



EVALUATING THE IMPACT OF E-BUSINESS ON CUSTOMER BEHAVIOR WITH THE  
MODERATION ROLE OF TRUST (CASE STUDY: NETBARG)

Javad Siahkali, Masoud Siahkali, Abolfazl Najarzadeh

Department of Executive Management, Safadasht Branch, Islamic Azad University, Tehran,  
Iran.

---

*Abstract*

*In e-business discussion, various websites have been created and are increasing day by day, and research has also shown that the physical market is shifting to electronic markets. The main purpose of the present research is to investigate the impact of electronic business on customer behavior with the moderation role of trust. This is applicable research in classification of the purpose. Also, this is descriptive- survey research in classification of method. Questionnaire was used to collect data. Inductive argument was used in this research. Customers of Netbarg site are society of this research. Minor partial squares were used to analyze data. Finally, the results showed that perceived desirability, organizational readiness and competitive pressure from electronic business influenced customer behavior, but the support of senior executives from electronic business does not affect customer behavior. Meanwhile, customer confidence has a moderating role on the perceived desirability, organizational readiness and competitive pressure from electronic business on customer behavior. But customer confidence does not have a moderating role on the impact of senior executives' support from e-business on customer behavior. Therefore, it is suggested that Netbarg should pay attention to the behavior of customers and their trust in improving their business.*

*Keywords: e-business, customer behavior, trust*

**I. INTRODUCTION**

With the expansion of the Internet, Internet shopping has also increased, as over 20% of the purchase of goods in developed countries occurs through the Internet. Electronic and online shopping have many benefits, including less time and more comparisons with other commodities (Yu, 2011). Electronic and online shopping have many benefits, including less time and more comparisons with other commodities (Yu, 2011). But one of the main problems for vendors in attracting customers is to win their trust so that if trust is created in electronic shopping, it will be an introduction to customer loyalty.

The behavior of clients studies all the processes of selection and use, the removal of products, services, experiences and ideas by individuals, groups and organizations in order to meet the



needs, as well as study the effects of these processes on the customer and society (Hawkins et al., 2006) .

Having the right understanding of customers and the process of consumption has several advantages; these include helping managers for decision making, providing a cognitive basis through consumer analysis, helping legislators, and regulators to enforce relevant laws to buy and sell goods and services and ultimately help customers to make better decisions. A successful marketing will be successful if it determine reason and time of behavior of customers for organization (Venus et al., 2014) , because customer behavior is a delicate phenomenon and is not always clear, so their performance as a consumer is often unpredictable and even not apparent. By observing their purchasing behavior, people are getting a lot of experience in this regard. but despite this, everyone does not have much insight into their behavior, and as customers, most of them are not aware from effective external factors, as well as their own internal processes that leads to the shopping decision (Samadi, 2008).

The electronic environment will help consumers decide on a matter in less time by wider choice, information evaluation, accuracy and comparison of goods. In this regard, companies are also very active in attracting customers on the Internet. In a way that customers can gain a good understanding of the product without having to touch it for a better understanding of a product in the shortest possible time (Ballestar et al., 2016).

In the business of e-business, various websites have been created and are increasing day by day, and research has also shown that the physical market is shifting to electronic markets. Netbarg is one of the electronic stores that have entered the electronic business of Iran with discounting strategies. This website, which facilitates the purchase and sale of certain goods and services as an intermediary, can be a good mechanism for online shopping with a new look.

Therefore, customer behavior in this type of site can be different from other store sites. But in the present research, the main issue is whether in e-business, trust has a moderating role on the behavior of customers on the Netbarg website?

## **II. THEORETICAL FRAMEWORK**

### **Research background**

Alsaad et.al ( 2017) in their research indicated that E-business indicators with a moderating role of trust affect the behavior of consumers.

Balstar et al. (2016) argued that the variety of the product impacts on the consumer's interest in buying goods, the variety of the product on the type of consumer exchange in the purchase of goods, the type of exchange on the consumer's interest in purchasing goods, the amount of consumer advice to others on the type of exchange of consumption In buying goods and the amount of consumer advice to others.

Lynch et al. (2016) also concluded in their research that the behavior of buying a product or service occurs after the formation of beliefs and attitudes. more positive attitudes lead to more and more possibility of future shopping behavior. One way of creating a positive attitude in the customer that can create positive emotions is repeated exposure to a stimulus, such as Internet advertising( Zeinolabedini et al, 2017).



Franklin (2015) in a study found that distrust of e-commerce is effective only on the relationship between perceived avoidance of the goal and the avoidance of e-commerce at the behavioral level and does not affect cognitive and emotional rejection. And this was when Pinkie (2014) showed that many of the individual factors, attributes and characteristics of the consumer were influencing the decision making process, buying habits, buying behavior, or retailers.

#### **Development of model and hypotheses**

The quality of e-business is provided based on the model by Alsaad (2017) consists of four factors, which include perceived utility, organization readiness, senior management support and competitive pressure that these four factors can impact on the reaction of customers to products and services .

Zollo et.al ( 2002) specifies that customers behave towards a brand or products and services of that brand is flexible and appropriate when the amount of utility that the customer understands and receives is appropriate.

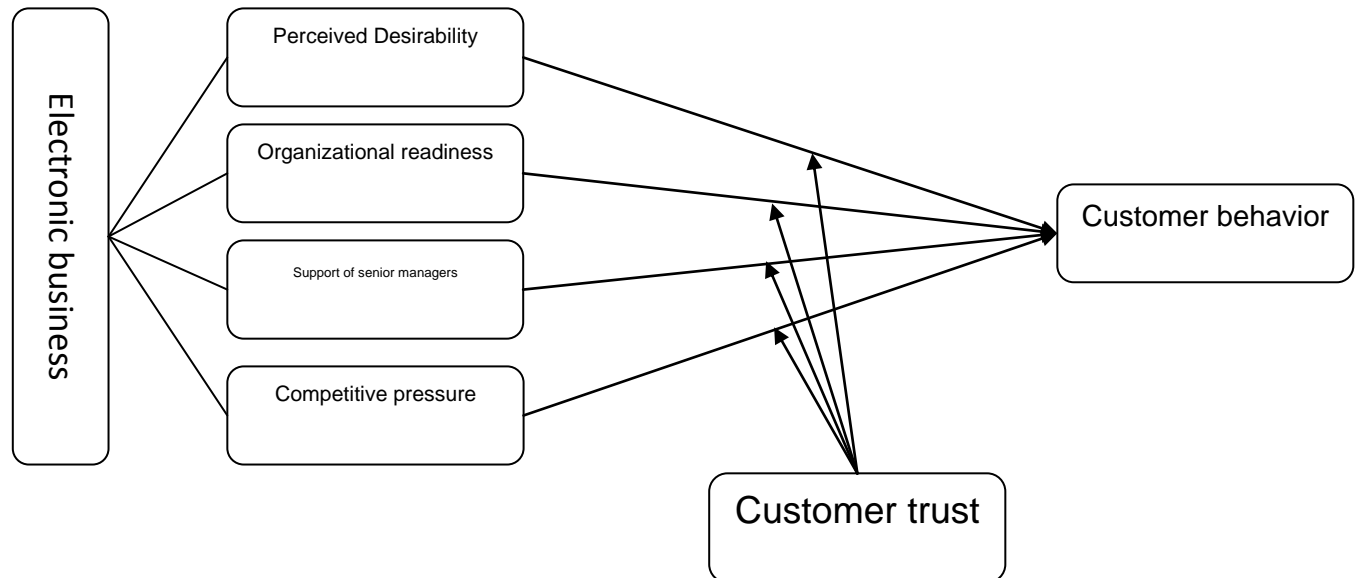
On the other hand, Venkatesh et. Al ( 2012) arguing that an organization that supports a website needs to involve its structure in such a way that it can be reflected in customers.

Tushman (1986) has stated that an organization will be successful in its business that can focus on employees at different levels of management and ultimately customers. Leading your attention to customers, which can influence on their customers and other stakeholders.

In this regard, Al-Asad et.al stated that manager provide proper attitude toward their brand with leadership, planning, controlling, and guiding . If the company can be more successful than its competitors and send its products with different advantages to market, then the customer's behavior can be properly managed.

Also, Teo et. Al ( 2003) showed that competitive pressures can be like a bidirectional factor, which, if the company does not have high capacity, leads to negative reaction of customers. On the other hand, if the company can be more successful than its competitors and send its products with different advantages to market, then the customer's behavior can be properly managed.

Alsaad et.al ( 2017) say that trust in the brand is important in a proper customer-friendly decision making process , because it made suitable attitude in customers , and finally impacted their purchase behavior and will help to brand identification and brand experience. Finally, according to the above, the final model of the present research is presented below:



Source: Alsaad et.al (2017)

The hypotheses of research are as follow:

H1: The perceived desirability of electronic business influences customer behavior.

H2: Organizational readiness in e-commerce affects customer behavior.

H3: The support of senior executives from e-commerce affects customer behavior.

H4: Competitive push in e-commerce affects customer behavior.

H5: Customer trust has a moderating role on the perceived utility of the e-business on customer behavior.

H6: Customer trust has a moderating role in the organization's readiness for e-business on customer behavior

H7: Customer trust has a moderating role in influencing the support of senior executives from e-business to customer behavior.

H8: Customer trust has a moderating role on the impact of competitive pressures on e-business on customer behavior.

### Definition of Variables

Perceived desirability: The degree of satisfaction that customers receive from using a product or service.

Organizational readiness: It shows the readiness of the organization, which is determined to implement the electronic business.

Competitive Strength: The competitive level seen between an e-business community at the community level.

Customer Trust: creating trust of products and how to deliver E-business services.



Customers' behavior: The final decision of consumers to use the company's product.

### III. METHODOLOGY

This is applicable research in classification of the purpose. Also, this is descriptive- survey research in classification of method. Questionnaire was used to collect data. Inductive argument was used in this research. Customers of Netbarg site are society of this research. Minor partial squares were used to analyze data. Simple random method was used for sampling. Sample numbers include 384 people in this research. The questionnaire was sent to people by email or social networks. Close-questions were used in this questionnaire. Structural equation modeling (SEM) was used for data analysis. The software used for analyzing the data is SPSS software package and software package PLS.

### IV. RESULTS

In this research, people were as follows:

0.13% of people under- diploma degree, 0.286% of people with diploma degree, 0.286% of people with upper-diploma degree, 0.293% of people with bachelor degree, and 0.104% of people with maser degree. 22.9% of people in this research were women. Also, 9.7% of respondents were under 20 years old. 39.1% of people were between 20-30 years old. 32.2% of respondents were between 30-40 years old. 19% of the respondents were more than 40 years old.

#### Describe the variables of study

Table 1 describes the variables of the research using existing indices.

Table (1): Descriptive indexes of the studied variables

| Variables of research     | Sample size | Mean | SD   | Min | Max |
|---------------------------|-------------|------|------|-----|-----|
| Perceived desirability    | 395         | 3.25 | 0.82 | 1   | 5   |
| Organizational readiness  | 395         | 3.70 | 0.73 | 1   | 5   |
| Supported senior managers | 395         | 3.22 | 0.82 | 1   | 5   |
| Competitive pressure      | 395         | 3.24 | 0.80 | 1   | 5   |
| Customer trust            | 395         | 3.56 | 0.71 | 1   | 5   |
| Customer behavior         | 395         | 3.67 | 0.72 | 1   | 5   |

#### Reliability

Table 2 shows the post-test reliability. The results show that all variables have a satisfactory reliability.

Table 2: Results of Cronbach's alpha coefficient and combined reliability coefficient

| Research structures | Cronbach's alpha coefficients | alpha | Combined coefficient | reliability |
|---------------------|-------------------------------|-------|----------------------|-------------|
|                     | Alpha >0.7                    |       | CR>0.7               |             |



|                            |       |       |
|----------------------------|-------|-------|
| Perceived desirability     | 0.852 | 0.890 |
| Organization readiness     | 0.958 | 0.961 |
| Support of senior managers | 0.938 | 0.945 |
| Competitive pressure       | 0.832 | 0.877 |
| Customer trust             | 0.903 | 0.922 |
| Customer behavior          | 0.952 | 0.955 |

### Validity

Table 3 shows the results of the divergent narrative review by Fornell and Larcker (1981). It is good to see that the divergent validity of the model is appropriate.

Table (3): Divergent Validity Results by Fornel and Larcker

| Variables                  | Perceived desirability | Organizational readiness | Support of senior managers | Competitive pressure | Customer trust | Customer behavior |
|----------------------------|------------------------|--------------------------|----------------------------|----------------------|----------------|-------------------|
| Perceived desirability     | 0.76                   |                          |                            |                      |                |                   |
| Organization readiness     | 0.54                   | 0.71                     |                            |                      |                |                   |
| Support of senior managers | 0.66                   | 0.53                     | 0.74                       |                      |                |                   |
| Competitive pressure       | 0.56                   | 0.58                     | 0.53                       | 0.77                 |                |                   |
| Customer trust             | 0.60                   | 0.57                     | 0.54                       | 0.57                 | 0.74           |                   |
| Customer behavior          | 0.54                   | 0.45                     | 0.54                       | 0.67                 | 0.49           | 0.81              |

### Quality of measurement model (Cv Com)

The results of this test are presented in Table (4).



Table (4): Results of the test of the quality of the measurement model

| Title in the model         | Cv Com | Title in the model   | Cv Com |
|----------------------------|--------|----------------------|--------|
| Perceived desirability     | 56.00  | Competitive pressure | 0.59   |
| Organization readiness     | 55.00  | Customer trust       | 57.00  |
| Support of senior managers | 0.56   | Customer behavior    | 64.00  |
| Mean                       |        | 0.57                 |        |

As can be seen, this index is positive for all the variables in the research, and the average of this index is 0.57, which indicates the optimal quality of the measured models.

**Estimation of the model**

In Fig. 2, the coefficient of effect between the variables is observed in the standard state.

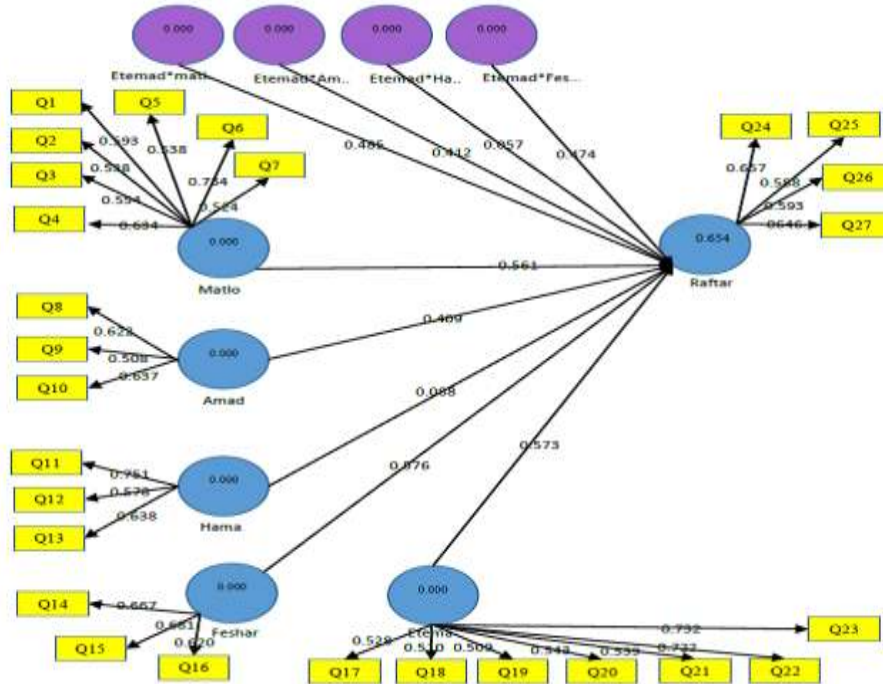


Chart (2): Research model with standardized coefficients

Table (5): Summary of test results of hypotheses

| Hypotheses  | Path coefficient | Sig | Result    |
|---|------------------|-----|-----------|
| H1: The perceived desirability of electronic business influences customer behavior. | 0.561            |     | Confirmed |



|  |       |       |           |
|--|-------|-------|-----------|
| H2: Organizational readiness in e-commerce affects customer behavior.  | 0.409 | 4.92  | Confirmed |
| H3: The support of senior executives from e-commerce affects customer behavior.  | 0.088 | 497.1 | Rejected  |
| H4: Competitive push in e-commerce affects customer behavior.  | 0.576 | 8.390 | Confirmed |
| H5: Customer trust has a moderating role on the perceived utility of the e-business on customer behavior.                      | 0.48  | 5.78  | Confirmed |
| H6: Customer trust has a moderating role in the organization's readiness for e-business on customer behavior                   | 412   | 4.09  | Confirmed |
| H7: Customer trust has a moderating role in influencing the support of senior executives from e-business to customer behavior. | 0.057 | 1.74  | Rejected  |
| H8: Customer trust has a moderating role on the impact of competitive pressures on e-business on customer behavior.            | 0.47  | 5.03  | Confirmed |

## V. DISCUSSION AND CONCLUSION

In the first hypothesis, it has been claimed that the perceived desirability of the electronic business affects customer behavior. Therefore, according to the analysis, it can be concluded that by increasing (decreasing) one unit of perceived desirability of the electronic business, customer behavior will increase by 56%.

To any extent that customers will benefit from the e-business they deserve and will be more desirability of the electronic business, their behavior will be different from the company's electronic business.

The results of this hypothesis are consistent with the results of Haghi et al. (1392), Alsaad et al (2017), Balsters et al. (2016) and Lynchy et al. (2016). In the second hypothesis, it is claimed that the readiness of the organization in electronic business affects customers' behavior. Therefore, according to the analysis, it can be stated that by increasing (decreasing) one unit of readiness of the organization in the electronic business, the behavior of customers increases(decreased) by 40%.

An e-business, and even a physical business that has the readiness to deliver products and services to customers, can influence customers' buying intent and affect the behavior of customers. The results of this hypothesis are consistent with the results of Haghi et al. (1392), Alsaad et al (2017), and Lynchy et al. (2016).





In the third hypothesis, it was claimed that the support of senior executives from electronic business affects customer behavior. The statistical analysis shows that the third hypothesis is rejected. Managers support in Iranian companies is less likely to be considered while the key to the success of a company is the full support of managers. In e-business discussion, managers' support is not attentive or tangible. The results of this hypothesis are consistent with the results of the research by Haghi et al. (2013), but the results of this hypothesis contradict the results of research by Alsaad et al. (2017) and Lynchy et al. (2016).

In the fourth hypothesis, it has been claimed that competitive pressure in electronic business affects customer behavior. Therefore, according to the analysis, it can be stated that by increasing (decreasing) one unit of competitive pressure in the electronic business, customers' behavior will increase (decrease) by 57%.

To the extent that there are more rivals in the industry, customer behavior is more flexible, and thus it can be claimed that competitive pressure affects customer behavior. The results of this hypothesis are consistent with the results of Haghi et al. (1392), Alsaad et al (2017), Balsters et al. (2016) and Lynchy et al. (2016).

In the fifth hypothesis, it has been claimed that customer confidence has a moderating role on the perceived desirability of the perceived e-business on customer behavior. Therefore, according to the analysis, it can be concluded that by increasing (decreasing) one unit of perceived desirability of the electronic business with the role of the customer's trust moderator, customer behavior will increase (decrease) by 48%.

Increasing customer confidence can make more desirability of e-business services. The results of this hypothesis are consistent with the results of the researches of Faiz and Esmaeili (2011), Sana'ei et al. (2010), Aladdin et al (2017) and Franklin (2015).

In the sixth hypothesis, it has been claimed that customer confidence has a moderating role on the impact of organization's readiness in electronic business on customer behavior. Therefore, according to the analysis, it can be concluded that by increasing (decreasing) a unit of readiness of the organization in the electronic business with the role of moderating customer confidence, the behavior of customers increases (decreases) by 41%.

When customers have more confidence, because the organization finds out that the products are supported and bought by customers, they will be more likely to offer products and services. The results of this hypothesis are consistent with the results of Fayz and Ismaili researches (2011), Sana'ei et al. (2010), Alasadd et al. (2017) and Franklin (2015).

In the seventh hypothesis, it has been claimed that customer confidence has a moderating role on the impact of senior managers' support from e-business on customer behavior. The statistical analysis indicates that the seventh hypothesis is rejected. When the support of managers is not streamlined properly in the business, customers' trust will also be low. The results of this hypothesis are contradictory to the results of the research by Alsaad et al. (2017) and Franklin (2015).

In the eighth hypothesis, it has been claimed that customer confidence has a moderating role on the impact of competitive pressures in e-business on customer behavior.



Therefore, according to the analysis, it can be stated that by increasing (decreasing) one unit of electronic business pressure with the role of customer's trust moderator, customer behavior will increase (decrease) by 47%.

More competition pressure leads to customers use of products that are more trusted. Therefore, competitors with trustful products or trust provider's in the product ports can have a good impact on customers' behavior. . The results of this hypothesis are consistent with the results of Fayz and Ismaili researches (2011), Sana'ei et al. (2010), Alsaad et al. (2017) and Franklin (2015).

### **Recommendations**

The products and services offered on the Netbarg should be in accordance with the customers' wishes in order to increase the desirability of customer behavior and, on the other hand, provide high quality products that should be done according to the requirements and quality of the customer's consideration.

The organization must help internal aspects of the organization, including internal aspects, including analyzing its strengths and weaknesses by conducting training courses for managers and staff, and developing an appropriate organizational structure and effective programs.

In relation to electronic business, the support of managers should be properly implemented, so that employees understand this important issue and make customers aware of it. Customer relationship management system must be established in the organization and managers and customers communicate with each other using information management systems.

Netbarg should properly analyze its rivals and, by examining the opportunities and threats of competitors, guide the behavior of customers. as Netbarg is pioneer , so it is necessary to be market leader with appropriate strategies to be stable in market.

Netbarg has a great deal of trust among customers, so it's important to remove some of the poor quality products from its site, because poor quality products and lack of integrity in some services will undermine the trust of customers towards Netbarg.

### **REFERENCES**

- [1] Ballestar. María Teresa, Grau-Carles. Pilar, Sainz. Jorge(2016) Consumer behavior on cashback websites: Network strategies, Journal of Business Research, 69 .pp 2101-2107.
- [2] Feranklin,S,(2015), Modulators of no confidence in electronic advertising, Management of International Economics,P P 59-72.
- [3] Garbarino, E. and Johnson, M., 1999. The different roles of satisfaction, trust and commitment in customer relationships. Journal of Marketing, 63 (2), pp. 70-87.
- [4] Haghshenas,Leila, Abedi,Afshin, Ghorbani, Esmail, Kamali, Abbas, Harooni, Mohammadnaser, REVIEW CONSUMER BEHAVIOR AND FACTORS AFFECTING ON PURCHASING DECISIONS, SINGAPOREAN JOuRNAl Of buSINESS EcONOmIcS, AN d management studies Vol.1, no.10, 2013.
- [5] Hawkins. Del, Mothersbaugh.David, Best.Roger (2007); "Consumer Behavior: Bulding Marketing Strategy", Tenth Edition.



- [6] Kau, A.K., Tang, Y.E., Ghose, S., (2003), "Typology of online shopping", Journal of consumer Marketing, No. 2, PP. 67-70.
- [7] Khanade, K., Sasangohar, F., Sadeghi, M., Sutherland, S., & Alexander, K. (2017). Deriving Information Requirements for a Smart Nursing System for Intensive Care Units. Proceedings of the Human Factors and Ergonomics Society Annual Meeting, 61(1), 653-654.
- [8] Kim, S., Park, H., (2013), "Effects of various characteristics of social commerce (s-commerce) on consumers' trust and trust performance", International Journal of Information Management 33 (2013) 318- 332.
- [9] Linchi.p,smiini. H, golism.k,(2016), Rftarmshty in electronic shopping, Solution Selling,p p 98-111.
- [10] Morgan, R.M. and Hunt, S.D., 1994. The commitment-trust theory of relationship marketing. Journal of Marketing, 58(3), pp. 20-38
- [11] Pinki Rani, Factors influencing consumer behaviour, Institute of Law Kurukshetra, University Kurukshetra, India Corresponding author, Int.j. Curr.Ees. Aca.Reu. 2014; 2(9): 52-61.
- [12] Sadeghi, M., Thomassie, R., & Sasangohar, F. (2017). Objective Assessment of Patient Portal Requirements. Proceedings of the International Symposium on Human Factors and Ergonomics in Health Care, 6(1), 1-1.
- [13] Sadeghi, M., Thomassie, R., & Sasangohar, F. (2017). Objective Assessment of Functional Information Requirements for Patient Portals. Proceedings of the Human Factors and Ergonomics Society Annual Meeting, 61(1), 1788-1792.
- [14] Teo, H. H., Wei, K. K., & Benbasat, I. (2003). Predicting intention to adopt interorganizational linkages: An institutional perspective. MIS Quarterly, 27(1), 19e49.
- [15] Tushman, M. L., & Anderson, P. (1986). Technological discontinuities and organizational environments. Administrative Science Quarterly, 31(3), 439e465.
- [16] Venkatesh, V., & Bala, H. (2012). Adoption and impacts of interorganizational business process standards: Role of partnering synergy. Information Systems Research, 23(4), 1131e1157. <http://dx.doi.org/10.1287/isre.1110.0404>.
- [17] Yue Xin; Xie Jianhui(2011), Research on the consumer behavior in C2C market, 8-10 Aug. 2011,page 1428 - 1431.
- [18] Zeinolabedini, Mohammad, Asayesh, Kourosh, Bakhshayesh, Saba (2017) ORIENTED SCIENCE LEADERSHIP ROLE IN WAYS OF MANAGING SCIENCE AND INNOVATION OPERATION IN CORPORATE MINO, International Journal of Business Quantitative Economics and Applied Management Research, Volume 3, Issue 12.
- [19] Zollo, M., Reuer, J. J., & Singh, H. (2002). Interorganizational routines and performance in strategic alliances. Organization Science, 13(6), 701e713. <http://dx.doi.org/10.1287/orsc.13.6.701.503>.