UNIVERSITY WEST

Customer satisfaction in E-Commerce

A case study of China and Bangladesh

Authors:

Habibur Rahman

Lili Han

Supervisor: Ferraz Nunes, José

Examiner: Ahmad Ahmadi

Master's Thesis in International Business 15 ECTS

Department of Economics and Informatics

University West

Spring term 2011

Acknowledgements

Abstract

As information technology and the popularity of Internet technology and in-depth applications, e-commerce is at unprecedented pace. People become more and more the focus of attention. At present, relatively fast development of e-commerce activities are online sales, online promotions, and online services. Globalization of electronic commerce as the development of enterprises provided many opportunities, but in developing country's electricity business is still in the initial stage of development, how to improve e-commerce environment of consumer satisfaction, consumer loyalty and thus, related to the electron the performance of business enterprises. Therefore, to the upsurge in e-commerce for more benefits, for many enterprises, there is still need for careful analysis of the business environment electricity consumer behavior, understanding the factors that affect their consumption and thus the basis of network marketing the characteristics of the network setup customer satisfaction evaluation index system, then the theory based on customer satisfaction, on this basis to take corresponding countermeasures, the development of effective and reasonable marketing strategy, E-commerce can improve business performance, and promote the sound development of their self. At present, domestic and international network of scholars on consumer psychology, motivation and behavior have more exposition, however, how in e-commerce environment impact factors of customer satisfaction and how to improve e-commerce customer satisfaction studies are not many see. This article is from the analysis the impact of e-commerce network environment factors in consumer satisfaction.

Keywords: E-commerce; E-commerce Customer Satisfaction

Table of Contents

Appendix

Network customer satisfaction survey

1 Introduction

1.1 Background

Recently, the Internet population has been exploding. The World Wide Web (WWW) users have been multiplying so rapidly that they have widely spread into all walks of life. The use of the Internet is no longer limited to those computer nerds who do it for fun or curiosity. It has opened up tremendous business opportunities for its users. Customer satisfaction of course has become a critical issue in the success of every business system, traditional or the cyber shopping store. Self-international trade has been trade with the science and technology in the development of continuous improvement and perfection. The development of e-commerce is at an unprecedented rate that permeates all aspects of society, which has significant impacts in international trade. According to the information we got, network driven by the wave, the worldwide industrial restructuring and upgrading is accelerating. As an information technology application in the active area of trade shows, e-commerce through the Internet-based information publishing, online negotiation, contract signing, electronic transactions and calculations for a series of means of information transmission and processing of breaking the constraints of time, logistics and orderly operation have greatly improved, thus that have greatly reduced the transaction costs, which not only profoundly changed the traditional way of production and management of existing services and consumption patterns but also had far-reaching implications. E-commerce represents the future direction of development of trade; the market has a great potential and a broad development prospect.

With the improvement of living standards and accelerating pace of life, consumers' shopping behavior has changed greatly. E-commerce represented by the network economy is changing the way people live. Nowadays, more and more consumers are turning to go shopping on the web. From the "Netguide2008 China's Internet Survey Report", relevant market analysis shows that Internet users in China had 398.8 billion Yuan consumption scale in 2007.[1] Some relevant survey data from DCCI show that the consumption of Internet users in China was at the scale of 256.07 billion Yuan in the first half of 2008, which had an increase of 58.2% comparing to the last half year. In the year 2011 it will keep increasing that the total consumption of Internet consumer is expected to reach 587.4 billion Yuan. As it is said, the main reason of Internet-scale growth of total consumption is due to China's rapid growth of

---

[1] Netguide2008 China's Internet Survey Report

Internet users.[2] In terms of Internet penetration, in 2007, although China's Internet penetration rate has already reached 22.6%, slightly higher than the global average, Japan, the United States and Korea, with each rate reaching 73.8%, 72.5% and 70.7%, whose Internet penetration rates were much more than that of China (Figure 1.1). In addition, Germany, United Kingdom and France also reached the rates about 50%[3], which means that China still has a certain gap comparing to some other countries and has much room for development.
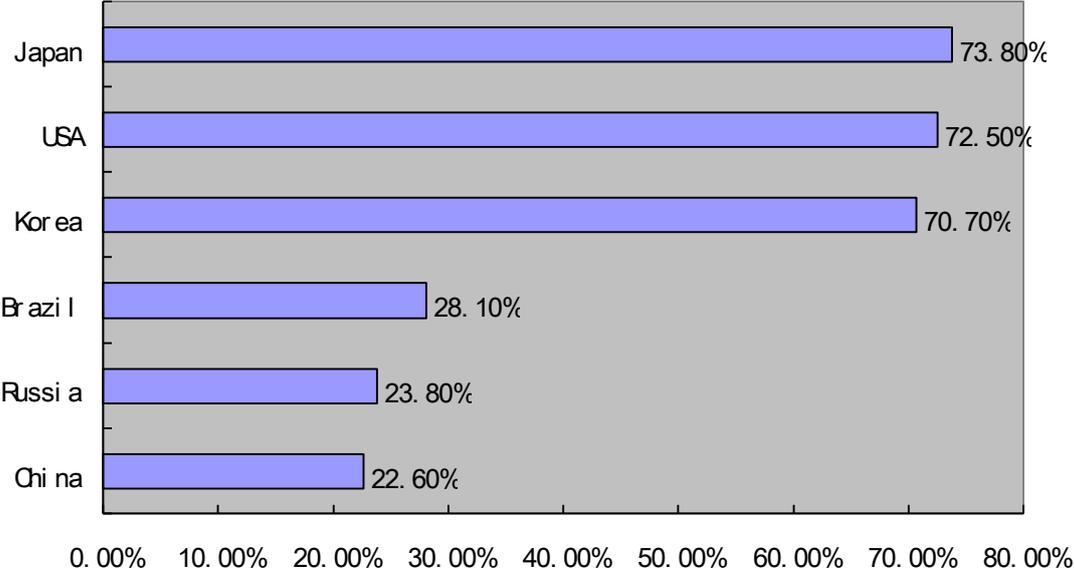
Figure 1.1   Internet penetration rate in 2007

The People's Republic of Bangladesh is a country in South Asia. It is an over populated country in the world, with about 164.4 million people living in. So there is a great chance to business sector. Now in Bangladesh the entire banking sector and some finance house are involved in international trade and use e-commerce. Banking in Bangladesh entered a new era with the commencement of online payment system introduced by the country's central bank. It facilitates fund transfers and payment of utility bills on the net. The new move allows people to use local currency credit cards for online transactions within the country. About forty banks they all have online system. E-commerce is changing the way people do business. From big

---

[2] DCCI (DATA CENTER OF CHINA INTERNET)

[3] www.baidu.com

corporations to small industries, businesses are going online, opening up their products and service offerings to new groups of people worldwide.

1.2 Research problem / Delimitation

The development of e-commerce activities, of which the traditional way of trade has led to a fundamental change in the status of the consumer and made a fundamental shift, from the previous passive consumers to active status, not only through the network to find the required fast product information, but also can it easily turn any of the merchants. Therefore, in the Internet time, compared to traditional enterprises, to make customers satisfied and to cultivate customers' loyalty for e-business is much more important. In addition, the current consumer online shopping satisfaction and trust is not high. Due to an online consumer survey in North American in January 2006, there are 34% of online shoppers, who feeling online shopping for the latest customer service unsatisfactory. Internet users trust the Internet less, only one third (35.1%) of Internet users said that they trusted in the Internet. Netizens show that they do not trust the Internet so much, many Internet applications might have a negative impact on the popularity, or even affect non-Internet users involved in the Internet. In addition, junior high school users have higher degree trust on the Internet instead of lower. Junior high schools own the following Internet users almost half (45.9%) expressed confidence in the Internet. When it turns to the bachelor degree, trust has been reduced to thirty percent (29.6%). China's recent Internet Development Statistics report also showed that, as of January 2009, the total number of Internet users in China was up to 2.1 billion in overall satisfaction on the Internet, accounting for only 40.7%, while, 47.3% in general, were not satisfied with the total 6.4% (CNNIC, 2009)[4]. In the end, the problem we need to investigate is what led to the current situation of users' online shopping, even with the not so high satisfaction of the Internet.

An American scholar, Frederik Reichheld, finds that the profit can increase 5% as long as customer satisfaction increases 25% - 100%. Anderson, who uses the data from Michigan University in 2000, "Swedish Customer Satisfaction Index", shows the empirical studies on satisfaction and investment returns of 125 companies that for every 1% increase on customer satisfaction will lead ROI（Return On Investment）to have an average increase of 2.37%.

On the contrary, every 1% reduction in customer satisfaction, will lead to an average reduction of 5.08% on ROI. In other words, ROI will increase because of satisfaction

---

[4] China Internet Network Information Center

retaining, whereas it will decrease. Visibly, customer satisfaction is largely related to the corporate profits. Similarly, in e-business environment, customer satisfaction if you can not make even the "good goods" will not be sold, it is doomed to fail. through customer satisfaction model, so that enterprises can grasp the reasons for customer satisfaction or dissatisfaction, customers can analyze the implied forecast of potential demand, thus promoting the enterprises products and services, continuous improvement and innovation. Customer satisfaction is a dynamic and relative concept. Today's customer satisfaction is not satisfied with respect to terms yesterday, more does not mean that tomorrow you will be get satisfaction from customers.

Delimitation

This study is delimited to China and Bangladesh, since it is relevant convenient for us to collect data and help to a further research. The questionnaire respondents to be involved with investigation are focused among those junior high school students to undergraduates as well as teachers who have experience of shopping on-line in the two countries. Due to the limitation of given time, we are unfortunately not able to make the survey covering the entire group from every occupations.

1.3 Purpose

The thesis is intended to study consumer satisfaction using e-commerce based on a sample from China and Bangladesh. We Analyze and summarize the specific elements of e-commerce customer satisfaction, and the various elements of their expectations and perception. Our main object has been to apply the ideas of two factor theory on an empirical context. We design following research questions in order to better fulfill the purpose for which this research is intended.

RQ 1: What is the level of consumer satisfaction of shopping online? What is the importance of these indications in customer satisfaction?

RQ 2: How may e-commerce in shopping online be improved? As a network merchants what factors should be concerned?

1.4 Outline

Introduction: The thesis starts by an introduction and research background causes and significance of these studies, which includes the purpose and briefly presents our specific research methods.

Literature Review: we discuss the concept and classification of e-commerce, and the two-factor theory and its application.

Research Method: this chapter will present detailed idea about how the research will be conducted and which method and techniques will be implemented for conducting this research.

Data analysis and results discussion: in this chapter we analysis the data from questionnaires, and give the measure of customers satisfaction, then give the suggestion for online merchants.

Conclusions: By the preceding analyzing, we have a conclusion in this chapter.

Discussion and Further Research: according to a specific type of business customer satisfaction with comprehensive detailed recommendations for online retailers more precise guidance and more useful practical.

2 Literature Review

2.1 Definition and classification of e-commerce

2.1.1 The concept of e-commerce

Basically, e-commerce is in the industrial economy to a "knowledge economy" in transition to developed countries led to new enterprises as the main driving force, arising from an industrial structure, enterprise structure changes.

November 6, 1997 in Paris of France at the World e-commerce conference that "e-commerce refers to the realization of electronic trade. from the coverage area can be defined as: parties to the transaction by electronic means rather than through direct face to face exchange or conducted interviews of any form of commercial transactions; from the technical aspects can be defined as: a collection of multi-technology, including the exchange of data (such as electronic data, e-mail), access to data (shared databases, electronic bulletin boards), and automatically capture Data (bar codes), etc.. "Although this definition of the most authoritative, but so far, people's understanding of e-commerce still has not been uniform.[5]

As electronic-commerce (e-commerce) grows and further exploits the attributes of the Internet, it will likely have significant effects on national economies and industry structure. E-commerce has come to take on two important roles; first as a more effective and efficient conduit and aggregator of information, and second, as a potential mechanism for the replacement of many economic activities once performed within a business enterprise by those that can be done by outside suppliers that compete with each other to execute these activities. In response to this increased level of outsourcing opportunities, businesses will exploit the benefits of e-commerce by decoupling as many links of their production chain as possible in order to seek the most efficient and low cost supplier within the e-marketplace. Given as the Internet has a global reach, these new e-marketplaces have fast become a product of globalization, leading the Internet and e-commerce to further the process of global integration. In its most basic form, e-commerce is any transaction made over the Internet. Most often this involves the transfer of goods, services, or information. Common e-commerce models include.

---

[5] Pang Shuping. concept and nature of e-commerce

South Korea's "Basic E-Commerce" is the only e-commerce from the legislation to define the legal, Article II of the Act, "the definition of" fourthly provides: "E-commerce refers to the use of some or all of the goods or services, electronic data Exchange transactions."

American pundits Rowe Kara Dakota and Andrew B, Winston in their monograph -- the forefront of e-commerce that read: "Broadly speaking, electronic commerce is a modern business method. This approach by improving Product and service quality, improve service delivery times to meet government organizations, manufacturers and consumers demand the lowest cost. This concept is also used to find information through computer networks to support decision-making. Generally speaking, today's e-commerce through the computer network The buyers and sellers of information, products and services linked to the future of e-commerce elements of the information highway through the numerous computer networks will be a link buyers and sellers. "

The Internet is only the latest stage in advances in information and communication technologies (ICTs) that have progressively made information more accessible, faster to gather, less expensive to consume, and easier to analyze effectively. Due to the generally low cost of the technology that makes access to the Internet possible, it is more universally affordable than other previous electronic means of communication or information technology. While using electronic means to communicate and exchange goods and services (i.e. bulletin board systems e-mail) is not new, today's e-commerce model is more effective because it is exploits the best qualities of the Internet. The Internet's ubiquity, interactivity, ability to integrate data platforms and distribute intelligence allows e-commerce to discover new markets and consumers, foster economic specialization and increase productivity. In this regard then, e-commerce only accelerates the trend toward globalization, integration and specialization that has been underway for many years.

Although the presentation on the above definitions vary, but it is not difficult to discover the common that e-commerce is "information technology "and "business" combination. It is not a purely technical concept and a simple business concept, but modern information technology and the combination of modern business techniques, "e" just means, "business" is fundamental. Described in this article are on the basic principles of e-commerce customer center.

2.1.2 Classification of e-commerce

As electronic-commerce (e-commerce) grows and further exploits the attributes of the Internet, it will likely have significant effects on national economies and industry structure. E-commerce has come to take on two important roles; first as a more effective and efficient conduit and aggregator of information, and second, as a potential mechanism for the replacement of many economic activities once performed within a business enterprise by those that can be done by outside suppliers that compete with each other to execute these activities. In response to this increased level of outsourcing opportunities, businesses will exploit the benefits of e-commerce by decoupling as many links of their production chain as possible in order to seek the most efficient and low cost supplier within the e-marketplace. Given as the Internet has a global reach, these new e-marketplaces have fast become a product of globalization, leading the Internet and e-commerce to further the process of global integration. In its most basic form, e-commerce is any transaction made over the Internet. Most often this involves the transfer of goods, services, or information. Common e-commerce models include:

● Business-to-business e-commerce, companies interacting with other companies, seeking supplier bids, fulfilling orders, receiving invoices and making payments using the Internet as a backbone; Business to Business (also known as commercial organizations on the business sector, denoted by B to B or B2B e-commerce. B2B refers to business methods or business e-commerce activities between agencies; it is Business to Business continuation of the traditional business activities. This type of e-commerce has been for many years, of which corporate network through private networks or value-added (VAN using EDI business activities carried out by way of particular models. This type of mainstream e-commerce, but also enterprises are facing fierce competition in the market, improve competitiveness, the main method to establish a competitive advantage.

● Business to-business sales account for the largest total dollar volume of e-commerce. Online B-to-B sales may reach as high as $8 trillion worldwide by 2007. Business-to-consumer e-commerce, retail services between companies and customers; the business to consumer (also known as Business to Consumer, denoted by B to C or B2C e-commerce. B2C mode refers to enterprises or business organizations and consumer e-commerce activities between. This is the consumer use of the Internet in the form of direct participation in economic activities. In recent years, with the Internet for businesses and consumers to open up a new trading platform, coupled with the increase of global Internet

users, making this type of e-commerce has been rapid development. In addition, Internet browsing capabilities to provide search and multimedia interfaces, but also makes it easier for consumers to find and in-depth understanding of the required products. Therefore, to Business to Consumer e-commerce has great potential.

- Consumer-to-consumer e-commerce, trade in goods, services and even information between two or more consumers. Beyond the sale of goods, through auction sites like eBay or Yahoo!, this model includes such "human intelligence" services sites like Keen.com and Guru.com; and Information retrieval, from public sites such as government agencies, libraries or museums or proprietary sites such as those operated by online banking services or brokerages.

- Information retrieval, from public sites such as government agencies, libraries or museums or proprietary sites such as those operated by online banking services or brokerages.

- Portals, Some web sites act as windows to online content. A customer portal such as AOL, MSN, or Yahoo. Design its site to allow individuals to find a variety of online content on its and others sites. These portals make money from advertising revenue and the sale of products. Shopping portals such as Amazon.com and Buy.com allow consumers to find and purchase product online.

2.2 E-commerce information Management

E-commerce relies on effective communication and information exchanges. Most communications with e-commerce business are transmitted electronically. Digital communications make it easier to capture and use the information throughout the distribution process. A compete e-commerce information system should include the following components:

- Customer Database

- Updated product inventory

- Order processing

- Order filling and customer notification

- Sales by product and customer

- Customer-business interaction

- Product catalog

- Online ordering

- Payment processing

- Shipping information

- Order Tracking

- Channel member interactions

The information system should be integrated so that information collected in one component that can be used in other components. Information must be accessible by channel members, including the customer, who need the data to successfully complete their activities. The information should be secure. Those who should not have accesses to it should be restricted. (Kleindi and Burrow, 2005)

Online Trust:

Evidence suggests that, the principal reasons why people do not purchase via the internet are related to online security and policy, reliabilities of companies and website technology (Chen and Barnes, 2007). The role of trust could be even more important in an E-commerce setting, since e-customers do not deal directly with the company, or its staff. (Papadopoulou et al., 2001; Urban et al., 2000).

Online trust is an important determinant for websites to succeed in market place. A high degree of trust not only stimulates and meets consumer's high expectations of satisfying transactions but also eliminate uncertainty, perceived risks and interdependences in most online transaction（McKnight and Chervany, 2001; Pavlou,2003）. In addition, according to

Gefen and Straube (2004) with increasing the level of consumers' trust, we will have an increase in the degree of purchase intentions of consumers and it is easier for companies to retain customers. Moreover, Pavlou, Gefen and Straub believe that online trust plays a key role in creating satisfied and expected outcomes in online transactions.

Furthermore, as mentioned before one of the main challenges for online companies is retaining customers so, loyal customers are very important for them and next to satisfaction which is one of the main steps to achieve this goal, trust has been brought forward as a precondition for patronage behavior and the development of long term customer relationships. Also, the quality elements of the e-service are expected to affect e-trust directly, because they represent that trust cues convey the trustworthiness of the site and system with customers. Furthermore, call websites objects of trust and suggest that navigational architecture and design elements have a direct effect on trust. (Crritore et al., 2003 and Gronroos et al, 2000)

2.3 International Trade

Collecting information is a costly activity, particularly so when it involves acquiring information across national borders. In fact, these costs can be so high that they can be considered a substantial barrier to trade. Finding the right supplier, specifying the product's requirements and quality, negotiating the price, arranging deliveries and marketing products is also very costly. With the Internet and e-commerce applications, a whole range of these activities can occur without having buyer and seller in close physical proximity. The use of electronic means and the Internet can make the process of initiating and doing trade a lot easier, faster, and less expensive. In this respect, the Internet will likely promote trade much in the same way as lifting other trade barriers would. Thus, it is expected that, the volume of international trade will likely increase.

The Internet, especially when organized via electronic markets through e-commerce applications, reduces information costs and allows consumers and sellers to be matched and interact electronically, reducing the significance of geographic proximity and traditional business networks. Freund and Wein hold (1999) found ample evidence that, development of global markets via the Internet makes historical linkages less important and suggest that countries with the fewest past trade links – most likely developing countries – have the most to gain from the Internet.

However, whether e-commerce promote international trade will depend on the nature of the good. On the one hand, a number of products that traditionally have required physical delivery can be delivered to a customer via a network in digital form. Examples of these include media products, such as text, film and computer software. On the other hand, most of

the goods traded internationally are not deliverable in digital form and therefore transportation costs will continue to play a significant role. In this regard, world trade in disguisable media products amounted to about US$44 billion in 1996, less than 1 per cent of total world trade. For most countries, trade in disguisable media products was less than 2% of total trade. The rate of growth of trade in disguisable media products is high and above the average rate growth of total trade: the growth in trade for disguisable media products on average was about 10% in 1990-1996, have 1.5 times faster than total world merchandise trade. (Mattoo and Schuknecht, 2000).

E-commerce will have a significant impact on trade in services. In fact, it has been estimated that electronic services could be worth over half a trillion US dollars globally by 2008, making this sector the fastest growing portion of international trade. The most relevant change in trade in services is e-commerce's and information technology's ability to make non-tradable services into tradable. Activities that were previously non-tradable (i.e. research and development (R&D), computing, inventory management, quality control, accounting, personnel management, secretarial support, marketing, advertising, distribution, and legal services) will now be traded through the use of e-commerce. All that is required is that the quality, speed and cost of communication between buyer and seller be adequate. International cross-border trade in a wide range of services, financial, legal, telecommunications, customized software, etc, will increasingly be carried out by electronic means.

As communications costs continue to fall, and as information and communication networks expand to reach greater numbers of peoples and places, the potential for international outsourcing grows. As a result, outsourcing management and production activities will become more important.

Obviously, some sectors and activities throughout the world are more prone than others to be affected by developments in e-commerce. In this respect, there have been attempts to identify industries or sectors that may be more predisposed to the effects of developments in e-commerce and technology. For example, Mann (2001), based on criteria that weighed the effect of cost savings, increases in productivity, industry readiness and product fitness to e-commerce, has elaborated an index of Internet intensiveness. Preliminary findings based on data from the United States and Europe suggests that the most Internet intensive sectors are electronic components, food, pharmaceuticals and forest/paper products. It is likely to expect that in other regions, these same sectors and industries will be affected by e-commerce via

outsourcing. At the same time, recent evidence suggests that transnational corporations (TNCs) are likely to be the most intensive users of electronic commerce (Kuwayama, 2001).

2.4 E-commerce in Bangladesh and China

2.4.1 E-commerce in Bangladesh

Officially the People's Republic of Bangladesh is a country in South Asia. Bangladesh is over populated country in the world. About 164.4 million people lives in this country. So it is a great chance to business sector. Now in Bangladesh the entire banking sector and some finance house are involved in international trade and using e-commerce. Banking in Bangladesh entered a new era with the commencement of online payment system introduced by the country's central bank. It facilitates fund transfers and payment of utility bills on the net. The new move allows people to use local currency credit cards for online transactions within the country. About forty banks they all are online system .E-commerce is changing the way people do business. From big corporations to small industries, businesses are going online, opening up their products and service offerings to new groups of people worldwide. There are many ways to get your products and services online, from simple shopping sites to high-end database driven, data-capture and online credit card verification solutions. We aim to cater to all of our clients' needs and give our clients access to all that the web can offer their businesses. Business info Bangladesh will work with you to create a successful e-commerce web site. Because the complete and cost-effective ecommerce solution varies from business to business, we price each e-commerce web package depending on the needs of your company and the Internet solution that is best for you.

Bangladeshi Online Shopping As the internet becomes more available to Bangladesh, it is clear that online sales will grow. This is leading to more availability of online purchases. Competition will become aggressive as online shopping grows so Bangladeshi retailers should not be left behind. The online retail industry is becoming more important as the internet continues to grow in significance in Bangladesh. Bangladesh Website Directory for Online Shopping Special wholesale & retail selection of e-commerce websites and excellent stores, Dhaka shops for fashion clothing, shoes & jewelry. Chittagong online retail stores for desktops, laptops, tablets & netbooks, Kulna e-commerce sites for toys, kids & baby, and Rajshahi music, movies & games wholesalers & Sylhet websites for sports & outdoors, e-commerce & e-business from Barisal

Now, as a begun with e-commerce they try to make a good platform in Bangladesh. In addition, they want customer support to make a good platform to e-commerce in Bangladesh.

Process:

First-Need an email number of owner and Make an account on PayPal.

Second- Go To Our Products Page.

Third- Choose what you need and click on Add to Cart.

Forth- Fill up the boxes by correct information

Fifth- Now Pay from your PayPal.

Hopefully, we will deliver goods within two days.

SOUND-BD's continuing market leadership is based on our ability to be proactive and respond to the needs of both our customers and the marketplace. They believe that it is not enough to merely grow – we must also retain and nurture the agility and creative entrepreneurial spirit which has fostered our success. They take great pride in developing innovative technology, trying to the highest quality products available, and providing exceptional customer service – all at very competitive prices. Free shipping on orders 3 or more products. For more information call us on 0088-01724 720311.How to buy products from Sound-BD.

Today many people of Bangladesh living abroad in many countries including USA, Canada in North America, UK, Australia, Middle East and other parts in the world. Many times they want to shop online from abroad to buy Bangladeshi items. This may be for gifts shopping, for sending groceries to Bangladesh or to get the items in their living countries. For the purpose they always try to find a reliable website to shop at and for future shopping.

2.4.2 E-commerce in China

China has a huge market potential for e-commerce. The large absolute gross domestic product of US$1305.9 million seems encouraging. Apart from that, the main indicators for e-commerce imply a rapid growth. These indicators include number of internet users, personal computers as well as telephone lines and cellular subscribers. The number of internet users stand at 59.1 million which is approximately 2.8 times the size of the total Australian population. However, when compared to the total Chinese population, these numbers become

relatively small. As China is a large country with a low population density, distribution and delivery problems are rampant (Gibbs, Kraemer and Dedrick 2002). This is due to underdeveloped infrastructure in the central and western inner regions in particular. Currently, delivery of goods purchased online is done only in urban areas through postal parcel and home delivery For a country which has only gain internet access since 1994, China has been achieving superb growth in this area due to strong support from the government. The speed of China's internet infrastructure has been improving rapidly in terms of international bandwidth to the internet and domestic connections between China's internet backbone providers (Clark 2000). This is mainly due to the emergence of competition as the government gave approvals to two new internet backbone providers – UniNet and CNCNET.

With the initiation of E-commerce in China, retail store owners have great many options to sell their products which are provided by manufacturers, distributors, and the suppliers through international trade. It offers the consumers a number of choices to select from wide range of e-commerce product. The cost of production has reduced greatly and income generated has increased in international trade. Even opting for import business on a large scale is very easy now, and all due to e-commerce practices in China. However, the B2C e-commerce market in China is still in its infancy. Merchants in China are adopting e-commerce, but have not yet applied e-commerce as their principal channel to grow their business and therefore pave the way for e-commerce as a whole. Also, lack of trust is one of the factors inhibiting the B2C commerce growth in China. Consumers usually limit themselves to only large companies or brands. Due to these factors, B2C market accounts for less than 1 percent of the total e-commerce market in China. The report forecasts the market size of e-commerce market in China over the period 2007-2010. Further, report identifies key market trends, growth drivers and growth restraints. In addition, the report list key regulations affecting the e-commerce market in China.

The report also presents a list of key players operating in the market and their respective market shares. TechNavio Insights is a set of reports based on TechNavio - a market intelligence platform for the IT industry. It builds on the intelligence available within TechNavio, and leverages on the custom research experience of the Technology Navigators. TechNavio is built on years of experience of the author's in deep dive custom research and consulting for over 30 Fortune 500 companies and numerous large and mid-sized companies. With 145 million online shoppers expected by the end of 2010, e-commerce in China has come a long way since it began about a decade ago.

In the developing China e-commerce, integration process is the important step. There have been many hills and valleys in China e-commerce in last some years affecting global sourcing. When internet is growing then everyone in China resort to it in the hope of profit and suddenly they find it unprofitable. This wonder of internet affects the interest of people in e-commerce. In fact internet is only an information provider network system which assists in international trade. It has itself no market value but the whole things are created when market activities takes place on the information platform. When changes occur on information level in China e-commerce then only any activity is created on internet.

There are about forty thousand multinational companies operating worldwide and almost 200,000 overseas joint ventures that run across the continents. Many of these collaborations and joint ventures have concerns, directly or indirectly, with China business enterprises. The access to China through world-wide international trade investments is increasing day by day. However, paucity in China e-commerce is created only when activities take place in national and internet front of China. It leads to either loss or profit in international trade for companies based on internet. Integration of China global sourcing and import and export is an important step in this direction taken by big domain names in China e-commerce. With it the goodwill of big domain names is utilized to create perfect communication infrastructure platform in international trade. It is integrated with high brand name, quality structure, developed technology and good quality product in market.

Moreover, due to globalization the extent to which China's international trade and investments bears an impact is very wide. It is due to globalization that the international market has a direct approach to acquire modern technology and consequently reduce the problems of distribution and stumpy internal coordination expenses. It has opened the doors for the specialization of network services and products with collective support of companies. Business process outsourcing for both internal activities and external activities is the result of globalization of international trade and global investments. Business process outsourcing is the common concept in the entire world and China is one of the leading countries that provide such services. For quality work and performance the outsourcing companies often select China as their business collaborators. As such they are investing on reasonable price raw materials and labor. However the main reason for all these activities is to get access to a wider market. Although there are some drawbacks of expansion of international trade and investments but if rules of international trade are followed then the problems can be

minimized and properly handled. The big size of the Chinese market is a major attraction to many prospective new entrants in international trade and investments.

2.5 Literature Review of Customer Satisfaction

2.5.1 Theoretical Study

The definition of customer satisfaction has been widely debated as organizations increasingly attempt to measure it. Customer satisfaction can be experienced in variety of situations and connected to both goods and services. It is a highly personal assessment that is greatly affected by customer expectations. Satisfaction also is based on the customer's experience of both contact with the organization (the "moment of truth" as it is called in business literature) and personal outcomes. Some researchers define a satisfied customer within the private sector as "one who receives significant added value" to his/her bottom line—a definition that may apply just as well to public services.

Customer satisfaction is a collective outcome of perception, evaluation, and psychological reactions to the consumption experience with a product or service. According to Kottler (2000, P.36) "satisfaction is a person's feelings of pleasure or disappointment resulting from comparing a product perceived performance or outcome in relation to his or her expectations". Early concept of satisfaction research has typically defined satisfaction as a post choice evaluation judgment concerning a specific purchase decision (Churchill and Surprenant, 1992; Oliver, 1980). Yang Fang, (2004) believes that online customers still demand many services available through traditional channels even if they choose pure Internet-based suppliers with basic customer services. Although expectations seem to be of lesser importance as a comparison standard in e-commerce (Zeithaml et al., 2000), customers appear to use experience-based norms (Cadotte et al., 1987) and traditional services as comparison standards for e-services (Van Riel et al., 2001). Establishing and achieving customer satisfaction is the main goal of businesses nowadays because there is a strong relationship between the quality of product, customer ssatisfaction and profitability.

These surveys provide "actionable" data that reveal obvious steps for improvement. Customer satisfaction is a highly personal assessment that is greatly influenced by individual expectations. Some definitions are based on the observation that customer satisfaction or dissatisfaction results from either the confirmation or disconfirmation of individual

expectations regarding a service or product. To avoid difficulties stemming from the kaleidoscope of customer expectations and differences, some experts urge companies to "concentrate on a goal that's more closely linked to customer equity." Instead of asking whether customers are satisfied, they encourage companies to determine how customers hold them accountable. In the public sector, the definition of customer satisfaction is often linked to both the personal interaction with the service provider and the outcomes experienced by service users. For example, the Urban Institute and Mathematical conducted customer satisfaction surveys for the federal child support enforcement system.

Philip · Kotler in the *Marketing Management* show : "Satisfaction is a person through a product or service on the perceived effect compared with the expected value of his feeling after the formation of the state." Henry · Arussell also believes that the actual results achieved when the goods when consumers are expected to lead to a satisfactory, or else it will lead to customer dissatisfaction.

The degree to customer expectations of a product or service are met or exceeded. Corporate and individual customers may have widely differing reasons for purchasing a product or service and therefore any measurement of satisfaction will need to be able to take into account such differences. The quality of after-sales service can also be a crucial factor in influencing any purchasing decision. More and more companies are striving, not just for customer satisfaction, but for customer delight, that extra bit of added value that may lead to increased customer loyalty. Any extra added value, however, will need to be carefully cost. All other reproduction is strictly prohibited without permission from the publisher.[6]

As GB / T 1900-2000 standard articulated, customer satisfaction is "the customer to their requirements (refer to express, generally implied or obligatory requirements or expectations) has been the extent of feeling satisfied, " is obvious: When the perception is less than recognized Know that customers are not satisfied, if its product offerings can still endure, they may continue to receive their products, but customers will be less and less, if you cannot stand, customers will be left with emotional complaints; when the perception equals to recognition Know when that customer expectations and perceived results match the expectations are met, the customer satisfaction; when the perception is more than perception, the customer will be a high degree of satisfaction, loyalty and even the last decade, another major customer satisfaction based on economic psychology definition - the accumulation of customer satisfaction gained wide recognition. Specific transaction customer satisfaction can

---

[6] 1981-2010 the Computer Language Company Inc. All rights reserved.

clearly reveal the business in a particular product or service in a particular behavior is right or wrong, but consumers are not in a one-off experience, but to date all the accumulated experience for the consumer Basis whether to make future repeat purchase decisions. Therefore, customer satisfaction with a particular transaction than the cumulative customer satisfaction is a better predictor of customer loyalty and corporate performance indicators to measure it as the quality of economic life and more convincing. This study used the accumulation of the concept of customer satisfaction.

Improving Quality and Access to Services and Supports in Vulnerable neighborhoods Slumber land Furniture is among the retailers and service professionals that prolong customer contact by following up with thank you notes and postcards that remind customers of upcoming sales.

The last decade, another major customer satisfaction based on economic psychology definition - the accumulation of customer satisfaction gained wide recognition. Specific transaction customer satisfaction can clearly reveal the business in a particular product or service in a particular behavior is right or wrong, but consumers are not in a one-off experience, but to date all the accumulated experience for the consumer Basis whether to make future repeat purchase decisions. Therefore, customer satisfaction with a particular transaction than the cumulative customer satisfaction is a better predictor of customer loyalty and corporate performance indicators to measure it as the quality of economic life and more convincing. This study used the accumulation of the concept of customer satisfaction.

2.5.2 E-commerce Activities

E-commerce offers economy-wide benefits. World Trade Organization (WTO members recognized the benefits e-commerce offers and have developed a work program to facilitate the development of e-commerce. E-commerce in the FTA, the parties left many loopholes to be filled. On the other hand without international trade, nations would be limited to the goods and services produced within their own borders. International trade is mostly restricted to trade in goods and services, and only to a lesser extent to trade in capital, labor or other factors of production. Then trade in goods and services can serve as a substitute for trade in factors of production. Instead of importing a factor of production, a country can import goods that make intensive use of the factor of production and are thus embodying the respective factor. An example is the import of labor-intensive goods by the United States from China.

Instead of importing Chinese labor the United States is importing goods from China that were produced with Chinese labor.

We buy a book only two ways. Order it via a catalogue or book club – a sometimes lengthy and unreliable process – or, more commonly, simply go to a shop, pay cash and take it home in a paper bag. Now, a customer can visit an online bookshop, view a book, read its blurb, browse through the shop's collection, make a selection, and pay for the book online. The book may be delivered physically or, in some cases, downloaded onto the buyer's computer. These new ways of buying a book apply to other goods and services too. And as many of the orders are international, this raises challenging issues for existing trade rules.

In other words, electronic commerce – the production, advertising, sale and distribution of products via telecommunications networks – is both dependent upon trade and transforming the way in which trade is conducted. Trade lies at the heart of these transformations, both of goods (e.g., computers) and services (e.g., telecommunications services), with liberalization playing its part by making technology cheaper and more widely accessible.

Electronic trade is booming. A growing number of products, from books to cars, are being marketed, sold and, increasingly, delivered online, including across borders. While precise figures for e-commerce are hard to come by, it is estimated that e-commerce will grow to $US2.5 trillion by 2004 (International Data Corporation, "The Internet Economy", www.idc.com). Electronic commerce has opened new markets for traders, large and small, including those from developing countries. But for much of the world, ordering a book over the Internet is not yet a reality. Good trade policy can help bring technology closer to users and in so doing, bridge the so-called digital divide. In fact, the potential of e-commerce as a development tool is very much on the minds of trade policymakers. A large engine manufacturer in Europe can, via Internet, source a component to a small manufacturer in Asia, whose previous market was more local. This is because well-designed trade policies open up markets and increase access, bringing prices down for infrastructure and technology. Software engineering in India, insurance claims processing in Jamaica or remote bookkeeping in Zimbabwe: all have grown thanks to a mix of technology and trade opportunities. Traditional activities have benefited too, like farming and handicrafts, mainly by creating new possibilities for marketing, supply and distribution.

Take customs duties. The WTO Declaration on Global Electronic Commerce, adopted in May 1998, called for a moratorium on the imposition of customs duties on electronic transmissions until the ministerial meeting in Seattle the following year. But the failure of that meeting

means there is no agreement as to whether the WTO moratorium remains in force. Still, the Asia-Pacific Economic Cooperation forum (APEC), which accounts for over 40% of global trade, agreed in June 2000 to an APEC-wide moratorium on the imposition of customs duties on electronic transmissions until the next WTO Ministerial, expected before the end of 2001.

So, while e-commerce can help developing countries participate more in world trade, it poses some difficulties for trade policy. E-commerce has already had a major impact on international business practices, changing how transactions are initiated and managed and how relations unfold between buyers and sellers. It has blurred the differences between time zones; with the Internet, production and trade can be conducted around the clock and across the continents. It has blurred the boundaries between the old and new economies – car manufacturers use e-commerce – between tradable and non-tradable products, and between goods and services. One problem at the heart of e-commerce trade is the definition of goods and services. If a book is ordered online, but is delivered physically, there is general agreement that, for the purposes of international trade rules, it is a good. That makes it subject to the international rules for trade in goods, the GATT (General Agreement on Tariffs and Trade). However, if the book is delivered electronically – downloaded onto the computer – there is no agreement whether this digital product should be treated as a good under the rules, or a service, which would make it subject to a GATS (General Agreement on Trade in Services) regime. Not a trivial distinction, since there are important differences between the rules covering goods and services, including the type of market access granted and non-discrimination between national and foreign suppliers. For example, discrimination against foreign suppliers is, in general, forbidden for trade in goods, but not for trade in services. The status of these e-products is as yet to be agreed by member governments in the international trade agreement.

 E-commerce and traditional business model of consumers have a lot of different consumer behavior, and because of related Web technology, the Internet becomes more complex consumer behavior, customer satisfaction evaluation index is more difficult to determine. Earlier information systems researchers are mostly scholars, focused more on e-commerce system is the impact on customer satisfaction. Now, many researchers from different fields began to consider the overall factors of e-business customer satisfaction, customer satisfaction, build their own models and empirical analysis and research.

2.5.3 Two-factor theory and its application

In 1959, the American psychologist Frederick Herzberg a "critical incident technique", by more than 200 engineers and accountants to investigate access, proposed two-factor theory, also known as the motivation-hygiene theory, access to the main focus on two issues: the work, what matters is to their satisfaction, and estimated duration of the positive emotions; And what matters is to make them feel unhappy, and estimate how long this negative sentiment. He found so that all employees are satisfied with the work itself or work content. For example, work achievement, provide students, nature of the mission, the possibility of personal development, job on the sense of responsibility; the dissatisfied workers, belong to the working environment or working relationship, such as company policy and management, supervision, working conditions, interpersonal relations, salary, status, job stability and so on. He called the former motivating factor, which is called the hygiene factor. And based on the findings, Frederick Herzberg further pointed out that the satisfaction the opposite is not satisfied, not satisfied to eliminate the work is not necessarily satisfied with the work to make.

Nortaki Kano study found that, whether manufacturing or service, the customer is not on the evaluation of the quality of the same that is for a quality that customers will be satisfied with the time, not available; the customer will be dissatisfied, and even considered to have. The higher the degree, the customer will be more satisfied. It is not true, customer demand for different quality assessment and there is a difference, so customers are satisfied with the quality of the show two-dimensional mode. Nortaki two-dimensional quality models in the diagram the horizontal coordinates with elements of a quality level, the more to the right that has the degree of the quality factor, the more to the left, the lack of higher level. And longitudinal coordinates customer or user satisfaction, the more progressive, more satisfaction high, the more down, more unsatisfactory. Using the relative coordinates between the quality classes can be divided into five categories: essential quality elements (similar to hygiene factors); dimensional quality elements; quality of charm or surprise elements (similar to the motivator factors), no difference in the quality factors and quality factors reverse. The study used two-factor theory is similar to the five types of Nortaki Kano model.

In some countries, many entrepreneurs try to turn the two-factor theory to practice, to mobilize the enthusiasm of the production staff, improve labor productivity, the specific experiment in the following areas: One is job enrichment. "Job enrichment is based on two-factor theory, a new form of labor organization, which allows workers to have the opportunity

to participate in the planning and design work, get feedback, to correctly estimate and correct his own work behavior so that workers interested in the work itself, responsibility and sense of achievement gain. "

The second is job enlargement. "With the development of science and technology, social production to the fine direction of specialization and the development of highly automated." But then came the people into the machine all day, doing the monotonous and repetitive work, dampened the enthusiasm of the workers are. job enlargement is a specialized division of labor and runs counter to the production, it allows workers to increase the types of work, but do take a few cycles to work or work longer to increase interest in work .

Third is the flexible working hours. Flexible working hours in order to facilitate the staff in recent years can improve their morale and an organizational system to implement the changes. This system requires part-time employees must be provided in addition to work on time, the remaining time can be let people make their own arrangements.

Although the two-factor theory is the study of the factors that motivate staff, but its analysis of the human psyche, the same applies to motivate customers.

70 years of the 20th century, Japanese scholars outside the island will be HM (Hygiene factors and Motivator factor) Hong marketing theory into business, put forward the "charm of the conditions -necessary condition" theory. He will purchase goods or merchandise features motives into "a necessary condition "and "attractive terms "the two factors, one essential condition is the hygiene factor (H factor), the charm is the Motivator condition (M factor), and that the quality of goods, performance, price and other factors is necessary in the purchase motivation conditions, but not a sufficient condition, or charm. Feel or design and other factors tend to be attractive conditions. is a particular need or desire to achieve the customer the power to create the customer's expectations. And customer satisfaction is the customer's perceived effectiveness of the product compared with their expectations, the formation of the feeling of pleasure or disappointment state. In the absence of product quality, performance and other necessary conditions, I feel, and design in the short term may produce results. But in the long run, would be difficult to achieve excellent sales. In particular, the same cannot expect consumers to buy long-term sustainability; brand loyalty can hope to produce. So according to this theory, the product of good quality and cheap price, good performance, reasonable packing, etc., are considered "essential", no of course not, would have satisfied customers, which will affect the market for the commodity, or even weaken the competitiveness of enterprises. but the light of these and the necessary conditions are still not

enough to make your product sells well, there must be "attractive terms", that is enhance the attractiveness of products to improve customer satisfaction. [TANG Yong-ming, a necessary condition ----- attractive conditions (HM theory) and its application in the planning of goods, Journal of Sun Yat-sen Graduate School (Social Sciences) 1997.02]

Marketing research "Nordic School" Dr. Christian Gronroos representative of quality of services provided by enterprises into the quality of "hygiene factors " and quality "catalyst. " quality "care factor " refers to some specific services for the quality factor is Necessary, but not conducive to improvement of quality factors improve the quality of customer perception. In other words, a Hygiene factor on customer satisfaction to meet the marginal utility is decreasing. On the contrary, the quality of "contributing factor" is those customers Perceived service quality are positively correlated factors, as a service to improve sales performance, customer perception of service quality also improved, contributing factor to the marginal utility of customer satisfaction (satisfaction) is increasing.

2.5.4 The main impact of e-commerce customer satisfaction factors

The daily growth of the internet and e-commerce has changed the way of marketing and selling products and services. As a result of development in electronic information resources and the evolution of the "digital age" product sellers and information service providers face many new challenges. Internet is changing the way corporations conduct business with their consumers who are increasingly expecting higher services, becoming time saved, and wanting more convenience. In addition e-service quality is an essential strategy to gain success, according to the results of previous literatures, probably more important than a low price for online companies. Since one of the main duties of the internet as a communication channel is how to manage service quality, which holds a significant importance to customer satisfaction, the purpose of this research is to gain a better understanding of the impact of web site quality factors on customer satisfaction. Also, through literature it is clear that there is a relation between e-trust, satisfaction and quality. For this reason based on a detailed literature review, and in order to find the impact of website quality factors on customer satisfaction, a model with four website quality factors was selected to be tested in online bookstores in Iran, and also e- trust item is added to this model in order to examine the relation of this factor with satisfaction and quality. Then a quantitative research was conducted and data were gathered through an online survey. The results in our research suggest that quality has a strong impact

on satisfaction and also e-trust has a reasonable impact on quality and through quality affects satisfaction. Our findings indicate that reliability is the most important indicator of quality from the Iranian online book shoppers' perspective. In addition, since customer service is the only factor that directly affects satisfaction: it is a key strategy to increase the level of satisfaction straightaway. The results presented in this research will help companies to locate their position against competitors, pin point their weak points and determine which website characteristics will improve their performance and also it can provide an evaluation of the extent to which information and services comprehensible for all users and to extent to which the features and functions are necessary to provide an effective and efficient web site to meet the needs of a diverse population of users.

Development of the Internet and the emergence of e-commerce customer satisfaction makes the meaning has changed. Trust in traditional commerce object is a physical store, and e-commerce trust under the indirect object of the website, direct object as one of the online store. Emergence of electronic commerce has brought the separation of the exchange of goods and capital, the anonymity of traders and the serious problem of asymmetric information and other new, so its impact factors of customer satisfaction is significantly different.

2.5.5 Other factors of e-commerce customer satisfaction

In order to achieve customer satisfaction, Companies should measure it because according to Ho, (1995) you cannot manage something that you cannot measure it. There are two principal interpretations of satisfaction within the literature, satisfaction as a process and satisfaction as an outcome (Parker and Mathews, 2001). Solomon, (1991) recognizes customer satisfaction as the overall attitude of the individual toward the bought product. Also, customer satisfaction is defined as a customer's overall evaluation of the performance of an offering to date. This overall satisfaction has a strong positive effect on customer loyalty intentions across a wide range of product and service categories (Gustafson, 2005). Kottler (2003, p.36), states that there is a general agreement satisfaction is a person feelings of pleasure or disappointment resulting. From comparing a product perceived performance (or outcome) in relation to his or her expectations.

During the last four decades, satisfaction has been considered as one of the most important theoretical as well as practical issues for most marketers and customer researchers (Jamal, 2004). Ho & Wo (1999) state that customer satisfaction is a critical issue in the

success of any traditional or online business system. To fulfill this goal we need to know the definition of satisfaction by customers. According to Homburg et al, (2006) previous research has recognized that both cognition and affect significantly predict satisfaction. Process definitions of satisfaction emphasize on the disconfirmation paradigm and according to that paradigm, customers form expectations to which they compare performance; and this comparison will result in confirmation or disconfirmation (Oliver and Desarbo, 1988). A broad definition of satisfaction is that it is an emotional response to the use of a product or service; and it is also a complex human process which involves cognitive and affective processes as well as other psychological and physiological influences (Oliver, 1981). Early concepts of satisfaction research have typically defined satisfaction as a post choice evaluation judgment concerning a specific purchase decision (Oliver, 1980; Oliver and Desarbo, 1988). In addition, Pitt et. al., (1995) believes that service quality is the key to measure user satisfaction. Thus, researchers have paid much attention to the close relationship between service quality and customer satisfaction (Bitner et al., 1990; Parasuraman et al., 1985; Parasuraman et al., 1988).

3 Research Methods

This chapter will present detailed idea about which method and techniques were implemented for conducting this research. Research method is defined as the collection of rules, tools, and reliable and well-ordered ways to study the realities, to disclose the passivity, and to acquire the solutions.

This research is based on models of customer satisfaction, using Two-factor theory as a guide: hygiene factor is regarded as the basis for customer satisfaction while motivator factor as the key to improve customer satisfaction; at the same time, they should be viewed as a whole, only achieve them unification, it is able to achieve customer satisfaction. To achieve this goal, we will define the impact factors of customer satisfaction first, then clarify the property and distinguish them. We obtained data from the survey then calculate the factors that affect customer satisfaction and the importance of the factors. All sample data is through a comprehensive combination of statistical and sampling methods to obtain. The release form by e-mail survey, this can make the data more complete, persuasive. Some data is from customer shopping experience before, used on a comparative study, through horizontal and vertical comparison of the research question.

3.1 Model to measure customer satisfaction

According to Richard Jin, Li-Sheng Wang (2006) and Liu Guangyan (2007), a model of online shopping customer satisfaction and e-commerce was made in earlier critical factors of customer value. This paper establishes a causal model of e-commerce customer satisfaction, which is shown as below:

This model shows the E-commerce customer satisfaction.

```
                    ┌─────────────────────┐
                    │   Web Technology    │
                    └─────────────────────┘
                              │
                              ▼
                    ┌─────────────────────┐
                    │   Website image     │
                    └─────────────────────┘
                              │
                              ▼
                    ┌─────────────────────┐
                    │  Customer's sense of│
                    │     security        │
                    └─────────────────────┘
                              │
                              ▼
┌──────────────┐  ┌─────────────────────────────────┐  ┌──────────────────────┐
│ Personalized │◄─│ E-Commerce Customer Satisfaction│─►│ The cost of currency │
└──────────────┘  └─────────────────────────────────┘  └──────────────────────┘
                              │
                              ▼
                    ┌─────────────────────┐
                    │  Convenient value   │
                    └─────────────────────┘
                              │
                              ▼
                    ┌─────────────────────┐
                    │ Situational factors │
                    └─────────────────────┘
                              │
                              ▼
                    ┌─────────────────────┐
                    │      Online         │
                    │  Communication      │
                    └─────────────────────┘
                              │
                              ▼
                    ┌─────────────────────┐
                    │   Logistics and     │
                    │   distribution      │
                    └─────────────────────┘
```
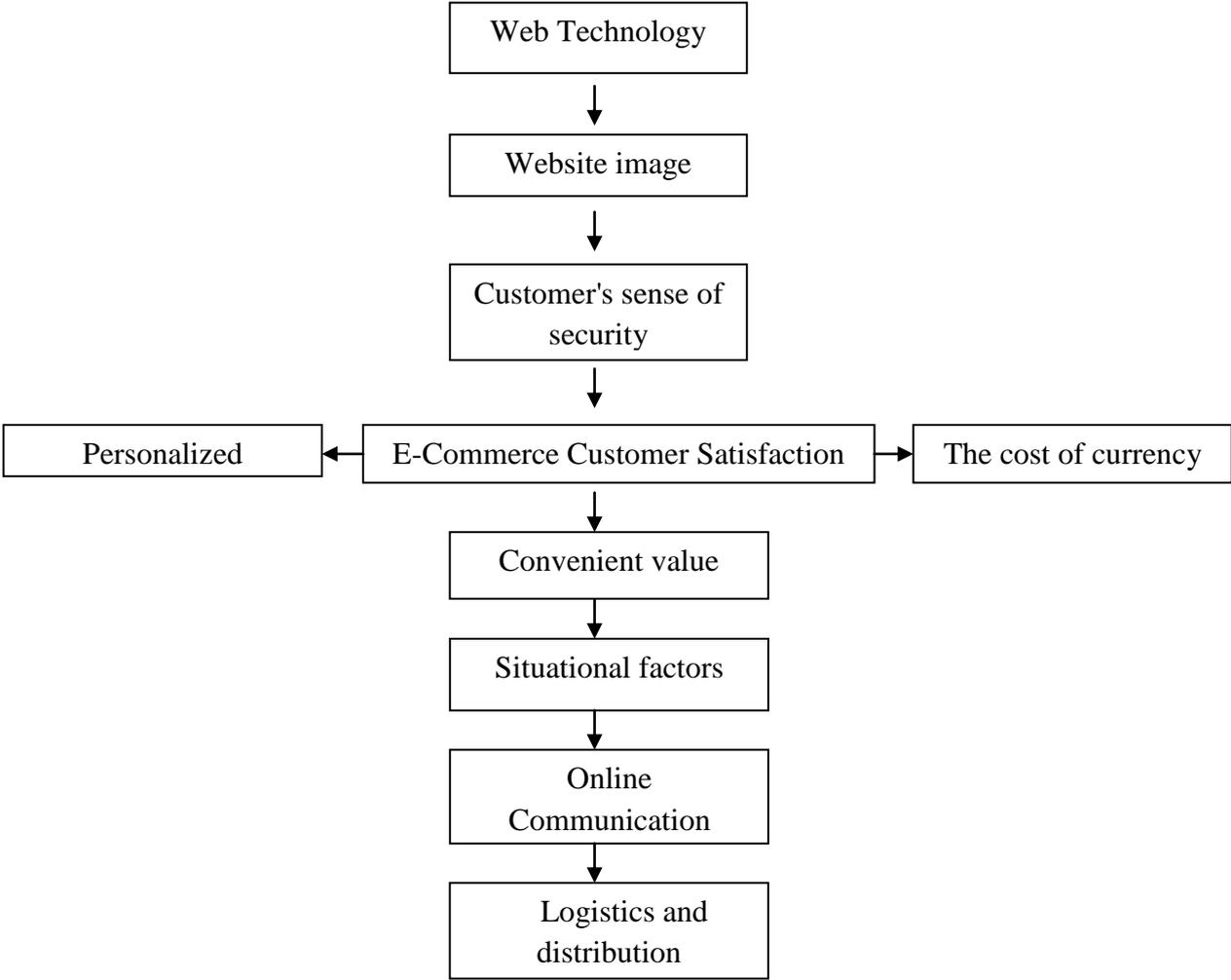
First step was in particularly interface between web servers and their clients. This information includes markup languages, programming interfaces and languages, and standards for document identification and display. Traditional facade decorated by business entities to display their unique image, attract customers to visit. For e-commerce, the site is like shopping malls. Its also include CGI Section, HTTP Section, PHP - PHP is a scripting language, JAVA Section, MI Graphics, ME Section, and the great thing is WWW, that means World wide web. Second step of model website image we talk it may be work it does require

ROI. It can be still be enjoyable. We offer creative built on solid strategies, still working on more. Try tossing the bubbles around explore, as like WWW. This mainly refers to the image of the value of the network is one of the specific business reputation. The third step of model it is a burning question of Protecting the Customer. Consumers concerned about falling victim to fraud can still be captured at the checkout. Security fears tend to make shoppers restrict their online interactions to sites that are well known, and they take extra precautions to protect them during the online shopping experience. When it comes to paying for online purchases, the more security and guarantees afforded to these customers, the more likely they are to complete the checkout. Shoppers believe it is the merchant's responsibility to prevent identity theft or fraud during the online shopping experience, and the merchant should be responsible for creating a safe online environment. If any security issues occur while on the site, blame will fall on the merchant and impact future sales. So if we follow these rules then it may be possible to solve the problem. The Forth step describes the author and business consultant details how providing personalized service will create customers who will help you sell your business. It is clear that all about eyes bas the best service. Personalized service is rare and is old-fashioned. It points to something more human and a willingness to take extra time to do things, so we feel in most cases technology (at least the result of it) stands the opposite Personalized e-commerce site is provided for individual clients to match their needs for products, services and trading environment. Network of personalized service designed to optimize customer value gap and the gap between aspirations. The five step model explains that we know whole world know about American dollar. So if any another country people purchase something then it will convert US dollar but some term and condition for example: Guaranteed funds in U.S. dollars, Exchanges & returns, Price quotes in the consumer's home currency, Export & import compliance and documentation, Customer service in foreign languages, finally customer should know Fluctuating currency exchange rates. The sixth step, In this case customer search online which price is affordable then bought it. The shopkeeper are not inspire not say please buy it buy it. If customer choose product and order it Virtual e-commerce transactions, making the service can break through the traditional time and space constraints, to provide consumers with the convenience of two, customers can in the hope of the time and hope the place of access to services. First the convenience time in general, customers just spend time doing online shopping to find the product, time and time and wait for commodities trading time. The Seventh step said situational influences are temporary conditions that affect how buyers behave whether they actually buy your product, buy additional products. They include things like physical factors, social factors, time factors, the

reason for the buyer's purchase, and the buyer's mood. It is also important a customer, as an illustration one customer wants to buy a BMW private car in online. It is critically if customers not see the car and all hesitation will become so it is better buy a car go to the supermarket and bought a car.

The eights step, one of the cruel ironies of nonprofit communications. Online communications today means more than a snazzy website and a newsletter. Combine a slew of new web-based technologies with a society that is rapidly coming to think of online interactions as just as real as face to face ones and you have the possibility of what Marty Kearns of Green Media Toolshed has described as "Network-Centric Advocacy." What does he mean by this? That the incredible advances in communications technology over the past quarter-century make possible an entirely new model of organizing and ways of bringing people and resources together quickly and efficiently to tackle a single problem or to form lasting communities. In short, online communications today is about forming connections, creating community, and organizing action in previously unimaginable ways. The ninth step say It is a mathematically terms. Today's logistics service providers need to lower costs, reduce cycle times and support customers' technology needs. With Sterling Commerce solutions, your company can connect people, processes and technology to enable seamless and secure integration of key business processes and streamline the commerce cycle from selling to fulfillment.

Data collection

There are many ways to get the information measure to answer the research questions. One way would be to collect information from different sources and including all kinds of necessary information. To select the proper and correct method of information several steps has been taken including analysis and reporting resources, resources available, credibility and competence of evaluator etc.

We collected the statistical data and literature from different resources which helped to answer our thesis questions. In this study, the proposed data Collection sources are university library database and books/literature, internet, company website, Bangladesh and China online shopping facility related issued research literatures. This includes the process they attracted the customer in e-commerce and how to get consumer satisfaction.

Questionnaire design and distribution

Preliminary design of the questionnaire is based on the literature research and individual interviews, combined with the specific circumstances of this study formed. By reading a lot of

important related documents of online shopping in those countries, sorting out the repetition rate of the index. Organize the students and users of online store have individual interviews, the indicators proposed for each of the respondents were screened. The proposed rate calculated for each index "t", when t ≥ 20%, the target is selected, that is the target to participate in this operation; when t <20%, the index not being elected, do not participate in this operation, into target library to prepare for the next evaluation use.

Survey involving a total of 18 indicators

Variable	Question items measuring	References
Web Design	Web site design aesthetic level Web site provides easy to understand the use of process level The operation speed of the page	
Website image	The integrity of the image of shopping sites	
Network Security	Web site provides transaction security mechanisms(such as set, safety certification, accout password and other measures) Site security measures Payment The confidentiality of personal information	Lee(1999) Torkzadeh& Dhillon(2002)
Personalized	Concemed about consumer demand for personalized Web site level	
Interactive Network	Web store reflects the channel diversity is provided(such as e-mail from, message replies, etc) Virtual shopping site exchange mechanism and the atmosphere of the community	
Products	Diversity of product range Product prices The site describes the level of detail product imformation Product quality and the level of shopping is expected to meet	
Convenience	Online store offers all-day round service to make shopping easy; Save time and effort shopping; Easy to cancel orders or retum	Szymanski&Hse (2000),Stinvasan , Anderson& Pomavolu(2002)
Logistics	Manner and speed of delivery	

Berclie (1994) research suggests that five is the most reliable scale, when the option is more than five scale (satisfied, more satisfied in general, more satisfied, not satisfied, the corresponding assignment for the 5, 4, 3, 2, 1) rate the customer directly. Design of the questionnaire, including three sections: The first part is basic information. The second part is

the satisfaction survey indicators; we will be treated as customer perceived value. The third part is the importance of customer survey that we will value them as customer expectations.

3.2 Model to Improve E-commerce in shopping online

We know there are many factors can improve customer satisfaction. If the network merchants want to improve customer satisfaction, should understand customer expectations and customer requirements. In this survey we present 18 possible factors that affect consumer satisfaction. In the fourth chapter, we will detail the importance of these factors. Here is the model (Figure 3.2) show how to improve E-commerce in shopping online. We draw a combination of 18 factors for this model, and we will by the results of the questionnaire to calculate the importance of these factors, then leading to the conclusion.
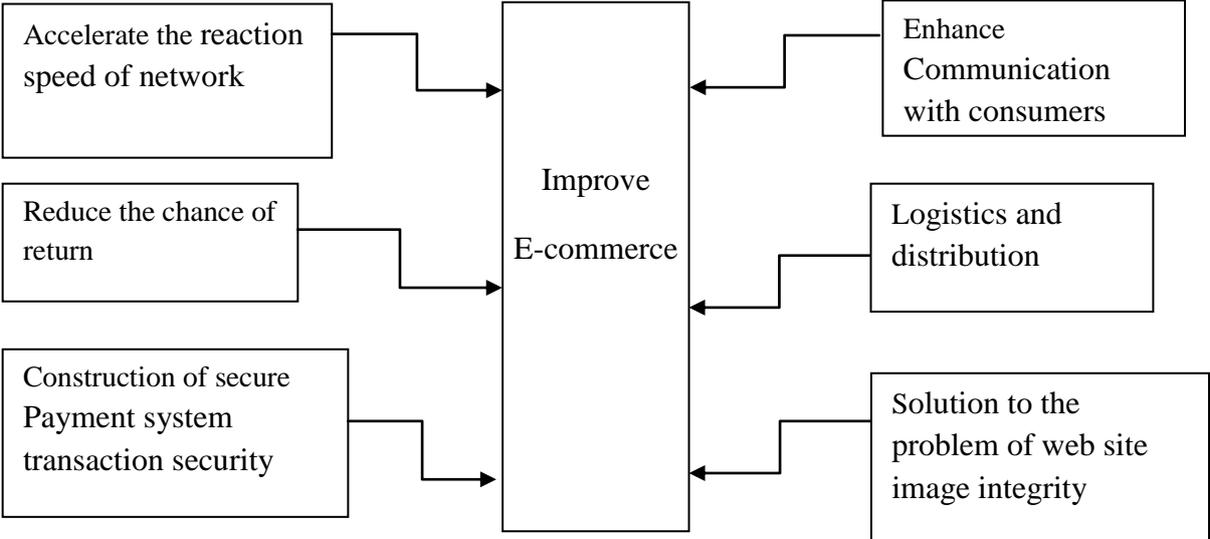
Figure 3.2 The factors of to improve E-commerce

3.3 Criteria of customer satisfaction factor

Assumptions

(1) E-commerce customer satisfaction is customer perceived value and expected value of quality of service gap decisions.

(2) E-commerce customer satisfaction mainly by website design, network security, website image, personalized, interactive networks, products, convenience and logistics of the evaluation effecter.

Theoretical basis

Assuming this thesis is two-dimensional structure of customer satisfaction. According to customer satisfaction "Two-factor theory", according to the indicators of completion and based on the indicators of psychological impact on customers, customer satisfaction factors can be divided into the following five categories

Criteria

Five markers in the following figure 3.3 available

		Not Do	
		Dissatisfied	No Dissatisfied
Do	Satisfaction	1. Made, have a satisfaction; do not, have a dissatisfied	2.Made, have a satisfaction; do not, not have a dissatisfied
	No Satisfied	3.Made, not have a satisfaction do not , have a dissatisfied	4.Made, not have a satisfaction, do not, not have a dissatisfied
	Have Dissatisfied	– – – – – – – – –	5.Made, have a dissatisfied, do not , not have a dissatisfied

Figure 3.3

For the interpretation of Figure 3.3

Here, if the borrowing Frederick Hertzberg two-factor theory and the Kano model to analyze e-commerce customer buying behavior, customer focus on the impact of factors can be divided into "hygiene factor ", "motivator factor ", " half-motivator factor " and "Irrelevant factors. "Element is the customer care system that should be obtained from the products and services, the value of elements, most of the core services, with customer dissatisfaction can be seen as factors in the index for the customer to purchase the product or service minimum requirements. If lack this of will on the customer perceived value and intention to buy cause great adverse effects. However, elements of these values will not help significantly improve the perceived value and customer satisfaction was increased, the corresponding customer will

not re-purchase intention and positive emotions play a motivate role. Figure 3.3 the third category of indicators. In contrast, motivator factor is the factors with the customers are very satisfied with the indicators. Customers who can delight or pleasure of the elements, most of the process and the provision of services or to provide customers beyond the extent of positive expect. Nor will the absence of customer perceived value and intention to purchase an adverse impact, but as long as there is perceived value and will enable customers to significantly improve loyalty. Figure 3.3 in the second category mentioned indicators. Semi-inspired elements are both characteristics of hygiene care and encourage elements of two elements (i.e., containing customer satisfaction and dissatisfaction factors, indicators). Expectations of such factors have considerable degree of customer satisfaction, or slightly better. If you do not, indicating a gap between customer expectations and can lead to customer dissatisfaction; if done with a considerable degree of customer expectations, that customer satisfaction is not satisfied and will not, if done slightly better than expectations of customers will have a Customer satisfaction, will play a certain motivation. Figure 3.3 the first category of indicators mentioned. Element is available or not does not matter does not affect the customer satisfaction and purchase intent, such elements is irrelevant to the customer. Figure 3.3 in the fourth category mentioned indicators. It is worth noting that some irrelevant factors are not really "irrelevant ", but customers do not realize the significance of these factors exists, or temporarily in need of such factors. Reverse (Reverse) elements of this element is sufficient to cause resentment, not only will not feel satisfied enough. Figure 3.3 the fifth category mentioned indicators, such indicators is a class individual phenomenon, which is the customer's personal habit, religion, national habits and so on.

Clearly, the hygiene factor is a necessary condition for customer satisfaction, Motivator factors in the heath factor above a certain level of customer satisfaction to become a sufficient condition.

3.4 Limitation

In this paper, based on e-commerce customer satisfaction has been studied, but because of time and energy constraints, there are some deficiencies in the study and the very problem to be solved.

First, the proposed method requires further proof. As e-commerce customer satisfaction measurement on the literature is very scarce, so this method and strategy proposed in

theoretical science is not strong, this point needs further research and demonstration. And in reality, the analysis of customer satisfaction is found that the value of the elements together in one or a two regions, so the expectations and perception of matrix theory, the apparent loss of its strategic direction to the kind of advantage.

Second, this study collected data over 80% of the object is in school, online shopping may not be representative of all groups. Because of their different spending habits of consumers, consumption levels, cultural differences and other factors, the basic expectations and requirements are different, so have different perception impact of customer satisfaction, therefore, consumer satisfaction of hygiene factors are also different.

Again, the article for the e-commerce environment, customer satisfaction factors were analyzed, but only outlined some of the factors more representative and not exhaustive list of

All the influencing factors; In addition, the majority of the collection of objects for the C2C e-commerce, the basic network is not involved in B2B shop. Moreover, the above proposal is broad and talks about different business sectors in terms of different types of networks, its applicability are not the same. Future research in a particular industry, according to a specific type of business, online merchants have a comprehensive detailed recommendation to provide more precise guidance more useful and practical. These problems above, may lead to a certain extent, evaluation results distortion.

4 Data analysis and results discussion

In this investigation, 300 questionnaires were distributed, 261 were recovered, no regular shopping excluding and unqualified questionnaires were 45, total 216 questionnaires were valid, both China and Bangladesh. The analysis is as follows.

4.1 Sample characteristics

Chart 4.1.1 shows, the surveyed population, Males accounted for 56.48% and Females accounted for 43.52%. The survey results show that the online shopping population, men constitute the majority of
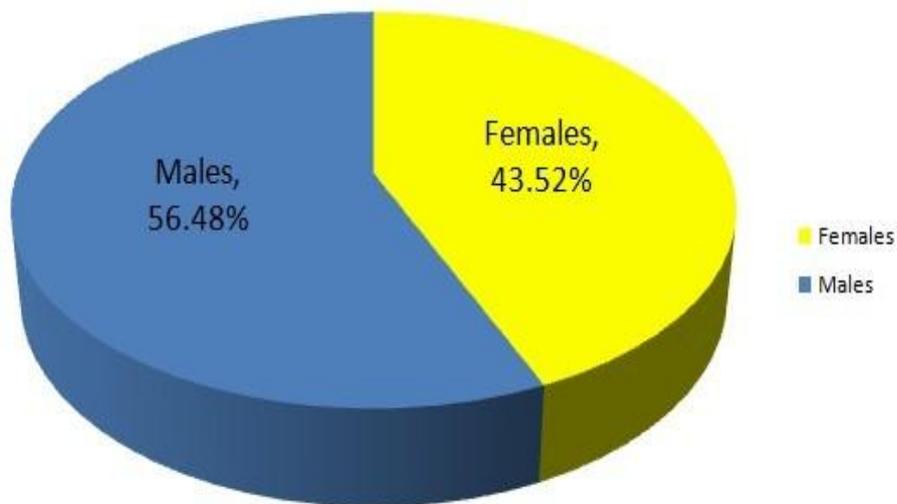
Figure 4.1.1

From chart 4.1.2 and 4.1.3 can be seen in the past year among respondents to the specific shopping site, Shopping at more than 7 times the total number of respondents to 57.4%, and 22.7% 5-6 times. Both have been accounting for more than 80% of the respondents. This shows that consumers in their own web site shopping frequency is relatively high, are more familiar with the website content. That the respondents were able to well understand and accurately answer the question in the questionnaire.
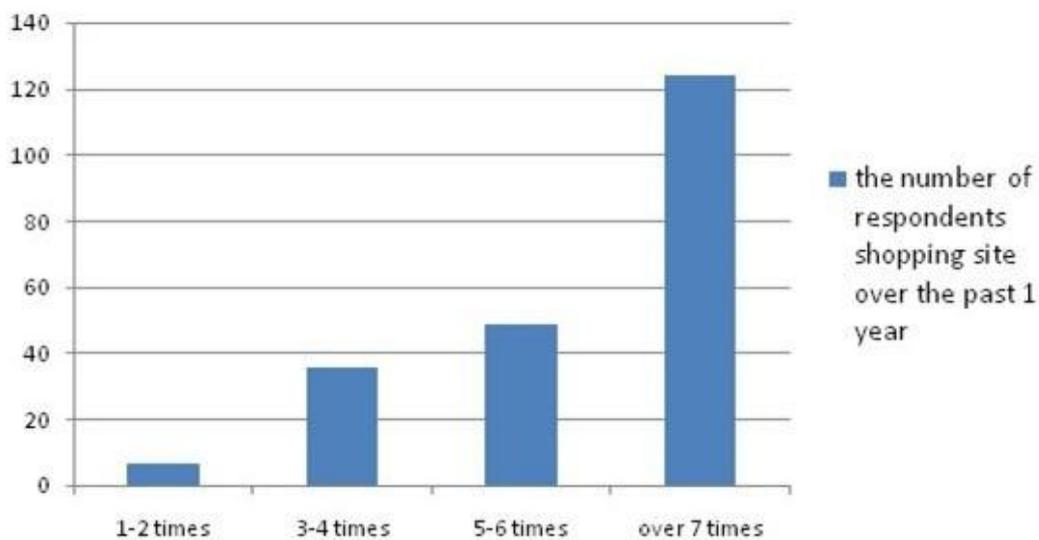
Figure 4.1.2 the number of respondents online shopping distribution
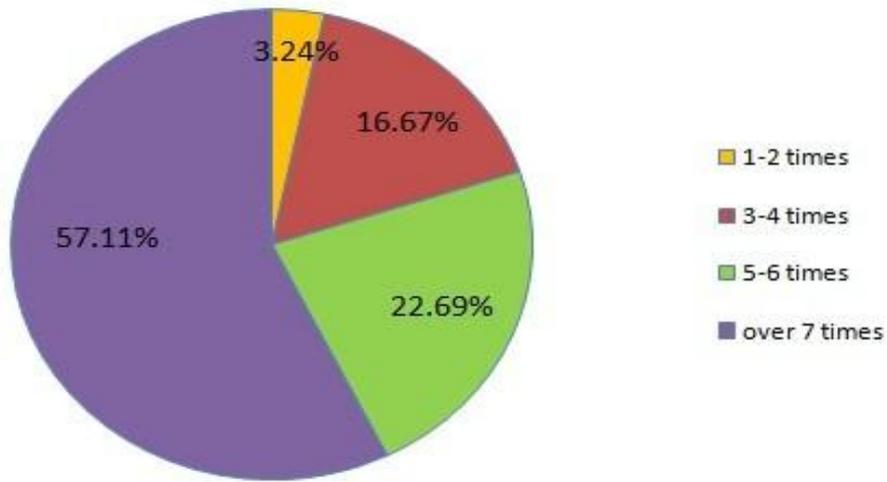
Figure 4.1.3 Frequency of respondents online shopping

Chart 4.1.4 shows, Taobao website is the first in China, eBay and Dangdang website were second. Of course it is also related to brand awareness of site. China's online shopping survey in 2008 reported that 91.5% of Internet users have heard of Taobao shopping.
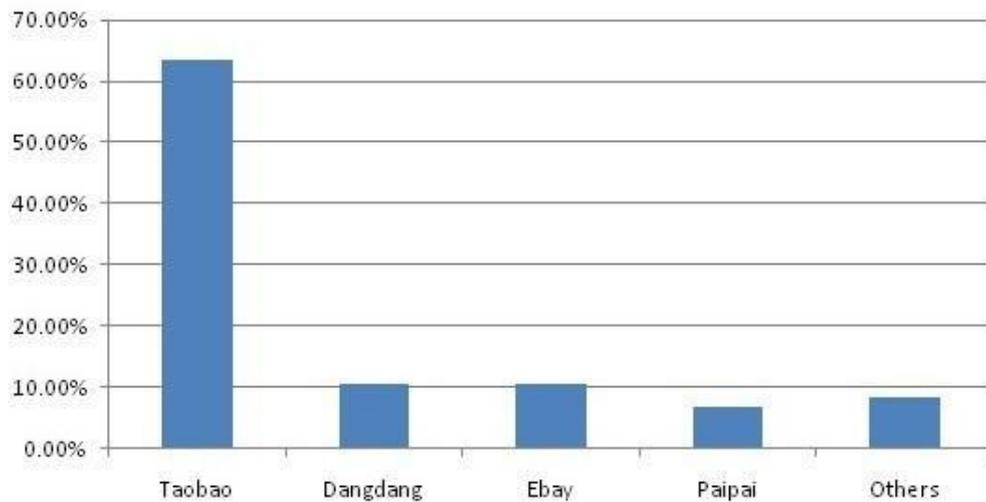
Figure 4.1.4

For the consumer category of goods or services online shopping survey, the use of freestyle answer, specifically in Figure 4.1.5 we can see, clothing, shoes and hats class is the largest number of goods purchased. The main reasons we analyzed are as follows:

First, clothing characterized is by the pursuit of fashion and new, diversified sources of supply networks are the biggest advantage of online shopping for clothing.

Second, the clothing is not easy to damage; there is no shelf life, small size and other characteristics. Therefore, on transportation logistics have advantages.

Production Categories
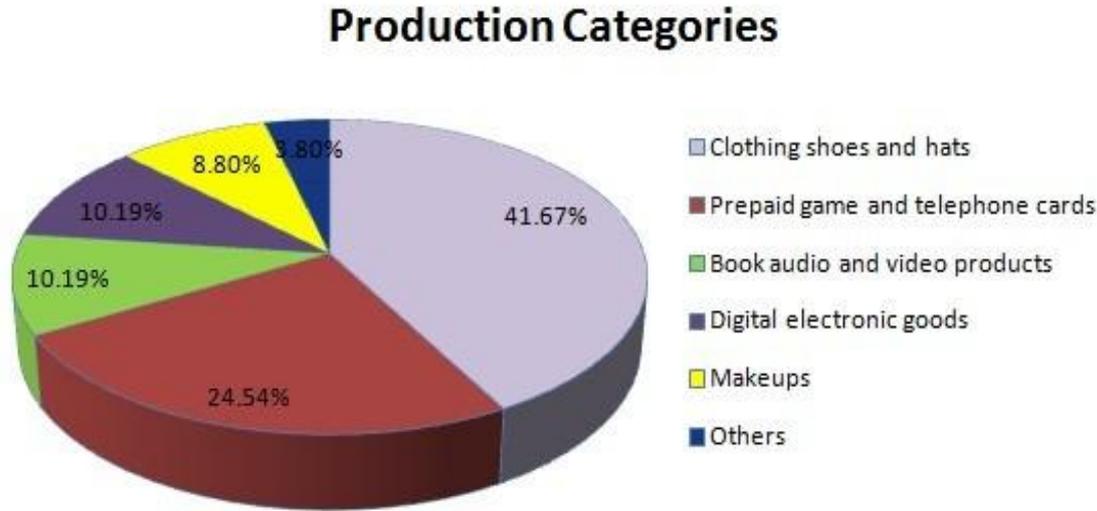
Figure 4.1.5

Third, clothing goods market is huge.

Books, audio and video products and cosmetics products purchases in our survey are not high, we think may be related to the object of this investigation, because 80% of our survey was students. Students are interested in the online game and more interested in electronic goods, the network provides the convenience of there.

4.2 Measure of Customers Satisfaction

The calculation of an index can be done in three ways: direct calculation method, the percentage method and the weighted average method. In this study uses the weighted average method to calculate the level of customer satisfaction index (Si) and the index that measures the importance of satisfaction factor indications (Vi).

To get a value in the customer satisfaction indexes the following formula is used:

$$\mathbf{S_i = \sum X_j Y_{ij} \quad (i=1, 2, 3\ldots\ldots n, j=1, 2, 3\ldots\ldots k)}$$

n ： The number of indicators of customer satisfaction;

k: the number of classification level of customer satisfaction

$\mathbf{S_{i:}}$ refers to the customer satisfaction for "i" indicators

X_{j:} Refers to when satisfaction of registered for "j", the corresponding scores

$\mathbf{Y_{ij:}}$ Refers to the "I" indicator that customers choose a percentage of the "j" level of satisfaction.

(According to the questionnaire on the score of each factor, we can calculate the satisfaction index of each indication)

For example: Web interface design aesthetic level (X1) of the satisfaction index is calculated as follows:

$S_i = 3 \times 1.39\% + 14 \times 6.48\% + 109 \times 50.46\% + 83 \times 38.43\% + 7 \times 3.24\% = 3.357$

Satisfaction indicators by calculating the following：

Web interface design aesthetic level of satisfaction index (X1)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	3	14	109	83	7
Frequency	1.39%	6.48%	50.46%	38.43%	3.24%
Satisfaction score	3.357				

Web site provides the use of process satisfaction index (X2)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	3	21	84	91	17
Frequency	1.39%	9.72%	38.89%	42.13%	7.87%
Satisfaction score	3.454				

The operating speed of web pages satisfaction index (X3)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	5	26	85	92	8
Frequency	2.31%	12.04%	39.35%	42.60%	3.70%
Satisfaction score	3.333				

Website Image Satisfaction Index (X4)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	7	31	92	64	22
Frequency	3.24%	14.35%	42.59%	29.63%	10.19%
Satisfaction score	3.292				

Transaction security mechanisms satisfaction index (X5)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	3	25	85	85	18
Frequency	1.39%	11.58%	39.35%	39.35%	8.33%
Satisfaction score	3.417				

Payment security measures satisfaction index (X6)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	2	29	80	87	18
Frequency	0.93%	13.43%	37.04%	40.27%	8.33%
Satisfaction score	3.416				

The confidentiality of personal information satisfaction index (X7)

	Dissatisfied	A little dissatisfied	Neutrtal	Satisfied	Very Satisfied
Number	5	45	96	68	2
Frequency	2.32%	20.83%	44.44%	31.48%	0.93%
Satisfaction score	3.079				

Personalized satisfaction index (X8)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	6	10	113	55	32
Frequency	2.78%	4.63%	52.31%	25.46%	14.81%
Satisfaction score	3.449				

Reflect the diversity channel satisfaction index (X9)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	16	48	104	42	6
Frequency	7.41%	22.22%	48.15%	19.44%	2.78%
Satisfaction score	2.88				

Response to customer demand satisfaction index of interaction (X10)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	23	45	100	45	3
Frequency	10.65%	20.83%	46.30%	20.83%	1.39%
Satisfaction score	2.815				

Diversity of product categories satisfaction index (X11)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	2	15	81	103	15
Frequency	0.93%	6.94%	37.50%	47.69%	6.94%
Satisfaction score	3.528				

Product Description satisfaction index (X12)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	2	30	95	70	19
Frequency	0.93%	13.89%	43.98%	32.41%	8.80%
Satisfaction score	3.343				

Satisfaction index of product quality (X13)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	4	15	90	96	11
Frequency	1.85%	6.94%	41.67%	44.44%	5.09%
Satisfaction score	3.440				

Satisfaction with product price index (X14)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	4	13	61	93	45
Frequency	1.86%	6.02%	28.24%	43.05%	20.83%
Satisfaction score	3.750				

Save time and effort satisfaction index (X15)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	4	12	62	95	43
Frequency	1.86%	5.56%	28.70%	43.98%	19.91%
Satisfaction score	3.745				

Cancel orders or return satisfaction index (X16)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	19	62	77	53	4
Frequency	8.80%	28.70%	35.65%	24.54%	1.85%
Satisfaction score	2.806				

Convenient shopping satisfaction index (X17)

	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very Satisfied
Number	5	23	77	86	25
Frequency	2.31%	10.65%	35.65%	39.81%	11.57%
Satisfaction score	3.477				

Manner and speed of delivery satisfaction index (X18)

	Dissatisfied	A little dissatisfied	neutral	Satisfied	VerySatisfaction
Number	2	56	88	64	6
Frequency	0.93%	25.93%	40.74 %	29.63%	2.78%
Satisfaction score	3.074				

Importance of satisfaction indicators

In previous section, we use the customer satisfaction index to calculate a score of satisfaction for each indicator. Now we have to calculate the importance of each indicator. Although the indicators include a number of factors, the consumption of the various indicators on the meaning and importance of the customer is different, so the impact on customer satisfaction is different. Therefore, besides calculation of CSI is necessary to distinguish the relative importance of each indicator, usually expressed with 5 Component. (see our Questionnaire we will be presented in the appendix)

(1) Unimportant

(2) Less important

(3) Neutral

(4) Important

(5) Very important

The importance of satisfaction indicators can be quantified by the index as follows:

$$V_i = \sum X_j Y_{ij} \quad (i=1,2,3\ldots\ldots n, \ j=1,2,3\ldots\ldots k)$$

n ： is the number of indicators of customer satisfaction;

k:　is the number of classification level of customer satisfaction

V_i: refers to the customer on the importance for " i " indicators

X_j: Refers to when satisfaction of registered for " j ", the corresponding scores

Y_{ij}: Refers to the "i" indicator that customers choose a percentage of the "j" level of satisfaction.

For example: Web interface design aesthetic level (X1) of the satisfaction index is calculated as follows:

$V_i = 17 \times (17/216) + 56 \times (56/216) + 81 \times (81/216) + 49 \times (49/216) + 13 \times (13/216) = 2.930556$

According to various indicators on the questionnaire scores, we can calculate the importance of measurement indicators Figure 4.2, such as table follow:

Evaluation Index	1 point	2 points	3 points	4 points	5 points	Total	Importance
Web appearance (X1)	17	56	81	49	13	633	2.930556
Operational processes(X2)	30	19	36	69	62	762	3.527778
Network speed of response(X3)	17	20	49	81	49	733	3.578704
Web site image of integrity(X4)	4	17	95	61	39	762	3.527778
Transaction security(X5)	29	31	46	71	39	708	3.277772
Payment security(X6)	15	6	19	15	162	954	4.416667
Confidentiality of personal information(X7)	28	33	43	75	37	708	3.277778
Personalized(X8)	15	26	33	30	11	641	2.967593
Feedback channels(X9)	15	8	28	68	98	877	4.060185
Interaction(X10)	13	9	58	71	64	779	3.606482
Product categories(X11)	12	65	79	47	13	632	2.925926
Product Description(X12)	30	24	45	75	41	723	3.347222
Product Quality(X13)	16	8	35	83	74	839	3.884259
Product Price(X14)	15	9	36	38	118	883	4.087963
Save time(X15)	9	13	36	66	92	867	4.013889
Returns(X16)	8	26	53	87	42	777	3.597222
Shopping convenience (X17)	5	31	52	90	38	773	3.578704
Logistics distribution(X18)	25	51	77	46	17	627	2.9027778

Figure 4.2 The importance of satisfaction indicators

4.3 Analysis

By calculating the score of each indicator's expected value and perceived value we can draw
the coordinates Figure 4.3. The perceived value and the expected value are determined by the
two standard elements of satisfaction and the importance, (S and V).

The matrix in figure 4.3 can be used to analysis the customer perceived value (S_i) together with the expectation value (V_i)

Expected value and perceived value in the matrix, adding a 45 degree line, so that the original four regions into six regions.

Fraction of the value derived from the above we can calculate the average satisfaction: **S**=3.314 and the importance average **V**=3.528   Then we can calculate the total average score as：**X**=（S+V）÷2   so, **X**=3.421

We Found that satisfaction indicators **X2, X8, X11 X13 X14 X15 X17** are higher than average satisfaction score; so, they should be located to the right of the vertical average line; and **X2, X3, X4 X6 X9 X10 X13 X14 X15 X16 X17** The importance of these indicators are higher than the average importance value; so they should be located above transverse average line.
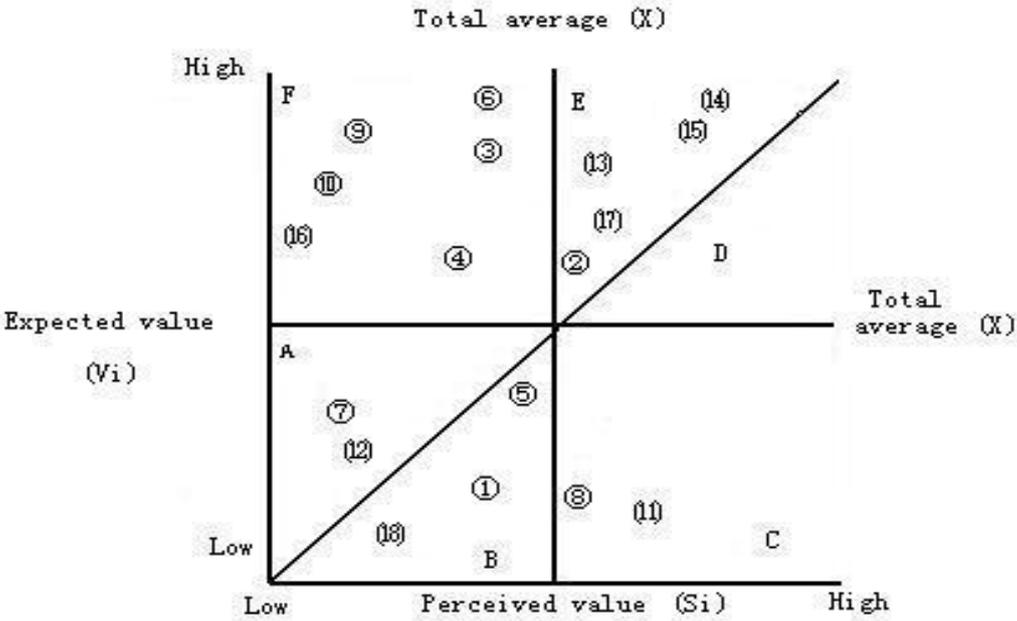

Figure 4.3 Coordinates of Expected value and Perceived value

From the above chart 4.3 matrix of the four intervals, six regions, we can see; in A, B two areas, the customer perceived value and expectations values are lower. **A** area was above the 45 degree line, this shows that two indicators in this area, the confidentiality of personal

information and product information describe, their perceived value is greater than the value of customer expectations. Such indicators in the equivalent of chapter 3.3 we discussed before the half motivator factor, although customers do not think is very important, but it also will affect customer satisfaction if do not good. **B** area was under the 45 degree line, in the B area the customer perceived value is greater than expected value on Web interface design aesthetic and Logistics and distribution these two factors. While the perceived value itself is not high, but the merchants was do it beyond customer expectations. Such indicators in the equivalent of chapter 3.3 we discussed before the irrelevant factors. Even if do, it not give customer a high perceived value. So the merchants need not spend too much time on it. In **C** area, the product categories, Personalized and Transaction security customer expectations value is lower, but the customer's perceived value is very high. That means the customer satisfaction also be high. This is what we said before motivator factor. Done it will improve customer satisfaction extremely helpful. **D** and **E** in these two areas, the customer expectations and perceived value are higher, so these two indicators must be done, they are half motivator factors. Done it the customer perceived value will reach a higher level, in order to achieve customer satisfaction. But the expected value in the D area is less than perceived value, such indicator is the merchants to continue to maintain, however in the chart 4.3 was not an indicator of the existence in this area. That means the minds of customers in the network service indicators were more important but did not meet their expectations. **E** area, there are Shopping convenience, Product Quality, Product Price, Save Time and Operational processes indicators, expected value of this area is greater than perceived value, to enhance customer satisfaction, should be improved. In **F** area have Web site image of integrity, Network speed of response, Payment security, Feedback channels, Interaction and Returns indicators. Expected value of these factors is greater than the perceived value and these indicators are Hygiene factors. It is the customer's minimum standards for online consumption, which means the network must be good indicators of business, not do will lead customer dissatisfaction.

Of course there is a class of indicators is a special case of specific services, are individual phenomena, which the customer's personal habit, religion, national habits and so on. In this case, the network will not be able to deal with general business standards for customer service. And such indicators in the questionnaire cannot be reflected.

4.4 Analysis of the importance of each factor for online merchants

By analyzing the above chart, for e-commerce for online merchants, product categories, personalized and transaction security mechanisms are motivator factors. Hygiene factors, including network speed of response, the website image of integrity, payment security, feedback, community interaction, and return. Confidentiality of personal information, product description, shopping convenience, product quality, product prices, save time and operating procedures are half motivator factors.

We would like to show the results of this survey induction as "very dissatisfied" and "unsatisfactory " grouped as "unsatisfactory"; will be "satisfied" and "very satisfied " grouped as "satisfied. " Adjusted by evaluation staff survey results shown in Figure 4.4

	Satisfaction	Dissatisfied	Action Plan
Network speed of response	46.30%	14.35%	Hygiene factors: reducing the proportion of unsatisfactory evaluation
Web site image of integrity	39.82%	17.59%	
Payment security	48.60%	14.36%	
Interaction	31.48%	22.22%	
Feedback channels	29.63%	22.22%	
Returns	37.50%	26.39%	
Confidentiality of personal information	32.41%	23.15%	Half of motivator: increasing the proportion satisfied with reducing the proportion of dissatisfied evaluation
Operational processes	50.00%	11.11%	
Shopping convenience	26.86%	32.41%	
Save time	63.89%	7.41%	
Product Description	41.21%	14.82%	
Product Price	63.89%	7.42%	
Product Quality	49.53%	8.79%	
Transaction security	47.68%	12.97%	Motivator factors: Increase the proportion of satisfied
Personalized	40.27%	7.41%	
Product categories	54.63%	7.87%	

Figure 4.4 Results of survey induction

From the above chart to analyze the hygiene factor is the urgent need for improvement is the most urgent business investment in resources for improvement. If these factors are very good improvement, can be transformed into a competitive advantage. According to the score of each factor, we can score factors from low to high scores improved.

Businesses generally agree that the site should be the lowest scoring indicators as priority for improvement, because these businesses believe that this indicator is most dissatisfied customer's online shopping place. But through careful analysis will find that the primary task of the improvement measures should be realistic customer expectations and the biggest difference between online shopping.

4.5 Suggestion for online Merchants

(1) Accelerate the reaction speed of network

In general, 10 seconds is the upper limit of the customer to wait. Factors affect the speed of response: the server's throughput, server and network connections, the bottleneck of the network itself, Page in the user's browser and computer run time to explain. Simply to improve the effectiveness of a link does not necessarily obvious. Interface design must pay attention to the relative independence of the structure: as the relative independence of the enhanced multi-function modules to form a separate form horizontal, use your browser's download features to increase download speed, especially in the first screen to ensure fast downloads. Careful use of leading-edge technology: The main content of the user is more concerned about the practicality and the ability to provide quality services for users, in the absence of mature before the first class using the latest technology would certainly face some users to access failure. If, when a user visits the site, system crash, to be sure the vast majority of them will not come again, under normal circumstances, not on the official release of the product test (a new technique for the stability to go through a waiting period, General recommendations for one year). Second, to reduce customer wait time, the use of "KISS" website interface design principles, namely: Keep It Simple and Stupid. Concise and simple operation. Minimize the use of large images and animations, operation design as simple as possible and clear instructions. Software content and services are all in the apparent position and provide an explanation.

(2) Solution to the problem of Web site image integrity

The United States is the one of the most countries on the worlds, which has sophisticated consumer credit a set of sound credit system. China as one of a developing country can learn from its practices, the establishment of a suitable e-commerce credit system, According to China's national conditions. From Southwest University of Political Science Professor Tang believes that relevant departments should make special online store management. Online store owner cannot be certified only through their own network, and should, like in real life, by the business sector for license, and then to do business. Thus, it will avoid some swindlers use of network transactions to defraud. Chinese Ministry of Commerce announced in October 2008, *Specification for e-business models* and *online shopping service standards* of two management practices. Mainly covers the legal personality of the business, filing licenses, business conduct, payment, service system and other aspects of the assessment requirements. Asked business managers to keep the user registration information for 10 years, the field also C2C individual traders were the norm, requiring individuals in the transaction must be real names. For the same time, methods of payment instruments must be kept in force.

(3) Construction of secure payment systems and transaction security

The merchant is always responsible for security of the Internet-connected PC where customer details are handled. Virus protection and a firewall are the minimum requirement. For absolutely safe, merchants must have a storage service keep sensitive information and customer details, a physically separate PC or with a commercial file. Always keep multiple back-ups of essential information, and ensure they are stored safely of site.

Most ecommerce merchants leave the mechanics to their hosting company or IT staff, but it helps to understand the basic principles. Any system has to meet four requirements:

Privacy: information must be kept from unauthorized parties.

Integrity: message must not be altered or tampered with.

Authentication: sender and recipient must prove their identities to each other.

Non-repudiation: proof is needed that the message was indeed received.

Security is a vexing, costly and complicated business, but a single lapse can be expensive in lost funds, records and reputation. Don't wait for disaster to strike, but stay proactive, employing a security expert where necessary.

(4) Enhance communication with consumers

Diverse network established communication channels and optimize the customer perception of the demands. Like E-mail, BBS, message boards the popular communication tool, make that customers can direct dialogue with the company. By the German business software AG developed Mosaic technology "Tamino" can simply standard XML format for data storage and retrieval of information, Allows enterprises to one-time problem solving for customers. The other hand, enterprises can build their own online community website, customers in the virtual community can share their experience with their products, or make some use of the problems encountered and identify solutions. Maslow's hierarchy of needs theory tells us that people not only with physical and security needs, but also social needs, esteem needs and self-actualization needs. Online community just to give the customer satisfaction of social and respected, so businesses can increase their loyalty. Moreover, the online community can also attract some new customers involved; especially those who want to try the product to potential customers are still hesitant. They need such a great community to understand the quality of products and services.

(5) Logistics and distribution

Realistic analysis of the logistics in e-commerce has an important position, with independent irreplaceable role. Determine the efficiency of e-commerce logistics. Contact with both supply and demand of logistics, the connection between the two is perfect both supply and demand determine the mode of transport to do and the efficiency of transport to do. And the nominal value of the customer to buy a small share of goods in the major part of logistics costs, will become Customers often choose whether to purchase the final deciding factor.

(6) Reduce the chance of return

Many retailers will return as the battle to gain market share in a competitive weapon. However, returns in e-commerce logistics costs borne by consumers. When consumers buy goods in the full analysis of e-commerce retailers return policy, make their return costs to a minimum.

First e-commerce sites on the image quality and delivery to customers on the appropriate size and other information must be accurate. To avoid the kind of consumers to purchase online graphics inconsistent with, or inventory has been a long time, the appearance of defects, dust sounded. In addition online merchants need to have a cancel system to impulse buying for

consumers. Buyer may press the "buy "button will regret it. It should add a feature to order online is created, a "Cancel" button also created and maintained within an hour online.

5. Conclusion

The conclusion chapter is directly connected to the purpose. The thesis is based on two questions. One is customer satisfaction in online and another is improving e-commerce. Many consumers are slow to complete online transaction because the web sites of some companies are hard to navigate and the technology used is unreliable. Individuals are reluctant to buy a new product using an unfamiliar procedure on the internet. First of all, the customer must trust the company. Secondly, the customer must believe the products better than those available from traditional sources. Thirdly, the customers must feel comfortable and secure with the purchasing procedures and technology. Companies devote a great deal of resources and expertise to understanding and meeting customer needs. Companies must design user-friendly web sites with procedures that customers can trust. There are several important product development activities that can improve e-commerce services for customers. For instance, Study average consumer technology skills and usages internet experience, avoid using complex technologies that are beyond the average customer's ability and comfort level, gather customer input about current web design, usage problems and ideas for improvement of the web site, organize development teams that combine expertise in hardware and software, production, marketing, finance, and customer service. And redesign web sites to improve access, reliability and security. Integrate new multimedia technologies into web sites to improve interest and communication and to provide more realistic product models. Improve programming, coding, and technology integration for web sites. Conduct users testing for new technology and web site modifications.

In the traditional mode of marketing, motivator and hygiene factors are defined by the corporate way; it is difficult to play a real factor and factors of protection and motivation. According to two-factor theory, to improve customer satisfaction, companies must define their products and reasonable two-factor, a reasonable definition of motivation products and hygiene factors, is the enterprise with customers to establish a new, long-term, the most basic interaction the starting point. In this study, the process of customer satisfaction, customer satisfaction index system is based on the formation of consumer opinion and, therefore, it reflects the voice of the customer. Moreover, the customer satisfaction survey, respondents

were requested to rate the importance of various indicators, which can analyze the network business to understand what factors are most important to customers and which is the most urgent.

Continued on customer satisfaction survey analysis, with advances in technology, management improvement and changes in customer needs and preferences can cause hygiene and motivator factors in dynamic changes, so e-commerce businesses need to continue to carry out customer satisfaction surveys to analyze the results. On the one hand, to see whether there is the hygiene factor in customer satisfaction dissatisfied, there are immediate steps to remedy; on the other hand, seek motivation, sparking the new demands of customers, which bring new benefits for enterprise growth. Customer satisfaction survey analysis must be objective, regular, and with the previous survey results were compared. Since the consumer-to-business products and services and satisfaction with the enterprise itself is constantly changing, such as the emergence of new technologies, competitors change, customer needs and expectations change, etc., will lead to changes in customer satisfaction. Therefore, enterprises should pay attention constantly adding new motivation to stimulate consumer desire to buy.

6 Discussion and Further Research

Business is an important part of our economy and lives. Nowadays the dependency of online for all sort of business is significantly increasing. E-commerce is one of the key factors to success in business. As we mentioned before that our purpose is to customer satisfaction in online and improves the e-commerce shopping in online. In earlier days, it was really hazardous and time consuming to do business in between two different countries. Now, using the current online based facilities, we can check the inns out outs of every desired product through the online without expending much more money. It opens a new window for doing business and significantly reduces the distances. Many more potential opportunities have been created for the small entrepreneur. Nowadays the quality of customer services has improved using internet facilities. Every company is trying giving better service to withstand in the challenging environment. 24 hours automated online customers assistant are ready to give customers proper assistance. Online forum, online chat, instant messaging services all are the benefits of this technology. Famous example includes Ikeas's Anna, an avatar designed to guide users around the IKEA website.

Currently, e-commerce is being used extensively in USA. However Sweden has the highest e-readiness rating. It means that Sweden is poised for rapid growth in e-commerce. This measure takes into consideration a country internet infrastructure, business environment, consumer and business adoption of e-commerce, cultural acceptance, and a supportive legal environment. In Sweden, the www.blocket.se, is one of the oldest and popular website which is extensively used for various online purchasing from searching suitable apartment to home appliance. Due to cheap labor cost, one of the current trends is to produce products in Bangladesh, India, Pakistan, China and others Asian countries. So, many notable companies have established their own factory in those countries. For example, every branded shop in clothing business in Sweden has their own factory in Bangladesh so that they can sell their product comparatively cheaper rate. Germany is the first and China is the second largest exporting country in the world. Chinese products from electronics to home appliance have covered the European markets. People have become interested of Chinese products as they are able to provide products in low rate comparing to others. In some case, advance booking through online brings benefits to the users, for instance, confirming flight ticket in well advance is always cheaper than the instant booking. Some air company like Ryanair is serving people giving the cheap flights if people book in well advance. So we can say that E-commerce is the blessings of business and in our daily life. So, under the theory of e-commerce, we showed that how web site image, web site development, customer care, adaption of new technology develop the customer satisfaction and its effect on development of e-commerce. In the past, security has been a major problem for with most e-commerce websites. Knowledge of the latest technologies is the best idea to creating a successful e-commerce website. The Internet is being one of the cheapest mediums of engaging with clients and customers doing online business. With an e-commerce web development company we can certainly buy and sell products and services in a convenient way.

The United States, Canada, Scandinavia and Australia have the highest potential for e-commerce. This potential is largely due to high rates of internet usage and people who readily accept new technology. Many other areas of the world do not have the opportunity to access internet or the infrastructure necessary to fulfill online orders. Many countries face political and legal barriers to developing e-commerce. In some countries, advertising is limited. Ads cannot target children, for example. Credit cards may not be common or trusted. Shipping systems needed for timely delivery of products to individual's homes may not exist or may be

extremely expensive. No-return policies may cause customers to feel uncomfortable about buying products without seeing them.

Further research

E-commerce is credited with empowering employees and knowledge workers, by giving them easy access to virtually unlimited information. E-commerce technologies have helped nations to accelerate their economic growth and to provide more opportunities for the businesses to grow. Meanwhile, it has also created many challenges and adverse effects, such as concerns over privacy, consumer protection, and security of credit card purchases, displacement of workers (especially low-status ones), and is charged with having a negative impact on quality of work life. Now-a-days all peoples want to be self employ and earn sustainable money for their comfort. Due to lack of time we have no time to talk with each other so no more do people want to stand in long queues to buy travel tickets or movie tickets. No more do people have the time to buy gifts by visiting shops and stores. But there is no need to worry about this. To overcome this situation there is a best solution e-commerce. The concept of e-commerce has evolved substantially in the last few years. With the concept of e-commerce, people can now conveniently and securely buy what they want on the Internet. With more and more customers going online to buy various products and commodities the demand for a dependable e-commerce web development company has grown considerably.

In order for e-commerce to develop and succeeded, businesses and customers must feel secure when they use internet. The Internet crosses international borders, tempting some unlawful people to believe that they cannot be tracked online. Public concerns over privacy issues, such as SPAM and chat-rooms. Lingering security doubts over fraud and phasing (Hackers) and Network security and stability (Worms).Lack of trust with unknown virtual traders. The internet's sensory boundaries limiting of senses like taste and touch which influence buyer decisions. Limited website access for low income groups and those in rural areas continued high costs of broad band connections deterring from online gambling.

This temptation can lead to cybercrime or criminal activity on the internet. Cybercrime includes hacking and viruses. So be aware all of online supermarket when deal money transfer and every transaction system. If want to developed in e-commerce then first all we have to look after advertising system. Advertisers are always looking for the best return on their investments. Establishing an e-commerce business then need some rules as like first step is determine the purpose of the business. Secondly study target on customer satisfaction, including their needs and internet abilities. Thirdly plan the online business strategy. Fourthly

obtain a web server and domain name. Fifthly develop order processing and customer-service procedures. Sixthly design the web site and last most important element is more creative advertisement is attracting the customer.

7 Reference

[1] Alba J, Lynch J, Weitz B. (1997). Interactive home shopping: consumer, retailer, and manufacturer incentives to participate in electronic marketplaces. Journal of Marketing. 61 (3) P.38–53.

[2] C.Ranganathan and Shobha Ganapathy (2002). *Key Dimensions of business-to Consumer Web Sites.* Information Management, (39): P.457- 465

[3] Daniel Gorsch. Internet Limitations, Product Types, and the Future of Electronic Retailing.[J]. 1St Nordic.

[4] Dave Chaffey, Richard Mayer, Kevin Johnston, Fiona Ellis-Chadwick, Wu Guan-zhi (2004). *Translation: Internet Marketing: Strategy, Implementation and Practice (2nd Edition),* Beijing: China Machina Press.

[5] David M. Szymanski, Richard T. Hise (2000). *E-satisfaction An Initial Examination.* Journal of Retailing. 76 (3), [309–322]

[6] Hanshun Ping, Wang Xiujuan (2006). *Two-factor theory in the service of online stores, economic problems.* Beijing: Qinghua University Press.

[7] Jagdish N. Sheth, Banwari Mittal (2004). *Customer Behavior: A Managerial Perspective (2nd Edition) [M]*, China Machine press.

[8] Jan Chaston (2001). *E-marketing Strategy [M]*, Social science documentation Publishing House.

[9] Kleindi and Burrow (2005), *E-commerce Marketing.* Thomson South-Western.

[10] Lee (2001). *Comprehensive Model of Internet Consumer Saetsfaction [D].* Hong Kong: City University of Hong Kong.

[11] Nancy J Lightnel, J Lightner (2003). *What Users Want in E-commerce Design: Effects of Age, Education and Income [J].* Ergonomic, 46(1): P.153-168

[12] Nan jae Cho, Sanghyuk Park. Development of Electronic Commerce User-consumer Satisfaction Index (ECUST) for Internet Shopping

[13] Ni Hui-yu (2002). *"Two-factor" theory of customer satisfaction, and business studies.* Zhejiang: Zhejiang University Press.

[14] Paul May (2000). *The Business of E-commerce [M]* J. Cambridge: Cambridge University Press.

[15] Peng Yan, Xia Xinping, (2000). *Internet Service Quality and Customer Satisfaction in the relationship [J]* Beijing: Central University of Finance.

[16] Qian Min, Yu Meng (2004). *Two-factor theory of customer satisfaction in the quality of China.* Zhejiang University Press.

[17] Raphl Amit, Christoph Zott (2001). *Value Creation in E-business [J].* Strategic Management Journal (22): P.493-520.

[18] Search Jinxiang, Li-Sheng Wang, (2006). *Online shopping, customer satisfaction and Empirical research [J]* Management Science.

[19] Szym an ski DM, R T H isa (2000). *E-satisfaction: An Initial Examination.* Journal of Retailing.76(3): P309-322

[20] TANG Yong-ming (1997). *A necessary attractive condition (HM theory) and its application in the planning of goods.* Journal of Sun Yat-sen Graduate School (Social Sciences) Inc.

[21] Tung Chi, Hu Lili, Xu Hongan (2010). *The relationship of e-commerce and logistics.* Beijing: Qinghua University Press.

[22] Workshop on Electronic Commerce, Halmstad, Sweden, 2001,5, P.28-29

[23]Yang Zhilin, Minjoon Jun (2002). *Consumer Perception of E-service Quality: From Internet Purchaser anal Non-purchaser Perspectives [J].* Journal of Strategy, 19 (1): P.19-41

[24]Kenneth L. Kraemer , Jennifer Gibbs , Jason Dedrick (2002). *Impacts of Globalization on E-Commerce Adoption and Firm Performance: A Cross-Country Investigation*

[25]Churchill, G. A. and Surprenant, C. (1992). *"An Investigation into the Determinant of Customer Satisfaction",* Journal of Marketing Research, Vol.19, pp.491-504.

[26]Cadotte, E. R., Woodruff, R.B., Jenkins, R.L., (1987). *"Expectations and norms in models of consumer satisfaction".* Journal of Marketing Research. 24(3) 305–314.

[27]Zeithaml, V.A./Parasuraman, A. /Malhotra, A. (2000): *A Conceptual Framework for Understanding e-Service Quality: Implications for Future Research and Managerial Practice:* Working paper, Cambridge MA, Marketing Science Institute, Report Number 00-115.

[28]Van Riel, A.C.R., Liljander, V. & Jurriens, P. (2001) *"Exploring consumer evaluations of eservices: a portal site",* International Journal of Service Industry Management, vol.12, No.4, pp. 359-377.

[29]Oliver, R.L., (1980) *"A cognitive model of the antecedents and consequences of satisfaction decisions"* Journal of Marketing Research, Vol. XVII, November

[30]Oliver, R.L., (1993), *"cognitive, affective and attribute bases of the satisfaction response",* Journal of consumer research, Vol.20, No. 3, pp.418-30.

[31]Richard Jin, Li-Sheng Wang (2006) and Liu Guangyan (2007) *Online shopping Empirical Study of Customer Satisfaction* (1): 52-58

Appendix

Network customer satisfaction survey

Dear Sir / Madam：

Hello! First of all thank you for taking the time out to receive the questionnaire.

This survey is anonymous and all information is for academic research purposes, for the information you provide, we will be kept strictly confidential questionnaires, and hope you completed before to recall you frequently log on or very familiar with a shopping site, to talk about Your impression on this shopping site, and future intention to purchase the site.

University West in Sweden

Note: online shopping experience - please answer the question; not online shopping experience - stop to answer. Thank you!

1. The user profile

(1) Gender: □Male   □Female

(2) Age: □20 years old and below □21-30 years □31-40 years old □41-50 years old □51 years old and over

(3) Education: □Bachelor and the following □Undergraduate □Master   □MBA   □Dr. and above

(4) Do you often in your favorite site to shopping?

  □1-2 times / year   □3-4 times / year   □5-6 times / year   □7times or more/year

(5) What kind of products would you purchased online? _____

2. Your views of familiar with the shopping site

The following question is to understand you're browsing and shopping for the most frequent view of the site, please within the appropriate option, depending on your choice of the site evaluation

Please specify the site you want to answer the specific name: _____

Description: The following survey of online shopping is your perception of quality and service, please depending on your point of view used in the check mark the appropriate box	Dissatisfied	A little dissatisfied	Neutral	Satisfied	Very satisfied
1.The design of the website					
2.The extent of use provided online banking process easy to understand					
3.The integrity of the image with the shopping site					
4.The reflection of speed landing in this site					
5.The site system security					
6.The site payment security measures					
7.The site level of protection of private information					
8.The degree of users online banking concern individual needs					
9.The network stores provide customers with the views of the channel response					
10.Shopping site and virtual community atmosphere for the exchange mechanism					
11.Online shows the types of goods are complete					

12.Information described in detail and accuracy of Online display products					
13.Online display of goods in line degree with the purchase of the actual goods					
14.Prices of goods online display					
15.Online store offers all-day round of services, making shopping easy					
16.Saving time and effort					
17.Easy to cancel orders or return					
18.Llogistics and distribution					

3. Note: for the following terms, depending on your personal point of view, the importance assigned to each word
(in accordance with the order of importance from 1 to 5 representatives from low to high)

	1	2	3	4	5		1	2	3	4	5
Web Design						Interaction					
Operational processes						Product categories					
Landing speed						Product Information					
Security						Product Quality					
Payment						Product Price					

Privacy					Time					
Personalized					Returns					
Feedback channels					Logistics and distribution					
Integrity					Shopping convenience					