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Customer Satisfaction as Basis for E- Marketing Leadership (A Study Based on Marital Diversity)

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Abstract

This study highlights the role of satisfaction for building e-marketing leadership and empirically explores the differences in the customer satisfaction of online buyers. The study tries to discern how segmenting the customer based on marital status may help the online marketers for effective leadership and competitive advantage in the modern globalised market. An online survey instrument was administered to a sample of 200 online buyers from a northern city of India. The respondents were contacted both personally as well as through the emails, social media like Facebook, Whatsapp etc. The instrument comprised items related to online satisfaction along with few variables of demographic variables. The study employed purposive samplingwhich is appropriate for exploratory type of studies. The findings indicate that online shoppers are moderately satisfied from e-retailers. It is suggested that e-retailers must address issues of customers vibrantly so that customers become highly satisfied which ultimately leads to e-marketing leadership

Keyword: E-marketing, Customer satisfaction, Online retailers, Customers, Online shopping.

Introduction

Advent of online marketing has penetrated the lives of netizens. The success of the initial players has spurred many fresh players stepping in with exciting propositions and brands of products However, in a scenario where every online marketer is more or less the same in terms of offerings horizontally and vertically, the value captured by each of them is virtually the same, since the product being offered is essentially alike. A big question looms in front of e-retailers concerning differentiation from competitors in order to increase customers' willingness to pay for product offered in their e-store and service over others.

Emerging as a leader in the field of online retailing requires the sellers to focus on customer satisfaction which aids creation of network effects ensuring long term benefits to marketers rather than short-term predictors of success like sales and profits. The amount of online sales is expected to increase to $1.2 trillion in 2016. With such mammoth numbers in sight, the whole online shopping business is no longer about who can get a large portion of a small pie, but who can get the maximum out of a large pie. Customer satisfaction will be critical in such a setting. The mantra for emerging as a leader in the e-shopping landscape is to bundle the products (which are no different than competitors) with improved services that enhance customer satisfaction. By segmenting customers based on demographics can prove to be very useful to focus on different customers differently. The study by Chiu, Linb, Sunc, and Hsu (2009) reports satisfaction as an evaluation and emotional response to theonline purchasing experience and Zhao (2010) describes satisfaction in terms of a pleasingpsychological understanding in response to an online purchase. In addition, the study by Akbar and Parvez (2009) characterises satisfaction as a positive emotional reaction based on all aspects of therelationship between the customers and the web sites. In the context of online retailing, consumers' satisfaction with online retailers is described as the consumers' judgment of their online retail experiences (Evanschitzky, Iyer, Hesse, & Ahlert, 2004; Szymanski & Hise, 2000).

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Literature Review

The topic of customers' perception regarding online shopping is still an under-researched area, and consequently, previous scales are not widely available. The past research on online retailing has primarily focused on products and ignored other important issues regarding customer satisfaction such as browsing experience, complementary goods and post-purchase assistance, to name a few.Presently more Indians are adopting online shopping suggesting an upward trend in online shopping across the globe. India beat the global counterparts in number of purchases per month. In India, books are the most bought items, followed closely by airline reservations, with 35% of online shoppers buying online. There have been some studies analysing online retailers' revelation of privacy and security policies on websites, and their effects on consumers' perceived risks for online shopping. In addition, Vijay and Balaji (2009) confirmed that customers are increasingly shifting from the crowded stores to online shopping format. In spite of the convenience offered, online shopping is still not the most preferred form of shopping in India, particularly rural areas. The results depicted that the motivators for online shopping in India are convenience and saving of time while security and privacy concerns discourage them from shopping online. Further, Park and Kim (2005) suggested the positive attitudes as well as willingness to search for pre-purchase information leads to a strong likelihood of consumers shopping online. Various studies found Internet buyers, demographic variables such as gender, marital status, residential location, age, education, and household income as important predictors of online shopping (Mehta & Sivadas, 1995; Sultan &Henrichs, 2000). The study of Akhter (2002) showed that educated, younger, wealthier, and males are more likely to shop online than less educated, older, less wealthier, and females. This paper bridges the gap in literature by examining the differences between men and women regarding online customer satisfaction Further, previous research work suggests that females are more concerned than males with losing their privacy both in Internet contexts (Bartel-Sheehan, 1999; Kehoe, Pitkow, & Morton, 1997) and non-Internet contexts (Westin, 1997). Whether marital status affects the shopping behaviour of individuals online can prove to be critical for the e-retailers in targeting the two segments differently. From recommending bundled products, gifts for the opposite sex or increase in household sales can be important trends to follow for the stores and adapt inventory and offerings accordingly. Bellman *et al*. (1999) investigated various predictors to see if an individual will purchase online and concluded that demographic variables, such as income, qualification and age, have a meek impact on the decision of a customer to buy online. Another study by Ernst and Young (2013) considered the factors that influence or hinder online shopping and reported that Internet users purchased online because of good product selection, competitive prices, and ease of use, but were concerned about shipping costs, lack of ability to prior examining the products, as well as, the privacy of credit card and personal information.

Hypothesis and Objectives

The present study is based upon the following hypotheses and objectives:

H_0: Marital status wise respondents do not differ in their perception about online customer satisfaction.

The objectives of the study are:

1. To find out the extent of customer satisfaction in online buying.
2. To elicit marital status wise differences among the perception of customers regarding online customer satisfaction.

Research Methodology

The various aspects of research methods are discussed as under:

Instrument

For gathering the primary data, a questionnaire was framed after thorough review of extant literature and deliberations with experts. Various studies were considered for framing the questionnaire. The questionnaire comprised of some items of demographics viz., gender, age marital status, qualification etc. and 21 items measuring customer satisfaction based on five point Likert scale ranging from 5 to 1, where 5 means strongly agree and 1 means strongly disagree.

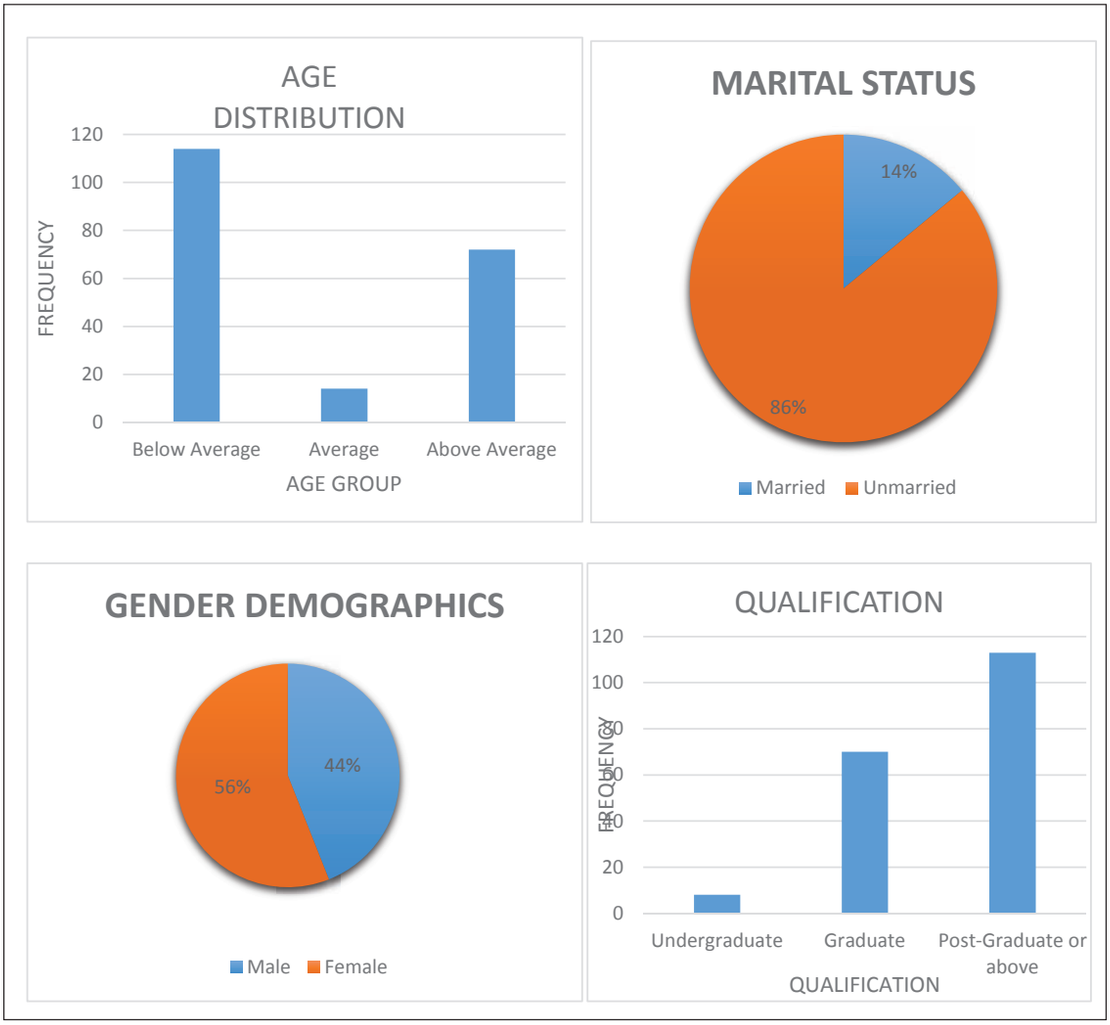
Data

After pre-testing on 30 respondents, the final survey was conducted on 200 consumers contacted personally and through online services viz., email, social media, etc. selected through purposive sampling from a Northern Indian state. The proportion of male respondents figured lower (44%) than their female counterparts (56%). The average age of respondents came up as 24 years and more than half of them (57%) had below average age. Majority of the respondents (86%) were unmarried. As far as qualification is concerned, majority of the respondents (59%) were postgraduates and above, and about 70% were unemployed. Urban locality accounted for 63% of respondents with majority of them (66%) belonging to Jammu region (Table 1).

Table 1: Demographic Profile

Variables	*Frequency*	*Percentage*
Age		
Below Average	114	57
Average	14	07
Above Average	72	36
Gender		
Male	88	44
Female	112	56
Marital Status		
Married	28	14
Unmarried	172	86
Qualification		
Undergraduate	8	4
Graduate	70	37
Post-Graduate or above	113	59
Occupation		
Employed	135	70
Unemployed	58	30

Fig. 1: Demographic Breakdown of Sample.



Analysis

For identifying the mean differences between unmarried and married respondents regarding online customer satisfaction, independent sample t-test has been applied. It turns out that both the segments strongly believe that the e-stores offer wide range of products.However, married customers find the browsing experience smoother. The results go on to indicate that both the lots are indifferent towards inventory of the store, quality of products, prices, offers, ease of check-out while shopping. There were no significant differences in satisfaction levels when it comes to tracking and delivery of products. Other notable outcome of the study is that both the segments fared the stores moderately well when it comes to site customisation, post-purchase assistance, offering complementary goods.The satisfaction from return and cancellation policy and procedures followed by the e-stores do not look encouraging and the married customers rank it significantly lower than the unmarried ones. Both segments are moderately satisfied by the data collection and privacy policy by the e-stores, but encouraging numbers back up the frequency with which the stores contact the customers to remind them to purchase products.

S. No.	*Items*	*Married*		*Unmarried*		*Mean Difference*	*T*	*Sig.*
		Mean	*S.D.*	*Mean*	*S.D.*			
1	e-Stores offer most reasonable prices.	3.85	0.91	3.64	0.96	0.21	1.090	.277
2	They offer lucrative offers.	3.70	0.67	3.62	1.01	0.08	.534	.596
3	They provide wide range of products.	4.30	0.78	4.22	0.99	0.08	.392	.695
4	Quality of products is always good.	3.26	1.23	3.28	0.91	-0.02	-.070	.945
5	Visual interface of website/ application is pleasant and smooth.	3.70	0.91	3.47	0.98	0.24	1.178	.240
6	Browsing experience is not smooth.	3.63	0.93	3.21	0.97	0.42	2.128	.035
7	Payment/checkout is easy.	3.89	0.75	3.84	1.00	0.05	.243	.808
8	Delivery of products is on/before promised time.	3.52	1.09	3.56	1.15	-0.05	-.196	.845
9	They offer regular tracking of my order.	3.50	1.10	3.68	1.03	-0.18	-.817	.415
10	Inventory of store is good.	3.52	0.94	3.48	0.94	0.04	.202	.840
11	Your feedback is valued and implemented.	3.15	1.06	3.33	0.98	-0.19	-.900	.369
12	The website displays complementary goods that match my needs.	3.70	0.91	3.56	1.02	0.14	.670	.504
13	My preferred site is customised to my needs.	3.31	0.97	3.49	0.94	-0.18	-.928	.355
14	Post-purchase assistance is good.	3.22	1.09	3.39	1.00	-0.17	-.821	.413
15	Return/cancellation policy is adequate.	2.78	1.15	3.23	1.09	-0.45	-1.979	.049
16	The e-store always tries its best to serve my needs.	3.30	0.95	3.53	1.00	-0.23	-1.128	.261
17	I get detailed information from the website.	3.56	1.12	3.76	0.95	-0.21	-1.025	.307
18	The e-store protects my information.	3.63	0.93	3.69	0.87	-0.06	-.333	.740
19	I get regular reminders about making purchases from the e-store.	3.74	0.98	3.82	0.99	-0.08	-.386	.700
20	The promotions/advertisements are as per my needs.	3.33	0.73	3.31	1.00	0.02	.146	.885

Conclusion Implications and Future Research

The study turned out to be successful as it clearly brought out the differences in satisfaction level of customers from online shopping based on their marital status. On one side the married customers are highly satisfied by the wide range of products, reasonable prices and the payment procedures that the e-stores offer. Getting regular reminders about making an outstanding purchase adds to their satisfaction. On the other hand satisfaction levels in unmarried customers are driven by the wide range of products and convenient payment options. They also value regular reminders and information describing the products highly. In contrast married customers' satisfaction levels are marred by poor post-purchase assistance, whereas the unmarried customers are not satisfied by the browsing experience and find the advertisements irrelevant. However, both the segments also feel that the products lack in quality sometimes and agree that there are deficiencies in the return/cancellation procedures. One need not be an expert that the e-retailers must focus on making the browsing experience smoother so that they are essentially bundling the products with the experience of shopping online. They also need to consider the fact that the sole job of a retailer is not to make the sale, but provide sound post purchase assistance in order to retain the customer and compete with the benefits that the brick and mortar stores tend to offer. By using highly targeted advertising using tools like clustering, data mining etc., the e-stores should offer relevant advertisements. The results from this study and the measures suggested above can be a good starting point for e-stores in their quest to emerge as the market leader.They must make sure that the customers have a monetary and non-monetary incentive to come back shopping to their e-store. The present study will be highly beneficial for the researchers, retailers, customers, regulatory bodies, and policy makers for new insights and better regulation. Growth in Internet has transformed the nature of the relationship that businesses have with clients. The present study is confined to the marital diversity in e satisfaction and the role of satisfaction for enhancing e-marketing leadership but the upcoming researchers should dwell upon the relationship of other demographic variables such as age, gender, qualification, occupation etc. with online purchase satisfaction. Further, a study should be conducted on specific leadership styles in e marketing in Indian business environment where the number of netizens is enhancing enormously for the acquisition of both tangible and intangible merchandise. Finally the impact of satisfaction on loyalty needs to be researched by the forthcoming researchers.

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