

**Midocean University**  
**Faculty of Management**

# **The Role of Customer Experience in Enhancing Customer Loyalty among Online Shoppers in Saudi Arabia**

Malak Abdullah

Faculty of management  
Midocean University

## Table of Contents

|                                                     |    |
|-----------------------------------------------------|----|
| 1. Chapter 1: Introduction .....                    | 3  |
| 1.1 Research Background .....                       | 4  |
| 1.2 Research Problem .....                          | 5  |
| 1.2.1 Theoretical Gaps .....                        | 5  |
| 1.2.2 Practical Gaps .....                          | 5  |
| 1.3 Research Significance.....                      | 5  |
| 1.3.1 Theoretical Level .....                       | 6  |
| 1.3.2 Practical Level .....                         | 6  |
| 1.4 Research questions .....                        | 6  |
| 1.5 Research Objectives .....                       | 6  |
| 1.6 Research Hypothesis .....                       | 7  |
| 1.7 Research Model .....                            | 7  |
| 1.8 Suggested Industry for the Empirical Study..... | 8  |
| 1.9 Research Methodology .....                      | 8  |
| 1.10 The Suggested Project Structure .....          | 10 |
| References.....                                     | 11 |

## **Chapter 1: Introduction**

## **1.1 Research Background**

Customer experience has become an important factor in the success of online businesses. As online shopping continues to grow, customers expect more than good products and reasonable prices. They also expect websites that are easy to use, secure payment options, fast delivery, reliable customer service, and a smooth shopping process. These factors shape customers' overall experience and influence how they evaluate an online store.

Today, many businesses recognize that providing a positive customer experience is essential for building long-term relationships with customers. When customers have a satisfying shopping experience, they are more likely to trust the retailer, feel satisfied with the service, and return to make future purchases. For this reason, customer experience is increasingly viewed as a key element in developing customer loyalty and maintaining a strong position in the competitive online marketplace.

In Saudi Arabia, the e-commerce sector has expanded rapidly over the past few years. This growth has been supported by higher internet usage, widespread smartphone adoption, improvements in digital payment systems, and the government's efforts to promote digital transformation through Vision 2030. As more businesses compete in the online market, customers have greater freedom to choose between different retailers based on the quality of their shopping experience.

Although online shopping offers customers many choices and greater convenience, retaining loyal customers has become more challenging than ever. Customers can easily move to another online store if they are not satisfied with the service they receive. Therefore, understanding how customer experience influences customer loyalty has become an important topic for both researchers and business managers who seek to improve business performance and build lasting relationships with customers.

Based on this context, this study aims to examine the role of customer experience in enhancing customer loyalty among online shoppers in Saudi Arabia. The findings of this research are expected to provide a better understanding of the relationship between customer experience and customer loyalty while offering practical recommendations that may help online retailers improve their services and strengthen customer relationships.

## **1.2 Research Problem**

The rapid growth of e-commerce has increased the importance of customer experience as a competitive strategy for online retailers. Although many businesses invest in improving customers' shopping experiences, retaining loyal customers remains a significant challenge. Customers can easily switch to competing online stores if their expectations are not met, making it essential to understand how customer experience contributes to customer loyalty. Despite the growing attention given to this topic, several theoretical and practical gaps still exist, which justify the need for further research.

### **1.2.1 Theoretical Gaps**

Previous studies have examined customer experience and customer loyalty in different industries and countries. However, limited research has specifically explored this relationship within the Saudi Arabian e-commerce sector. In addition, many existing studies focus on customer satisfaction or service quality without providing a comprehensive understanding of how the overall customer experience influences customer loyalty. Therefore, more research is needed to expand the existing literature and provide evidence from the Saudi online shopping context.

### **1.2.2 Practical Gaps**

From a practical perspective, many online retailers in Saudi Arabia continue to face challenges in maintaining long-term customer loyalty despite offering a wide range of products and digital services. Businesses often invest in improving websites, delivery services, and customer support, but they may not clearly understand which aspects of customer experience have the greatest influence on customer loyalty. This creates a need for research that provides practical findings to help businesses improve customer experiences and strengthen long-term relationships with their customers.

Therefore, the main research question of this study is how does customer experience influence customer loyalty among online shoppers in Saudi Arabia?

## **1.3 Research Significance**

This study is significant because it examines the role of customer experience in enhancing customer loyalty among online shoppers in Saudi Arabia. The study contributes to both academic knowledge and business practice by providing a better understanding of how customer experience influences customer loyalty in the Saudi e-commerce sector.

### **1.3.1 At the Theoretical Level**

Previous studies have discussed customer experience and customer loyalty in different countries and industries. However, limited research has examined this relationship within the Saudi ecommerce sector. This study contributes to the existing literature by providing empirical evidence from Saudi Arabia and improving the understanding of how customer experience influences customer loyalty in online shopping.

### **1.3.2 At the Practical Level**

The findings of this study can help online retailers and business managers improve customer experience by enhancing website usability, customer service, delivery performance, and communication with customers. Improving these aspects may increase customer satisfaction, encourage repeat purchases, strengthen customer loyalty, and support long-term business success in Saudi Arabia's growing e-commerce market.

## **1.4 Research Questions**

Main Research Question

- How does website usability influence customer loyalty among online shoppers in Saudi Arabia?
- How does customer service quality influence customer loyalty among online shoppers in Saudi Arabia?
- How does delivery service quality influence customer loyalty among online shoppers in Saudi Arabia?
- How does trust in online shopping platforms influence customer loyalty among online shoppers in Saudi Arabia?

## **1.5 Research Objectives**

To answer the research questions, the following research objectives have been identified:

- To examine the influence of website usability on customer loyalty among online shoppers in Saudi Arabia.
- To investigate the effect of customer service quality on customer loyalty among online shoppers in Saudi Arabia.

- To assess the impact of delivery service quality on customer loyalty among online shoppers in Saudi Arabia.
- To assess the influence of trust in online shopping platforms on customer loyalty among online shoppers in Saudi Arabia.

## 1.6 Research Hypotheses

The following research hypotheses are proposed to examine the relationship between the independent variables (website usability, customer service quality, delivery service quality, and trust in online shopping platforms) and customer loyalty among online shoppers in Saudi Arabia.

- **H1:** Website usability has a significant positive influence on customer loyalty among online shoppers in Saudi Arabia.
- **H2:** Customer service quality has a significant positive influence on customer loyalty among online shoppers in Saudi Arabia.
- **H3:** Delivery service quality has a significant positive influence on customer loyalty among online shoppers in Saudi Arabia.
- **H4:** Trust in online shopping platforms has a significant positive influence on customer loyalty among online shoppers in Saudi Arabia.

## 1.7 Research Model

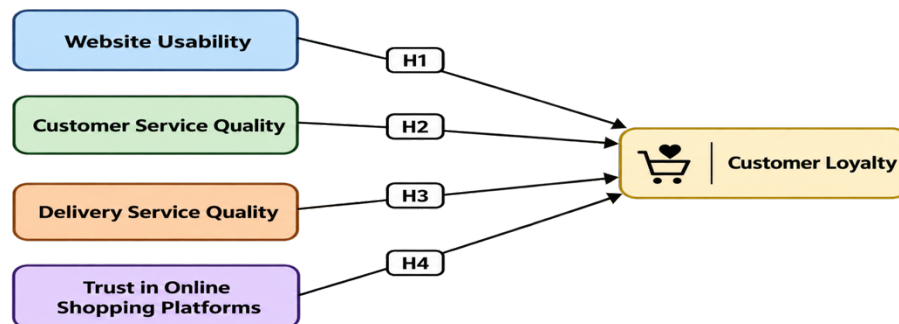


Figure 1. The research model diagram.

## **1.8 Suggested Industry for the Empirical Study**

The suggested industry for this study is the e-commerce industry in Saudi Arabia. This industry provides a suitable setting for the research because online shopping has become increasingly common, and customers now interact with online retailers through different stages of the shopping process.

The study will focus on consumers who have previous experience with online shopping in Saudi Arabia rather than customers of one specific company. This will allow the research to include different shopping experiences across various online platforms and retailers.

The e-commerce industry is particularly relevant to this study because customer loyalty can be influenced by several aspects of the online shopping experience. Website usability, customer service quality, delivery service quality, and trust can all affect how customers evaluate an online retailer and whether they choose to purchase from it again.

By examining online shoppers in Saudi Arabia, the study can provide useful insights into the factors that contribute to customer loyalty in the Saudi e-commerce market. The findings may also help online retailers better understand customer expectations and identify areas where the overall shopping experience can be improved.

## **1.9 Research Methodology**

This study will use a quantitative approach to examine how customer experience influences customer loyalty among online shoppers in Saudi Arabia. Customer experience will be examined through four main factors: website usability, customer service quality, delivery service quality, and trust in online shopping platforms. These factors were selected because they represent important parts of the online shopping experience and are directly related to the research questions and hypotheses of this study.

A descriptive and correlational research design will be applied. The descriptive part will help provide a clear understanding of how online shoppers evaluate their experiences, while the correlational part will examine whether there are relationships between the four customer experience factors and customer loyalty. This design is suitable for the study because it allows the proposed relationships between the variables to be examined and tested.

The study will rely on primary data collected through an online questionnaire. The questionnaire will target people living in Saudi Arabia who have previous experience with online shopping. It

will include questions related to website usability, customer service, delivery services, trust in online shopping platforms, and customer loyalty. Most of the questions will use a five-point Likert scale ranging from strongly disagree to strongly agree.

The target population will consist of online shoppers in Saudi Arabia. Participants will be individuals who have purchased a product or service online before, as their previous shopping experience will allow them to provide relevant responses to the questionnaire. The questionnaire will be shared electronically, which will make it possible to reach participants from different locations in Saudi Arabia. Participation will be voluntary.

After collecting the responses, the data will be organized and analyzed using suitable statistical methods. Descriptive statistics, including frequencies, percentages, means, and standard deviations, will be used to summarize the responses. Correlation analysis will help identify relationships between the study variables, while regression analysis will be used to examine the influence of each customer experience factor on customer loyalty. The results will then be used to evaluate the proposed hypotheses.

Ethical considerations will also be taken into account during the research process. Participants will be informed about the academic purpose of the study and that taking part in the questionnaire is voluntary. Their responses will be treated confidentially, and no unnecessary personal information will be requested. The collected information will only be used for the purposes of this research.

One possible limitation is that the study depends on participants reporting their own online shopping experiences. Their answers may therefore reflect personal opinions and individual experiences. In addition, the research focuses specifically on online shoppers in Saudi Arabia, so the findings may not fully represent customers in other countries or different e-commerce environments.

## **1.10 The Suggested Project Structure**

The proposed structure for the research project is as follows:

1. Introduction: It provides an overview of the study including the background, research problem, significance, questions, objectives, and hypotheses.
  - 1.1 Research Background: It provides background information about customer experience and customer loyalty in online shopping.
  - 1.2 Research Problem: It identifies the theoretical and practical gaps that the study seeks to investigate.
  - 1.3 Research Significance: It explains the importance of the study at the theoretical and practical levels.
  - 1.4 Research Questions: It presents the main questions that guide the study.
  - 1.5 Research Objectives: It identifies the specific goals that the research aims to achieve.
  - 1.6 Research Hypotheses: It presents the proposed relationships between the study variables that will be tested.
  - 1.7 Research Model: It illustrates the proposed relationships between the independent variables and customer loyalty.
2. Literature Review: It presents a critical review of previous studies related to customer experience, customer loyalty, website usability, customer service quality, delivery service quality, and trust in online shopping.
3. Research Methodology: It explains the research design, data collection methods, sample selection, and data analysis techniques used in the study.
4. Analysis and Results: It presents and discusses the statistical analysis and the main research findings.
5. Discussion: It connects and discusses the research findings in relation to previous literature.
6. Conclusion and Recommendations: It summarizes the main findings and provides recommendations and suggestions for future research.
7. References: It provides a complete list of the academic sources and references used throughout the study.
8. Appendices: It contains additional materials and relevant supporting documents, where applicable.

## References

- Eid, M. I. (2011). Determinants of e-commerce customer satisfaction, trust, and loyalty in Saudi Arabia. *Journal of Electronic Commerce Research*, 12(1), 78–93.
- Kotler, P., Keller, K. L., & Chernev, A. (2022). *Marketing management* (16th Global ed.). Pearson.
- Lemon, K. N., & Verhoef, P. C. (2016). Understanding customer experience throughout the customer journey. *Journal of Marketing*, 80(6), 69–96. <https://doi.org/10.1509/jm.15.0420>
- Mahadevan, K., & Joshi, S. (2022). Impact of e-service quality dimensions on customer satisfaction and loyalty in online apparel shopping in India. *Indian Journal of Marketing*, 52(12), 20–38. <https://doi.org/10.17010/ijom/2022/v52/i12/172560>
- Oliver, R. L. (1999). Whence consumer loyalty? *Journal of Marketing*, 63(Special Issue), 33–44. <https://doi.org/10.1177/00222429990634S105>
- Payne, A., Frow, P., & Eggert, A. (2017). The customer value proposition: Evolution, development, and application in marketing. *Journal of the Academy of Marketing Science*, 45(4), 467–489. <https://doi.org/10.1007/s11747-017-0523-z>
- Saudi Data and Artificial Intelligence Authority. (2023). *Saudi Arabia's digital transformation initiatives*. <https://sdaia.gov.sa>
- Saudi Vision 2030. (2023). *Vision 2030 overview*. <https://www.vision2030.gov.sa>
- Verhoef, P. C., Kannan, P. K., & Inman, J. J. (2015). From multi-channel retailing to omni-channel retailing. *Journal of Retailing*, 91(2), 174–181. <https://doi.org/10.1016/j.jretai.2015.02.005>