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**SERVICE QUALITY AND CONSUMER EXPECTATION OF SELECTED ONLINE  
STORES IN PORT HARCOURT**

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**Abstract**

*The purpose of this study is to empirically investigate how service quality affects consumer expectation in Port Harcourt. Data were collected from a sample of 67 consumers and analyzed using Spearman's correlation coefficient with the aid of Statistical Package for Social Sciences (SPSS) Version 20. Findings revealed that over 70% of the respondents agree that service quality significantly determines the expectation of consumers towards online stores in Port Harcourt. The paper concludes that service quality has tremendous impact in consumer expectation in online stores. The paper recommends amongst others that, the management of online stores should increase the quality of service delivered as this motivates the consumer and makes them believe in the online store they patronize.*

*Keywords: Service quality, Consumer Expectation, online stores*

**Introduction**

As the internet has developed into new distribution channels, online transactions in Nigeria are rapidly increasing; consumers' attention are gradually shifting from the physical analogy of buying products and services at a brick-and-mortar store to an online shop in search for more quality and convenience (Ozuru, H. et al, 2015). Quality focused organizations gain competitive advantage over competitors on the market place both locally and internationally(Lewis and Dale, 2001), this has therefore led to the boom of internet shopping.

Quality is considered to be one of the management's topmost competitive priorities and a prerequisite for sustenance and growth of firms;the quest for quality improvement has become a highly desired objective in today's intensively competitive market. It is often said that quality is an antecedent of consumer assessment of value which in turn influences customer's satisfaction (Boller, 2007). Moreso, marketers have realized that to retain customers and support market growth, they must provide high quality services (Zietaml. et al, 2002).

Online shopping is the process of buying goods and services from merchants over the internet (Laudon et al 2006). Consumers tend to buy a huge variety of products from online stores by just visiting the web stores from the comfort of their homes and these products are delivered to them electronically (Ozuru, 2012). In the view of Yulihhasri (2011), online shopping is business transactions that takes place via the internet and then finally the goods are delivered physically or electronically to the consumers. In online business

transactions, companies collect information about consumers, their purchasing patterns and habits which helps organization to improve and enhance on their products and services to consumers (Lin and Hong, 2006).

Service quality serves as a measure of how well the service level delivered matches the customer's expectations with a consistent basis (Lewis and Booms, 1993). Consumers are always out to get satisfaction from every money sent, thus always desiring quality whenever they purchase. Boller(1992), added that expectations and perceptions form the background of service quality.

Observing from the popular and growing trend of online shopping, there is no doubt that business can now use the internet to interact with customers and gain competitive advantage (Kalidas, M. 2007). In view of the forgoing, the aim of this study is to establish the relationship that exists between service quality and what the consumers actually expect during purchases. Thus, consumer expectations are correlated with service quality to ascertain empirical-based fact that would serve as a guide to online shops especially in these contemporary times that service quality has been recognized as a strategic tool for attaining operational efficacy and better performance in the business world.

### **Statement of Problem**

Looking at the enormous ease that online shopping has brought to the consumers in course of their purchases, it is expected that online shop should attract tremendous patronage in a densely populated country like Nigeria; this is not the case as consumers have been more selective and demanding for services they consume and how it is been delivered; which has led to stiff competition amongst online firms resulting in low and reduced sales (Author's observation). This therefore calls for greater attention to be paid in the quality of services delivered.

In view of the importance of service quality, (Parasuraman, 1991) posits that to perform the measurement of user satisfaction, it is necessary to focus on the expectations and perceptions that the user has about the offered service. Consumers are sensitive to the quality and standard of services they receive and they also compare among themselves in order to obtain value for their money (Anyanwu, 2011). Most online customers are not confident with online purchases as a result of lack of trust on the services rendered (Asubonteng, 1996). In online purchases, expectations hardly meet reality, one only see a photo of what one wants to buy and not the quality as it is never guaranteed; this is contrary to what consumers expects(Asaio,2008). It is on the basis of the above that this study is significant as its findings could be used as a strategic tool to redesign quality service processes for the accomplishment of the expectations of the customers involved in online purchases in Nigeria.

### **Objective of the Study**

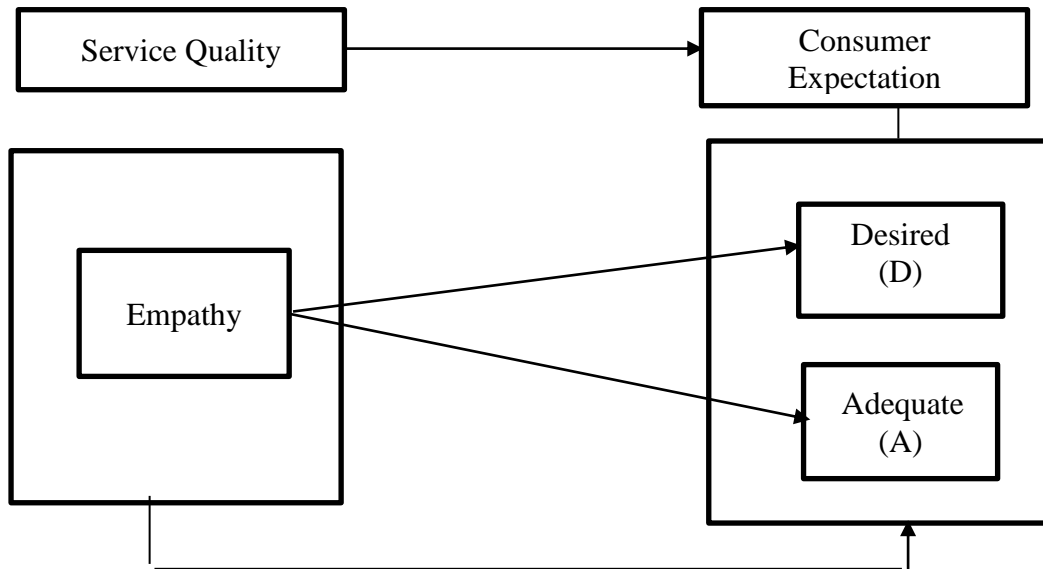
The objective of this paper is to empirically investigate how service quality affects consumer expectation of selected online stores in Port Harcourt.

### **Research Question**

- To what extent does empathy affect desired service of selected online stores in Port Harcourt?
- To what extent does empathy affect adequate service of selected online stores in Port Harcourt?

### Study Variables and Model Specification

In this paper, service quality is our predictor variable with its dimension as (empathy) while the criterion variable is consumer expectation with its measures as (Desired and adequate).



**Fig 1: Conceptual/ Operational framework on Disruptive Technology and Consumer Attitude of Wood work in Port Harcourt**

Source: Desk Research, 2018.

### Research Hypotheses

Ho<sub>1</sub>: There is no significant relationship between empathy and desired service of Selected online stores in Port Harcourt.

Ho<sub>2</sub>: There is no significant relationship between empathy and adequate service of Selected online stores in Port Harcourt.

### Theoretical Foundation

This study is anchored on the Nordic perspective theory postulated by Greenrooms in 1979. This theory defines the concept of perceived service quality as the outcome of an evaluation process; where the consumer compares his expectation with the service he perceives, he received. This theory is related to the Seroquel model and bases its definition of service quality on technical quality (the outcome or what) and functional quality (The process or how). The functional quality represents how the service is delivered; that is to say it focuses on the series of interaction that takes place during the service delivery; on the other hand, the technical quality refers to what the customer receives in the service encounter (Green, 2006).

Nordic perspective theory also recognized that corporate image is a moderating dimension for perceived and expected quality (Greenrooms, 1984). For the purpose of this study, the relevancy of this theory is enormously felt on the consumer's decision as to the online firm he patronizes which is based on the firm's corporate image, technical and functional qualities of the services rendered. The application of the theory to this study is worthwhile, as it explains that the presence of the above three factors are major determinant as to whether or not a consumer perceives quality in any given service (Greenrooms, 1984).

## **Literature Review**

### **Service Quality**

Since the pioneering work of Zeithaml et al (2002), the quality of online services has been explored to some extent. Parasuraman et al (1985) suggest that service quality is an abstract and elusive construct as a result of three features that are unique to service; they include intangibility, heterogeneity and inseparability of production and consumption. The traditional approach, views service quality as a comparison of consumer expectation with actual performance (Boller, 1992). Contrary to this, Bitner and Hubbert (1994), viewed service quality as the consumer's overall impression of the relative inferiority or superiority of the organization and its services.

Lewis, 1989; Cox and Dale (2001), opined that the key element for business success is quality and that it is important that all businesses put a lot of preferences on quality because consumers have become more selective and demanding of services they consume. Berry, (1985) opined that quality is the totality of features and characteristics of a product or service that bear on its ability to satisfy stated or implied needs. In the service industry, service quality is recognized as the degree of difference between customer expectations and their perceptions of the service they receive (Parasuraman, Zeithaml and Berry, 1985; Bebeko, 2000).

Parasuraman et al (1988) developed a model to measure the expectation & perception towards any service, which he named as a SERVQUAL (service quality) model. In the context of retail service the model is based on following five dimensions:

- Reliability: Is concerned with the store's ability to perform the service accurately and dependably.
- Responsiveness: Is related with the employees' willingness to help customers and provide prompt services.
- Assurance: Is related with the employees' knowledge, courtesy and their ability to inspire trust and confidence.
- Empathy: Is related with Caring, individualized attention given to customers or the ease of access, approachability and effort taken to understand customers' requirements.
- Tangibles: Is all about the appearance of the physical facilities and material relayed at retail outlet.

Quality focused organizations gain competitive advantage over competitors on the market place both locally and internationally (Dale et al, 2001). Quality cannot be considered independently but only in relation to what is perceived.

Ziethaml(1988), calls quality superiority; Parasuraman et al, (1990) sees service quality as exceeding what consumers expect from service providers, thus, the conformance to requirements. Goonoo's (2001), described service quality in terms of seven perceived criteria which are mainly professionalism and skills, attitudes and behavior, accessibility and flexibility, reliability and trustworthiness, service recovery, services cape and reputation credibility. Amah et al. (2008), argued that service quality is described when two standards of comparative element is experienced; quality is more generally conceptualized as an attitude, the consumer's global evaluation of a service offering. Furthermore, service quality is built up from a series of evaluated experiences and hence is less dynamic than satisfactions.

Singh (2013) stated that in retailing, perceived service quality is having a significant influence on purchasing and repurchasing decisions, positive word of mouth as well as on consumer behaviors. William & Prebake (2012), the customer perception of online service quality is an important segment to the emerging and the existing online retailers in the market as the study reveals that perception of service quality influenced by the various natures of various customers. According to Kumar.R & Barani (2012), service quality has long been accepted as the most basic marketing tool for retailers to differentiate their retail offers, create competitive advantage and to enhance the customers' shopping experience. Nonetheless, maintaining excellent service quality within the stores is no simple task. Kumar.R & Barani (2012) identified in their study that "tangibles, reliability, responsiveness, competence, credibility, accessibility and customer knowledge are positively related to customer satisfaction.

Service quality is the ability of a service firm to hang onto its customers (Kotler and Armstrong, 2009); in their opinion, customer retention is the best measure of service quality. Bounding et al., (1993), developed a behavioral process model of perceived service quality relying on a Bayesian-like framework; Perceptions of the dimensions of service quality are viewed to be a function of a customer's prior expectations of what will and should transpire during a service encounter as well as the customer's most recent contact with the service delivery system. These perceptions of quality dimensions form the basis of a person's overall quality perception.

To evaluate a service is more complex than to evaluate a product as its defects can be detected meanwhile service is first purchased and then it is produced and consumed simultaneously (Ziethaml and Berry, 2002); this therefore calls for greater attention to be paid in service deliveries. To buttress the importance of service quality, Parasuraman (1990), posit that to perform the measurement of user satisfaction, it is necessary to focus on the expectations and perceptions that the user has about the offered service.

### **Consumer Expectation**

Consumers' expectations about what constitutes good service vary from one business to another; expectations are also likely to vary in relation to differently positioned service providers in the same industry (Wright, 2001). The acquisition of information both from the memory and the environment create service experience which has been operationalized by a number of authors as 'expectations' (Olson and Dover, 1976). In their definitions, they described expectation as pre-purchase beliefs about service.

The term "customer expectations" has received increasing attention among researchers in the service sector. Customer expectations have been explored in various research contexts, but have been most thoroughly investigated in the customer satisfaction and dissatisfaction, and service quality research studies (Zenithal et al., 1993). There has been a consensus in the related literature that "expectations serve as standards with which subsequent experiences are compared, resulting in evaluations of satisfaction or quality". Service quality entails customer expectations, customer perception, and customer satisfaction.

According to (Zenithal et al., 1993), consumer expectations are viewed as desires or wants. Three related terms have been circulated within the literature of this type of consumer expectation: "ideal expectations" (proposed by Miller, 1977) meaning the "wish for" level of performance, "desired expectations" (generated by Swan and Trawick, 1980) defined as "the level at which the customer wanted the product to perform" (Zeithaml et

al., 1993), and “normative expectations” (termed by Parkas, 1984) addressing the way performance is taken for customer complete satisfaction.

In addition to the two approaches above, Zenithal et al. (1993) describe a list of other types of customer expectations standards proposed by Miller (1977); Woodruff, Cadott, and Jenkins (1983); and Parka (1984) they are: “minimum tolerable expectations” (proposed by Miller, 1977) referring to the lowest level of performance acceptable to the customer, “deserved expectations” (proposed by Miller, 1977) reflecting the consumers’ subjective evaluation of their own product investment”, “experience based norms” (devised by Woodruff, Cadott, and Jenkins, 1983) capturing not only the ideal but also the realistic aspects of customer expectations and “comparative expectations” (named by Prakash, 1984).

In an attempt to conceptualize the levels of consumer expectation of service, Zeithaml, Berry, and Parasuraman (1993) differentiated three kinds of service:

- Predicted service: the level of service customers believe they are likely to get.
- Desired service: the level of service representing a blend of what customers believe “Can be” and “should be” provided; and
- Adequate service: the minimum level of service customers are willing to accept.

These authors then devised the term “zone of tolerance”, referring to the gap between the desired service and predicted service. This study adopts two of these levels in measuring consumer expectation.

Customer expectations play the key role in customers’ evaluation of service quality (Zenithal et al., 1993; Greenrooms, 1982; Lehtinen and Lehtinen, 1982; Parasuraman, Zenithal, and Berry, 1985, 1988; and Brown & Swartz, 1989). In the service sector, to increase customer repurchase intention, it is crucial to enhance service quality. Enhancing service quality requires fostering customer satisfaction. In order to foster customer satisfaction, it is essential to be aware of customer perception of service experience which means that, a deep awareness of customer perception cannot be obtained without identifying customer expectations (Goonoo’s, 1982).

### **Methodology**

The study adopted a cross-sectional survey research design and a convenience sampling method. The targeted population of the study constitutes selected online stores operational in Port Harcourt which includes Jumia, Konga and Jiji.

Data collected was analyzed using the Spearman’s Correlation Coefficient statistical tool. Of the total seventy (70) copies of the research questionnaire distributed, sixty-seven (67) copies were retrieved. These sixty- seven (67) copies were employed in this study’s analysis. The analysis was accomplished with the aid of the Statistical Package for Social Science (SPSS) version 20, the decision rule was based on five percent (0.05%) significant level.

### **Analysis and Results**

The dimensions of service quality: empathy correlated against the measure of consumer expectation: derived and adequate. The Spearman’s Correlation Coefficient statistics was used in analyzing the data collected for the purpose of this study; this was done with the aid of Statistical Package for Social Science (SPSS) version 20.

**Hypothesis One**

Ho<sub>1</sub>: There is no significant relationship between empathy and desired service of selected online stores in Port Harcourt.

**Table 1: Correlation Coefficient Result for Hypothesis One**

			Correlations	
			Empathy	Desired
Spearman's rho	Empathy	Correlation Coefficient	1.000	.949**
		Sig. (2-tailed)	.	.000
		N	67	67
Spearman's rho	Desired	Correlation Coefficient	.949**	1.000
		Sig. (2-tailed)	.000	.
		N	67	67

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output 2018

From the result of the above table, the correlation coefficient ( $r=0.949$ ) between empathy and desired service of selected online stores in Port Harcourt revealed the existence of a strong positive relationship. The coefficient of determination ( $r^2=0.81$ ) indicated that 81% of desired service of selected online stores is explained by service quality. This also implies that 81% of the respondents agreed that service quality significantly determines the desired service towards online stores in Port Harcourt. The significant value of 0.000 ( $p<0.05$ ) also revealed that there is a significant relationship between the variables. Thus, the null hypothesis is rejected.

**Hypothesis Two**

Ho<sub>2</sub>: There is no significant relationship between empathy and adequate service of selected online stores in Port Harcourt.

**Table 2: Correlation Coefficient Result for Hypothesis Two**

			Correlations	
			Empathy	Adequate
Spearman's rho	Empathy	Correlation Coefficient	1.000	.830**
		Sig. (2-tailed)	.	.000
		N	67	67
Spearman's rho	Adequate	Correlation Coefficient	.830**	1.000
		Sig. (2-tailed)	.000	.
		N	67	67

\*\* . Correlation is significant at the 0.01 level (2-tailed).

Source: SPSS Output 2018

From the result of the above table, the correlation coefficient ( $r=0.830$ ) between empathy and adequate service in Port Harcourt revealed the existence of a strong positive relationship. The coefficient of determination ( $r^2=0.70$ ) indicated that 70% adequate service is explained by service quality. This also implies that 70% of the respondents agreed that service quality significantly determines the level of adequate service towards online stores

in Port Harcourt. The significant value of 0.000 ( $p < 0.05$ ) also revealed that there is a significant relationship between the variables, thus, the null hypothesis is rejected.

### **Conclusion and Recommendations**

This study examines the relationships between service quality and consumer expectation measured by desired and adequate. The hypothesized relationship were tested using Spearman correlation coefficient and were significant at  $p < 0.05$ . The result show that service quality in online stores leads to the desired and adequate level of service of the consumers. In view of the findings, the management of online stores should increase the quality of services delivered as this motivates the consumer and makes them believe in the online stores they patronize. The management is also advised to ensure that their employees are trained and retrained along this line.

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