Factors Influencing Continuance in Mobile Internet Service Usage

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Introduction: Motivation

- Mobile Internet: new forms of emerging ICT service.
  - Non-organizational settings.
  - Individuals bear the cost of adoption and usage.
- Low continuance rate of using M-Internet services.
- Lopsided technology user-oriented viewpoint on how service consumers decide to continue usage.

- Why service users maintain the relationship with a service provider: customer relationship perspective.
  - Two reasons (Bendapudi & Berry, 1997)
    - “Want to stay” in the relationship.
    - “Have to stay” in the relationship.
  - Most previous research have focused on the “want to stay” relationship aspect (Bhattacherjee 2001a, b; Kim & Malhotra, 2005; Thong et al., 2006).
This study aims to examine the IS continuance of M-Internet service users from the customer relationship perspective.

Two research questions

- What are the relationship development factors influencing the IS continuance intention of service users?
- How do the relationship development factors lead to IS continuance intention?
IS Continuance from the Relationship Development Perspective

**Customer Relationship**

**Dedication-based relationship**

Customers are motivated to maintain relationships with a service provider because they genuinely desire continuance (want to stay).

Dedication will determine the quality of the relationship (will it grow?).

**Constraint-based relationship**

Customers are motivated to maintain relationships with a service provider because they believe they have no other choice and cannot exit from the relationship due to economic, social, or psychological costs (have to stay).

Constraint will determine the stability of the relationship (will it persist?).
IS Continuance from the Relationship Development Perspective

Customer Relationship Development

Dedication-based relationship development
How a service provider can create or strengthen a customer’s desire to continue the relationship.

Constraint-based relationship development
How a service provider can build barriers to exit and increase switching costs for the customer in order to keep them.
## Conceptual Framework

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<th>Corresponding Factors</th>
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Conceptual Framework

- **Rational judgment**
  - People conduct their behavior based on rational reasoning (Ajzen & Fishbein, 1980).
  - Rational reasoning encompasses affective as well as cognitive evaluation (Kim et al., 2007).
  - **Service user satisfaction and perceived value.**

- **Habit development**
  - A repeated behavioral pattern that automatically occurs outside conscious awareness (Triandis, 1977).
  - When a behavior is repeatedly performed, it bypasses rational decision making and becomes habitual (Verplanken et al., 1998).
  - **Familiarity.**

- **Switching constraint**
  - The perceived economic and psychological costs associated with changing from one alternative to another (Jones et al., 2000).
  - The barriers that hold customers in a relationship with a service provider.
  - **Switching costs.**
Research Model

- Service user satisfaction
  - H3

- Perceived value
  - H1
  - H2

- Continuance intention
  - H4
  - H6

- Familiarity
  - H5

- Switching costs
  - H7
This study employed the survey research methodology.
The data collection instrument was developed by adopting existing validated questions, wherever possible.
Three IS researchers reviewed the instrument and checked its face validity.
7-point Likert scale.
We carried out data analysis using PLS-Graph.
The first step in the data analysis was to establish the convergent and discriminant validity of the constructs.
In the second step, we examined the structural model based on the cleansed measurement model.
Data Analysis and Results: Hypotheses Testing

- Service user satisfaction ($R^2=0.436$)
  - $H3: 0.660^{***}$
  - $H1: 0.283^{**}$

- Perceived value ($R^2=0.056$)
  - $H2: 0.221^{**}$
  - $H5: 0.237^{**}$

- Continuance intention ($R^2=0.443$)
  - $H4: 0.365^{***}$
  - $H6: ns$

- Familiarity
  - $H7: 0.259^*$

- Switching costs ($R^2=0.067$)

(*: p < 0.05, **: p < 0.01, ***: p < 0.001, ns: not significant)
Discussion of Findings

- Satisfaction as affective rational judgment has a significant effect on the continuance intention of M-Internet service users.
- Perceived value as cognitive rational judgment has a significant effect on the continuance intention of M-Internet service users both directly and indirectly through its effect on service user satisfaction.
- Familiarity as a factor belonging to habit development has a significant effect on the continuance intention of M-Internet service users both directly and indirectly through its effect on perceived value.
- Switching costs have insignificant effect on the continuance intention of M-Internet service users – switching costs may have a limitation in developing barriers in IS discontinuance.
Implications

- The explanation of IS continuance of new ICT, M-Internet service, from the customer perspective and not from the technology user perspective.
- The development and test of an IS continuance model by extending the previous dedication-based relationship development with the constraint-based relationship development of service users.
- Suggestions to M-Internet service providers on how to retain their service users by enhancing IS continuance.
  - Be aware of the critical effect of perceived value on IS continuance.
  - Aim to improve service user satisfaction.
  - Understand that familiarity has an effect on IS continuance.
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