

**An Internship Report On
Customer Satisfaction
Of
E-commerce In Bangladesh**



An Internship Report on
Customer Satisfaction
Of
E-commerce In Bangladesh



Inspiring Excellence

SUPERVISED
BY

Ms. Iffat Tarannum
Lecturer
BRAC Business School
BRAC University

PREPARED
BY

Kamran Hossain Nobin
ID: 12104044
BRAC Business School
BRAC University

StudentDeclaration

I am Kamran Hossain Nobin, ID: 12104044 declare that the presented Internship Report on “Customer Satisfaction of E-commerce in Bangladesh” submitted as a requirement for degree awarding of Bachelor of Business Administration at BRAC University is prepared by me. I tried my best to collect effective information that made the report specific and original. This report is not submitted for any other course, degree, and fellowship. Whole report is uniquely prepared by me.

KAMRAN HOSSAIN NOBIN

ID: 12104044

BRAC BUSINESS SCHOOL

BRAC UNIVERSITY

Contents

Chapter 1.....	12
Introduction	12
Chapter 2.....	15
Literature Review	15
Chapter 3.....	18
Company Overview	18
Daraz Group Hierarchy.....	20
Departments of Daraz	21
Marketing Mix of Daraz Bangladesh Ltd	22
Product	22
Price	23
Place	23
Promotion	24
Chapter 4.....	26
Job Description.....	26
Tenure of Employment	27
Working Hours	27
Remuneration:	27
Work Station:	27
Job Responsibilities	28
Creating campaign planning for the whole week	29
Following up previous campaign	29
Data analysis	29
Monitoring website performance.....	30
Collaborating with visualizes.....	30
Collaborating with different departments.....	31
Preparing USP	31

Preparing shop report.....	31
Preparing Search Report.....	31
Refreshing websites on weekly based.....	32
Creating different pages.....	32
Product boosting.....	33
Chapter 5	34
Research Objective and Methodology.....	34
Research Objective	35
Methodology.....	36
Sampling method & sample size.....	36
Data type & Data sources:	36
Limitations	36
Chapter 6	37
Findings, Interpretation & Recommendations	37
Age Group	38
Online shopping priority factors	38
Product delivery time.....	39
Preference of online shopping.....	40
Payment method	40
Service recovery.....	41
Online shopping perception.....	42
Pricing.....	42
Security	43
Shopping options	43
Online shopping service factors.....	44
Efficiency.....	44
Fulfillment	44
Reliability.....	44
Privacy.....	44
Responsiveness	44
Compensation	44
Contact	44

Adaptability	44
Steps of ensuring proper service	45
Be civil and respectful	45
Treat customer with empathy	45
Response quickly	45
Be reliable	45
Explain the process	45
Anticipating customers need	45
Follow up.....	45
Chapter 7	46
Conclusion.....	46
References	48
Appendix	49
Survey Form	49
Survey Result.....	51

Figure 1- Daraz Group Organgram.....	20
Figure 2 Daraz Products	22
Figure 3 Mobile version	23
Figure 4 Desktop version	23
Figure 5 Facebook Page	24
Figure 6 Newsletter.....	24
Figure 7 Fatafati Friday 2016	25
Figure 8 Mobile Week 2016.....	25
Figure 9 Google Analytics.....	29
Figure 10 Website Slider	32
Figure 11 Website Teasers.....	32
Figure 12 Category Page	33
Figure 13 Brand Page	33
Figure 14 Customer Responses on Facebook	35
Figure 15 Survey Result: Age Group	38
Figure 16 Survey Result: Service Factors	38
Figure 17 Survey Result: Expected Product Delivery Time	39
Figure 18 Survey Result: Online Shopping Reason	40
Figure 19 Survey Result: Payment Method	40
Figure 20 Survey Result: Service Recovery	41
Figure 21 Survey Result: Perception of Online Shopping	42
Figure 22 Survey Result: Pricing.....	42
Figure 23 Survey Result: Online Shopping Security	43
Figure 24 Survey Result: Online Shopping Options	43

Letter of Transmittal

Ms. Iffat Tarannum

Lecturer BRAC Business School

BRAC University

Subject: Submission of internship report on ‘Customer satisfaction of E-commerce in Bangladesh’

Dear Ma’am,

It is my pleasure and great honor for me to submit my internship report titled “Customer satisfaction of Online Shopping and E-commerce business in Bangladesh” authorized under your supervision, as a requirement for the completion of Bus 400 course. I have done my internship at Daraz Bangladesh Ltd as an Onsite Intern for three months (April 17 – July 18). I have tried to achieve the goal of this course. I have tried to follow all the instructions given to me by my supervisor and I am really thankful to you Ma’am for your all kinds of support and helpful instructions during the survey and in the process of writing this report.

It will be a matter of great pleasure for me if the report can attain its objective and it will be great pleasure to me with any sort of suggestion from you regarding this report.

Sincerely Yours,

Kamran Hossain Nobin

ID - 12104044

BRAC Business School

BRAC University

Letter of Authorization

daraz.com.bd

April 13, 2016

Kamran Hossain Nobin
4/1 Meradia, Khilgaon
Dhaka

Dear Mr. Nobin,

Thank you for your time over in-person interview with us. We are very happy to inform you that you significantly convinced us and we want you to join Daraz Bangladesh team as an **E-Commerce Onsite Intern** starting on **17.04.16**. Initially your internship employment will be for **Three (03) months** which may follow with permanent employment afterwards depending upon satisfactory performance. During this period if you want to leave the organization you are required to provide at least **Fifteen (15) days** notice period. During your internship period the company reserves the rights to terminate your services at any time without assigning any reason.

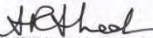
We believe this offer excites you as you will find a dynamic field of work and opportunities with Daraz. We have a mandate to build the biggest Online / E-Commerce brand in Bangladesh. To put in simple words: The opportunity is great, the time is right and you are the right person to do it for us!

The compensation/contract terms we have discussed and agreed:

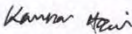
- Position: **Intern – E-Commerce Onsite**
- Salary: **BDT 10,000/- (monthly gross)**
- Start date: **17.04.2016**
-Duration: **Three (03) months**

If you agree, we will get back to you with the contract. While the contract may take a few days to prepare, in the essence of time, **please get back to us signing this letter as the acceptance from your side.**

Looking very much forward to working with you to build the largest E-Commerce brand in Bangladesh!


Ahmed Alamzeb Radin
Head of D-Force

I, **Kamran Hossain Nobin**, accept the offer of employment with Daraz Bangladesh Ltd. in response to the above proposition.


Date: **17.04.16**

Acknowledgements

Firstly, I want to thank Almighty Allah for everything. With the help of the Almighty and my parents' blessings I have successfully completed this report after finishing my internship period.

Next, I would like to express my immense gratitude towards my advisor, Ms. Iffat Tarannum, Lecturer of BRAC Business School, BRAC University, for her constant assistance and supervision.

Along with that I need to thank Mr. Barish Khandakar, Head of Onsite & Content Department, Daraz Bangladesh under whose supervision I have completed my internship. He provided me so many learning opportunities to enrich my knowledge.

I would like to thank my other colleagues of Daraz Bangladesh Ltd for their guidance and support during the entire program and teaching me to face the professional world.

Last but not the least, I am grateful to BRAC University which is the reason I am standing here on the precipice of earning my bachelor degree successfully.

I have tried to complete this report with full dedication. Any kind of comments or suggestions regarding this will be highly appreciated.

Executive summary

E-commerce has brought a new era of shopping trend in Bangladesh. It has opened so many opportunities for business along with new trend for the customers. In this report I have tried to bring the some facts of Online shopping in Bangladesh and Company overview of Daraz Bangladesh Ltd from where I have completed my internship. At the beginning of the report in Chapter 1, I have given a brief overview of e-commerce and online shopping trend in Bangladesh. On Chapter 2 I put literature review of e-commerce and online shopping. On the next in Chapter 3, I have added company overview of Daraz Bangladesh Ltd. I have added their product type, payment method, website overview. On Chapter 4, I described my job responsibilities of my internship period. In Chapter 5, there is methodology, limitations and research objective of this report. In Chapter 6, there is result and interpretation of the research. Moreover recommendations also have been added in this chapter. Conclusion have been put in chapter 7. Throughout the report I tried to find out what types of service customers are expecting from E-commerce and what the service condition is in this sector. It's so much important to develop a service oriented business to satisfy the customers anticipating their needs and demands.

Chapter1

Introduction

In our country like 10 years back we didn't think that we will buy anything ordering online. But at recent time the scenario has changed drastically. This happened due to the improvement of technology as well as for a new thought, e-Commerce. Ecommerce was introduced 40 years ago to anticipate the customer demand and more pursue customer satisfaction E-commerce got a whole new level in 1970's.

Some e-commerce sectors are:

- Supply chain and logistics
- Payment systems
- Print on demand
- Automated online assistant
- Online shopping
- Online banking
- Online office suites
- Shopping cart software
- Teleconferencing
- Electronic tickets
- Social networking
- Instant messaging
- Pretail
- Digital Wallet

In Bangladesh e-commerce was introduced few years back and it became popular near 2013. So many e-commerce companies started their journey. Most of them started as online shop. There were both Local and Foreign companies. Now there is good atmosphere of e-commerce in Bangladesh and even Bangladesh government is also emphasizing on this sector considering its growth. The total number of internet users in Bangladesh is 21,439,070 which are 13.2 % of total population. So here is huge potential market of e-commerce growth. Male customers look for "Clothing and footwear" online, and female customers seek for 'Jewelleries and Watches'. Lowering internet cost is driving the e-commerce growth. Need for reliable delivery service to

support e-commerce growth, cash on delivery options, addition of Skype and Viber in customer service and success stories of Facebook stores have been revealed for the consideration of the existing and future market entrants. (Rahman, 2015)

Daraz Bangladesh Ltd venture of Rocket internet started its journey in Bangladesh in August 2013. It's a common online market place for sellers and buyers. It promotes branded products to the customers. It basically plays role both B2B and B2C. Kaymu Bangladesh Ltd is another venture of Rocket internet. It's also an online shopping media. But there is a major difference is in Kaymu anyone can use Kaymu's platform and sell their products but in Daraz, it promotes new brands and sell products which already has brand value in the market. In recent time, Daraz and Kaymu have been merged their business to grab more market shares. Now they are called Daraz Group.

In this paper I have tried to come up with the business policy of Daraz BD along with how they try to attract its customers using several online media. I have also done an online survey to know about what is customer's expectation and perception of online shopping. Since ensuring good quality service is the most important nowadays I have tried to find out what can be ensured on this aspect.

Chapter 2

Literature Review

3 essential variables, which are likely to influence consumer intentions: (a) convenience characteristic of shopping channels, (b) product type characteristics, and (c) perceived price of the product. Results indicate that convenience and product type influence consumer intention to engage in online shopping. When consumers perceive offline shopping as inconvenient, their intention to shop online is greater. Also, online shopping intention is higher when consumers perceive the product to be search goods than experience goods (Chiang, 2003)

Consumers also expected that product delivery in online shopping will be quicker compared to offline stores and timely delivery on their convenience time; factors that keep consumers satisfy in using internet as a tool for shopping is timely and reliable delivery (Ahn, Ryu and Han, 2004). Broekhuizen and Huizingh (2009) expected the relationship between time or effort savings and purchase intentions is strengthen; consumers will place more emphasis on the time and effort savings once they have experienced how little time and effort takes to make an online purchase. Liu, He, Gao and Xie (2008) suggested that to save customer's time and fully reflect the convenience of online shopping, e- marketers should strengthen the web site's transaction capability and make sure all operations can be completed online.

(Source: <http://www.ukessays.co.uk/essays/marketing/online-shopping.php>)

The business of commercial transactions between and among organizations and individuals using the aid of digital technologies is commonly regarded as E-commerce (Chaffey, 2007). Initiating since 1995, e-commerce, (also called electronic commerce) has continued to receive proliferated growth rates of over 100% in a year at the early days of Amazon.com (Laudon & Traver, 2007). Till date, Amazon.com serves as one of the most prominent and successful online retail stores which has had a transformational impact on e-commerce worldwide, serving as an epitome. Their recent announcement of US \$2 billion investment in neighbouring India accentuates the opportunities or online businesses in South Asian region (Forbs, 2014).

In 2005, the overall Internet and e-commerce adoption rate was lower in South Asia than the rest of the world (Kshetri & Dholakia, 2005). However, a change in this trail took place in the past 10 years with the number of Internet users and thus, the number of people engaging in e-business of various sorts increasing at a rapid pace (Abbasi, Chandio, Soomro, & Shah, 2011). Recent McKinsey report (2014) estimates that the number of global Internet users shall be

between 500-900 million by 2017 and this specifically includes some of the South Asian countries, with Bangladesh as one of the highlights. This outcome echoes previous KPMG (2012) report on the growth of IT sector in Bangladesh, especially since the year 2010 when its freelancer community contributed around US \$700 million towards exports. This has led to Bangladesh being visibly consistent in top freelance work locations on sites such as oDesk, eLance, to name a few.

The usage of mobile internet is a key contributing aspect towards the prevalence of e-commerce in Bangladesh. Following Table 1, 2 and 3 show the falling bandwidth costs in Bangladesh, cost of mobile data for major mobile operators in Bangladesh and a mobile data price comparison with countries with developed e-commerce market. Though the percentage of total Internet users in Bangladesh has been deemed to be low compared to some other countries (Khan, Hossain, Hasan, & Clement, 2012), the online population is rising due to falling cost of Internet bandwidth. In early 2015, BTCL—the governing body of Tele-communication in Bangladesh, decided to cut down bandwidth prices by further 33% in next year. Complementing that, Bangladesh has approximately 36.50 million internet users (M. Z. Islam, 2014) along with a high mobile penetration due to low costs and low calling charges.

Chapter3

Company Overview

Daraz Bangladesh Ltd started its journey on September 2013 as an online shopping media. It started a new era in e-commerce industry in Bangladesh. Daraz is one of the ventures of its mother company Rocket Internet. Rocket Internet has ventures in more than 50 countries with the slogan “We build companies”. Rocket Internet is operated from its headquarter in Berlin. Rocket Internet has more ventures in Bangladesh and they are

- Kaymu – Online Shop
- Food Panda – Online Food Store
- Carmudi – Online Car Store
- Lamudi – Online Real State
- Jovago – Online Hotel Booking
- Everjobs - Online Job Site

Daraz Online Shopping is a market place where buyers and sellers meet. Daraz provides larger selection of products to its customers. From Fashion to General Merchandising everything is available on Daraz Website. Customers can visit their website www.daraz.com.bd and choose their preferable products without any hassle and products will be delivered within a few days. Daraz has sorted out their products under 2 main categories Fashion & GM (General Merchandising). Customers can find desirable products under the following categories

1. Men’s Fashion
2. Women’s Fashion
3. Mobiles & Tablets
4. TV, Audio & Gaming
5. Appliances
6. Computing
7. Beauty & Health
8. Home & Living
9. Sports & Fitness

Daraz constantly keep modifying their categories and product lines to meet customer demands. Daraz offers cash on delivery system to the customers. Moreover, customers can use their cards to pay while riders will be delivering products. Riders will have card swiping machine with them if customers want to pay by card. For some issue Daraz doesn’t offer purchasing online. For this

reason Daraz is missing some orders. Daraz also offers 7 days return policy. Under some conditions customers can return product and get back money.

Daraz Group Hierarchy

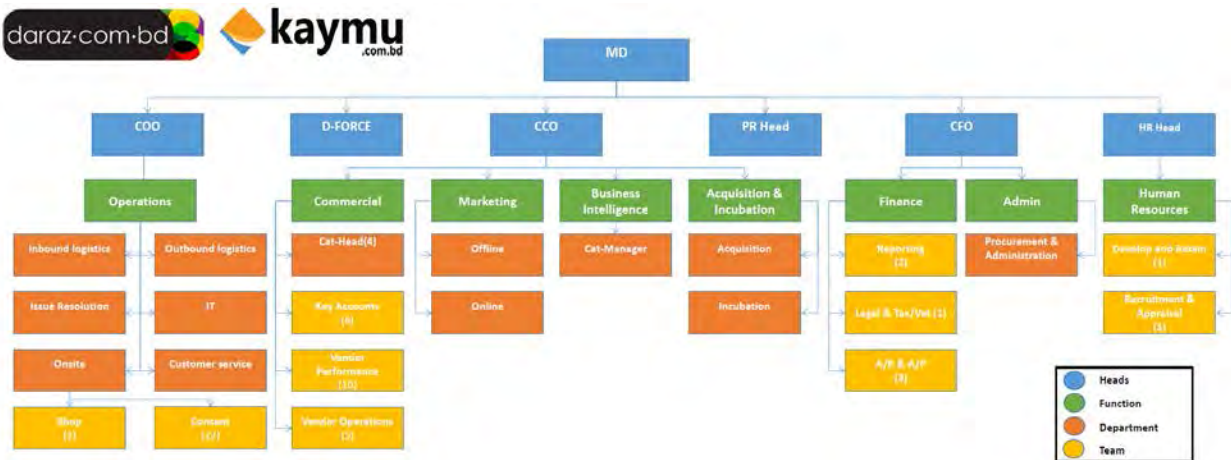


Figure 1- Daraz Group Organgram

In the month of July 2016 Daraz and Kaymu have merged to strengthen their position in the growing Bangladeshi market. To capture more market shares this 2 companies are working together. Now they are called Daraz Group. This merger also has happened in Pakistan and Myanmar.

Co-CEO of Daraz Group Bjarke Mikkelsen, said, “Daraz and Kaymu have both built successful operations in their respective markets. The merger is now the next step to offer our sellers the best possible solutions to grow their online business, and to start capitalising on the synergies between the platforms.”

* Source: (<http://www.thedailystar.net/business/daraz-kaymu-merge-greater-market-access-1246825>)

Departments of Daraz

- Business Development (GM & Fashion)
- Category Management
- Content Graphic & Design
- Customer Service
- Issue & Resulation
- IT
- Human Resources
- Administration
- Marketing
- Onsite & Content
- Sales & Account Management

Marketing Mix of Daraz Bangladesh Ltd

This refers to 4 important factors of any company with what companies can analyze competitive advantage in the market. These factors are called 4ps.

- Product
- Price
- Place
- Promotion

Product

Daraz doesn't produce any product. Daraz is an online market place where different sellers can put their products on Daraz website. Sellers need to register to put their products. These sellers are called vendors. Daraz and Vendors come to mutual understanding about the commission. In Daraz there are about 200 vendors who sell different products like fashion items, mobiles, appliances. Customers can visit Daraz website and choose the products.



Figure 2 Daraz Products

There are several product categories available in Daraz website like Men's & Women's Fashion, Mobiles & Tablets, Appliances, Health & Beauty etc. There are about 52000 products available on Daraz website.

Price

Daraz sets competitive price based on customer's expectation. But due to the unstable and less monitored market most of the companies set price to sustain and increase their sells. Actually this comes up as bad practice. Companies with low investment will not be able to survive in this market. So price variation is noticeable in current market.

Price basically set by the vendors. Daraz acquire commission selling the products. During any campaign product's price get changed. Customers have complain that Daraz offer more price than the offline store. It's just because of Daraz needs to add commission with the price.

Place

Daraz is an online market place so it doesn't have any physical store. Daraz sells products via its website www.daraz.com.bd. Vendors upload their products on the website and buyers buy from the website. Daraz has introduced Bangla website few months back. Hence, Daraz have mobile app also which customers can install in their mobile phone and can shop at any time.

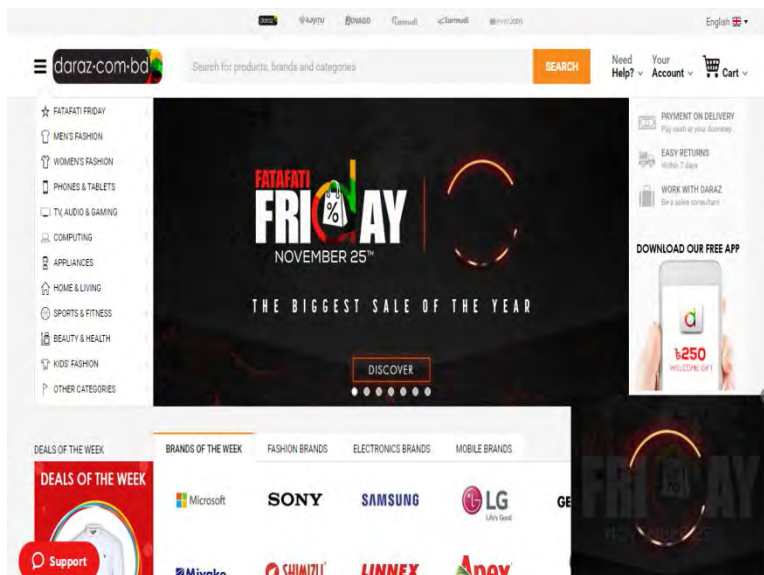


Figure 4 Desktop version

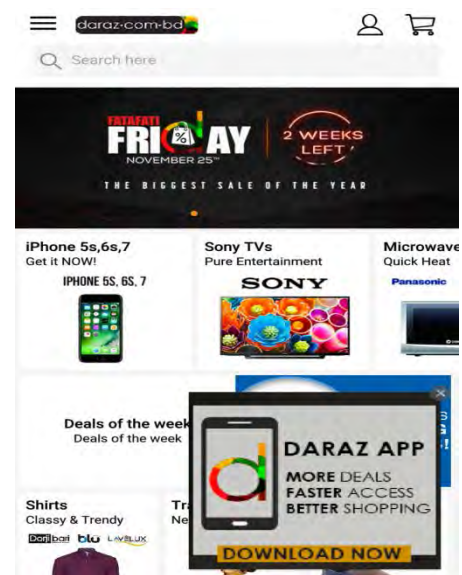


Figure 3 Mobile version

Promotion

Daraz mainly focused on online marketing rather than offline marketing. Facebook, Google Adwords these are the main promotional place of Daraz. It has set of target group to push promotional activities. Moreover, Daraz also has done activation projects in several universities.

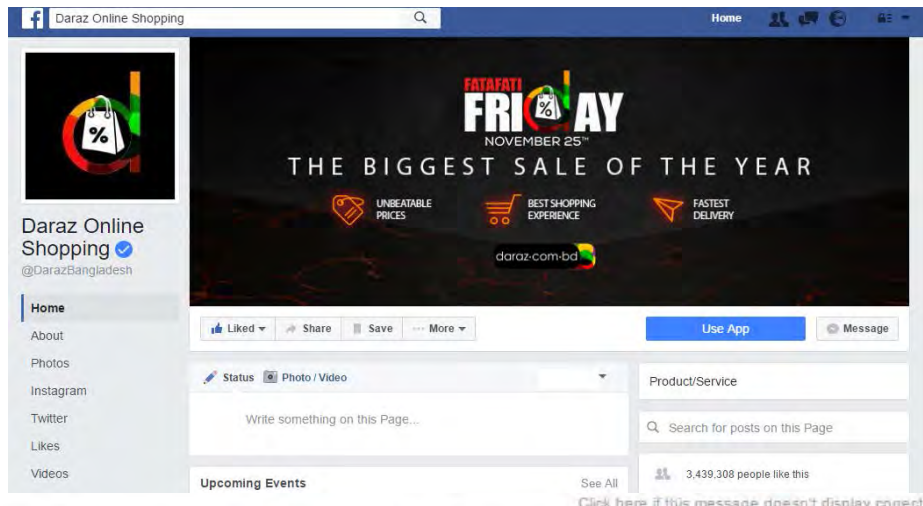


Figure 5 Facebook Page



Figure 6 Newsletter

- Daraz is also affiliated with Mushfiqur Rahim (Captain Bangladesh Cricket Team)
- Daraz uses push notification to users email address to acknowledge them of any campaign or sells
- Sends SMS to users mobile about the promotional offer

Daraz has brought new era on e-commerce sector in Bangladesh. It has brought “Black Friday” concept in Bangladesh as “FataFati Friday”. Last year it was a great success. On this campaign Daraz offers biggest discount with great deals. Daraz has succeeded to set a new shopping trend.



Figure 7 Fatafati Friday 2016

Another successful campaign of Daraz is Mobile Week. On this campaign Daraz brings out great deals of mobile phone.



Figure 8 Mobile Week 2016

Chapter4

Job Description

The Job Description of Internship consisted of the following details

Tenure of Employment

I was employed as an Onsite Intern of the company for the duration of three months. After finishing Internship I have joined here as Onsite Executive.

Working Hours

Sunday to Thursday: 9.30 am – 6.30 pm

Friday and Saturday off

Remuneration:

The company paid a BDT 10,000 monthly during the Internship period. After finishing internship period salary increased.

Work Station:

Daraz HQ, Daraz Bangladesh Ltd, Green Grandeur, 8th Floor, 58/e, Kamal Attaturk Avenue, Banani, Dhaka-1213.

Job Responsibilities

Job responsibilities are mentioned below:

- Creating campaign planning
- Following up previous campaign
- Data analysis
- Monitoring website performance
- Collaborating with visualizes
- Collaborating with different departments
- Preparing USPs
- Preparing shop report
- Preparing search report
- Refreshing websites on weekly based
- Creating different pages based on campaign type
- Product boosting

Creating campaign planning for the whole week

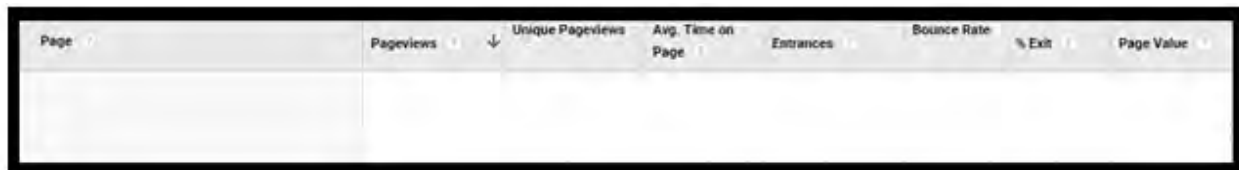
At Daraz we do weekly planning for the upcoming campaigns. We call this CP or Commercial Planning. Based on deals brought by Vendor Managers (Manage Sellers or Vendors) we create this CP. On every Tuesday we do this CP. On this CP call Vendors, Category Manger, Marketing Team, and Onsite Team and collaborate. We bring the best deals which suits the market demand. On the other hand Marketing Team prepares marketing planning based on the CP contents. On this CP call several things are decided like what will go for the main sliders on the website, what contents will go on the website floor, what type of pages will be used for campaigns etc.

Following up previous campaign

After finishing campaign need to follow up the campaign performance. We try to find out the flaws of the campaign, customers experience, how to come up with a better idea etc.

Data analysis

I need to analyze several data to measure campaign performance, website performance. There is some criteria of measuring performance like Total Purchase Rate, Traffic on Website, Exit Rate, Bounce Rate etc. For this analysis need to use several tools like Google Analytics, Dynamic Yield, Qlickview etc.



Page	Pageviews	Unique Pageviews	Avg. Time on Page	Entrances	Bounce Rate	% Exit	Page Value

Figure 9 Google Analytics

Monitoring website performance

Every day I need to check the performance of the website whether website is performing well or not. Moreover I need to check the links on the website. If any error is found then I fix that by myself and that error can't be fixed my part then I refer to IT department to solve the problem. It's very important to keep monitoring the website. Especially during the time of any campaign always need to keep an eye on the website. Because if the customers or users experience any error during using website that will hit the campaign success rate.

Top Active Pages:	
Active Page	Active Users ↓
1.	
2.	
3.	
4.	
5.	
6.	
7.	
8.	
9.	
10.	

Moreover, I need to check the links after entering office and before leaving the office. I need to ensure all the links and pages are working perfectly. In addition, Daraz App also need to keep under monitoring because good number of conversion comes from mobile app also.

Collaborating with visualizes

While all the campaign planning is done including what contents will go, what will be design type, what will be the USP then I need to brief the visualizes regarding the new designs what will be added on the website on the following week. I brief them regarding the designs on Wednesday finalizing all the details and they provide me the designs by Saturday. I need to check the designs whether the designs are appropriate or not. I need to check the USPs, campaign name, contents on the design etc. If any designs seem any kind of error need to send back for rework. Sometimes for the campaign, need to update the designs. Then I send back the design for rework with new update.

Collaborating with different departments

We need to keep checking if new update is coming or not. During the campaign there might be new update with the product, USP or design. So I need to collaborate with the Vendors, Marketing Team to update the campaign page, designs etc. We cannot afford to deliver wrong information or contents to the customers. So need to double check everything. During the campaign if any product gets OOS (Out Of Stock) then I remove the product from the campaign page, from the design. This information might come at any time. So need to collaborate with several departments.

Preparing USP

USP is so important thing to bring in the customers and make the customers click on the Landing Page. We develop USP based on campaign type, product type or based on the occasion. Category Manager, Marketing Team and We (Onsite Department) associate to develop the USP. Since Daraz has both English & Bangla website. We need to prepare USP with 2 languages. I do the Bangla USP for the Bangla USP.

Preparing shop report

Every week need to prepare shop report where all the data from previous week get merged and interpreted. It contains Homepage analysis, Total purchase, Click Rate, Exit Rate, and Bounce Rate. This report helps to prepare CP what to put for the upcoming weeks.

Campaign	Clicks	Viewable CTR	Orders

Preparing Search Report

This report is created based on the searches by the customers in the website. We try to find what customers actually looking into the website, what's their demand. Moreover, we try to find out what is the accuracy of the searches whether customers are actually getting proper products from the search result.

Refreshing websites on weekly based

Every Monday we need to refresh the website. All the contents like Sliders, Banners get changed according to the CP. Website refresh is done for both English & Bangla version of website, mobile and app. About 150 contents get refreshed.



Figure 10 Website Slider



Figure 11 Website Teasers

Creating different pages

I need to create different pages using based on campaign types. Page type, design depends on the campaign and product types. For this page creation we use several tools. Moreover need to use HTML, CSS, Javascript. We try to create page what will be easier to access for the customers. Even we create pages link keeping the easier way of access for the customers.

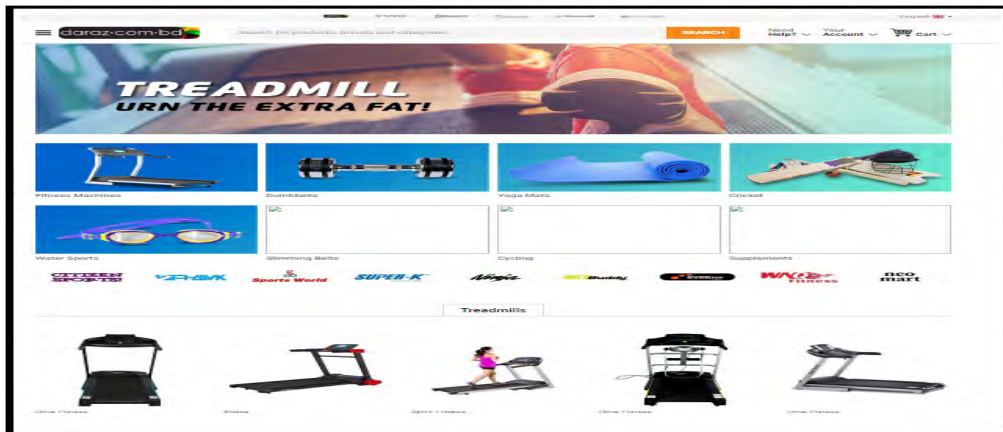


Figure 12 Category Page

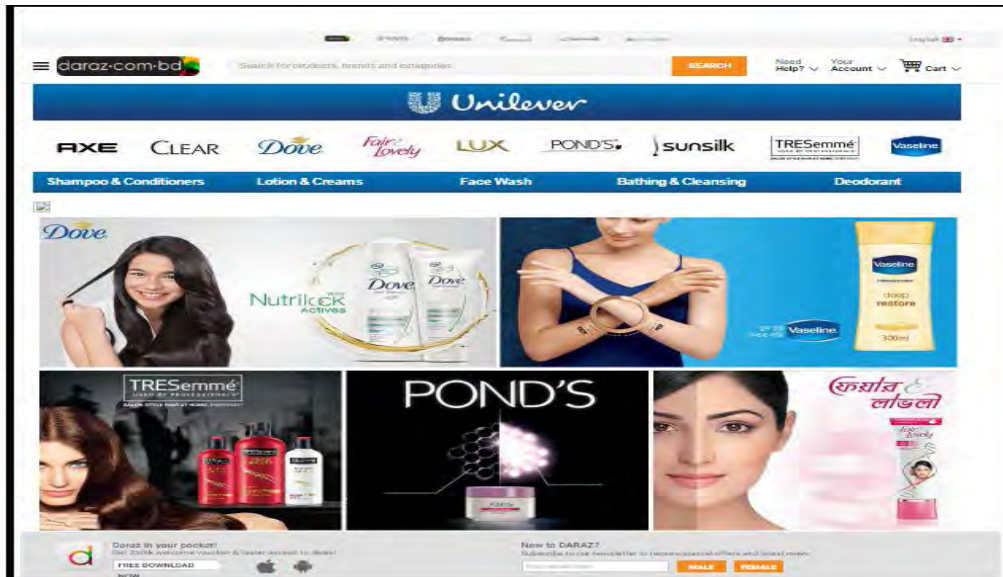


Figure 13 Brand Page

Product boosting

In terms of good deals, products demand we boost the products. It means dragging the specific products top of the page so when customers will visit those products will be shown at top. We need to keep doing this on regular basis. On the website refreshing day we delete all the previous boosting of the previous week and do new boosting rating. On this process we do boosting around 6000 products per weeks. There is 2 ways of product boosting. One is automatic way using CSV file and another one is manual.

Chapter 5

Research Objective and Methodology

Research Objective

Initial objective of this paper is to find out service quality of e-commerce companies in Bangladesh. Finding out from facebook pages of several companies its quite clear that customers are not happy with the service quality of the online shops or e-commerce companies.

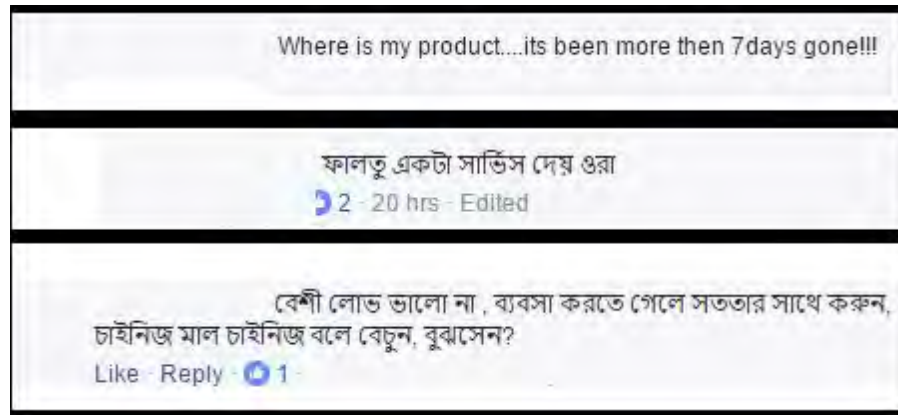


Figure 14 Customer Responses on Facebook

There are several issues. For example:

- Late delivery
- Poor customer service
- Poor after sales service
- Poor quality products
- More price than offline shop etc

On this paper I have tried to find the issues behind this problem and how to sort out these things. There were some limitations as I don't have all the data access of the companies. So from customers opinions, surveys I tried to merge all the things.

For this research I had to work on market behavior, market competitors, market growth etc.

Methodology

Sampling method & sample size

On this paper I have applied Non-probability sampling method. Total sample size was 30. Samples had experience of shopping online.

Data type & Data sources:

1. Primary Data (Survey data)
2. Secondary Data (Article, Journal, Websites etc.)

Google form has been used to do survey and interpret the data. Survey questioner was prepared based on the variables of service expectation of online shopping.

Limitations

There were some limitations of this research

- Couldn't provide all the information of the companies as there were barriers of company policy
- Due to the time constrains couldn't able to do deeper research
- Analyzing 30 people only doesn't come out with actual scenario of the market. But due to lack of time and opportunity it wasn't possible to work with bigger sample size
- All the recommendation was from book oriented and the experience I have got working in the company. There might be more ways to make better service oriented online shopping or e-commerce business.
- Moreover the survey was conducted to that portion of people who have availability of high tech and high speed internet but I couldn't reach to the other people who don't have this facilities. So their preferences might be much different and that might turn this report to another point.

Chapter 6

Findings, Interpretation & Recommendations

Analyzing the survey data and secondary data I have tried to relate them with my research objectives. Moreover I tried to find out customers expectation and perception of online shopping service.

On the survey I picked random 30 people. They put their opinions on the survey questioners. They have measured the service quality of online shopping in Bangladesh. Findings and Interpretation is given below:

Age Group

On the survey most of the age group was from 20-25. This age group is the highest number of internet users. They have several choice of online shopping. But generally their main priority is product quality.

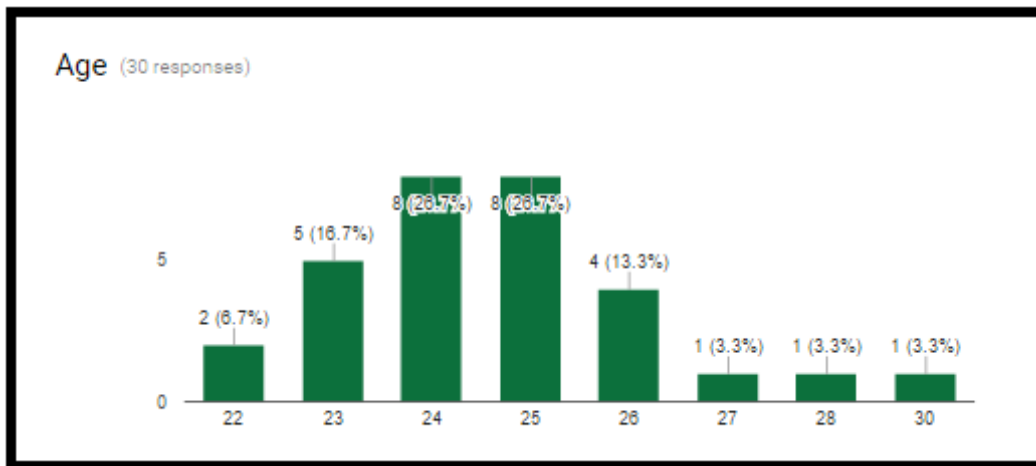


Figure 15 Survey Result: Age Group

This age group is a huge potential market for e-commerce. So companies need to focus on them and provide good quality of service.

Online shopping priority factors

This refers to what is the most important factor of online shopping. Most of them marked on time product quality.



Figure 16 Survey Result: Service Factors

Product quality is burning issue for online shopping. In order to gain customers trust companies need to ensure good quality of products. Moreover, 30% marked on time delivery factor as their main priority of online shopping. So not only good quality products but also companies need to provide on time delivery service as promise.

Product delivery time

Companies need to make sure they deliver products as they promise. Fancy advertisements might not ensure on time delivery service so they need to ensure their commitment towards customer's satisfaction. Most of the customers want their products within 2-3 days but matter of fact that most of the companies fail to do so. Instead of 2-3 days as committed, delivery time takes more than 7 days. This also causes failure of company's service and customer's trust.



Figure 17 Survey Result: Expected Product Delivery Time

Preference of online shopping

Customers mostly prefer online shopping to save time. Instead of going to offline store and facing traffic jam, going to shops one after another. It's easier to shop online. 66.7% individuals prefer online shopping for saving time.



Figure 18 Survey Result: Online Shopping Reason

Hence 23.3% people think it's easy to shop online and 10% think they can see large collection of products from online store and choose preferable products.

Payment method

Most of the people think that they should use cash on delivery for the payment. This is the easier way. Moreover, they might not feel secured to pay online. 80.2% people noted for cash on delivery

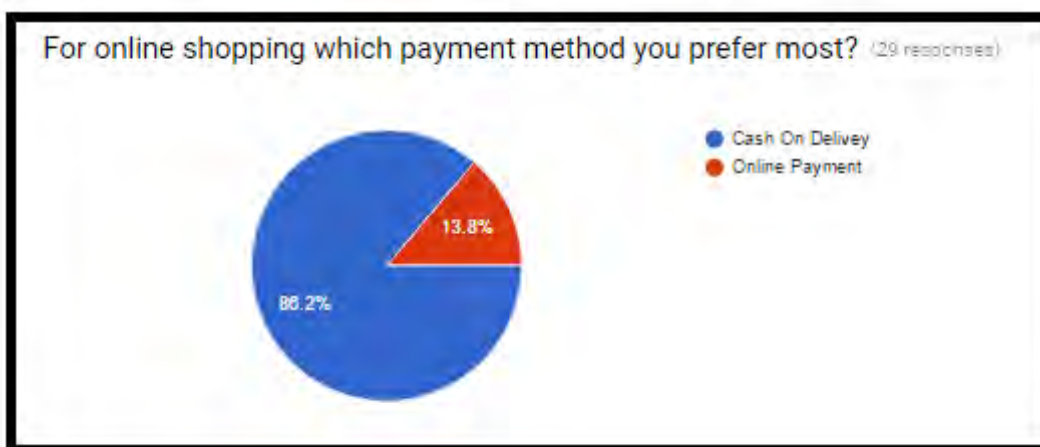


Figure 19 Survey Result: Payment Method

Service recovery

Due to any service failure like poor product quality, failure etc companies need to offer several service recovery options to the customers.

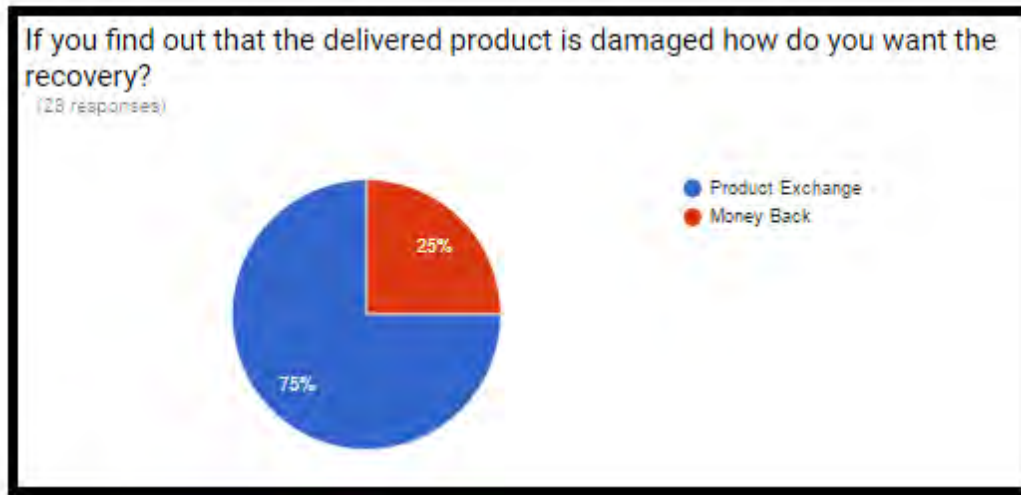


Figure 20 Survey Result: Service Recovery

75% people want product exchange policy for service recovery. This might happen when there is any kind of damage of the product or poor quality or product get damaged while using before the due date of warranty. On this term companies need to be act smartly to regain customers trust. They need to provide 100% effort to ensure service recovery. Moreover, 25% customers want money back policy as service recovery.

Online shopping perception

Most of the people marked neutral position of their experience of online shopping in Bangladesh. 46.7% people are not quite satisfied with the service of online shopping. They might be missing the key factors like on time delivery, service quality of the companies. Only 3.5% thinks that all the companies are providing good quality service.

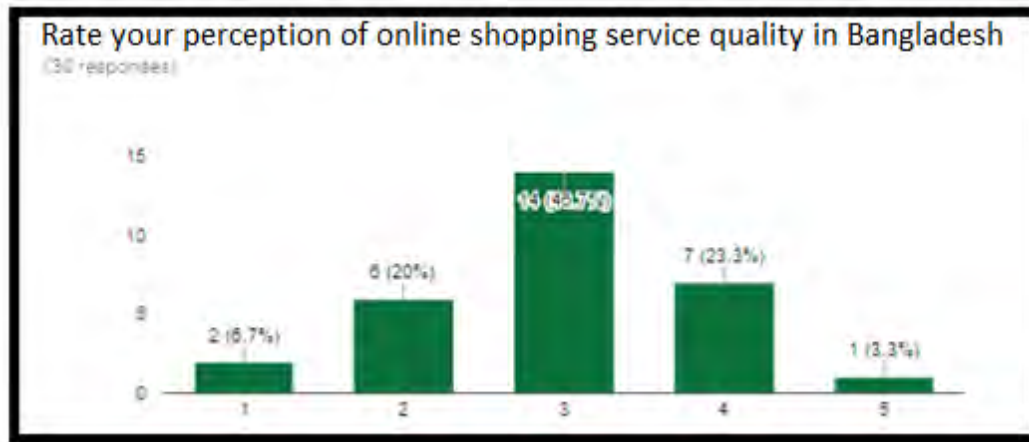


Figure 21 Survey Result: Perception of Online Shopping

Pricing

Online shopping companies offer mostly more price than offline store. So customers have a bad impression of this. Sometimes it way more higher than the offline store. Moreover, there is huge price variation in the e-commerce companies like if a Smartphone is priced 17000tk in a website that exact device might cost 20000tk in another website. This basically happens due to the seller's choice and commission amount. But this practice needs to be stopped. Companies and sellers need to come to a mutual understanding to offer better pricing for the customers.



Figure 22 Survey Result: Pricing

Security

Most of the people don't feel secured shopping online. This is the reason why most of the customers prefer cash on delivery system. Online payment would bring most sells and customers. In fact it can bring more customers from abroad. 73.3% customers don't have trust in shopping online.

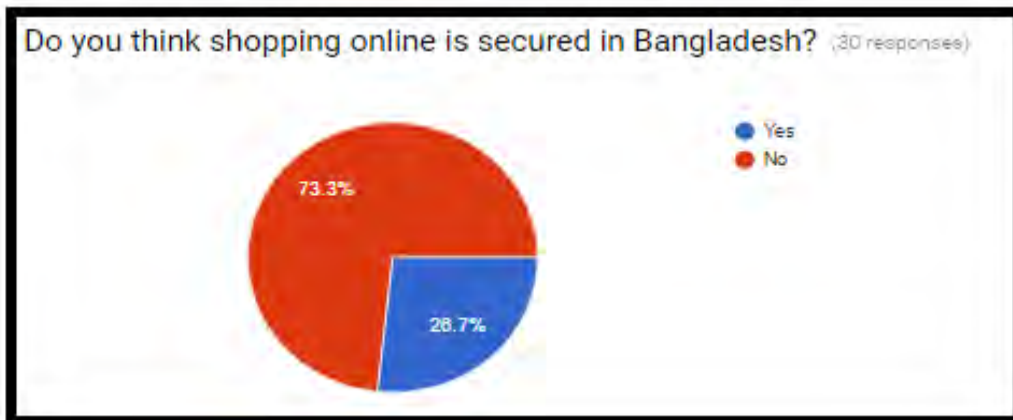


Figure 23 Survey Result: Online Shopping Security

Shopping options

There are several big players in the market. Among them 41.4% picked Daraz for their online shopping. Kaymu had 31%, Ajkerdeal and Pickaboo got 13.8% preference of online shopping.. All this companies need to make sure good service quality to the customers.

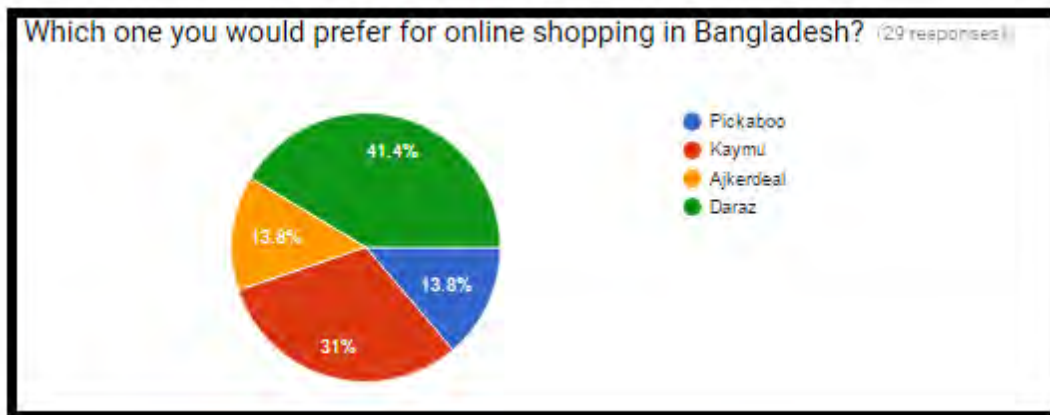


Figure 24 Survey Result: Online Shopping Options

Online shopping service factors

Online shopping companies have great potentiality of grabbing more customers but for that they need to ensure some factors to make it good place for the customers.

Efficiency

E-commerce companies need to be efficient on their resources. In order to providing good quality services they need to be efficient. They need to have skilled manpower, efficient delivery system.

Fulfillment

Companies need to make sure they can fulfill the demand of the customers. They need to provide good quality products in due time and ensure after sales service as well.

Reliability

Companies need to make sure they offer proper after sales service to the customer. They need to follow up.

Privacy

Privacy of the customer's needs to be ensured. Mostly when it comes about paying online then it's must to secure the information of customers.

Responsiveness

Companies need to make sure that customers can reach them at any time. Customers might face any service error so companies should assign people to provide proper service recovery.

Compensation

If customers face any service error then companies need to offer options for service recovery to the customers. This will develop trust to the company. For any product damage company should offer money back or product exchange.

Contact

Companies need to assign people with whom customers can contact. Customers should contact the responsible person easily without facing any difficulties.

Adaptability

Companies need to learn from the mistakes. They need to response quickly for any service damage.

Steps of ensuring proper service

A good service oriented company can make sure more customer loyalty. If any customer faces any service issue companies need to ensure proper recovery to the customers. In current days we can notice so many service error of online shopping like products damage, delay on delivery etc. E-commerce companies need to follow some steps to ensure good service-

Be civil and respectful

Customer needs to be treated well. For any service issue responsible person should face the customer with respect. It's beneficial for the company.

Treat customer with empathy

Customer should be treated with empathy. Responsible person should understand the problem and be empathized to the customer.

Response quickly

Response should come as fast as possible. As soon as customer notify the service error company should act fast.

Be reliable

Customer need to understand the company is sorry for the loss and doing everything to ensure the service recovery.

Explain the process

The responsible person needs to tell the customer about the process of service recovery.

Anticipating customers need

Need to anticipate what the demand of the customer is or what he/she might demand in future. That's how company can earn more loyalty.

Follow up

After delivering product or providing compensation, need to follow up.

Chapter7

Conclusion

Since I am from e-commerce and marketing major I always wanted to work in an e-commerce company where I can use my little knowledge of marketing and e-commerce. Luckily I got selected for working with Daraz Bangladesh Ltd which is well known for spreading e-commerce. Moreover, it's a venture of Rocket Internet which develops new business ideas. There are so many talented people working around me. Every day I am learning new thing how to make decision, how to work in a team, how to recover any mistake, how to bring best out of one. After finishing my internship period they offered me job and I accepted that and I want to bring successful career out of this opportunity.

In this paper I tried to merge my knowledge, people's opinions, scholarly articles, what I learned from my university. Actually think e-commerce or online shopping whatever business it is it should be more service oriented. Companies need to make sure they provide the best service to the customer. Customers have several demands companies need to anticipate the demand. In e-commerce there is huge opportunity in Bangladesh. Just need to work properly and ensure customers satisfaction. That what takes to make e-commerce revolution in Bangladesh.

References

- Chiang, K. &. (2003). Factors Driving Consumer Intention to Shop Online: An Empirical Investigation. *Journal of Consumer Psychology* , 177-183.
- Rahman, S. M. (2015). Consumer Expectation From Online Retailer. *Consumer Expectation from Online Retailers in Developing* .
- <http://www.miva.com/blog/the-history-of-ecommerce-how-did-it-all-begin/>
- <http://www.internetlivestats.com/internet-users/bangladesh/>
- Abbasi, M. S., Chandio, F. H., Soomro, A. F., & Shah, F. (2011). Social influence, voluntariness, experience and the internet acceptance: An extension of technology acceptance model within a south-Asian country context. *Journal of Enterprise Information Management*, 24(1), 30-52. <http://dx.doi.org/10.1108/17410391111097410>

Appendix

Survey Form

Service Quality of Online Shopping in Bangladesh

Name

Your answer _____

Age

Your answer _____

Why do you prefer shopping online?

- Large Selection
- Time Saving
- Easier

Rate your expectation of online shopping service quality in Bangladesh

	1	2	3	4	5	
Poor	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	Excellent

Whats most important for online shopping ?

- On Time Delivery
- Service Quality
- Product Quality
- After Sales Service

If you find out that the delivered product is damaged how do you want the recovery?

- Product Exchange
- Money Back

For online shopping which payment method you prefer most?

- Cash On Delivey
- Online Payment

Whats your expectation of product delivery time?

- 2-3 Days
- 4-5 Days
- 6-7 Days

Do you think online shops offer less price than normal shops?

- Yes
- No

Do you think shopping online is secured in Bangladesh?

- Yes
- No

Which one you would prefer for online shopping in Bangladesh?

- Pickaboo
- Kaymu
- Ajkerdeal
- Daraz

SUBMIT

Survey Result

B	C	D	E	F	G	H	I	J	K	L
Name	Age	Why do you prefer shopping	Rate your experience	Whats most important for	If you find out that the de	For online shopping which	Whats your expectation c	Do you think online shop	Do you think shopping on	Which one you would pre
E. M. A. Fahad	24	Time Saving	4	On Time Delivery	Product Exchange	Cash On Delivery	2-3 Days	No	No	Daraz
fahin sultana	23	Time Saving	3	Product Quality		Cash On Delivery	2-3 Days	No	No	Daraz
Rifat	24	Time Saving	2	Product Quality	Money Back	Online Payment	4-5 Days	No	Yes	Kaymu
Md. Saiful Alam Anik	25	Large Selection	3	Product Quality	Product Exchange	Cash On Delivery	2-3 Days	No	No	Daraz
Nabila	24	Time Saving	4	Service Quality	Money Back	Cash On Delivery	2-3 Days	No	Yes	Kaymu
Mashruha Tasneem Akhi	23	Easier	3	Product Quality	Product Exchange	Cash On Delivery	2-3 Days	No	No	
Prateem Das	25	Easier	2	Product Quality	Product Exchange	Online Payment	2-3 Days	No	Yes	Kaymu
Rosafi Mahmood	23	Easier	5	Product Quality	Product Exchange	Cash On Delivery	2-3 Days	No	No	Daraz
Nokib	25	Large Selection	3	On Time Delivery	Money Back	Cash On Delivery	2-3 Days	No	No	Pickaboo
Hasan	23	Time Saving	2	After Sales Service	Product Exchange	Cash On Delivery	4-5 Days	No	No	Pickaboo
Farzana	24	Time Saving	4	Product Quality	Money Back	Cash On Delivery	2-3 Days	No	No	Ajkerdeal
Ahmed Alhnaf	23	Easier	1	Product Quality	Product Exchange	Cash On Delivery	2-3 Days	No	No	Daraz
Rakib Mahmud	24	Easier	3	Service Quality	Product Exchange	Cash On Delivery	2-3 Days	No	No	Daraz
Nazmun Nahar Jui	24	Time Saving	4	Product Quality	Product Exchange	Cash On Delivery	2-3 Days	No	Yes	Ajkerdeal
Farzana Rahman	24	Time Saving	3	Product Quality	Product Exchange	Cash On Delivery	2-3 Days	No	No	Daraz
Mamun	27	Time Saving	2	On Time Delivery	Product Exchange	Cash On Delivery	2-3 Days	No	No	Daraz
nazia	22	Time Saving	3	Product Quality	Product Exchange	Cash On Delivery	2-3 Days	No	Yes	Kaymu
Hridoy Chowdhury	25	Easier	4	Product Quality	Money Back	Cash On Delivery	2-3 Days	Yes	Yes	Ajkerdeal
Akib Kamal	26	Time Saving	3	On Time Delivery	Product Exchange	Cash On Delivery	2-3 Days	Yes	No	Pickaboo
Proma Hossain	25	Time Saving	3	Product Quality	Product Exchange	Cash On Delivery	2-3 Days	No	No	Daraz
Saima Hossain	30	Time Saving	4	On Time Delivery	Product Exchange	Cash On Delivery	2-3 Days	No	No	Daraz
Zareef Uddin	22	Time Saving	3	Product Quality	Product Exchange		2-3 Days	Yes	No	Pickaboo
Farzana Kabir	25	Time Saving	2	Service Quality	Product Exchange	Cash On Delivery	2-3 Days	No	No	Ajkerdeal
Tasfia Malik	24	Time Saving	4	Product Quality	Product Exchange	Cash On Delivery	2-3 Days	No	No	Daraz
Faqrul Islam	25	Easier	3	On Time Delivery	Product Exchange	Cash On Delivery	2-3 Days	No	No	Kaymu
Shahriar Rahman	26	Time Saving	1	On Time Delivery	Product Exchange	Cash On Delivery	2-3 Days	No	No	Kaymu
Mishkat Hassan	26	Time Saving	2	Service Quality	Product Exchange	Online Payment	4-5 Days	No	Yes	Kaymu
Ishtiyak Hossain	25	Large Selection	3	On Time Delivery	Money Back	Online Payment	2-3 Days	No	Yes	Kaymu
Farhana Chowdhury	26	Time Saving	3	On Time Delivery		Cash On Delivery	2-3 Days	No	No	Daraz
Masud Hasan	26	Time Saving	3	Service Quality	Money Back	Cash On Delivery	2-3 Days	No	No	Kaymu