

# *Research on Customers' Continuous Purchase Intention of Hongxing Erke Group Online Store*

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**Abstract:** With the rapid development of the Internet, people feel the convenience brought by the development of mobile e-commerce, and domestic brands also usher in another peak of development. Taking HONGXING ERKE GROUP online store as the research object, this paper uses the empirical research method to investigate the customers' continuous purchase intention of HONGXING ERKE GROUP consumers, and uses spss26.00 and amos21.00 software to build SEM structural equation model. It is concluded that HONGXING ERKE GROUP online stores can not attract women, and the product positioning is not accurate. And put forward suggestions on improving the appearance of products and determining the product positioning of HONGXING ERKE GROUP online stores, which provide reference for the development of other domestic brands.

## 1. Introduction

The development of the times has brought about great changes in the national consumption concept. A number of domestic brands have risen rapidly relying on the electronic commodity platform, making the development of domestic brands attract much attention. The new generation of young people have witnessed the rise of China and are more willing to support the purchase of Chinese products, so that the Chinese brands are full of new vitality. Grasping the opportunities brought by e-commerce, grasping the patriotic enthusiasm of consumers to promote consumption, stimulating the willingness to purchase continuously, excavating customer groups, and deeply understanding customer needs have become new research hotspots.

## 2. Research on Customers' Continuous Purchase Intention

### 2.1 Domestic Research Status

Xuemei Jin studied the impact of risk perception on purchase intention under online retail [1]. It is concluded that the higher the customer's perception of risk, the lower the customer's trust in the product, and the lower the customer's willingness to buy the product. Xiaoli Sun discusses the relationship between shopping experience and shopping value [2]. From these two aspects to

explore the relationship between the subjective willingness to buy a product. Yuanle Cheng studied the relationship between customers' self contact with brands and their willingness to continue buying [3]. Finally, it is concluded that mobile social interaction has a very obvious positive impact on customers' continuous purchase intention. The research shows that there is a positive correlation between the online shopping experience and the value experienced by customers, and the influence of online shopping age and online shopping frequency on purchase intention is very obvious.

Yuqian Dai explored the relationship between customers' self-concept and willingness to buy sustainable brand clothing [4]. In order to provide the brand trust that the brand should pay attention to for the sustainable clothing brand, it is proposed to guide customers to establish sustainable consumption awareness. Liu Yang et al. Based on the characteristics of mobile channels [5]. From the customer's behavior of purchasing related products and the relationship between enterprises and customers, the consumer's purchase rate is studied. It is found that the behavior of cross buying products has a prominent regulatory role. In the case of cross buying, the product purchase rate of mobile channels is significantly higher than that of PC channels.

## 2.2 Foreign Research Status

Ahmad samed al Adwan (2019) studied the factors of purchase intention from the perspective of trust and satisfaction of enterprises [6]. Therefore, it is proposed that the trust and satisfaction of e-commerce service will be the key to the success of online business. Dung Phuong Hoang (2020) et al. From the relationship between environmental quality and loyalty of websites [7]. It is concluded that the environmental quality and loyalty of the website have a significant impact on consumers' continuous purchase intention. Muflih Muhammad (2021) et al. Influence of corporate social responsibility on continuous purchase intention [8]. So as to increase the customer's trust in the enterprise's own strength, so as to improve the customer's desire to purchase the enterprise's products.

To sum up, domestic and foreign scholars have studied the relevant factors that affect customers' willingness to purchase continuously from the perspective of consumers, enterprises and enterprises themselves. There is a positive correlation between the service and social responsibility of enterprises and customer loyalty, which affects customers' continuous purchase intention. Both the products of enterprises and the value perception of consumers have an impact on the continuous purchase intention.

## 3. Study Hypothesis and Study Design

### 3.1 Proposal of Research Hypothesis

The relationship between customer loyalty and customer's continuous purchase intention:

Customer loyalty refers to the recognition and reliance of customers on the products developed by enterprises, which can save publicity costs, improve product profits, consolidate the existing market, and play an important role in the development of enterprise competitiveness. In this paper, customer loyalty is selected as the independent variable and customer's continuous purchase intention is selected as the dependent variable. Among them, the independent variable includes product price, product quality, online service and enterprise's social responsibility. The SEM structural equation model of independent variable and dependent variable is established, and the relationship between customer's continuous purchase intention and various factors of customer loyalty is explored by using data analysis method, and make assumptions. The higher the customer loyalty, the stronger the customer's willingness to continue to purchase, and the greater the possibility of continuous purchase behavior. Based on the above research, this paper proposes the

following assumptions:

Hypothesis H1: customer loyalty has a significant positive impact on customer's continuous purchase intention.

The setting of customer loyalty measurement dimensions in this paper is shown in Table 1.

Table 1: Measurement dimensions of customer loyalty

variable	Serial number:	Measurement dimension
Customer loyalty	6	Are you satisfied with the current price of HONGXING ERKE GROUP online store
	7	Are you satisfied with the current product quality of HONGXING ERKE GROUP online store
	8	Are you satisfied with the online service of HONGXING ERKE GROUP online store
	10	Do you think Hongxing Erke is an enterprise with social responsibility
	11	I bought the products of HONGXING ERKE GROUP because it is a socially responsible enterprise

Table 2 shows the setting of the measurement dimension of continuous purchase intention in this paper.

Table 2: Measurement dimensions of continuous purchase intention

variable	Serial number:	Measurement dimension
Continued willingness to buy	15	I will recommend Hongxing Erke to people around me
	17	HONGXING ERKE GROUP online store __, Would you like to buy again

Based on the above assumptions, the conceptual model of this study is proposed, as shown in Figure 1.

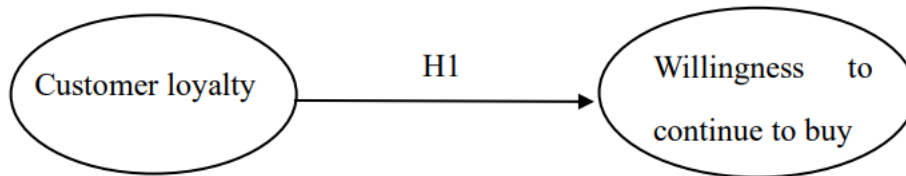


Figure 1: Research model and hypothesis

### 3.2 Investigation and Analysis

The research of this paper is about consumers' continuous purchase intention. The main population of the questionnaire are consumers who have bought in HONGXING ERKE GROUP online stores. The first part is about the basic personal information of consumers, such as gender, age, income, etc; The second part is to use the Likert five level scale, which is designed from "A" to "E" as "very dissatisfied" to "very satisfied". With the help of questionnaire star, wechat, QQ and other network platforms, 220 "HONGXING ERKE GROUP online store questionnaires" were distributed, 210 questionnaires were collected, and a total of 195 effective questionnaires were obtained. The validity of the questionnaires was 88.6%.

## 4. Survey Data Analysis

### 4.1 Descriptive Statistics

Among the consumers who purchase products in HONGXING ERKE GROUP online stores, the proportion of men and women is similar, but the proportion of male consumers is relatively large, which indicates that the products purchased by HONGXING ERKE GROUP are more attractive to men; The age group accounts for the most in the period of 18-30 years old, accounting for 46.6%, followed by 30-45 years old, accounting for 26.15%, and 45-55 years old, accounting for 17.44%. It shows that the consumer groups of HONGXING ERKE GROUP online stores in this survey are mainly young people and middle-aged people; The income below 3000 accounts for 43.59% at most, followed by 3000-6000 accounting for 30.77%, the third is 6000-10000 accounting for 17.44%, and the last is over 10000 accounting for 8.21%. Most people who buy HONGXING ERKE GROUP online stores are low-income people; The consumers who purchased HONGXING ERKE GROUP products once accounted for 42.05%, followed by the consumers who purchased 2-3 times, accounting for 30.77%, and finally the consumers who purchased more than 3 times, accounting for 27.18%, indicating that there are fewer repeat customers.

From the descriptive statistical analysis of the samples, it can be concluded that most of the consumers who buy the products of HONGXING ERKE GROUP online stores are men, mainly young and middle-aged people, and they are not attractive to female consumers. According to the survey of Internet consumer purchasing groups, the online shopping groups are mainly women; 27.18% of the consumers purchased products more than three times, indicating that the re purchase rate of the products is low, and there is a certain gap between the products and other brands. This also shows that there is great room for improvement in HONGXING ERKE GROUP online stores, and also shows the practical significance of studying the consumers' continuous purchase intention of HONGXING ERKE GROUP online stores.

### 4.2 Reliability and Validity Analysis

The Cronbach's alpha value of the questionnaire designed is 0.802 in Table 3, which indicates that the questionnaire data designed this time has passed the reliability test, indicating that the questionnaire has good reliability. Table 4 shows the kmo value is 0.773 and the sig value is 0.000, indicating that the questionnaire data designed this time pass the validity test and are true and effective.

Table 3: Reliability analysis

Reliability statistics	
Clone Bach alpha 0.802	Number of items 24

Table 4: Validity analysis

Kmo and Bartlett test	
Kmo sampling suitability quantity	0.773
Approximate chi square	1433.118
freedom	276
Bartlett sphericity test	Significance 0.000

### 4.3 Structural Equation Analysis

This paper uses amos2100 software to analyze the fit of the conceptual model of the data in the questionnaire, and then test the fit of the conceptual model in turn. The inspection results are shown in Table 5.

Table 5: Model fit index

Model fit index	
X2/df	2.12
GIF	0.882
NFI	0.913
CFI	0.911
NNFI	0.935
AGFI	0.882
RMSEA	0.021

From Table 5, it can be seen that the model fit  $\chi^2 / DF$  value is 2.12, indicating that the model is basically acceptable, and the GIF index value is 0.882, indicating that the conceptual model in this paper has a good fit, indicating that it has a certain degree of reliability and can be used for hypothesis testing. The SEM structural equation model is established, and the maximum likelihood estimation method is used for parameter estimation to obtain the path coefficient estimation and hypothesis test of the structural model. The "price" is named PR, the "product quality" is named PQ, the "online service" is named OS, and the "social responsibility" is named SR; And "I am willing to choose to buy the products of HONGXING ERKE GROUP online store again" is named L1 and "I will recommend HONGXING ERKE GROUP to people around me" is named L2. The inspection results are shown in Figure2.

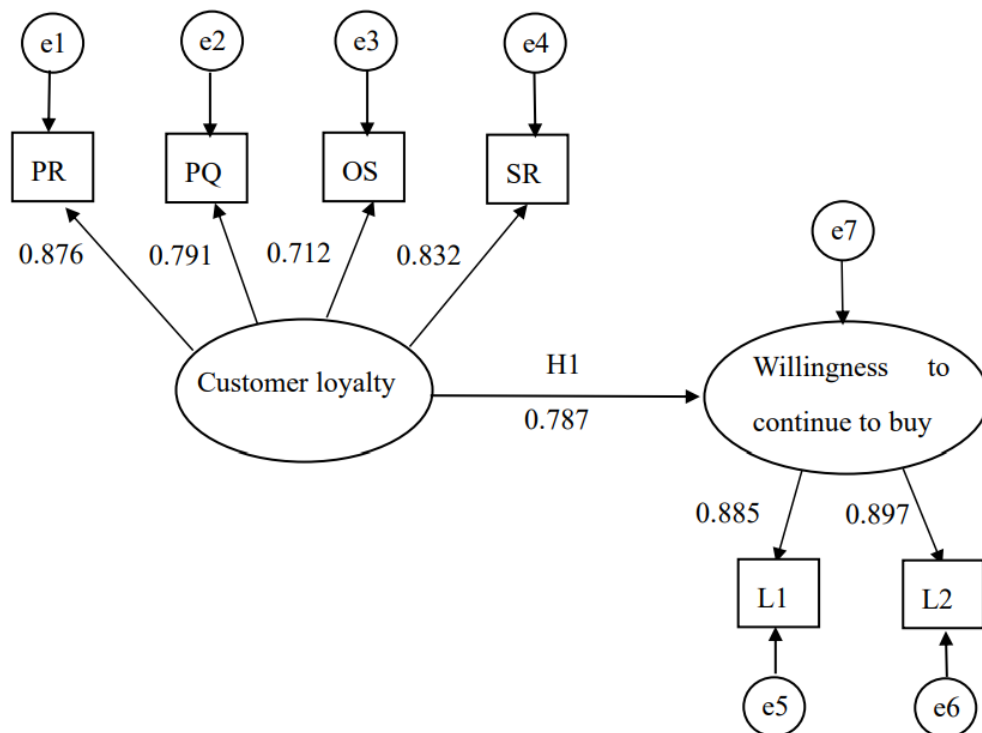


Figure 2: Model test results

The path coefficient and significance level of the structural equation model in this paper are shown in Table 6.

Table 6: Path coefficient and significance level

<b>Path relationship</b>	<b>Path coefficient</b>	<b>P value</b>	<b>Is it significant</b>
Price → customer loyalty	0.876	***	yes
Product quality → customer loyalty	0.791	***	yes
Online service → customer loyalty	0.712	**	yes
Corporate social responsibility → customer loyalty	0.832	*	yes
Customer loyalty → customer's continuous purchase intention	0.787	**	yes
Willing to buy again → customer's willingness to continue to buy	0.885	***	yes
Recommend to people around → customers' willingness to continue buying	0.897	**	yes

## 5. Discussion of Factors Affecting Customer Satisfaction

### 5.1 Less Attractive to Female Consumers

Most of the consumers of HONGXING ERKE GROUP are male. The main reason is that most people are not satisfied with the appearance of the product. As shown in table 7, the style of the product does not meet the aesthetic outlook of the people today. We hope to improve the appearance and packaging of the product.

Table 7: Aspects needing improvement

<b>Areas needing improvement</b>	<b>Proportion</b>
Product appearance	66.15%
online service	43.59%
product quality	43.59%
product price	42.05%
Take more social responsibility	32.31%
Product packaging	38.46%

### 5.2 Inaccurate Product Positioning

Most of the customers who buy the products of HONGXING ERKE GROUP online stores are young and middle-aged people. These people have a certain status in society, pay special attention to the eyes of others, and love to catch up with the current trend. However, the product styles of HONGXING ERKE GROUP online stores have always been unchanged, and the styles are old. They do not have a thorough understanding of the psychology of this purchasing group, resulting in failure to solve the purchase needs of customers.

### 5.3 Low End of Brand Image

The price of brand products is relatively low, and the group with low income buys more. The main buying group is young and middle-aged people, who increasingly value the overall image of the enterprise. They buy products not only to see whether they can meet their basic physiological needs, but also to consider other benefits brought by the products, pay attention to whether they

meet their own social attributes and social needs, such as socializing.

#### **5.4 Online Services Still Need Improvement**

After the online service quality is improved, consumers are willing to buy the products of HONGXING ERKE GROUP online store again. The pre-sales and after-sales service of customer service has a great influence on consumers' decision to buy products. On the Internet, consumers can only see pictures, but can not see physical objects. Therefore, there will be many problems on the product itself, which cannot be solved in the product details page, at this time, customer service needs to answer specific questions. In terms of after-sales service, customer service is required to maintain the damage during express delivery, the washing of special materials, and the notification of new products and preferential activities to customers in the later period.

### **6. Conclusions and Suggestions**

From the descriptive statistics, it can be found that the consumers who buy the products of HONGXING ERKE GROUP online stores are mainly young and middle-aged men and low-income people. Through hypothesis test and model analysis, we can find that the path relationship and P value of each path are significant, which indicates that customer loyalty has a significant positive impact on customers' continuous purchase intention. The hypothesis is established, that is, the more loyal customers are, the more likely customers are to repeat their purchases, the more likely they are to make multiple purchases.

#### **6.1 Improve Product Appearance and Attract Consumers' Attention**

The appearance of products is a big pain point of HONGXING ERKE GROUP. The main reason why most consumers do not buy products is that their product styles do not conform to the aesthetic views of the consumer groups, resulting in young people's disdain and middle-aged people's unfamiliarity with the brand. Young women are a large group of online buyers. HONGXING ERKE GROUP can pay attention to the current popular elements in design, add them to the products and integrate them with the products themselves. In terms of color, choose bright white, pink and other women's favorite colors, bid farewell to the original dark colors dominated by black and gray, and cooperate with other brands. For example, cross-border co branding can be conducted with women's favorite beauty brands to combine the characteristics of the two.

#### **6.2 Determine Product Positioning and Create Cost-Effective Products**

Young and middle-aged people are the core consumers of HONGXING ERKE GROUP's online stores. These people prefer high-quality products with good quality and moderate price. Through path analysis, we can see that price and product quality have a significant impact on customer loyalty. HONGXING ERKE GROUP improves product quality while giving consideration to price. Most consumers buy HONGXING ERKE GROUP's products because they are of good quality and low price. The price of the products can be accepted by most consumers when they are comfortable and easy to wear. HONGXING ERKE GROUP online stores should maintain their existing quality level for all products, keep the price consistent with the usual price, retain the consumers who have always supported them, and establish the brand positioning route of medium and low-end.

### 6.3 Establish the Brand Image and Shape the Guochao Brand

The inherent impression of consumers on HONGXING ERKE GROUP has seriously affected the development of the brand. HONGXING ERKE GROUP should upgrade its brand, revise the design of the online store, pay attention to the unity of colors in the design, and focus on the color matching of the brand logo in the design of the home page, so as to increase consumers' impression of HONGXING ERKE GROUP. The chairman can be invited to act as the brand spokesperson. In the online live broadcast room, the chairman can act as a guest to carry out live broadcast and bring goods, which not only increases the popularity of the live broadcast room, but also highlights the importance of consumers. It can also save the cost of endorsements, create a friendly image of the enterprise, and become a national brand. In addition, the donation event for the "720" rainstorm in Zhengzhou has greatly improved its national image. For a time, all online and offline brand stores were out of stock. We should seize this opportunity and establish our own corporate image with responsibility and a sense of social responsibility while the heat of this matter has not subsided.

### 6.4 Regularly Train Customer Service and Standardize Work Flow

Online service is also an important factor in the transformation of sales volume. The customer service attitude before and after sales has an important impact on the image of the enterprise and is also a link in the operation of the store. HONGXING ERKE GROUP online stores can regularly train customer service, improve business level and professional quality, and clarify job responsibilities; Establish a clear KPI system to improve the service quality and service data of customer service with performance; Define the pre-sales and after-sales service process, so that the customer service can clearly carry out various work according to the standards and processes, reduce the occurrence of errors and errors, and improve work efficiency.

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