Website Service Quality in Ireland: An Empirical Study

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Abstract. Despite the fact that service quality is a critical determinant of website success, studies show that consumers frequently view the service quality delivered through websites as unsatisfactory. This paper outlines a study that investigated the dimensions of website service excellence valued by Irish customers of a small-to-medium enterprise specialising in gifts. The E-S-QUAL measurement instrument was applied to the customers who purchase products online from this retailer, in order to determine their purchasing patterns and the dimensions of e-service quality that they value. The results of this study indicate the effectiveness of the instrument in determining gaps in e-service quality. The findings will be of benefit both to practitioners and researchers seeking to improve their understanding of the factors that contribute towards the creation and maintenance of consumer satisfaction in Irish online transactions.

Keywords: Website service quality, E-S-QUAL, consumer satisfaction.

1 Introduction

In Ireland the need for online vendors to understand the dimensions of website service quality that customers value has an added impetus as Irish consumers continue to resist transacting via the Internet – using it as an information rather than a transaction medium and thus limiting its commercial potential. For example, by the end of 2002, nearly half of the Irish population had Internet access, but only 38% of Irish Internet users had made an online purchase (Amarach Consulting, 2002). Studies in the UK have also found that the percentage of the Internet population who shop online has not increased in line with Internet penetration. Thus, while increases in the sheer size of the Internet population mean that more people have made an online purchase, the proportion of Internet buyers is not increasing. Therefore, in order that the commercial potential of the Internet is to be realized - a potential that is expanding dramatically as a result of advances in consumer wireless technologies and their transaction-facilitating capabilities – understanding the dimensions of service quality that Irish online consumers value is of critical importance.

1.1 Research Objectives

This research extends our understanding of service quality within the setting of online retailing. The study has two objectives. Firstly, it examines the dimensions of website service quality that are valued by customers of a small to medium online company in
Ireland. Secondly, by applying the newly operationalised e-S-QUAL measurement instrument, it explores the relevance of this instrument in the evaluation of business to consumer website service quality.

2 Service Quality

The traditional (off-line) service quality construct is one of the most researched topics in the area of services marketing. Although research into the specific dimensions of website service quality that are valued by online consumers is in an embryonic stage, it is an issue of considerable importance. In part, this is due to the fact that as competition for online consumers intensifies, service quality has become a key differentiator for online vendors and thus it has become increasingly important to have an appropriate means by which to measure it. This is particularly true in the business-to-consumer electronic commerce marketplace where web vendors compete for a limited number of consumers and where consumer loyalty has become a key indicator of success.

Service quality has been defined as the difference between customers’ expectations for service performance prior to the service encounter and their perceptions of the service received (Asubonteng et al., 1996). When performance does not meet expectations, quality is judged as low and when performance exceeds expectations, the evaluation of that quality increases. Thus, in any evaluation of service quality, customers’ expectations are key to that evaluation. Moreover, Asubonteng et al., (1996) suggest that as service quality increases, satisfaction with the service and intentions to reuse the service (i.e. loyalty intentions) increase.

To meet customer service requirements is both a performance issue (whether the service satisfies the customers requirements) and an issue of conformity to measurable standards. For example, Swartz and Brown (1989) distinguish between the consumer’s post-performance evaluation of ‘what’ the service delivers and the consumer’s evaluation of the service during delivery. The former evaluation has been termed ‘outcome quality’ (Parasuraman et al., 1985), ‘technical quality’ (Gronröos (1983) and ‘physical quality’ (Lehtinen and Lehtinen, 1982). The latter evaluation has been termed ‘process quality’ by Parasuraman et al., (1985), ‘functional quality’ by Gronröos (1983) and ‘interaction quality’ by Lehtinen and Lehtinen (1982).

The most frequently cited measure of service quality is SERVQUAL, an instrument developed by Parasuraman et al., (1985; 1988). It has been widely cited in the literature and has been used to measure service quality in a variety of settings e.g. health care (Babakus and Mangold, 1992; Bebko and Garg, 1995, Bowers et al., 1994), large retail chains (Teas, 1993; Finn and Lamb 1991), fast food restaurants (Cronin and Taylor 1992), a dental clinic, a tyre store and a hospital (Carman 1990). Designed to measure service quality from a customer perspective, it consists of five basic dimensions that represent the service attributes that consumers use to evaluate service quality. The five dimensions are tangibles, reliability, responsiveness, assurance and empathy. In their model, Parasuraman et al., (1985; 1988) suggest that it is the gap between consumer expectations with actual service performance that informs service quality perceptions. To the degree that service performance exceeds expectations, the consumer’s perception of service quality increases. To the degree that