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**Consumer Perception Towards Retail Service Quality of E-Retailers:
A Demographic Study**

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ABSTRACT

Rapid growth of online retail industry has made online shopping a part of our daily lives. Quality of services provided by online retailers is one of the determinants of repeat purchase and customer loyalty. Present study has been carried out on 370 randomly selected e-buyers to understand the determinants of e-service quality. Application of factor analysis identified eight factors: Service Tools, Service Precision, Integrity, Affirmation, Appropriateness, Amenities, Credibility and Smart Technology. The effect of demographic characteristics of the respondents has been tested statistically. Further scope for investigation has been discussed based on the results.

Keywords: E-Service Quality, Shopping, Amenities, Smart Technology

INTRODUCTION

The e-commerce business in India has transformed the way of doing business. The sector has abundant online shopping sites offering large variety of products and services to the customers. Online shopping is now-a-days not a privilege to a specific class of customers. It is an opportunity enjoyed by all who find good options according to their requirements. In transforming era of digitalization, retailers' dependency on internet is increasing as it helps to cut down the marketing cost, resulting to reduce the price of product. As online shoppers are getting smarter, there is enough scope for further growth in coming few years. (Rahul, 2016) Although e-retailers are adopting new techniques to enhance their performance, their survival depends on best customer service along with assured quality at low prices. (Kalia, 2013) Quality of services delivered is one of the significant factors that plays major role in success or failure of online retailer. It helps the retailer to build healthy relationship with customers leading to increased satisfaction.

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REVIEW OF LITERATURE

Dimensions of e-service Quality

The service quality model was first developed by Zeithaml, Parsuraman and Berry in 1988 to measure the experience of service quality by customers. The five dimensions that measure the service quality are reliability, assurance, tangibility, empathy and responsiveness. E-service as defined by (Santos, 2003) is “Overall customer evaluations and judgments regarding the excellence and quality of e-service delivery in the virtual marketplace.” Understanding the determinants of customer satisfaction based on service quality of e-retailers is important (Lee and Lin, 2005) Studies have revealed that e-service quality is important determinant of e-commerce effectiveness (Yang, 2001; Janda et al., 2002). The key variables of online service quality identified by Samar and Rolf (2007) are quality and reliability of information, responsive, assurance, personalization and website usability.

Customer satisfaction is influenced with perception about reliability, whereas customer loyalty is affected due to perception towards assurance of services. A satisfied customer is more likely to stay with the same company (Lee & Lin, 2005), and effective loyalty building strategies enables e-business to grow in size and population. Zeithaml (2000) identified eleven dimensions of online service quality as access, ease of navigation, efficiency, flexibility, reliability, personalization, security/privacy, responsiveness, assurance/trust, site aesthetics, and price knowledge. Madu and Madu (2002) proposed 15 dimensions of online service quality: performance, features, structure, aesthetics, reliability, storage capacity, serviceability, security and system integrity, trust, responsiveness, product/service differentiation and customization, web store policies, reputation, assurance, and empathy.

Jun et.al. (2004) have identified six quality dimensions as reliable or prompt responses, access, and ease of use, attentiveness, security, and credibility. Reliability of response, attentiveness and ease of use are associated with satisfaction based on perceived overall service quality. Online service quality dimensions affect overall service quality of online retailer resulting in customer satisfaction and purchase dimensions. There is a strong correlation between online service quality and customer satisfaction (Cai and Jun, 2003) To enhance customer satisfaction and driving their purchase intentions, online stores need to develop a strategy ensuring trustworthiness, reliability and responsiveness of web services (Guang and Fen, 2005). Another study by Swaid and Wigand (2007) identified that key dimensions of e-commerce service quality are reliability, website usability, responsiveness, personalization and assurance. Customer satisfaction is affected by perception towards reliability and customer loyalty is influenced by perception towards assurance. Customer satisfaction is the major predictor of customer retention.

E-service Quality and Customer Satisfaction

E-retailers provide numerous benefits to their customers (Griff and Palmer, 1999) such as convenience of ordering, checking availability of desired products, price comparison and so on. E-service quality is one of the important determinants of success of online retailers. (Jun, et al., 2004). Vaghela, (2016) observed that online shopping is perceived better than traditional shopping though sometimes it is expensive. Customers while shopping online, expect high quality services with a personal touch. (Zhao and Gutierrez, 2001). Gefen (2000) found that trust is a key driver of perceived service quality and customer satisfaction. E-retailers need improve reliability dimension such as assured product delivery, providing up-to-date information and strengthening security of online transactions. Manpreet Kaur, (2018) observed that responsiveness, security, reliability, website design, ease of use and personalization are leading factors that affect consumer opinion about e-retailing.

San and others (2010) in their study have correlated the relationship between various factors such as prompt response, attentiveness, perceived ease of use, and security towards online service quality. Ramin et. al. (2011) observed that trust, customer service, customers' income, price and security are more important to encourage people to purchase online where as the most important concern for shopping online is transaction security. Christina and Ard (2016) have revealed the impact of age, occupation, income, and ethnicity on service quality perception. Lal and others (2014) observed that demographic characteristics, especially age, are important influencers of consumer decision making process. Older consumers as compared to young buyers have less favourable opinion about personal interaction, functional quality and reliability of overall service quality. Zeithaml (1985) observed income as a strong affecting factor on consumer choice decision.

OBJECTIVES

1. To identify the factors associated with e- service quality perceived by e-buyers.
2. To measure the effects of consumer demography on factors of e-service quality leading to customer satisfaction.

RESEARCH METHOD

- **Type of study:** Descriptive Study
 - **Sampling Technique:** Simple random sampling.
 - **Sample size:** 370 e-buyers
 - **Tools for data Collection:** Primary data collected through structured questionnaire.
 - **Tools for data analysis:** Factor analysis, t-test, One Way ANOVA on SPSS
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HYPOTHESES

H₀₁: There is no significant difference between Genders towards customer satisfaction based on the factors of e-service quality.

H₀₂: There is no significant effect of Age of respondent on customer satisfaction based on the factors of e-service quality.

H₀₃: There is no significant effect of Occupation of respondent on customer satisfaction based on the factors of e-service quality.

H₀₄: There is no significant effect of Education of respondent on customer satisfaction based on the factors of e-service quality.

H₀₅: There is no significant effect of Family Income of respondent on customer satisfaction based on the factors of e-service quality.

ANALYSIS AND FINDINGS

To ensure the reliability of constructs, Cronbach's alpha coefficient was calculated. The value of Cronbach's alpha was found to be 0.915 for 39 items (Table 1). Similarly, KMO measure of sample adequacy was found to be 0.897 and Bartlett's test of Sphericity was also found to be significant (Table 2).

Factor analysis has been applied by using Principal Analysis Method. Total eight factors have been extracted which are described below:

Sr. No	Factor Name	% of Variance	Cumulative %
1	Service Tools	10.139	10.139
2	Service Precision	8.086	18.226
3	Integrity	7.795	26.021
4	Affirmation	7.454	33.475
5	Appropriateness	6.271	39.746
6	Amenities	4.946	44.693
7	Credibility	4.293	48.985
8	Smart Technology	3.405	52.391

Results of Hypothesis Testing

To test the effects of Gender on factors associated with satisfaction based on e-service quality, t-test has been applied. No significant difference between level of satisfaction among males and females in terms of Service Tools, Service Precision, Affirmation, Appropriateness, Amenities, Credibility and Smart Technology as determinants of e-service quality was observed. However, it was observed that males perceive satisfaction differently than females in terms of Integrity as a determinant factor of e-

service quality. Thus, null hypothesis H_01 : There is no significant difference between Gender towards customer satisfaction based on the factors of e-service quality was rejected in terms of Integrity factor.

The effects of Age of respondents on customer satisfaction were tested by applying One Way ANOVA. Age wise no significant effect was observed in terms of Affirmation and Appropriateness. Further, age group 40-55 yrs in terms of overall satisfaction, Service Tools, Service Precision and Smart Technology, age group more than 55 yrs in terms of Integrity and Credibility and age group less than 25 yrs in terms of Amenities are significantly different than other groups in terms of customer satisfaction. Thus, null hypothesis H_02 : There is no significant effect of Age of respondent on customer satisfaction based on the factors of e-service quality was not rejected for Affirmation and Appropriateness.

The effect of Occupation on customer satisfaction based on e-service quality factors, was tested by applying One Way ANOVA. Occupation wise there is no significant impact in terms of overall satisfaction, Service Tools, Service Precision, Affirmation, Appropriateness and Amenities. Thus, null hypothesis H_03 : There is no significant effect of Occupation of respondent on customer satisfaction based on the factors of e-service quality, is not rejected. However, significant impact of Integrity, Credibility and Smart Technology was observed as determinants of e-service quality. The group Homemakers in terms of Integrity and Smart Technology and Self Employed in terms of Credibility are found to be significantly different than other groups in terms of satisfaction.

One way ANOVA was applied to test the significant effect of Education and Family Income of respondents on customer satisfaction based on identified factors. The study observed no significant effect of both the variables on satisfaction based on factors of e-service quality. Thus, null hypotheses H_04 : There is no significant effect of Education of respondent on customer satisfaction based on the factors of e-service quality and H_05 : There is no significant effect of Family Income of respondent on customer satisfaction based on the factors of e-service quality are not rejected.

CONCLUSION AND IMPLICATION OF THE STUDY

Present study has been carried out to understand the factors associated with service quality of online or e-retailers. The basis of questionnaire has been taken from the previous studies conducted in the same area. Application of Factor Analysis using Principal Component Method has extracted eight factors namely Service Tools, Service Precision, Integrity, Affirmation, Appropriateness, Amenities, Credibility, and Smart Technology. The details of the variables consisting in each factor group are already described in analysis part.

Further, the effect of factors in terms of demographic characteristics of respondents has been tested statistically. Study confirms that males perceive satisfaction differently than females in terms of Integrity as a determinant factor of e-service

quality. Age group 40-55 yrs in terms of overall satisfaction, Service Tools, Service Precision and Smart Technology, age group more than 55 yrs in terms of Integrity and Credibility and age group less than 25 yrs in terms of Amenities are significantly different from other groups in terms of customer satisfaction. The group Homemakers in terms of Integrity and Smart Technology and Self Employed in terms of Credibility are found to be significantly different from other groups in terms of satisfaction. However, Education and income level of respondents do not have a significant impact on satisfaction based on factors of e-service quality.

Further, present study has been carried out in general and not on the basis of specific product category. The study can be carried out to understand the effect of factors determining e-service quality in terms of a specific e-retailer with respect to specific product category. The study would be helpful for the e-retailers to focus their strategies based on factors leading to satisfaction. Similarly, service quality parameters can also be designed differentially based on individual demography. Customer satisfaction in online retailing and offline buying through the same retailer may differ which is proposed as further scope of study.

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