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# Service Satisfaction and Continuous Use Intention on Omnichannel-Based Pickup Service

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## Abstract

**Purpose:** This study aims to present individual motivation and channel characteristics affecting omnichannel service use, as well as the effect relationship of the brand factor on consumption value, service satisfaction, and continuous usability based on convenience store pickup service, one of online shopping customers' omnichannel use services. Primarily, this study divided consumption value into emotional value and functional value and examined the consumption value characteristics of omnichannel-based pickup service customers. **Research design, data and methodology:** A questionnaire survey was carried out targeting 324 consumers having the omnichannel-based pickup service user experience in online shopping in Korea. A confirmatory factor analysis and path analysis were carried out based on the structural equation to verify hypotheses. **Results:** According to the analysis result, individual motivation affected the emotional value, and the omnichannel characteristics affected functional value. The brand effect influenced both emotional and functional values. The emotional value affected continuous use intention, and the functional value affected service satisfaction. **Conclusions:** Therefore, consumers' emotional and functional values showed differences in consumption behavior. In online shopping companies' marketing strategy construction for omnichannel, it was confirmed that a differentiated approach is needed depending on the strategic goal of satisfaction improvement and continuous use intention consolidation.

**Keywords :** Omnichannel, Pickup Service, Customer Value, Service Satisfaction, Continuous Use Intention, Distribution Science

**JEL Classification Code:** M10, M30, L10, L81

## 1. Introduction

The advent of the Internet in performing business in the 1980s enormously affected commercial transactions, so the economic markets demanded a new business model and paradigm development for profit creation (Berman & Thelen, 2004). Internet-based e-commerce is not restricted by time and space, and various types of service provision are possible, so e-commerce started to become popular (Lin & Lu, 2011). Internet-based e-commerce places itself as an essential distribution science means beyond the era when it gained attention.

In recent consumption distribution channels, the dissemination of the Internet and smartphones transpires according to the information and communication technology (ICT) development. Principally, rapid change of the online-centered market environment has occurred due to the COVID-19 crisis since 2019. For example, Korea's online shopping transaction amount was KRW 161.1234 trillion, up 19.1% year on year, and the mobile shopping amount out of the online shopping amount stood at KRW 108.6883 trillion, an increase of 24.5%. In 2017, it increased to KRW 77 trillion, KRW 111 trillion, and KRW 134 trillion in 2017, 2018, and 2019, respectively, which shows that the growth of online shopping is remarkable.

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Due to fast-growing online shopping mall marketability and the development of e-commerce, online shopping markets form a fiercer competition structure. With consumers' vigorous online shopping activities, a trend of offline to online (O2O) behavior, where the boundary between online and offline becomes obscure, has become vital. In line with the trend, online shopping malls seek differentiation with omnichannel services to enhance the quality of delivery service that may ensure a competitive edge, satisfy consumers, and bring about positive emotions (Hansen & Sia, 2015).

Omnichannel service means a service through which consumers can search and buy products through diverse online, offline, and mobile channels (Piotrowicz & Cuthbertson, 2014). The omnichannel service is to respond to consumer needs changing faster than the recently changing distribution environment. Real-time service can be offered by integrating and operating the goods and services information of each company channel. Due to a technology level's equalization, companies strive for service differentiation as ensuring a competitive edge becomes difficult through product differentiation. However, as service takes a universalization path, it moves the differentiation subject to the customer experience (Meyer & Schwager, 2007). To secure customer assets through consistent customer experience offering, omnichannel marketing that integrates and operates diverse channels is recognized as essential (Kotler, Kartajaya, & Setiawan 2016).

The most critical factors in online shopping are goods pickup, the exchange of goods, and the return of goods, and they have been managed as a process through the courier service and post office delivery service. However, the change of delivery service has expanded to buy online and pick up in-store (BOPIS) by which a consumer can pick up a product that he/she ordered online at an offline store close to his/her house according to the activation of the omnichannel. BOPIS is analyzed to increase 40% each year globally. The reason is that there is an advantage that consumers can pick up and return products in the place and at the time they want to solve discomfort, such as delay of receipt stemming from absence at home if they seek quick delivery.

In the Korean market, many consumers use convenience stores, online shopping companies, and home shopping distributors. In line with this market feature, large distributors such as Lotte, Hyundai, and Shinsegae offer the pickup service, in collaboration with convenience stores, as an omnichannel service. The convenience store pickup service use rate is continuously rising, centered on young generations in their 20s and 30s (Lee, 2015). However, most previous studies on omnichannels that have been carried out centered on the case studies of companies offering

omnichannel service (Bell, Gallino, & Moreno, 2015), distribution channel changes and strategies by the advent of the omnichannel (Ailawdi & Farris, 2017; Beck & Rygl, 2015; Verhoef, Kannan, & Inman, 2015), and economic effects according to the adoption of the omnichannel service (Dorman, 2013; Fulgoni, 2014).

However, there is a limitation of previous researches from the consumer satisfaction and experience aspects of service users is necessary, as the omnichannel service is invigorated from the BOPIS aspect. Also there is no many empirical research about the convenience pickup service by omnichannel even in the service is popular in the online shopping market.

In these reasons, this study aims this study aims to empirically present individual motivation factors and channel characteristics affecting omnichannel service and the effects of the brand factor on consumption value, service satisfaction, and continuous usability based on convenience pickup service, one of online shopping customers' omnichannel use services. This study presents customer effect factors on omnichannel pickup service and specific marketing strategy implications for omnichannel pickup service invigoration.

## **2. Literature Review**

### **2.1. Individual Motivation Factor and Consumption Value**

Consumption motivation refers to motivation to consume specific goods or services to meet his/her desire. The consumption motivation encompasses utility obtained through goods purchase and personal and social factors unrelated to actual purchasing behaviors (Tauber, 1972). Turner, Reynolds, Haslam, and Veenstra (2005) divided consumption motivation into individual motivation and social motivation. Social motivation is a cause induced by external conditions, not by personal inner motivation, and it includes social experience, conversations with others, the pursuit of position and authority, and the pleasure of price negotiation (Arnold & Reynolds, 2003). Meanwhile, individual motivation refers to the cause inducing consumption personally, and it encompasses role-playing, diversion, self-gratification, learning about new trends, physical activity, and sensory stimulation.

When looking at previous studies, a decision on goods purchase or service use in specific consumption behaviors is more affected by individual motivation than by social motivation. Sahney, Ghosh, and Shrivastava (2014) asserted that individual motivation, including economic, social, and convenience, affects consumers' online shopping. Brown and Voges (2002) presented convenience motivation and

hedonic motivation, and Liao and Lin (2007) explained that hedonic motivation and utility motivation affect consumers' consumption behaviors. Chandon, Wansink, and Laurent (2000) reported that hedonic motivation such as joyful experience and play/pastime become the factors that stimulate consumers' shopping desire. Specifically, Aalbers, Dolfsma, and Koppius (2013) defined individual motivation factor as four factors; practical, social, relational, and hedonic.

Various individual aspect motivations affect consumers' product purchase and service use selection as a stimulation factor. Consumption motivation affects individual consumption value in the process of selecting consumption. Consumption value is a personal conviction directly affecting consumers' selection through consumption-related desire and motivation. Consumption value also means the overall evaluation of utility perceived by consumers through product consumption. Consumption value is divided into emotional value and functional value (Sousa & Voss, 2006).

Emotional value means utility based on emotional stimulations gained from consumption activities, whereas consumption value evaluated through stimulations considering practicality or convenience when consumers buy goods or services is a functional value (Andriyani & Hidayat, 2021; Maja, Selma, & Dario, 2020). Emotional and functional consumption values are revealed by the effects of individual consumption-related desire and motivation, and they are evaluation factors based on consumer-perceived utility. Therefore, they affect consumption behaviors or satisfaction. When looking at existing studies on online shopping-mall consumer behaviors (Levenburg, 2005; Ganesh, 2016), consumers' motivation factors directly affect consumption value.

## **2.2. Omnichannel Characteristics and Consumption Value**

Omnichannel provides a consistent shopping experience like using the same store, even though consumers use any company channel concerned anywhere, anytime by integrating diverse distribution platforms of on/offline channels. The omnichannel service integrates and interacts with consumer convenience-focused channels (Awadi & Farris, 2017), and consumers can carry out consumption activities by moving various channels. Therefore, the omnichannel service has a characteristic that consumers can freely use at the moment of truth (Lewis, Whysall, & Foster, 2014; Seck & Philippe, 2013).

Klaud (2013) emphasized instant connectivity awarding technical convenience and market convenience regarding omnichannel characteristics. Instant connectivity is a concept handled importantly in the online or mobile environment where convenience is emphasized without

temporal or spatial restrictions in service use. The online and offline channels are organically operated in omnichannel service, so instant connectivity works as a significant characteristic. Omnichannel has location-based service characteristics in which personalized advertisement is sent based on customer's location or shopping situation (Xu, Luo, Carroll, & Rosson, 2011).

Lim and Dubinsky (2004) mentioned customer support and customer recommendation system as the characteristics of channel interaction. They explained it as supporting customers to experience better shopping and making them more easily search products through the omnichannel. Alrajawy et al. (2018) presented perceived convenience as a characteristic of omnichannel. As users recognize that new technology and system can help them more and perceive that the overall process is easier and complexity is reduced, they feel the system's higher usefulness, so their use intention becomes higher.

The characteristics of omnichannel directly affect consumption value judgment in consumers' product purchase and service selection in the process of online shopping (Kleijnen, De Ruyter, & Wetzels, 2007). Like existing previous studies presented (Stewart & Pavlou, 2002), consumers recognize and evaluate services based on temporal and physical conveniences that consumers recognize as they use omnichannel in the online or mobile environment.

## **2.3. Brand Effect and Consumer Value**

A brand plays a role in classifying competitors in terms of goods or services, and it is an intangible asset that gives a favorable impression to the company before consumers buy products and offer psychological stability when consumers buy products. Companies continuously enhance a brand's favorable impression through continuous investments (Aaker, 1991).

According to the Internet shopping market growth, differentiation becomes weak as competition becomes fierce between Internet shopping malls. Brand's symbolic meaning takes up a more significant part in a firm's positioning and forming differentiation of companies, rather than product's excellence or low price strategy (Keller, 2001). Ailawadi and Keller (2004) said the brand is essential in the distribution sector, and it affects a decision of purchase and enhancing loyalty.

Calder, Malthouse, and Maslowska (2016) assert that brand image affects consumer behaviors such as attitude, satisfaction, loyalty, purchasing behavior, and re-visiting intention, inducing positive emotion for product quality and value, so that brand image influences an intention to buy. A positive image of a specific brand that consumers have induces consumers' positive emotion on product quality and

value, and consequently, it changes purchasing attitude favorably. Kumar (2020) explained that brand identity affects consumers' perceived consumption value and promotes customer-perceived service value.

Factors like brand affection or brand reliability can directly affect consumption value. Thomson (2005) explained that brand attachment symbolizes brand authenticity by which desire and reminding simultaneously occur in consumer's recognition, so it becomes a critical factor for consumers to form positive purchase value emotionally. Brand reliability means brand capability and an intention to provide a brand by which promised things can be provided to consumers with safety and authenticity felt through brand interaction. The formation of brand reliability is recognized as trust and stability in consumers' consumption value formation, so it positively affects the brand (Chaudhuri, 2001; Holbrook, 2006).

#### 2.4. Consumption Value, Satisfaction, and Continuous Use Intention

Consumption value is an expression of personal or collective basic needs (Yang & Peterson 2004), and it naturally forms value empathy on services and goods corresponding to its value pursuit, becoming a standard for behavior and thinking on consumption (Frey, Bayón, & Totzek, 2013). Value empathy formed like this as high values related to specific consumption behaviors showing positive behaviors, with attitude allowing consumers to have a favorable impression on the service and goods. Therefore, value empathy works importantly in explaining or predicting customers' selection behavior (Anderson & Fornell, 2000; So, Lee, Choi, Lee, Cho, Youn, & Choi, 2020).

Consumption value is the value having a close connection with customers' decision making and behavior on consumption and has been defined as a critical factor directly affecting product selection behavior or social status value and whether to purchase the product (Gilbert & Veloutsou, 2006; Mullatahiri & Nkaj, 2019). Consumption value in the online shopping field is presented as directly affecting service quality and satisfaction (Lenka, Suar, & Mohapatra, 2010). Previous studies explain that online shopping customers' consumption value has a positive effect on purchasing behavior (Chu, Lien, & Cao, 2019) and that consumption value affects the propensity to consume, customers' behavior intention (Bolton & Saxena-Iyer, 2009), or consumers' intention to purchase and continuous use (Correa, Willard, & Zúniga, 2010).

In studies on the online channel, consumption value significantly affects online channel satisfaction and preference (Leroi-Werelds, Streukens, Brady, & Swinnen, 2014). Bhattacharjee (2001) asserted that channel

satisfaction and continuous use are decided by consumption value. Devaraj, Fan, and Kohli (2002) channel users' perceived consumption value significantly affects satisfaction and continuous use intention, as it becomes an evaluation yardstick of the channel use. Consumption value becomes a standard when deciding to purchase products and services and may affect consumers' satisfaction with products and services and intention to continuously purchase those (Keng, Huang, & Zheng, 2007; Dağhan & Akkoyunlu, 2016).

### 3. Methodology

#### 3.1. Research Model and Hypotheses

This study aimed to empirically analyze the effect relationship of the individual motivation, omnichannel characteristics, and brand effect affecting online shopping's omnichannel-based convenience store pickup service on service satisfaction and continuous usability through the intermediation of consumption value.

The individual motivation factors, which are independent variables, consisted of practical, social, relational, and hedonic factors. Omnichannel characteristics consisted of instant connectivity, location-based affordability, interactions, and user convenience. Brand effect factors consisted of brand image, identity, attachment, and reliability. Parameters consisted of emotional value and functional value, which are components of consumption value. Lastly, dependent variables consisted of service satisfaction and continuous use intention. The research model, as shown in Figure 1, centered on hypotheses in previous studies. Also, this study carried out each relation's path analysis based on a structural equation.

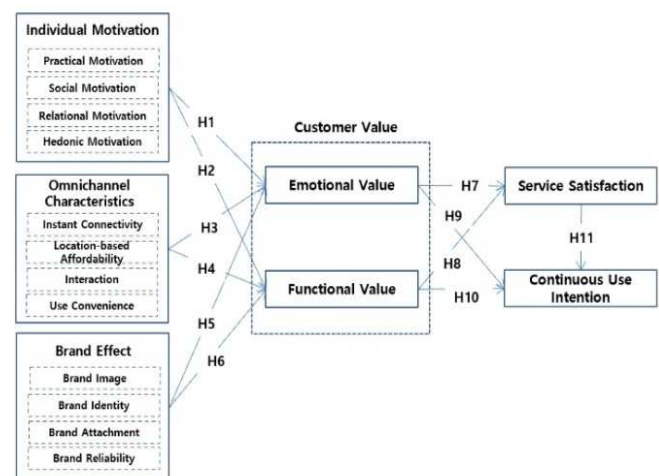


Figure 1: Research Model

As following the literature review and research model, this study could design the hypotheses;

- H1:** The individual motivation of consumers using omnichannel-based convenience pickup services will positively affect emotional value upon online shopping.
- H2:** The individual motivation of consumers using omnichannel-based convenience pickup service will have a positive effect on functional value upon online shopping.
- H3:** The omnichannel-based convenience pickup service's omnichannel characteristics will positively affect consumers' emotional value upon online shopping.
- H4:** The omnichannel characteristics of omnichannel-based convenience pickup service will positively affect consumers' functional value upon online shopping.
- H5:** The brand effect of omnichannel-based convenience store pickup service will positively affect consumers' emotional value upon online shopping.
- H6:** The brand effect of omnichannel-based convenience store pickup service will positively affect consumers' functional value upon online shopping.
- H7:** The emotional value of omnichannel-based convenience pickup service will positively affect service satisfaction upon online shopping.
- H8:** The functional value of omnichannel-based convenience pickup service will positively affect service satisfaction upon online shopping.
- H9:** The emotional value of omnichannel-based convenience pickup service will positively affect continuous use intention with online shopping.
- H10:** The functional value of omnichannel-based convenience pickup service will positively affect continuous use intention upon online shopping.
- H11:** The service satisfaction of omnichannel-based pickup service will positively affect continuous use intention upon online shopping.

**3.2. Measurement Variable and Data Collection**

A questionnaire survey was conducted for data collection to analyze the model. The variables defined as above are 50 questions of the questionnaire, and they are composed as follows: Individual motivation factors consisted of three questions on practical, social, relational, and hedonic motivations, respectively, based on the previous studies of Levenburg (2005) and Ganesh (2016). Omnichannel characteristics consisted of three questions on instant connectivity, location-based affordability, interactions, and user convenience, each, based on the previous studies of Lim and Dubinsky (2004), Kleijnen et al. (2007), and Stewart and Pavlou (2002). Brand effect factors consisted of three questions on brand image, brand identity, brand attachment, and brand reliability by Thomson (2005),

Chaudhuri (2001), Kumar (2020).

Emotional value used questions consisting of habit, peculiarity, preference, and quality of life, each, based on the previous studies of Maja et al. (2020) and Chaudhuri (2001). Functional value consisted of four questions: time, convenience, cost, and suitability by Sousa and Voss (2006) and Holbrook (2006). Factors of service satisfaction consisted of three questions on overall satisfaction, satisfaction with the selection, and satisfaction with expectation, each, based on the previous studies of Frey et al. (2013) and Anderson and Fornell (2000). Continuous use intention consisted of three questions on repetition, intention, and intention to recommend based on the previous studies of Keng et al. (2007) and Dağhan and Akkoyunlu (2016) (see Table 1).

When looking at the manipulation definition of the variables used for the questionnaire survey, individual motivation factors mean an individual consumer's practical, social, relational, and hedonic motivations affecting the use of omnichannel-based convenience pickup service upon online shopping. Omnichannel characteristics mean the instant connectivity, location-based affordability, interactions, and user convenience of omnichannel providing online shopping's convenience store pickup service. Brand effect factors mean the brand image, identity, attachment, and brand reliability affecting consumers using online shopping's omnichannel-based convenience store pickup service.

The emotional value used as a parameter means emotional value recognized by consumers when they use convenience store pickup services upon online shopping. The functional value means the satisfaction of users using omnichannel-based convenience store pickup services while they do online shopping. The factor of continuous use intention is defined as the continuous service use intention of the convenience store pickup service users.

**Table 1: Variable Definition**

Factors	Definitions of Manipulative Variables	References
Individual motivation	Individual consumer's practical, social, relational, and hedonic motivations affecting omnichannel-based pickup service upon online shopping	Levenburg (2005), Ganesh (2016)
Omnichannel characteristics	Characteristics of omnichannel providing online shopping's pickup service such as instant connectivity, location-based affordability, interactions, and use conveniences	Lim and Dubinsky (2004), Kleijnen et al. (2007), Stewart and Pavlou (2002)
Brand effect	Brand image, identity, attachment, and reliability of brand affecting the use of omnichannel-based convenience store pickup service upon online shopping	Thomson (2005), Chaudhuri (2001), Kumar (2020)

Emotional value	Emotional value felt and recognized by consumers' using convenience store pickup service upon online shopping	Maja et al. (2020), Chaudhuri (2001)
Functional value	Functional value felt and recognized by consumers' using convenience store pickup service upon online shopping	Sousa and Voss (2006), Holbrook (2006)
Service satisfaction	User satisfaction of omnichannel-based convenience store pickup service upon online shopping	Frey et al. (2013), Anderson and Fornell (2000)
Intention to continuously use	Users' continuous use intention of the omnichannel-based convenience store pickup service upon online shopping	Keng et al. (2007), Dağhan and Akkoyunlu (2016)

This study performed an online questionnaire survey through random samples targeting ordinary citizens in their 20s-50s having online shopping pickup service user experience while residing all across South Korea. The questionnaire survey was conducted from May 11, 2021, until May 18, 2021, for eight days. A total of 352 copies of questionnaire responses were collected, except for 28 insincere responses; finally, a total of 324 questionnaire responses were assessed. For data analysis, this study evaluated technical statistics, conducting an exploratory factor analysis using SPSS 24.0. Also, a confirmatory factor analysis and path analysis were carried out based on the structural equation to verify hypotheses using AMOS 25.0.

### 3.3. Demographic Information of the Data

This study targeted consumers using convenience store pickup services upon online shopping in Korea. The gender ratio was that males were 53.7% and females were 46.3%. As for age, 34.6%, 36.4%, 20.4%, and 8.6% were consumers in their 20s, 30s, 40s, and 50s and over. Regarding occupation, company employees took up the highest ratio at 60.84%, followed by students and professionals at 11.4%, each, and homemakers were 4.3%. Concerning education level, 78.2% were university graduates, the highest, and 13.3% were graduate school graduates, 10.08% were university-enrolled students, and 7.7% were high school graduates. As for the frequency of mean online shopping per month, 3-4 times were the highest at 28.7%, 5-6 times were at 22.2%, 9 times and more were at 21.6%, 7-8 times were at 16.7%, and 1-2 were at 10.8%. In the case of convenience store pickup service, 1-2 times took up 37.3% and 3-4 times 33.6%; therefore, most respondents used 2-3 times per month on average (see Table 2).

**Table 2: Demographic Information of Survey Participants**

Classification		Frequency	Ratio (%)
Gender	Males	174	53.7
	Females	150	46.3
Total		324	100
Age	20-29 years of age	112	34.6
	30-39	118	36.4
	40-49	66	20.4
	50 and over	28	8.6
Total		324	100
Occupation	Students	37	11.4
	Public officials	17	5.2
	Company employees	197	60.8
	Professionals	37	11.4
	Owner-operators	11	3.4
	Homemakers	14	4.3
Total		324	100
Education level	High school graduates	25	7.7
	Enrolled in university	35	10.8
	University graduates	221	68.2
	Graduate school graduates	43	13.3
Total		324	100
Frequency of online shopping	1-2 times	35	10.8
	3-4	93	28.7
	5-6	72	22.2
	7-8	54	16.7
	9 times and over	70	21.6
Total		324	100
Service use frequency (mean per month)	1-2 times	121	37.3
	3-4	109	33.6
	5-6	54	16.7
	7-8	21	6.5
	9 times and more	19	5.9
Total		324	100

## 4. Results and Discussion

### 4.1. Analysis Results of Reliability and Validity

As shown in Table 3, the analysis results of the measurement model's reliability and convergence validity were good. All factor loadings of reliability and convergence were 0.580-0.836, and all were higher than 0.5. As for internal reliability, figures were between 0.799-0.930 of complex reliability, so significance was ensured. Because the t value of all was higher than 6.5, it was confirmed that statistical significance was verified. The average variance extracted (AVE) value was 0.501-0.768, and Cronbach  $\alpha$  value was 0.777-0.889, convergence validity was ensured.

As a result of analyzing the measurement model's goodness of fit, GFI (Goodness-of-fit-index) value was 0.844, AGFI (Adjusted Goodness-of-fit-index) was 0.798,

NFI (Normal Fit Index) was 0.871, and RMSEA (Root Mean Square Error of Approximation) was 0.070. Therefore the measurement model's component values of the goodness of fit were revealed to be statistically very significant.

As a result of analyzing the AVE values and correlation

coefficients between potential variables, each potential variable's AVE square root value was more significant than the correlation coefficients between potential variables, as shown in Table 4. Therefore, it was confirmed that judgment validity was ensured.

**Table 3:** Results of Reliability and Convergent Validity Test

Classification	Variable	Standard Loadings	Standard Error	T Value	CR	AVE	Cronbach α
Individual motivation (IM)	IM 1	0.731			0.882	0.652	0.867
	IM 2	0.600	0.087	10.405***			
	IM 3	0.717	0.103	10.867***			
	IM 4	0.742	0.083	13.003***			
Omnichannel characteristics (OC)	OC 1	0.763			0.930	0.768	0.889
	OC 2	0.795	0.069	14.792***			
	OC 3	0.733	0.072	13.473***			
	OC 4	0.765	0.074	14.153***			
Brand effect (BE)	BE1	0.836			0.928	0.762	0.827
	BE2	0.788	0.061	16.501***			
	BE3	0.799	0.068	16.842***			
	BE4	0.742	0.063	15.126***			
Emotional value (EV)	EV1	0.580			0.883	0.508	0.729
	EV2	0.615	0.098	10.498***			
	EV3	0.727	0.114	9.705***			
Functional value (FV)	FV1	0.634			0.859	0.501	0.778
	FV2	0.701	0.101	10.607***			
	FV3	0.562	0.091	8.840***			
Service satisfaction (SS)	SS1	0.722			0.804	0.670	0.777
	SS2	0.713	0.088	11.974***			
	SS3	0.769	0.091	12.865***			
Continuous use intention (CUI)	CUI1	0.777			0.799	0.716	0.828
	CUI2	0.788	0.072	14.529***			
	CUI3	0.790	0.069	14.573***			

Measurement model fit:  $\chi^2(p)$  699.124(0.000), RMR 0.034, GFI 0.844, AGFI 0.798, NFI 0.871, TLI 0.900, CFI 0.916, RMSEA 0.070  
 \* p<0.05, \*\* p<0.01, \*\*\* p<0.001

**Table 4:** Result of Discriminant Validity

Section	IM	OC	BE	EV	FV	SS	CU
Individual motivation (IM)	<b>0.652</b>						
Omnichannel characteristics (OC)	0.605	<b>0.768</b>					
Brand effect (BE)	0.567	0.543	<b>0.762</b>				
Emotional value (EV)	0.411	0.484	0.426	<b>0.508</b>			
Functional value (FV)	0.449	0.460	0.475	0.557	<b>0.501</b>		
Service satisfaction (SS)	0.477	0.545	0.429	0.469	0.449	<b>0.670</b>	
Continuous use intention (CUI)	0.510	0.416	0.516	0.281	0.294	0.325	<b>0.716</b>

\* The square root of AVE is shown in bold letters.

**Table 5:** Results of the Hypothesis Test

	Hypothesis (path)	Standardized Loadings	Standard Error	t value (p)	Hypothesis Adoption
H1	Individual motivation → Emotional value	0.510	0.289	2.062*	Supported
H2	Individual motivation → Functional value	0.380	0.269	1.598	Rejected
H3	Omnichannel characteristics → Emotional value	0.096	0.228	-0.483	Rejected
H4	Omnichannel characteristics → Functional value	0.637	0.223	3.169***	Supported
H5	Brand effect → Emotional value	0.525	0.148	3.608***	Supported
H6	Brand effect → Functional value	0.067	0.198	2.434**	Supported
H7	Emotional value → Service satisfaction	0.042	0.181	-0.216	Rejected
H8	Emotional value → Continuous use intention	0.271	0.210	1.400**	Supported
H9	Functional value → Service satisfaction	0.844	0.357	2.254*	Supported
H10	Functional value → Continuous use intention	0.180	0.391	0.517	Rejected
H11	Service satisfaction → Continuous use intention	0.510	0.221	2.715***	Supported

structural model fit:  $\chi^2(p)$  601.615(0.000), RMR 0.034, GFI 0.894, AGFI 0.800, NFI 0.887, TLI 0.900, CFI 0.916, RMSEA 0.070  
Note: \*  $p < 0.05$ , \*\*  $p < 0.01$ , \*\*\*  $p < 0.001$

## 4.2. Analysis Results of Structural Model

As presented through Table 5, as a result of analyzing the structural model,  $\chi^2(p)$  was 601.615 (0.000). Goodness-of-fit-index (GFI) was 0.894, and Normal Fit Index (NFI) value was 0.887, which hardly reached 0.9. However, Comparative Fit Index (CFI) indicated that the model's power of explanation was 0.916, and Tucker Lewis Index (TLI) showed that the structural model's power was 0.900. The primary model was identified to be suitable. Root Mean Square Residual (RMR) was 0.034, Adjusted Goodness-of-fit-index (AGFI) was 0.800, Root Mean Square Error of Approximation (RMSEA) was 0.070, so most goodness-of-fitness component values were excellent; therefore, the model's goodness-of-fitness was analyzed to be significant.

As a result of hypotheses verification, four hypotheses were rejected out of 11 hypotheses. Although individual motivation positively affected emotional value (2.062,  $p < 0.05$ ), it did not affect functional value. The hypothesis of omnichannel characteristics was supported as functional value (3.169,  $p < 0.001$ ); however, it did not affect the emotional value, and therefore it was rejected. Brand effect had positive effects on emotional value (3.608,  $p < 0.001$ ) and functional value (2.434,  $p < 0.01$ ). Emotional value did not affect service satisfaction but affected continuous use intention (1.400,  $p < 0.01$ ). On the contrary, functional value affected service satisfaction (2.254,  $p < 0.05$ ), but it did not affect continuous use intention. Lastly, the service satisfaction of consumers upon online service positively affected continuous use intention (2.715,  $p < 0.001$ ), so the hypothesis was supported.

## 4.3. Discussion

This study analyzed the effect relationship of individual motivation, omnichannel characteristics, and the brand effect affecting online shopping's omnichannel-based convenience store pickup service on service satisfaction and continuous usability through the intermediation of emotional and functional consumption values. According to the results drawn in this study, the following were drawn:

First, individual motivation affected emotional value but did not affect functional value. This shows that emotional value such as psychological stability or self-satisfaction that can be obtained may work better in using convenience store pickup service, rather than the recognized convenience and usability approach regarding convenience store pickup service use on delivery upon online shopping from consumers' individual aspect. As Hansen and Sia (2015) pointed out that consumers in their 20s-30s who are familiar with omnichannel use consider shopping's functional and emotional values, this research was confirmed that the consumption trend may be applied in the convenience store pickup service use process.

Second, omnichannel characteristics affected functional value but not emotional value. It was found that the characteristics that omnichannel had, such as instant connectivity, location-based affordability, interactions, and user convenience, did not have tremendous meaning to consumers of the pickup service from an emotional value aspect. Also, the emotional value did not affect service satisfaction but affected continuous use intention; however,



the functional value did not affect satisfaction service but affected continuous use intention. The result shows that instant service satisfaction can be enhanced by functional value in omnichannel-based convenience store pickup service of online shopping customers. Hence this finding suggests the opposite result with general previous studies (Holbrook, 2006; Maja et al., 2020) about online shopping user's experience and values. It means that the functional value and benefit is more important than emotional benefit when the users choose the convenience pickup service. Meanwhile, it was ascertained that emotional value should be accompanied to encourage a customer's continuous use intention for the long-term.

## 5. Conclusion

### 5.1. Research Implications

This study has significance in that effect factors on omnichannel-based pickup service users and effect relations among consumption value, service satisfaction, and continuous use intention were examined and presented with empirical analysis. And the following implications can be presented based on the study result.

First, companies need an approach for service improvement suitable for consumer needs and continuous relations retention beyond omnichannel development and differentiation in the environment where online shopping is used in everyday life, and omnichannel becomes popularized. Consequently, companies should consider service quality improvement considering consumers' functional and emotional values and differentiated pickup service channel consolidation. Because brand effect affects service satisfaction and emotional value affects continuous use intention in omnichannel pickup service, there is a need to consider marketing strategy for service brand consolidation and consumers' emotional value improvement beyond technical approach.

Second, the omnichannel-based shopping and distribution environment, as shown in the case that Amazon recently launched the offline stores, places itself as a general distribution strategy of companies within all industries beyond offline companies' agony. Although an effort for technology and network expansion is essential, consideration of service process and quality improvement in goods receipt, delivery, return, and exchange accompanied after payment of goods prices is a must. A continuous worry for precise understanding and reflection of needs and values that consumers pursue in the service use process and companies' market trend analysis should be made from this aspect.

### 5.2. Limitations and Future Research

However, this study has the following limitations: First, this study was limited to pickup service targeting convenience stores among omnichannel-based pickup services. However, a comprehensive study that can draw differences and segmented results according to various channel characteristics is needed, as online and offline connection pickup service channels using franchise offline stores, including bookstores, cosmetics, and cafes, are invigorated.

Second, this study has a limitation in the sample's representativeness in that the data were collected, centered on the primary users of Korean convenience store pickup service, namely in their 20s-30s. A study targeting convenience store pickup service users in the global markets and a study that may analyze differences in use by age group may be carried out.

Lastly, omnichannel-based convenience pickup service use factors were designed based on previous studies that used existing online shopping and delivery services. However, online and offline interactions are improved in pickup service and show differences in consumers' use behaviors from existing delivery services. Therefore, there is a need to perform a more advanced study by drawing the unique characteristics of omnichannel-based pickup service.

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## Appendixes

### Appendix 1: Results of Descriptive Statistics

Factors		Mean	Standard Deviation	Kurtosis	Skewness
Individual motivation	Practical motivation	3.84	0.66	-0.11	-0.08
	Social motivation	3.49	0.73	-0.16	-0.17
	Relational motivation	3.45	0.76	-0.12	-0.10
	Hedonic motivation	3.71	0.71	-0.26	0.24
Omnichannel Characteristics	Instant connectivity	3.78	0.65	-0.17	0.10
	Location-based affordability	3.78	0.63	-0.13	-0.05
	Interaction	3.59	0.65	-0.01	-0.18
	Use Convenience	3.73	0.68	-0.12	0.11
Brand effect	Brand Image	3.66	0.67	-0.21	-0.12
	Brand Identity	3.66	0.71	-0.11	0.28
	Brand Attachment	3.53	0.80	-0.18	0.17
	Brand Reliability	3.71	0.72	-0.21	1.50
Customer value	Emotional value	3.71	0.61	-0.22	0.06
	Functional value	3.55	0.71	-0.10	0.05
	Service satisfaction	3.83	0.63	-0.15	0.23
	Continuous use intention	3.80	0.69	-0.21	0.29