



# The role of e-service quality management in the delivery business value



Neil F. Doherty<sup>a,\*</sup>, Mahani Shakur<sup>b</sup>, Fiona Ellis-Chadwick<sup>a</sup>

<sup>a</sup> School of Business and Economics, Loughborough University, Loughborough, Leicestershire LE11 3TU, UK

<sup>b</sup> Department of Economics, Faculty of Economics and Business, University of Malaysia, Sarawak, Malaysia

## ARTICLE INFO

### Article history:

Received 8 March 2015

Received in revised form

30 June 2015

Accepted 3 July 2015

Available online 24 July 2015

### Keywords:

Electronic-commerce

Service quality

Retail trade

Business value

Survey

## ABSTRACT

In sharp contrast to the extensive debate that has been conducted in the contemporary literature, with regard to consumers' perceptions of e-service quality, the voice of those managing e-service quality has remained relatively silent. Against this backdrop, the primary aim of the research presented in this paper is to address the gap in the literature with regard to the role of electronic service quality management in leveraging business value from on-line retailing strategies. The study was undertaken using a quantitative research methodology, based upon questionnaires, which resulted in a sample of 225 responses, completed by senior managers from across the UK's on-line retail sector. The results of the statistical analyses have demonstrated that the perceived success of a retailer's e-commerce operations is strongly associated with both the management approaches to e-service quality and the level of e-commerce adoption. Of particular interest is our finding that as the scale and scope of a retailer's e-commerce operations grow, there is a concomitant need for its e-service quality operations to develop, if it is to realise the full value from its on-line activities. The article adds to the body of knowledge regarding the management of electronic service quality while also seeking to stimulate critical debate concerning the role of service quality practises within prevailing IT value discourses.

© 2015 Elsevier Ltd. All rights reserved.

## 1. Introduction

Globally, the market for e-commerce is already huge, and it is still experiencing very fast rates of growth: the total revenue from on-line transactions was estimated to have been just over \$1 trillion at the beginning of 2012, and it is forecast to rise to \$1.5 trillion, by the end of 2014 (eMarketer, 2014). The reasons for the strength and the persistence of growth in the electronic marketplace are threefold: there are still substantial numbers of on-line buyers, using the Internet for the first time; existing on-line consumers spend more, per capita; and many new transactional web-sites have been launched by established off-line retailers (Clements, 2011). Such aggregated sales figures are made up from the individual performances of extremely large numbers of individual Internet retailers, and although the trend line is rapidly rising, there is much evidence to suggest that not all retailers have been equally successful in their attempts to develop an effective web presence (Evanschitzky et al., 2004; Lunce et al., 2006; Korgaonkar

and O'Leary, 2008; Rao et al., 2011). Consequently, for many years, the reasons why some web businesses flourish, in this rapidly expanding, but highly competitive market-place, whilst other fail, has been the subject of much academic scrutiny as well as practitioner interest and debate (Doherty and Ellis-Chadwick, 2009).

Creating a superior experience for the customer, through the delivery of first-class on-line services, may be one important way in which on-line retailers can improve their chances of developing a successful on-line business (DeLone and McLean, 2004). In the context of Internet retailing, it has been argued that service quality should be conceptualised, broadly, as the degree to which the consumers' service needs have been met (Xu et al., 2013). During the last two decades, an increasing number of studies have contributed to enhancing our understanding of the role of e-service quality in shaping customer experiences and behaviours. Thus far, the vast majority of e-service quality studies have been consumer oriented, in that they have sought to explore how various facets of the e-service quality offering impact upon a range of customer-oriented success measures, such as customer satisfaction, intention to buy and consumer trust (Chen et al., 2014; Kassim and Abdullah, 2010). Whilst these studies provide many extremely interesting insights into customer motivation and consumer

\* Corresponding author.

E-mail addresses: [N.F.Doherty@lboro.ac.uk](mailto:N.F.Doherty@lboro.ac.uk) (N.F. Doherty), [asmahani@feb.unimas.my](mailto:asmahani@feb.unimas.my) (M. Shakur), [F.E.Ellis-Chadwick@lboro.ac.uk](mailto:F.E.Ellis-Chadwick@lboro.ac.uk) (F. Ellis-Chadwick).

behaviour they do not say a great deal about the success of the site from the host organisation's perspective. No matter how positive customer attitudes, behaviours and experiences may be, if these are not being translated into tangible and positive business benefits, then it cannot be argued that any e-commerce initiative has been truly successful. As (DeLone and McLean, 2004, p. 31) note, although *'the Internet has dramatically affected the conduct of business .... the laws of economics have not been rewritten'*, and therefore organisation's still need to ensure that they keep an eye of the bottom-line. Against this backdrop, there is a pressing need for more organisationally-oriented research studies of electronic service quality.

It is envisaged that in adopting a retailer, rather than a consumer, perspective, our study will contribute to the literature in three important ways. First, it will shed light upon how retailers' organise their e-service operations and practises. Second, it will investigate how the practise of e-service quality management is shaped by the scope of the retailers' e-commerce operations. Finally, and perhaps most importantly, it will seek to shed light upon the role of electronic service quality management in leveraging business value from on-line retailing strategies. In terms of its structure, this manuscript continues by presenting a critical review of the extant literature for this study, before describing the research methods adopted, in section three. The research results are presented in a series of tables that are discussed in the Sections 4 and 5, whilst their importance and implications are assessed in the concluding sections.

## 2. Conceptual background and research objectives

This section aims to review existing literature with respect to the three broad constructs that form the study's primary focus, namely the management of e-service quality, the scope of e-commerce adoption and success of e-commerce strategies. In critically reviewing the literature, the motivations and academic justification for this study will be established.

### 2.1. E-service quality management (ESQM)

In what has become one of the most widely quoted definitions, Parasuraman et al. (2005, p. 217) assert that e-service quality is the *'extent to which a website facilitates efficient and effective shopping, purchasing and delivery'*. Although in an on-line context, the target of the purchase encounter clearly spans the full product/service continuum, there is always a significant service element to any on-line transaction as, even when a highly tangible product is being bought, the purchase, delivery and *post-purchase support* are all essentially service elements of the transaction (Rowley, 2006). However, in the on-line context, the service dimension can often be rather more problematic as there is no face-to-face interaction, with a service provider, which is the staple of most traditional service encounters (Zeithaml et al., 1996). Given its very wide ranging nature, and central role in electronic transactions, service quality is increasingly recognised as playing a very important role in any on-line retailing, and it is therefore one that needs to be actively and comprehensively managed (Ladhari, 2010; Liao et al., 2011).

As the customer is on the receiving end of retailers' attempts to manage and enhance service quality, much past research has focused upon evaluating customers' perceptions of the quality of service that they have experienced, when making purchases in a wide variety of on-line contexts (e.g. Boshoff, 2007; Long and McMellon, 2004; Xu et al., 2013). Customers' perceptions of the service quality they have experienced, when purchasing on-line, have typically been measured by using the SERVQUAL framework

(Parasuraman et al., 1988; 2005). Because service quality has typically been defined and measured from the customers' perspective (Xu et al., 2013), a very wide variety of studies have already been undertaken to ascertain how customers on-line service encounters ultimately affect their satisfaction, trust, loyalty and intention to buy (Rowley, 2006; Kim et al., 2009; Chen et al., 2011). We also know from prior studies of the practise of service quality management, in traditional, off-line business contexts, that, if managed appropriately, internal service quality can exert a significant and positive influence on business performance, using both financial and non-financial measures (e.g. Zeithaml, 2000; Duncan and Elliott, 2002; Madu et al., 1996; Flynn et al., 1995). More specifically, it has been shown that superior service quality is associated with: increased sales growth (Tan et al., 1998) and improved profitability (Rust et al., 1995). However, to date, there appears to be little literature, focused explicitly upon the business, rather than the customer, that explicitly seeks to critically evaluate the role of service quality, in leveraging business value, in an on-line context.

### 2.2. The scope of e-commerce adoption

At the outset of the online retailing era, the uptake of the Internet by retailers was a hot topic, and a significant amount of research was devoted to exploring both the rate and the scope of e-commerce adoption (e.g. O'Keefe et al., 1998; Cockburn and Wilson, 1996; Ellis-Chadwick et al., 2002; Spiller and Lohse, 1997). However, more recently, interest in this phenomenon has waned significantly. The fairly sporadic, more recent, contributions to this body of literature, tend to suggest that there are still some very big differences between the highly enthusiastic early adopters of every new Internet function, feature or capability, and those retailers who are still reluctant to commit too much resource to their online channel (Rodríguez-Ardura and Meseguer-Artola, 2010; Doherty and Ellis-Chadwick, 2009). However to date, most research into e-commerce adoption, in the retail sector, has treated e-commerce adoption as the dependant variable, typically using a binary-adopter vs. non-adopter – variable to measure the uptake of a variety of Internet technologies (e.g. To and Ngai, 2006; Ghobakhloo et al., 2011). Consequently, there is relatively little, up-to-date knowledge about the scope and sophistication of retailers' online strategies, nor the extent to which these might influence other aspects of e-commerce activities.

### 2.3. The success of e-commerce strategies

Over the past 25 years a very substantial body of research has been attempting to improve our understanding of the drivers of e-commerce success (Doherty and Ellis-Chadwick, 2010). As we have already seen, the vast majority of e-service quality studies have used a customer-oriented measure of success as a dependant variable, and the same is true for most other attempts at understanding what more broadly determines e-commerce success, which have also typically adopted a customer-centric orientation. Such studies seek to measure the consumers' attitudes and reactions to a variety of different elements of the retailers' on-line offerings and strategic positioning, as manifested through the design of their web-sites. Indeed, a large numbers of studies have now been conducted that explore the impact of a variety of independent variables, such as ease of use, perceived control, interactivity, and shopping enjoyment on a range of different dependant variables, such as perceptions of site quality, customer loyalty and intention to continue shopping on-line (Wolfinbarger and Gilly, 2003). More recently, Goode and Harris (2007) have investigated the impact that the consumers' perception of on-line reputation, reliability, site design and security might have on their

Download English Version:

<https://daneshyari.com/en/article/1028934>

Download Persian Version:

<https://daneshyari.com/article/1028934>

[Daneshyari.com](https://daneshyari.com)