



**A STUDY ON THE EFFECTIVENESS OF AIRASIA'S WEBSITE
TOWARDS CUSTOMERS' SATISFACTION**

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1.0 INTRODUCTION

In a short period of time, the use of the internet has changed the way many organizations conduct business. Companies now have the potential to transfer sales data, inventory information and conduct transactions via the internet at a fraction of the costs of older systems. However, this does not ensure that companies selling products through internet channels will be successful. As many organizations have discovered, building a website may appear easy, but building a profitable business to fulfill orders online is a major challenge (Harrington, 1998). The challenge for many organizations lies in discovering how the internet can be used to help create a sustainable competitive advantage (Porter, 2001).

Online services are one of the venues that companies have increasingly begun to use to generate additional sales.-The selling of tickets for air travel, sporting events and other entertainment venues has been one of the glowing success stories of the industry. A diverse group of companies has capitalized on the internet as a retail channel, including AirAsia Berhad. Experts predict a 30-40 percent growth rate in online ticket sales for the

2.0 LITERATURE REVIEW

There are mainly two types of interactions over the internet:

- (i) The interactions between customers and online retailers' employees via either internet-based communication tools .such as e-mail, chat room and message board or traditional communication channels
- (ii) The interactions between customers and online retailers' websites through which customers can search and retrieve necessary information and place their orders.

In this study, we will focus on the second type of internet interaction that is between customer and online retailers' websites. In particular, these customer-to-website interactions in online retailing, to a great extent have replaced traditional customer-to-employee interactions such as sales clerk services (Lohse and Spiller, 1998).

The unique interactive processes between online retailers and customers present a serious challenge to both practitioners and academians regarding online service quality measurement and customer satisfaction. To provide a theoretical framework for online service quality study, two broad conceptual categories related to online service quality will be studied; **customer service quality and online systems quality.**

Customer Service quality. Perceived service quality can be defined as a global judgment or attitude related to the superiority of a service (Parasuraman et al., 1988). The