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Repurchase Intention Variables Affecting Outsourcing Decisions by Thailand's Kasikornbank PCL

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ABSTRACT

The research objective was to determine patterns, relationships and the influence of user trust, service quality and customer satisfaction on the outsourcing and repeat purchase intention by Thailand's Kasikornbank PCL which in 2013 was Thailand's 2nd largest profitable commercial bank. Additionally, Thailand's National Electronics and Computer Technology Center (NECTEC) has reported that the financial and banking sector has the highest spending on computer services which is primarily focused on the outsourcing of core banking and service management systems. Research methodologies used within this study included both quantitative and qualitative research with quantitative analysis coming from surveys given to 340 Kasikornbank PCL participants using Partial Least Square (PLS), a form of structural equation modeling and qualitative input from questionnaires from 10 key corporate executives who determine policy utilizing the purposive sampling approach. The results showed that the attitudes and behavior of banks had a direct and immediate overall effect on outsourcing repurchases intention. This was a fact recognized by a hypothesis significance $p \leq 0.05$, with the results of qualitative research being consistent with the results of quantitative research. The findings of the study concluded that outsourcing is a service focused business and as such, outsourcing organizations need to build trust with bank employees while also building service user trust. This has increased researchers' understanding regarding the factors that affect the levels of information technology outsourcing and the study's framework can help practitioners optimize ITO practice for successful ITO outcomes.

Key words: Customer satisfaction, service quality, repurchase intentions, trust

INTRODUCTION

While most studies on outsourcing tend to be theoretical and/or focused on outsourcing from developed to developing countries, this research instead has focused on the outsourcing practices and results by Kasikornbank PCL which in 2013 was Thailand's 2nd largest commercial bank by profits (Fig. 1) with over 41 billion baht (\$1.3 billion USD). As such, it is believed that the research is a good indicator of development and trends within a developing nation economy such as Thailand which has been often referred to as a Southeast Asian 'tiger economy'.

Combined with the looming AEAN/AEC integration date of 2015, it is hoped this research helps focus attention to the issues and factors in what is a large business sector with even greater potential growth under AEC regulations. Additionally, the results are not confounded by differences in culture-specific communications, business practices and regulatory regimes between countries.

Healthy results

Thai banks performed well for the most part in 2013

Unit: Million baht

Bank	2013	2012	Baht change	Change%
● BBL	35,905.57	31,847.38	4,058.19	12.70
● SCB	50,232.79	39,234.99	10,997.80	28.03
● KBank	41,324.81	35,259.80	6,065.01	17.20
● BAY	14,018.66	14,625.33	-606.67	-4.15
● TMB	5,737.35	1,261.11	4,476.24	354.94
● Tisco	4,249.01	3,705.18	543.83	14.68
● Kiatnakin	4,418.19	3,391.29	1,026.90	30.28
● LH Bank	893.4	682.78	210.62	30.85
Total	156,779.78	130,007.86	26,771.92	20.59

Fig. 1: Thai bank earnings in 2013, Source: BPBS (2014)

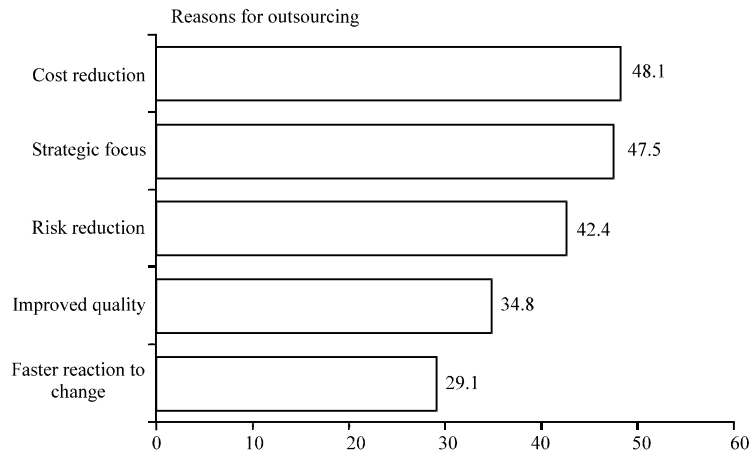


Fig. 2: Reasons for IT outsourcing, Source: Cap Gemini Ernst and Young in 2004

Banks associate outsourcing activities with high reputational, operational, strategic and contractual risks. Outsourcing benefits and considerations include the freeing of resources, cost reduction, access to specialized vendors, focus on core competence, flexibility and improved services.

Scholars that study the determinants or drives behind IT outsourcing suggest that IT outsourcing decisions are generally motivated by expected benefits brought by IT outsourcing. A survey conducted by Capgemini Ernst and Young in 2004 listed cost cutting, strategic reasons, risk reduction and better quality as the top drivers for IT outsourcing (Fig. 2).

In banking as in other economic and industrial sectors, change is constant and unavoidable for businesses in a globalized business world. It is not only essential for organizations to adapt to such changes but paramount for them to adapt in order to survive.

Outsourcing is one of the various transformations occurring in a globalized world which is not unlike that of mergers, acquisitions/diversifiers, plant openings and closings, reorganizations and re-engineering. These transformations directly affect the world economic system, global markets, customer satisfaction, laws and regulations and technology. Because changes are unavoidable, the issue that needs to be addressed is how to make these changes into an opportunity for both the organization and the employee (Danaiwan, 2007).

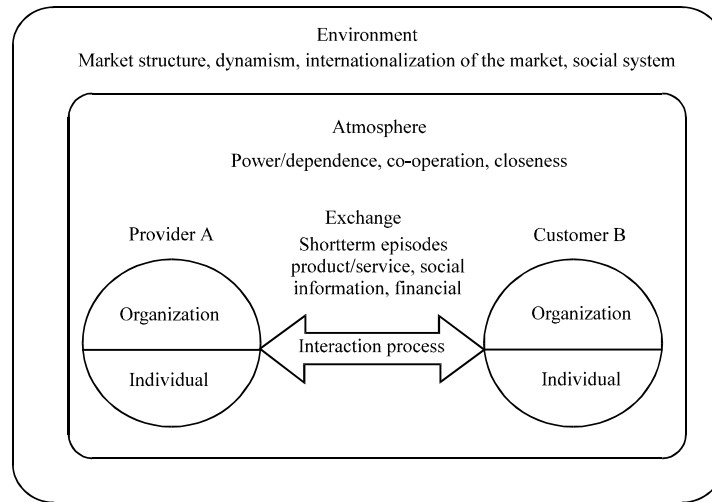


Fig. 3: Interaction approach adopted from Hakansson (1982), Source: Plugge (2011)

With intense global competition comes the need for cost reduction which often entails making a decision to 'outsource', especially when the need is for unskilled or unspecialized labor. This way an organization can have its main focus shifted towards the core business. Outsourcing is a form of "cost cutting" which entails the elimination of any unnecessary or costly procedures and the purchasing or hiring of other organization's products or business staff which have a lower cost (Chotiwechakarn, 2003).

Strategic Outsourcing (SO) is becoming another widely practiced trend among numerous large-sized organizations. Plugge (2011) suggests that outsourcing is driven by the environment comprising the structure of the market dynamics, globalization, international markets and social environment. These aspects will clearly affect the providers' organizations and their performance towards their clients. Thus, starting an outsourcing venture means starting a change that requires adaptive behavior. This involves the capability and willingness of the providers' employees to support this change which becomes a process of interaction between the provider (organization-individual) and the customer (organization-people) (Fig. 3).

Today's business requires Information Technology (IT) which helps in management. But the development of IT has a high cost in terms of equipment, personnel training and system upgrades to keep pace with changes in technology over time. Therefore, large companies are looking for outsourcing strategies which can reduce their costs.

Many companies today start with reducing their cost by outsourcing Information Technology education. The advantages are obvious as this reduces the cost of operations along with information technology equipment including hardware, software and network equipment. Additionally, with outsourcing, there is no need for expensive personnel training and the cost of upgrading IT equipment and software.

Even though there are many advantages to outsourcing IT in Thailand, one disadvantage is internal IT staff resistance due to the fear of being made redundant and losing their jobs. In Thailand's employment system where the employer contributes to the employee pension fund, IT staffs have a considerable fear of losing their retirement benefits.

Many organizations today with IT systems and support staff are becoming more interested in hiring IT contractors rather than investing further in their own internal IT infrastructure. A primary reason for this is the high cost of trying to maintain costly up-to-date software and hardware systems.

For instance, a study of Germany's 200 largest bank's IT outsourcing revealed that perceived and financial risks were significant factors in manager's attitudes in the outsource decision making process and had a positive direct effect. This can be explained that management attitude has a certain key effect on business process outsourcing (BPO). There are also some observable variables which include: Cost advantage, key performance, utilization of resources and quality improvement. These variables hold a significance level of more than 0.01 (Gewald, 2010).

According to some banking officials, Kasikornbank PCL is practicing IT outsourcing because IT is not its core business or main specialization. It therefore has outsourced its entire IT operation to IBM Thailand which it pays on a yearly basis and is considered a specialized service provider in the IT field. This type of service is called Technology Outsourcing (Tantiwithayapithak, 2012).

Established for almost 70 years, Kasikornbank PCL, a Thai financial institution began with a registered capital of 5.0 million baht (\$160,000 USD). In 2013, the bank exceeded 41 billion baht in profit (\$1.3 billion USD). Management's strategy has been to focus on successful sustainable growth which is balanced with the underlying principal of customer satisfaction.

This includes not only the customer; but the employee, business partners and shareholders. The bank must contribute to society as well as suppliers. Thus, it is crucial for banks to undergo change through continuous development with an emphasis on building trust among the client's organizations since it is the key to organizational success.

Trust is a voluntary feeling of confidence in the stability of another person based on the beliefs that such a person is competent, transparent, caring and reliable (Mishra, 1996). In addition, service quality must also be emphasized because, unlike manufacturing and product quality, it helps to ensure the quality of a service. Nevertheless, the method of controlling the quality of a service can be quite challenging since servicing involves very little control or management in spite of its significance (Goetsch and Davis, 2000).

Improvement of banking service quality, however, strongly correlates with income, increase in purchasing rates, word-of-mouth customer referral, the bank's market share, productivity increase and building employee morale which results in higher bank profits (Bennett and Higgins, 1988; Bowen and Hedges, 1993; Julian and Ramaseshan, 1994). Most importantly, service quality leads to sustainable growth and business survival.

Due to the nature of the dynamic business environment and after a review of the literature, the researcher was interested in studying the influence of the reliability and service quality of outsourcing on repurchase intention of employees of Kasikornbank PCL in order to understand the correlation and the effect of reliability and service quality of outsourcing on repurchase intentions of Kasikornbank PCL employees. The researcher hopes that the study results can be useful in terms of enhancing marketing production capacity reducing cost regarding making investment decisions in business, marketing and sales, including readying organizations for possible future changes which is required for good change-management procedures as well as supplier-relationship management.

This research study objective is to determine the relationships and influencing factors on trust and quality of service with the use of outsourcing by Kasikornbank PCL. Further analysis is done

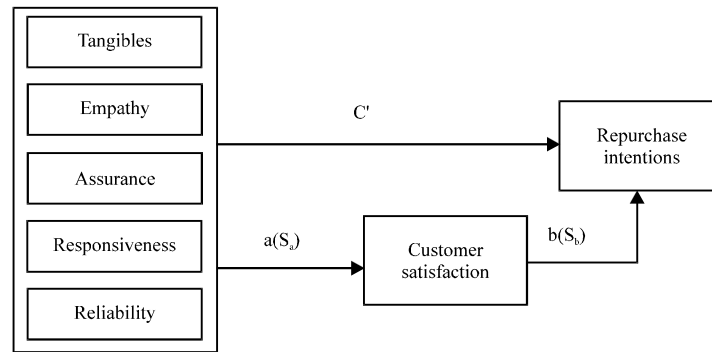


Fig. 4: Model of customer satisfaction on repurchase intention, Source: Ahmed *et al.* (2010)

on the organization's capacity to produce and market services, reducing investment decision making cost, reducing sales and marketing costs and preparing for likely future change.

Repurchase refers to a behavior in which one makes a decision. It is also a decision-making measurement of a service provider who has a tendency to buy, rent or use the service again in the future. According to Kotler (2000), customer repurchase intention may not always be accurate. It is however the most important goal to which entrepreneurs must achieve if they wish for their customers to be satisfied and plan to repurchase the same product.

Kotler and Armstrong (2001) described that there are two types of factors that helps in determining and encouraging consumer intention including both personal and stimulating factors. Personal factors include consumer personality in respect to demand, incentive, attitude, access of information and adaptability. Stimulating factors, on the other hand, can be used for planning how to catch consumers' attention and encourage their purchase intentions. This includes colors and sizes, product comparisons with other products or services, product positioning (such as shelf location) and originality. Meanwhile, service characteristics, price perception and service selection behavior have direct effects on re-purchase intention (Ferrand *et al.*, 2010).

Several scholars have studied the concept of satisfaction. For instance, according to Limayem *et al.* (2007), customer satisfaction is the key role to retaining customers using a product or service. Moreover, satisfaction holds a positive correlation with online repurchase intention which corresponds with Ahmed *et al.* (2010) who found that service quality is also crucial as well. This includes such tangible things such as empathy, assurance, responsiveness and reliability after the sale. Satisfaction and repeat purchase intentions can affect the repurchase intention as depicted in Fig. 4.

Trust is an essential factor to an organization in terms of achieving success. At the same time, it is a contributing factor in achieving a good relationship between a vendor and a customer. Reliability is significant to an organization both in terms of organizational theory and research (Bijlsma and Koopman, 2003; Porter and Kramer, 2006) since good cooperation is necessary in sustaining an organization as well as gaining success.

Today, elements that constitute organizational performance vary greatly and trust between one another helps lead to effective organizational outcomes (Reynolds, 1997). In addition, trust has a positive effect on long-term customer satisfaction (Xu and Liu, 2010). After having learned its importance, Lin *et al.* (2003) therefore, determined there were four aspects for measuring trust: (1) Trust in a company such as its reputation for products and good quality service, (2) Good quality

products and services such as preventing any disclosure of client's information, (3) Customer interests before its own and (4) Keeping of promises.

Furthermore, trust can only be established when a customer or the 'Trustor' perceives the reliability and honesty of the 'Trustee'. So, it is only when employees or organizations manage to build integrity among their customers can trust become recognized afterwards. The level of trust, however, varies from one person to the next depending on their experience, personality and cultural backgrounds. This is because trust must be earned through perception and confidence in the intention of the 'Trustee' that he or she is not expecting profit as their ultimate goal (Doney and Cannon, 1997).

Service Quality is the cornerstone of modern business in circumstances where there is intense competition and rapid change. Service quality is considered an advantage for businesses under such aggressive competition in the rapidly changing environment of today. This will ensure profitable growth and customer loyalty.

Quality improvement can help raise higher performance standards. It is an activity carried out after work performance standard has been documented and quality control systems have been established. An organization must aim for higher standards in order to meet the increasing customer demands and maintain its level of competitiveness among other competitors.

Parasuraman *et al.* (1985, 1991) suggested that quality originates from the expectations of customers or users of a particular service. Quality is therefore a comparison between customer/service user expectations and their actual perception of that service. If the customer or service user thinks that this product or service is good and its quality goes according to their expectations, then the product or service is considered to have good quality. The evaluation of service quality has five aspects which can be measured using an instrument called SERVQUAL. By the early 1990s however, the authors had refined the model to the useful acronym RATER:

- Reliability is the ability to perform the promised service in a dependable and accurate manner. The service is performed correctly on the first occasion, the accounting is correct, records are up to date and schedules are kept
- Service Assurance the service provider must give its customers confidence in using their service by assuring complete safety and by presenting their ability to build confidence such as employees must be capable of building confidence among their customers
- Tangibles are the physical evidence of the service, for instance, the appearance of the physical facilities, tools and equipment used to provide the service; the appearance of personnel and communication materials and the presence of other customers in the service facility
- Empathy service delivery must be ready offer prior to sales, between sales and after sales such as employees must provide their service with empathy and being able to understand customer requirements and
- Responsiveness is to the readiness and willingness of employees to help customers in providing prompt timely services, for example, mailing a transaction slip immediately or setting up appointments quickly

This corresponds with a study of Goetsch and Davis (2000) which explained that service quality is a control in which to achieve a quality in service which differs from the quality of manufacturing or product. In addition, the level of service quality is usually unpredictable since many factors are involved such as behavior of the delivery person and image of the organization.

From the prescribed review of literature and conceptual development, the following hypotheses can be established:

H1: Trust of service user has a positive direct effect on service user satisfaction

H2: Trust of service user has a direct effect on repurchase intention

H3: Service quality has a direct effect on customer satisfaction

H4: Customer satisfaction has a direct effect on repurchase intention

MATERIALS AND METHODS

According to the framework of this research, the population or unit of study consists of 4,518 employees of Kasikorn Bank Public Company Limited. This study is both a Quantitative and Qualitative Research.

Data collection: For Quantitative Research, a set of questionnaires was used for collecting data from the sample group of study which consisted of 4,518 employees of Kasikorn Bank Public Company Limited. The size of the sample group was determined by the ratio between the number of samples and the number of parameters or variables which is 20: 1 (Lindeman *et al.*, 1980), giving the size of sample group of 340 samples.

Questionnaires design: The questionnaire was created to be used as a measuring instrument according to the conceptual framework and practical definition. The measuring instrument or questionnaire used a 7-Point Likert scale. The scale validity was checked by internal consistency measurement using α -coefficient to calculate the average value of correlation. The results showed α -coefficient between 0.678-0.910 which suggests high level of reliability.

As for Qualitative Research, an in-depth interview was conducted on 10 executives of the bank.

Scale

Dependent variables

Purchase intention: A 7-Point Likert questionnaire (Likert, 1970) was created for measuring repurchase intention and scales for measuring two aspects including attitude (Kotler, 2000; Kotler and Armstrong, 2001) and behavior (Anderson *et al.*, 1992; Ferrand *et al.*, 2010).

Independent variables

Trust: A 7-Point Likert questionnaire (Likert, 1970) was created for measuring reliability and scale for measuring three aspects including organization (Lin *et al.*, 2003; Doney and Cannon, 1997; Mishra, 1996), employee (Luhmann, 1979; Kotler and Armstrong, 2001) and goods and services (Lin *et al.*, 2003; Kotler and Armstrong, 2001).

Service quality: A 7-Point Likert questionnaire (Likert, 1970) was created for measuring service quality and scales for measuring five aspects including responsiveness, confidence, concentration, reliability and tangibles (Bennett and Higgins, 1988; Parasuraman *et al.*, 1985, 1991; Bowen and Hedges, 1993; Julian and Ramaseshan, 1994; Goetsch and Davis, 2000; Petridou *et al.*, 2007; Kumar *et al.*, 2010).

Customer satisfaction: A 7-Point Likert questionnaire (Likert, 1970) was created for measuring customer satisfaction and scales for measuring three aspects including product, service process and people (Yi, 1990; Limayem *et al.*, 2007; Ferrand *et al.*, 2010; Ahmed *et al.*, 2010).

ANALYSIS

For Quantitative Research conducted in this study, reflective structural modeling was applied. The analysis was conducted through the use of Partial Least Square whereas the testing of hypothesis was carried out by the use of PLS-Graph (Chin, 2001) which is an analysis displaying the results of the structural modeling relating to manifest variables and latent variables. The validation was conducted as follows:

- Validity and Reliability of the scale this was done by using Cronbach α -coefficient in determining the average correlations coefficient obtained. It can be found that α -coefficient is between 0.775-0.910 which suggests high reliability
- Convergent Validity the criteria for measuring convergent validity includes positive loading value, indicator loading value above 0.707 and every statistical significance level ($|t| \geq 1.96$) (Lauro and Vinzi, 2004; Henseler *et al.*, 2009; Piriyaikul, 2010). The analysis results are shown in Table 1

Trust (Trus) comprises of outsource, outsource-product (Out_pro) and outsource people (Out_peo). The research revealed that the loading values are 0.965, 0.968 and 0.975, respectively with level of significance at 95 percent confidence ($t\text{-stat} > 1.96$). By this, it can be concluded that reliability has an effect on repurchase intention.

Service Quality (ServQual) is comprised of physical appearance (Quali_phy_app), reliability (Quali_relia), credit (Quali_credit), responsibility (Quali_respon) and concentration (Quali_concen). The results showed that the loading values are 0.948, 0.964, 0.961, 0.965 and 0.963, respectively with level of significance at 95 percent confidence ($t\text{-stat} > 1.96$). By this, it can be concluded that service quality has an effect on repurchase intention.

Customer Satisfaction (Cus. sat) comprises of people, product and process. According to the results, the loading values are 0.967, 0.970 and 0.967, respectively with level of significance at 95 percent confidence ($t\text{-stat} > 1.96$). By this, it can be concluded that customer satisfaction also has an effect on repurchase intention.

Repurchase Intention (Rep. int) comprises of attitude and behavior. According to the results, the loading values are 0.976 and 0.978, respectively with level of significance at 95% confidence ($t\text{-stat} > 1.96$). By this, it can be concluded that attention also has an effect on repurchase intention.

Discriminant validity: The scale validity was measured. This validity comprises of Composite Reliability (CR) of not less than 0.60, Average Variance Extract (AVE) of not less than 0.50 and R^2 value of not less than 0.20. The $\sqrt{\text{AVE}}$ of the interested column showed higher values when compared to the values of cross construct correlation within the same column. This suggests that the scale has discriminant validity in every construct (Lauro and Vinzi, 2004; Henseler *et al.*, 2009; Boontawan and Montree, 2010). In addition, the results of discriminant validity of this research correspond with every construct shown on Table 2. The scale applied in this research is therefore, a scale with discriminant validity and is a reliable scale.

Figure 5, final model: The analysis results regarding the effects of trust, service quality and customer satisfaction on repurchase intention. CR = composite reliability; R^2 = square of the correlation; AVE = average variance extracted. Test results hypothesis by hypothesis in Table 3.

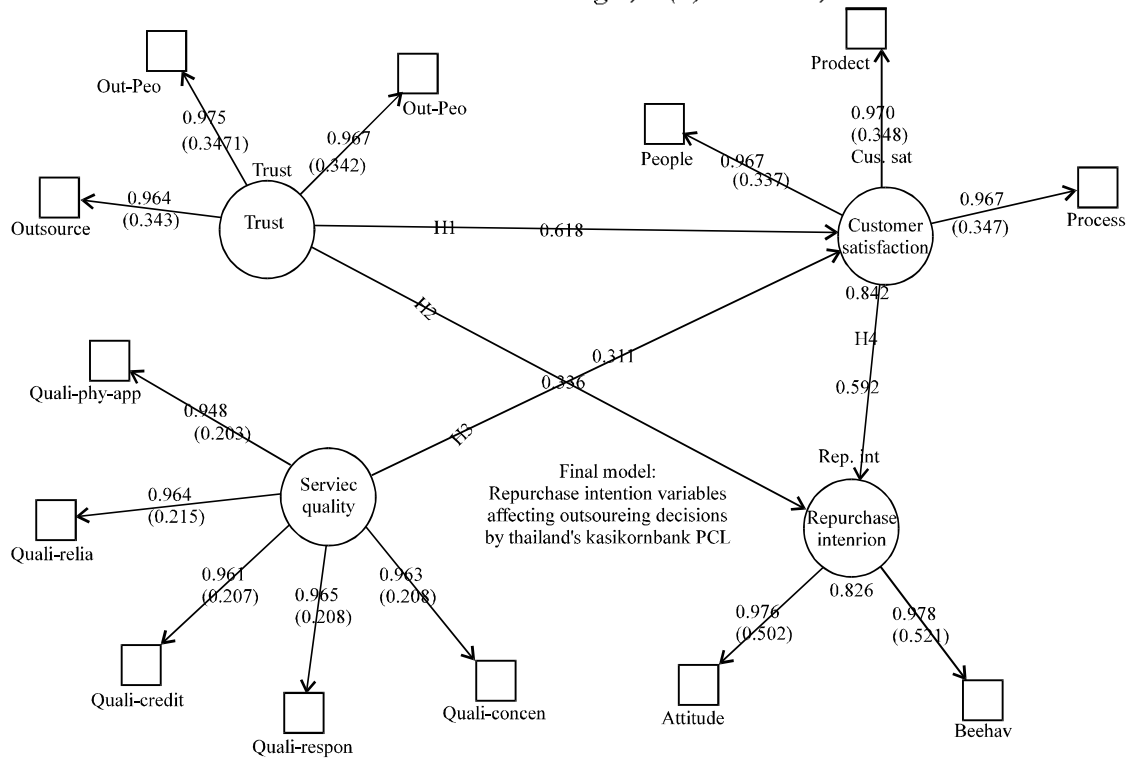


Fig. 5: Trust: Trust serv Qual: Service quality Cus. sat: Customer satisfaction Rep. int: Repurchase intention

Table 1: Convergent validity statistics in latent variable measurements in the reflective model

Construct/Item	Loading	t-stat
Trus: Trust		
Outsource: Outsource	0.964	182.7430
Out_pro: Outsource product	0.967	211.5829
Out_peo: Outsource people	0.975	269.0949
Serv qual: Service quality		
Quali_phy_app: Physical appearance	0.948	106.7961
Quali_relia: Reliability	0.964	205.3733
Quali_credit: Credit	0.961	186.4473
Quali_respon: Responsibility	0.965	204.5094
Quali_concen: Concentration	0.963	164.7931
Cus. sat: Customer satisfaction		
People: People	0.967	218.0763
Product: Product	0.970	284.9781
Process: Process	0.967	239.3557
Rep. int: Repurchase intention		
Attitude: Attitude	0.976	334.3593
Behav: Behavior	0.978	394.7209

Figure 5 shows the structural model of variables that affect the 'Repurchase intention variables affecting outsourcing decisions by Thailand's Kasikornbank PCL'. These variables included Trust, Service Quality and Customer Satisfaction of 340 Kasikornbank PCL Bank employees. The samples were analyzed to answer the research hypothesis criteria of the following four assumptions (Table 3).

Table 2: Confirmatory Factor Analysis (CFA) of the independent variables of trust, service quality and customer satisfaction on repurchase intention,

Construct	CR	R ²	AVE	Cross construct correlation			
				Trust	Service quality	Customer satisfaction	Repurchase intention
Trust (Trus)	0.979		0.939	0.969			
Service quality (Serv qual)	0.983		0.922	0.948	0.960		
Customer satisfaction (Cus. sat)	0.978	0.842	0.937	0.912	0.896	0.968	
Repurchase intention (Rep. int)	0.977	0.826	0.955	0.876	0.837	0.899	0.977

CR: Composite reliability; R²: Square of the correlation; AVE: Average variance extracted, statistical significance level of 0.01, whereas diagonal figures refer to $\sqrt{\text{AVE}}$

Table 3: Hypothesis testing result of hypothetical research

Hypothesis	Coef.	t-stat	Result
H1: Trust has a positive direct effect on customer satisfaction	0.618	6.694**	Supportive
H2: Trust has a direct effect on repurchase intention	0.336	5.134**	Supportive
H3: Service quality has a direct effect on customer satisfaction	0.311	3.251**	Supportive
H4: Customer satisfaction has a direct effect on repurchase intention	0.592	9.162**	Supportive

**p≤0.01, *p≤0.05, Coefficient refers to the beta (β), t-stat is the t-value

Furthermore, the structural analysis model framework was used to research the t-test coefficients and their relationship of each path of the t-test hypothesis with significance greater than 1.96**. This explains the results obtained from analysis as shown in Table 1, 2 as well as the test results presented in Table 3:

Hypothesis 1 (H1): Trust has a positive direct effect on customer satisfaction. The test result found that trust affects the customer satisfaction with a coefficient of 0.618, a fact validated by the hypothesis significance p≤0.01.

Hypothesis 2 (H2): Trust has a direct effect on repurchase intention. The test result found that trust affects the repurchase intention with a coefficient of 0.336, a fact validated by the hypothesis significance p≤0.01.

Hypothesis 3 (H3): Service quality has a direct effect on customer satisfaction affects performance. The hypothesis tested results found that Service quality influenced on customer satisfaction which showed a coefficient of 0.311, a fact validated by the hypothesis significance p≤0.01.

Hypothesis 4 (H4): Customer satisfaction has a direct effect on repurchase intention. The hypothesis tested results shows that Customer satisfaction influenced on the repurchase intention which showed a coefficient of 0.592, a fact validated by the hypothesis significance p≤0.01.

RESULTS AND DISCUSSION

The results of this study of “Repurchase intention variables affecting outsourcing decisions by Thailand’s Kasikornbank PCL”, can be discussed as follows.

Trust which comprises of outsource, outsource-product and outsource-people, is a factor affecting repurchase intention. Since banking is a large scale organization with a customer service focus requiring large investments, a cost effective management approach is considered crucial.

One possible solution is outsourcing certain business activities such as IT transactions which require high capital investments, as well as specialized staffs with high quality products and services (an example being the protection of client's information). As a result, outsourcing must build confidence among bank employees which corresponds to a study by Lin *et al.* (2003) in determining measurements for reliability which included the organization's good reputation and trust as well as the superior quality of their products and services.

Also, according to a study by Doney and Cannon (1997), development of trust includes developing personal experience for both the service provider and service user. The service user will be the one to determine the trust level from concentration and non-profit intention of the service provider. If an outsource manager manages to create a sense of trust among employees of an organization, organizational competence in terms of management can be achieved (Reynolds, 1997) which eventually results in long-term customer satisfaction (Xu and Liu, 2010).

Service quality, on the other hand, consists of physical appearance, reliability, credit, responsibility and concentration. These factors correspond with the theory of Parasuraman *et al.* (1985, 1991) which states that the person delivering service must provide the best in service quality and able to meet customer expectation since quality is a comparison between customer expectation in product or service and the actual perceptions of the customer. Moreover, the results of this study also support a study by Goetsch and Davis (2000) which found that the level of quality in service is unpredictable since various factors must be considered such as behavior of the delivery person and image of the organization.

Lastly, customer satisfaction is found to comprise people, product and processes which corresponds with other studies stating that the survival and growth of a business can be achieved by enhancing competency, production capacity, quality, standing point through level of competitiveness, market share, including an organization's ability to fully understand the requirements of its customers and meet their needs by developing a brand in which the customer can trust as well as easily accessible. Repurchase intention is a behavior which correlates with customer satisfaction by presenting a positive direct effect (Yi, 1990; Limayem *et al.*, 2007; Ferrand *et al.*, 2010; Ahmed *et al.*, 2010).

CONCLUSION

According to this study of "Repurchase intention variables affecting outsourcing decisions by Thailand's Kasikornbank PCL", it can be discovered that the factor having direct effect on repurchase intention is customer satisfaction. This is because satisfaction is the result of reliability and service quality. It is only when a customer has trust in a product or service based on its quality that customer satisfaction can be developed. This satisfaction will then lead to an intention to repurchase in the future.

Here, independent variables include reliability and service quality. According to the research, it is found that trust has higher direct effect when compared to service quality. When considering the overall influence of both factors, it can be discovered that trust has the highest overall effect on repurchase intention. Therefore, when determining organizational policy or management scheme, it is highly crucial to create a sense of trust among service users.

In the case of outsourcing of certain business of the company, it is important to create trust among the hiring person and their clients. This includes relevant factors such as reputation of the outsourced product or service, workforce factors and the outsource-products.

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