promotion, emails through social media (Bhatti, 2018c). Time has changed the traditional mode of life into modern digital life. It is very important for every business if organizations ignore the new trends and technology, they they will not be able to survive in competitor market and will be unable to compete with rivals. the best example of this fact is Nokia company, Nokia mobile phone was very reliable and popular in 1990s but due to ignorance of technology it could not adjust in the current market (Krbová & Pavelek, 2015). Mostly organizations advertise their products on social media and it is contributing only less than 1% than the newspaper. It is expected that
social media overtake one daily newspaper. People use social media to facilitate customer issues, communication and to promote information on brands. Social media play important role in consumer intention to buy.

Customer satisfaction is a key factor in making profits of any organization. When a customer is satisfied then there are more chances to purchase again. Therefore, it conveys positive ideas to others because customer satisfaction retains the customer loyalty. That is why it is considered crucial for business. It also helps to attract potential customers. Satisfied customers have more intention to buy. More satisfaction shows higher intensiveness and less satisfaction shows lower intensiveness. Dissatisfied customer avoids complaints but they spread negative rumors.

Trust is the main factor in purchasing intention and it is important for the success of the business. Trust can decrease the cost and increase customer loyalty. Trust is important for all human relations and in a business environment, it is more essential to build strong relationships between customers and sellers. Less trust prevents consumer from purchasing (Rafsandjani, 2018). It has a significant effect on intention and in the current study, it is used as a moderating variable between social media, customer satisfaction, and consumer purchase intention.

Literature Review and Hypothesis Development

Social media and consumer purchase intention with trust

Social media is an important tool to interact and reach with customers at minimum cost, thus it is a key objective and attention of various brands. Today social media become the power of successful brands for maintaining customer relations and interact with them. Social media networks have appeared as a convenient digital channels for communication, learning, searching, sharing information and comparing brands directly with stakeholders (Chappuis, Gaffey, & Parvizi, 2011; Qualman, 2013). Social media is a channel to interact with existing and potential customers, it is also considered as a two-way communication and valuable insights (Hanaysha, 2018). The speedy progress of social media has permanently changed the way that various consumers can interact with different societies and organizations (Duffett, 2015).

Social media effects consumer’s intentions to purchase and 88% marketers promote their business through social media network (Bhatti, 2018a). Furthermore, social media can be considered as the world’s largest source to promote their business using Google, Facebook, Twitter, Linkedin, and Instagram, it increases continuously revenues (Bhatti, 2018c; Duffett, 2015). According to a research ‘budget is increasing day by day and Facebook is considered as the. It’s good to add that 85% of people all around the world place order via social media (Bhatti, 2018b). Meanwhile, it is considered that if any business is not using social media then they will have no chance to existence in the business world. Companies use social media to retain their position in the business world and to deal with other competitors. According to Quelch and Jocz (2008) advertising focuses on emotions and social media influence consumer’s intentions. Companies use it to share important information about products with their customers and stakeholders (Pütter, 2017).

Literature demonstrates that social media plays an important role in determining consumer purchase intention (Bhatti, 2018b, 2018c; Husnain & Toor, 2017; Laksamana, 2018). Despite this, there are some studies concluded that there is no relationship between social media and consumer purchase intention (Ahmed & Zahid, 2014; Hanaysha, 2018). There is an inconsistent relationship between social media. Baron and Kenny (1986) Stated that when an inconsistency between two variables we can introduce another variable as a moderator. In this study trust was used as a moderator because it considered as a crucial factor to influence consumers intentions (Sukrat, Papasratorn, & Chongsuphajaisiddhi, 2015). Studies show that there is a significant positive relationship between trust and consumer purchase intention (Bhuvanesh Kumar Sharma, 2017; Che, Cheung, & Thadani, 2017; Hong & Cho, 2011; Rafsandjani, 2018). Many studies have conducted on social media and consumer purchase intention but mostly they used mediator or direct
relation (Ahmed & Zahid, 2014; Bhatti, 2018b; Bilal, Ahmed, & Shehzad, 2014; Hanaysha, 2018; Husnain & Toor, 2017; Laksmamana, 2018; Pütter, 2017). There are limited researches which explored the relationship between consumer purchase intention and Trust. Thus these constructs need further investigation.

**H1**: Social media has a significant influence on consumer purchase intention

**H1a**: Trust significantly moderates Social media and consumer purchase intention

**Consumer satisfaction and consumer purchase intention with trust**

The consumer is an individual who purchases products inside or outside the organization. Satisfaction is a key construct in the marketing area. Customer satisfaction is a crucial element to establish a strong relation.

Khristianto and Suyadi (2012) State that customer satisfaction is generally observed as it is an evaluation between customer expectations and experience. Moreover, customer satisfaction is considered while customer experience meets their expectations or across their expectations. Satisfied customers buy the same product, again and again, give positive ideas to others about the product, avoid competitors, and decrease their sensitivity about product’s price. Also they repeat ads and also prefer to buy others needed product of the same brand or company. Besides they are loyal with the company. On the other hand, unsatisfied customers react quite differently. Furthermore, negative gossips spread fast than positive ideas, unsatisfied customers mostly don’t like to complain but they express their negative experience with their friends that directly affect the success of the company. Satisfaction of the customer depends on customer purchasing experience (Wen, 2012). Customer satisfaction build by trust, if they trust then they make an intention to buy (Chu & Zhang, 2016).

Research explain that customer satisfaction has an influence on consumer purchase intention (Ajay Kaushik & Potti Srinivasa, 2017; Chi, 2018; Chu & Zhang, 2016; Espejel, Fandos, & Flavian, 2008; Hsu, Chang, & Chen, 2012; Mehmood & Shafiq, 2015; Nodira & Premysl, 2017; Saleem, Ghafar, Ibrahim, Yousuf, & Ahmed, 2015; Xu, 2017). In contrast, some studies revealed that there is no relation between customer satisfaction and consumer purchase intention (Sanjeev Pandey, 2017). Due to inconsistency in results, this study has used a moderator between customer satisfaction and consumer purchase intention.

Trust is very important for customers. If they trust they will have stronger intentions towards purchasing, in current study trust was used as a moderator. Literatures show that trust has a positive effect on consumer purchase intention (Jamaludin & Ahmad, 2013; Joko Wijoseno & Ariyanti, 2015; Kooli, Ben Mansour, & Rizky, 2014; Liew, 2015).

There are much researches which are explored the area of relationship between customer satisfaction and consumer purchase intention. However, limited researches are available about the relationship between consumer purchase intention and trust. Therefore, these constructs need further investigation.

**H2**: customer satisfaction has a significant influence on consumer purchase intention

**H2b**: Trust moderate the relationship between customer satisfaction and consumer purchase intention

**Trust and consumer purchase intention**

Trust is considered as an important factor in the marketing area. Trust is a belief that one party needs to have in order to exchange something with other parties. Furthermore, it is a central part for organizations because trust reduces the uncertainty in the consumer mind. In contrast, it is very difficult to know about other’s motives and intentions because trust is an individual expectation within the society where they are ruled or living. Trust can build a strong relation between consumers and sellers. Not having trust causes frustration, misunderstanding, and obstruction between consumer and seller (Lee, Mjelde, Kim, & Lee, 2014; Premazzi, Castaldo, Grosso, & Hofacker, 2010).

Literature determines that trust is positively linked with consumer purchase intention and it is trying to find support for this relationship (Bhuvanesh Kumar Sharma, 2017; Che et al., 2017; Harris & Goode, 2010; Kwok, Wong, & Lau, 2015; Rafsandjani, 2018; Schlosser, White, & Lloyd, 2006).

The main purpose of the current study was to determine the relationship between trust and consumer purchase intention. In the current study trust was used as a moderating variable between social media,
consumer satisfaction, and consumer purchase intention. In addition, social exchange theory (SET) also was used in this study, according to SET, in order to build a positive relationship trust is essential. Since, with the absence of trust negative relations and lack of understanding will happen that affects consumer intentions negatively. SET explains the relationship of exchange development that is focused by the rule of reciprocity, Furthermore, trust is the main factor for an organization to be more successful (Cherry, 2018). SET provides a theoretical foundation and defines how the consumer behaves positively to buy something. When they trust their seller they buy confidently (Homans, 1961).

**H3**: Trust have significant influence on consumer purchase intention

![Figure 1: Theoretical framework](image)

**Research Methodology**

A research design is a road map, structure, and strategy that is convinced to get the answers of the Research problem. The researcher gives much attention on methodology portion to demonstrate the aim of any study. To achieve the research objectives and to have valid answers to the questions there is need to have a procedural plan. There are several types of survey techniques, in current study quantitative approach was used. This study is a kind of cross-sectional. A self-administrated questionnaire was distributed to collect data. This study is deductive in nature because hypothesis testing was used to solve the research problem.

**Population and Sampling**

The population is a collection of individuals and sample is a subgroup of the population, it is also a record of all sample units that are accessible and available for assortment in a given stage. In the current study probability sampling (simple random sampling) was used to collect data because it gives generalized results and gives a fair chance of selection. It also saves time and money (Nisar, Shaheen, & Bhatti, 2017). According to Roscoe (1975), minimum respondents should be 30 and 500 should be maximum for getting good results. If the sample size be more than 500 then the results will not be considered as desired ones. thus in the current study the sample size is 384. Unit of analysis is the student of universities.

**Research instruments and data collection**

In the current study questionnaire was used to collect data. In this case it can eliminate the interviewer biases and saves time and budget. Adopted instruments of previous researchers were used for this study. Furthermore, five Likert scale were used to get responses from respondents of this study. Questionnaire was divided into four parts. The first part was about questions regarding consumer purchase intention, the second part was about regarding social media and customer satisfaction, part three was related to trust and part four was related to demographics.

In this study consumer purchase intention consisted of 3 items adopted by (Thananuraksakul, 2007), social media scale consisted of 13 items and scale adopted by (Gerlich, Browning, & Westermann, 2010), Customer satisfaction consisted of 3 items adapted by (Zhou, 2011), and trust consisted of 4 items and scale adopted by (Gefen, Karahanna, & Straub, 2003).
Table 1

<table>
<thead>
<tr>
<th>Variables</th>
<th>Frequency</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gender</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Female</td>
<td>337</td>
<td>87.8</td>
</tr>
<tr>
<td>Male</td>
<td>47</td>
<td>12.2</td>
</tr>
<tr>
<td>Qualification</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Intermediate</td>
<td>27</td>
<td>7.0</td>
</tr>
<tr>
<td>Bachelor Degree</td>
<td>46</td>
<td>12.0</td>
</tr>
<tr>
<td>Master Degree</td>
<td>280</td>
<td>72.9</td>
</tr>
<tr>
<td>M.Phil.</td>
<td>9</td>
<td>2.3</td>
</tr>
<tr>
<td>Ph.D.</td>
<td>22</td>
<td>5.7</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
</tr>
<tr>
<td>25 to 30</td>
<td>115</td>
<td>29.9</td>
</tr>
<tr>
<td>31 to 35 years</td>
<td>219</td>
<td>57.0</td>
</tr>
<tr>
<td>36 to 40 years</td>
<td>50</td>
<td>13.0</td>
</tr>
</tbody>
</table>

Statistical analysis results
In the current study our framework was use (PLS-SEM) Partial Least Square technique. Because it is deemed best for all types of models and considered to be better than others like covariance- based technique (Bamgbade, Kamaruddeen, & Nawi, 2015; Hair Jr, Hult, Ringle, & Sarstedt, 2014). Moreover, this study to measure measurement and structural model use PLS-SEM technique.

Measurement Model
There were three types of validity measure in the measurement models such as content, discriminant, and convergent (Hair, Ringle, & Sarstedt, 2013). the current study met all conditions and criteria that was required .They are presented in Fig 2 and Table 2.

Table 2: Factor Loadings, Average Variance Extracted (AVE), and Composite Reliability (CR)

<table>
<thead>
<tr>
<th>Variables</th>
<th>Items</th>
<th>Factor Loading</th>
<th>AVE</th>
<th>CR</th>
<th>Cronbach Alpha</th>
<th>R²</th>
<th>Rho_A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social Media</td>
<td>SM1</td>
<td>0.686</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SM10</td>
<td>0.746</td>
<td>0.944</td>
<td>0.906</td>
<td>0.855</td>
<td>0.807</td>
<td>0.804</td>
</tr>
<tr>
<td></td>
<td>SM2</td>
<td>0.677</td>
<td>0.746</td>
<td>0.677</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SM7</td>
<td>0.720</td>
<td>0.720</td>
<td>0.720</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SM8</td>
<td>0.721</td>
<td>0.721</td>
<td>0.721</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SM9</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CSS1</td>
<td>0.968</td>
<td>0.968</td>
<td>0.968</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CSS2</td>
<td>0.903</td>
<td>0.903</td>
<td>0.903</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>CSS3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Figure 2: Measurement Model
Table 2 defines that CR is greater than 0.60 and AVE is greater than 0.60 means meet the criteria as recommended (Hair et al., 2013). Cronbach’s alpha is also the meet criteria that is 0.70 suggested by Nunnally (1978).

Table 3 defines that the discriminant validity fulfills criteria as recommended (Fornell & Larcker, 1981).

Table 4 indicates that factor loading of a specific factor should be higher than other factors in a similar row and column as recommended (Hair et al., 2013).

Assessment of Structural Model
In this section, we test the direct hypothesis that is between independent customer satisfaction, social media and trust, indirect hypothesis trust media between customer satisfaction, social media, and consumer purchase intention. Standards of loadings and path-coefficient planned that achieve bootstrap with 5000 subsamples (Hair Jr, Hult, Ringle, & Sarstedt, 2016). Table 5 spectacles the results of the structural model.
Figure 3: Assessment of Structural Model

Table 5

<table>
<thead>
<tr>
<th>Hypotheses</th>
<th>Paths</th>
<th>Path coefficient</th>
<th>Sample mean</th>
<th>Standard deviation</th>
<th>T-values</th>
<th>P-values</th>
<th>Results</th>
</tr>
</thead>
<tbody>
<tr>
<td>H1</td>
<td>CSS --&gt; CPI</td>
<td>0.120</td>
<td>0.118</td>
<td>0.044</td>
<td>2.748</td>
<td>0.006</td>
<td>Supported</td>
</tr>
<tr>
<td>H2</td>
<td>TR CSS --&gt; CPI</td>
<td>0.085</td>
<td>0.086</td>
<td>0.031</td>
<td>2.708</td>
<td>0.007</td>
<td>Supported</td>
</tr>
<tr>
<td>H3</td>
<td>TR SM --&gt; CPI</td>
<td>0.091</td>
<td>0.090</td>
<td>0.039</td>
<td>2.330</td>
<td>0.020</td>
<td>Supported</td>
</tr>
<tr>
<td>H4</td>
<td>SM --&gt; CPI</td>
<td>0.210</td>
<td>0.213</td>
<td>0.044</td>
<td>4.812</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>H5</td>
<td>TR --&gt; CPI</td>
<td>0.566</td>
<td>0.563</td>
<td>0.040</td>
<td>14.190</td>
<td>0.000</td>
<td>Supported</td>
</tr>
</tbody>
</table>

Table 5 determine that CSS indicator of CPI (t-value = 2.748, p-value = (0.006), simple mean = (0.118), Standard deviation (0.044) there by hypothesis H1 supported. TR CSS --> CPI (t-value = 2.708, p-value = 0.007) simple mean = (0.086), Standard deviation (0.031) and hypothesis H2 supported. Moreover, TR SM --> CPI (t-value = 2.330, p-value = 0.020) simple mean = (0.090), Standard deviation (0.039) and hypothesis H3 supported. SM (t-value = 4.812, p-value = 0.000) simple mean = (0.213), Standard deviation (0.044) and hypothesis H4 supported. TR (t-value = 14.190, p-value = 0.000) simple mean = (0.563), Standard deviation (0.040) and hypothesis H5 supported.

Discussion Conclusion

Nowadays, consumers moving toward purchasing goods via social media due to the advancement of internet technology. The current study contributes to the body of understanding. The main purpose of this study was to examine the effect of social media and customer satisfaction on consumer purchase intention with the moderating variable of trust. This study was the quantitative and deductive approach. Findings of this study revealed that social media and customer satisfaction has a significant influence on consumer purchase intention. Trust also affect positively. There are very limited studies of moderating effect, therefore in this study moderating variable between independent and dependent variable was used.
Limitations and Suggestions
This study also has some limitation same as past researches that must be considered when its results inferring. Moreover, this study is conducted among consumers in Punjab Pakistan that is considered as a developing country. This poses a limitation because of the diverse context level of the technology in Pakistan. However, it is vastly suggested that the researcher should conduct research in future on a similar topic in other developing countries and check the objectives and outcomes of this study. A different limitation of this study is that the present study focuses on consumer purchase intention in this instance, in the future suggestion for upcoming researchers conduct comparative studies among traditional channels and modern channels of purchasing. In addition, more suggestion are offers which considers other than consumer purchase intention variables as independent variables such as brand loyalty, green marketing, sales that affect consumer purchasing power to buy something.

Theoretical implication
Social media, customer satisfaction, trust, and consumer purchase intention are constructs of the current study. There are many studies of these constructs but in different context and content. The main uniqueness of this study is that it is considered from consumer’s intentions views which was generally unobserved and ignored in previous studies. Therefore entitles that the framework of this study will be considered as a reference for upcoming researchers who are interested in examining this area.

Practical Implication
There are many practical implications which can be derivatives from this study. They can be as the outcomes of the current study and would guide retailers, suppliers, marketers, and plan makers. Current study considers some main practitioners that affect the consumer purchase intention of consumers. Thus, if we focus on these practitioners we can significantly boost the ratio of profits. The practical implication of factors on consumer purchase intention, it is very important for retailers, a service provider to coming up stages that are deemed secure and safe. Practically retailers focus on these factors therefore this will ensure that a secure network makes consumer enjoy a high quality of interactions and benefits purchasing.

Reference


