# A Study On Quality Of Service As A Tool For Imparting Consumer Satisfaction In Online Business

**Sudheesh .B[1] , Dr. J Prabakaran[2] , Dr.J Rajan[3]**

[1]*(Part Time Research Scholar, Annamalai University)*
*Roll Number-1911130047*
[2]*(Research Guide, Annamalai University)*
[3]*(Co-Guide)*

## INTRODUCTION

Online business includes a variety of business activities which utilize internet as a platform for information exchange or monetary transactions or both. Online business use internet for business transactions, which involve monetary transactions in return of product s and service.
Digitally enabled transactions include all transactions mediated by digital technology and plat form. Electronic commerce means the facilitation of commercial transactions electronically, using technology such as electronic Data Interchange(EDI) and Electronic Fund Transfer(EFT). Online shopping, an important component of electronic commerce was invented by Michael Aldrich in UK in the year 1979. Online retail business believes in building strong brands. The websites they create ease for navigation. They provide discounts and offers to engage customers. The pricing is generally lower than the offline shops. The customers also get benefited as they do not need to conduct a physical visit to the shop for making the purchase

Predicting consumer's mind is always a mystery. The consumer requirements must be translated and quantified into measurable targets. This provides an easy way to monitor improvements. Satisfied customers are the main pillar of optimal performance and financial returns. Learning organizations are creating value in directly measuring and tracking customer satisfaction as an important strategic indicator of success. Placing a high priority on customer service is critical to improved organizational performance in the global market place.

## THE RESEARCH CONTEXT

The main theme of this study is to assess the quality of service offered by two online business platforms in the perspective of consumers and compare the service performance. The study also concentrated on finding the discrepancy between customer's service experience and expectations.

## LITERATURE REVIEW

Over a few decades, service quality has become a major area of attention to practitioners, and researchers due to its impact on business performance, customer satisfaction, customer loyalty and profitability. Parasuraman, Zeithaml and Berry (1985) viewed quality as "the degree and direction of discrepancy between customers' service perception and expectations".
Ramaswamy (1996) described service as "the business transactions that take place between a donor (service provider) and receiver(customer) in order to produce an outcome that satisfies the customer.

## SERVICE QUALITY DIMENSIONS

Rust Oliver (1994), Parasuraman, Zeithaml and Berry (1988) contributions to service quality led to the conceptualizations of five dimensions; tangibles(T), reliability(R), responsiveness(R), assurance(A) and empathy (E) that led to the development of SERVQUAL.
**Tangibles**-Physical facilities, devices, appearance.
**Reliability-**Ability to perform service dependably and efficiently.

**Responsiveness**-Willingness to help customers and provide good service.
**Assurance**-Knowledge and courtesy of employees and their ability to inspire trust and confidence
**Empathy**-Caring, individual attention that the firm provides to its customers

## OBJECTIVES OF THE STUDY

- To predict the service quality dimensions of online business by comparing two online business firms
- To conduct a gap analysis so as to measure the performance of two online business firms.

## SCOPE OF THE STUDY

The study confined to the customers of two online business firms only. As the study involves a comparison and gap analysis of identical online business firms.

## METHODOLOGY

A total of 350 customers: From one of the online business firms 182 customers are selected and 168 customers are selected from the other online business organization.The data for study was obtained through a structured questionnaire consisting of five dimensions,the tangible measures,the reliability measures,the responsiveness measure,the assurance factors and empathy factors with respect to online business sector.

## DATA ANALYSIS AND INTERPRETATIONS

The data collected was analyzed for the gaps under the major five headings such as tangibles,reliability,responsiveness and assurance

| | | overall statistics(350 samples) | | | | |
|---|---|---|---|---|---|---|
| | factors | lowest rating | | | | highest rating |
| | | 1 | 2 | 3 | 4 | 5 |
| | TRUST AND SECURITY | 8.6%(30) | 20.3%(71) | 14.9%(52) | 43.4%(152) | 12.9%(45) |
| | OFFERS | | 1.10% | 7.7%(27) | 67.4%(236) | 23.7%(83) |
| **TANGIBLES** | DESIGN OF THE WEBPORTAL | 0.3%(1) | 3.7%(13) | 6%(21) | 66%(231) | 24%(84) |
| | COLOUR AND DISPLAY OF ITEMS | 1.4%(5) | 2.6%(9) | 8%(28) | 65.1%(228) | |
| | EASE OF NAVIGATION | 4.6%(16) | 11.4%(40) | 24.3%(85) | 53.4%(187) | 6.3%(22) |
| | CONVENIENCE | 0.3%(1) | 2.9%(10) | 5.7%(20) | 56%(196) | 35.1%(123) |
| | AVAILABILITY | 0% | 2.3%(8) | 3.4%(12) | 15.1%(53) | 79.1%(277) |

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|---|---|---|---|---|---|---|
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| | | | | | | |
| | | | | | | |
| | | | | | | |
| **RELIABILITY** | procedures and systems | 0.6%(2) | 4.6%(16 ) | 8%(28) | 68.6%(24 0) | 18.3%(64 ) |
| | knowledge and skill level | o.3%(1) | 2.6%(9) | 11.7%(4 1) | 60.3%(21 1) | 25.1%(88 ) |
| | | | | | | |
| **ASSURANCE** | Attitude level | 0.6%(2) | 2.6%(9) | 14.3%(5 0) | 54.9%(19 2) | 27.7%(97 0 |
| | professional approach | 0.3%(1) | 3.7%(13 ) | 10.6%(3 7) | 58.9%(20 6) | 26.6%(92 ) |
| | | | | | | |
| | | | | | | |
| | | | | | | |
| **RESPONSIVEN ESS** | Customer complaints handling | 0.9%(3) | 5.1%(18 ) | 15.7%(5 5) | 58.6%(20 5) | 19.7%(69 ) |
| | manpower availability | | 3.4%(12 ) | 10.6%(3 7) | 59.7%(20 9) | 26.3%(92 ) |
| | | | | | | |
| | | | | | | |
| **EMPATHY** | Processing of cash purchase | 1.4%(5) | 9.1%(32 ) | 17.7%(6 2) | 48.9%(17 1) | 22.9%(80 ) |
| | Processing of cash on delivery | 0.9%(3) | 10.6%(3 7) | 16%(56) | 50.6%(17 7) | 22.0%(77 ) |
| | processing of credit card payment | 1.3%(5) | 11%(38) | 18.9%(6 6) | 49.7%(17 4) | 19.2%(67 ) |
| | processing of other services | 0.6%(2) | 10.2%(3 6) | 19.8%(6 9) | 50.55(177 ) | 18.9%(66 ) |
| | | | | | | |
| | | | | | | |
| | **overall experience** | **1.1%(4)** | **8%(28)** | **16%(56 )** | **59.2%(20 7)** | **15.7%(55 )** |

From the above table it can be inferred that approximately 75 percent of the customers have provided higher ratings,which implies that the customers are satisfied on the various performance dimensions.

**GAP ANALYSIS**

The raw data obtained on the expectations of the customers on all the five dimensions of the quality, viz, tangibles, reliability, responsiveness, assurance, empathy were used to calculate the "gap" that exists.

| | GAP ANALYSIS FOR TANGIBLES | | | |
|---|---|---|---|---|
| DIMENSIONS | EXPECTED MEAN SCORE | EXPERIENCED MEAN SCORE | SD | SERVIC E GAP |
| TRUST AND SECURITY | 5 | 3.32 | 1.182 | 1.68 |
| OFFERS | 5 | 4.14 | 0.585 | 0.86 |
| DESIGN OF THE WEBPORTAL | 5 | 4.1 | 0.683 | 0.9 |
| COLOUR AND DISPLAY OF ITEMS | 5 | 4.05 | 0.734 | 0.95 |
| EASE OF NAVIGATION | 5 | 4.71 | 0.642 | 0.29 |
| CONVENIENCE | 5 | 4.23 | 0.711 | 0.77 |
| AVAILABILITY | 5 | 3.8 | 0.68 | 1.2 |
| | GAP ANALYSIS FOR RELIABILITY | | | |
| DIMENSIONS | EXPECTED MEAN SCORE | EXPERIENCED MEAN SCORE | SD | SERVIC E GAP |
| | | | | |
| knowledge and skill level | 5 | 4.07 | 0.702 | 0.93 |
| procedures and systems | 5 | 3.99 | 0.706 | 1.01 |
| | GAP ANALYSIS FOR RESPONSIVENES S | | | |
| DIMENSIONS | EXPECTED MEAN SCORE | EXPERIENCED MEAN SCORE | SD | SERVIC E GAP |
| Customer complaints handling | 5 | 3.92 | 0.794 | 1.08 |
| manpower availability | 5 | 4.09 | 0.707 | 0.91 |
| | GAP ANALYSIS FOR ASSURANCE | | | |
| DIMENSIONS | EXPECTED MEAN SCORE | EXPERIENCED MEAN SCORE | SD | SERVIC E GAP |
| Attitude level | 5 | 4.07 | 0.756 | 0.93 |
| professional approach | 5 | 4.08 | 0.736 | 0.92 |
| | | | | |

| | | | | |
|---|---|---|---|---|
| | | | | |
| | GAP ANALYSIS FOR EMPATHY | | | |
| DIMENSIONS | EXPECTED MEAN SCORE | EXPERIENCED MEAN SCORE | SD | SERVIC E GAP |
| Processing of cash purchase | 5 | 3.9 | 1.01 | 1.1 |
| Processing of cash on delivery | 5 | 4.21 | 0.78 | 0.79 |
| processing of credit card payment | 5 | 3.86 | 0.65 | 1.14 |
| processing of other services | 5 | 4.05 | 0.9 | 0.95 |

The above table shows the details of gap analysis.This gap analysis is done for all the dimensions. Their levels areassessed purely on the basis of their mean values comparing with a reference mean value of "5" which can be considered to be the maximum and that any organization should like to achieve for excelling. The gap i.e. the difference between the expected mean score and experienced mean score value is the "service gap".

A service gap of greater than"1" can be considered to be highly critical area for the improvement of the performance dimensions. A service gap less than 0.5 is treated as less significant and a difference of 0.5 to 1 is considered as critical and further needs for improvements. It is found that the trust and security (1.68) should be considered critical.

**t-Test Analysis**

Independent samples t-test was used to find any existence of difference between the perceptions of the two set of customers towards the online business on the various performance .Table below shows the result of thet-test performed.The t-test results revealed that there is no significant difference between the perceptions of the two sets of customers on all the five performance dimensions with respect to their banks.Implications

The five dimensions service quality (SQ) frame work enjoys considerable support in the service quality literature.But the consideration is how to deploy the resources for these dimensions for the benefits of customers and increases customer satisfaction.Identification of the relative importance of the service quality dimensions given by the customers and the less valued services by the customers should be the right point to start.In this study to find out the least valued(perceived) dimensions by the customers and the frequency rating is used to find out the service gaps in the various dimensions,gap analysis is applied as a tool.

| | | t -test for the performance dimensions | | | |
|---|---|---|---|---|---|
| | MEAN | MEAN | S.D | S.D | |
| Dimensions | ONLINE BUSINESS 1 | ONLINE BUSINESS 2 | ONLINE BUSINESS 1 | ONLINE BUSINESS 2 | t value |
| Tangibles | 4.15 | 3.95 | 1.1 | 1.24 | 1.05 (ns) |
| Reliability | 3.72 | 3.49 | 1.12 | 1.02 | 0.32(ns) |
| Assurance | 4.2 | 3.9 | 1.01 | 0.98 | 1.25(ns) |
| Responsiveness | 3.99 | 4.25 | 1.23 | 0.6 | 1.08(ns) |
| Empathy | 4.21 | 4.01 | 0.97 | 1.32 | 0.86(ns) |

**Conclusion**

In this study,service quality and its model of gaps were studied by taking the service offered by online business organisations.Gap analysis is used as an analytical approach for evaluating the difference between customer;s expectations and the experience of quality.In conclusion,though the satisfaction level of service being offered is an acceptable level,the organization has to keep abreast in an ever changing environment to be competent and bridging the gap between the customer's experience and expectations.It is the only way to make an impression in the mind of a consumer.

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