

CHAPTER 1

INTRODUCTION

1. Introduction

1.1 Introduction

What is the first thing that comes to mind when we deal with small businesses? Do they have a web presence. If they have a web presence then how strong or weak is the presence. In this day and age, one cannot afford to underestimate the importance of a strong web presence.

With the advancement of technology, the consumer purchasing behaviour has also changed a lot. These days, most people do extensive research online and research on product specifications before they make any purchase. So, not having a website means that you are missing out on that large chunk of potential customers. Even if people don't buy a product online, a website establishes a relationship between a business & its customers. The overall experience of a customer on the website will be a crucial factor in determining the brand perception.

With dealing with any new business, credibility issues arise. A website also establishes the credibility of the business. Many small businesses argue that they are doing well despite of not having a website. But the truth is that sooner or later it is going to affect their sales. When people go for highly capital intensive deals or purchases, they will leave no stone unturned in interrogating the credibility of the business. Not having a website will hurt these businesses big time in the future and small businesses will never be able to grow rapidly in the future.

Reasons why an organization needs an effective web presence

- a. Reach Global Markets :** In order to reach global markets, a company must follow an foreign market entry strategy such as exporting, licensing, FDI etc. These strategies require a lot of capital investment. But by having a website, a business can advertise to the global audience without even spending a considerable amount of money.
- b. 24x7 Support :** An online store never closes. A website allows a business to remain open 24x7 without involving any manpower to watch it.
- c. Improved Customer Service :** A business can provide services to its customers round the clock without involving additional labour. Customers are better serviced when they have access to all the information on products &

services of a company on its website. Providing answers to FAQ's on the website saves customer time.

- d. Save money on Print Media :** A website saves your costs of printing and distribution which you would otherwise incurred on traditional print media.
- e. Professional Outlook :** The quality of the website determines the level of professionalism of a company. In today's day and age, it is expected that the employees, supply chain partners and the customers will be interacting online most of the time. Companies which do not have a web presence are indirectly stating their inability to compete in the current environment.
- f. Create A Product Or Service Showcase :** A website allows a company to display its products & services in innovative & appealing ways. It allows businesses to add pictures, videos & detailed descriptions of their offerings to differentiate from their competitors.
- g. Automation, Productivity, and Profitability**

Through Internet automation companies can increase their productivity and profitability. Automation can help in reducing costs to such a level which is unimaginable.
- h. Sell Products and Services Online**

It is much cheaper to sell products online. It reduces costs of maintaining an inventory and also other miscellaneous costs. Also, providing services online is much more affordable these days.
- i. Customer Feedback**

It is very important for companies to gather customer feedback regularly to improve their level of service. Surveys can be conducted to improve products and services. Site statistics can also help companies understand how their visitors and customers use their site.
- j. Make Money from the Website**

Companies also have the opportunity to earn revenue from their website which acts as a platform of promotion.
- k. Viral Marketing**

Companies can have use e-word of mouth communications effectively by asking their loyal customers to refer their family & friends.
- l. Improve the Advertising Effectiveness**

By linking the company's website on all promotional activities will add

credibility to the promotion. Adding the website address on an ad increases its exposure without adding to cost.

m. Educate Customers

A website contains detailed information about products & services which also serves to educate customers.

1.2 Project Overview

1.2.1 Ecommerce in India

The eCommerce sector in India has seen an unprecedented growth in 2014. There has been a massive increase in the number of people who have started using ecommerce websites. This growth can be attributed to rapid technology adoption by both ecommerce companies as well as consumers. The ecommerce companies like Flipkart, Snapdeal have seen huge investments in the last few years due to the huge potential of the sector.

Also, major players like Amazon & Alibaba have entered the Indian market, which has further intensified the competition. Both these players have waited for the initial introduction phase to pass and now are looking to use their deep pockets and knowledge to establish a stronghold in the Indian market.

Since the eCommerce industry is fast rising, changes can be seen over a year. E-commerce sector in India has grown at CAGR of 34% since 2009 to touch 16.4 billion USD in 2014. The sentiments of the Indian as well as the foreign investors has strengthened with the election of the new government. The e-Commerce businesses will continue to attract investor interest. The following table shows investments made in various e-commerce companies in recent years.

Top 20 PE deals in the eCommerce sector in 2014

Date	Company	Amount (million USD)	Key investors
Jul-14	Flipkart	1,000	Morgan Stanley, GIC, Tiger Global, Accel India, Iconiq Capital, DST Global
Dec-14	Flipkart	700	Tiger Global, Iconiq Capital, DST Global, Steadview, Qatar Investment Authority
Oct-14	Snapdeal.com	637	Temasek, PremjiInvest, SoftBank Corp
May-14	Flipkart	210	Tiger Global, Iconiq Capital, DST Global
Oct-14	Olacabs	210	Tiger Global, Matrix Partners India, SoftBank Corp, Steadview
Feb-14	Snapdeal.com	134	Kalaari Capital, Intel Capital, Nexus Ventures, Bessemer, Saama Capital
May-14	Snapdeal.com	100	Temasek, PremjiInvest
Nov-14	Housing.com	90	Hellon Ventures, Nexus Ventures, Qualcomm Ventures, SoftBank Corp, DST Global, Falcon Edge Capital
Mar-14	Quikr	90	Warburg Pincus, Norwest, Matrix Partners India, Nokia Growth Partners, Omidyar Network, Kinnevik
Sep-14	Quikr	60	Warburg Pincus, Norwest, Tiger Global, Matrix Partners India, Nokia Growth Partners, Omidyar Network, Kinnevik
Nov-14	Zomato Media	60	Sequoia Capital India, Vy Capital
Feb-14	Myntra	50	Kalaari Capital, Tiger Global, IDG Ventures India, Accel India, PremjiInvest
Aug-14	Snapdeal.com	50	Ratan Tata
Jul-14	Olacabs	41.6	Sequoia Capital India, Tiger Global, Matrix Partners India, Steadview
Nov-14	Proptiger Realty	37	SAIF, Accel India, Horizen Ventures
Sep-14	Freecharge.in	33	Sequoia Capital India, Ru-Net Holdings
Sep-14	BigBasket	32.7	Hellon Ventures, Ascent Capital, Zodius Capital, Lionrock Capital
Jun-14	Amazon.com India	30	Catamaran Ventures
Oct-14	CarTrade.com	30	Warburg Pincus, Tiger Global, Canaan Partners
Sep-14	CommonFloor	30	Tiger Global

Source: Venture Intelligence

TABLE 1.1 Investment in Indian e-commerce sector in 2014

1.2.2 Service Quality

With exponential growth in e-commerce, more and more companies are trying to gain competitive advantage by using e-commerce as a tool of customer interaction (Lee and Lin, 2005). As a result, the competition among online retailers has become even more intense (Yang et al., 2003).

According to a market research customers who are dissatisfied with a service will tell their experiences to more than three other people. So, there will a more number of potential customers who are affected by one service experience (Horovitz, 1990).

According to Parasuraman et al. (1985, p.42), Service quality can be defined as “the comparison between customers’ expectations and perceptions of services”. The term perception pertains to the consumers’ beliefs concerning the received or experienced service (Parasuraman et al., 1988; Brown and Swartz, 1989). It is believed that the perceived service quality contributes to positive business outcomes, such as greater levels of customer satisfactions, and by extension, favorable marketing behaviors, such as repurchases and positive word-of-mouth behaviors (Taylor and Hunter, 2002).

Among them, the work conducted by Parasuraman et al. (1985) has been regarded as the most prominent, which reveals five dimensions of the service quality: (1) tangibility (2) reliability; (3) responsiveness; (4) guarantee or assurance ; (5) empathy.

Chart 1 - Original model and refined model of the five assessment dimensions of Parasuraman et al.

Original Model	Refined Model	Description
Tangibility	Tangibility	Physical aspects of what is provided to users.
Reliability	Reliability	The ability to accurately accomplish what was promised.
Responsiveness	Responsiveness	Ability to help users and promptly provide the service, capturing the notion of flexibility and the ability to adjust the service to the users' needs.
Competence Courtesy Credibility Safety	Guarantee	Competence and courtesy extended to users and the safety provided through operations.
Access Communication Understanding the user	Empathy	Individual attention provided to users.

Source; Marshall G. Murdoch L, 2001

TABLE 1.2 Service Quality Model

1.2.3 E-service quality in online shopping

With the massive growth of the internet, it has become a popular marketing channel. It is particularly interesting for academics and practitioners, especially those in the field of the e-commerce to analyze customer evaluations in the online shopping. “The online shopping is a complex process, which can be divided into various sub-processes, e.g. the navigations, the searches of information, the online transactions, and the customer interactions.” (Lee and Lin, 2005, p.162). The total population shopping online in 2002 is 66 million and this figure is expected to double by 2007 (Nua Internet Surveys, 2002). Moreover, revenues from the online retailing continue growing too.

According to the current trend, customers first do extensive research about products online. Then they visit nearby stores with all the information to have a look and feel of the product. They finally evaluate cost & other factors and buy the product. It is observed that they buy mostly online due to huge discounts offered by ecommerce companies. For online consumers, the e-service quality of a high standard is the means by which the potential benefits of the Internet are realized (Yang, 2001).

According to Davis (1993), consumers’ attitudes toward Internet shopping depend on the direct effects of relevant online shopping features.

According to Cai and Jun (2003), e-service quality has a big influence customers’ satisfactions and their intentions to shop online. Therefore, many practitioners and academicians in online shopping have recently focused on the e-service quality to attract potential customers and on how to retain current customers (Jun et al., 2004). Additionally, Zeithaml (2002) emphasized that companies should focus on e-services quality including all cues and encounters that occurred before, during, and after the transactions.

1.3 Objectives of the Study

The objective of this dissertation is to gain a better understanding of Customers’ perception of E-service Quality in Online Shopping industry. This report will attempt to prioritise E-service Quality parameters from the customer’s point of view with respect to e-commerce sector in India.

CHAPTER 2

LITERATURE REVIEW

2. Literature Review

Now that we are all aware about the importance of websites and its absolute necessity, some important questions needs to be answered :-

If website is that important for a business, then how do we measure the effectiveness of a website?

How do we compare the websites of competitors?

What parameters do we use to measure website effectiveness?

Many papers have been written to answer these questions by foreign researchers. An article by Logan Zanelli titled “7 Ways to Improve Your Website’s Effectiveness” evaluates a website using the following parameters :

- a) **Load speed** : How long does it take for the website to load?
- b) **Focal points** : When the website loads, what is that thing on the website where the attention quickly shifts?
- c) **Visual appeal** : First impression is usually the last impression. Usually on a website, there is very less time to make a positive impression. So, we need to be very crafty.
- d) **Colour schemes** : Every colour represent one or the other thing for a person or a culture. So, a small thing like choosing the appropriate colour might increase sales.
- e) **Website Readability** : How easy it is for the user to understand your writing, meaning? In general, we must use easier words and avoid using complicated words in our content.
- f) **Check out the competition** : Everyone has competitors, so it is important to assess your competitors as well :-
 - What are they doing differently than you?
 - How does their site compare to yours?
 - Is their website more professional looking?
 - Do they use a similar colour scheme and design style?
 - What keywords are they using that you aren’t?
- g) **Make the competition irrelevant** : How can we position yourself so that we are the market leader?

Management Centre International Limited (MCIL) is a UK based company which writes books about their areas of expertise, and also publishes books by other authors to support their range of consultancy services which increasingly focuses on E-Business.

MCIL published a 7 site-review checklist which covers almost all the aspects of a website. These are :

a. First Impressions

First impression is often the last impression. The following are the 12 key parameters to measure first impression :-

- URL (Intuitive) - The URL should to be short, simple and related to the content it shows. The best URLs are intuitive.
- Download time – How long does a user waits for a download? It can be deadly if we test a user's patience.
- Look and feel – Readability. The look and feel of the website is very important. The images, texts used should not clutter the website.
- Need to download software – If a website on first visit asks the user to download a software to proceed, the user might remain on it for long.
- Home page on one screen (above the fold) – Users usually prefer to see most things at one glance without having to scroll up or down.
- Unique Selling Point (USP) or Value Proposition - It is extremely important that the user immediately realizes that the site is of potential use to them.
- Ability to take action (Key action point – KAP) – A website should encourage the user to perform an action so as to win him/her as their customer.
- Feeling of wanting more – Depth of site – A website should entice the user to visit again and leave a positive impression.
- Contact details – To maintain credibility, the site should provide contact details on the homepage.
- Credential validation – certifications, associations etc. - Providing credential information is a useful way to build trust in the user.

- Statement from management – This will inform the user about the company’s mission and vision.
- Are users made to register to get into site? –There is no point in forcing a user to provide information. If they really

b. Navigation

How easy or difficult it is for the user to navigate through the website is as important as the website itself. The 9 key issues with regards to Navigation are :-

- Ease of use – Provide direct access to various contents of the website.
- Site map – Site maps provides a overall navigational plan to the user and is very useful.
- Return to Home Page from any page – A link to the homepage should be present on each page so that a user doesn’t get lost during navigation.
- Internal search engine – Internal search option is mandatory in case of large websites to save a user’s time and effort.
- Internal links – These links allow a user to naturally flow according to the website navigation
- Broken links – No links should be broken. A broken link will pose a bad impression on the user.
- Text as well as graphic links (ALT tags) – Sometimes, providing additional text links is important. ALT tags on images accommodate the visually impaired and can boost ranking with some search engines.
- Navigational links visible – It is very important that the navigational links be visible on the website.
- Using Frames – Do avoid confusion, a big page can be divided into frames and displayed as related sections.

c. Content

It is very well said that content is the king. Without good content any website will fail. The 14 key parameters related to content are :-

- Useful information – Content should be highest quality. It should be a reflection of what a company practices.
- Level of interaction – The level of interaction with the users should be of the highest level possible. It can be done by using interactive graphics, videos etc.
- Use of valuable graphics – Use graphics to add value to the website rather than confusing the user.
- Use of valuable animation – Use animation to add value to the website rather than damaging the performance.
- Use of valuable sound - Use sound to add value to the website rather than damaging the performance.
- Reviews, testimonials and certifications_– Use this medium to build trust among the users.
- Content in digestible quantity – Very large content tends to divert a user’s attention. Use content in digestible amounts only.
- Up-To-Date – The content published should be recent and up-to-date.
- Available in Multiple Languages – It is very important these days to publish your content in multiple languages to cater to a larger audience.
- Accessibility for disabled people – Additionally the site should cater to challenged people as well.
- Terms and conditions – All the terms & conditions should be clearly defined in detail handling all circumstances.
- FAQ’s - Frequently asked questions makes a user quickly aware of the website & the places he/she might need help to proceed.
- Availability of follow up discussion – Following up and engaging a user is very important component of the purchase cycle and should be focused upon.

d. Attractors

Attractors draw individuals and business to your site. It is important to know what sources will attract a large audience. These include :-

- Competitions
- Special Offers
- Freebies or free gifts
- Breaking News
- Providing External links
- Newsletter

e. Findability

The website should be easy to find on the w3 space. The following parameters help in measuring findability :-

- Intuitive URL – The URL of the website should be similar to the company name or brand to maintain intuitiveness.

Designed for search engine performance:

- Intuitive keywords – Using intuitive keywords better keyword matching can be obtained hence a better page rank for your website.
- Use of Meta tags - Meta tags are machine understandable information for the Web. They help improving the ranking of the website.
- Use of frames – Frames should be used carefully as it affects the search result for your URL during keyword matching process.

Advertising

- On-line advertising – On-line advertisement is a great source of revenue as well as it helps in improving website presence.
- On-line recommend a friend – eWOM communication propagates at a rapid pace. So, it is almost a necessary feature to have.
- Partner and affiliate sites – Affiliate and partners help in advertising as well as increasing points of contact with the customer.
- Off-line advertising – offline advertising complements your online advertising. All your print media like business cards, brochures, etc should have the website address also.

f. Making Contact

Communication is the most essential part in any business. Once you engage a user it is necessary that you provide a number of contact options to the user for effective communication. These may include :-

- E-mail
- Response time to enquiries
 - * Automatic e-mail response
 - * Personal e-mail response
- Use of online forms
- Telephone contact numbers provided
- Telephone call back offered

g. Technical Compatibility

The website should be designed in such a way that it caters to all possible types of audiences. For this, it is very important for your website to have technical compatibility. It includes :-

- Browser Support- versions
- OS Support
- Monitor Compatibility

h. Knowledge of Users

The website should continuously monitor the behavior of the user at various stages of the purchase cycle & adapt accordingly.

- Adaptive website - An adaptive website will adapt itself according to the buying behavior of customers.
- Offers should be based on buying history.
- Analysis of the utilization statistics.

i. User Satisfaction

It is very important that a user is satisfied with your service offerings. The following parameters help in measuring user satisfaction :

- Robustness/reliability of the site i.e. is the site frequently crashing or off-line.
- Clicks to completion
- Acknowledge order/request
- Order/request tracking online
- Does the cookie fill the form?

j. Additional Information

Providing additional information helps in creating credibility among the users. The additional information can be from the following :-

- Supplier terms and conditions
- List of products previously bought by your company
- Contact details for person in charge of suppliers
- List of current career opportunities with the company
- Contact details for HR department
- Financial results
- Up-to-date financial news
- The Company stock price performance
- History of the company
- Management and geographical structure of company
- Mission statement
- Up-to-date press coverage.

CHAPTER 3

RESEARCH METHODOLOGY

3. Research Methodology

3.1 Purpose of the Research

The purpose of this research is to determine the customer perceptions of service quality parameters with regards to e-commerce websites. The research will analyse what customers feel about various e-service quality parameters in terms of their levels of importance. The research will also attempt to analyse which factor is more important than others on the basis of various demographic filters like age, gender, salary etc.

3.2 Research Approach

A number of studies have been done in the area of e-service quality. There are many researcher, scholars & academicians who have used their own set of dimensions for measuring e-service quality. The following table shows a summary of e-service quality dimensions used by several researchers.

Barnes and Vidgen, 2002	Santos, 2003	Wolfenbarger and Gilly, 2003	Ribbink, van Riel, Liljander and Straukens, 2004	Lee and Lin, 2005	Parasuraman Zeithaml and Malhotra, 2005	Raman, Stephenaus, Alam and Kuppusamy, 2008	Swaid and Wigand, 2009
<ul style="list-style-type: none"> ● Usability ● Design ● Information ● Trust ● Empathy 	<ul style="list-style-type: none"> ● Ease of use ● Appearance ● Linkage ● Structure and layout ● Content ● Reliability ● Efficiency ● Support ● Communication ● Security ● Incentive 	<ul style="list-style-type: none"> ● Fulfillment /reliability ● Website design ● Customer service ● Security /privacy 	<ul style="list-style-type: none"> ● Ease of use ● E-scape (i.e. web site design) ● Customization ● Respon-siveness ● Assurance 	<ul style="list-style-type: none"> ● Website design ● Reliability ● Respon-siveness ● Trust ● Personali-zation 	Web site's entire customer base: <ul style="list-style-type: none"> ● Efficiency ● Fulfillment ● System availability ● Privacy For customers with nonroutine encounters: <ul style="list-style-type: none"> ● Respon-siveness ● Compen-sation ● Contact 	<ul style="list-style-type: none"> ● Ease of use ● Appearance ● Reliability ● Customization ● Communication ● Incentive 	<ul style="list-style-type: none"> ● Website usability ● Information quality ● Reliability ● Respon-siveness ● Assurance ● Personali-zation

TABLE 3.1 E-Service Quality dimensions by various researchers

In this research, Parasuraman, Zeithaml & Malhotra, 2005, dimensions have been used. These dimensions can be broadly divided into 2 parts :

- a) E-Service Quality dimensions : It includes the following :-
 - i. Efficiency : How easily and quickly can we access a website?
 - ii. Fulfilment : To what extent does the site fulfil its promises about order delivery & item availability?
 - iii. System Availability : The correct technical functioning of the website.
 - iv. Privacy : How safe is the website with regards to information protection?
- b) E-Service Recovery dimensions : It includes the following :-
 - i. Responsiveness : Effective handling of problems & returns through the website.
 - ii. Compensation : To what extent does the website compensate you for any type of problem it causes?
 - iii. Contact : How easy is it to reach the company's executives through various channels?

3.3 Data Collection

The data can be collected either by primary methods or secondary methods or both, and the data collected by either method is called primary and secondary data respectively.

Primary data is the new data gathered to help solve the problem at hand. It is the fresh data which is collected from field with your own questionnaire. While secondary data is the data that has been already collected by and readily available from other sources.

For this report, data collection was done through both primary and secondary sources.

The data collection for this report was done mainly through the primary research which involved, gathering information about e-service quality and recovery from research reports and knowledge material published by renowned researchers and also by conducting surveys through e-mail, LinkedIn connections, telephone.

3.4 Tools of Analysis

The data in the study was analysed primary by depicting it using the SPSS tool and basic Microsoft Excel functionality. Factor Analysis was performed using SPSS while graphical representation of data was done using Excel. Telephonic, email, and internet surveys were conducted which consisted of mostly closed ended questions.

CHAPTER 4

DATA ANALYSIS

4. Data Analysis

4.1 Introduction

After an extensive primary and secondary research, customers' perception of e-service quality in online shopping was analyzed.

4.2 Data Analysis

Number of Respondents : 75

Sources of Data Collection : Email, LinkedIn, Facebook, Google Groups, Messengers

Demographic Information

MALE	45
FEMALE	30

TABLE 4.1 Gender Profile

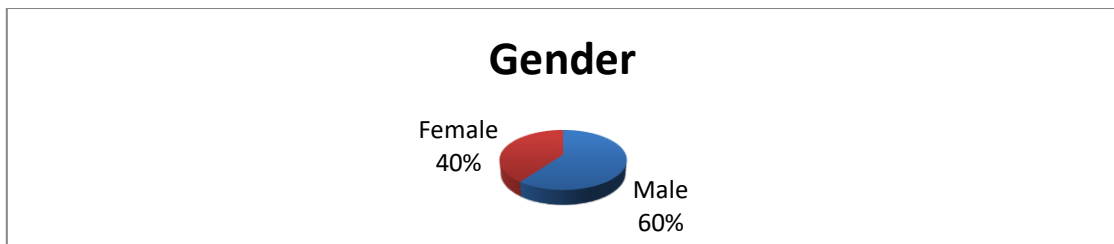


TABLE 4.1 Gender Profile

0-17	2
18-25	42
26-35	26
Above 35	5

TABLE 4.2 Age Distribution

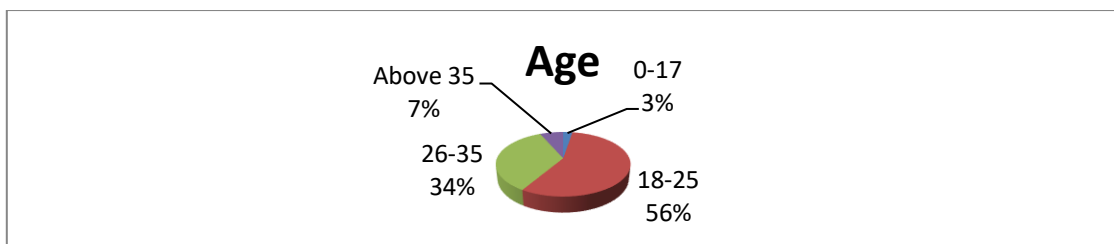


FIGURE 4.2 Age Distribution

Professionals	43
Students	26
Others	6

TABLE 4.3 Professional Information

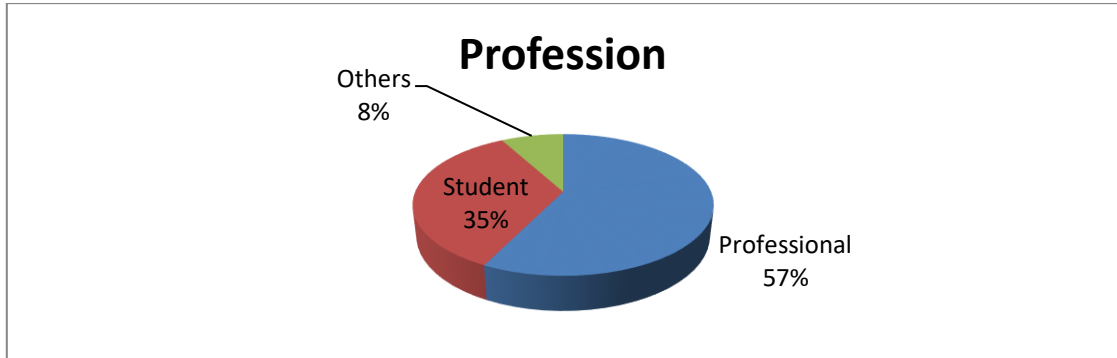


FIGURE 4.3 Professional Information

Less than 10,000	27
10,000-25,000	5
25,000-50,000	25
50,000-1,00,000	9
Above 1 Lakh	9

TABLE 4.4 Monthly Income

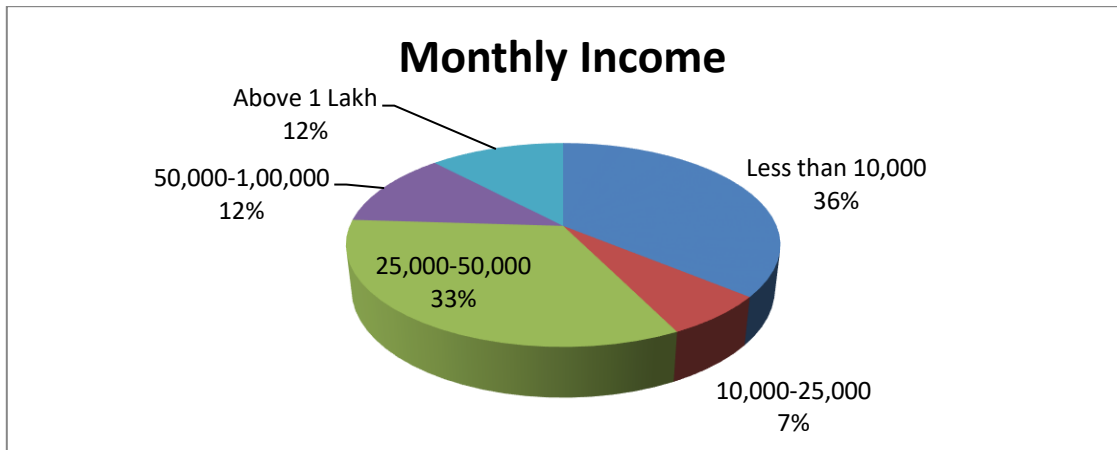


FIGURE 4.4 Monthly Income

Demographic Summary

- 60% of the respondents were male while 40% of them were females.
- More than ½ of the respondents (56%) were in the age group 18-25 while about 1/3rd of them were in the age group 26-35.
- The former age group mainly comprises of the student population while the latter age group comprises of the professionals.
- More than ½ of the respondents were working professionals, about 1/3rd were students while the rest includes homemakers, self-employed, retired etc.
- Most of the respondents are either earning less than 10,000 a month or from 25,000-50,000 a month. The former mostly comprises of the students while the latter comprises of professionals.

Customer Buying Routine

- Around 1/3rd of the respondents buy 2-3 times a month online.
- Around 1/3rd of the respondents buy one a month online.
- While close to 1/3rd of the respondents either don't buy or buy every few months online.

Once a week or more	4
2-3 times a month	24
Once a month	23
Every few months	15
Rarely/Never	9

TABLE 4.5 Buying Routine

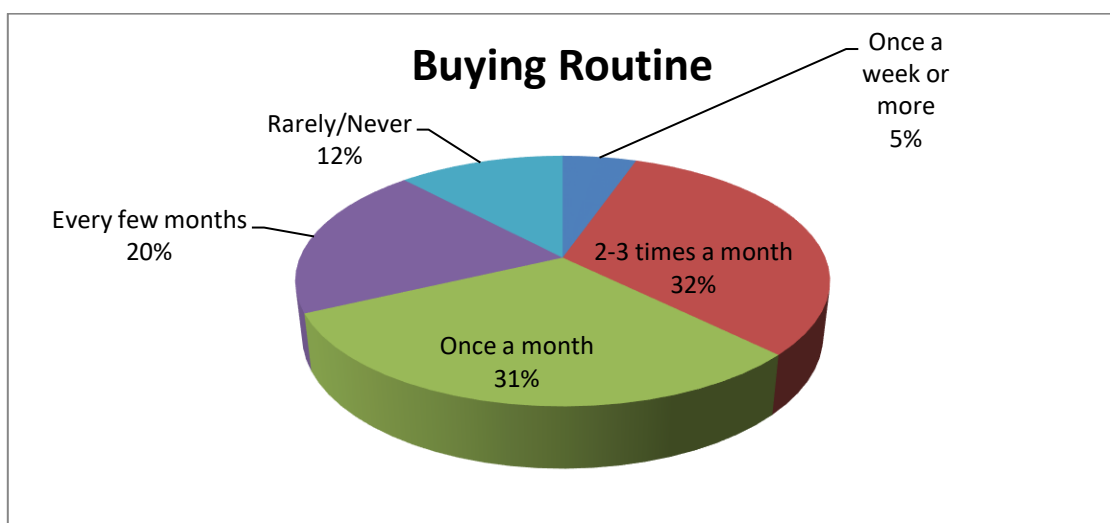


FIGURE 4.5 Buying Routine

1. The e-commerce website makes it easy to find what you need?

Very Important	30
Important	37
Neutral	7
Less Important	1

TABLE 4.6 Findability

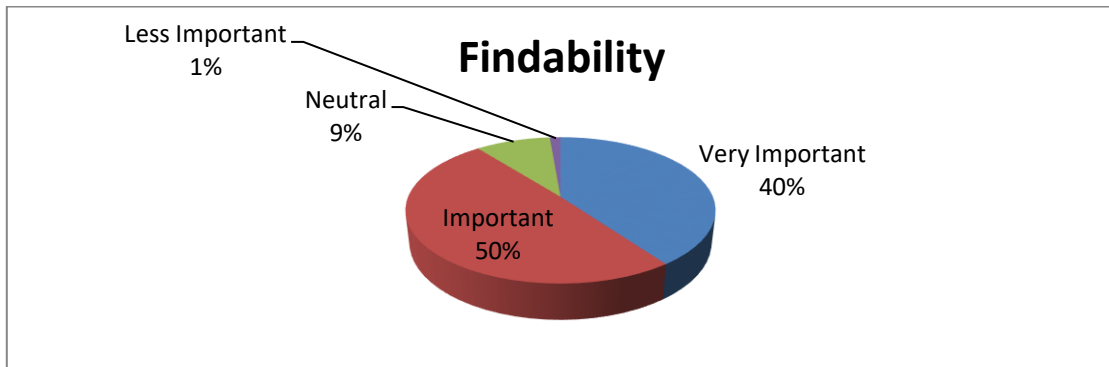


FIGURE 4.6 Findability

90% of the respondents feel that it is important that an e-commerce website should allow them to find products easily.

2. The website allows you to complete a transaction quickly?

Very Important	32
Important	38
Neutral	4
Less Important	1

TABLE 4.7 Ease of Transaction

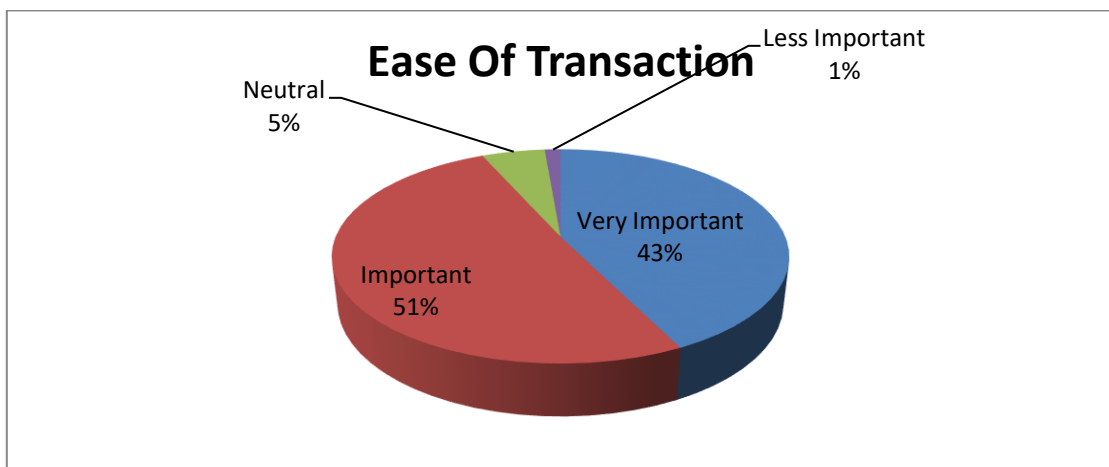


FIGURE 4.7 Ease of Transaction

Over 90% of the respondents feel that an e-commerce website should allow them to complete a transaction quickly.

3. Information is well organized on the e-commerce website?

Very Important	39
Important	30
Neutral	6

TABLE 4.8 Organized Information

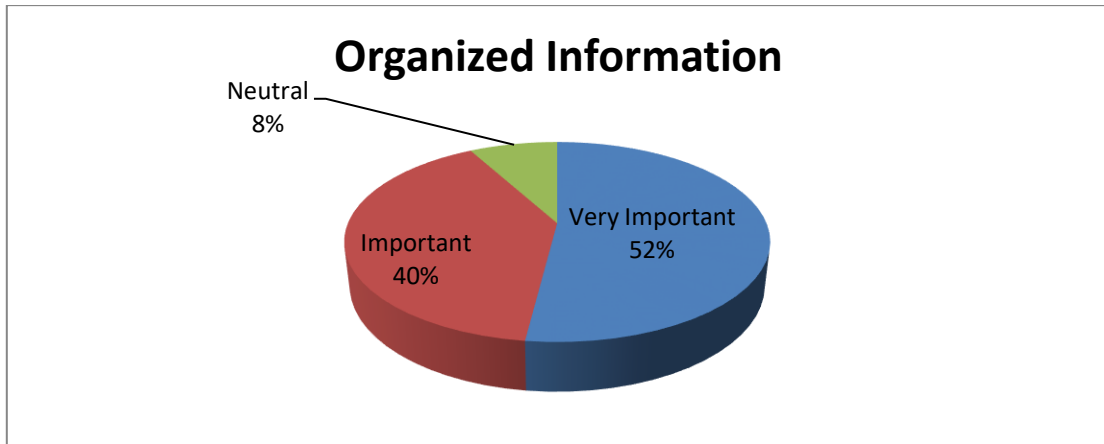


FIGURE 4.8 Organized Information

Over 90% of the respondents feel that information should be well organized on e-commerce websites.

4. The pages on the website load fast?

Very Important	39
Important	25
Neutral	8
Less Important	3

TABLE 4.9 Fast Page Load

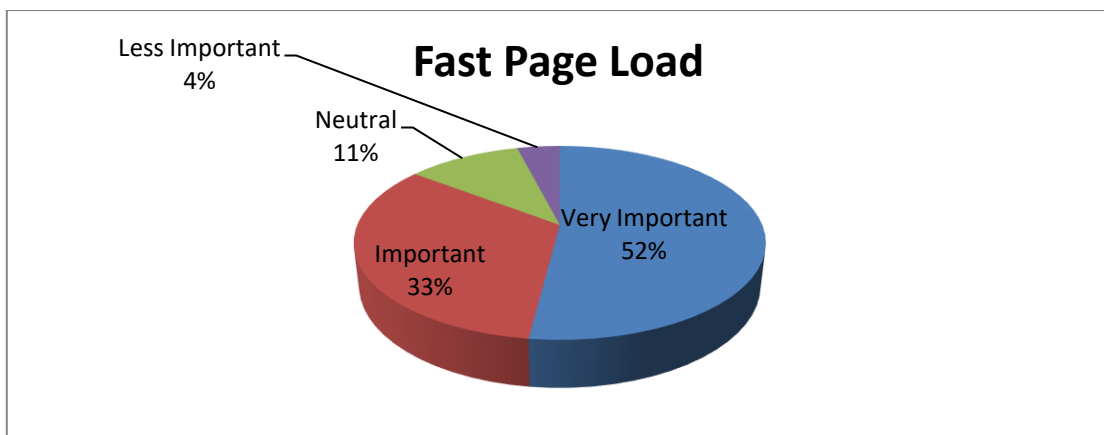


FIGURE 4.9 Fast Page Load

85% of the respondents feel that the pages on the e-commerce website should load fast.

5. The website is always up & running for business?

Very Important	36
Important	30
Neutral	9

TABLE 4.10 Site Availability

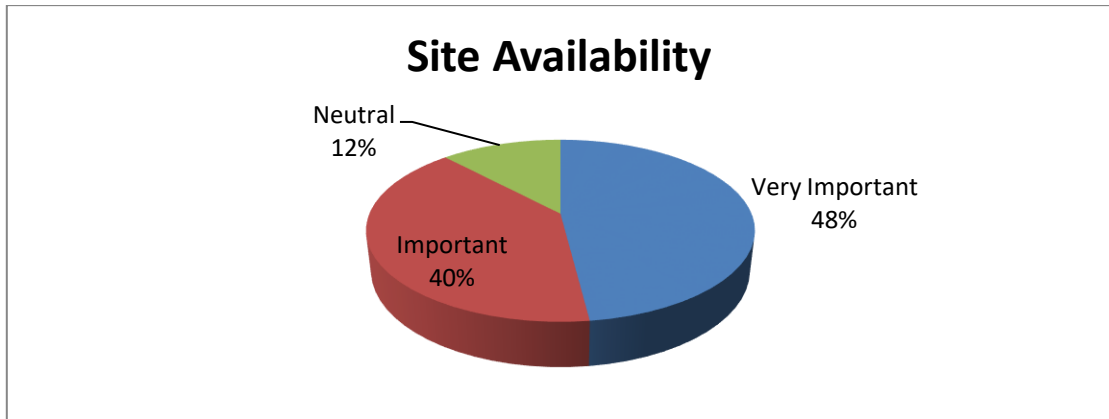


FIGURE 4.10 Site Availability

Around 90% of the respondents feel site should be always up and running while the rest show a neutral attitude.

6. The website launches & runs right away?

Very Important	34
Important	28
Neutral	10
Less Important	3

TABLE 4.11 Site Activeness

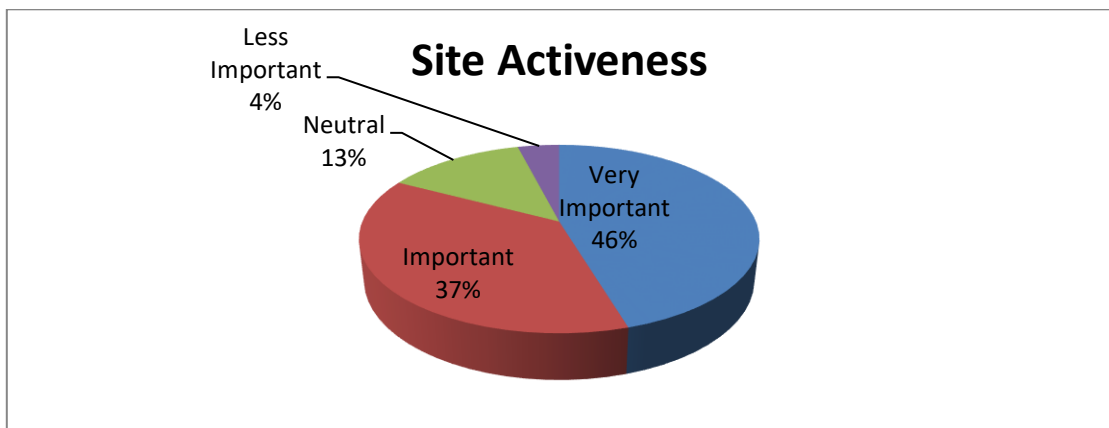


FIGURE 4.11 Site Activeness

Around 80% of the respondents feel that the e-commerce website should launch right away without any problems while the rest feel that it is not that important.

7. The website never crashes?

Very Important	35
Important	28
Neutral	9
Less Important	3

TABLE 4.12 Site Crash

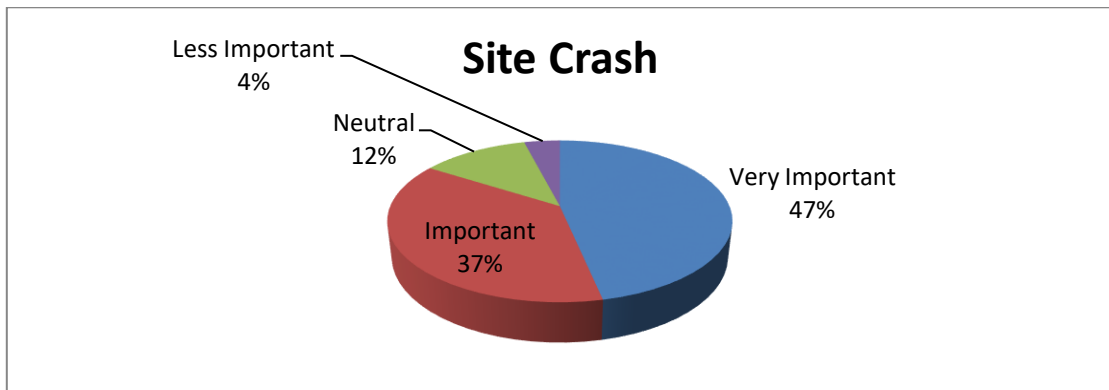


FIGURE 4.12 Site Crash

Around 85% of the respondents feel that the e-commerce website should not crash while the rest feel that it is not that important.

8. Pages do not freeze after I enter my information?

Very Important	44
Important	23
Neutral	6
Less Important	2

TABLE 4.13 Page Freeze

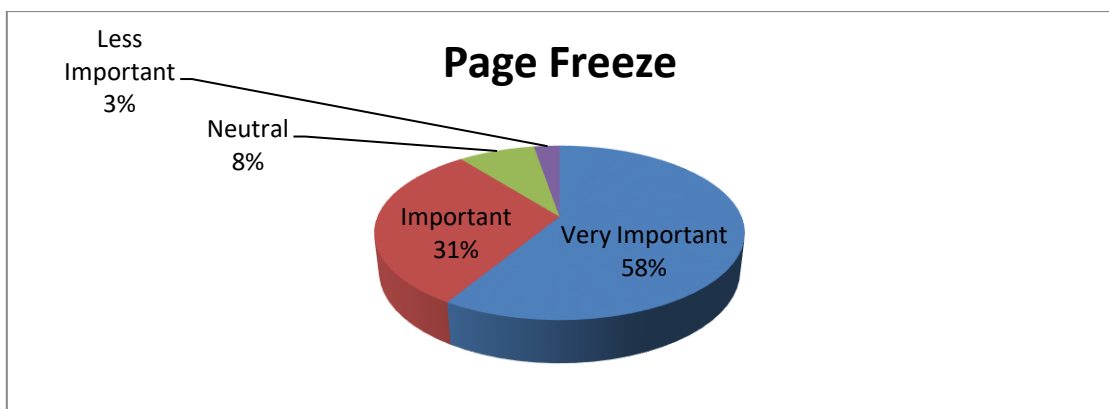


FIGURE 4.13 Page Freeze

Around 90% of the respondents feel that the pages on the website should never freeze.

9. The e-commerce website delivers orders when promised?

Very Important	48
Important	22
Neutral	4
Less Important	1

TABLE 4.14 Accurate Delivery

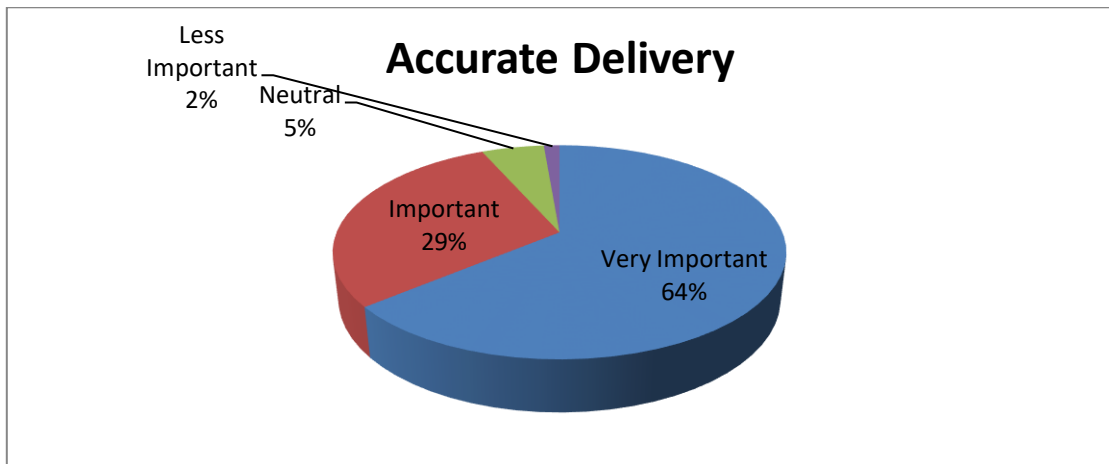


FIGURE 4.14 Accurate Delivery

Close to 95% of the respondents feel that orders should be delivered when promised.

10. The orders are delivered in a suitable time frame?

Very Important	34
Important	36
Neutral	5

TABLE 4.15 Timely Delivery

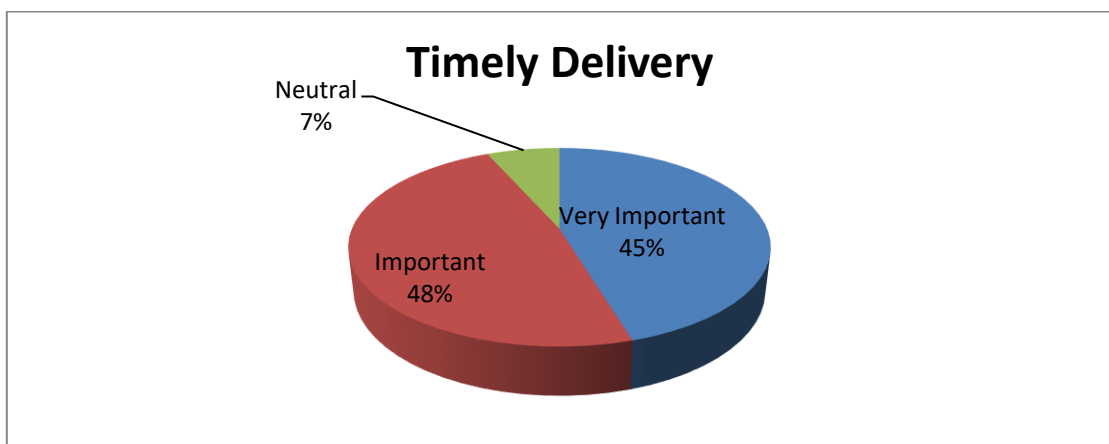


FIGURE 4.15 Timely Delivery

Over 90% of the respondents feel that the orders should be delivered in a suitable time frame.

11. The website sends current status of items(dispatched, in transit etc) in a timely manner?

Very Important	36
Important	31
Neutral	7
Less Important	1

TABLE 4.16 Order Status

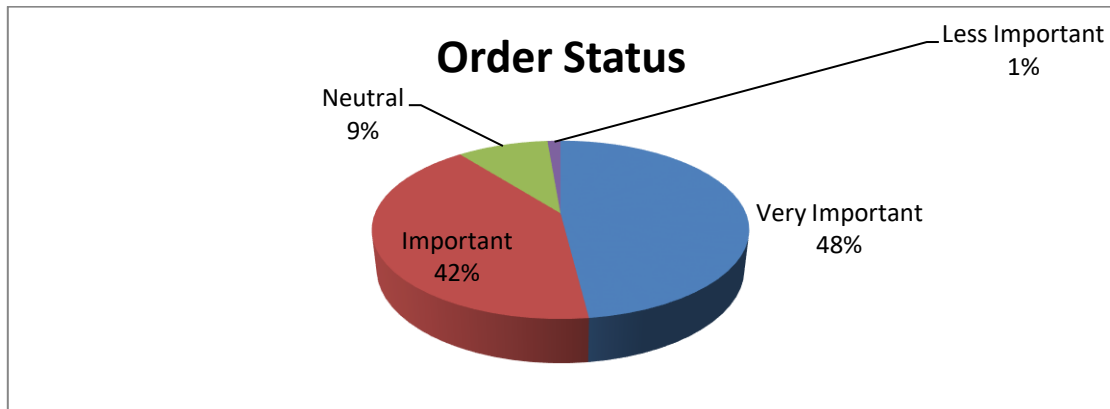


FIGURE 4.16 Order Status

90% of the respondents feel that they should be informed of the order status.

12. The e-commerce website is truthful about its offerings?

Very Important	44
Important	24
Neutral	5
Less Important	2

TABLE 4.17 Truthful Offering

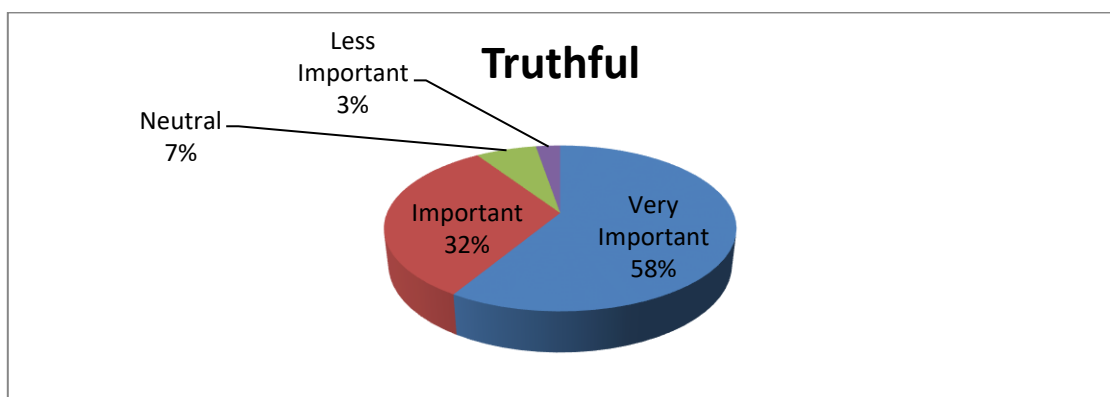


FIGURE 4.17 Truthful Offering

90% of the respondents feel that the e-commerce website should be truthful about its offerings.

13. The e-commerce website protects your private information?

Very Important	54
Important	17
Neutral	3
Less Important	1

TABLE 4.18 Protect Information

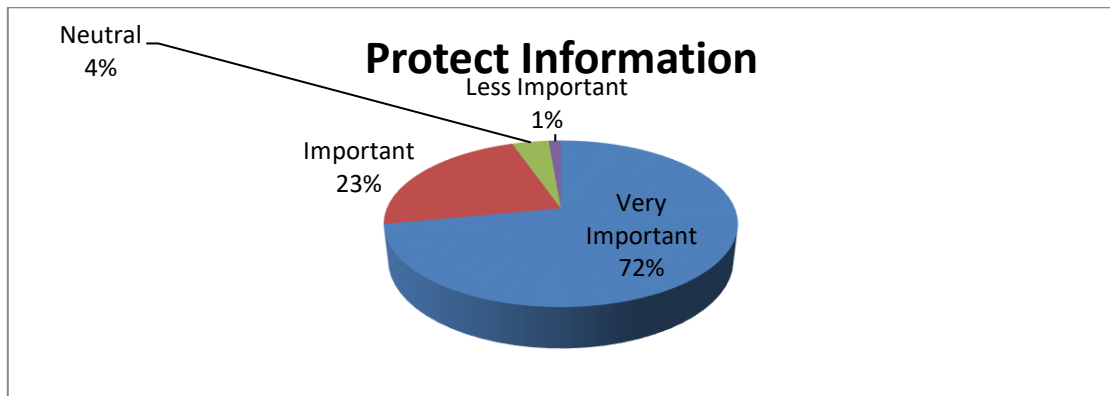


FIGURE 4.18 Protect Information

95% of the respondents feel that the e-commerce website should protect their private information and not share it with anyone.

14. The e-commerce website not share your shopping behavior?

Very Important	22
Important	24
Neutral	25
Less Important	4

TABLE 4.19 Protect Behaviour

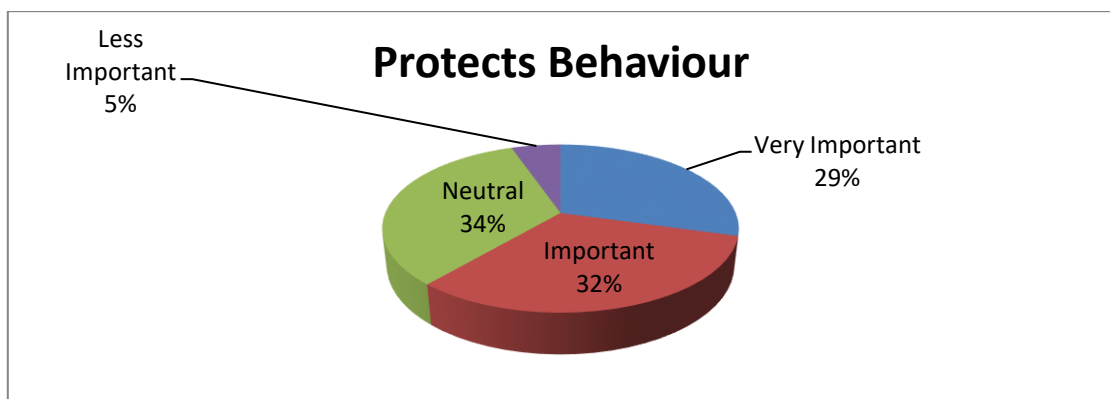


FIGURE 4.19 Protect Behaviour

Around 2/3rd of the respondents feel that the e-commerce website should protect their buying behaviour and not share it with anyone while the rest show a neutral attitude.

15. The website provides you with convenient options for returning items?

Very Important	42
Important	27
Neutral	5
Less Important	1

TABLE 4.20 Easy Returns



Over 90% of the respondents feel that it is important that an e-commerce website provides convenient returning options.

FIGURE 4.20 Easy Returns

16. The website tells you what to do if my transaction is not processed?

Very Important	34
Important	35
Neutral	6

TABLE 4.21 Unprocessed Transaction

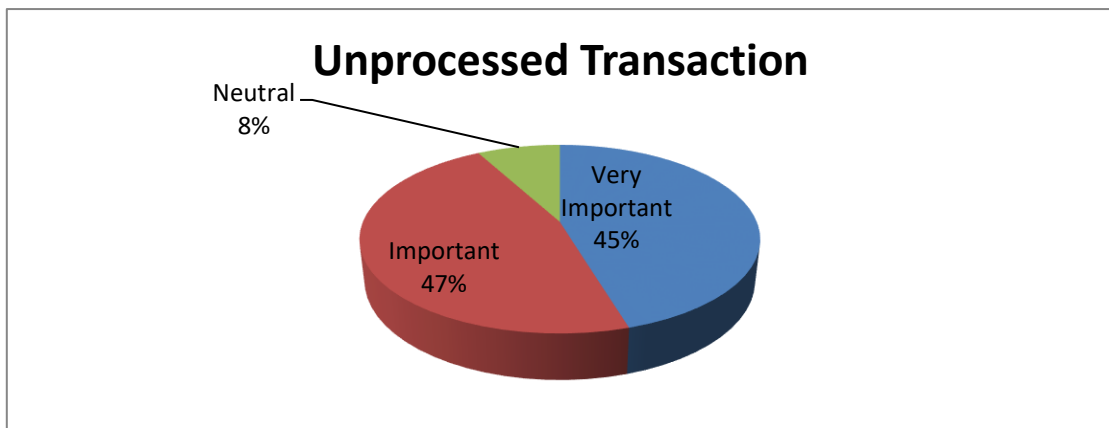


FIGURE 4.21 Unprocessed Transaction

Over 90% of the respondents feel that it is important that an e-commerce website should tell a user the course of action in case of failed or unprocessed transaction.

17. The website handles the problems promptly?

Very Important	39
Important	27
Neutral	6
Less Important	3

TABLE 4.22 Promptness

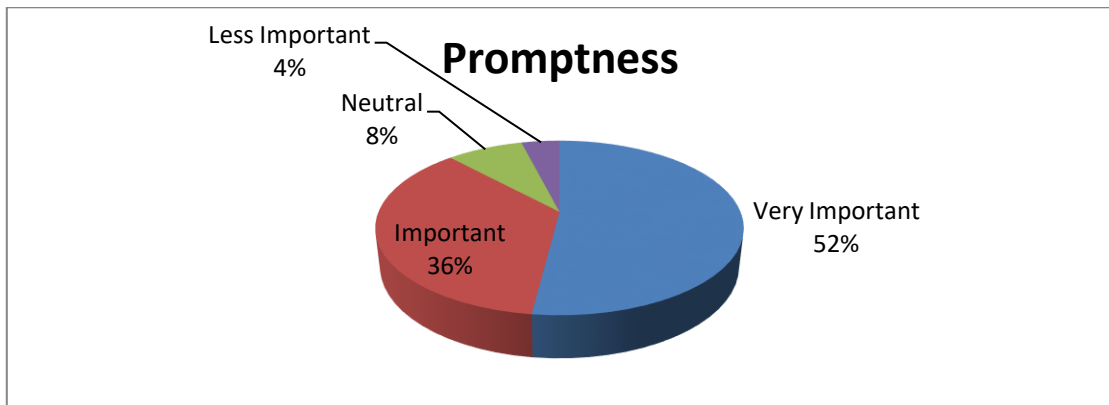


FIGURE 4.22 Promptness

Close to 90% of the respondents feel that it is important that an e-commerce website should be prompt enough in handling problems.

18. The website compensates you for any problems it creates?

Very Important	35
Important	29
Neutral	7
Less Important	4

TABLE 4.23 Compensation

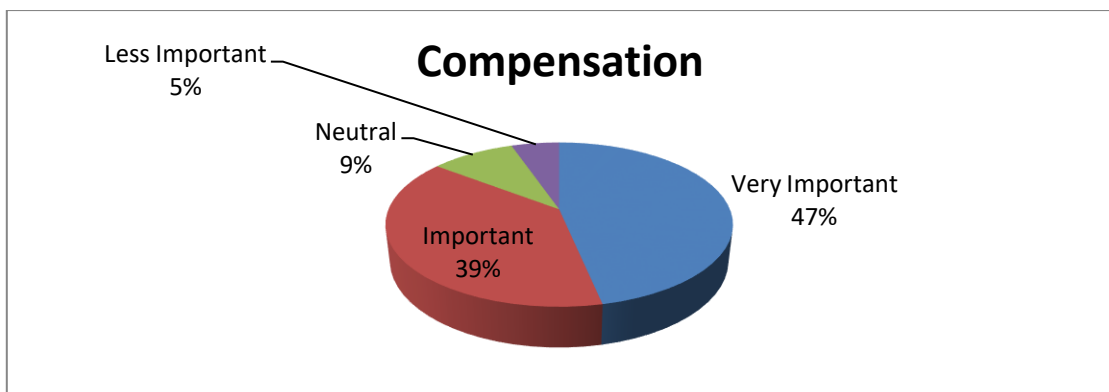


FIGURE 4.23 Compensation

Close to 85% of the respondents feel that it is important that an e-commerce website should compensate them for any problems they cause.

19. The website compensates you for late delivery of items?

Very Important	22
Important	32
Neutral	13
Less Important	6
Not Important	2

TABLE 4.24 Late Delivery

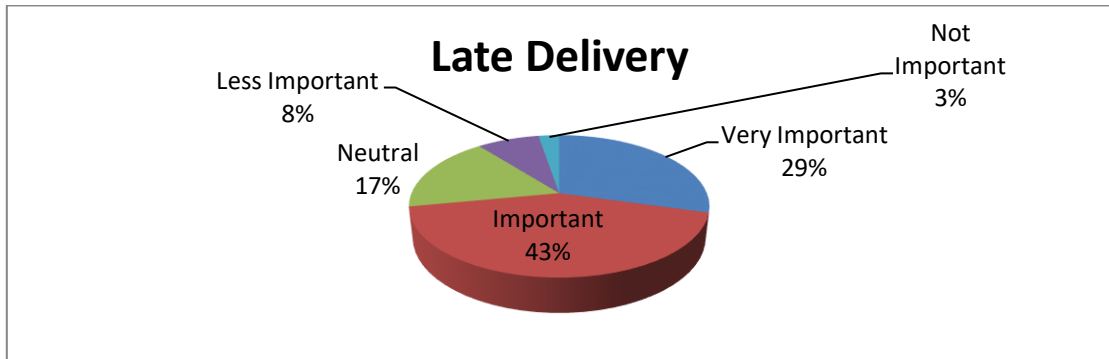


FIGURE 4.24 Late Delivery

Over 70% of the respondents feel that it is important that an e-commerce website should compensate them for late delivery of items while the rest show a neutral attitude.

20. The website picks up items which are to be returned from your home?

Very Important	38
Important	29
Neutral	5
Less Important	3

TABLE 4.25 Return from home

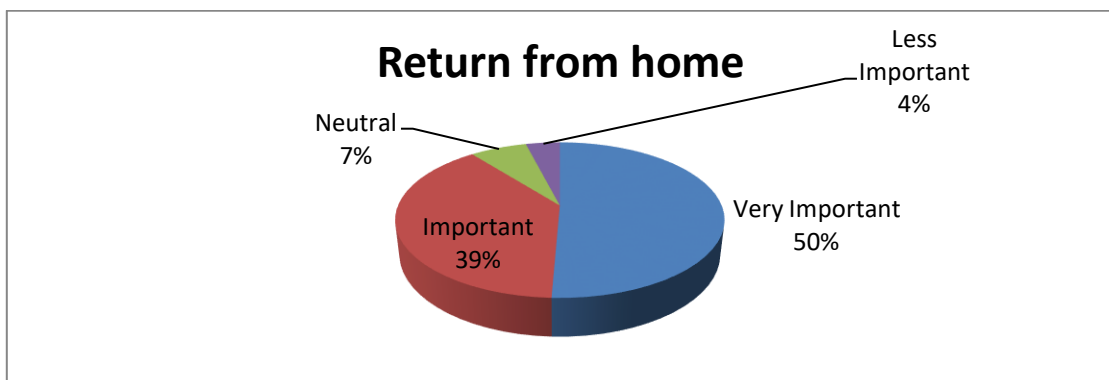


FIGURE 4.25 Return from home

Close to 90% of the respondents feel that it is important that an e-commerce website should pickup orders to be returned from their home or business locations.

21. The website provides you a contact number to reach the company?

Very Important	38
Important	28
Neutral	5
Less Important	3
Not Important	1

TABLE 4.26 Contact Number

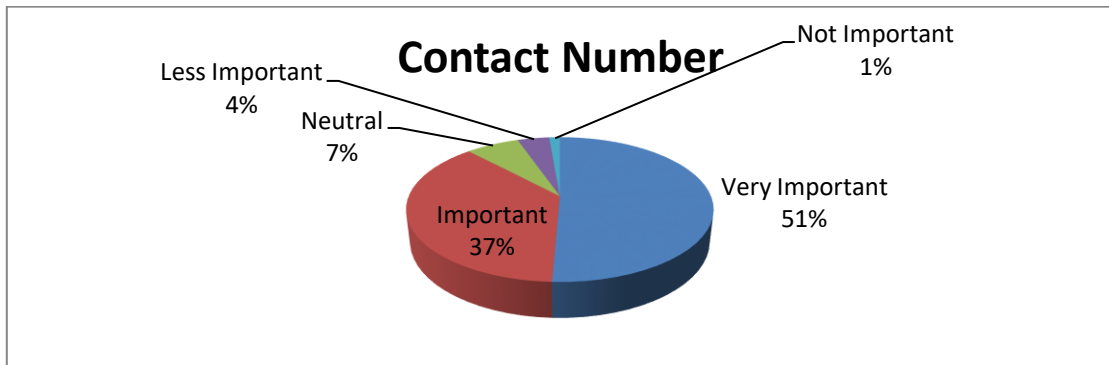


FIGURE 4.26 Contact Number

Over 85% of the respondents feel that it is important that an e-commerce website should provide a contact number on their website.

22. Its customer service representatives are available online?

Very Important	29
Important	28
Neutral	12
Less Important	4
Not Important	2

TABLE 4.27 Online Support

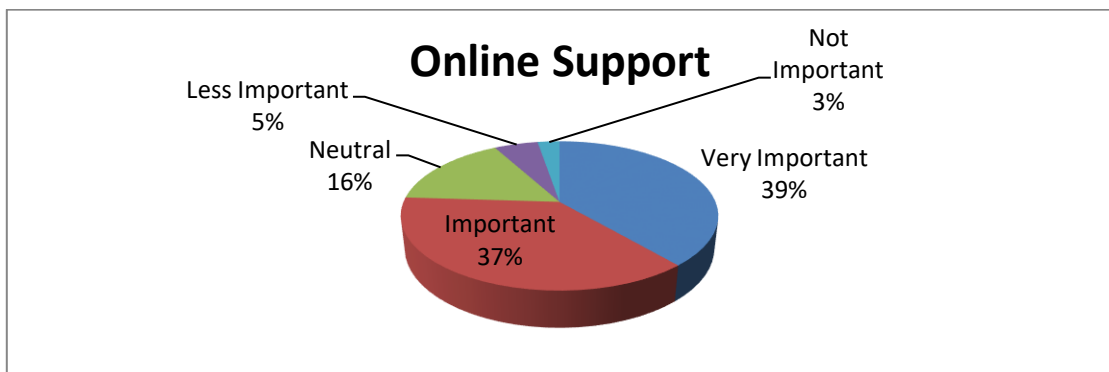


FIGURE 4.27 Online Support

More than 3/4th of the respondents feel that it is important that an e-commerce website should provide online support as well.

23. It allows you to speak to a service representative online?

Very Important	27
Important	30
Neutral	11
Less Important	5
Not Important	2

TABLE 4.28 Online Chat Facility

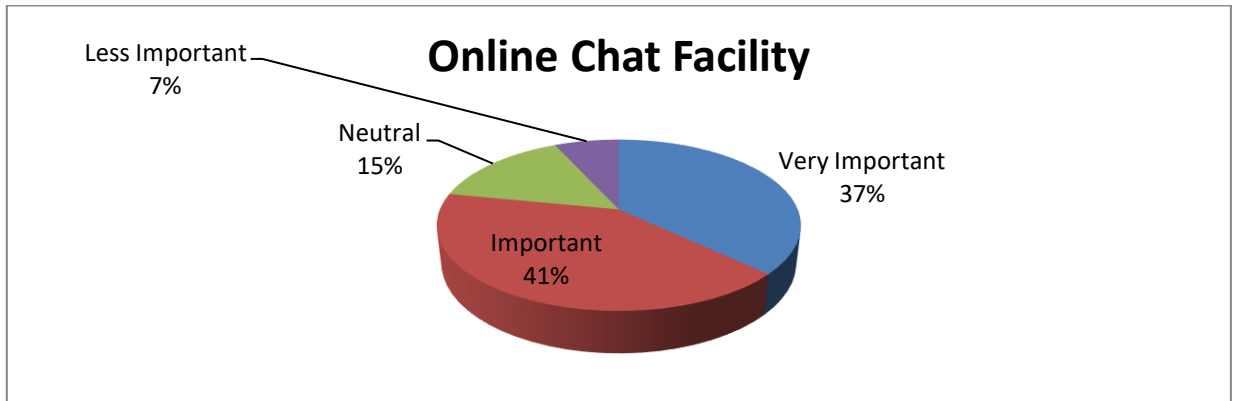


FIGURE 4.28 Online Chat Facility

Close to 90% of the respondents feel that it is important that an e-commerce website should provide an online chat facility with their support staff.

Average Rating for ecommerce websites(out of 10)

Flipkart	6.88
Snapdeal	5.53
Myntra	6.21
Jabong	6.05
Ebay	5.36
Amazon	6.72
Shopclues	4.57
Yepme	4.68
Yebhi	4.67

TABLE 4.29 Average Rating of E-commerce websites

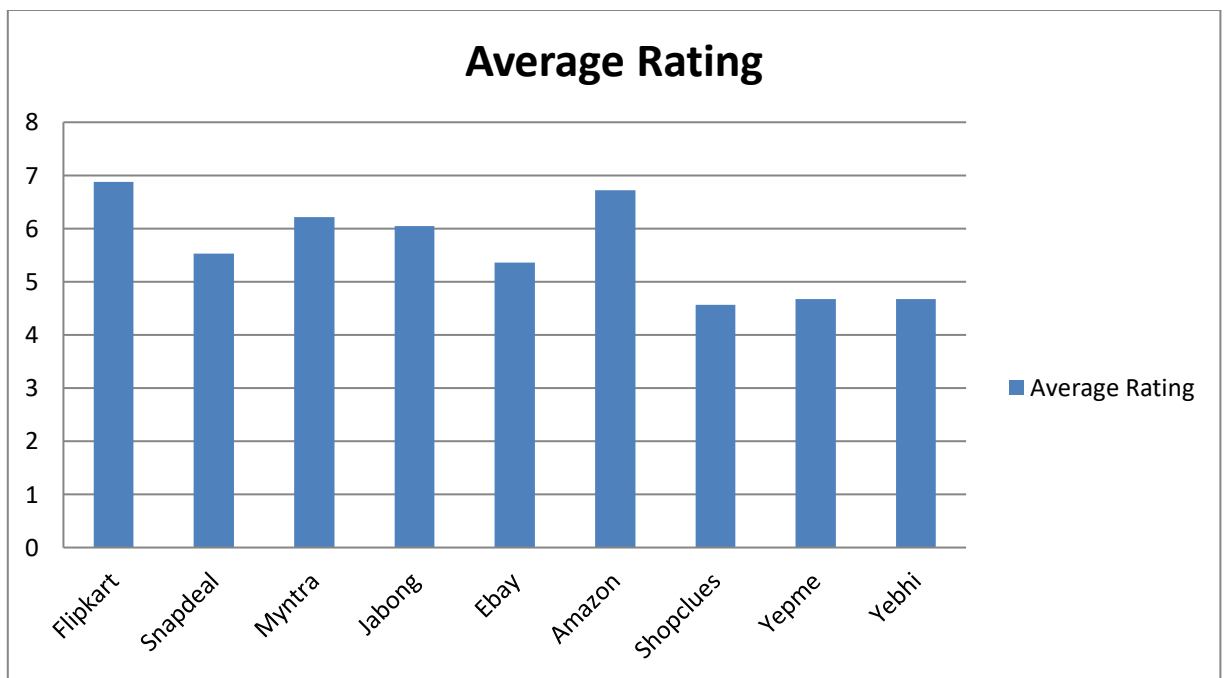


FIGURE 4.29 Average Rating of E-commerce websites

Out of 9 e-commerce websites surveyed, Flipkart received the highest average rating(6.88) closely followed by Amazon(6.72), Myntra(6.21) & Jabong(6.05).

Factor Analysis

Communalities

	Initial	Extraction
Findability	1.000	.638
EaseOfTransaction	1.000	.749
OrganizedInfo	1.000	.586
FastPageLoading	1.000	.748
SiteAvailability	1.000	.683
SiteActive	1.000	.436
SiteCrash	1.000	.620
PageFreeze	1.000	.765
AccurateDelivery	1.000	.629
TimelyDelivery	1.000	.621
OrderStatus	1.000	.676
Truthful	1.000	.737
ProtectsInfo	1.000	.711
ProtectsBehaviour	1.000	.538
EasyReturns	1.000	.590
UnprocessedInfo	1.000	.507
Promptness	1.000	.801
Compensation	1.000	.738
LateDeliveryComp	1.000	.715
ReturnFromHome	1.000	.735

ContactNo	1.000	.695
OnlineSupportPresence	1.000	.876
OnlineChat	1.000	.839

Extraction Method: Principal Component Analysis.

Component Matrix^a

	Component					
	1	2	3	4	5	6
Findability	.261	.369	-.073	.644	.005	.119
EaseOfTransaction	.461	.362	.220	.193	.326	.462
OrganizedInfo	.423	.217	-.251	.524	.141	.053
FastPageLoading	.568	.630	-.016	-.082	-.148	-.014
SiteAvailability	.497	.508	-.235	.174	-.021	-.304
SiteActive	.589	.178	-.213	.106	-.034	.010
SiteCrash	.691	-.103	-.256	-.230	.024	.117
PageFreeze	.710	.220	-.255	-.372	-.097	-.007
AccurateDelivery	.698	.066	.023	-.315	.032	.189
TimelyDelivery	.586	.089	-.190	-.126	.379	-.271
OrderStatus	.555	-.158	-.111	-.026	.567	-.092
Truthful	.769	-.185	-.150	-.125	-.181	.201
ProtectsInfo	.672	-.123	-.318	-.339	-.033	.164
ProtectsBehaviour	.297	-.484	.068	.016	.255	.381
EasyReturns	.651	-.263	.038	.296	-.040	.078
UnprocessedInfo	.674	-.045	-.097	.028	.020	-.201

Promptness	.736	.062	.327	-.156	-.329	.129
Compensation	.648	-.304	-.096	.087	-.297	-.347
LateDeliveryComp	.461	-.467	.206	.068	.360	-.328
ReturnFromHome	.518	-.455	.153	.390	-.259	.130
ContactNo	.664	-.280	.150	.274	-.240	-.145
OnlineSupportPresence	.456	.203	.776	-.100	.067	-.100
OnlineChat	.447	.226	.748	-.119	.056	-.110

Extraction Method: Principal Component Analysis.

a. 6 components extracted.

Factor Analysis was performed using the SPSS tool on the 23 questions on customers' perception using an importance scale. 6 components were extracted from the analysis. This is similar to the 7 dimensions of E-service quality & recovery discussed earlier.

The interpretation is that the 23 questions are related in one way or the other. So, there 23 parameters can be reduced to 6 broad dimensions.

Component 1: Site Active + Site Crash + Page Freeze + Accurate Delivery + Timely Delivery + Truthful + Protects Info + Easy Returns + Unprocessed Info + Promptness + Compensation + Return from home + Contact Number

Component 2: Fast Page Loading + Site Availability + Protects Behaviour + Late Delivery Compensation

Component 3: Online support presence + Online Chat

Component 4: Findability + Organized Information

Component 5: Order Status

Component 6: Ease of Transaction

4.3 Findings & Recommendations

Findings

- Most of the respondents were either students or working professionals.
- Also, majority of the respondents were in the age group of 18-35 where the age group 18-25 includes majorly students while the age group 26-35 includes majorly professionals.
- 72% of the professionals prefer to shop one or more in a month while 65% of the students do the same. So, from this data we can conclude that there is not a huge gap in the percentage of student & working consumers. Students also show a similar buying pattern as professionals despite not drawing salaries.
- The respondents gave very high importance(close to 95%) to accurate and timely delivery of orders while technical site activeness received relatively lesser importance(85%).
- Very high importance(95%) was given to protection of customer's private information while they don't feel it is as important that their buying behaviour is shared.
- Respondents also feel that communication plays a very important role. They rate contact information as highly important for maintaining credibility.
- Flipkart, Amazon, Myntra & Jabong are the top e-commerce websites in the eyes of the respondents.

Recommendations

- Students also shop as much as professionals maybe slightly less. So, e-commerce companies should not forget students as they also make up a big chunk of their target market.
- The major chunk of online shoppers are in the age group of 18-35. They are the most active group as far as online shopping is concerned. So, it is vital for e-commerce companies to focus on this target group more than others.
- E-commerce companies should put a lot of emphasis on accurate and timely order delivery. If orders are not received in time there is no point of shopping online and people might switch to offline shopping.

- Consumers in India are still wary of online payment gateways. So, it is important for e-commerce companies to provide a secure payment gateway and protect their private information.
- It is also the responsibility of e-commerce companies to educate consumers about the benefits of buying online.
- E-commerce companies should entice new users to register by offering them attractive deals which is being followed by many companies currently.
- Companies should invest heavily in improving their search rankings by buying search keywords and massive advertising campaigns.
- Companies should prepare their websites for handling heavy traffic during big deal days like the recent “Big Billion Day” otherwise poor performance may tarnish their image forever.

4.4 Limitations

The limitation of this study is that this study are :

- It mainly deals with the age group of 18-35.
- Most of the respondents of this survey are either students or professionals. Responses from other categories were very less and couldn't be analyzed.
- The respondents were majorly from Delhi-NCR region.
- Most of the respondents were highly educated and tech-savvy. So, this might not represent a general view of the Indian population where there very less internet penetration

CHAPTER 5

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ADHERENCE SHEET

Particulars	Last Date	Signature of Mentors	
Title of the Project/Area of Topic Finalization	19-Jan-15		
Literature Review/Objectives of the study	02-Feb-15		
Methodology	16-Feb-15		
Questionnaire/Data Collection tools	02-Mar-15		
Data Collection	23-Mar-15		
Analysis	13-Apr-15		
Conclusion and Recommendations	20-Apr-15		
First Draft	01-May-15		
Final Report/Binding and Submission	08-May-15		