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Fadilah Siali, Apple Wong Su Wen & Mohd Uzairi Ahmad Hajazi

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Booming of Online Shopping in Malaysia: Do Customers Satisfy with Parcel Delivery Service?

Fadilah Siali, Apple Wong Su Wen & Mohd Uzairi Ahmad Hajazi
Faculty of Economics and Business, Universiti Malaysia Sarawak
Email: sfadilah@unimas.my

Abstract
Fuelled by rapid growth of online shopping, third-party service provider such as courier service company has become an increasingly important and crucial element in facilitating seamless movement of goods within the supply chain network. Nevertheless, courier service companies also faced operational challenges as they need to cope with the ever increasing demand from the e-commerce industry, with their customer satisfaction is at the stake. The objective of this research, therefore, is to measure the customer satisfaction towards parcel delivery service by a leading courier service company in Malaysia. In this research, customer satisfaction is observed through five independent variables, namely reliability, responsiveness, assurance, empathy and price. 400 set of questionnaires was distributed to the targeted respondents, and the data collected was analysed using Pearson correlation and multiple regression analysis. The result showed that reliability, responsiveness, assurance, empathy and price positively affect customer satisfaction towards parcel delivery service of courier company. The impact of each variable towards customer satisfaction level is also discussed.

Keywords: Customer Satisfaction, Online Shopping, Courier Service, Logistics

INTRODUCTION
Malaysia has huge potential for the growing of e-commerce market, as the country saw an improved internet access, high mobile penetration and enhanced security (Kim, 2015). At 67%, Malaysia is the third highest country in Southeast Asia in term of internet users. The country has seen its e-commerce market grew at 31% between 2010 to 2014 and the market size is expected to grow to reach 3.1 billion US Dollar by 2018 (Kim, 2015). This ever accelerating growth of e-commerce market has developed enormous opportunities for businesses within the supply chain such as courier service companies whose service includes parcel delivery service.

According to Choy, Ma and Koo (2013), in the context of logistics, parcel delivery service is considered as a part of third party service provider, and it is needed to facilitate a smooth movement of goods