CHAPTER II

Literature Review

2.1   Website Design

Website design is the first dimension of e-service quality, and it has received the most attention in the literature (Walfinbarger & Gilly, 2003). Previous studies Van Riel, Lemmick, & Liljander (2004) suggest that creating satisfaction, the website design dimension is important because it is directly related to the user interface. This dimension includes the content, organization, and structure of the site, which are visually appealing, fascinating, and pleasing to the eye. It is also assumed that a website interface often directly affects the perceived trustworthiness of the system (Lou, McGoldrick, Beatty, & Keeling, 2006). That is the first impression of a retailing website may strongly affect the development of trust, and effective communication may facilitate trust maintenance (Eriksson, Kerem, & Nilsson, 2005). For example, the graphic elements of usability or content design were most likely to communicate trust in e-commerce settings.

Recently, a number of studies have addressed the design of web-based e-commerce application systems and identified many different design features. For instance, Liu, Atnett, & Litecky (2000) identified some key design factors of e-commerce websites. These key design factors consist of information quality, service quality, playfulness, system design quality, and system use. In their study, Liu, Atnett, & Litecky (2000) found that a well-designed website would lead to better customer recall and recognition and a favorable attitude toward the site and its products. However,

according to Fassnacht & Koese, (2006), substantial empirical research endeavors are needed for electronic services in terms of the positive impact of online service quality on other constructs including customer satisfaction and loyalty.

H1: website design attributes have a positive influence on customer satisfaction.

2.2 Reliability

According to Lee, Kim, Ko, & sagas (2011), service quality model includes the five dimensions of tangibles (physical facilities and the appearance of personnel), reliability (ability to perform the promised service dependably and accurately), responsiveness (willingness to help customers and provide prompt service), assurance (employee knowledge base which induces customer trust and confidence), and empathy (caring and individualized attention provided to customers by the service provider). The importance of reliability has been emphasized by the information technology-based service. Moreover, (Zeithaml, 2002) argued that the reliability dimension has a direct positive effect on perceived service quality and customer satisfaction through electronic banking systems (Lee & Lee, 2005). And also reliability represents the ability of the website to fulfill orders correctly, deliver promptly, and keep personal information secure to getting customer satisfaction (Parasuraman & Zeithaml, 2005).

H2: reliability attributes have a positive influence on customer satisfaction

2.3 Trust

When a person believes with another person in a transaction, trust can be formed. That is the reason why trust is a very important factor for creation, development, and

protection of long-term relationships between customers and sellers. Trust refers to the depth and assurance of feeling based on inconclusive evidence. Uncertainty and risk are necessary conditions that reveal the value of the trust (Chervany, 2002). And besides, that Pavilia (2009) believes that trust is a vital factor in company performance and profitability. Although trust is a cornerstone of strategic relationship development, it also plays a central and original role in company performance development. In particular, because of the increasing risks in transactions, e-trust has come to play an important role in loyalty and relationship development between customers and organizations. There are three important dimensions of customer e-trust with relation to company websites: ability (the ability of the company to satisfy customer demands), integrity (the honesty and reputation of the company), predictability (customers' beliefs that the company will adhere to the promised transaction and to the interaction policies and guidelines) (Wu, Cheng, & Yen, 2008).
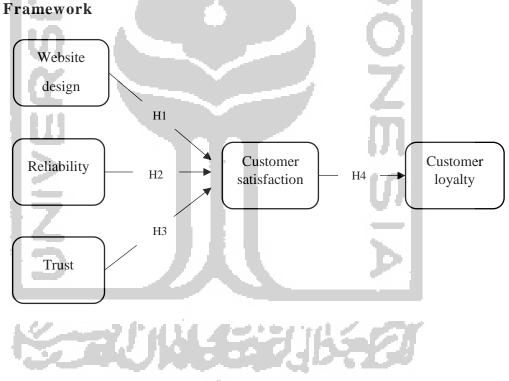
H3: trust attributes have a positive influence on customer satisfaction.

2.4   **Customer Satisfaction**

Christodoulides & Michaelidou (2011) examine two antecedents of e-loyalty, e-satisfaction and perceived switching barriers, including economic, emotional, it means that as long as the customer is satisfied with the product or service, they tend to be loyal to the company because they are afraid to lose the benefit that they get from the company. And basically, customer satisfaction is not a new concept and a large amount of research effort has been made to understand its predecessor and its consequences.

There are several definitions of customer satisfaction, some of which are according to (Oliver, 1980) Customer satisfaction can be defined as customer evaluation of a product or service related to their needs and expectations. Have to know also that customers will feel satisfied if their expectations can be fulfilled and their desire can be exceeded. And if customers feel satisfied they tend to be loyal for longer, buy more, and are less se006Esitive to price changes.

H4: customer satisfaction attributes have a positive influence on customer loyalty.

2.5   Framework