Chapter 13
Website Evaluation Criteria: An Owner’s Perspective

Ahmad Ghandour
University of Otago, New Zealand

George L. Benwell
University of Otago, New Zealand

Kenneth R. Deans
University of Otago, New Zealand

ABSTRACT
There is often a need for business organisations to evaluate their current and potential website in order to maximize the payoffs from website investments. Current evaluative approaches for the performance of e-commerce websites do not adequately address owners’ concerns regarding the payoffs from their e-commerce investment. This chapter establishes criteria to evaluate e-commerce websites based on an owner’s perception rather than the customer’s perception. Drawing upon theories of communication, resource based view and process oriented approach, an evaluation framework of three dimensions is developed. The three dimensions are: website offer, usage, and payoff. These three dimensions are used to explain the performance of a website, culminating in a website evaluation model. Each dimension is a business process of the website that the organisation needs to monitor.

INTRODUCTION
Many business organisations are motivated to invest in doing business online and have created websites for e-commerce transactions. Indeed, e-commerce websites have proliferated as managers are told that trading online is already leading to reshaping of customer and supplier relationships. Despite the increased attempts to trade online and the subsequent investments, managers still struggle to measure the success of their websites. These attempts can result in ineffective e-commerce activities and the consequent disappointment in recognisable benefits. As a consequence, there is a need for businesses to evaluate their current and potential site functionalities in order to maximize the payoffs from website investments. Current evaluative approaches for the performance of
e-commerce websites fail to adequately address owners’ concerns about the payoffs from their e-commerce investment. An extensive search of related literature established that no multi-item scale is available to measure the owners’ perceived e-commerce website success. A provision of such a scale would not only further enhance management’s ability to understand the payoffs from their investment but also act as an indicator of the weaknesses and strengths occurring in the website. An e-commerce website, however, is a sales channel (sometimes a business’s sole interface) between the business, customers and the world at large. In the contemporary competitive business environment, an innovative, well designed and managed website can provide the advantage a business needs to conduct its e-commerce activities successfully. However, and according to Epstein, (2004), making the commitment without thinking seriously about what drives a successful e-commerce website leads to inefficiency and to managerial dissatisfaction.

The remainder of this chapter is organised into six sections. The first section examines theoretical perspectives for measuring the performance of a website. The primary purpose of this section is to build a rationale and theoretical basis for defining website performance. The second section builds a high level model of inquiry based on the theoretical perspectives of section one. It identifies three dimensions of website performance that need to be measured. In this section the model is also submitted to seven questions proposed by Cameron & Whetten, (1983) when measuring performance. The third section discusses the first dimension of website performance, website investment. The fourth section examines website usage which is the second dimension of website performance. The fifth section discusses the third dimension of website performance, the website payoff. Section six concludes this chapter.

**BACKGROUND AND MOTIVATION OF THE STUDY**

Business organisations that have a website as a sales channel need to be engaged in an evaluation effort as part of their management practices. Such evaluations promise strategic benefits such as a positive return on investment (Park & Gretzel, 2007; Stockdale & Lin, 2008) and help the progression to higher levels of e-commerce activity (Ally, Cater-Steel, & Toleman, 2007).

Throughout the literature, e-commerce website evaluation has been studied from the user perspective or the technical aspect, while there are fewer studies that deal with the owner perspective (Barnes & Vidgen, 2003; DeLone & McLean, 2004; Elliot, Mørup-Petersen, & Bjoørn-Andersen, 2000; Molla & Licker, 2001; Petre, Minocha, & Roberts, 2006; Quaddus & Achjari, 2005; Schubert & Selz, 2001; Torkzadeh & Dhillon, 2003; Turban & Gehrke, 2000; Udo & Marquis, 2001; Van der Merwe & Bekker, 2003). Nevertheless, the owner perspective presents an important supplement to the user perspective aspects, as they may provide answers to the impact of e-commerce investment (payoffs resulting from investment). The reasons for such shortcomings are mainly due to the emphasis given to the user and the need to understand what is suitable for them. Another reason is that owners are usually not willing to divulge financial data or even user statistics on their websites, making the investment payoff analysis more difficult.

Since the crash of the dotcoms in 2001, e-commerce has progressed into another phase and investors are no longer interested in securing a virtual space but rather conducting online operations justified by an adequate return on investment (Epstein, 2004). According to Epstein (2004), businesses that failed to survive the crash were those with little to no managerial and performance guidelines. As e-commerce begins to mature, many researchers and owners have recognised the need to identify and measure the
Related Content

The Turf Conversation- Who Does What to Whom
[www.igi-global.com/chapter/turf-conversation-does-whom/30279?camid=4v1a](www.igi-global.com/chapter/turf-conversation-does-whom/30279?camid=4v1a)

The Always-On Business Model and Competitive Advantage
[www.igi-global.com/chapter/the-always-on-business-model-and-competitive-advantage/192972?camid=4v1a](www.igi-global.com/chapter/the-always-on-business-model-and-competitive-advantage/192972?camid=4v1a)

The Role of Identity Theft in Identity and Access Management
[www.igi-global.com/chapter/the-role-of-identity-theft-in-identity-and-access-management/196534?camid=4v1a](www.igi-global.com/chapter/the-role-of-identity-theft-in-identity-and-access-management/196534?camid=4v1a)

Enterprise Resource Planning System: Issues and Implementation
[www.igi-global.com/chapter/enterprise-resource-planning-system/44103?camid=4v1a](www.igi-global.com/chapter/enterprise-resource-planning-system/44103?camid=4v1a)