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**| RESEARCH ARTICLE**

## **Influence of Shipping Fees in Customer Purchase Decisions for Online Retailers Residing within the Philippines**

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**| ABSTRACT**

With the recent rise of internet-based businesses within the confines of the Philippines, people started to pay closer attention to shipping costs and other completion concerns, which are variables that influence a consumer's perception prior to purchasing. This study aims to look at how shipping fees influence customer satisfaction, which in turn influences their online buying selections. To fulfill this purpose, a quantitative research study was used to monitor the purchasing decisions that were made by male and female consumers between the ages of 20 and 29 in the National Capital Region of the Philippines, with a sample size of 385 respondents. Our findings indicated that online buyers definitely view shipping fees as a partitioned component of e-commerce. Concluding that the amount of shipping fee prior to the consumers' purchase definitely contributes to the fulfillment of deliberate satisfaction as well as elicits pure intentions in purchasing online. Ultimately, online buyers in the Philippines are fairly neutral about whether the amount of shipping fee completely affects the customer's online evaluation and choices.

**| KEYWORDS**

Shipping Fees, eCommerce, Philippines, Influence, Customer Purchase Decisions, Online Shopping

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### **1. Introduction**

#### **1.1 Background of the Study**

The influence of shipping fees on consumer purchase decisions for online merchants in the Philippines was explored in this research. The purpose of the study is to discover and comprehend the logic behind the influence of shipping conditions on the customers' purchasing intentions and decisions. With that, the researchers examined the effect of shipping fees on the purchasing process of consumers, as well as the significance of shipping fees in building consumer evaluations. Unfortunately, a specific issue this study is having trouble with was the theoretical problem that it would be quite difficult to pinpoint a product that would regard the same correspondence amongst the study's respondents' perception in order to formulate accurate data for how the shipping fees can influence their decision. To negate this effect, the researchers aimed to list down and went into common but necessary products that garnered the same perceived value for the majority of the respondents by having them partaken in a survey in order to qualify that product based on the picked participants' perspective and unbiased ideas. The researchers analyzed how shipping fees affect the way consumers perceive the products within the industry of e-commerce retailers. An online survey tool was utilized to study the specific effects of shipping fees among a random sample of three hundred eighty-five (385) respondents from around the National Capital Region (NCR), Philippines. The outcome of this research is crucial for online businesses that deal with logistics since they will help them determine which improvements and protocols are most beneficial in terms of shipping fees in the country. Furthermore, this study can be very useful for future research.

#### **1.2 Narrative Sequence**

The study aims to analyze how shipping fees influence the purchase decisions of online buyers in the Philippines, an objective of the study that corresponds to specifying the significance of shipping fees and their allure to established businesses who are looking to venture into e-commerce. A literature review that duly strengthens the importance of such study incorporated within the

Philippines setting with immediate comparisons between international and local perspectives. The methodology will then discuss how the primary data is to be collected as well as the appropriate tools that were utilized, followed by results led by the hypothesis and conclusions, interpretations and recommendations then cement the end findings.

### ***1.3 Shipping Fees and their Influence on eCommerce***

Considering the scope of how shipping operates then, such fees vary depending on the distance, but with some sense of notoriety all over the world amongst online businesses and online consumers, shipping fees have been the triggers for consumers to double their volumes of purchase or the immediate fact of them purchasing any item at all, with various promotions that include free shipping, buy three products and receive shipping discounts, vouchers, and such. The triggers and purchase decisions amongst consumers are heavily influenced by the shipping cost, and to increase effective and efficient systems that surround it within e-commerce businesses is by finding out the specificity of which variables makes a shipping fee attractive to various online consumers.

### ***1.4 Effectivity of Promotions around Shipping Fees in the Philippines***

With advertisements and promotions revolving around shipping fees that are being practiced by the leading e-commerce businesses in the Philippines, it would be hard to ignore the severity of its influence on the local netizens. With various promotions, vouchers, and advertisements targeting online shoppers, persuading them to purchase more than usual through various means, this study aims to distinguish which ones speak more towards online shoppers' purchase decisions in order to efficiently and effectively capitalize on what's immediately working then improve and innovate upon the given results.

### ***1.5 General Objectives***

The purpose of the study is to look into the impact of shipping expenses on the purchase process of average consumers. Moreover, it intends to determine the significance of shipping prices in constructing consumer evaluations when purchasing products, as well as to understand how shipping fees affect how consumers perceive value for purchased products. It is no longer a hidden fact that most businesses have been turning to digitalization since the growth of technology. And as aforementioned earlier, the outcome of this research is crucial for online businesses that deal with logistics since they will help them determine which improvements and protocols are most beneficial in terms of shipping fees in the country. Furthermore, marketers will be provided with the opportunity to incorporate shipping fees for their marketing initiatives. Also, based on their target market, online selling platforms will be able to decide the best shipping option for them. Most importantly, for individuals planning to conduct research on shipping fees, this research will be a beneficial resource.

### ***1.6 Research Objective***

With the proposed research topic, it is sufficient to say that there are a number of similarities among the chosen articles in terms of the notion that shipping fees play a significant role in a consumer's decision to make an online purchase as well as their reluctant perception towards products with high shipping fees. The researchers, on the other hand, distinguish themselves from that idea by focusing on Filipino consumers and emphasizing the effectiveness and influence of shipping fees on consumers' perceptions of a product after the shipping fee has been factored into the total.

As such, this study aims to analyze how shipping fees influence the purchase decisions of online retailers and buyers in the Philippines. Specifically, this study sought to answer the following questions;

1. How do online buyers view shipping fees as a partitioned component of e-commerce?
2. How does the amount of shipping fee contribute to fulfilling consumers' satisfaction and eliciting pure intentions in purchasing online?
3. How does the amount of shipping fee affect the customer's online evaluation and choices?

As can be observed in recent years, e-commerce has undoubtedly performed better than offline retail. Smith (2018) revealed that the National Retail Federation has reported that in 2018, online sales had reportedly grown twice that of the entire retail industry. For this reason, the shipping fee began to grow relevant to the industry. Shipping fee is considered one aspect that plays a significant role in retail (Chen et al., 2018). Therefore, how the consumers view the shipping fee serves to be an essential matter contributing to the consumer's acquisition, retention, and even purchase behavior. Ergo, this mainly affects the choices made by the consumers whether to proceed to the transaction or not. According to Hamilton and Srivastava (2008), consumers are more concerned about the details of the less significant partitioned component — shipping fee — rather than the product's actual price. Although the past research has proven how shipping fee influences the purchase behavior and decision-making of the consumers, there is still not enough data to verify that the customer's choices rely on the shipping fee as no further research is done.

This study aims to examine how consumers' behavior affects their purchasing decisions. To fulfill this purpose, a quantitative research study will be used to monitor the purchasing decisions made by male and female consumers between the ages of 20 and 29 in the National Capital Region.

## **2. Literature Review**

### **2.1 The Value of Free Shipping**

The researchers have obtained and optimized indicative details within this category that would accurately correlate with what they were seeking to achieve. One of these studies was to see whether a free shipping option has a positive effect on online merchants, such as whether it acts as a mediating function of uncertainty in terms of a customer's specific satisfaction and if it affects their purchase intention (Ma, 2017). Rui et al. (2020) suggested with likely assertions that may be similar to the researchers was the impact of a free shipping strategy on an average consumers' time-sensitivity interpretation, as the influence of a free delivery plan has been discovered by related numerical analysis and insights have been presented to provide theoretical support for e-retailers to have knowledge of what consumers believe to be an ideal decision.

Other works regarding the threshold of free shipping policies being a deterrent within an online shoppers' willingness to pay for shipping, this study perpetuated that a certain amount before free shipping was available for use is shown as an option for some online retailers, in of which, gave off an unprecedented idea from the perspective of the consumer as it reeked them from purchasing any aside from the proposed certain amount before free shipping is availed (Huang et al., 2019). These strategies were greatly influenced and ordained by a similar study that proposes the same aspect and idea but with different results. Instead, some customers were very inspired by that concept and wanted to bring in potential purchasers who are related to them and are willing to take the risk if they believe the product is something they are interested in as well (Li et al., 2020).

In this research, a comprehensive retrospective analysis of a consumer's attitude from the perspective of information interaction was critical. This is because separating the delivery fee from the product price was considered as being worth noting, as online shoppers have recently been accustomed to free shipping, and the shipping fee could promote cart abandonment. They advised that a persuasion model be offered to examine consumer sentiments regarding a separate shipping price in order to induce a positive response. Their findings revealed that consumers who are seeking excellent quality have a negative impact on that specific perceived monetary value when it comes to the logistics service they utilize (Wang, 2020).

### **2.2 Shipping Fee Importance within Consumers**

With the number of shipping fees as the study's focus, these specific situations appeared to reveal a substantial region in which they preserved the comprehension of this specific feature outside of the consumers' minds. According to Guo et al. (2020), in order to maximize sales volume, the shipping charge must be dressed up as well to help attract customers for that goods. By doing so through discounts, buyers are observed to engage in such transactions with minimum friction. Furthermore, a research study by Chaoqun Chen and Donald Ngwe (2018) supported the definition that shipping fees were an important aspect for online retailers. Their claim characterized how contingent shipping influences purchase outcomes in a multi-category shopping environment such as e-commerce sites and applications. Their study has claimed that offering a good amount of discount or free shipping increases the consumer's basket size immensely, as most of these encouraged consumers to reach a certain minimum threshold before being able to avail of the option. According to Tokar (2020), because better carriers cost more, online retailers have accepted a lower profit margin or raised the shipping rate to their customers, and customers realize when a certain carrier is deemed superior to its competitors. As a result, customers were willing to accept a cost-justified rise in the amount they are charged in a transaction, despite the fact that they despised such additional costs, which made their purchase intention noticeably low.

### **2.3 Effect of Pre-Purchase and Post-Purchase in Customer Satisfaction**

As stated by Dullaert et al. (2019) from Darley et al. (2010), there were five phases of the decision-making process made by the consumers online. These were problem recognition, information search, evaluation, choice, and outcomes. Recognition is when the customers recognize a consumption problem. Information search is about looking for information as to how the problem will be solved. Searching means looking for information as to how a problem would be solved. Evaluation is assessing the probability of a result. The choice is about determining which goods to buy—results what you felt after purchasing a certain product—satisfaction or dissatisfaction.

Based on the study of Ho and Wu (1999) that was stated by Ajjan et al. (2018), when it comes to post-purchase customer satisfaction, logistic specifications were the most important determinant in online businesses. It included the after-service, warranty, being able to return the products, and having a well-timed delivery. Tracking of orders, product returns, and shipping were logistic activities that were in the post-purchase phase and are expected to have a positive association with customer satisfaction.

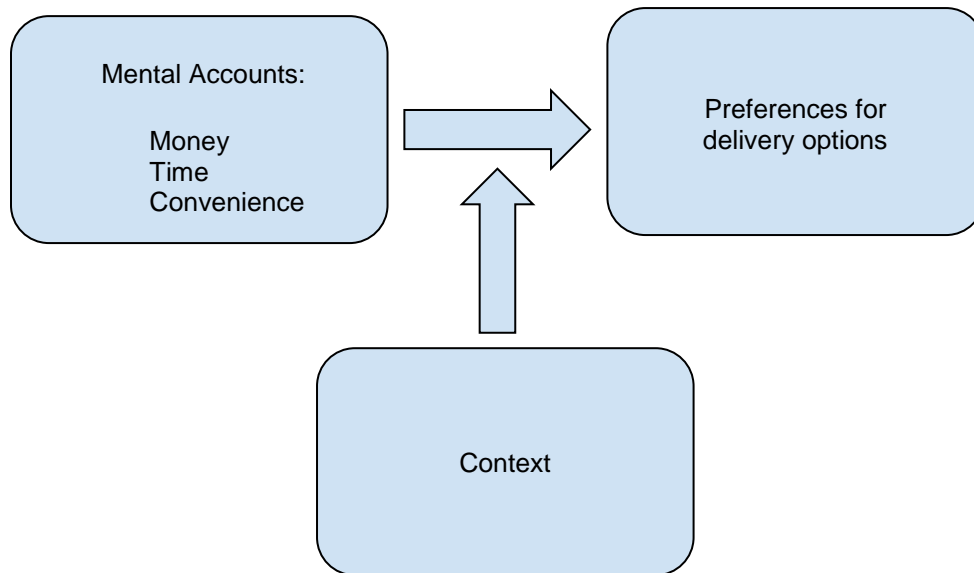
Price Inflation due to Additional (Shipping) Fees

In pricing, two of the most related papers are from Mengying Xue & Long He (2020), who studied a product retailer's shared pricing and contingent free-shipping decisions, and Greenleaf, E. A., Johnson, E. J., Morwitz, V. G., & Shalev, E. (2016), who compared partitioned pricing (PP) and all-inclusive pricing (AIP). The study discussed how consumers react to PP, in which prices are divided into two or more mandatory parts and presented to consumers as a base price and one or more mandatory surcharges and AIP, which involves a single, all-inclusive price that covers all costs. Examples of PP surcharges included airline fuel surcharges, hotel resort fees, and shipping and handling charges. Both studies are related to the consumers' reactions and retailers' optimal decisions on different shipping fee policies.

With the basis of the chosen literature studies, the researchers came up with a conclusion. The researchers discovered that categorizing it within the essence of free shipping made it vulnerable to becoming part of the answer for the ongoing objectives, particularly the fact that it is highly recommended and a widely used method of inducing a consumer's purchasing decision, which might be implemented correctly and simply in the context of the country they are targeting. The remaining chapters highlighted studies on how consumers perceive shipping fees and how this affects their decision to buy from online merchants. This was valuable information and can be easily implemented into how the researchers can conclude this research topic. The coherent knowledge and commendable perception provided by how prices were stripped of other fees and studied on their own is also something to consider. Studies have shown that it had a significant impact on how consumers were enticed to lower their perspective on its monetary value, which prevented them from committing to such a purchase. The conflict between a consumer's pre-purchase behavior was particularly noteworthy since it created a problem that may or may not persuade them not to proceed. The lack of recognized research that specifies what the researchers were searching for the intermediate study being placed inside the framework of the Philippines as a whole was the gap in literature the researchers have deduced and made this study stand out for those online retailers that were based in the Philippines.

**2.4 Mental Accounting and Consumer Behavior**

Mental Accounting is the cognitive process that people use in managing and organizing their financial decisions (Dullaert et al., 2019). This theory stated that instead of combining all of their decisions to maximize their use, people categorized their behaviors into mental accounts and made purchasing decisions based on the allocation of resources of their budgets for every mental account (Dullaert et al., 2019). The figure below depicts the framework about the relationship between the preferences of the mental accounts—money, time, and convenience—its context and the delivery options.



*Figure 1. (A broad framework for how mental accounts and context influence delivery preference.)*

**2.5 Psychological Processes underlying Partitioned Pricing**

The framework proposed by researchers included six interconnected phases (see Figure 2). These stages were discussed in the approximate chronological order in which they occur in the decision-making processes of customers. Although they believe this order will be followed in certain cases, they cannot be guaranteed that it will always be followed (Greenleaf et al., 2015). The first two stages were simultaneously occurring on the consumer's first encounter on PP (Partitioned Pricing). The first one was the customer's attention that they gave to the components of different partitioned pricing, while the second one was their attitudes

towards it. Third, it was about the methods by which consumers combined the various price components to arrive at a total cost perception for the commodity. Fourth talked about evaluating benefits and how the PP (Partitioned Pricing) affected the attention that was paid by the customers. The fifth stage was where the customers used these expectations to make an overall assessment of a product offer or competing product offers before deciding which to buy. Lastly, what processes were involved in post-purchase perceptions and behavior. (Greenleaf et al., 2015)

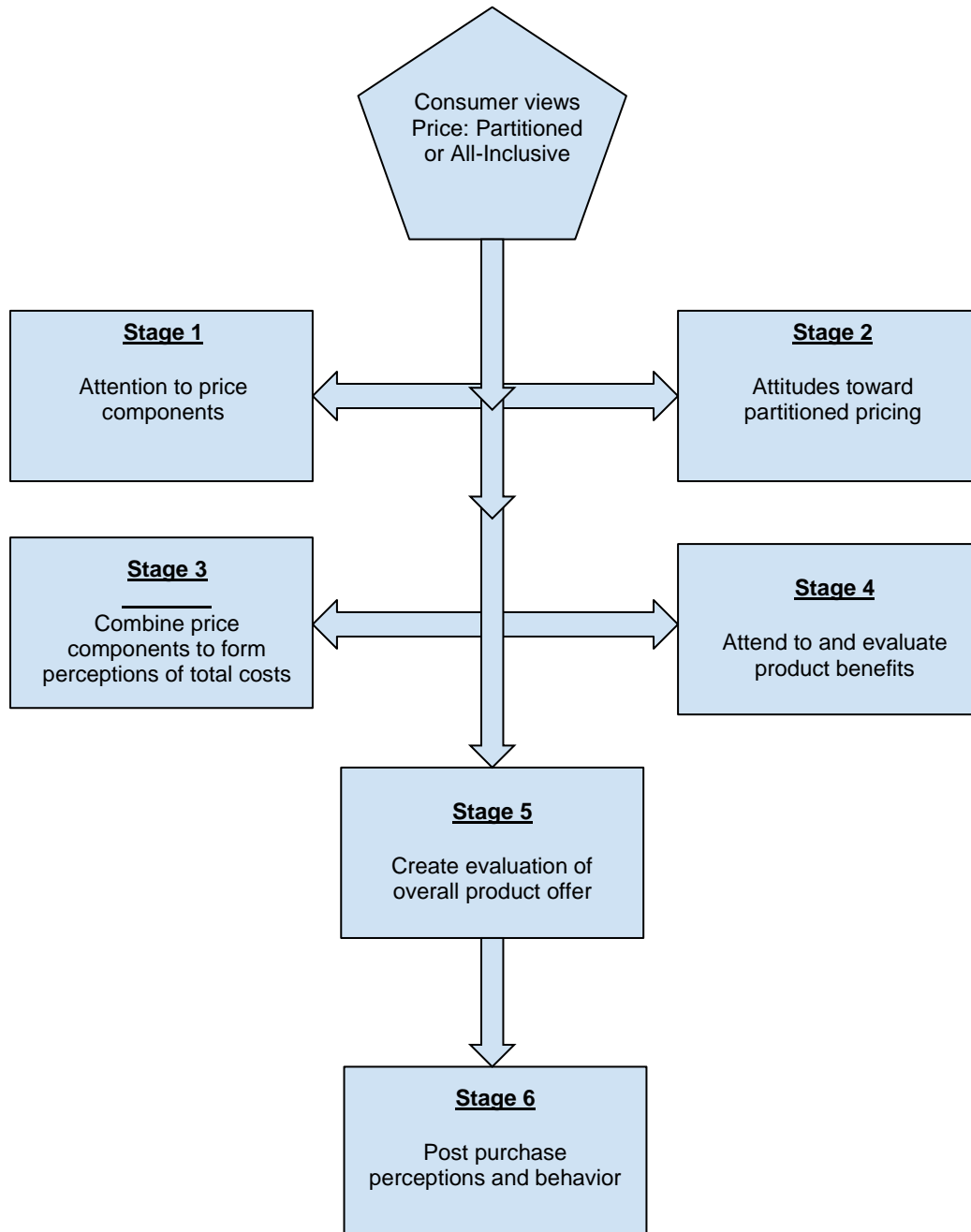


Figure 2. (Psychological Processes Underpinning Reactions to Partitioned vs. All-Inclusive Pricing Framework)

### 2.6 The Role of Shipping Fee

The growth and evolution of the e-commerce sector have highlighted the importance of shipping fees for online business models that involve a relationship between customers and retailers. Unlike traditional brick-and-mortar customers, consumers who made a purchase online had the convenience that they could receive the product without leaving their homes. In some circumstances, they received free shipping, but sometimes, they had to pay for the service. A considerable amount of previous research has

examined the issue of shipping charges on customer behaviors. Various customers viewed shipping charges differently. According to a study, some customers considered shipping charges negatively such that they treat it as an unfair source of profit for an online retailer. That being said, most of the customers were more sensitive to the shipping charges and preferred free shipping. On the other hand, other customers may consider shipping charges as a reasonable charge to cover the cost of product delivery, so they are less sensitive to shipping charges and are willing to pay for shipping. In line with previous research, it's expected that the shipping fee was related to customer satisfaction. The following hypothesis is thus stated as:

H1. Customer satisfaction and purchase determination may be affected by variational shipping charges.

### **2.7 Free Shipping Fee**

Free shipping is a progressively popular option for online shopping, where customers do not need to pay an additional shipping charge, thinking that it is a no-cost to them. Free shipping was attractive to customers who appreciated simple pricing structures, which returns it as a potential future purchase intention. Shipping options played an essential role in an online shopper's decision in purchasing. According to ComScore's study, it showed that more than half (55%) of respondents had canceled items in their shopping carts as they think shipping costs are a loss to them. About 70% of online shoppers have added items to their shopping cart that includes free shipping, making it well known for online retailers to clearly indicate the minimum spend required for free shipping. Overlooking the products at the checkout, 73% said they are hoping to see free shipping options. Thus, the hypothesis followed:

H2. Free shipping fee is positively associated with future purchase intention.

### **2.8 Customer Satisfaction and Purchase Intention**

The majority of studies focusing on customer satisfaction with online retailers have examined the relationship between customer satisfaction and purchasing intention. Other researchers have indicated that service quality and customer happiness are highly related to client purchase intentions, according to Yingxia and Paul (2017). Hence, it is expected that customer satisfaction with the online store quality of service and shipping fee resulted in repeat purchases and customer online store recommendations to peers and family. Thus, this study hypothesized that the following:

H3. Customer satisfaction is positively associated with future purchase intentions.

### **2.9 Other Factors Associated with Customer Satisfaction**

**Convenience:** Consumers' willingness to buy online was affected by convenience and ease of use (Wang et al., 2005). Unlike traditional stores, online shopping is available 24/7. (Hofacker, 2001; Wang et al., 2005). According to research, people shop online to avoid crowds and long lines, especially during the holidays (The Tech Faq, 2008). Customers seek online services as well as products. Some companies offer 24/7 online customer support.

The benefit to consumers was that they could ask questions and get help even after business hours (Hermes, 2000). Because they were uncomfortable dealing with salespeople and did not want to be manipulated and controlled in the marketplace, some customers used online channels exclusively to avoid face-to-face interactions (Goldsmith and Flynn, 2005; Parks, 2008). This was especially true for customers who disliked salespeople or preferred to make their own decisions without them.

The internet has made data sharing easier (Wang et al., 2005). Online sellers provide more product information than offline sellers because customers rarely have the opportunity to touch and feel a product or service before purchasing it online (Lim and Dubinsky, 2004). Customers appreciated the information that met their needs (Keency, 1999). On the company's website, customers read customer reviews of products. They read the reviews before deciding.

**Available goods and services:** In addition to offering a more comprehensive range of products and services, online stores benefit consumers by saving time (Lim and Dubinsky, 2004; Prasad and Aryasri, 2009). Every day, consumers can find exclusive online products from around the world. Any company that sells products or services online has a website—many traditional retailers sold products that were only available online to save money or give customers more choices. Boccia Titanium, for example, was not in Connecticut. Connecticut customers who want to order online can use the company's website to do so.

Yves Rocher, a French cosmetics brand, also lacks an American flagship. US customers can shop online and have products delivered to their homes. It also offers customers flexible payment options (Amin, 2009). Customers can select their payment date and amount (Anonymous, 2009).

**Cost and time efficiency:** A cheaper product can be found in-store, saving time and money (Rox, 2007). A wide variety of online products and services allows customers to compare prices more quickly than local stores (Lim and Dubinsky, 2004). eBay, for

example, offers customers the option of bidding or making the best offer. In addition, it turns shopping into a treasure hunt and a game of chance (Prasad and Aryasri, 2009). For the same reason, consumers' lives are more accessible when they can shop online from anywhere and at any time (Childers et al., 2001). As a result, customers frequently discover that shopping online saves them money (Prasad and Aryasri, 2009)

Security: In order to protect themselves when shopping online, customers must carefully read the seller's details (Lim and Dubinsky, 2004). Buying goods and services from a seller or brand they trust increases customer loyalty (Chen and He, 2003). Online trust is one of the most critical factors affecting online retailer success (Prasad and Aryasri, 2009). Customers appear to be concerned about online security, preventing online shopping (Laudon and Traver, 2009). It is feared that the online store will defraud them or misuse their data, especially their credit card data (Comegys et al., 2009). 70% of US web users are worried about personal data, transaction security, and consumer data misuse (Federal Trade Commission, 2001).

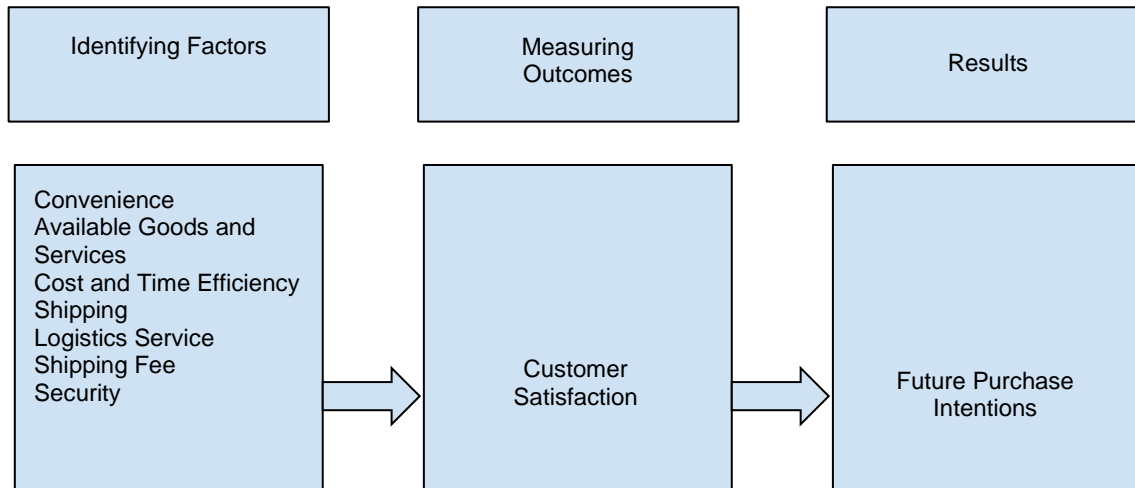


Figure 3. Conceptual Framework (Factors that influence customers purchase decisions)

Both e-commerce providers and online shoppers must be aware of factors linked to online shopping. Many researchers looked into the aspects that influence customer satisfaction when shopping online. The study indicated that many factors are associated with purchase intention and purchase decisions. This model suggests that the factors that affect customers' purchase decisions are: convenience, available goods and services, cost and time efficiency, logistical services, shipping rates, security, and a variety of other variables are among these considerations. However, this research did not extensively explain all the factors that lead to customer satisfaction. Instead of explaining factors that influence overall customer satisfaction in online shopping, this study is designed to answer questions specifically related to shipping fees' influence on customer purchase decisions and their impact on customers' satisfaction.

### 3. Methodology

The research design used in gathering answers to research questions was descriptive research design. The researchers collected data using a quantitative method that covered all of the required variables in the subject. The descriptive design was used to determine how the shipping fee affects the consumer's purchase decisions. In this method, the researchers were able to find the elements that influence consumers' buying decisions from pre-purchase to post-purchase in terms of online shopping.

The study site was in the National Capital Region (NCR), Philippines. According to the 2015 census, NCR has a population of 12,877,253. The sample size would be 385 respondents with a 95 percent confidence level and a 5 percent margin of error. The participants in this study were people who are residing in Metro Manila who fall into the socioeconomic classes B-C. They were purchasing products from online stores, and they should be male and female between the ages of 20 and 29.

While performing this study, ethical standards are taken into consideration. The following principles were given high importance all throughout the research:

1. Full consent of the respondents was ensured upon participating in the research.
2. Privacy of the participants was obtained in accordance with the Data Privacy Act of 2012.
3. Confidentiality of the data from the participants was maintained.

4. Respondents were given sufficient information as to the purpose of the research they were participating in.
5. The anonymity of the respondents was ensured.
6. Participants may withdraw from the study at any time.
7. The research aimed to do no harm to the participants.
8. Honesty and transparency were practiced by the researchers at all times.

### **3.1 Mechanics**

This study focused on the influence of shipping fees on online retailers and buyers. Primarily, the researchers examined how shipping fees affect user assessments when purchasing merchandise and how it affects the way consumers perceive the products. Due to the worldwide pandemic, this study was conducted online among those who commonly shop online in the age range of 20-29, both male and female, and only included participants from Metro Manila, Philippines. In addition, this research was conducted within a time frame of three (3) months.

On the other hand, limitations were influences on the study, which were outside the control of the researchers. There were significant limitations to this study, but it did pave the way for future research. First, the researchers gathered data from one industry only. Second, the scope of the study was only for product shipping to customers and was not applicable for shipping returns. Third, this research focused on the free shipping offer rather than the consequences of implementing a permanent free delivery policy. Fourth, this research involved specific products only, but future studies could analyze how these effects may vary for different types of products and services. Finally, due to the pandemic, the researchers could not compare online and offline purchases which is an essential topic for future studies.

The instrument that the researchers used was a researcher-made questionnaire that gathered the needed data for the customer's profile. The draft of the questionnaire was based on the researcher's readings and studies. In preparing the instrument, researchers considered the requirements to design a proper data collection instrument. Researchers provided optional open-ended questions to gain views related to the topics or issues. Preference for using the structured questionnaire was based on several research assumptions such as less pressure for an immediate response, avoidance of personal bias, and giving the respondents a feeling of anonymity to encourage open responses to sensitive issues. In addition, the instrument was validated first by experts and professors before it was laid on to the study. These questionnaires were handed through online means, as a survey, the types of questions presented garnered a quantitative result, based on their satisfaction with the given examples.

In administering the questionnaire, the researchers used the period allotted by the professor and the same vacant time of the researchers. The researchers sent the link to the questionnaire and gave the respondents enough time to answer the questions. After gathering the data, the researchers collected it for tallying the scores and applied the statistical treatment to be used with the study. The data collection underwent thorough analysis and was categorized into their respective age groups based on the information given by those who responded to the online survey questionnaires. In this study, the researchers opted to use convenience sampling. Convenience sampling is a non-probability sampling wherein the units chosen for inclusion in the sample are the most accessible. The researchers summarized the prevalent features in the data gathered and met with an analysis of the received data by finding out the necessary quantitative, face-value understanding that arose as a result of this research. The concluded data then be published in local articles to give important information for those retail establishments undergoing online treatment and residing within the Philippines.

George and Mallery (2003) suggest that a Cronbach alpha of at least 0.7 is acceptable, at least 0.8 is considered good, and at least 0.9 is excellent. This study used a questionnaire with a Cronbach alpha of 0.804, which is interpreted to have good reliability when the research was conducted.

### **4. Results and Discussion**

The resolutions formed from the methodology mentioned started with the process of deducing the data the researchers gathered; with over 385 respondents, the researchers settled on the 385 respondents who passed the qualifying questions, and such had received a percentage of which that falls within the ages 20-29 and are living within Metro Manila, majority of which are residing in Marikina, Quezon City, and Manila, Male, and Female, while some did not opt to disclose that information, was collected with the majority of the respondents for this study being female.

Starting with the findings for the weighted means of the particular statement of the problem culminated with the common response for "How do online buyers view shipping fees as a partitioned component of e-commerce" would be Definitely for the Filipino netizens residing within Metro Manila, as based on the responses of the respondents that are enticed to attempt e-commerce due to the allure of promotions on the shipping fees, making the component of shipping fees fairly important when it



comes to the local e-commerce industry. As for 'How does the amount of shipping fee contribute to fulfilling consumers' satisfaction and eliciting pure intentions in purchasing online' would be Definitely for the Filipino netizens residing within Metro Manila, as they seem to receive a fulfilling satisfaction based on the sufficient shipping fee meeting their standards, however, they wouldn't feel unfulfilled if their standards for the shipping fee are not met. Lastly, the common response for "How does the amount of shipping fee affect the customer's online evaluation and choices" would be Neutrality for the Filipino netizens residing within Metro Manila; as per the data, it seems that in terms of a customer's decision on buying an item it doesn't seem as likely for them not to push through with the purchase as they wouldn't mind shouldering the shipping fee, however, once the shipping fee is higher than their perceived standard for shipping fees that's when they begin to hesitate, but if the shipping fee is low enough it barely dazes their decision.

#### 4.1 Interpretations and Discussions

For the first statement of the problem, online buyers definitely view shipping fees as a partitioned component of e-commerce. They most definitely purchase an item with 'free shipping' as an available option. They definitely purchase something due to promos involving the shipping fee. However, they are neutral when it comes to dropping a purchase due to the shipping fee not meeting their standards. For the second statement of the problem, the amount of shipping fee definitely contributes to fulfilling consumers' satisfaction and eliciting pure intentions in purchasing online. They are most definitely satisfied when their purchase has a shipping fee that meets their standard. They definitely buy more from a store that offers a shipping fee up to their liking.

Meanwhile, they are neutral if the shipping fee does not meet their liking. For the third statement of the problem, online buyers are neutral about whether the amount of shipping fee affects the customer's online evaluation and choices. They would definitely hesitate before making a purchase when the shipping fee warrants a high amount. Shipping charges will also definitely affect their decision to make a purchase. However, they are somewhat unlikely to hesitate before making a purchase when the shipping fee warrants a low amount. Meanwhile, they are neutral when it comes to avoiding ordering an item due to the shipping fee. Also, they are neutral in terms of hesitating in purchasing an item due to the shipping fee.

#### 5. Conclusion

The results derived from the study's findings were able to give online retailers in the Philippines new behavioral tools and the notion that shipping fees influence most consumers but not necessarily in terms of their customer purchase decisions, as to when it's an item they consider as essential or satisfactory regarding their personal standards they don't mind shouldering the shipping fee but rather their probability of purchasing from various e-commerce itself. The researchers noticed that most online customers are convinced to buy more when offered and given a lower shipping fee and promotions like free shipping, discounted shipping, etc. In conclusion, shipping fee promotions are helpful for businesses as a tool for attracting potential customers into trying out their e-commerce. Shipping fee promotions seemingly push existing customers into adding more volume into their purchasing habits.

Given the importance of shipping policies in the rapidly increasing online retail sector, the researchers believe that further research on this topic may provide valuable insights both on consumer behavior and online e-commerce policy. It's crucial to look into free shipping on shipping returns. The researcher also observed the innovative shipping strategies of Shopee, such as giving free shipping vouchers upon using their product Shopee pay and offering free shipping upon purchasing in international sellers. These new free shipping strategies provide evidence of the importance of shipping policies for e-commerce retailers and impetus for further research.

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**Conflicts of Interest:** The authors declare no conflict of interest

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