

# IMPACT OF SERVICE QUALITY ON SERVICE LOYALTY IN E-COMMERCE FIRMS

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## ABSTRACT

E - Commerce offers consumers a more convenient way to shop for the products or services they need without having to visit a retailer's physical location to make a purchase. Service Quality is a customer's comparison of service expectations as it relates to a company's performance. This study will be an extensive inquiry related to service quality on service loyalty in e-commerce firms. The research design adopted for the study is descriptive research. Descriptive research will be done to describe data and characteristics about the population or phenomenon being studied. The association or relationship between variables will be demonstrated under the descriptive studies. Convenience Sampling technique is adopted for the study. This method draws representative data by selecting people based on the respondents' availability or ease of access. This study helps to develop new knowledge to better understand the most important dimensions of e-service quality that have impact on customer satisfaction, customer trust, and customer behavior, building on existing literature on service quality in e-commerce firms.

**Keywords – E-Commerce, Service Quality, Service Loyalty, Customer Satisfaction**

## I. INTRODUCTION

E-Commerce is simply buying and selling products, information and services through electronic mode. A key driver is a factor which is more important for the performance of the company which results in the success of the company. The key drivers of e-commerce are perceived ease of use, customer preferences, top management support, e-commerce perceived value, employee knowledge and experience, partner readiness, customer trust, e-commerce cost and technical expertise and organizational culture. E-commerce is a larger market with many benefits like the ability to scale up or down quickly, customer insights through tracking and analytics, increased sales with Instant Gratification, fast response to Consumer Trends and Market demand, personalized messaging, and cost-effective, unlimited shelf space and more opportunities to sell. Service Quality is the important factor which measures how a firm delivers its services compared to the expectations of its customers. The ten determinants of Service Quality are understanding/knowing the customer, reliability, security, access, responsiveness, credibility, competence, courtesy, tangibles and communication (Parasuraman, Zeithaml, and Berry 1985). The foremost objective of Service Quality is to satisfy Customers. Service Loyalty is achieved by Service Quality to the customers, it is the grade to which a customer shows reappearance purchasing behaviour from a service provider. Customer Loyalty brings profits and sustainable growth for the company.

## II. LITERATURE REVIEW

Misra, P., & Pandey, A. (2022) examined the Factors influencing Customer Loyalty Towards Electronic Commerce. User interface quality, product/service informational quality, security perception, and privacy perception had substantial effects on Indian customer satisfaction and e-commerce trust. This research advanced an alteration of the SERVQUAL model to observe the relationship between individual dimensions of online trust, purchase intentions and e-service quality in a singular online shopping platform (Ruanguattanun, C., & Peemane, J. 2022). Care, character, choice, convenience, and customization had significant effects on e-loyalty and the factors community and contact interactivity had no significant effects on e-loyalty. The electronic customer loyalty depended on electronic options like personalization, interaction with contacts, agriculture, sponsorship, community, choice and personality (Al-Ayed, S. 2022). The study aimed to identify the e-commerce logistics service quality factors that affect customer satisfaction and interested in identifying if there was any relationship between the satisfaction of e-commerce customers and their loyalty (Akil, S., & Ungan, M. C. 2022). The ups and downs of e-customers loyalty for the Shopee e-commerce application were determined by e-customers satisfaction and the changes in e-customers satisfaction for the Shopee e-commerce application were determined by many factors including e-service quality (Avania, I. K., & Widodo, A. 2022). The purpose of this research was to analyse the role of mediating customer satisfaction from the quality of E-Commerce on repurchase intention in E-Commerce that has implemented a combination of C2B and B2B. Efficiency, System Availability, Fulfilment, Privacy and Security, Repurchase Intention and Customer Satisfaction were the variables used in this research (Artana, I., et al.2022). The effect of E-Service Quality and Customer Satisfaction on Repurchase intention through online consumer review as intervening variables in the market place Shopee. The variables used in this study were E-Service, Quality, Customer Satisfaction, Online Consumer Review and Repurchase Intention (Fauzi, A., & Rini, E. S. 2022). To determine the effect of e-service quality on customer e-satisfaction. To determine the effect of e-trust on customer e-satisfaction. To determine the effect of e-service quality on customer e-loyalty. To determine the effect of e-trust on customer e-loyalty. To determine the effect of e-satisfaction on online shop customer e-loyalty (Juwaini, A., et al.2022). Compensation had no positive relationship with customer e-satisfaction. Efficiency, Fulfilment, System Availability, Privacy, Contact, Responsiveness had a positive relationship with e-satisfaction. E-Loyalty and E-Satisfaction were both affected by overall quality of e-services i.e., Efficiency, Compliance, System Availability, Privacy, Contact, Responsiveness and Rewards. The link between service quality and customer loyalty, e-satisfaction helped in building customer loyalty (Puranda, N. R., Ariyanti, M., & Ghina, A. 2022). E-Service quality and trust had a significant favourable influence on customer loyalty, this effect was mediated by customer satisfaction. This study contributed to recent research on the impact of e-service quality and trust on customer satisfaction and loyalty in conducting online transactions in a marketplace (Muharam, H., et al.2021). The timeliness, Convenience and empathy of logistics service had a positive correlation with customer loyalty. Reliability and Responsiveness of logistics services had no positive correlation with customer loyalty. In food delivery industry there is a need to improve the efficiency of delivery services to achieve customer loyalty. The convenience in food ordering process, status updates, completing the orders as soon as possible. Proper training is necessary for delivery staffs for the betterment of customers (Mimi, S., & Yueyue, H. 2021). Hasna, W. N., & Rachmawati, I. (2021) E-Commerce service user interface had a positive and significant influence on e-commerce satisfaction. E-commerce service user interface had a positive and significant influence on e-commerce trust. E-commerce service information quality had a positive & yet not a really significant influence on e-commerce satisfaction. Website quality that had the most significant influence on customer's satisfaction and customer's loyalty of the JD.ID website was the variable of information quality. Also, usability and service interaction had no positive effect not significant to customer's satisfaction with little influence. Customer's satisfaction acted as a mediating variable, had a positive and significant effect on customer's loyalty with very strong influence (Candiwan, C., & Wibisono, C. 2021). The development and adoption of online banking in Canada had a great impact on the e-success of the companies also greatly helped internet merchants to offer their products and make online transactions easily and help the customers to make transactions without worrying about the security (Salehi, F., Abdollahbeigi, B., & Sajjadi, S. 2021). The Quality of service had a positive and significant effect on purchasing decisions. Electronic word of mouth had a positive and significant effect on purchasing decisions. Quality of web had a positive and significant effect on purchasing decisions and Confidence had a positive and significant effect on purchasing decisions (Ashari, A. 2021). The five variables used to determine the success of E-Commerce forms were Website Service Quality (WSQ), Customer Support System (CSS), Personalization (PER), Electronic Word of Mouth (EWOM) and E-Commerce System Success (ESS) (Abdalla, H.B., Chengwei, G., & Ihnaini, B. 2021). The User Interface Quality (UIQ) had a positive

effect on customer satisfaction in online shopping platforms during the COVID -19 pandemic. Perceived privacy (PP) had a positive effect on customer satisfaction in online shopping platforms during the COVID-19 pandemic. Information Quality (INFQ) had a positive effect on customer satisfaction in online shopping platforms during the COVID-19 pandemic. Customer Satisfaction (CSTF) had a positive effect on customer loyalty in online shopping platforms during the COVID- 19 pandemic. Finally, the information regarding online transactions, detailed and accurate, up-to-date, product information is also important for the customer (Mitchev, T., & Nuangjamnong, C. 2021). The greatest difference between the expectations and actual evaluations concerning the quality of e-commerce services taking into account the reliability of delivery. The research results can be applied to companies to improve their offer which will help them to achieve the customer requirements efficiently and optimize the costs of services (Gajewska, T., et al.2019).

### III. RESEARCH OBJECTIVES

- ❖ To study the effect of Service Quality on Service Loyalty in Electronic Commerce Firms.
- ❖ To examine the factors influencing Service Quality in Electronic Commerce Firms.
- ❖ To study the demographic variables and its effect on Service Quality in Electronic Commerce Firms.
- ❖ To suggest ways to use Service Quality effectively.

### IV. RESEARCH GAP

Many researchers focused only on some variables like customer loyalty, electronic service quality, satisfaction, and trust and didn't contain other variables such as after-sales service, and other socio-demographic features that are potential elements of Customer Satisfaction, Loyalty and image. There are a lot of works of literature available in the print and electronic media related to Service Quality in e-commerce firms, but very few researches are available related to Service Quality on Service Loyalty in e-commerce firms.

### V. CONCEPTUAL FRAMEWORK

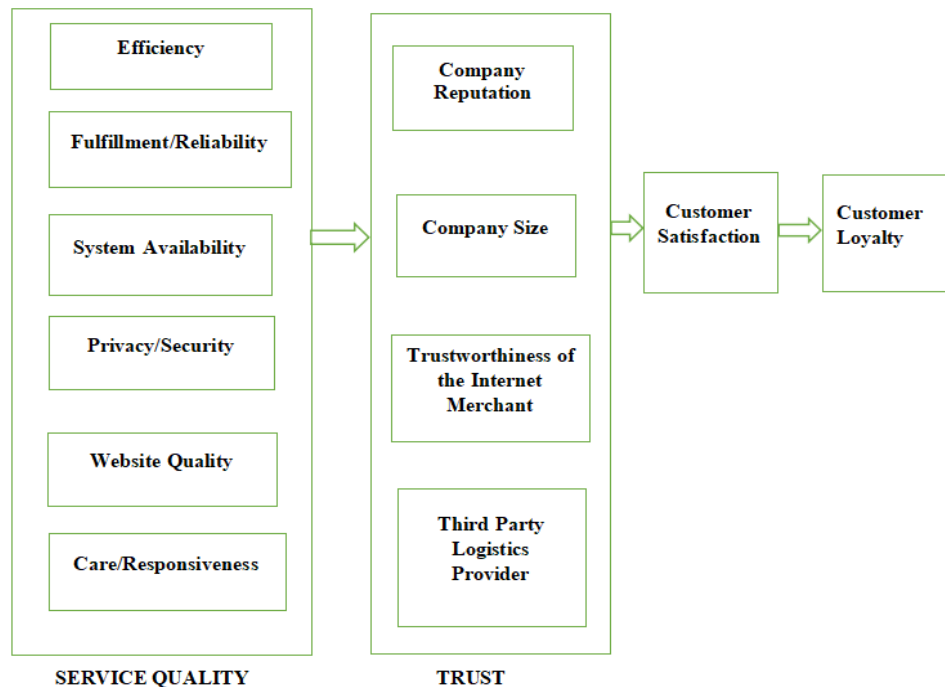


Figure 1: Conceptual Framework

Efficiency is attained when the services are provided at a fair and reasonable price. Fulfilment or Reliability is when the customers collect what they ordered, delivery time, delivery condition and order accuracy. System Availability is equipment availability which measures the probability that a system is not failed. Privacy or Security is controlling personal information and how the information is protected. Efficiency, Fulfilment or Reliability, System Availability and Privacy or Security had a positive relationship with e-satisfaction (Puranda, N.R., 2022). Website Quality includes Website Personalization, Website Aesthetics, Price Offerings, Purchase Process, Merchandise Availability, Website Convenience and product selection. The Quality of the Website had an optimistic and significant effect on Purchasing Decisions (Ashari, 2021). Care refers to the attention paid to the customer before and after purchasing the product to maintain a long-term relationship, and had a significant effect on E-Loyalty (Al-Ayed, S. 2022). Third-Party Logistics Provider is the one direct interaction between the platform and customer frequently through delivery partners. The empathy for logistics services had a positive relationship with customer loyalty (Mimi, S 2021).

## VI. RESEARCH METHODOLOGY

**Research Design:** The research design adopt for the research is descriptive research. It will be done to describe the data and characteristics of the population or phenomenon being studied. The association or relationship between variables will be demonstrated under the descriptive studies.

**Data Collection:** Primary data and Secondary data will be used for the study. The questionnaire will be prepared and used as an instrument to collect primary data. Secondary data will be collected through an intense review of literature, journals, books, newspapers, websites etc.

**Sampling Design:** The research is focused on specific groups as respondents that will deliver appropriate data for this study and who coordinated some set standards. The respondents are screened to confirm that they remember their knowledge of using an e-commerce firm. The measures for respondent collection are who visited, bought, or used the service offered by e-commerce firms.

**Sampling Method:** The convenience sampling technique is adopted for the study. This method draws representative data by selecting people based on the respondent's availability or ease of access.

## VII. CONCLUSION

This research will be a wide investigation related to service quality on service loyalty in e-commerce firms. It helps to develop new knowledge to understand the most important dimensions of e-service quality that have an impact on customer behaviour, customer satisfaction, and customer trust, building on existing literature on service quality in e-commerce firms. High-quality services are prioritized and regularly provided, and these actions have a favourable impact on client happiness, brand image, and competitiveness. Businesses that understand the value of service quality and work to improve it are likely to succeed in the dynamic and cutthroat digital marketplace as the e-commerce sector continues to develop.

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