Identification and Analysis of Quality Gaps for Online Service Retailers

Asem Majed Othman, Department of Industrial Engineering, University of Miami, Coral Gables, FL, USA
Vincent Omachonu, Department of Industrial Engineering, University of Miami, Coral Gables, FL, USA
Shihab S. Asfour, Department of Industrial Engineering, University of Miami, Coral Gables, FL, USA

ABSTRACT

There has been a steady growth in e-commerce, especially during the past seven years. Online service retailers (OSRs), as e-commerce retailers, continue to invest heavily in the enhancement of the services provided to their customers. This study aims to identify the quality gaps of OSRs and the influential factors that can mitigate each gap. A conceptual model of the quality gaps of OSRs was developed based on an exploratory review of several service quality studies of online retailers. A survey instrument was developed to measure the significance of the quality gaps on customers’ willingness to shop online. Data from a total of 253 survey respondents were analyzed using a linear regression model. Four out of nine of the quality gaps (Tactile feedback, On-time Delivery, Sales Information, and Confounding Knowledge Technology) showed statistical significant with regards to customers’ willingness to shop online, and the overall model was significant ($p < 0.001$).

KEYWORDS

Gaps Analysis, Online Service Retailers, Quality Gaps, Service Quality

INTRODUCTION

E-commerce refers to business transactions that take place over the Internet (Keeney, 1999). To facilitate e-commerce, retailers’ websites allow consumers to seek information about products and services, such as price and item details, as well as to buy their products or services. In recent years, in an effort to save time, many people have elected to shop from home rather than at traditional stores (Farag, Schwanen, Dijst, & Faber, 2007). eMarketer has documented this recent rapid growth of e-commerce. In 2013, e-commerce sales in the US reached $219.1 billion, and the number of digital buyers reached 157.1 million, representing 73% of Internet users. eMarketer projects that, by 2018, sales will reach $419.1 billion and that the number of digital buyers will reach 185.5 million, representing 79.6% of Internet users (Wurmser, 2014). Due to its rapid expansion, e-commerce is a sector that warrants attention.

Several studies have focused on the quality of the retailers’ website designs and overall website functionality (pre-purchase phase) but have not given equal attention to the quality of the service delivered by the online retailers (purchase phase and post-purchase phase). For example, Loiacono (2000) provides a set quality criteria, the WebQual model of website design, that concerns: (a) ease of use, (b) usefulness, (c) entertainment, and (d) complementary relationships. Other researchers have developed similar criteria to evaluate the website interface only (Allard, Liljander, & Jurriens, 2001; Barnes & Vidgen, 2002; Liu & Arnett, 2000; O’Neill, Wright, & Fitz, 2001). In this study, we go beyond website design to address the website as a service provider. We treat retail e-commerce
websites, such as Amazon.com, eBay.com, alibaba.com, and others as online service retailers (OSRs). Indeed, these websites handle payment transactions, shipping, returns, and refunds and many other service processes, which are the focus of our study.

Parasuraman, Zeithaml, and Berry (1988) SERVQUAL model is used to assess customer perceptions of service quality in service and retail organizations through five dimensions: (a) tangibility (the actual and physical appearance of the facilities, personnel, items, and products), (b) reliability (the ability to accomplish the promised service precisely and dependably), (c) responsiveness (the willingness to serve customers and fulfill the required service promptly), (d) assurance (the knowledge and courtesy of employees and their ability to communicate trust and confidence), and (e) empathy (the level of caring and individual attention that the firm provides to its customers). Many studies have used the SERVQUAL model or similar models (Parasuraman, Berry, & Zeithaml, 1991) to identify the quality dimensions of and the perceived service delivered by the retail website (Cox & Dale, 2001; Francis, 2009; Francis & White, 2002). Unlike these studies, we measure customer willingness to shop online rather than in-store. Specifically, we identify the quality gaps that hinder the consumers’ ability to use OSRs.

**RESEARCH METHODOLOGY**

Several studies have highlighted the significance of the quality dimensions of OSRs for overall customer satisfaction (Bauer, Falk, & Hammerschmidt, 2006; Collier & Bienstock, 2006; Jun, Yang, & Kim, 2004; Lee & Lin, 2005; Wolfinbarger & Gilly, 2003). Researchers also have measured the influence of quality dimensions on customers’ intention to shop online (Azam, Qiang, & Abdullah, 2012; Ha & Stoel, 2009, 2012) and the significance of the quality dimensions to consumer expectations and perceptions of quality (Francis & White, 2002).

In this study, we identify the quality gaps of OSRs, based, in part, on a survey instrument designed to explore customers’ behavior toward online shopping using linear regression. Unlike previous studies, the results of this survey instrument were used to measure the quality gaps’ significance on consumer willingness to shop online, using one statement per gap construct as an independent variable.

**Sampling Plan**

The participants in this study were students in the United States, mainly from the University of Miami, who had purchased products through OSRs in the last six months. Many research studies in the online service quality field have used only students as survey respondents (Aladwani & Palvia, 2002; Cai & Jun, 2003; Collier & Bienstock, 2006; O’Neill et al., 2001), and student samples have been found to adequately represent the online consumer population (Harrison McKnight, Choudhury, & Kacmar, 2002). Moreover, in regard to purchase intentions, students and non-students do not differ significantly in their quality/reliability perceptions (Peterson & Jolibert, 1995). In addition, younger people, such as students, tend to have more Internet experience and a positive attitude toward online shopping (Farag et al., 2007).

An online survey software and insight platform, Qualtrics, was used to collect data from respondents. The average estimated time required to complete and submit the survey instrument was seven minutes. For validation purposes, the data from students who spent less than three minutes were excluded. The data from those who selected the same answer for every question also were eliminated. Therefore, the 253 completed survey instruments were reduced to 239 usable survey instruments for analysis.
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