Evaluating Service Quality and Consumer Satisfaction in Virtual Shopping Malls

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Abstract

The current study aims to measure the difference between performance and expectations related to the service quality of virtual shopping malls. The study is based on primary data collected through a well structured questionnairewhich was served to the consumers of virtual shopping malls through internet. The questionnaire comprised two parts, one part is related to the shopping behaviour of the consumers and other is related to the expectation and performance of consumers' towards various service quality dimensions;The study concludes that there is a gap between the consumers' expectations and performance towards service quality of virtual shopping malls. The widest gap has been found in the "Secure Transactions" followed by "Customer Services", "Personalized Offers" and by "Delivery Cost". Therefore overall there is a significant difference has been found among the overall expectation score of the consumers and overall satisfaction level of the consumers towards the service quality of the virtual shopping malls.

Introduction

Virtual shopping malls are the greatest need of our generation. Virtual shopping malls and virtual shopping mall culture is one of the phenomenon's that are very popular in this current era because our lives are so much influenced by internet. Now a day's people are so much busy with their work schedule which results in less time for various activities like; shopping and other. People want to do shopping from their homes because they don't have time to go out for shopping. People need not to travel store by store these days they can get the product at their home and they can even pay cash on delivery, if in case they do not like the product they can change that product within given time. On virtual shopping malls they can place an order from their homes and they will get different variety and special discounts and new offers, that will save their time, money and energy and from their homes customers get accurate representation of the product they needed due to many important technologies like virtual reality and 3D techniques. Customers get different benefits if they shop from virtual shopping malls like flexibility, speed, control, confidentiality and they do not get tired to find the product. That is why virtual shopping malls attract more customers over shopping malls and stores these days. This want of people have boosted the growth of the virtual malls in the country. Now, when there is so much number of virtual malls have already opened in the country and many more are in the queue to be opened, then they have to focus on service quality of their virtual malls so that they can get an competitive advantage over others. Good service quality attracts more and more people to change their consumer behavior from traditional way to virtual way. There is need to do research in this area because there is difference between customer expectation and their satisfaction level related to service quality of virtual shopping malls.

1

Review Literature

Recent research shows that internet shopping becomes a full and effective business model (Black, 2005), therefore there are several studies that already investigated more or less related on internet shopping and consumer behavior. There are many reasons for such a rapid developing of internet shopping, which mainly due to the benefits that internet provides. Obviously, consumers do not need go out looking for product information as the internet can help them to search from online sites, and it also helps evaluate between each sites to get the cheapest price for purchase. Through the different search engines, consumers save time to access to the consumption related information, and which information with mixture of images, sound, and very detailed text description to help consumer learning and choosing the most suitable product (Moon, 2004).Recently internet has spread quickly and has become crucial tool all over the world (Farag, Schwanrn, Dijst & Faber, 2007). In the last decade, Internet has influenced communication, entertainment and shopping experience (Miyazaki & Fernandez, 2001). Internet provides a big convenience for shopper as the main reason for their shopping online has been agreed by most of researcher and customers (Wolhandler, 1999). Due to the feature of Internet, it allows customer to shopping online anytime and anywhere. As a shopping media, Internet attracts people and researchers (Teo, 2006). Growing number of Internet shopping and internet shoppers attract the researcher concerns day by day more researcher do more research concerning internet shopping process. People, who have Internet experiences, can search and find information quickly and most of the people do not have time to go shopping and they try to purchase their needs over internet and for these people variety and quickness of internet shopping are valuable characteristics of internet shopping (Järveläinen, 2007). For browsing the products/services, consumers only need to do is open a browser and exploring the shopping sites, which gives them more pleasure to seeking out the new information about the products and services than searching in physical stores, even some of them did not actually buying anything, but they still gain a new kind of shopping experience (Punj and Steelin, 1983).Internet shopping characterizes new features and new opportunities such as information sharing and writing comments to products and services (Swinyard & Smith, 2003). Privacy and security of online shopping and perceived risks are important barriers in front of internet shopping and retailers should develop some precautions handle these drawbacks (Miyazaki & Fernandez, 2001). Security and privacy of online shopping attracts researcher attentions (Järveläinen, 2007).Web sites most important role is to ensure customers concerning their financial data and private data. Most of the sites try different ways to protect customer data. They try to improve their security precautions and payment methods. If consumer trusts the internet shopping web sites their intention to purchase would increase. Internet shopping malls adopt virtual reality (Lee, 2001) and 3D techniques (Miller, 2000) to improve the presentation of products.

Objective

The main objective of the study is to measure the difference between performance and expectations related to the service quality of virtual shopping malls.

Research Methodology

The current study is based on the primary data collected from the consumers of virtual shopping malls. The questionnaires were sent to the 850 people through Google docs. Only those respondents have been selected who do the online shopping. Total 380 questionnaires were selected which were properly filled up by the consumers of virtual shopping malls. The list of the virtual shopping malls along with the number of respondents has been given in appendix A. The questionnaire consist various dimensions of service quality related to virtual shopping malls and responses were recorded for the expectation of the consumers and actual performance of these virtual shopping malls. The expectation of the consumers have been measured using five point likert's scale where 5 means very important and the actual performance has been measured using five point likert's scale where 5 means very satisfied. The data has been processed using SPSS 19.0.

Data Analysis and Interpretation

This section discusses the analysis of the primary data collected through questionnaire, for measuring the difference between performance and expectations related to the service quality of virtual shopping malls.

Shopping Behaviour of Consumers towards Virtual shopping malls

The data related to the shopping behaviour of the consumers towards virtual shopping mallshas been given in the form of graphs I & II in this section. Graph I shows the frequency level of the consumers doingshopping from virtual shopping malls while Graph II depicts the various items purchased by the consumers from virtual shopping malls.
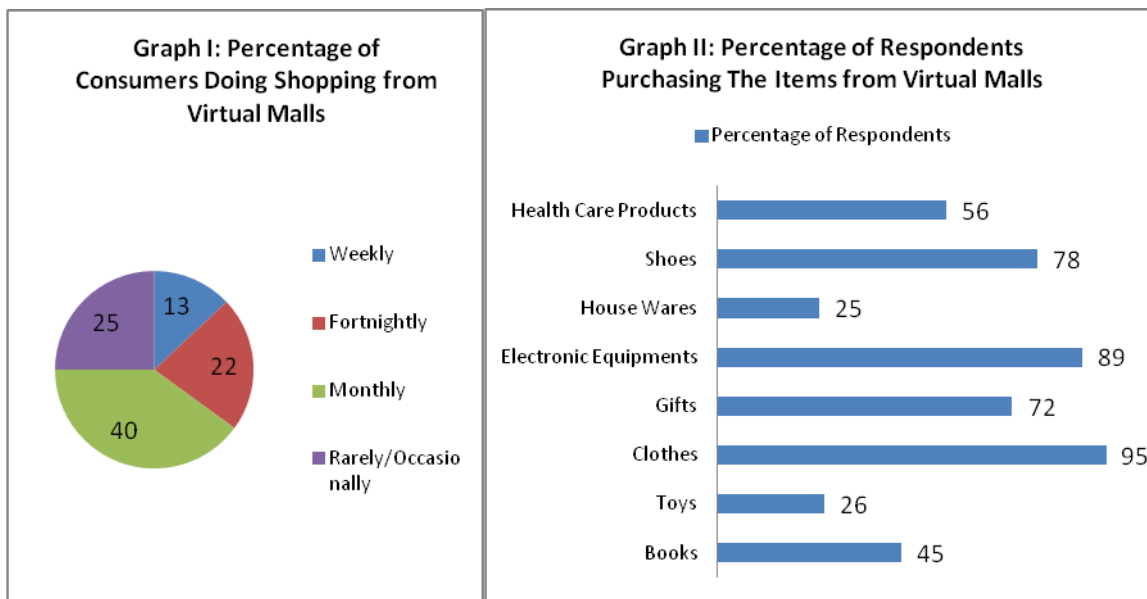
Interpretation:It can be interpreted from the graph I that highest number of consumers i.e. 40 percent who have participated in the survey does the shopping from virtual shopping malls monthly followed by 25 percent of the total respondents does the shopping from virtual shopping malls rarely/occasionally. While only 13 percent of the respondents does the shopping from virtual shopping malls weekly and 22 percent of the total respondents does the shopping from virtual shopping malls fortnightly.

3

It can be interpreted from the graph II that highest number of consumers use the virtual shopping malls for shopping of clothes, followed by electronic equipments i.e. 89 percent of total respondents. The least percentage i.e. 25 percent has been recorded for the house wares items purchased from virtual shopping malls. Thus overall it can be interpret from the graphs which are related to shopping behaviour of the consumers that majority of the consumers does the shopping from virtual shopping malls on monthly interval. Clothes, electronic equipments, shoes and gifts are the highly purchased items by the consumers from the virtual shopping malls.

GAP Analysis

The gap analysis has been done in the table I to measure the gap between the expectations and actual performance of the consumers towards various service quality dimensions of virtual shopping malls.

Table I: Consumer's Expectation, Performance and Gap Mean of Service Quality of Virtual shopping malls

S. No.	Dimensions	Expectation (Mean)	Perception (Mean)	Gap Mean	t-value
1	Availability of Brands	4.45	4.35	-0.10	1.32 (NS)
2	Variety in Products	4.14	4.11	-0.03	1.10(NS)
3	Product Description	4.27	4.20	-0.07	1.24 (NS)
4	Purchase Process	4.44	3.75	-0.69	5.95*
5	Privacy Protection	4.24	3.85	-0.39	2.56*
6	Personalized Offers	4.52	3.64	-0.88	5.45*
7	Competitive Price	4.54	3.95	-0.59	4.97*
8	Delivery Cost	4.45	3.60	-0.85	3.96*
9	Speed of Delivery	4.14	3.35	-0.79	4.59*
10	Secure Transactions	4.86	3.92	-0.94	6.44*
11	Customer Services	4.80	3.88	-0.92	6.24*
12	Return/Exchange Policy	4.34	4.00	-0.34	2.54*
13	Terms & Conditions	4.14	3.52	-0.62	4.56*
14	Tracking Order	4.24	4.20	-0.04	1.11(NS)
15	Tracking Shopping History	4.24	4.20	-0.04	1.11(NS)
16	Order Cancellation Policy	4.36	3.98	-0.38	3.01*
17	Overall	4.47	4.01	-0.46	3.58*

*Indicates significant at 1% level of significance and NS stands for not significant.

It can be seen from the table I that there is a gap between the consumers' expectations towards the service quality dimensions of the virtual shopping malls

4

and the actual performance towards the service quality dimensions of the virtual shopping malls. The mean values of all expectation score for all the dimensions of service quality are higher than the mean value of performance score; which shows a negative gap between the expectation and performance in service quality of virtual shopping malls. In order to assess the significant difference between the expectation and performance score, t-test has been conducted at 95 percent confidence level. As per the results of t-test, it can be interpreted that out of sixteendimensions of service quality of virtual shopping malls, in eleven dimensions of service quality have a significant difference in the expectation and performance score while rest of the five dimensions do not have significant difference between the expectation and performance score.

The widest gap has been found in the "Secure Transactions" followed by "Customer Services", "Personalized Offers" and by "Delivery Cost". Thus it can be interpreted that there is a gap between what a consumer expects from virtual shopping malls' service quality and what type of service quality they actually receive from virtual shopping malls. (Table I) Therefore overall there is a significant difference has been found among the overall expectation score of the consumers and overall satisfaction level of the consumers towards the service quality of the virtual shopping malls.

Conclusion

The study concludes that there is a gap between the consumers' expectations and performance towards service quality of virtual shopping malls. Consumers are not satisfied with the security while making transactions, the administrative people of virtual shopping malls should focus on this point and should try to increase efforts to make people feel secure while making transactions. Similarly, customer services are one of the areas where the virtual shopping malls need to work, as there is a wide gap between consumers' expectations and performance score. Customer services should be improved to increase the level of consumer satisfaction towards service quality of virtual shopping malls.

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5

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