Chapter IV Global Quality Management Practice for E-Commerce

ABSTRACT

Since Internet is the primary driving force of E-Commerce (EC), it has global phenomena. Consequently, Internet market is diffusing from the west to the east. Nevertheless, cultural, political, economical, technological, social, and overall attitudinal diversity create irresistible barriers for free movement of EC. In this aspect, quality standardization for EC is utmost important. Because quality experts believe that only quality improvement and standardization can provide EC acceptance by global consumers. Expansion of EC from developed countries to developing countries creates an opportunity to redefine the paradigms of quality management practice (QMP) appropriate for global diffusion of EC. This chapter illustrates some related concepts of quality, quality improvement, and different aspects of quality for EC to shed light on QMP.

4.1. INTRODUCTION

Quality management practice (QMP) is conceptualized as a set of paradigms, concepts, and interrelated practices documented by any organization to improve and

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standardize quality in all aspects of its process, design, production, and services to meet product and system quality and fulfill customer requirements and expectations (Bertram, 1991; Brown, 1992; Ross, 1993). To capture global market as the leader, most international E-retailers are now attempted to implement quality management principles which are completely customer focused.

QMP in traditional business sectors, either manufacturing or service systems, is investigated for decades (Parasuraman *et al.*, 2002). But QMP for EC is relatively a new topic, and after reviewing literature on the issues of quality management of EC, a limited number of scholarly studies is observed that are focused on the relevance of QMP with EC (Kumar et al., 2006). But, as we discussed in the previous chapters based on the characteristics and functions of operations, EC is inherently global. Retailers can sell and consumers can buy products through web pages from anywhere in the world. Consequently, global proliferation and global consumers' acceptance are important issues to be considered. Therefore, implementation of QMP in EC, which is an advanced step to ensure continuously global consumers preferences for quality, is a potential subject from its own merit to be discussed in this aspect .

This chapter is designed to discuss the aforementioned issues of quality management practice in EC for global proliferation and cultural adaptation with competitiveness. The chapter is divided into 5 sections with section 3 into sub-sections. The introduction section aims to provide a general background of the quality issue in EC. In the following section, we illustrate concepts of quality to provide a brief idea of the conceptual definition. In the next section, quality issues of EC are explored for QMP. In the following section, a quality management process model proposed by Kumar et al. (2006) is briefly presented to provide an illustration of QMP in EC. Finally a conclusion in this context is presented.

The proliferation of EC has magnified the importance of building a loyal customer base to an EC website (Gommans et al., 2001). Most web-based sellers rely initially on an intensive effort to create a strong global customer base. As competition for online customers grows, companies cannot simply expect that if they build websites, customers will spontaneously come (Nah et al., 2002). E-retailers are now very enthusiastic to develop quality E-services (Wang, 2003). Consumers from both developed and developing countries have diversified attitudes, cultural and social orientations, and technological beliefs. What leads to global customers' purchase decision has become a complex topic for E-retailers (Barsh et al., 2000). Previous research has explained the multidimensional and context-dependent nature of perceived value on purchase decisions (Zeithmal, 1988; Bolton et al., 1991, Shareef et al., 2008). Purchase decisions can be changed or modified with the global circumstances of the person and/or consumption situation derived from the quality attributes of vendors. Quality is the vital issue of EC. The importance of measuring 11 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: <u>www.igi-</u> <u>global.com/chapter/global-quality-management-practice-</u> commerce/28194

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