

**Not all failures count equal for
BOPS (buy online, pick-up in store) customers:
Identification of BOPS quality dimensions and
examination of failure effects by the dimension**

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1.1. Contextual Background – Omnichannel

- The Prevalence of Omnichannel Retail
 - Multichannel retailers are evolving to ‘Omnichannel’ by integrating and coordinating the channels to allow consumers to use multiple channels without boundaries during purchase.
 - A study of 46,000 shoppers shows that omnichannel customers are more loyal and spent more than single-channel customers. The more channels they use, the more money they spend in the store (Sopadjieva, Dholakia, & Benjamin, 2017).

- Buy-Online-Pick-up-in-Store (BOPS) service
 - BOPS, or ‘click-and-collect’ service is an omnichannel shopping option that consumers order and purchase items online and pick them up at the offline store, instead of having the items delivered.
 - BOPS is the most popular cross-channel service among multichannel retailers, and the numbers are constantly increasing (Grau, 2009; Ma, Su, & Oh, 2014; Produce retailer, 2018).

1.1. Contextual Background – Service Quality of BOPS

▪ Service Failure in BOPS

- While the BOPS system is relatively well established, problems with collection are not rare (Forbes, 2018).
- Customers perceive omnichannel experience as a brand experience, blurring the distinction of channels (Huré et al., 2017; Rosenmayer et al., 2018).



Managing the service quality of offline service (the pick-up stage) of BOPS may be critical to the success of omnichannel retail management

1.2. Research Needs

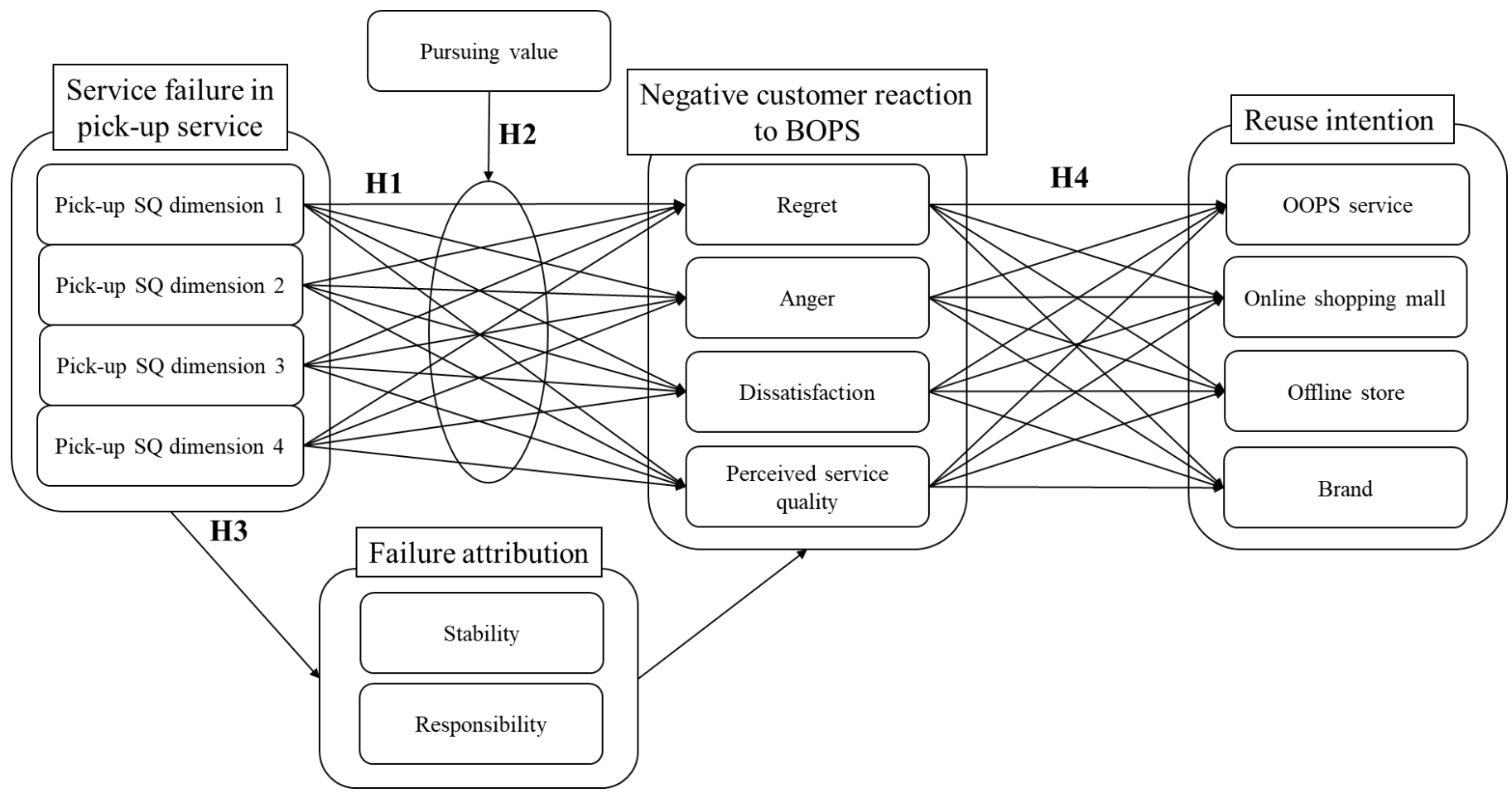
- Empirical research on service quality of omnichannel retail is limited, while the importance of managing customer experience across diverse channels is emphasized (Ostrom, Parasuraman, Bowen, Patricio, & Voss, 2015).
- Research on the offline service quality of BOPS is needed.



*Focusing on the physical encounter of the BOPS process, offline pick-up stage,
this research aims to*

- 1) identify the **attributes of pick-up service quality of BOPS** and*
- 2) examine the **effect of service failure in each quality dimension.***

2.1. Research Model



2.2. Hypotheses (1/2)

- The influence of each service quality dimension on consumer reaction is not equal, and the impact of different types of service failure also varies (Parasuraman et al., 1988; Wall & Berry, 2007).
 - Firm's explicit and implicit service promise influences customer's expectation level and zone of tolerance of the service quality (Zeithaml, Berry, & Parasuraman, 1993).
 - Service failure influences negative customer reactions both emotionally and cognitively.
- ➔ ***H1. The impact of service failure on each negative customer reaction (regret, anger, dissatisfaction, and perceived service quality) varies depending on the pick-up service quality dimension of the failure.***
- Consumers choose BOPS for a particular purchase-specific goal or value.
 - According to goal relevance theory, stimulus that is relevant to current goal or interest receives more attention and is memorized better (Levine & Edelstein, 2009).
 - Shopping motive influences emotions and service quality perception, and attracts individuals to focus on the relevant aspect of service (Dawson, Bloch, & Ridgway, 1990; McCabe, Rosenbaum, & Yurchisin, 2007).
- ➔ ***H2. Consumers' pursuing value of using BOPS moderates the influence of service failures on each negative consumer reactions (regret, anger, dissatisfaction, and perceived service quality).***

2.2. Hypotheses (2/2)

- Failure attribution is dependent on the origin of the service failure, thus will be influenced by the type of service failure (Iglesias, 2009).
- Each attribution has different psychological mechanism, which triggers different emotions (Weiner, 2000), and satisfaction and quality perceptions are influenced independently by failure attribution (Iglesias, 2009).
- Responsibility attribution may change the type of reaction (ex. firm – anger / myself – regret), while stability factor may influence the degree of negative reactions.

➔ ***H3. Failure attribution (responsibility and stability) mediates the influence of service failures on each negative customer reaction (regret, anger, dissatisfaction, and perceived service quality).***

- Through *halo effect*, the evaluation about one channel may spill over to attitudes towards other channels and the whole firm (Pauwels et al. 2011; Kwon and Lennon, 2009).
- Perceived service quality and satisfaction both directly and strongly influence customer behavioral (Cronin & Tayler, 1992; Baker & Crompton, 2000)
- Specific negative emotions directly affect behavior, independently of dissatisfaction (Laros & Steenkamp, 2005; Zeelenberg & Pieters, 2004).

➔ ***H4. Each negative consumer emotions(regret, anger, dissatisfaction, and perceived service quality) differently influences the reuse intention on BOPS service, online shopping mall, offline store, and the brand.***

3.1. Research Procedure

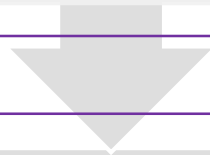
Step 1. Qualitative study

Methodology: Critical Incident Technique



Step 2. Scale Development

Methodology: EFA & CFA



Step 3. Experimental Study

Methodology: Scenario experiment (online)

Study 1. Scale development

: Identify the attributes of pick-up service quality of BOPS

Study 2. Model test

: Examine the effect of service failure in each quality dimensions

3.2. Critical Incident Technique (CIT) Research

▪ Purpose of the study

- The main purpose is to investigate the service quality attributes of Buy-Online-Pickup-in-Store (BOPS) service of omnichannel retailers that leads to consumer satisfaction or dissatisfaction.
- Specifically, the study aims to gain insights on the following:
 - Aspects(Dimensions) of BOPS service that lead to satisfactory or dissatisfactory experience (**IV**)
 - Consumer's value or purpose pursued by using BOPS (**Moderator**)
 - Consumer responses due to the critical BOPS incidents (**Insights for research model**)

▪ Procedure

- Subject: Recent BOPS users among American consumers (who have used omnichannel retailers' BOPS service in last 12 months and had a particularly satisfying or dissatisfying experience.)
- Data collection method: Qualtrics survey on Amazon's Mturk
- Data collection: 2018.05.24~2018.06.02
- Number of samples: initial 161 → final 108
(satisfying experience: 52 / dissatisfying experience: 56)

Thank you for your attention ☺

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