ST. MARY'S UNIVERSITY
SCHOOL OF GRADUATE STUDIES

Factors Affecting Online Repurchase Intention:

Case Study of Ethiopian Airlines

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ID No: SGS/ 0566/2008A

Addis Ababa
June, 2017

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A THESIS SUBMITTED TO ST.MARY'S UNIVERSITY, SCHOOL OF GRADUATE STUDIES IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER IN MARKETING MANAGEMENT

Advisor: Mesfin Workineh. (PhD)

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DECLARATION

I Abel Gidey Adhanom, the undersigned, declare that this thesis is my original work, prepared under the guidance of Mesfin Workineh. (PhD). All sources of materials used for the thesis have been duly acknowledged. I further confirm that the thesis has not been submitted either in part or in full to any other higher learning institution for the purpose of earning any degree.

Declared by: Abel Gidey   Signature
Date

       Student   _____   _____

Approval

The undersigned certify that they have read and here by recommend to the St. Mary's University to accept the Thesis submitted by Lidya Seyoum, and entitled the impact of service quality on customer satisfaction: the case of Ethio telecom call center, in partial fulfillment of the requirements for the award of a Masters Degree in Marketing Management.

_____   _____   _____

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Internal Examiner   Signature   Date

ENDORSEMENT

This thesis has been submitted to St. Mary's University, School of Graduate Studies for examination with my approval as a University advisor.

Mesfin Workineh. (PhD)   Signature   Date

   Advisor   _____ _____

Abstract

The general objective of this study is to examine the major factors that determine Online Repurchase decision of Ethiopian Airlines customers. The research type is a casual research type. A total of 385 questionnaires were distributed from this 377 were collected and used for the analysis purpose. Random or non-probability sampling was used for sampling procedure. Both primary and secondary data are the source of data collection. The research instrument is structured questioner.

The findings of the mean value revealed that the Perceived trust shows the highest score (mean=3.88). The correlation analysis revealed that coefficients that show the five determinants measuring Online Repurchase decision are all positively related with Online Repurchase intention within the range of 0.361-0.502, all are significant at p<0.01 level. A 53.4% change of the dependent variable (Online Repurchase intention) on the Ethiopian Airlines are explained by the dependent variables which are included in the regression model.

As found after analysis perceived trust, Perceived usefulness, Perceived enjoyment and Perceived ease of use are important factors influencing the Ethiopian Airlines consumers repurchase decision. The practicality and faith which they have obtained from online purchase has influence their repurchase decision. Therefore Ethiopian airline in order to advance online repurchase decision of customers should try to promote website with better speed, easy to use, and entertaining.

Acknowledgement

This study would not have been completed if it were not for the help of numerous people and institution.

Foremost I would like to thank Almighty God who gave me the patience and grace throughout the years.

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CHAPTER 1
INTRODUCTION

1.1 Background of the Study

Information Communication Technologies (ICTs) have revolutionized the entire business world-commerce is bringing new developments to the global travel industry. These developments have impacted both consumer and industry behaviors in the area of air travel (Morrison, Tylor & Morrison, 1999).In many developed countries the internet has been adopted as an important medium, offering a wide assortment of products within 24 hours availability and wide area coverage. The emergence of the Internet in the mid-1990s as well as the development of Intranets and Extranets forced airlines to refocus their strategy on technological innovations in order to enhance their competitiveness as well as to communicate directly with their prospective customers and it has increased the availability of information about prices and products, enabling customers to identify the best deal or at least to improve their bargaining position with vendors both online and in traditional channels (Morrison 1999).

Online shopping presents various benefits to both businesses and consumers. From business perspective, the online shopping option gives cost effective and globally accessible distribution channel to market their product, increased sales and more effective marketing communication (Zubair khan, 2008). This will assist business firms to survive the existing fierce global competition besides the reputation they get from using leading-edge technologies.

Compared to the traditional face to face commerce mode; the online shopping mode offers several unique advantages for customers. Wide spread selections, plenty of available product information and no temporal and spatial limitations are some of them (Wen., 2011). Online shopping also adds great convenience to the life of the people and they do not have to spend their time going to a store or driving to retail stores. Buying online is always a beneficial deal than visiting retail stores in terms of more various options and time efficiency (Ezine Articles, 2010).

Cheap and discounted price, low searching cost and ease of comparison are some of the blessings of online trade for customers. Furthermore online trade enhances consumers bargaining power

and this in turn increases consumers switching from one airline to another. Marketers have been forced to reconsider their marketing strategy and conduct a detailed market assessment on their consumers buying behavior so as to better influence them.

1.2 Background of the Company

Ethiopian Airlines is the fastest growing Airline in Africa. Ethiopian has become one of the continent's leading carriers, unrivalled in efficiency and operational success. Ethiopian commands the lion share of the pan-African passenger and cargo network operating the youngest and most modern fleet to more than 93 international destinations across five continents. Ethiopian fleet includes ultra-modern and environmentally friendly aircraft such as the Boeing 787, Boeing 777-300ER, Boeing 777-200LR, Boeing 777-200 Freighter, Bombardier Q-400 double cabin with an average fleet age of five years (Ethiopian Fact sheet, 2016).

The company was established as Ethiopian Air Lines Inc. in June 1945 with the help of US airline, Tran's world airline (TWA). Among its myriads of achievements over its 70 years of service, remarkable progress was recorded in the use of Information Technology (IT). Among other IT facilities, in 2004 the on-line (Internet) booking service was opened for service and passengers traveling on international flights had access to make their own bookings over the Internet (Ethiopian fact sheet, 2015).

Currently the site hosts customized pages for different locations. Customers are directed to specific country page by way of requesting their location and then opening the specific country page that corresponds to the country of their choice. While the functionalities available in different country pages are similar, contents such as advertisements and special fares displayed in home pages differ according to the country.

1.3 Statement of the Problem

From the buying process continuation or repurchase of product online was given less attention and it is one of the seriously under researched area. Therefore, my research study tries to explore online consumer rebuying behavior from different perspectives. The research study also attempt to discover what the airline has been benefited from identifying issues that affect online

consumers repurchase decision. Retaining customers is a financial imperative for e-shopping business especially as attracting new customers is considerably more expensive online than in the case of comparable traditional bricks and mortar stores (Reicheld and Schefter, 2000). Acquiring new customers can cost as much as five times more than retaining existing ones (Kotler, 2000,).

Every organization can increase its sales volume by pursuing two primary marketing strategies. Attracting new customers and increasing its market share can improve the organization sales volume. On the other hand firms can also increase their sales volume by focusing their attention on retaining existing customers and by convincing them to purchase more. These two strategies are not mutually exclusive and they do not contradict. Firms need to employ both of them at the same time but there is always a problem of balancing the two. However, limited work has been conducted on factors affecting online repurchase intention. Therefore, the study attempts to bridge the gap through investigation of the determinants of online repurchase intention of Ethiopian Airlines.

1.4 Research Questions

In line with the statement of the problem the following research questions are raised to be answered.

The research attempts address the following questions;

1. How consumers trust towards the website influence their repurchase decision?

2. To what extent perceived usefulness and ease of use influence consumer repurchase decision?

3. How consumer satisfaction contributes for consumers online repurchase intention?

4. To what extent enjoyment on the website influence consumers online repurchase decision?

1.5 Objective of the Study

General Objective The main objective of this study is to examine the major factors online customer's takes into consideration when they make repurchase decision to buy air ticket.

Specific Objectives

The specific objective of the study is to:

1. To examine the effect of online trust on consumer repurchases decision.

2. To investigate the effect of online perceived usefulness and ease of use on repurchase decision.

3. To evaluate the contribution of online satisfaction on consumer repurchase intention.

4. To investigate the effect of perceived enjoyment in consumers repurchases decision.

1.6 Significance of the Study

The research tried to closely study what factors lead to online repurchase decision, which determinant factors highly affect online repurchase intention of customers. Adding this research would give the student researcher an opportunity to learn research undertakings moreover it will also help other researchers who would like to make an in-depth study in similar areas. Furthermore it will help the company management to evidently identify determinant factors that lead to online repurchase decision.

1.7 Scope of the Study

Previous research undertakings were concentrated on studying online shopping behavior in many developed countries and in some Middle East and south East Asia countries. However there is a great need for closer examination on the online shopping buying behavior in developing countries which may differ significantly between countries. For this reason this research was delimited to focus only on the online consumer buying behavior of Ethiopian airlines specifically on Ethiopia.

This research study tries to describe the buying behavior of Ethiopian airlines customers by focusing only on Ethiopian airlines online channel. The company has different sales channel these are company own sales people, company own ticket office, company website, company call center, other airline ticket office, physical travel agency and online travel agencies. Among all these different sales channel the focus of this study has been only on the company online sales channel. Most of prior researchers tend to focus on online consumer intention to purchase product online and they gave little attention to online consumers repurchase decision. However, this research study focused only on consumer's repurchases decision.

1.8 Limitation of the Study

There were different obstacles to complete this research; the major limitations that occurred include:

Since the research is somewhat vast, it requires long time to conduct deep, fruitful and outstanding research finding. Nevertheless with the limited time given to conduct the study the researcher could not carry out at desired level and manner, Secondly due to financial constraints, the researcher forced to take small sample size and should only focus on specific variables only. Thirdly the non-cooperative behaviors of the respondents in filling up the questionnaires at that time were major limitations.

1.9 Organization of the research report

This study organized into five chapters. The five chapters comprised of; Introduction, Review of Related Literature, Research Design & Methodology, Results and Discussion and, Summary, conclusions & recommendations.

The first chapter provides Background of the research area and it further includes the background of the organization, problem description, research questions, objective, significance, limitation, and scope, definition of terms and organization of the research.

Chapter two covers relevant literature related to the topics and sub topics, this involves theoretical frame work. Furthermore conceptual framework of the study is presented.

Chapter three sections composes research design, sampling design, sources of data, data collection method, Research instrument, data analysis method, validity and reliability and ethical consideration are discussed.

Chapter four gives an overview of the empirical findings based on the questionnaire survey. It presents the results in tabular presentation where necessary and it discusses each question.

Finally chapter five comprise of three sections which include summary findings, conclusions, and recommendations.

CHAPTER 2
REVIEW OF RELATED LITERATURE
1.1 Theoretical Review

There are number of reasons why the study of consumer behavior developed as separate marketing discipline. One of the common views is that understanding consumer behavior has become a factor that has a direct impact on the overall performance of the businesses (Kotler and Keller, 2012). Another author suggests that understanding consumer behavior has become crucial due to fierce competition in retail industry worldwide. It is fair to say that consumer buying behavior is the life blood of marketing and its main objective is to learn the way how the individuals, groups or organizations choose, buy, use and dispose goods and factors such as their previous experience, taste, price and branding on which the consumers base their purchasing decisions. Meanwhile, Solomon (2006) defines consumer behavior as the processes involved when individuals or groups select, purchase, use or dispose of products, services, ideas or experiences to satisfy needs and desires. The above definition is further strengthened by Kahn (2006) and he define consumer behavior as the decision making process and physical activity involved in acquiring, evaluating, using and disposing of goods and services.

The above definitions indicate the comprehensiveness of this area and the wide scope it covers. Consumer behavior includes every activity that a consumer performs starting from creating a buying intention up to disposing a product. The study of consumer behavior is concerned not only with what consumers buy, but also with why they buy it, when and how they buy it, and how often they buy it. It is concerned with learning the specific meanings that products hold for consumers. The American Marketing Association on the other hand defines consumer behavior as the dynamic interaction of affect and cognition, behavior, and the environment by which human beings conduct the exchange aspects of their lives (AMA, 2014). In this definition consumer behavior is viewed as a relationship between the environment and the consumer's psychological and emotional state. The environment includes all the things that influence the thoughts, feelings, and actions of consumers. These include advice from other consumers, advertisements, price information, packaging, product appearance, blogs, and many others. It is important to recognize from this definition that consumer behavior is dynamic, involves interactions, and exchange decision (Peter and Olson, 2010).

One of the study subjects of consumer behavior is consumer behavioral intention. Nowadays, it becomes one of the most widely discussed subjects in marketing literature. This is not surprising since intention is the major antecedent of behavior.

2.1.1 Expectation Confirmation Model (ECM)

As the name of the model implies consumers will initially form expectations about a particular product/service based on their prior experience. By assessing the perceived performance against the frame of reference, the consumers will then decide to either confirm or disconfirm the repurchase decisions. Expectation confirmation model (ECM) has been used in the context of information technology by various researchers. Initially it was proposed and empirically examined by Bhattacherjee (2001). He suggests that consumers' intention to continue their information technology usage is based on three factors which are the users' satisfaction with the information technology, the extent of their confirmation, and their post-adoption behavior which is measured by perceived usefulness. Previously, the ECM model was applied extensively to understand consumers' satisfaction and their post-purchasing behavior (Ibid). However, unlike TAM and other models ECM examines both pre purchase and post purchase behavior (perceived performance) at the same time.

The positive side of this model is that it allows a comparison of users' expectation and their satisfaction with their current online shopping experience. However, one short comings of the ECM is that it disregards some commonly identified influencing factors. This allows researchers to add additional factors based on specific needs and context. For example, the ECM excludes important characteristics such as users' enjoyment or the perceived ease of use of the technology, attributes which are commonly found in the Technology Acceptance Model (TAM) (Davis 1989). Despite the ECM being applied in the context of IT by researchers such as Bhattacherjee (2001), many researchers have found it useful by extending the ECM and integrating it with other relevant models. According Hong, (2006) the ECM can be able to better predict users' repurchase intentions when it is integrated with other similar models.

2.1.2 Technology Acceptance Model (TAM)

Technology acceptance model was introduced by Davis (1989) and is one of the most widely cited models in the study of Information technology adoption. The TAM proposed that a user's information technology adoption decision will be influenced by both the perceived ease of use and perceived usefulness. Perceived ease of use will in turn influence a user's perceived usefulness of an information technology. The TAM model has been applied to examine various technologies

The TAM is widely used in e-shopping research. Ahn, (2004) directly applied the TAM to investigate e-shopping behavior. On the other hand, most studies constructed an adapted (simplified and/or expanded) conceptual framework drawn from the TAM. Gefen and Straub (2000) proposed that PU and PEOU directly affect intention to use and ignored the influence of the mediating variable, attitude toward using. Adopting the same simplification, Liu and Wei (2003) additionally proposed that perceived risk is an antecedent factor of intention to use. Henderson and Divett (2003) tested direct links from PU and PEOU to actual use of e-shopping.

2.1.3 Combination of TAM and ECM

Although ECM and TAM were designed to explain different aspects of user perceptions, there are some similarities between the constructs of ECM and TAM. For example, both ECM and TAM includes the belief component of perceived usefulness. In TAM, perceived usefulness is suggested to be an antecedent towards users' intentions to utilize technology. In ECM, the post-adoption expectation of perceived usefulness is posited to be an antecedent to satisfaction, and intention to continue usage (Ibid). Therefore it can be concluded that both intention to use and intention to continue usage are equivalent constructs, but measured at different points in time. After a user has had sufficient experience with the behavior to have more informed beliefs (including perceived usefulness) and attitudes (including satisfaction) (Ibid). As suggested by Hong, (2006), both the ECM and TAM use similar concepts, and this provides the researchers the motivation for combining these two models with enhanced predictive power by "adding their different aspects of user perceptions in the original frameworks". This research paper aim to study the repurchase intention of Ethiopian online customers of Ethiopian airlines by adopting an integrated ECM and TAM model. This model incorporated factors which were found to be

important in past adoption intentions such as trust and perceived enjoyment. The model adopted in this paper had been proposed and used by Wen, (2011).

Lee (2010) also supported the notion of extending ECM as he believes that both ECM and TAM are able to independently provide a partial understanding of users' cognitive processes related to IT usage due to their distinct roots. By integrating ECM and TAM, The "theories are able to collectively provide improved and more comprehensive understanding of the cognitive processes and behaviors related to IT usage than when each theory is considered alone" (Ibid).Although integrating these two models provides a good foundation to explain why users continue to use IT, it has left out some important variables in the context of online shopping. Chong (2013) in his study of e-commerce adoption by users in Malaysia and China found that trust and perceived cost both have the significant influence on consumers' intention to adopt e-commerce. However, these variables have not been examined extensively in the context of continued e-commerce usage intentions. Perceived enjoyment is found to have a significant impact on technology acceptance by researchers such as Koufaris (2002). He suggested that researchers should consider constructs from information technology, consumer behavior, and social psychology in order to comprehensively study online consumer behavior. Therefore this paper will try to incorporate all the above categories and five exogenous variables were identified perceived usefulness and ease of use from TAM model, satisfaction from ECM model, trust and enjoyment from socio-psychological factors of online customers to evaluate the repurchase intention of online consumers.

2.2 Empirical Review

Generally, repurchase behavior is the concept of customer purchasing again after an initial purchase has been made. The types of repurchase may be purchase from the same store, brand, product and service. Although there are many factors affecting customers repurchase behavior, customer satisfaction is the most widely discussed factor. Customer satisfaction is the factors which researchers pay the most attention to as a major driver of repurchase behavior (Gustafsson et al., 2005 and Lam et al., 2004).

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 and the adequacy of explaining repurchase intention using satisfaction alone is questionable. The impact of satisfaction on retention also varies and it is affected by different factors like nature of industry and personality traits. Some findings showed that satisfied customers do not buy the product despite their previous purchase and satisfying experiences. In contrast, dissatisfied customers continue to purchase the product. However, most research findings indicated that satisfied consumers are more likely to continue their relationship with a particular shop than general ones. According to the above arguments, it can be inferred that consumer satisfaction and repurchase behavior still have positive association between them.

2.2.1 Factors Affecting the Consumer's Online Purchase Decision

It is important for retailers to understand customers repurchase intention and the factors that influence repurchase intention. Increased repurchase encourage profitability and achieve customer loyalty. Repurchase is also significant to continue the flow of the company's profitability (Hansemark and Albinsson, 2004). For this reason a number of researches have been carried out by scholars on identifying and analyzing those factors affecting the consumers' buying behavior. These factors were classified into various types and categories by different authors. For instance, (Sakkthivel, 2013) classified them into internal and external factor. On the other hand, (Rani, 2014) divided them into social, personal, cultural and psychological factors. Despite the fact that they have been classified into different groups by different authors they are similar in scope and purpose.

Furthermore there are factors that have been extensively covered in previous research and they have a significant effect on the consumers' online repurchasing decisions. Some of them are beliefs about brand, price, trust, experience and convenience. Customer satisfaction, service quality, perceived trust, perceived usefulness, perceived value and past experience behavior are also suggested as an antecedents of online repurchase behavior by Eggert and Ulaga (2006). Based on the integrated model this research paper identified factors that are found to be significant in previous research about online shopping. Therefore, Five different factors i.e.

satisfaction, ease of use, perceived usefulness, trust and enjoyment are considered as a prime factors.

2.2.2 Satisfaction and Online Purchase Decision

According to Kotler's (2000) definition, customer satisfaction is viewed as an individual's emotion about contentment and discontent caused when comparing the perception of a product or service in relation to the existing expectation. Satisfaction is a major determinant of repurchase intention and it has been widely defined as a post evaluative judgment over a particular purchase (Bearden & Teel, 1983). In the online shopping context, a customer is more likely to intend to return to a particular store if he or she is satisfied with the previous purchases from that store. Unpleasant buying experience easily leads to dissatisfaction, discouraging the customer from coming back (Oliver, 1999). There is ample empirical evidence from the marketing literature that customer satisfaction is positively linked to repurchase intention (Khalifa & Liu, 2005). Some researchers however claimed that repurchase may not be caused by satisfaction and for the same reason satisfied customers may not coming back for purchase again.

Based on this the following hypothesis can be posited:

Hypothesis 1: A customer's shopping satisfaction at a website positively affects a customer's online repurchase intention

2.2.3 Customer Trust and Online Purchase Decision

Another common variable that have been included in the study of online consumer's behavior is trust. Currall and Judge (1995) define trust as an individual's reliance on another party under conditions of dependence and risk. Considering that risk is a function of the probability that a hazard arises and the consequences of the hazard (Schneider, 1998). An individual's trusting behavior depends on the nature of the consequences. In the context of high-consequence systems such as e-transactions, risk avoidance behavior may arise. When a consumer trusts in vendor, feelings of confidence and security occur towards the vendor. The consumer is assured and willing to involve in purchasing process. In an online transaction, there is no physical interaction between consumer and vendor, and the payment is usually paid by credit card, which increases the probability that consumer's financial data may be exposed or used by others without the

acknowledgment of the card owner. There is also the risk that the product received is not originally ordered. Thus, the online transaction can create a sense of powerlessness among online shoppers. Trust plays a key role in driving perceived usefulness and customer re-purchase intention. Identifying the importance of retaining customers' trust in online business and retaining loyal customers is absolutely vital for online business.

Based on this the following hypothesis can be posited:

Hypothesis 2: A customer's trust in on a website positively affects a customer's online repurchase intention.

2.2.4 Perceived Enjoyment and Online Purchase Decision

In the context of online shopping, perceived enjoyment is the customer's perception that by shopping online he or she will have fun. Perceived enjoyment is the hedonic factor that affects online shopping intention. Enjoyment can be defined as the extent to which online shopping is perceived to be personally enjoyable and fun (Chiu et al., 2009). Machado (2005) cited (Childers et al., 2001) and indicated enjoyment to be a consistent and strong predictor of attitude towards online shopping. If consumers enjoy their online shopping experience, they have a more positive attitude toward online repurchase, and are more likely to adopt the internet as a shopping medium. In this paper enjoyment refers to the level of fulfillment and fun that the online consumers draw from online shopping. Naturally one of the reasons that attract consumers to purchase in a physical market is the enjoyment and fun they get out of this experience. Likewise online consumers also enjoy their involvement in the overall online purchase activity. If there is less fun and enjoyment in the overall shopping activity consumers are less likely to buy repeatedly. Enjoyment can be based on the design of the website and the information provided, website attractiveness and the level of challenge to perform the task online. Prior literature also indicated that a useful online product could make people more likely to experience greater enjoyment at e-store that establishes high quality in terms of marketing and information related attributes (Al maghrabi, 2011).

In previous researches enjoyment is highly linked with flow concept. Flow is a state which occur during network navigation, which is characterized by a seamless sequence of response, machine interactivity, intrinsic enjoyment, accompanied by a loss of self-consciousness, self-reinforcing." To experience flow while engaged in an online pursuit, consumers must perceive a balance between their skills and the challenges of the interaction, and both their skills and challenges must be above a critical threshold. The flow concept was first coined by Czikszentmihalyi (1975) and it refers to a holistic feeling an optimal experience that takes place when performing an activity involves a challenge and at the same time offers a possibility for action allowing for the use of personal skills, with clear goals and a perceptible response to such actions. Individual in flow state feel in control of their environment. They lose their self-awareness and their sense of time becomes distorted as they enter a state of total involvement where their ego is immersed in their activity and they ignore other environmental stimuli.

Based on this the following hypothesis can be posited:

Hypothesis 3: A customer's high enjoyment of shopping at a website positively affects a customer's online repurchase intention.

2.2.5 Perceived Usefulness and Online Purchase Decision

Perceived usefulness refers to the extent to which a person believes that using a particular technology will enhance his /her job performance. An individual is more likely to be satisfied with an offering or experience when he or she perceives better performance therefore greater usefulness. A customer is more likely to buy again from an internet store when he or she finds shopping there is useful. Bhattacherjee (2001) determined that customers would not shy away from a transaction if they perceived that it was useful for them. This perception of usefulness motivates customer behavior and attitude toward online shopping and intention to shop on the internet. A website is useful if it delivers customer services that meet customer expectations (Barnes and Vigden, 2002). The usefulness of a website has a positive impact on customer attitudes. It may encourage customers to continue to use the e-commerce store. According to TAM, perceived usefulness is one of the major determinants of intention formation. The notion was originally developed in the organizational setting, denoting the extent to which an individual's job performance is enhanced with the use of a specific technology. In the context of

online shopping, it refers to the salient beliefs of customers regarding the instrumentality of repurchase. For example, online shopping may be perceived as more useful when it offers convenience and cost savings.

Based on this the following hypothesis can be posited:

Hypothesis 4: A customer's perceived usefulness of a website positively affects a customer's online repurchase intention.

2.2.6 Perceived Ease of Use and Online Purchase Decision

Perceived ease of use is defined as the extent to which a person believes that using the particular system or technology would be free from effort (Davis, 1989). In the E-commerce context, the dimensions of ease of use includes the ease of ordering, functionality, navigation of website and accessibility of information, cited in Liat and Wuan (2014). Consumers will always visit user-friendly websites that demonstrate an accessible user interface. In contrast, if users perceive that a website is difficult to use, or the display of the website is complicated and ambiguous, they will show a lower online purchase intention. When consumers easily interact with e-commerce website to search product information and to pay online they will consider online shopping more useful.

Based on this the following hypothesis can be posited:

Hypothesis 5: A customer's perceived ease of use of a website positively affects a customer's online repurchase intention.

2.3 Conceptual Framework

Previous research studies have examined different factors that influence the successful acceptance of online shopping, (Wang and Yang, 2010), (Karimi, 2013). Several comments can be made from the earlier studies. Primarily numerous studies documenting the spread of the internet in various parts of the world have highlighted that Sub-Saharan Africa is the region with the lowest level of economic, technological, and Internet development in the world (Okoli & Mbarika, 2003). As a result many studies didn't focus on sub-Saharan Africa online consumers.

Secondly, majority of these studies has focused on consumers' initial intention to adopt online shopping. Although studying the customers behavioral intention to adopt a technology is common in the study of online marketing. It is also important to understand repurchase intention. Individual e-commerce customers are demanding and often unforgiving. They expect page downloads in less than eight seconds and expect to complete the shopping process in less than ten minutes from when they open the retailer's homepage.

2.4 Definition of Terms

Repurchase Behavior/Purchase Continuation;-refers to the tendency of online customers to continue buying from the same service provider.

Website Navigation; -refers to searching for a service or information on a website by moving from one page to another.

Website Visitors; - are those people who visit the website and left without buying or without making a meaningful search.

Figure1. Modified Integrated Model
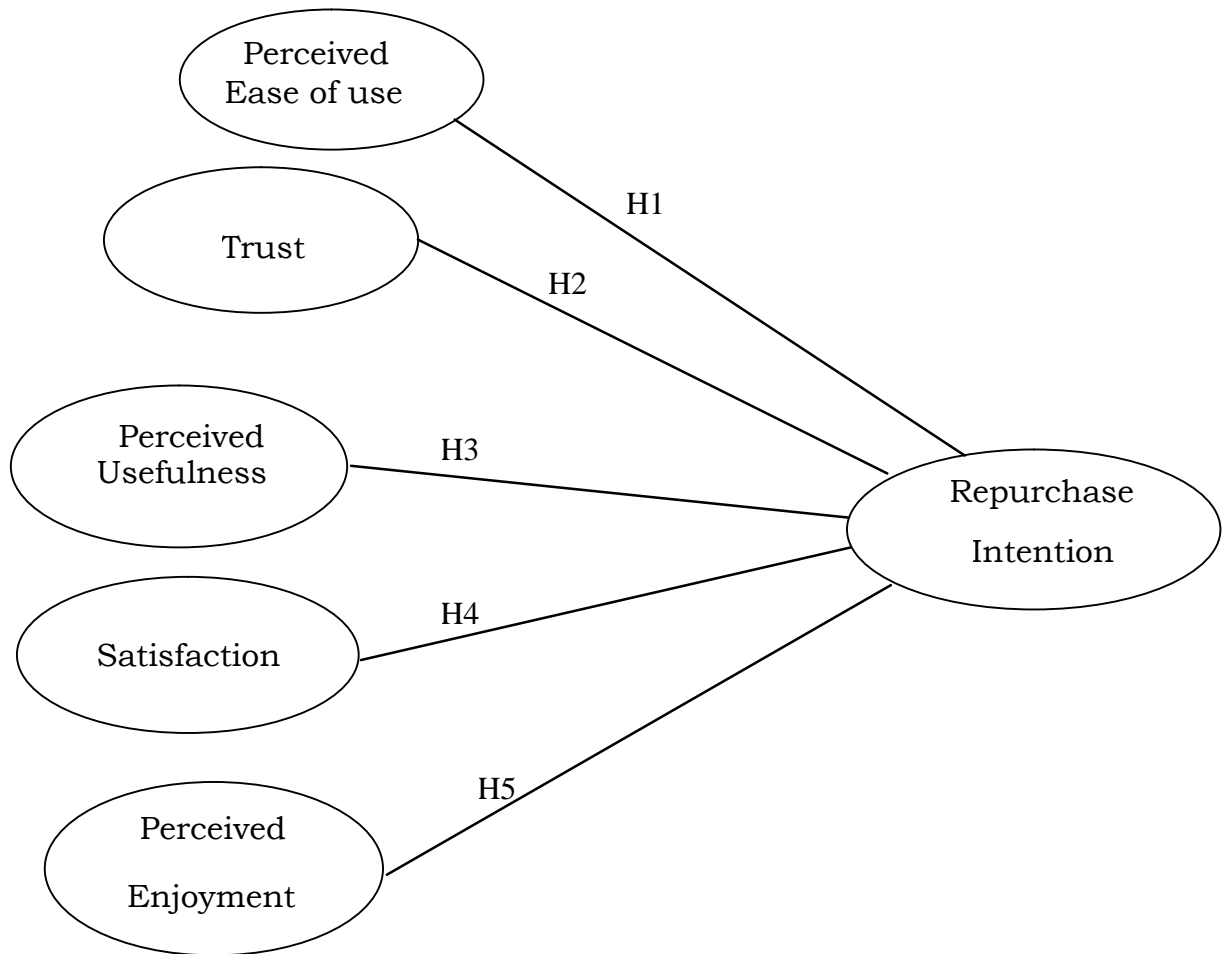
CHAPTER 3
RESEARCH METHODOLOGY

3.1. Research Design

The research type this study was a causal research type. By employing inferential statistics, regression analysis, the effect of the independent variable on the dependent variable and the correlation between the exogenous variables was assessed. The conceptual Frame work was designed as a base for this study; it is designed to test the effect of the five variables on the online repurchase intention of the Ethiopian airline customers.

3.2. Population and Sample Size Determination

A population is commonly understood to be a natural, geographical or political collection of people, animals, plants or objects (Dowdy et al., 2004). The target population in this study was defined as all Ethiopian airlines online consumers who have purchased their ticket online. It is too expensive and impractical to use the total population in this study. For this reason among the total population a sample of 385 customers was randomly selected. The sample respondents are Ethiopian airlines online customers who traveled from Ethiopia to any point of the world by using Ethiopian airlines. All of the sample respondents are online consumers and they are familiar with online shopping channel.

3.3. Sampling Techniques

A sample is a subset, or some part, of a larger population. The process of sampling involves using a portion of a population to make conclusions about the whole population (Zikmund, 2009). Random sampling method specifically random number was used to select 385 sample respondents from all age and educational groups. The sample size is determined based on 95% confidence level and confidence interval of five. On top of this the sample size was purposely enlarged in order to minimize the problem of low return rate of email survey. Email survey and hard copy questionnaire was used to reach potential respondents with a short note inviting them to respond to the survey questionnaire. The sample size for this research study is determined by the formula presented;-

$$N= \frac{Z^2\ PQ}{E^2}$$

N=Sample size

$$N= \frac{(1.96)^2 X 0.5(0.5)}{(0.05)^2}$$

Z=95% confidence level (1.96)

N=**385 Respondents** but by

P=Degree of variability 0.5   anticipating low response rate Q=1-

P = 0.5   ±5% desired level of precision

3.4. Data Collection Method

Data collection is the process of gathering and measuring information on variables of interest, in an established systematic fashion that enables one to answer stated research questions, test hypotheses, and evaluate outcomes. This section aims to justify the selection of an online/email survey as the most suitable data collection method for this study. There are different methods for data collection identified in different literatures, including mail, face-to-face, telephone, electronic mail, and a combination of these methods (Szolnoki & Hoffmann, 2013). This study used an online survey because it has the advantages of versatility and speed (Cohen, 2003).

The target respondents are people who are familiar with the internet and use the airline website for buying air ticket. As a result, email survey and hard copy questionnaire are probably the best method for this study. Email survey questionnaire was believed to be the most suitable and practical method for collecting quantitative data for this study. The advantages of using an online survey includes cost, geographic coverage, no bias from an interviewer's involvement, and more accurate results from the survey. Strategies to overcome weaknesses, such as low response rate, low response time and internet connection problem have been proposed.

3.5 Data Source

Relevant data was collected both from primary and secondary data sources by employing different instruments of data collection. Primary data was collected by using structured questionnaire. The questionnaire was used to evaluate the customer buying behavior in general and their influencing factors for repurchasing airline ticket online specifically. The questionnaire

was developed based on a five point Likert scale and it was distributed via email and hard copy. The questionnaire was initially pilot tested to verify the validity and reliability of the research instrument. The questionnaire item was focused on the respondents' intention towards online repurchase decision.

The questionnaire has three parts, in the first section respondents were asked about their previous online experience and buying practice. Then the demographic questions were forwarded. And then online consumers were also asked to indicate their reason for buying online. The third part of the questionnaire measured the five variables indicated in the proposed model. There is no technical jargon or difficult words in the questions, and closed ended questions were used throughout the whole questionnaire. This was quite helpful as respondents could make a quick decision when answering, and it provided greater uniformity, thereby making data processing easier. Furthermore¸ secondary data was collected from different published and unpublished sources. Some of these are relevant books, different manual of Ethiopian airlines, journals, and research carried out by different university scholars. Ethiopian airlines online department report and data which are collected from Google analytics and data collected from different statistical sources were used.

3.6. Method of Data Analysis

In this research paper both descriptive and analytical method of data analysis was used. Descriptive method was used to describe and interpret factors that affect customers repurchase intention. On the other hand¸ the analytical method was used in order to look beyond the fact and figure which was collected through the questionnaire and to critically evaluate facts. Moreover¸ the data gathered through secondary source was analyzed by relating and describing the meaning and implications. In other word¸ data which are qualitative in nature was described, classified and concepts also relate to one another. The quantitative data was analyzed through different statistical tools such as multiple regressions and correlation analysis. These statistical tools were employed to measure the relationship between independent variables and dependent variables. For this purpose the questionnaires was coded and entered in to computer SPSS program. Simple statistical methods like percentages and cross tabulation was also used to facilitate meaningful analysis and interpretation of research findings.

3.7. Pilot-Testing

Before conducting the main survey, a pre-testing (pilot study) was conducted to validate the instrument. According to Zikmund (2009) a pre-testing study serve as a guide for a larger study or examine specific aspects of the research to see if the selected procedures will actually work as intended. The pre-test for this study was conducted and it enables to check whether there are any ambiguous or biased questions included in the questionnaire. The pilot test questionnaire was sent to 38 respondents who are selected on a convenience basis. In the pilot-testing the respondent was asked to comment on the length of the instrument, the format, general understanding of the words used, and wording of the scales. Once the pilot phase completed, the survey questionnaire was revised and distributed to the intended respondents.

3.8. Measurement Development

Six constructs, including repurchase intention, satisfaction, enjoyment, perceived usefulness, perceived trust, and perceived ease of use was measured using multi-item scales. Each construct contains several items measured by the fully anchored, 5-point Likert scale ranging from (1) "strongly agree" to (5) "strongly disagree". The items was generated from previous research projects and modified to fit the context of repurchase intention in online shopping.

The questionnaire items were adopted from previous research and rephrased to suit the context of the online repurchase intention and to represent the variables in the research model. Items measured on a scale for perceived usefulness was adopted from Davis (1989). Measurement items for Perceived ease of use were adopted from Davis (1989) and Gefen et al., (2003). The perceived enjoyment measurement item was adopted from Van der Heijden et al., (2003) and Hassanein and head (2007), trust and satisfaction items were adopted from (Fang et al., 2014) and the repurchase intention measurement scale was adopted from (Wen et al., 2011).

3.9. Reliability and Validity Analysis

According to Saunders et al., (2009), reliability is the extent to which data collection technique will yield consistent findings. In other words, the reliability of a measure indicates the extent to which the measure is without bias (error free) and hence offers consistent measurement across time and across the various items in the instrument. It helps to assess how well does the instrument measure what it purports to measure. This research used the most popular test of inter-item consistency reliability that is the Cronbach's coefficient alpha. The coefficient of internal consistency provides an estimate of the reliability of measurement and is based on the assumption that items measuring the same construct should correlate (Kimberline and Winterstein, 2008). Reliabilities less than 0.6 are considered to be poor, those in the 0.7 range, acceptable, and those over 0.8 good. The closer the reliability coefficient gets to 1.0, the better. The alpha of a scale should be greater than 0.700 for items to be used together as a scale. Therefore minimum 0.700 coefficient alpha values accepted to finalize the item reliability Alkhattabi (2014) cited Sekaran (2000).

As per shown in Table below all dimensions have appropriate reliability.

Table 1. Reliability Statistics on Online Repurchase intension.

Measurement items(Interval scale)	Items Cronbach alpha	Reliability	Result
Perceived Usefulness	5	0.911	Good
Perceived Ease of use(PEOU)	3	0.849	Good
Perceived Trust	4	0.969	Good
Perceived Enjoyment	4	0.850	Good
Satisfaction	3	0.801	Good
Repurchase intention	4	0.894	Good

Source: Own survey; 2017

According to Kothari (2004) content validity is the extent to which a measuring instrument provides adequate coverage of the topic under study. If the instrument contains a representative sample of the universe, the content validity is good. Its determination is primarily judgmental and

intuitive. It can also be determined using a panel of persons who shall judge how well the measuring instrument meets the standards, but there is numerical way to express it. Based on this definition the content validity was verified by the advisor of the research, who look into the appropriateness of the questions and the scale of measurement. In addition discussions with Fellow researchers as well as feedback from the pilot survey were another way of checking the appropriateness of the questions. In case of secondary data, only relevant articles and literature from academic, scientific and marketing databases were used for this study.

3.10. Response Rate

The questionnaire was distributed to 385 people in the database and among the total 385 potential respondents 381 questionnaire were returned. Valid replies for this study were reduced to 377 persons. This gave a response rate of 98 percent, which is better than the expected response rate for most internet surveys. The response rate from this survey is considered acceptable in a voluntary environment. Therefore, there were only 377 eligible respondents who replied the survey and these were used for further analysis in this study.

3.11. Ethical Considerations

A number of ethical considerations were taken into account throughout this study. The questionnaire was clear about the voluntary participation. It is believed that clarity of this aspect may contribute to the high response rate. Participation in this research survey was voluntary and participant themselves decide whether they want to be part of the study or not. Participants can withdraw at any time during the survey if they feel uncomfortable and the anonymity of respondents and confidentiality of other sources of information was assured. The research is purely for academic purposes and as a result of this the researcher will never reveal or use any of the confidential information or the business secrete of the company for another purpose.

CHAPTER 4
DATA PRESENTATIONAND ANALYSIS
4.1 Data Analysis and Interpretation

This chapter analyzes responses collected from Ethiopian airline online customers. In total 385 questionnaires were distributed, Out of the total 4 questionnaires were not collected and 4 were not valid and the study consider them as missing value of the study.

4.1 Demographic Characteristics of the Respondents
4.1.1 Gender

Concerning the Gender position of respondents (53.1%) of them are males and the rest (46.9%) are females. This implies that males use online purchase compared to females.

Table 2. Gneder of respondnts

		Frequency	Percent	Valid Percent	Cumulative Percent
	male	200	53.1	53.1	53.1
Valid	female	177	46.9	46.9	100.0
	Total	377	100.0	100.0	

Source: Own Survey; 2017

4.1.2 Age

Majority of respondents belong to age group (>=36) years with 36.6% followed by (29-35) years which is 29.7%, (23-28) years having 26.8% , and the minimum representation between age group of(18-22) have 6.9%. This confirms that majority of Ethiopian airline customers are above the age out of 35.

Table 3. Age of respondents

		Frequency	Percent	Valid Percent	Cumulative Percent
	18-22	26	6.9	6.9	6.9
	23-28	101	26.8	26.8	33.7
Valid	29-35	112	29.7	29.7	63.4
	>=36	138	36.6	36.6	100.0
	Total	377	100.0	100.0	

Source: Own Survey; 2017

4.1.3 Educational Status

In relation to educational status of the respondents 164 (43.5%) of them are first degree holders. Diploma and less educational holders reaches up to 127 (33.7%) and post graduates account for 73 (19.4%) of the total respondents and others accounts for 13 (3.4%). This finding indicated that the respondent's educational status slightly touches evry educational status which implies online shoping is not the activity of few eliets or highly educated peoples rather it is performed by all peoples from all education level.

Table 4. Educational level

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Diploma or less	127	33.7	33.7	33.7
	Degree	164	43.5	43.5	77.2
	Masters	73	19.4	19.4	96.6
	Other	13	3.4	3.4	100.0
	Total	377	100.0	100.0	

Source: Own Survey; 2017

4.1.4 Amount of Money Spent on Air Ticket Purchase Online Per Year

The finding indicated that the respondents 124 (32.9%) spend less than $100 per year for online air ticket purchase. 76 (20.2%) of the respondents on the other hand indicated that they spend between $101 - $200 per ticket. And this indicated that they at least purchase one ticket per year. Ethiopian airlines minimum ticket cost is $ 65 on for local flight users. Based on the above findings and common sense it is possible to say that most of the respondents are local flight consumers.

Table 5. Money spent on online shopping per year

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<100	124	32.9	32.9	32.9
	101-200	76	20.2	20.2	53.1
	201-500	89	23.6	23.6	76.7
	>=501	88	23.3	23.3	100.0
	Total	377	100.0	100.0	

Source: Own Survey; 2017

4.1.5 Time Spent Online for Shopping Air Ticket Per Ticket

Regarding the amount of time spent online the finding indicated that majority of the respondents 176 (46.7%) of them spent between 16 minutes to 59 minutes to finalize their online air ticket purchase. whereas163 (43.2%) of them spent 1 up to 3 hours to finalize their online air ticket purchase. Therefore, it is possible to say that the average time required to finalize online air ticket purchase is between 16-60minutes.This times spent online to purchase a single air ticket is long and time taking for online consumers.

Table 6. Time spent on online shopping per week

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0-15 min	38	10.1	10.1	10.1
	16-59 min	176	46.7	46.7	56.8
	1hr-3hr	163	43.2	43.2	100.0
	Total	377	100.0	100.0	

Source: Own Survey; 2017

4.1.6 Online Shopping Experiences

Respondents were asked in survey questionnaire that how many times they bought air ticket over the internet during last year. As per their response, 139 (36.9%) of them said that they bought air ticket 2-4 times, and 126 (33.4%) of respondents said 2 to 4 times in a year. While 49 (13.0%) of the respondents said just once, 38 (10.1%) purchase air ticket very frequently between 5 to 9 times. majority of the customers bought air ticket 2 to 4 times in a year means they are frequent online shoppers, reveals once they use its most likely to buy it again.

Table 7. Online shopping experience

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Just once	49	13.0	13.0	13.0
	2-4 times	139	36.9	36.9	49.9
	5-9 times	38	10.1	10.1	59.9
	10-14 times	126	33.4	33.4	93.4
	>14times	25	6.6	6.6	100.0
	Total	377	100.0	100.0	

Source: Own Survey; 2017

4.1.7 Respondents Reasons for Online Shopping

To find the reason behind online purchase and the factors that urge consumer for buying product online. Respondents were asked to indicate what motivate them to buy ticket from an online store. The respondents mentioned several reasons for preferring online over offline shopping. They pointed out that 43.5% of them said special offer, 33.2% time saving, 16.4% better value and 3.4% said convenience and other respectively. Based on the findings special offer and time saving are indicated as main reason reasons.

Table 8. Reasons for Shopping Online

		Frequency	Percent	Valid Percent	Cumulative Percent
	Convenience	13	3.4	3.4	3.4
	Special offer	125	33.2	33.2	36.6
	Better Value	62	16.4	16.4	53.1
Valid	Time-saving	164	43.5	43.5	96.6
	Others	13	3.4	3.4	100.0
	Total	377	100.0	100.0	

Source: Own Survey; 2017

4.1.8 Respondents Concern over Online Shopping

Majority of respondents belong mentions Lack of Understanding with 29.4% followed by Lack of physical contact years is 20.2%, Time taking process having 16.7%, and the minimum representation Lack of trust with 10.1%. This confirms that major concern for shopping online arise from lack of understanding.

Table 9. Concerns for Shopping Online

		Frequency	Percent	Valid Percent	Cumulative Percent
	Lack of trust	38	10.1	10.1	10.1
	Lack of Understanding	111	29.4	29.4	39.5
	Privacy Concerns	39	10.3	10.3	49.9
Valid	Time taking process	63	16.7	16.7	66.6
	Lack of physical contact	76	20.2	20.2	86.7
	Others	50	13.3	13.3	100.0
	Total	377	100.0	100.0	

Source: Own Survey; 2017

4.2. Data Analysis Pertinent to the Study

Before proceeding to regression analysis, data clearing and statistical test were done. SPSS used in data clearing. The collected data passed through the following test; normality, multicollinearity, reliability and validity.

Normality test is a way to estimate whether the sample data close approximation to the actual unknown population, Paul Newbold (2003). Graphical and statistical methods can be used to test normal distribution of the sampled data. Normal probability plots provide a good way to test variables' distribution. The horizontal axis indicates data ranks from smallest to largest; the vertical axis indicates cumulative normal probability of the ranked data Paul Newbold (2003).

The multicollinearity used to test whether two or more independent variables are highly Correlated to each other. The test indicated there is positive correlation between independent Variables. VIF value of independent variables less than the threshold level 10, Andy Filed (2009). Ethiopian airline online repurchase intention meet the reliability test with respective Cronbach's Alpha value of (. 894) .The values are greater than the recommended level (. 80), by Andy Field (2009). The mean value of each independent variable was used for regression analysis. The statements under Perceived usefulness, Perceived trust, Perceived enjoyment, Perceived ease of use and Satisfaction are added and then divided by the number of questions to get the mean value (Q1+Q2+...Q5)/5.

4.2.1. Perceived Usefulness

The findings showed under that Ethiopian airline website is fairly useful showing average mean value of 3.76. This means that the respondent's opinions is skewed to agreement. Statement on Ethiopian airlines make it easier to make purchase, has the lowest mean value of 3.25. Whereas Ethiopian airlines website enable me to finish my shopping task more quickly rated accounts for the highest mean value of 4.09. As whole the website found useful by online customers.

Table 10. Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Using Ethiopian airlines website enable me to finish my shopping task more quickly	377	1.00	5.00	4.0955	1.11632
Buying on Ethiopian airlines website help me to make better purchase decision	377	1.00	5.00	3.2971	.90614
Buying on Ethiopian airlines website make it easier to make purchase	377	1.00	5.00	3.2599	.96828
Buying on Ethiopian airlines website helps me to save money	377	1.00	5.00	4.1883	1.20904
Overall, I find the website useful for shopping	377	1.00	5.00	3.9920	1.11204
Perceived usefulness	377	1.40	5.00	3.7666	.91689
Valid N (listwise)	377				

Source: Own Survey; 2017

4.2.2 Perceived Ease of Use

The findings indicated under that Ethiopian airline website is somehow not clear and understandable showing average mean value of 2.83. This means that the respondent's opinions is skewed to disagreement. Statement on Ethiopian airlines website is flexible to interact with, has the lowest mean value of 2.74. Whereas Ethiopian airlines website is not easy to use rated accounts for the highest mean value of 2.9. By and large the result designated that respondents do not honor the website as easy for use.

Table 11. Descriptive Statistics for Perceived Ease of Use

	N	Minimum	Maximum	Mean	Std. Deviation
Ethiopian airlines website is easy to use	377	1.00	5.00	2.9019	.98576
Ethiopian airlines website is flexible to interact with	377	1.00	5.00	2.7401	.93758
The website is easier to find the product or information I want to buy	377	1.00	5.00	2.8727	1.09385
Perceived ease of use	377	1.00	4.67	2.8382	.88328
Valid N (listwise)	377				

Source: Own Survey; 2017

4.2.3 Perceived Trust

The mean value computed for I feel that Ethiopian airlines website is trustworthy, accounts for a mean value of 4.0531 which is the highest. In contrary reliability for online shopping is with the

lowest mean value of 3.72. As the average mean is 3.88 which is close to agree, suggesting that respondents have a strong believe on the website.

Table 12. Descriptive Statistics for Perceived Trust

	N	Minimum	Maximum	Mean	Std. Deviation
I feel safe in my transaction with Ethiopian airlines website	377	1.00	5.00	3.8886	1.08829
I believe Ethiopian airlines website protect my privacy	377	1.00	5.00	3.8886	1.08829
Ethiopian airlines website is reliable for online shopping	377	1.00	5.00	3.7215	1.13428
I feel that Ethiopian airlines website is trustworthy	377	1.00	5.00	4.0531	1.22359
Perceived trust	377	1.50	5.00	3.8879	1.08600
Valid N (listwise)	377				

Source: Own Survey; 2017

4.2.4 Perceived Enjoyment

Questions under perceived enjoyment indicates that the data's collected are skewed towards neutral with average mean value of 3.0. The website entertainment, fun and enjoy ability having the lowest mean value of 2.77 and 2.87 respectively. Which makes it difficult to suppose either the website is enjoyable or not.

Table 13. Descriptive Statistics for Perceived Enjoyment

	N	Minimum	Maximum	Mean	Std. Deviation
I feel controlled and independent when I make purchase on Ethiopian web site	377	1.00	5.00	3.3634	1.01742
I found my visit to Ethiopian airlines website interesting	377	1.00	5.00	3.0080	1.04293
I found my visit to Ethiopian airlines website entertaining and fun	377	1.00	5.00	2.7719	.93169
I found my visit to Ethiopian airlines website enjoyable	377	1.00	5.00	2.8727	.93098
Perceived enjoyment	377	1.50	4.75	3.0040	.81520
Valid N (listwise)	377				

Source: Own Survey; 2017

4.2.5 Satisfaction

The findings showed under that Ethiopian airline customers are satisfied with online purchase they made, showing average mean value of 3.02. This means that the respondent's opinions is skewed to neutral. Customer's satisfaction on online purchase they made, has the lowest mean value of 2.93. Although either the customers' repurchase intention increases or not while they are satisfied accounts for the highest mean value of 3.1. In this case customers can't be categorized as they are satisfied or not.

Table 14. Descriptive Statistics for Satisfaction

	N	Minimum	Maximum	Mean	Std. Deviation
I feel satisfied with the online purchase I made	377	1.00	5.00	2.9363	1.09456
I found my online purchase satisfaction to my expectation	377	1.00	5.00	3.0292	1.05523
The possibility to repeat my online purchase intention increases when I am satisfied with my online purchase experience	377	1.00	5.00	3.1061	1.04901
Satisfaction	377	1.00	5.00	3.0239	.90197
Valid N (listwise)	377				

Source: Own Survey; 2017

4.2.6 Repurchase Intention

The above table clearly indicated that the data collected under repurchase intention is skewed towards agree, having average mean value of 3.69 mean. Customer's intention to buy air ticket from other channel and Ethiopian airline website, has the highest mean value of 4.01 and 3.62 respectively. This indicates that respondents are somewhat going to continue shopping from Ethiopian airline.

Table 15. Descriptive Statistics for Repurchase Intention

	N	Minimum	Maximum	Mean	Std. Deviation
I intend to continue buying air ticket from Ethiopian website	377	1.00	5.00	3.5942	.96330
I intend to buy air ticket from another channel	377	1.00	5.00	4.0186	1.21040
I intend to buy more air ticket from Ethiopian website	377	1.00	5.00	3.6286	.92542
I intend to buy other new services from Ethiopian website	377	1.00	5.00	3.5570	.93260
Online repurchase intention	377	1.00	4.75	3.6996	.88414
Valid N (listwise)	377				

Statistics indicating the Importance of Factors That determine Online Repurchase intention

Likert scale was used to measure the importance level of factors affecting practices of relationship marketing. The higher the score, the more important are the variables as evaluation criteria. Five point scales were used to measure the importance of factors in such a way that mean score could be calculated to determine the main determinants of online repurchase intention. With five point scales, the intervals for breaking the range in measuring each variable are calculated as follows:

= <u>Max.-Min.</u> = 5-1/5 =0.8 = Importance Level

   5

It means that the scores falling between the following ranges can be considered as:

Importance Score 1.00 – 1.80 Means Unimportant at all

Importance Score 1.81 – 2.60 Means Somewhat Unimportant Importance

Score 2.61 – 3.40 means neutral Importance

Score 3.41 – 4.20 means somewhat important

Importance Score 4.21 – 5.00 Means Extremely Important

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Perceived usefulness	377	1.40	5.00	3.7666	.91689
Perceived trust	377	1.50	5.00	3.8879	1.08600
Perceived enjoyment	377	1.50	4.75	3.0040	.81520
Perceived ease of use	377	1.00	4.67	2.8382	.88328
Satisfaction	377	1.00	5.00	3.0239	.90197
Online repurchase intention	377	1.00	4.75	3.6996	.88414
Valid N (listwise)	377				

The mean scores show that the most important Determinant of Online repurchase intention were Perceived usefulness (mean = 3.7666), Perceived trust (mean= 3.8879), Perceived enjoyment (mean= 3.0040), Perceived ease of use (mean= 2.8382) and Satisfaction (mean= 3.0239).

4.3 Correlation Analysis

A correlation coefficient is a very useful means to summarize the relationship between two variables with a single number that falls between -1 and +1 Field (2005). A correlation analysis with Pearson´s correlation coefficient (r) was conducted on all variables in this study to explore the relationships between variables. To interpret the strengths of relationships between variables, the guidelines suggested by Field (2005) were followed, mainly for their simplicity. His classification of the correlation efficient (r) is as follows: 0.1 – 0.29 is weak; 0.3 – 0.49 is moderate; and > 0.5 is strong.

Correlation coefficients say nothing about which variable causes the other to change. Although it cannot make direct conclusion about causality, we can take the correlation coefficient a step further by squaring it (Andy, 2005). The correlation coefficient squared (known as the coefficients of determination, R^2) is a measure of the amount of variability in one variable that is explained by the other.

Table 16. Correlations table

		Perceived usefulness	Perceived trust	Perceived enjoyment	Perceived ease of use	Satisfaction	Online repurchase intention
Perceived usefulness	Pearson Correlation	1					
	Sig. (2-tailed)						
	N	377					
Perceived trust	Pearson Correlation	.651[**]	1				
	Sig. (2-tailed)	.000					
	N	377	377				
Perceived enjoyment	Pearson Correlation	.107[*]	.151[**]	1			
	Sig. (2-tailed)	.037	.003				
	N	377	377	377			
Perceived ease of use	Pearson Correlation	-.029	.152[**]	.679[**]	1		
	Sig. (2-tailed)	.574	.003	.000			
	N	377	377	377	377		
Satisfaction	Pearson Correlation	.121[*]	-.078	.317[**]	.503[**]	1	
	Sig. (2-tailed)	.018	.133	.000	.000		
	N	377	377	377	377	377	
Online repurchase intention	Pearson Correlation	.469[**]	.484[**]	.502[**]	.496[**]	.361[**]	1
	Sig. (2-tailed)	.000	.000	.000	.000	.000	
	N	377	377	377	377	377	377

**. Correlation is significant at the 0.01 level (2-tailed).

Source: Own Survey; 2017

AS per table above, the coefficient show that the five determinants measuring Online repurchase intention were all positively related with the with Online repurchase intention within the range of 0.361-0.502, all were significant at p<0.01 level.

The independent variables Perceived enjoyment and Perceived ease of use show highest positive relation (0.502, 0.496 respectively). While the other three independent variables customer Perceived usefulness, Perceived trust and Satisfaction and show a low level of positive relation (i.e. 0.469, 0.484, and 0.361 respectively) with Online repurchase intention.

Table also shows that the correlation of the independent variables within themselves. It can be noted that some variables are positively correlated with each other where the strongest correlation goes to the one between Perceived ease of use and Perceived enjoyment. While the correlation is negative between Perceived ease of use with Perceived usefulness and satisfaction with Perceived trust.

4.4 Regression Analysis

Regressions fit a predictive model to data and use that model to predict the values of dependent variable from one or more independent variables (Andy, 2005). Linear regression estimates the coefficients of the linear equation, involving one or more independent variables that best predict the value of the dependent variable.

In order to see the Determinant factors that Affect online repurchase intension in the Ethiopian airline, liner regression analysis was employed. Online repurchase intension as used as the dependent variable while the underlying Determinants were used as the independent variables. Table provides the results of the multiple regression analysis.

Table 17. Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.731[a]	.534	.528	.60750

a. Predictors: (Constant), Satisfaction, Perceived trust, Perceived enjoyment, Perceived usefulness, Perceived ease of use

b. Dependent Variable: Online repurchase intention
Source: Own Survey; 2017

The model summary indicates independent variables have strong relationships with dependent variables. R indicates how strong the independent variables as the whole related to dependent

variable, from the table it is possible to see (. 731) on a scale from 0 to1and R square indicates the degree of independent variables variation explaining the dependent variable Albert (2001).

A 53.4 % change of the dependent variables (Online repurchase intention) on Ethiopian airline explained by independent variables all taken together. A 46.6 % change in the dependent variable on Online repurchase intention on Ethiopian airline explained by other variables, which have not been included in this regression model.

Similarly, the ANOVA table shows the overall significance/ acceptability of the model from a statistical perspective. As the significance value of F statistics shows a value of (.000), which is less than $p < 0.05$. Thus, the model is significant which indicates that the variation explained by the model is not due to chance.

This study intends to identify the most contributing independent variable in the prediction of the dependent variable. Thus, the strength of each predictor (independent variable) influencing the criterion (dependent variable) can be investigated via standardized Beta coefficient.

The regression coefficient explains the average amount of change in the dependent variable that is caused by a unit change in the independent variable. The larger value of Beta coefficient an independent variable has, brings the more support to the independent variable as the more important determinant in predicting the dependent variable.

Table 18. Coefficients

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.058	.184		.317	.751		
	Perceived usefulness	.259	.050	.268	5.143	.000	.461	2.170
	Perceived trust	.205	.043	.252	4.822	.000	.461	2.171
	Perceived enjoyment	.246	.054	.227	4.603	.000	.515	1.941
	Perceived ease of use	.232	.058	.232	3.988	.000	.372	2.688
	Satisfaction	.156	.044	.159	3.514	.000	.614	1.629

a. Dependent Variable: Online repurchase intention

Source: Own Survey; 2017

The standardized coefficients for the five independent variables Perceived usefulness, Perceived trust, Perceived enjoyment, Perceived ease of use and Satisfaction are (0.268,0.252,0.227,0.232 and 0.159) and their significance levels are .000, .000, .000, .000, .000, .000 respectively which are all less than 0.05. This indicates a significant relationship between the independent variables and the dependent one.

4.5 Findings

1. Perceived Trust: The descriptive analysis show that perceived trust has the highest mean value compared to the other determinants of Online repurchase intention (i.e. 3.88).The correlation analysis also reveals perceived trust show the positive relation (i.e 0.484) with the dependent variable Online repurchase intention. According to regression analysis the coefficient table shows that the value of Beta coefficient of perceived trust shows 0.252 moderate high highest value next to perceived usefulness which proves the strength of the independent predictor influencing the criterion (dependent variable).

2. Perceived Usefulness: The second most important factor Determining Online repurchase intention is perceived usefulness. The mean value of the independent variable result shows the value of 3.76 which is between the range of score (3.41-4.20) that shows important level. Correlation analysis also supports that perceived usefulness is correlated with Online repurchase intention by 0.469 correlation value and the regression analysis of Beta coefficient level shows 0.268 highest values with a significance level of .000.

3. Perceived Ease of Use: The independent variable Perceived ease of use has the third position in determining online repurchase intention of Ethiopian airline when its mean value is compared to other listed variables. Correlation analysis proves that the independent variable is correlated with dependent variable by 0.496 correlation value and the beta coefficient shows 0.232 level with significance level of .000.

4. Perceived Enjoyment: The mean value of the independent variable is 3.04 which show significant level of importance. The correlation value proves that the

variable is the highest correlated with online repurchase intention (dependent variable) by 0.502 correlation value and the regression coefficient table reveals that the variable shows Beta value of .227 values with a significance level of .000.

5. Satisfaction: The descriptive value of the independent variable shows mean value of (3.02). However, showing significant level of importance. The correlation value proves that the variable is correlated with the dependent variable by .361 values and the Coefficient table from the regression analysis proves that the variable has .159 Beta value with significance of .000.

4.6 Summary of Hypothesis Result
The following table briefly showed the summary of the overall outcome of the research hypotheses.

Results Summary of Hypotheses

Hypothesis	Independent Variables	Coefficient beta	Dependent Variables	Results
H1	Perceived usefulness (PU)	.268*	online repurchase intention	Accept
H2	Perceived ease of usefulness(PEOU)	.252*	online repurchase intention	Accept
H3	Perceived Trust (TRUST)	.227*	online repurchase intention	Accept
H4	Perceived Enjoyment(EN)	.232*	online repurchase intention	Accept
H5	Satisfaction(SAT)	.159*	online repurchase intention	Accept

CHAPTER 5
CONCLUSION, RECOMMENDATION AND IMPLICATION

5.1 Conclusion

In conducting this study, the required data was obtained through structured questionnaires. The Instrument (structured questionnaires) was adopted from prior related studies, in order to measure all variables of the study. To check the validity and reliability of the adopted instruments validity and reliability test was also carried out. To determine the sample size from the total population of the study, the researcher uses formula based-sample size determination. To select respondent's random sampling technique was adopted. Basically, a total of 385 questionnaires were distributed to the sampled Customers, among these 381 questioners were returned. Thus, 377 were valid and analyzed using statistical package for social science (SPSS version 20). In the analysis descriptive statistics, correlation analysis and regression analysis were performed.

The findings from the descriptive statistics shows that perceived trust has the highest mean value which is 3.88 and Perceived usefulness, Satisfaction, Perceived enjoyment and Perceived ease of use shows (3.76,3.02,3.00,2.83) mean value respectively. The correlation value proves that all the independent variables are correlated with the dependent variable from the range of (0.361-0.502). The model summery from the regression analysis point out that the degree of independent variable explaining the dependent variable is (0.731) which shows the strong relationship of the independent and dependent variable. The Beta coefficient confirms perceived usefulness has the highest value and satisfaction shows the lowest value.

5.2 Recommendations:

The focus of this research was on Ethiopian airline customers that could provide useful insight to both practitioners and researchers. The main goal of this paper was to study determinants affecting online repurchase intention of Ethiopian airline customers.

> ➢ As found after analysis perceived trust, Perceived usefulness, Perceived enjoyment and Perceived ease of use are important factors influencing the Ethiopian airline online customers. The usefulness and trust which they have obtained from online purchase has influence their repurchase intention.

Therefore Ethiopian airline in order to advance online repurchase decision of customers should try to promote website with better speed, easy to use, and entertaining.

5.3 Further Implications

➤ The research can be furthers expanded to other countries and cultures. It would help to understand in detail different factors influencing online repurchase intention of Ethiopian airline customers.' Moreover by using a larger and diverse sample size and even distribution among different age group help in better understanding of online repurchase intention of a diverse group of customers.

➤ In addition to the factors identified in this research project there are also other factors that can potentially influence online repurchase behavior (e.g., social norm, and demographic/socio-economic variables). Future studies can go through additional potential factors which are not discussed in this research project.

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Appendices

Dear respondent;

The purpose of this questionnaire is to investigate the repurchase intention of Ethiopian airlines online customers. Hence, taking in to account its educational purpose, you are kindly requested to fill the questionnaire objectively and honestly. The student researcher believes that the outcome of this study will highly depend up on your cooperation. Therefore please answer all the questions and for any support you can contact the researcher by the below address. Participation is purely voluntary and no need to write your name.

If you have any questions, please contact me through my:-

E-mail, abeltg22@gmail.com
Phone no. +251913092632

Thank You for your Cooperation!

Abel Gidey

General Instruction, Please circle your answer

Section One: - General information about the respondents

1**.** Gender

   A. Male   B. Female

2. Age

   A. Between 18-22   B. between 23-28   C. between 29 & 35   D. Above 35

3. Educational level

   A. Diploma or less   C. Masters   E. Others

   B. Degree   D. PHD

4. Time spent on online shopping per week

   A.0-15 Minutes   B.16-59 Minutes   C.1-3 Hours   D. More than 3 hours

5. Money spent on online shopping per year

   A. Less than$100   C. $200-$500

   B. $100-$200   D. More than $500

6. Online shopping experience

   A. Just once   D. 10-14 times

   B. 2-4 times   E. More than 14 times

   C. 5-9 times

7. Concerns for Shopping Online

   A. Lack of trust   C. Privacy Concerns   E. Lack of physical contact

   B. Lack of Understanding   D. Time taking process   F. Others

8. Reasons for Shopping Online

   A. Convenience   B. Special offer   C. Better Value

   D. Time-saving   E. Others

Section Two: Five-point Likert Scale Questionnaire

Please show the extent to which these statements reflect your perception. Please circle

a number that shows your level of agreement with the following statements.

Where (1= strongly disagree 2= Disagree 3= Neutral 4= Agree 5= strongly agree)

s/n	Item	Strongly disagree	Disagree	Neutral	Agree	Strongly agree
	PERCEIVED USEFULNESS					
9	Using Ethiopian airlines website enable me to finish my shopping task more quickly;-	1	2	3	4	5
10	Buying on Ethiopian airlines website help me to make better purchase decision;-	1	2	3	4	5
11	Buying on Ethiopian airlines website make it easier to make purchase	1	2	3	4	5
12	Buying on Ethiopian airlines website helps me to save money	1	2	3	4	5
13	Overall, I find the website useful for shopping	1	2	3	4	5
	PERCEIVED EASE OF USE					
14	Ethiopian airlines website is easy to use	1	2	3	4	5
15	Ethiopian airlines website is flexible to interact with	1	2	3	4	5
16	The website is easier to find the product or information I want to buy	1	2	3	4	5
	PERCEIVED TRUST					
17	I feel safe in my transaction with Ethiopian airlines	1	2	3	4	5

	website.					
18	I believe Ethiopian airlines website protect my privacy	1	2	3	4	5
19	Ethiopian airlines website is reliable for online shopping	1	2	3	4	5
20	I feel that Ethiopian airlines website is trustworthy	1	2	3	4	5
	PERCEIVED ENJOYMENT					
21	I feel controlled and independent when I make purchase on Ethiopian web site.	1	2	3	4	5
22	I found my visit to Ethiopian airlines website interesting	1	2	3	4	5
23	I found my visit to Ethiopian airlines website entertaining and fun.	1	2	3	4	5
24	I found my visit to Ethiopian airlines website enjoyable	1	2	3	4	5
	SATISFACTION					
25	I feel satisfied with the online purchase I made.	1	2	3	4	5
26	I found my online purchase satisfaction to my expectation.	1	2	3	4	5
27	The possibility to repeat my online repurchase intention increases when I am satisfied with my online purchase experience.	1	2	3	4	5

Section Three: Overall Online repurchase intention

This part indicates overall Online repurchase intention of Ethiopian airlines. Please circle a number that shows your agreement with the following statements.

Where (1= strongly disagree 2= Disagree 3= Neutral 4= Agree 5= strongly agree)

	ONLINE REPURCHASE INTENTION					
28	I intend to continue buying air ticket from Ethiopian airlines website.	1	2	3	4	5
29	I intend to buy air ticket from another channel	1	2	3	4	5
30	I intend to buy more air ticket from Ethiopian airlines website	1	2	3	4	5
31	I intend to buy other new services from Ethiopian airlines website	1	2	3	4	5