

# Influence of E-Marketing Strategy on Customer Satisfaction

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**Abstract:** Over the past two decades, several attempts were made to provide best practices for e-service quality measurement and e-marketing strategy. It is always necessary to measure the performance quality of web services using different means such as E-SERVQUAL model. The customer satisfaction gets enhanced after measuring the E-service quality in a service-based company. The proposed study uses E-SERVQUAL model for measuring the service quality of an E-commerce Company. The survey questionnaire method is used to collect responses from customers of the company via email and newsletters. The results indicate that factors: efficiency, reliability, assurance and security in the e-service system are in favorable condition and factor: responsibility is not in the favorable condition that affects the customer satisfaction level of the company. Managerial implications are proposed with the help of theoretical study of e-marketing strategy 2P+2C+3S to enhance customer satisfaction of the company.

**Index Terms:** E-SERVQUAL model, customer satisfaction, customer experience, e-service quality, e-marketing strategy

## I. INTRODUCTION

The internet has played a significant role in changing the way people live and work in this era, and this has simplified life to a great extent and also has speeded up the quality of life. A good quality internet service speeds up the functions and is a vital component in providing quality services to customers that in turn serves in protecting the reputation and brand image of the e-commerce company and ultimately attracts more customers/clients. Checking on the nature of internet services and utilizing the standard methods would upgrade the customer satisfaction of the organization. Companies monitor customer satisfaction to determine how to increase the customer base, customer loyalty, revenue, and profit for their survival in the market. Organizations strive for customer satisfaction for sustainable business model those dependents on the perceived quality of the products/services the customer encounters. The customer satisfaction is measured using few profound matured and efficient models. Researchers have adopted tools like E-SERVQUAL model, Marketing mix model, Customer Satisfaction Surveys and Net promoter score [1] [2]. This study was conducted with the following research objectives: to use E-SERVQUAL model to assess and measure customer satisfaction; to assess

the user/customer experience of the service and to customize; to recommend the company a model with the help of theoretical study of E-marketing mix strategy to enhance E-service quality dimensions and improve customer satisfaction level. Specifically, research questions addressed are-are the customers satisfied with E-Service quality rendered by the E-commerce company and does E-service quality influence on the customer satisfaction in a service organization.

## II. LITERATURE REVIEW

Interpreting consumer loyalty and customer satisfaction is critical for both product advancements and enhancing the organization's support. A satisfied and fulfilled customer give a perpetual business, rarely look around, allude different customers, and advocates the organization to perform the trade. To assess customer perceptions of service quality there are several scales in that the prominent one is the SERVQUAL model. This model captures the gap between the customer's expectations and experience. The expectations may either surpass the background; the high expectation could be along with equal experience [3]. According to one of the researcher, the veritable gains of a quality revolution come only from customer delight, that to a great extent depends on the customer's perceptions of overall service quality [4]. Hasan, [5] explains the Strategies of E-Marketing 2P+2C+3S and concludes about the seven functions: *personalization, privacy, customer support, community, site, security and sales promotion* that stays at the bottom of the pyramid in any e-online marketing strategy. According to Beamish & Ashford [6], service providers must include tangible elements that could aid understanding of expectation from the consumer's perspective. As Saravanan & Rao [7], states the level of service quality determines customer satisfaction levels. Referring to Wicks & Roethlein [8], customer satisfaction is formed through an effective evaluation process, and this effective evaluation is done following the purchase experience by the consumer. With regards to examining and improving customer satisfaction, Akbar & Parvez [9], presents a portion of the intelligent approaches to transform the input accumulated into significant bits of knowledge on customer bliss. An e-service quality is characterized as the degree that a website encourages proficient and powerful shopping, acquiring, and conveying of products and services [10]. The E-SERVQUAL model was developed to measure customer satisfaction level with a focus on how consumers determine service quality while doing business in e-commerce. There are some measures the consumers use in assessing sites and e-service quality conveyance through sites.

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Most of them incorporate data accessibility, usability, protection/security, realistic style, and customer satisfaction. Customer satisfaction is depicted as the purchaser's judgment around an entity's general magnificence or prevalence [11]. It contains five dimensions: efficiency, reliability, responsibility, assurance, and privacy.

III. CONCEPTUAL FRAMEWORK

The variables: *efficiency, reliability, responsibility assurance, and security/privacy* have a considerable influence on customer satisfaction level of an e-commerce company. The listed variables considered are in the favorable level, then definitely the customer satisfaction of a company will be excellent (Figure 1).



Figure 1: Conceptual Framework

IV. METHODOLOGY

The E-SERVQUAL model is a measuring tool and service quality framework that aims to measure the scale of quality and to review customer satisfaction in the service sectors. It contains five dimensions: efficiency, reliability, responsibility, assurance and privacy [10] [13]. Data collection is carried out by a sample survey of customers to understand the customer's perceived service needs. The questionnaire for this survey is taken from the research paper Analyzing e-service quality in the service-based website by E-SERVQUAL [14]. Information gathered from these respondents is broken down to analyze the data utilizing SPSS software, and after that research questions are answered.

A. Sample Size Determination

It is imperative that data cannot be collected from the population. Literature support that sample that represents the population are divided with the help of equation 1.

$$n = \frac{z^2 \times p \times q \times N}{e^2 \times (N-1) + z^2 \times p \times q} \quad \text{---- (Eq. - 1)}$$

The minimum sample size calculated with the Eq. (1), Where: p= proportion of defectives in the universe (5% defect is assumed); q= (1-p); z= 1.96 as per table of scores in normal distribution within selected range of z for a confidence level of 95%; e= acceptable error (an error of 5% of true value is assumed); N=25,000 (population size); n= 75 (minimum sample size) [15]. The reliability test and the internal consistency of the collected responses from the pilot study helped to regularize the questionnaire for detailed research. Randomly 40 customers filled the E-SERVQUAL survey during the pilot study. The internal consistency is measured with Cronbach's alpha value using SPSS. The

reliability of 0.7 or higher is required for the pilot study for further continuation of the research [16]. The results of this test on various constructs Showed that all the constructs had Cronbach's alpha more than 0.7 indicating that the questionnaire was reliable.

V. DATA COLLECTION

Table.1 Variations And Mean of Indicators

Variable	Items	Mean
Efficiency	Downloading speed of the website.	3.39
Efficiency	Main information finding.	3.68
Efficiency	Navigation in the website.	4.03
Efficiency	Notifications finding.	3.71
Efficiency	Exiting speed from a website.	3.65
Reliability	User relying on website performance.	4.13
Reliability	24-hours website.	4.31
Reliability	Understandable information.	3.92
Responsibility	Inform user when a website is in problem.	3.97
Responsibility	Online or phone contact with the user.	2.48
Responsibility	Having online representations.	2.23
Responsibility	Fast reaction to problems.	2.53
Assurance	Attention to compared and ordered services	2.32
Assurance	Fast ratification transmission for entered information	3.65
Assurance	Confident about getting redirected to the respective online retailer in the website	3.95
Security	Enough concern to inter-user information	4.28
Security	User confidence to the entered information	4.03
Security	User confidence to not abuse of personal information by the company	4.16

The data collected from the respondent is analyzed for the five dimensions, Efficiency, Reliability, Responsibility, Assurance and Privacy/Security based on E-SERVQUAL in the Website of Company with the standardized questionnaire [14]. Customers of the company were asked to answer questions on a



five-point Likert scale that 1-strongly disagree, 2-disagree, 3-neutral, 4-agree, and 5-strongly agree. For analyzing data, one-sample t-test has been used. A random sample of 75 customers is used in this study. The questionnaire was sent to customer's e-mail addresses as well as in the weekly newsletters.

Hypothesis formulated

H1 – Efficiency significantly deviates from test value.

H2 – Reliability significantly deviates from test value.

H3 – Responsibility significantly deviates from test value.

H4 – Assurance significantly deviates from test value.

H5 – Security/Privacy significantly deviates from test value.

## VI. RESULTS

Mean of every inquiry is shown in Table.1 The tabulated data is subjected to t-test and result of one-sample t-test indicates that sample means of efficiency (t=7.06), reliability (t=14.74), assurance (t=11.91), security/privacy (t=13.62) are significantly higher than expected value three, but sample mean of responsibility (t= -7.12) is significantly lower than expected value three and is indicated in Table.2. Where SS is sample size, SEM is standard error of measurement, df is degree of freedom and Sig. is significance usually denoted as *p* value.

**Table.2 One-Sample T-Test For Each Variation**

Variables	S	Mean	SD	SEM	t-value	df	Sig
Efficiency	75	3.69	0.85	0.09	7.06	74	0.0001
Reliability	75	4.08	0.63	0.07	14.74	74	0.0001
Responsibility	75	2.39	0.75	.08	-7.12	74	0.0001
Assurance	75	3.96	0.68	.07	11.91	74	0.0001
Security	75	4.05	0.66	.07	13.62	74	0.0001

### A. Interpretation of one sample t-test

**Efficiency:** Mean of Efficiency ( $3.69 \pm 0.85$ ) is higher than the expected value of 3. The significance level (P value) is  $0.0001 < 0.05$  so the null hypothesis is rejected and by accepting the alternate hypothesis. Therefore, it is concluded that the Efficiency significantly deviates from test value and it is in favorable level.

**Responsibility:** Mean of Responsibility ( $2.39 \pm 0.75$ ) is lower than the expected value of three as the significance level (P value) is  $0.0001 < 0.05$  by rejecting the null hypothesis and accept the alternate hypothesis and arriving closer that Responsibility significantly deviates from test value and it is not in favorable level.

**Assurance:** Mean of Assurance ( $3.96 \pm 0.68$ ) is higher than the expected value of three. The significance level (P value) is  $0.0001 < 0.05$  and reject the null hypothesis and accepts the alternate hypothesis means the Assurance is significantly deviating from test value and it is in favorable level.

**Privacy/Security:** Mean of Privacy/Security ( $4.05 \pm 0.66$ ) is higher than the expected value of three. The significance level (P value) is  $0.0001 < 0.05$ , the decision is rejecting the null hypothesis and accept the alternate hypothesis. It is concluded that the Privacy/Security significantly deviates from test value and it is in favorable level.

## VII. DISCUSSION

Findings of the research study indicate that variables - Efficiency, Reliability, Assurance and Privacy/Security of the company website are at the favorable level. The variable Responsibility is not at favorable level. The customer satisfaction level is relatively good according to E-service quality of the company but not up to the mark. To achieve high customer satisfaction level with best E-service quality dimensions, all the variables should be at the favorable level.

### A. E-Marketing Strategy – Theoretical Study

The variable – Responsibility is very poor and might affect the customer satisfaction level of the company in future. This variable can be improved to match the favorable level using E-marketing strategy (2P+2C+3S). The primary focus is to increase the variable – Responsibility. This variable contains factors regarding the Company's Online or Phone Contact (Customer Care/Support), online representations (Online Community), the fast reaction from the website during problems (site issues). Amongst the seven functions of E-marketing strategy, it's desirable to carry out a theoretical study of three functions, and they are – Customer Support, Community and site.

**B. Customer Care/Support:** Customer service relates to the service provided to customers before, during and after purchase. No matter the size of business, excellent customer support needs be at the heart of all E-commerce business model if you wish to be successful. It is essential to provide excellent customer service to all types of customers, including potential, new and existing customers. Suggestions and recommendations to the company regarding Customer Support / Customer service are: Answer emails promptly; Consider a live chat service; Consider adding a 'request to call' option on your Contact Us form; Keep a log of any phone interactions you have with your customers; Publish important information about your business, like your mission statement and your business history, on your website; Add a feedback form to your website. The variable – Responsibility can be improved to match the favorable level by implementing the above practices. When Customer Service of the company becomes proficient, ultimately the variable – Responsibility would be improved.

**C. Community:** Every E-commerce Company should have online forums and communities so that individuals, as well as groups, will eventually interact. A group of entities that interact for a common purpose is what is called as "community". With the creation of social media, companies are beginning to create 'digital' communities whereby they can get their marketing message to their community much faster and easier through the use of digital technologies. The value that has created for companies is extraordinary.

**D.** These communities are best to make announcements which anything from new products could be, answer to your most Frequently Asked Questions, seasonal promotions, or anything new about your company you would like to share. Though the Company has some online communities (example, Facebook & Blog pages), customers are not happy. The reason could be the absence of dedicated team to handle these communities and sometimes doesn't respond to any queries or discussions made by customers. These online communities are new and don't have so much of fan following. Thus, many customers are unaware of the blog and a social media page. It's advisable to start new online community forums, threads, social media pages and discussion channel to keep the customers happy and informed about the new products, discounts and deals. It's always good to have a dedicated team to handle all these online communities to get the best of it. By using social media advertising tools, company's community gains fans from all over. By doing this, all the customers of company will become aware of their online communities and take part effectively to gain benefits. The variable – Responsibility is improved by implementing the above practices. When an online community of the company becomes proficient, ultimately the variable – Responsibility would be improved.

**E. Site:** When it comes to service, companies create loyal customers primarily by helping them in solving their problems quickly and with ease. Armed with this understanding, companies can fundamentally change the emphasis on customer interactions. When customers encounter a problem, it can be incredibly disruptive to their day. Getting them back on track certainly means getting them the right information. The Website content also needs to speak to aggrieved customers the right way. Suggestions and recommendations: send a proactive notice; explain the benefits; respond to correspondence quickly; offer an alternative.

The variable – Responsibility can be improved to match the favorable level by implementing the above practices.

### VIII. CONCLUSION

In this study, an effort is made to investigate the e-service quality of company's website using the E-SERVQUAL system. The proposed study of this project has implemented to measure the quality of a web service that belongs to an E-commerce company in Bangalore. Findings indicated that efficiency, reliability, assurance and security of company's website were in favorable level. The variable responsibility is not at a favorable level and to improve this theoretical study of E-marketing strategy is made. Managerial implications are made to enhance this variable and enhance the customer experience as well as customer satisfaction. Future research in designing and improving websites will contribute to website managers for increasing customers' satisfaction and loyalty. The productive assets that encourages companies to assess their E-service quality, design upgrades and eventually immerse their sites for intended facilities as well as utilities to accomplish consumer loyalty and achieve customer satisfaction. Additionally increasing the sample size of users and with different types of companies including retailers and brick and mortar adds value. The main limitation of this study is that it cannot be generalized to all types of companies because the research is constrained to only one E-commerce

Company. The responses were collected online with the help of a weekly newsletter and emails. There was no face to face communication while getting the responses of surveys, and this may lead to few errors as some customers won't respond to these surveys seriously and do this just for entering the referral contest to win some goodies.

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