LAST MILE DELIVERY QUALITY AND EXPERIENCE: KEY DETERMINANTS OF E-COMMERCE CUSTOMER LOYALTY OF GEN Z

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Abstract

With the e-commerce revolution reforming the retailing business environment of Malaysia, customer loyalty is the endgame of the businesses that intend to remain competitive. The paper explores the role of the last stage of the process last-mile delivery (LMD) in fact determining the loyalty of Generation Z consumers. Our structured survey and quantitative analysis of the results of the application of the SERVQUAL model to measure speed, reliability, communication, and professionalism made us understand what, in fact, determines repeat purchases among this young target audience. The results proved to be instructive: whereas the research model explained almost half of the variation in customer loyalty, only the delivery speed and rider professionalism proved to be significant. Interestingly, the statistical weight of reliability and communication was not of a comparable level, which indicates that in the case of Gen Z, the need to receive instant gratification and a respectful human contact usually prevails over technical accuracy. As it is evident in the preference to the TikTok platform and Shopee and a preferred courier in J&T, the study shows that e-commerce requires more than mere logistics to flourish. Instead, they will have to adopt a customer experience that is more customer-centric by focusing on shorter delivery times and enhanced rider training to establish a seamless, reliable experience.

Keywords **:** *Last Mile Delivery, Customer Loyalty, Gen Z,e-commerce, servqual,speed, professionalism*