

Perceived Service Quality And Customer Loyalty Towards Flipkart.com – A Study On Young Adults Belonging To Kolkata City

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Abstract

Modern science and technology have made people's life easier and convenient. As one of the outcomes of modern science and technology, the internet has been deeply into every aspect of people's daily life. Online shopping is an important example of that aspect. The aim of the present investigation is to study the service quality as perceived by the young adults of Kolkata City and also customer loyalty towards flipkart.com. Accordingly, a group of 100 young adults (50 male and 50 female) between the ages 18 to 25 years were selected as sample in this investigation. A General Information Schedule, Site Quality Questionnaire, Electronic Service Quality Questionnaire and Customer Loyalty Questionnaire were used as tools. The findings revealed that male group differ with female group in terms of perceived service quality but no significant difference was observed in case of customer loyalty. The study also indicates that the more the shopping experience, the better is the service quality. The same is true for customer loyalty also. Besides this, there is positive correlation between perceived service quality and customer loyalty. The findings may help to increase the service quality better in comparison to the existing condition considering the factors – efficiency, fulfillment and contact facilities of flipkart.com.

Key words : *Service Quality, Customer loyalty, Flipkart.com and Young adults*

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Introduction

Electronic business or e-business involves electronic purchasing and supply chain management, processing orders electronically, handling customer service and cooperating with business partners. Online shopping is a form of electronic commerce which allows consumers to buy good and services from a seller over the internet using a web browser. Flipkart is an Indian e-commerce company founded in 2007. Many individuals purchase materials from flipkart.com. Service quality is the comparison between customers' expectation and perception of service (Parasuraman et al, 2005). A study conducted by Karim (2013) endeavours to understand customer's satisfaction in online shopping while investigating the major reasons that motivated customers' decision-making

processes as well as inhibitions of online shopping. Basar and Wasiq (2013) studied the impact of emotional state and perceived risk of remote purchase on e-satisfaction during internet shopping and also influence of e-satisfaction on e-loyalty. The findings reveal the positive impact in this regard. Another findings reveal that website design, security, information quality, payment method, e-service quality, product quality, product variety and delivery service are positively related to consumer satisfaction towards online shopping in China (Guo et al, 2012). Research findings also reveal that domain specific innovativeness and subjective norms positively affect online shopping behaviour. Furthermore, attitude towards online shopping also positively affected online shopping behaviour of the consumers

(Javadi, 2012). Besides this, factors affecting online shopping behaviour in India is significantly affected by various demographic factors like age, gender, marital status, family size and income (Nagra and Gopal, 2013). Considering all these the present investigation has been designed to study perceived service quality and customer loyalty towards flipkart.com as expressed by young adults belonging to Kolkata City.

Objectives

1. To study the service quality of flipkart.com as perceived by male and female group of young adults belonging to Kolkata City.
2. To study the customer loyalty towards flipkart.com as perceived by male and female group of young adults belonging to Kolkata City.
3. To study whether service quality of flipkart.com as perceived by male and female group of young adults belonging to Kolkata City differ with period of shopping or not.
4. To study whether customer loyalty of flipkart.com as perceived by male and female group of young adults belonging to Kolkata City differ with period of shopping or not.
5. To find out correlation between service quality and customer loyalty of flipkart.com.

Hypotheses

Hypothesis – I : Service quality of flipkart.com as perceived by the male and female group of young adults belonging to Kolkata city differ significantly.

Hypothesis – II : Customer loyalty of flipkart.com as perceived by the male and female group of young adults belonging to Kolkata city differ significantly.

Hypothesis – III : Service quality of flipkart.com as perceived by the young adults belonging to Kolkata city is differentially associated with duration of shopping period.

Hypothesis – IV : Customer loyalty of flipkart.com as perceived by the young adults belonging to Kolkata city is differentially associated with duration of shopping period.

Hypothesis – V : There is positive correlation between service quality and customer loyalty.

Sample

A group of 100 young adults (50 male and 50 female) were selected as sample who purchase materials from flipkart.com were selected as sample in this investigation. They are between the ages 20 to 30 years and their duration of shopping experience is less than two years and more than two years.

Tools Used

1. **General Information Schedule :** It consists of items like name, address, age, gender, duration of shopping period etc.
2. **SITEQUAL** (Dr. Boonghee Yoo and Naveen Donthu, 2001) and **E-S-QUAL** (Parasuraman, A., Zeithaml, V.A. and Malhotra, A.) SITEQUAL contains nine items for four domains, viz., ease of use, esthetic design, processing speed and security. The basic E-S-QUAL scale consists of 22 items of four dimensions, viz., efficiency, fulfillment, system availability and privacy and the second scale E-RecS-QUAL contains 11 items of three domains, viz., responsiveness, compensation and contact.
3. **Customer Loyalty Questionnaire** (McMullan, R. and Gilmore, A., 2008). It consists of 28 items. The purpose of this scale is to focus on establishing individuals' levels of loyalty and it recognizes the importance of customer loyalty which is mainly needed for many competitive organizations and industries.

Administration, Scoring and Statistical Treatment

The questionnaires were administered to the selected group of subjects by giving proper instruction. Data were collected and properly scrutinized. Scoring was done with the help of scoring key. Tabulation was done for each group and each test separately. Frequency and percentages were calculated for general information schedule. Mean and S.D. were calculated for other tests. Comparisons were made by applying t-test. Correlation was done for service quality and customer loyalty.

Results and Interpretation

The general characteristic data inserted in Table – 1 reveal the characteristic features of the subjects, under study.

Table – 1 : General characteristic features of the subjects

| Characteristics | Male | (N = 50) | Female | (N = 50) |
|-------------------|-----------|------------|-----------|------------|
| Age (Mode) | 22 years | | 24 years | |
| Shopping period | Frequency | Percentage | Frequency | Percentage |
| Less than 2 years | 47 | 44.00 | 52 | 52.00 |
| More than 2 years | 53 | 53.00 | 48 | 48.00 |

Data inserted in Table – 2 reveals the comparative picture between the male and female group of young adults in terms of perceived service quality of flipkart.com. Overall picture reveals significant difference between the two groups. From the mean score it can be said that service quality as perceived by the female group is comparatively better than that of the male group. Analysis of data further reveals that site quality, system availability, fulfillment, privacy, compensation and contact are the main reasons behind the difference between the two groups. Further it can be said that the domains, like, efficiency, fulfillment, privacy and contact differ significantly in this context. Thus, the **Hypothesis – I** which postulates, “**Service quality of flipkart.com as perceived by the male and female group of young adults belonging to Kolkata city differ significantly**” – is accepted for the domains efficiency, fulfillment, privacy and contact and also for overall service quality and is rejected for other domains.

Table – 2 : Comparison between the male and female group of inhabitants in terms of perceived service quality of flipkart.com

| Domain | Perceived | Service | Quality of | Flipkart.com | t- value |
|---------------------|-----------|---------|------------|--------------|----------|
| | Female | (N=50) | Male | (N=50) | |
| | Mean | S.D. | Mean | S.D. | |
| Site quality | 33.56 | 1.13 | 34.50 | 1.31 | 1.22* |
| Efficiency | 31.10 | 1.86 | 30.14 | 1.07 | 3.20*** |
| System availability | 15.08 | 1.92 | 15.60 | 1.79 | 1.58* |
| Fulfillment | 25.08 | 2.87 | 26.92 | 2.36 | 3.54*** |
| Privacy | 10.96 | 1.76 | 11.80 | 1.44 | 2.63** |
| Responsiveness | 19.62 | 1.91 | 19.02 | 1.88 | 1.62* |
| Compensation | 10.18 | 2.86 | 10.60 | 1.92 | 1.83* |
| Contact | 10.28 | 2.45 | 11.24 | 2.11 | 2.09** |
| Loyalty intention | 17.26 | 2.12 | 17.92 | 1.99 | 1.61* |
| Total | 177.74 | 15.87 | 163.32 | 17.48 | 4.32*** |

* Difference is insignificant, ** $p < 0.05$, *** $p < 0.01$

Data inserted in Table – 3 reveals the comparative picture between the two groups (male and female) in terms of customers' loyalty. Customer loyalty encourages customers to shop more consistently, feel positive about the shopping experience, help to attract consumers to familiar brands in the face of a competitive environment. Customer loyalty towards flipkart.com as expressed by female group is comparatively higher than that of the male group (from the mean score) but statistically no significant difference was observed in this regard. Thus, the **Hypothesis – II**, which states, “**Customer loyalty of flipkart.com as perceived by the male and female group of young adults belonging to Kolkata city differ significantly**” – is rejected in this investigation.

Table – 3 : Comparison between the male and female group in terms of customer loyalty towards flipkart.com

| Category | | Customer | Loyalty | |
|----------|----|----------|---------|---------|
| | N | Mean | S.D. | t-value |
| Male | 50 | 143.92 | 11.78 | 1.76* |
| Female | 50 | 148.02 | 11.53 | |

* Difference is in significant

Comparison was also made between the two groups of young adults whose shopping period is more or less than two years in terms of perceived service quality towards flipkart.com. Overall findings reveal that the more the shopping period the better is the perception. People whose duration of shopping period is more than two years perceive the service quality better than that of the less than two years which is mainly due to efficiency, fulfillment, privacy, responsiveness, contact and loyalty intention. Thus, the **Hypothesis – III**, which states, “**Service quality of flipkart.com as perceived by the young adults belonging to Kolkata city is differentially associated with duration of shopping period**” – is accepted for efficiency, fulfillment, privacy, responsiveness, contact, loyalty intention and overall service quality and is rejected for other domains.

Table – 4 : Comparison between the young adults whose shopping period is more and less than two years in terms of perceived service quality

| | Perceived | Service | Quality of | Flipkart.com | |
|---------------------|-------------|---------|-------------|--------------|----------|
| Domain | More than 2 | (N=50) | Less than 2 | (N=50) | |
| | Mean | S.D. | Mean | S.D. | t- value |
| Site quality | 32.50 | 2.54 | 31.65 | 2.87 | 1.64* |
| Efficiency | 32.45 | 2.29 | 30.28 | 2.44 | 4.52*** |
| System availability | 17.50 | 1.97 | 18.10 | 2.35 | 1.36* |
| Fulfillment | 29.63 | 1.73 | 27.58 | 2.84 | 3.67*** |
| Privacy | 12.70 | 2.67 | 11.35 | 2.45 | 2.50** |
| Responsiveness | 20.84 | 1.93 | 19.28 | 1.89 | 4.00*** |
| Compensation | 13.50 | 2.87 | 14.20 | 2.69 | 1.23* |
| Contact | 11.90 | 1.52 | 10.65 | 2.28 | 3.21*** |
| Loyalty intention | 11.63 | 3.04 | 10.04 | 2.43 | 2.89*** |
| Total | 181.65 | 19.86 | 167.13 | 21.84 | 3.41*** |

* Difference is in significant, ** p < 0.05, *** p < 0.01

Comparison was also made between the two groups of young adults whose shopping period is more and less than two years in terms of customer loyalty towards flipkart.com. Here also, findings reveal that the more the shopping period the better is the customer loyalty and vice-versa. Thus, the **Hypothesis – IV** which postulates, “**Customer loyalty of flipkart.com as perceived by the young adults belonging to Kolkata city is differentially associated with duration of shopping period**” – is accepted in this investigation.

Table – 5 : Comparison between the young adults whose shopping period is more and less than two years in terms of customer loyalty

| Shopping period | | Customer | Loyalty | |
|-----------------|----|----------|---------|---------|
| | N | Mean | S.D. | t-value |
| More than 2 yrs | 50 | 150.26 | 8.21 | 3.40* |
| Less than 2 yrs | 50 | 144.37 | 8.79 | |

* $p < 0.01$

Correlation was done between service quality and customer loyalty towards flipkart.com. There exists positive correlation between these two. Thus, the **Hypothesis – V** which postulates, “**There is positive correlation between service quality and customer loyalty**” – is accepted in this investigation.

Table – 6 : Correlation between perceived service quality and customer loyalty

| Category | Mean | S.D. | Coefficient of Correlation |
|------------------|--------|------|----------------------------|
| Service Quality | 178.18 | 4.11 | 0.58 |
| Customer Loyalty | 143.97 | 3.87 | |

Concluding Remarks

Electronic media has a lot of positive effects in our modern society and culture. Online shopping or e-shopping is a form of electronic commerce which allows consumers to buy goods or services from a seller over the internet using a web browser. Flipkart is considered as the e-commerce company that made online shopping popular in India. In this investigation, overall picture reveals indication of favourable attitude towards flipkart.com but in some domains male group differ with female group. Not only this, the more the shopping period the better is the service quality and customer loyalty as opined by them. Besides this, there is also positive correlation between service quality and customer loyalty. Young adults of Kolkata city are spending many hours to search for their

needed products or brands of products. The findings may help to re-evaluate their service quality and give more valuable and efficient service to the customers by knowing what they need and what they prefer. It also helps to increase the customer loyalty.

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