ABSTRACT

Competition in online business becomes tighter along with the growth of e-commerce industry. Peter Says Denim *is one of clothing producer that using internet to deliver their products. To win the competition in online business,* Peter Says Denim has to *provide excellent service quality as company's competitive advantage. Currently,* Peter Says Denim *does not able to provide the best quality services because there are still some customer complaints. Therefore,* Peter Says Denim *needs an evaluation of their service. Knowing customer satisfaction is not enough,* Peter Says Denim *has to know the weakness of the service. Improving the weakness, service can be developed in order to achieve better service.*

This study identified 28 attributes of customer needs based on interviews with lead users. E-Service Quality is used to measure customer's satisfaction so that service's weakness attributes can be found. The result of data processing using E-Service Quality identified 17 service weakness attributes. Kano's Model is used to understand the relation between customer's satisfaction and the fulfillment effort. Kano's Model identified that from 28 of customer needs attributes, 11 attributes categorized as must be, 10 one dimensional, 5 attractives, and 2 indifferent. Based on integration of E-Service Quality and Kano's Model obtained 16 customer needs attributes that becomes service quality improvement priority of online sales service at Peter Says Denim. *An effort to improve service quality with integration of E-Service Quality method and Kano's Model has not give systematical solutions. This problem can be solved with integration of E-Service Quality, Kano's Model and Quality Function Deployment (QFD).*

Recommendations are formulated according to the results of data processing, analyzing, brainstorming on the company and performing a relevant benchmark with the company's competitor in order to improve online sales service quality at Peter Says Denim. *The recommendations are developed standard of website information, set up coordination procedure, increase frequencies of updating the website, conducting evaluation program by collecting customer feedback, adding BlackBerry as customer service center media, developed a standard for customer service working procedure, standardizing the process of delivering goods, monitoring employee performance, developing problem-solving alternatives, conducting custom product program, outsourcing for production of the custom product, and held a lottery. All the recommendations proposed have been validated by the company and may otherwise be realized.*

Keywords : E-Service Quality, Kano's Model, QFD, Online Service