

# Customer Satisfaction and Brand Loyalty in Online Shopping Platform: An Analysis of Service Quality's Role in Cantilan, Surigao del Sur

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## ABSTRACT

This study investigated the influence of service quality on customer satisfaction and brand loyalty within online shopping platforms, focusing on the two urban barangays of Cantilan, Surigao del Sur. Employing a descriptive-correlational research design, data were gathered from a survey of 184 online shoppers. The results indicated a high level of general satisfaction with the services received (mean score of 4.18 out of 5), and a significant majority of users (95%) expressed willingness to recommend the platforms they used. Delivery speed and reliability were identified as the strongest drivers of customer satisfaction. However, the analysis revealed only a weak correlation between customer satisfaction and brand loyalty, suggesting that loyalty is likely influenced by a broader set of factors such as trust, competitive pricing, or established customer relationships. The findings strongly suggest that online sellers should prioritize enhancing logistical reliability and overall service quality to foster customer satisfaction.

**Keywords:** *Service Quality, Customer Satisfaction, Brand Loyalty, Online Shopping Platforms, Delivery Reliability*

## INTRODUCTION

In the Philippines, the rapid expansion of online platforms has significantly reshaped consumer behavior. A growing number of Filipinos now depend on various online shopping platforms to procure their daily goods and services. Online purchasing and selling have become the new norm for both consumers and businesses. In municipalities such as Cantilan, Surigao del Sur, where access to large retail outlets can be limited, these online platforms provide unparalleled convenience, a wider selection of products, and competitive pricing that often rivals traditional brick-and-mortar stores. This increased reliance on digital platforms presents a dual challenge for sellers: not only must they strive to expand their market share, but they must also cultivate and sustain customer loyalty and satisfaction through exceptional service quality and trust.

Customer satisfaction is widely recognized as a critical antecedent of repeat purchase behavior and brand loyalty. In online shopping platforms, service quality—spanning website functionality, product accuracy, delivery reliability, customer support, and data security—plays a decisive role in shaping consumer experiences. Prior studies suggest that consistent service quality fosters trust, reduces perceived risk, and encourages long-term loyalty. However, in the Philippine context, particularly in emerging rural markets such as Cantilan, Surigao del Sur, these dynamics remain underexplored. Cantilan is a coastal municipality located in the northeastern part of Mindanao in the Caraga region.

According to the 2020 census, it has a population of 34,060 people distributed across 17 barangays. The area is predominantly rural, with only about 29.07% of its population residing in its two urban barangays, Linintian and Magosilom. In this setting, online shopping platforms serve as a vital channel

for consumers to access products that are not readily available in local markets. This study, therefore, aims to examine the intricate relationship between service quality, customer satisfaction, and brand loyalty among online shoppers in Cantilan.

By analyzing consumer perceptions of key service dimensions such as delivery logistics, customer support, and platform features, this research seeks to provide actionable insights into the strengths and challenges of local e-commerce adoption. The findings are intended to benefit local online sellers, digital entrepreneurs, and platform providers by highlighting the critical importance of reliable logistics, responsive support systems, and robust data security in sustaining consumer trust and encouraging repeat business.

## MATERIALS AND METHODS

The study employed a descriptive-correlational research design. The descriptive component was used to profile respondent demographics and describe their perceptions of service quality, levels of customer satisfaction, and brand loyalty. The correlational component was then used to examine the statistical relationships between service quality and customer satisfaction, and between customer satisfaction and brand loyalty. This design is particularly appropriate as it allows for the measurement of variables in their natural setting without manipulation, and it is effective for establishing the strength and direction of associations between the study's core constructs.

## RESULTS AND DISCUSSION

This chapter presents the analysis of data collected from 184 valid survey responses from online shoppers in Cantilan, Surigao del Sur. Responses were carefully screened for completeness, with missing values handled using pairwise deletion to maximize the use of available data.

### Respondent Profile

A total of  $N = 184$  valid survey responses from online shoppers in Cantilan, Surigao del Sur were analyzed. Responses were screened for completeness, and missing values were handled via pairwise deletion.

### Descriptive Statistics

Weighted mean scores on key constructs indicate overall positive evaluations of online selling platforms. Table 1 summarizes the descriptive results.

**Table 1**  
**Descriptive Statistics of Key Constructs (N = 184)**

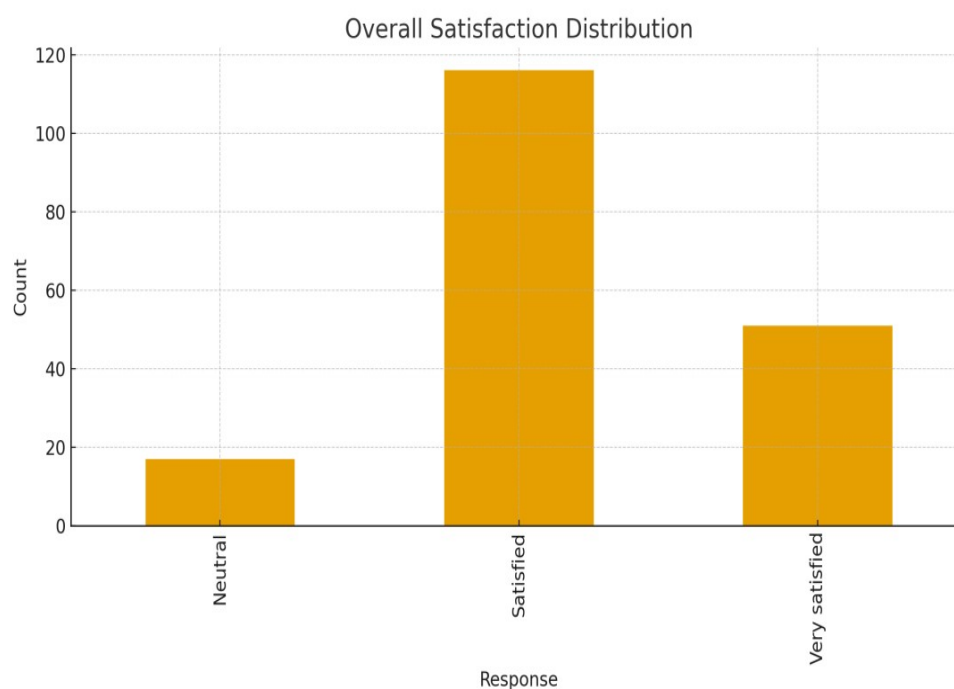
| Variable                         | Mean | Interpretation   |
|----------------------------------|------|------------------|
| Service Quality (Core)           | 4.43 | High             |
| Service Quality (Extended)       | 4.03 | High             |
| Delivery Satisfaction            | 4.08 | High             |
| Overall Satisfaction             | 4.18 | High             |
| Loyalty (Referral Intent, Yes=1) | 0.95 | Very High (~95%) |

*Note. Scale: 1 = Very Low, 5 = Very High; referral intent expressed as proportion "Yes."*

Respondents consistently rated service quality attributes positively, particularly product information clarity and system usability. Delivery performance and overall satisfaction were similarly high, while loyalty intent approached saturation (95% would recommend).

**Figure 1** shows the distribution of overall satisfaction, where most respondents clustered at “4” (satisfied) and “5” (very satisfied).

**Figure 2** presents mean scores for core service quality items, demonstrating strong performance across usability and content dimensions.



**Figure 1. Distribution of Overall Satisfaction (N = 184)**



**Figure 2. Mean Scores of Core Service Quality Items (N = 184)**

## Correlation Analysis

Pearson correlations revealed the following significant associations:

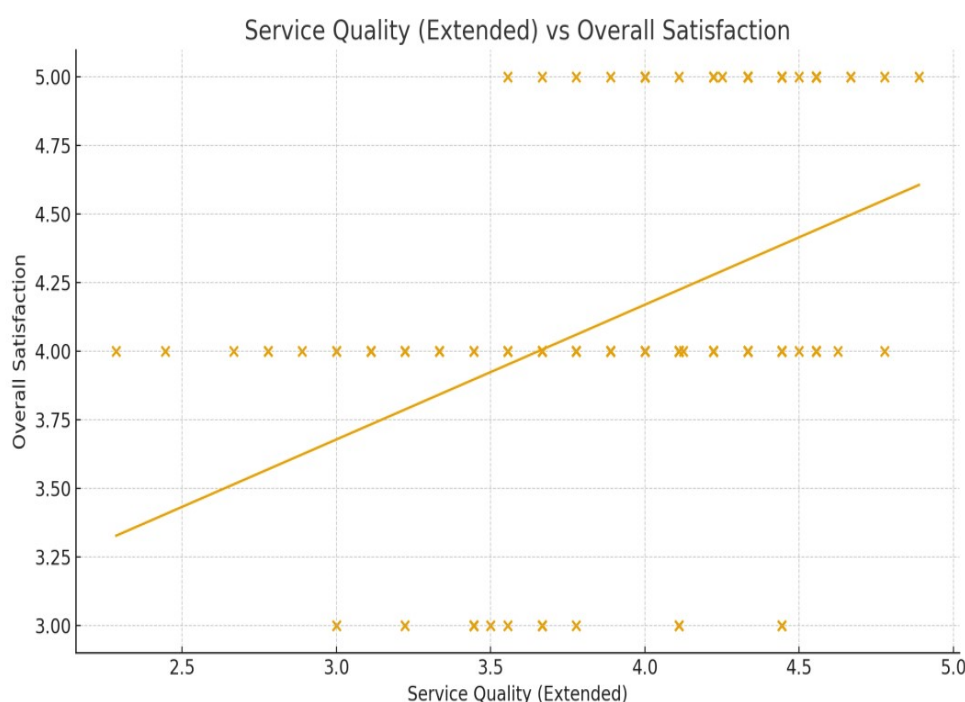
**Table 2**  
**Correlation Matrix of Key Variables**

| Pair of Variables                         | r    | n   | Interpretation    |
|-------------------------------------------|------|-----|-------------------|
| Service Quality (Extended) – Satisfaction | .415 | 184 | Moderate positive |
| Delivery Satisfaction – Satisfaction      | .586 | 183 | Strong positive   |
| Satisfaction – Loyalty (Referral)         | .159 | 184 | Weak positive     |
| Service Quality (Extended) – Loyalty      | .132 | 184 | Weak positive     |

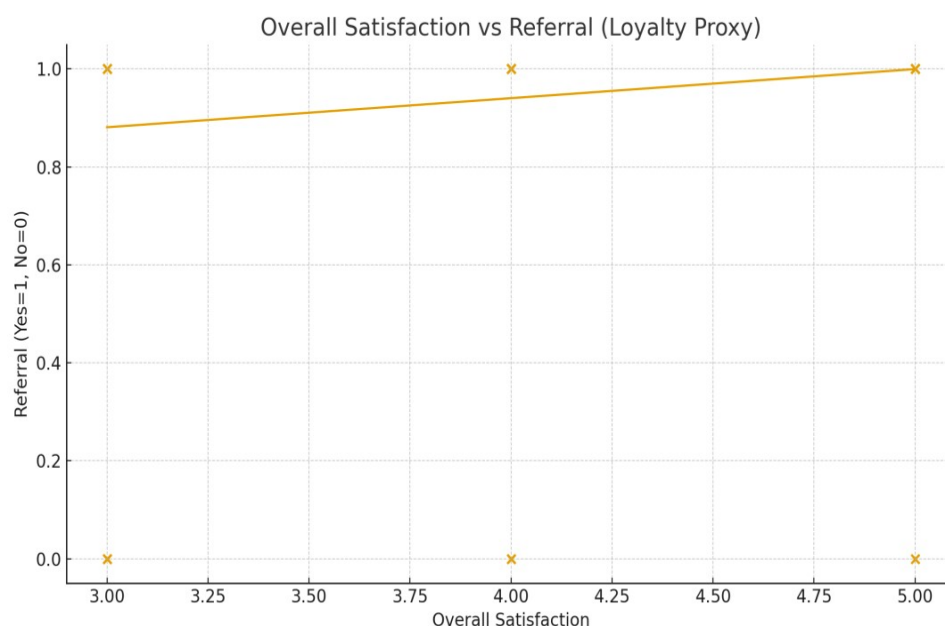
*Note. All correlations are Pearson r; pairwise deletion.*

These results highlight delivery satisfaction as the strongest predictor of overall satisfaction, consistent with prior research emphasizing logistics reliability in e-commerce. The weaker links with loyalty stem from a ceiling effect—with referral intent already near 95%, little variation remains for statistical relationships.

**Figure 3** plots the relationship between service quality and satisfaction, while **Figure 4** shows the weaker association between satisfaction and loyalty.



**Figure 3. Scatterplot of Service Quality (Extended) and Overall Satisfaction (N = 184)**

**Figure 4: Scatterplot of Overall Satisfaction and Loyalty (Referral Intent) (N = 184)****Figure 4. Scatterplot of Overall Satisfaction and Loyalty (Referral Intent) (N = 184)**

### Regression Analysis

#### Predicting Overall Satisfaction

A multiple regression model was estimated with overall satisfaction as the dependent variable. Results are shown in Table 3.

**Table 3**  
**Regression Analysis Predicting Overall Satisfaction (N = 181)**

| Predictor                  | B      | p      |
|----------------------------|--------|--------|
| Intercept                  | 0.908  | .005   |
| Service Quality (Extended) | 0.396  | < .001 |
| Delivery Satisfaction      | 0.441  | < .001 |
| Secure Payment (Feeling)   | -0.033 | .424   |
| Privacy Concern (Rev.)     | 0.010  | .792   |

*Note.  $R^2 = .431$ . Dependent variable = Overall Satisfaction.*

Interpretation: Both service quality and delivery satisfaction significantly predict overall satisfaction, accounting for 43.1% of variance. Perceived payment security and privacy concern did not significantly contribute once other variables were controlled.

#### Predicting Loyalty (Referral Intent)

A linear probability model was tested (Table 4).

**Table 4**  
**Linear Probability Model Predicting Loyalty (Referral Intent) (N = 183)**

| Predictor              | B     | p    |
|------------------------|-------|------|
| Service Quality (Ext.) | 0.018 | .332 |
| Overall Satisfaction   | 0.029 | .481 |
| Delivery Satisfaction  | 0.021 | .367 |

Note.  $R^2 = .033$ . Dependent variable = Referral Intent (Yes=1).

None of the predictors reached statistical significance, due to the very high baseline loyalty (95%). This confirms that almost all respondents were already loyal, limiting the model's explanatory power.

## Discussion

The findings robustly confirm that service quality and delivery reliability are the primary drivers of customer satisfaction in the online shopping context of Cantilan. This aligns strongly with both international research (e.g., Raza, Umer, & Shah, 2015) and Philippine-based studies (e.g., Villanueva & Austria, 2021), which consistently highlight the importance of logistical excellence. The fact that delivery satisfaction emerged as the strongest predictor underscores the unique challenges and consumer expectations in an urban municipality where timely and reliable delivery is a significant value proposition.

The study's inability to find a strong statistical link between satisfaction and loyalty is a critical finding in itself. The loyalty measure, limited to referral intent, was already saturated at 95%, effectively masking any potential influence from other variables. This suggests that while consumers are willing to recommend platforms, this intent may not fully capture more concrete loyalty behaviors like repeat purchase frequency or resistance to switching to competitors. Future research should therefore employ more nuanced loyalty indicators, such as the Net Promoter Score (NPS) or actual purchase data, to better understand the satisfaction loyalty relationship.

## CONCLUSION

In conclusion, the study highlights that service quality and delivery reliability are the most critical factors influencing customer satisfaction in Cantilan's online shopping environment. While customer loyalty is already prevalent, future research should go beyond measuring simple referral intentions and instead capture actual repeat behavior and the intensity of advocacy. Interestingly, payment security and privacy concerns, although theoretically important, were not significant predictors of satisfaction when core service quality and delivery performance were taken into account. These findings suggest that prioritizing reliable service and delivery should remain the focus for online retailers seeking to enhance customer satisfaction and loyalty.

## Recommendations

- 1. For Online Shopping Platforms.** Continue improving delivery logistics (speed, reliability, packaging) to sustain satisfaction. Enhance user experience and content quality (product descriptions, images, and reviews). Communicate data privacy and payment security assurances proactively, even if not currently driving satisfaction, to preserve long-term trust.

2. **For Local Businesses in Cantilan.** Leverage existing high loyalty by incentivizing repeat purchases (loyalty programs, discounts). Monitor satisfaction continuously to prevent declines in delivery or service quality.
3. **For Future Research.** Use broader loyalty metrics such as repeat purchase frequency, Net Promoter Score, and brand switching resistance. Consider longitudinal designs to assess how satisfaction translates into sustained loyalty over time. Investigate mediating factors like trust, perceived value, and word-of-mouth behavior.

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