

MISQ Archivist

The Effectiveness of Online Shopping Characteristics and Well-Designed Websites on Satisfaction

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Abstract

Electronic commerce has grown rapidly in recent years. However, surveys of online customers continue to indicate that many customers remain unsatisfied with their online purchase experiences. Clearly, more research is needed to better understand what affects customers' evaluations of their online experiences. Through a large data set gathered from two online websites, this study investigates the importance of product uncertainty and retailer visibility in customers' online purchase decisions, as well as the mitigating effects of retailer characteristics. We find that high product uncertainty and low retailer visibility have a negative impact on customer satisfaction. However, a retailer's service quality, website design, and pricing play important roles in mitigating the negative impact of high product uncertainty and low retailer visibility. Specifically, service quality can mitigate the negative impacts of low retailer visibility and high product uncertainty in online markets. Website design, on the other hand, helps to reduce the impact of product uncertainty when experience goods are involved.

Keywords: Product uncertainty, retailer visibility, service quality, website design, customer satisfaction, search goods, experience goods, archival data