SERVICE QUALITY AFFECTING PLAYERS' LOYALTY TOWARDS CYBER SERVICE PROVIDERS IN HO CHI MINH CITY – VIETNAM: AN ANALYSIS

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ABSTRACT

Nowadays, significant changes of e-sport industry in consumption patterns have not only been brought by the advanced technology for consumers, but it has also created new types of sports. Therefore, e-sport has been developed fast recently in Vietnam. The author's purpose was to investigate the primary factors affecting game players' loyalty towards Cyber Service Providers (CSPs) in Ho Chi Minh City (HCMC), Vietnam and the relationship between CSP's service quality with development of electronic sport business in Vietnam in particular. The findings showed that factors (1) Peripherals, (2) Service quality, (3) Employees' behavior, and (4) Prices have positive effects significantly to customer's loyalty towards CSPs.

Keywords: Peripheral, Behavior, Facilities, Service Quality, Satisfaction, Prices

INTRODUCTION

Nowadays electronic e-sport's digital-network is based on the development of information technology and its parturition. The popularity of network in Europe, America as well as in Japan and South Korea with electronic competitiveness has become the cause of popularization and development (Zhong, Hardin & Corrigan, 2012).

Electronic Sports are regarded as e-sports which takes place entirely in a virtual setting (Taylor, 2012). To define e-sports, Wagner (2007) states that e-sports is stated as the sport activities in which people can develop, train their mental or physical abilities by using the information and communication technologies.

With previous definition about modern sport, it involves three key parameters such as (1) physical, (2) challenging and (3) competitive activity (Jonasson & Thiborg, 2010). Generally, sport is said to contribute something to society having a strong legality in modern culture. This definition becomes challenging in certain areas when these parameters are applied to the new rising sport i.e., e-sports. According to Jin (2010), gaming in general is still not accepted by the parents and elders in the world as a 'sport' in modern society but rather as a 'waste of time and potential'. Even in the field of television and all the forms of media it is disputed as being 'transporter of violent behavior' and also accountable for creating violent behavior in youths (Jonasson & Thiborg, 2010). In Vietnam, in fact, there have been some games which have the characteristics of e-sport since 1996 such as War craft II, Need for Speed II, Quake II, Age of Empires, Star craft, Counter Strike etc.

Most of these games were played in LAN because Internet was not popular at that time and Vietnamese game players could not attend any international tournaments or World Cyber Games until 2002. Most of the cyber service providers at that time were small business enterprises and the investment from 10 to 20 computers in each cyber café or Internet room, did not attract many players or the foreign investors. Therefore, the author pursued this investigation to study the development of e-sports or cyber service to improve their service quality.

LITERATURE REVIEW

The Rise of e-sports

The Korean e-Sports Association (KeSPA) regarded e-sports as a leisure activity within cyberspace in which participants matched their electronic game skills against each other to win or to lose (KeSPA, 2011). E-Sports was also regarded as the competitive game played by two or more persons using personal computers or videos (Korea Creative Content Agency, 2008). Wagner (2006) stated that e-Sports is regarded as sporty activities in which people develop and train their mental or physical abilities by using information and communication technologies. Soumokil (2009) stated that e-Sports was a sort of competition among people of cyber world, and game rules to Wagner's (2006) description. Additionally, Lee and Ko (2005) defined e-Sports as a match among human players

using electronic games through Local Area Networks (LAN) or the Internet.

In the definitions of e-sports above, several prominent terms can be found, which characterize sport, in general. They are regarded as competition among players, mental and physical abilities, rules, fair play and win or loss. According to Coakley (2007), traditional sports are defined as competitive activities involving severe physical efforts or the use of relatively complicated physical skills by game players.

In e-sports, the launching of broadband access service made it possible for game users to connect and play with other people rather than with game machines (Griffiths, Davies & Chappell, 2003). Interaction among human players was also seen in traditional sports (Coakley, 2007). E-Sports participants are suggested to have same mental and physical abilities as those who participate in traditional sports (Lee, 2005). E-Sports was regarded to having the requirement of fast and accurate judgment, high concentration, insight, and the ability to operate computer devices (Chae & Kang, 2011). The outcomes included winning or losing under fair conditions and the rules in e-sports competition were important (Lee, Ko & Kim, 2005). The main difference between e-sports and traditional sports lies in the competitive activities which is played in the real world or cyberspace (Park, 2008). In short, e-sports was said to have several characteristics in common with traditional sports.

Service Quality

As our society has progressed and lifestyles have changed, people have become interested in the improved service quality (Zeithaml, Parasuraman & Berry 1990; Ko & Pastore, 2004). Accordingly, to satisfy consumers' diversified tastes and heightened expectations, service providers have become competitive (MacKay & Crompton, 1990; Wright, Duray, & Goodale, 1992). As the needs of the consumers are getting changed it was necessary to investigate service quality for all the consumers, researchers, and marketers (Howat *et al.*, 1993).

Furthermore, Ko and Pastore (2004) noted that an attempt should be made to minimize gaps between service quality research and consumers' practical perception through various consumer samples and circumstances because "the concept of quality is a relative definition varying under many different situations". Bitner and Hubbert (1994) defined the

concept of service quality in general as the subjective notion after consumption. That is, research on service quality should be able to understand unpredictability and diversity of consumer evaluation. In this respect, the necessity and importance of service quality research has motivated researchers to (a) investigate how the service quality might be significant and (b) to develop efficient application of service quality to consumers.

In the initial stage of service quality studies, Gronroos (1984) noted that researchers should have a clear interpretation of what consumers were looking for and what they were evaluating to establish a conceptual model for future research. Service quality was composed of two dimensions: (a) quality of technology (what a buyer gets) and (b) quality of function (how the buyer gets) (Gronroos, 1984). The technical quality might be a relatively objective construct in terms of the product itself, and the functional quality could be a subjective construct regarding the process of consumption. Even if the two types of service quality were interrelated, the quality of technology should be the first condition of functional quality and this quality could be more significant than the technical quality in some cases (Gronroos, 1984). Therefore, service providers needed not only to consider both service quality dimensions, but also understand how consumers could evaluate them. According to Ko and Pastore (2005), it was vital to study how to offer better service to the recreational sport consumers. There are some related issues to focus on the service quality although the term has been in a central position in various fields. Indicating the necessity of service quality research, they argued that the success of a sport organization may be depended on the degree to which the organization satisfying their consumers with quality service within the saturated market of sport industries.

Moreover, despite the fact that some researchers have become confident when the argument was made that the most important factor for consumers' satisfaction is to provide quality service, but it is also the principal criterion one measures the competitiveness of a service organization as well as they noted a well-established conceptual framework of service quality that could produce enhanced understanding and more efficient business strategy. There was no doubt that the provision of higher service quality to consumers may determine

the success of sport organizations and companies in more competitive business environments (Ko & Pastore, 2005).

With service quality encompassing both tangible and intangible factors, they recommended researchers and practitioners in the sports industry consider various values and probability. Because the production and consumption of a service were synchronized (Gronroos, 1984) in the sports industry, unlike normal business such as manufacturing, Chelladurai and Chang (2000) argued that the relationship between consumer and service provider was crucial. For example, a sporting event spectator would experience the production (the sporting game itself) and consumption (watching the sporting game) simultaneously. Based on classifying elements in terms of service quality in various ways: (a) quality target, (b) quality standards, and (c) evaluation of quality, they argued and suggested that breaking the operations into smaller discrete and distinct elements becomes important and necessary for sport managers to view the totality of their operations in running their business. The segmental perspectives would allow sports practitioners and researchers to provide improved service quality to consumers. If more detailed information would be available, higher service quality could be offered to consumers (Howat *et al.*, 1999). Considering that offering a high-quality leisure service should be a prime concern, it should be important to know what consumers desire (Brady & Cronin, 2001). Moreover, given that efforts for understanding consumers' needs may facilitate better leisure services, research on service quality becomes more critical (MacKay & Crompton, 1990). With respect to the significance of service quality rather than other constructs, Crompton and Mackay (1989) argued that by focusing on the research efforts of service quality rather than on measuring level of satisfaction so that it becomes a controllable variable as satisfaction is a psychological outcome that is partially dependent on an overabundance of variables which are outside the control of management.

Customers' loyalty

Dick & Basu (1994) and Oliver (1999) defined loyalty as an attitudinal or behavioral commitment to the brand. These researchers stated that true loyalty existed as there were favorable beliefs toward the brand (Johnson, Herrmann and Huber, 2006). In addition to it, Oliver

(1997) said that loyalty was defined as a deeply held commitment when customers rebought or patronized a preferred product or service. It became quite difficult for researchers to collect large-scale attitudinal data though the attitudinal approach was conceptually diversified. As a result, behavioral loyalty in empirical research was not used as attitudinal? (Uncles, Dowling, and Hammond, 2003).

According to Russell and Kamakura (1994) as well as Sivakumar (1994), the view of behavioral approach towards loyalty was expressed by behavior and loyalty was defined as a customer's propensity when a brand is bought with reference to the pattern of past purchases. Marketing managers understand and pursue customers' behavioral loyalty with their consumers' packaged goods. Some studies also suggested that when customers frequently purchased products, their loyalty may be the habitual outcomes and attitude ones (Chaudhuri,1999). The procedure was followed as the consumers first prefer a brand which offers a satisfactory experience and if they are satisfied they continue buying that brand. In contrast, repeat satisfaction towards the brand can sometimes lead to weak attitudinal commitment. When it is not valued to evaluate changes for customers to repeat purchases with unnecessary attitudinal commitment (Ehrenberg, Uncles & Goodhardt, 2004). Such automatic activities or habitual buying was regarded as an important component for consumers' behavior as they received goods (O'Shaughnessy, 1987).

Customers' loyalty is regarded as a customer's likelihood while choosing a particular brand with the references to their past purchases. The definition of behavior of loyalty was taken by the outcomes of both attitudinal commitment and buying habits.

Research model and hypothesis

Figure 1: The proposed theoretical framework of this study – Author generated Hypothesis
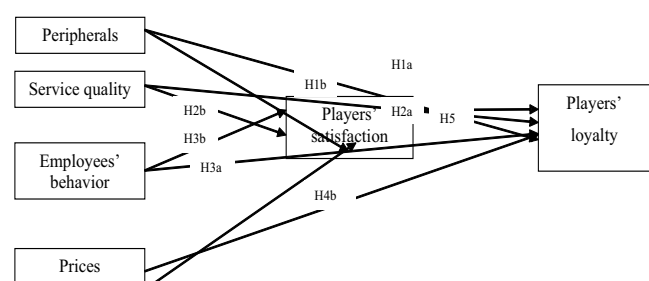
H1a: There is a relationship between Peripherals and Players' satisfaction.

H1b: There is a relationship between Peripherals and Players' loyalty.

H2a: There is a relationship between Service quality and Players' satisfaction.

H2b: There is a relationship between Service quality and Players' loyalty.

H3a: There is a relationship between Employees' behavior and Players' satisfaction.

H3b: There is a relationship between Employees' behavior and Players' loyalty.

H4a: There is a relationship between Prices and Players' satisfaction.

H4b: There is a relationship between Prices and Players' loyalty.

H5: There is a significant relationship between Players' satisfaction and Players' loyalty.

RESEARCH METHODOLOGY

Research method

The author used Quantitative Research as the main method to ask questions and collect the numeric data from respondents of this study. As a result, the responses collected in this investigation will be analyzed with Exploratory Factor Analysis to formulate a regression model for having an insight into e-sport players' evaluation towards service quality of CSPs in HCMC-Vietnam to lead to their loyalty towards these CSPs.

Respondents of the study

In this study, the researcher used stratified random sampling. This approach is regarded as a type of choosing samples randomly which includes the investigations of selected subjects from a larger group of players in this study.

The author divided the population in this study into gender, age, frequency of playing e-Sports and costs for playing e-Sports. According to Bollen (1989), it requires at least 10 samples for an estimated parameter to have objective evaluation as well as to prevent difficulties for computing. Therefore, based on the number of parameters of the research questionnaire (28), the targeted sample size of this study was 280

(28×5×2 = 280). All of them are e-Sports players from all the districts in HCMC-Vietnam.

Method of collecting and analyzing the data

After the survey results and technical data cleaning are completed, the actual remaining samples will be analyzed. Basically, descriptive analysis was carried out to investigate the popularity of the four independent variables such as Peripherals, Service quality, Employees' behavior, Prices and one dependent variable as well as the relationships between those concerns and the demographic characteristics of the respondents. The instrument used to collect the necessary data to satisfy the requirements of the major and sub-majored problems of this study is the questionnaire developed by the author. Then the collected information in this survey was analyzed with some statistical usages. The data was calculated, formulated, and coded for better presentation and interpretation from the findings of the study.

FINDINGS
The standardized weights

Correlation among factors			Standardized coefficient
PLAYERS' SATISFACTION	<---	PERIPHERALS	0.461
PLAYERS' SATISFACTION	<---	SERVICE QUALITY	0.484
PLAYERS' SATISFACTION	<---	EMPLOYEES' BEHAVIOR	0.433
PLAYERS' SATISFACTION	<---	PRICES	0.616
PLAYERS' LOYALTY	<---	PERIPHERALS	0.250
PLAYERS' LOYALTY	<---	SERVICE QUALITY	0.740
PLAYERS' LOYALTY	<---	EMPLOYEES' BEHAVIOR	0.600
PLAYERS' LOYALTY	<---	PLAYERS' SATISFACTION	0.780

Source: The author's calculated result from SPSS 22.0

From the table above, hypothesis H1a was accepted and peripherals of CSPs affected positively to players' satisfaction (β=0.461). New peripherals will create customers' satisfaction towards service quality of CSPs. In other hands, peripherals equipped well affected positively to players' loyalty towards CSPs (β=0.250). This is the main issue that owners of CSPs had to pay attention to build clients' satisfactions as service quality was not the main aim that owners of CSPs needed to build but it was players' loyalty. Therefore, hypothesis H1b was accepted.

Hypotheses H2a and H2b were also accepted. It meant

that good service quality affected positively to game players' satisfaction and players' loyalty with β=0.484 as service quality's effectiveness to satisfaction and β=0.740 with service quality's effectiveness to clients' loyalty. Nowadays, when players believed that a CSP which has a good service was regarded as a reliable supplier. In addition to that, a good service quality also brings a good impression to players about the name of that CSP so that they decided to return to play in that CSP again.

Hypothesis H3a was accepted. It meant that good behavior of staff in CSPs affected positively to customers' satisfaction (β=0.433). It can be explained that when interaction between staff of CSP and customers was better, customers would usually share information of good services and behavior of CSP staff with other players. As a result, good reputation of staff created the good brand name of CSP. By chance, it also created the positive effectiveness for customers' loyalty to brand name of that CSP (β=0.600). Therefore, hypothesis H3b was also accepted.

Hypotheses H4a and H4b were accepted. It is said that suitable prices affected positively to game players' satisfaction and players' loyalty with β=0.616 as prices' effectiveness to customers' satisfaction and to clients' loyalty as there have been severe competitions among CSPs in HCMC nowadays.

Players' satisfaction affected positively to players' loyalty most (β=0.780), therefore, H5 was accepted. Players' satisfaction became a synthetic factor of trust and satisfaction. Therefore, if customers believe and satisfy with quality of services of CSPs, they will image about the brand as well as return to play e-Sport at that CSP regularly when they want to play. In the service sector, the most important issue is to build long-term relationship with customers, remaining customers to use services as well as perceive its service quality that leads to their loyalty for the brand and long-term relationship between customers and service providers.

CONCLUSION

When online games and mobile games have become popular to everyone, e-sports games must compete fiercely with other ones, owners of CSPs have to invest in new peripherals, facilities, speedy servers to serve players better as well as take advantages in competitions to other rivals in service quality.

In addition, owners of CSPs should cooperate with game producers to train their employees professionally

to obtain new knowledge and skills to provide consumers with professional support as well as good services when working in CSPs to instruct and help e-sports players to improve their skills and experience so that they can participate in international matches.

Furthermore, in order to attract new players and patrons, owners of CSPs have to organize tournament regularly and promote their brand name by marketing campaign, advertising, events so that e-sport can be closer to Vietnamese viewers and players.

Last but not the least, service quality is said to be composed of two dimensions such as technical quality and functional quality. The technical quality is related to facilities, peripherals, hardware and software to run e-sport games while functional quality is a subjective construct regarding the process of playing e-sport games such as instruction, staff behavior, skill assistance. Therefore, owners of CSPs have to pay attention to these issues carefully to attract new players and patrons towards this new type of sport.

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