



## Quality of product, service, and delivery affect consumer perceptions in determining online store ratings

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### ABSTRACT

*This study is a quantitative study that aims to determine and analyze whether 3 quality perspectives namely product quality, service quality and delivery quality affect consumer perceptions in rating online stores. The purpose of this study is to find out how consumers rate online stores from three points of view, namely the point of view of product quality, delivery quality and from the point of view of service quality. This study is located in Surabaya and took a sample of 70 respondents with the provisions of doing online shopping as much as 5 times in the last 1 month. After fulfilling the validity and reliability test, then doing hypothesis testing using the F test and t test. The results showed that 3 quality perspectives, namely product quality, service quality, and delivery quality either partially or simultaneously had a significant effect on consumer perceptions in determining online store ratings. In addition to building a store image, giving a high rating from consumers will also increase sales turnover which will have an impact on increasing online store profits.*

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## Introduction

The existence of internet penetration, the boundaries of a country are almost invisible. In a matter of seconds we can find out what is happening in the other world, this increasingly sophisticated technology can change human behavior, as well as in the business world with technological advances the business world is experiencing rapid changes, here companies can adapt to changes that occur. technology that is very fast in encouraging companies to always be innovative and creative so as not to be eroded by competitors who have prepared themselves to face these changes. Internet technology is one of the factors that causes rapid changes in the business world, not opening an online business. Online business in Indonesia is growing rapidly so that many online shops have sprung up. intense competition cannot be avoided, various strategies implemented by online shop entrepreneurs include online store ratings where the rating is used as a consumer reference in making purchases. here online stores cannot be controlled directly against the rating, they can only provide good service to consumers before and before the purchase transaction (Auliya et al., 2017). Researchers use product quality, service quality and delivery quality variables to improve service to consumers, because here online stores cannot influence consumers in the assessment, but online stores can try to improve the quality of their services in order to obtain high store ratings. In previous research conducted by (Shanthi & Desti, 2015), found that there are several factors that influence consumer purchases at stores online, one of which is information about products. Based on these findings, the researcher included product quality as a variable that influences consumer perceptions in evaluating online stores. This is also in line with his findings (Zhu & Zhang, 2010) Consumer reviews include finding out about the quality of a product. Service quality is a variable that is used as a follow-up to (Patria, 2019) findings, the results are related to products and services, he proposes a second strategy for responding to positive questions and negative ratings on online stores, as well as the best service strategy in an effort to obtain product reviews and good service. (Pride et al., 2012) Competition in online business is very tight, attracting consumers through quality delivery strategies can attract buyers, including offering free shipping or free shipping, so that the distance and weight of the product are not an obstacle in buying, although usually accompanied by certain requirements, but this can affect consumer perceptions. Competition in the online

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business is very tight, companies are trying to attract as many consumers as possible, various strategic steps are taken in order to attract consumers' hearts. companies to be able to make the right business strategy to compete, so as to satisfy customers and increase turnover. The purpose of this study is to find out how consumers judge online stores from the point of view of product quality, delivery quality and from the point of view of service quality. Rating of a product or store that is needed by the store in developing its market share to achieve maximum sales. This assessment will be a consideration for consumers in deciding to buy an item or service online. The hypothesis in this study is that product quality, delivery quality, and service quality simultaneously have a positive and significant effect on consumer perceptions in determining online store ratings. Product quality, delivery quality, and service quality partially have a positive and significant effect on consumer perceptions in determining the ranking or ranking of online stores.

## **Literature Review**

### **Conceptual Background**

#### **Product Quality**

The product concept states that consumers will prefer quality, high-performance and innovative features so that managers focus on making superior products and improving them over time (Kotler & Keller, 2009). Consumers need quality products according to their expectations. On the other hand, the company must carry out aggressive promotion to achieve maximum sales. Product quality is the overall features and characteristics of the product that can provide satisfaction to consumers. Each production manager and other division managers prioritize the quality or quality of the products they sell in order to achieve long-term profits. product quality has a significant effect on consumer satisfaction for M2 Fashion Online products (Purnamasari et al., 2016)after consumers are satisfied with the quality of the product, consumers have the perception that the online store sells quality products. (Pride et al., 2012) improve quality or quality, among others, through employee participation, quality is a very important part of a product, both goods and services. The benefits of quality or product quality include reducing the number of defective goods, making products of the right quality, reducing the number of rejections from consumers, and reducing the number of reworks, and making employees responsible for quality/quality often eliminating the need for inspections. Product quality is the product used by consumers that can meet or exceed consumer expectations. (Linardi, 2019). From the above opinion, the quality of products in online business is the product or goods that are not defective or not easily damaged, there is no rejection from consumers, meaning that the product is in accordance with consumer desires, including the benefits of the product according to the seller's statement, so that consumers are satisfied.

#### **Quality of Service**

(Pride et al., 2012) customer-oriented business, companies must first determine what customers need then develop goods and services to meet specific needs, all functional areas, namely research and development, production, finance, HR, and marketing play a role in providing satisfaction to customers. Service quality is how the buyer meets the service and expectations of the customer. Product quality, service quality and price partially and simultaneously have a significant influence on customer satisfaction. (Linardi, 2019) (Parasuraman et al., 1988) Service quality is a reflection of consumers' evaluative perceptions of the services received at a certain time. (Parasuraman et al., 1988) compiled the main dimensions that are the main factors determining service quality as follows: 1. Reliability, namely the ability to deliver the promised services reliably and accurately. 2. Responsiveness, namely the willingness to help consumers by providing fast and appropriate service. 3. Assurance, that includes knowledge, ability, and courtesy or kindness of the person as well as the ability to gain trust and desire. 4. Empathy, that includes maintaining and providing a level of individual or personal attention to consumer needs. 5. Tangible, that includes physical facilities, equipment or equipment, prices, and personal appearance and written materials. Information clarity is needed in an online business because consumers cannot see goods directly, (Shahnaz & Wahyono, 2016)Clarity of information will have an impact on consumer responses to online store products and services. (Permana, 2013), increasing customer satisfaction can be done through improving product quality and service quality. (Tina, 2017) service quality has a significant effect on satisfaction, so that every company currently satisfies consumers by providing good service quality.

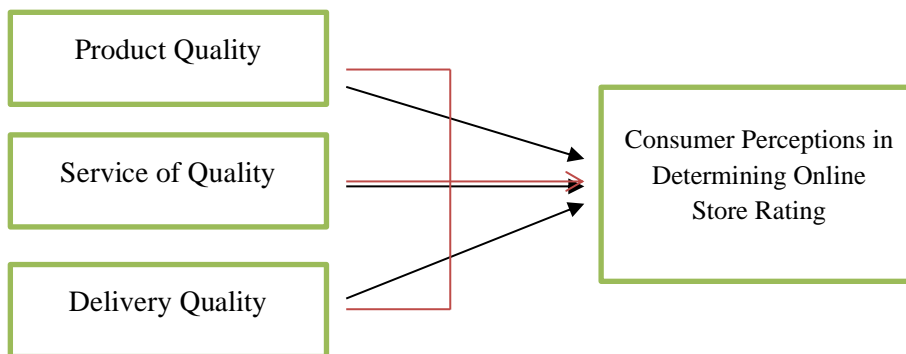
#### **Delivery Quality**

The service quality is in a good category, including fulfilling the following criteria: 1) Service procedures are appropriate and easy to understand, customers do not experience difficulties in using express postal package delivery services. 2) Completion Time for Post Express Package Delivery Regarding the timeliness of service, the community is considered to be quite satisfactory. 3) The service fee charged is reasonable and in accordance with the provisions, there are no additional costs incurred by the customer. 4) Service products at PT. The Baratajaya Surabaya Branch Post is quite satisfying. 5) The facilities and infrastructure are adequate, the comfort of the service room and the cleanliness of the building is quite comfortable and clean. 6) The competence of officers seen from the ability of officers, officer responsibilities, discipline, courtesy and friendliness is good but still needs improvement(Farokha & Syafi'i, 2015) (Pride et al., 2012), physical distribution are all activities related to the efficiency of product movement from producers to end users. in this physical distribution is a combination of several distribution functions that are interconnected, including inventory management, order processing, warehousing, material handling, and transportation. Order processing consists of the activities involved in receiving and filling customer purchase orders. Fast and efficient order processing is an important marketing service that can provide a dramatic and competitive advantage. The Internet provides opportunities to improve services related to order processing. (Pride et al., 2012). As part of physical distribution is transportation, namely the delivery of products to customers.

Currently, there are many delivery service companies (expedition) that have emerged, general expeditions are transportation companies whose services are available for all shipments, including trains, airplanes, trucks. Expedition contract freight forwarders are available for hire by one or more shippers and do not serve the general public. Private expeditions are owned and operated by the shipper. (Pride et al., 2012) From observations on online businesses, generally shipping products in online businesses, online stores or sellers usually charge shipping (sis) to buyers, which costs vary depending on the weight of the product purchased, the volume and distance between the online store and the buyer. Competition in online businesses is very tight and to attract buyers, online shops or sellers offer free shipping or free shipping, so the distance and weight of the product are not an obstacle in purchasing decisions. Usually this free shipping with certain criteria, for example given at the beginning of the opening of an online business, given above a certain amount of price or above a certain weight or on certain occasions so that this free postage is not always there. From the explanation above, the quality of delivery in online business includes: timeliness of delivery of orders, speed of delivery of orders, and free shipping, these three things that shape consumer perceptions in rating online stores.

**Consumer Perceptions in Determining Online Store Rating**

With the digital revolution, many businesses are moving from physical market places to online marketplaces using internal networks. The existence of globalization with advances in communication and transportation technology is getting easier, the boundaries from one city to another are no longer obstacles, even the boundaries of the state are very thin, this has triggered business competition to become tighter due to a flood of incoming goods from abroad. to a country easily In the online market, prices are usually cheaper than in the physical market because the business can be managed at low cost, in contrast to businesses in the physical market. For example, in an online business it can use a small amount of labor, advertising costs can use advertisements on social media which are much cheaper than advertisements in print media, or use billboards, as well as advertising on electronic media, the price is also high. This is what affects the price on the online market is cheaper than the physical market. The market place can undergo changes but product quality, delivery quality, and service quality must always be improved both in the market place and in the market space. In online business, online business entrepreneurs can choose whether to open their own online store or through a market place, both of which have their own strengths and weaknesses. Competition in online business is also very tight, products with almost the same quality are sold by competitors at lower prices. So that online store owners use online business strategies to attract customers, including using endorsements, store discounts, strategies to increase resellers, in addition to trying to improve product quality, they also provide maximum service in the hope that customers can leave good comments after buying. Ease of access is also a consideration for buyers in deciding to purchase at online stores in line with the results of research conducted by (Amalia & Saryadi, 2018) that ease of access and discounts affect purchasing decisions. Online stores provide maximum service in the hope of getting good feedback from consumers, from this feedback it is expected that consumers can give a high rating to the online store. The rating that is usually done by consumers by giving stars is the opinion of consumers at a certain level, which means that the higher the star, the higher the satisfaction of consumers with the online store. This is in line with the results of research from (Lackermair et al., 2013) that the more stars a consumer gives, the better the seller's rating. Consumers have different perceptions of certain online stores and this will affect the rating on these online stores. (Guritno & Siringoringo, 2013)measures the perception of the perceived usefulness of consumers using 5 indicators. These include speed, time saving, energy saving, cost reduction and overall usability. Referring to the results of research conducted by(Amalia & Saryadi, 2018) that ease of access and discounts have an effect on purchase decisions, in addition to measuring perceptions of usability, researchers add two indicators to influence consumer perceptions in giving ratings to online stores, namely ease of access and discounts.



Caption: The red line is the line of simultaneous influence; The black line is the partial line of influence

**Figure 1:** Conceptual Frame Work; *Source:* Developed concepts

**Research and Methodology**

This research is a quantitative research with causality model using multiple linear regression analysis with SPSS software. Respondents in this study are consumers in the city of Surabaya who buy products online. The sample in this study was taken with the criteria of consumers who bought online products with the criteria of at least 5 purchases in the last month, it is hoped that the sample can truly represent an unlimited population. The sampling technique used is to directly meet anyone who meets the criteria

and obtained as many as 70 consumers. The type of data in this study uses primary data and secondary data, primary data is taken directly from respondents who have made online purchases of products with certain criteria, while secondary data is taken from library sources, namely books, data from accessible online stores. Data collection techniques carried out include using library research, namely from libraries both online and offline, questionnaires distributed directly to respondents containing instruments used as measuring instruments for variables in this study, namely product quality, distribution quality, service quality and rating. to online stores, in addition to using a questionnaire, it is also done using the interview and observation method. Data testing is done by measuring validity and reliability. To determine whether there is a partially significant effect between the independent variable and the dependent variable, a t-test is carried out, while to see the effect of the variable simultaneously on the dependent variable, the F test is used using SPSS software.

## Result and Discussion

After the validity test and reliability test are fulfilled, then multiple linear regression analysis is carried out using the help of SPSS. The F test is used to test how much the independent variables, namely product quality, delivery quality, and services quality, together affect the dependent variable, namely consumer perceptions in determining online store ratings. While the t test is used to partially test the product quality, service quality, and delivery quality variables on the dependent variable, namely consumer perception in determining online store ratings.

### Hypothesis testing 1

The results of the F test are as follows:

**Table 1:** ANOVA<sup>a</sup>

Model		Sum of Squares	Df	Mean Square	F	Sig.
1	Regression	11.013	3	3.671	84.862	.000 <sup>b</sup>
	Residual	2.855	66	.043		
	Total	13.868	69			

a. Dependent Variable: Perceptions

b. Predictors: (Constant), Qdelivery, Qproduct, Qservice

**Source:** research results (2021)

The test results simultaneously or together on the Anova table obtained the F count value of 93.019 with a significance level of 0.000 ( $\alpha = 0.05$ ). so that the value of F count (84.862) > F table (2.74) and a significance value of 0.000 < 0.05, then the results of testing hypothesis 1 prove that the variables of product quality, service quality, and delivery quality variables simultaneously have a significant effect on consumer perception variables. in determining the online store rating.

### Hypothesis testing 2

The results of the t test are as follows

**Table 2:** Coefficients<sup>a</sup>

Model		Unstandardized Coefficients		Standardized	t	Sig.
		B	Std. Error	Coefficients		
1	(Constant)	.060	.241		.250	.804
	Product Q	.373	.069	.383	5.430	.000
	Service Q	.351	.063	.394	5.552	.000
	Delivery Q	.265	.067	.289	3.925	.000

a. Dependent Variable: Perceptions

In this study using the following criteria:

- i. If t count < t table, or sig > 0.05, partially the independent variable does not have a significant effect on the dependent variable.
- ii. If t count > t table, or sig < 0.05 then partially the independent variable has a significant effect on the dependent variable
- iii. The value of t table at the 5% significance level and degrees of freedom = /2 ; n-k-1 = 0.05 / 2; 70-3-1= 0.025 ; 66 gives the figure 1.9965

From the test results in the Coefficients table above, it is found that the t count of the product quality variable is 5.430 with a significance level of 0.000, then the t count > t table, and the resulting significance value is 0.000 < 0.05. So it can be said that the product quality variable partially has a significant effect on consumer perception variables in determining online store ratings.

The test results in the Coefficients table above show that the t count of the service quality variable is 5.552 with a significance level of 0.000, then the t count > t table, and the resulting significance value is 0.000 < 0.05. So it can be said that the service quality variable partially has a significant effect on the consumer perception variable in determining the online store rating.

The test results in the Coefficients table above show that the t count value of the delivery quality variable is 3.925 with a significance level of 0.000, then the t count > t table, and the resulting significance value is 0.000 < 0.05. So it can be said that the delivery quality variable partially has a significant effect on the consumer perception variable in determining the online store rating.

The results of hypothesis 1 testing prove that the variable product quality, service quality, and delivery quality variables partially have a significant effect on consumer perception variables in determining the online store rating.

The results of this study prove that product quality, service quality, and delivery quality, either partially or simultaneously have a significant effect on consumer perceptions in determining online store ratings. If the company provides good product quality, including products or goods that are not defective or easily damaged, there is no refusal from consumers, meaning that the product is in accordance with the wishes of the consumer, including the benefits of the product according to the seller's information, good quality service according to consumer expectations which includes constraints, power responsiveness, guarantee, empathy and direct evidence from Parasuraman (1988), and the quality of delivery on time as promised by the company to consumers and free shipping, the online shop will receive a feed back in the form of a high rating, with a high rating that will affect prospective consumers and consumers themselves in deciding to buy products at the online store, here consumers make a lot of savings, including saving time, saving energy, and saving money. In addition to building a store image, giving high ratings from consumers to online stores will also increase sales turnover which will have an impact on increasing online store profits. This is in line with the results of this study. This is in line with the results of research from (Lackermair et al., 2013) The more stars given by consumers, the better the seller's rating. (Lackermair et al., 2013) measures the perception of the perceived usefulness of consumers using 5 indicators. These include speed, time saving, energy saving, cost reduction and overall usability.

## Conclusions

Up to now, online store ratings have become the main strategy for online stores to attract buyers. The results show that product quality, service quality and delivery quality affect consumer perceptions in rating online stores. Of the three independent variables that have a dominant influence, namely the service quality variable that contributes 0.394, online store businesses must improve the quality of their services. Efforts to be made include: 1. Reliability, namely the ability to deliver the promised services reliably and accurately. 2. Responsiveness, namely the willingness to help consumers by providing fast and appropriate service. 3. Assurance, that includes knowledge, ability, and courtesy or kindness of the person as well as the ability to gain trust and desire. 4. Empathy, that includes maintaining and providing a level of individual or personal attention to consumer needs. 5. Tangible, that includes physical facilities, equipment or equipment, prices, and personal appearance and written materials.

From the results of this study it can be concluded that product quality, service quality, and delivery quality both simultaneously have a significant effect on consumer perceptions in determining online store ratings. Partially, the variables of product quality, service quality, and delivery quality have a significant effect on consumer perception variables in determining online store ratings. so it can be suggested that online stores provide good quality products, online stores must also provide good service to consumers in the hope that re-purchases can occur and can attract new consumers, the accuracy and speed of product delivery and free shipping are also an absolute requirement in building a store image and increased sales turnover.

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