Assessment of E-Service Quality via E-Satisfaction in E-Commerce Globalization

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1. Introduction
The most experienced and successful e-commerce companies are beginning to realize that key determinants of success or failure are not merely web presence or low price but delivering high quality of e-services (e-SQ). Recent research shows that price and promotion are no longer the main draws for customers to make a decision on a purchase. More and more sophisticated online customers would rather pay a higher price to e-tailers who provide high quality e-service (Schneider, 2002). Market research has indicated that service quality has a significant impact on costumer satisfaction, loyalty, retention and purchase decisions and even on company’s financial performance. Thus, to build customer trust and loyalty, and keep customer retention, e-tailers must shift the focus to e-service quality before, during and after the transactions. This has become especially important in the global e-commerce environment. When consumers conduct a purchase across the border, they will have more concern as to whether they will receive quality services from a “foreign” e-tailer. Therefore, e-service quality and e-satisfaction should be issues covered in the future UNCTAD (United Nations Conference on Trade and Development) Report.

This paper focuses on how to assess e-service quality via customer’s e-satisfaction. The paper first defines e-service quality and e-satisfaction and their relationship, then presents methods and means to assess e-service quality. The paper concludes with the importance of e-service quality and e-satisfaction in the e-commerce globalization.

2. E-service Quality and E-satisfaction
E-service quality is defined as seven dimensions that form two scales: a core e-SQ scale and a recovery scale (Zeithaml, 2002). Core e-SQ consists of four dimensions – efficiency, reliability, fulfillment and privacy.

1. Efficiency refers to the ability of the customer to get to the Web site, find their desired product and information associated with it and to check it out with minimal effort.
2. Fulfillment incorporates accuracy of service promises, having products in stock and delivering the product within the promised time.
3. Reliability is associated with the technical functioning of the site, particularly the extent to which it is available and functioning properly.
4. The privacy dimension includes assurances that shopping behavior data are not shared and that credit card information is securely held.

The recovery-SQ scale includes the following personal service aspects:

1. ‘Responsiveness’ measures the ability of a company to provide: appropriate information to customers when a problem occurs; a mechanism for handling returns; and an arrangement for online guarantees.
2. ‘Compensation’ is the dimension that involves receiving money back, return shipping and handling.
3. ‘Contact’ points to the need of customers to be able to speak to a live customer service agent online or through the phone.

Although the development of e-service quality measurements is at an early stage, individual companies have developed a variety of e-service quality determinants. They are utilized to assess customers’ e-satisfaction on individual e-tailers. These service quality determinants are associated with the above dimensions of e-service quality.

Researchers in Marketing have studied consumer buying patterns and trends for years. Analyzing consumers’ level of satisfaction has been of special interest to many business people and academics, especially in the Marketing field. Traditionally, the level of consumer satisfaction is determined by the quality of services, the price level, and the purchasing process. Consequently, the level of e-satisfaction is also determined by the quality of e-services, the price level and the purchase process. Wang and Huarng (2002) identified nine service quality factors that affect e-satisfaction through content analysis of online customer comments in their research.

1. General feedback on the web site design
2. Competitive price of the product
3. Merchandise availability
4. Merchandise condition
5. On-time delivery
6. Merchandise return policy
7. Customer support
8. E-mail confirmation on customer order
9. Promotion activities

The nine factors are also associated with the above dimensions of e-service quality. The follow-up empirical study indicates that the primary determinant of e-satisfaction in positive reviews is on-time delivery and the primary determinant e-satisfaction in negative reviews is customer support.

3. Assessment Methods

Three major e-satisfaction assessment methods have been identified in the recent research. They are text comments, categorized rating, and overall rating. The text comment allows customers to write their own comments in 500 to 1000 characters on the e-tail store where they did their shopping. Categorized rating is known as a questionnaire that asks online shoppers to rate based on a number of e-service quality determinants using a scale of 1 to N where N is the best rating. Overall satisfaction rating uses an ordinal rating system with a scale of 1 to N where N is the best rating.

Each of the three methods has its own limitation. To overcome the limitations, most companies utilize a combination of two or three methods. Text comments accurately describe real purchasing experiences, but might not incorporate similar perceptions across individuals. In a psychological aspect, one can, however, ask this person to verbalize the psychological processes they experience (Schellhese et al. 2000). It is an effective way to collect online shoppers’ personal experiences with an e-tailer. However, categorized ratings do not provide reasons for ratings other than ordinal numbers, while overall rating describes customers’ general impressions of the store without any specific details. Table 1 shows how companies use the three assessment methods. The finding is that each company utilizes a combination of
two or three methods. Six out of six selected companies use the text comment method. Five out of six companies use overall ratings. Four out of six companies use categorized rating.

Table 1. Three assessment methods used in Different companies

<table>
<thead>
<tr>
<th>Company</th>
<th>Text Comment</th>
<th>Overall Rating</th>
<th>Categorized Rating</th>
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</thead>
<tbody>
<tr>
<td>Company 1</td>
<td>X</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Company 2</td>
<td>X</td>
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<td></td>
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<td>Company 6</td>
<td>X</td>
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<td>X</td>
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</tbody>
</table>

Text comments and overall ratings have become standardized among different companies, but the criteria used in categorized rating systems vary widely. The categorized rating lets the customer rate each factor that affects service quality. For example, one company lists only two service quality criteria for customers to rate: on time delivery and customer support. Another company lists twelve service quality criteria for customers to rate. Six out of twelve service quality criteria are rated at the point-of-sale. They are: ease of ordering, product selection, product information, price, web site performance and shipping & handling. The remaining 6 service quality criteria are rated after delivery. They are: on-time delivery, product met, expectations, customer support, order tracking, would shop here again and overall rating. Although companies create different categorized rating systems with different service quality criteria, two factors: on time delivery and customer support are composed in every company’s categorized rating system. This has verified Wang’s and Huarng’s research (2002) that primary service quality determinants are on-time delivery and customer support.

4. Assessment Means

The methods of conducting international e-service quality assessment may vary widely in different cultures and environments. Traditionally, the telephone interview is the dominant mode of questionnaire administration. With the rapid development of Internet technology, more and more qualitative research is conducted on the Internet. Qualitative research methods offer several advantages including reduced time and lower costs. It can also bridge the time and distance gap in recruiting respondents. The traditional disadvantages of using the Internet to gain respondents - lack of spontaneity, lack of interactivity between/with respondents, and limited group dynamics - will be substantially overcome as the Internet becomes a key component in day to day life. Surveys on the Internet can be conducted by way of e-mail or web sites. The survey can be included in the e-mail or attached to it. Web surveys written in html are currently used for data collection online.

The recent development of shopping agent web sites has opened a new channel for researchers to collect data on e-service quality via customer’s e-satisfaction. These shopping agent web sites bring about a great comparative shopping environment. Not only do they bring online shoppers comparative products and competitive prices from individual e-tailers, but also they provide a very efficient way to collect and display multiple customer online post-shopping evaluations on each linked e-tail store. Each shopping agent Web site has links to hundreds or thousands of e-tailers’ web portals. Most of these agent Web sites provide e-service quality rating systems for their member stores. The service quality rating systems on these Web sites are interactive. They invite customers to write an online evaluation on the e-
E-tailer they have experience with, and then display the e-service quality evaluation on the Web site to the public. The goal is to offer online shoppers the opportunity to compare the e-tail stores’ service quality and choose an e-tailer they feel comfortable to shop with. There are dozens of shopping agent Web sites available on the Internet. The most popular ones are bizRate, bestWebBuys, dealTime, eBay, mySimon, pricegrabbe and RUSure. Two useful sources of information on agent web sites are BotSpot.com and SmartBots.com.

Conclusion
E-service quality and e-satisfaction are critical components in the globalization of e-commerce. High quality e-service is the key to success for any e-tailers doing business in this competitive global e-commerce environment. To overcome consumers’ barriers in conducting purchases globally, companies need to make great efforts to improve e-service. Recent surveys of consumers indicate that e-service quality is generally low. The premise of this article is that we must understand how customers evaluate e-service quality as a foundation for improving delivery. The article offers ideas for assessment of e-service quality via e-satisfaction in the global e-commerce environment.

Trust in business-to-consumer (B2C) e-commerce is more difficult to establish than in traditional business, since there are even more barriers to overcome. The brick-and-mortar retailer down the block will likely be there tomorrow, but the e-tailer that exists in cyberspace is often not real in the customer’s eyes. Customers’ lack of inherent trust in “strangers” in e-tailers is logical and to be expected. If an e-tailer wants to do business, it has to prove its trustworthiness by satisfying customers for many years as it grows. The shopping agent is an effective technology that will strengthen e-commerce collaboration, speed up e-commerce globalization and bring it to success. Its e-service quality rating system will certainly be a useful tool to improve e-service and e-satisfaction in the global e-commerce environment.

References

Author Bio
Dr. Ming Wang is a professor of the Department of Information Systems at California State University in Los Angeles. She has taught previously at the Department of Computer Science at Embry-Riddle Aeronautical University in Florida. Her industrial experience includes being a Software Engineer in Boeing at NASA Kennedy Space Center. She has also received certified Oracle training for both DBA and Developer tracks. She has publications in the Encyclopedia of Information Systems, and refereed journals and international conference proceedings. Her current research interests are in e-commerce collaboration, globalization, e-service quality, e-satisfaction, object-relational databases, database Web applications, and server technology.