

**eCRM FEATURES THAT AFFECT CUSTOMER ATTITUDE TO
LOYALTY:
A CASE STUDY OF A SAMPLE OF 402 UNIVERSITY
STUDENTS ENROLLED IN INTERNATIONAL PROGRAMS IN
THAILAND**

Narges Rahimiparvar¹

Abstract: *The rapid growth of eCRM and its alarming failure rate call for a greater insight into the relationship between eCRM and its direct objective: customer satisfaction and customer loyalty. The purpose of this research is to give a better understanding of customer perception of value from eCRM features on companies' websites. In this study, the researcher empirically tested a model explaining the relationship between three eCRM features, (i.e. personalization, community and convenience), customer satisfaction and customer loyalty. The empirical data were collected from 402 customers through a survey questionnaire. Findings of this study showed all the features of eCRM influenced customer satisfaction significantly, at the same time a significant impact of personalization and convenience on customer loyalty was found. The results also indicated a moderate effect of customer satisfaction on customer loyalty. This research clarifies the role of eCRM features in enhancing customer loyalty directly and through customer satisfaction; also highlights the critical features of eCRM program which companies' websites should invest in their customer loyalty strategies.*

Keywords: *eCRM, Personalization, Convenience, Community, Customer Satisfaction, Customer Loyalty.*

1. Introduction

In a global business increasingly taking place online, competition is one click away. Moreover, customers are more knowledgeable and demanding more attention only and sellers' concern is no longer to provide good quality products or services, but also to make stronger relationship and maintain loyal customers who will cause long-term profit to organizations (Tseng, 2007). According to Reichheld and Sasser (1990), well served customers can generate more profits for the firms and advertise for the companies as well. Therefore, building relationship with customers and Customer Relationship Management (CRM) have been placed at the center of business concerns nowadays.

Furthermore, the Internet technology is essentially becoming an integral component of information infrastructure for business operations and managerial decision making and consequently a new concept is created: Electronic Customer Relationship Management (eCRM).

The main motivation for eCRM adoption is to improve customer loyalty and retention through the enhancement of customer satisfaction (Rosenbaum and Huang, 2002).

InfoWorld claimed that 77 percent of eCRM deployments fail to achieve company goals (Apicella, 2001) and numerous studies cite the low rate of success of eCRM applications (Melymuka, 2002). According to Feinberg and Kadam (2002) eCRM failure may be due to the implementation of features that executives

¹Narges Rahimiparvar is an MBA graduate from Assumption University, Graduate School of Business. This research was completed under the supervision of Dr. Thierry de Gorguettes d'Argoeuves.

believe affect customer satisfaction, but in reality do not have any effect at all.

Therefore, there is clearly a need to develop a better understanding of eCRM success. As customer satisfaction and loyalty are immediate objectives of eCRM, and they are often used as surrogates of success of businesses, a good way to study eCRM success is to examine the relationship between eCRM, customer satisfaction and loyalty. Despite the great interest in clarifying the relationship between eCRM and customer satisfaction, prior researches have not shed sufficient light on this relationship.

The objective of this study is to operationalize and empirically test a temporal model explaining the effects of various types of eCRM features on customer satisfaction and loyalty in the context of online B2C environment. Therefore, the general goal of this study is to interpret how eCRM features influence the Satisfaction and Loyalty of customers. In order to find a gap between eCRM and customer satisfaction and loyalty, it is necessary to fully comprehend the meaning of CRM and eCRM.

CRM is a concept or strategy to reinforce relations with customers and at the same time reduce cost and enhance productivity and profitability in a business. CRM process allows companies to analyze their customers' data quickly and enhance customer loyalty through their products and services in accordance with their customers' needs (Darrell, Frederick, and Phil, 2002; Liu, 2007). And it provides a well-defined platform for all business units to interact with their clients and fulfill all their needs and demands very effectively in order to build a long-term relationship with them.

Forming this kind of relationship with customers is not easy to manage and it depends on how systematically and

flexibly a CRM system is implemented or integrated. But once it is accomplished it serves the best way in dealing with customers. In turn customers feels gratitude of self-satisfaction and loyalty which results in better bonding with supplier and hence increasing business profitability.

eCRM has become the latest paradigm in the world of customer relationship management with the rapid growth of IT. Many businesses now believe that information technology deployment which supports and develop one-to-one relationships with customers is one of the most important basic means for the formation of competitive advantage. eCRM emerges from the Internet and web technology to assist the performance of CRM in e-businesses. It focuses on communications between organizations and their customers via Internet or web-based systems. According to Peshwe and Kothari (2012), by applying eCRM, organizations are able to have efficient processes, marketing, sales and services with more accurate customer information. It results in creating more valuable and profitable customer relationship and reducing operational expenses. In general main benefits of eCRM are service level improvements, revenue growth, productivity, customer satisfaction and automation.

2. Literature Review

- Personalization

Personalization is a marketing strategy in order to impressively meet the customers' needs, provide faster and easier interactions and improve customer satisfaction and repurchase intention. Organizations can gather data about customers' transactions, expectations, connections, requirements, histories and purchase activities by applying eCRM and produce knowledge about customers which will be used to provide personalized

goods and services for each specific customer (Gebert, Geib, Kolbe, and Riempp, 2002). Jackson, (2005) claimed that Personalization and CRM are two complementary topics.

Many researchers believed that personalization is the most important feature in the prospective e-commerce revolution (Jackson, 2005) as it enhances customer satisfaction and provides long lasting relationship between a firm and its consumers.

- *Convenience*

Kotler (1997) explained convenience as a situation that customers buy/use a product/service regularly, without delay and with least possible effort in comparison with other products.

eCRM as an online service allows customers to take advantage of the convenience of self-service; customers can log on and find their personalized product/services and discover a solution to their problem without sending any email or making calls (Scullin, Allora, Lloyd, and Fjermestad, 2002).

According to the findings of Miremadi, Khaligh, and Aminilari (2012), "convenience" was the second most important benefit of eCRM implementation.

Convenience will offer a unified access to products/services that increases customer's sense of convenience which in turn increases customer satisfaction and loyalty. The combination of developed feelings of convenience and improved customer satisfaction and retention will provide enhanced value equity in maintaining stage of CRM implication (Richards and Jones 2008).

- *Community*

One of the most important features of both eCRM and CRM is to create a network of consumers in order to exchange information about products, and to build a relationship among company and

customers. The objective of the communities is to build a relationship with other stakeholders based on specific product or services that they purchase. In this way, the organization can provide the environment which is more difficult for members to leave (Winer, 2001). The success of Community is assessed based on the rate of customers' ability to exchange their points of view about the specific product among themselves through comments, buying circles, forums and chat rooms that are provided by e-retailers (Lee and Jih, 2010) and in turn it gives the beneficial assistance to customers and satisfy them and provide them with acceptable reason to stay loyal.

- *Customer Satisfaction*

Satisfaction has been explained by Oliver (1997) as the feeling of consumer's favorable fulfillment. Satisfaction is an efficient customer sentiment that comes from a universal evaluation of all features that build the customer relationship (Anderson and Sullivan, 1993). Anderson and Srinivasan (2003) claimed that e-satisfaction refers to the customer's gratification which is based on his/her previous shopping experience with the specified retailer. Anderson and Lehmann (1994) also explained that e-satisfaction is the aggregated construct which is found on collective satisfaction of each shopping and consumption perception in a period of time. In the online shopping field customer satisfaction is crucial for the company's relationship strategies with its customers (Winer, 2001).

The process of customer satisfaction may result in loyalty to a specific brand or product and in turn customer retention (Jolley, Mizerski, and Doina, 2006). However, as a logical result customer satisfaction will not lead to loyalty inevitably. Unsatisfied customers may continue to be loyal to a provider only

because of high switching cost or lack of substitute (Backhaus and Buschken, 1999).

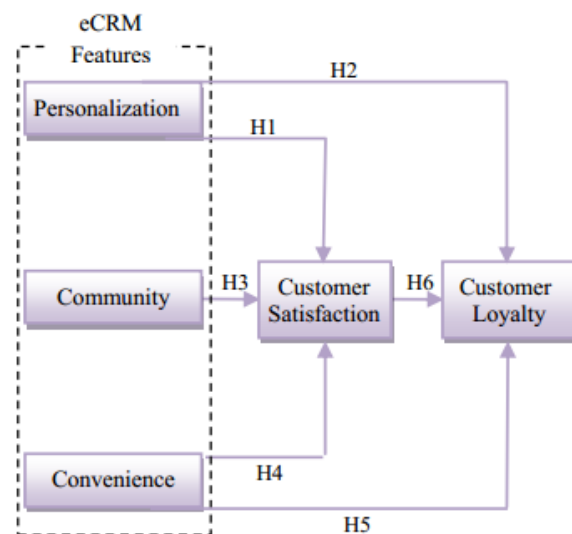
- Customer Loyalty

According to Keller (1993), Loyalty is iterative purchasing behavior during a specific time and is a result of preferred posture toward a brand or a product and conducted by both behavioral and postural facets.

By the way, Electronic-Loyalty is corresponding to brick and mortar's loyalty concept which involves visiting the store regularly and buying the accepted brand's products in store (Corstjens and Lai, 2000). Customer loyalty is the most significant result of e-business. Possibly, loyalty is a significant determinant of success in an organization in a ruthless market territory (Srivastava, Han, and Kim, 1998).

3. Research Framework and Methodology

The conceptual framework (Figure 1) is adapted to investigate a model of customer loyalty and determine the mediation role of customer satisfaction between eCRM features (i.e. Personalization, Convenience and Communities) and customer loyalty. This study determines which feature of eCRM among these three independent variables has the most influence on customer satisfaction and loyalty. Customer satisfaction and loyalty play a surrogating role of eCRM success, In other words, by measuring customer satisfaction and loyalty which are influenced by eCRM values, success of eCRM can be measured.



Source: Developed by the researcher for this study.

Figure 1: Conceptual Framework

This study has six hypotheses to fulfill the research objective.

H1_a: There is a relationship between Personalization and Customer Satisfaction.

H2_a: There is a relationship between Personalization and Customer Loyalty.

H3_a: There is a relationship between Communities and Customer Satisfaction.

H4_a: There is a relationship between Convenience and Customer Satisfaction.

H5_a: There is a relationship between Convenience and Customer Loyalty.

H6_a: There is a relationship between Customer Satisfaction and Customer Loyalty.

- Research Methodology

The quantitative approach was used to examine the research hypotheses and the surveys technique was chosen to gather the needed information from a sample of target population by using paper-based questionnaire and the Pearson's correlation analysis was used to identify the nature of

the relationship between variables and the strength of their correlation.

The research model was practically tested by using primary data which were collected from 402 customers at Assumption University, Ramkhamhaeng University, Stamford University and the University of Thai Chamber of Commerce in Bangkok, Thailand. Each customer, who was a university student enrolled in international programs in Thailand and used to have experience dealing with e-commerce and eCRM was treated as a sample unit.

The questionnaire was designed in English and consisted of three parts: Screening questions, Variables under study and Demographic factors. Screening part was set to properly choose the respondents who had experience of dealing with eCRM features and e-commerce. Moreover, in this part the respondents were asked to fill in the name of the company they had experience dealing with and intended to answer the questions. In the second part the five-score Likert scale was assigned to measure customers' attitude towards eCRM features (i.e. personalization, community, and convenience), satisfaction and loyalty by selecting their score of agreement in the interval of strongly disagree and strongly agree. The third part was assigned to obtain personal information of respondents by using the category scale and includes five questions related to nationality, gender, age, educational level and income.

4. Results and Discussion

The research data were transformed into the applicable form for analysis and interpretation by using Statistical Package for the Social Sciences (SPSS) Ver. 16.0. Since the respondents of this study answered the questionnaires by considering a company's website which they had experience with, and that each

different company with different nature of business might have different influence on the correlation between variables, therefore, besides a general analysis (i.e. analysis of all data regardless of any specific company), the researcher also analyzed the results in each company separately in order to have a deep insight regarding the effect of the variables on customer satisfaction and customer loyalty in each company.

- Descriptive analysis

Descriptive statistics of demographic factors showed that most of the respondents (69.9% or 281) had Thai nationality and were female (57.7 % or 232), and most of them were between 18–24 years old (56.7% or 228). The results also indicated that the majority of the respondents (53.7% or 216) were graduate students and had the income level of 10,000-20,000 THB (43.5% or 175).

Descriptive statistics of screening data revealed that a large percentage of questionnaires (75.1%) were answered by considering three companies (i.e. Agoda (30.1%), Amazon (22.9%) and eBay (22.1%)).

- Inferential Analysis

Pearson correlation analysis was used to test the bivariate relationships between dependent and independent variables through six hypotheses. In view of the fact that customer's perception of different company's website might influence the correlation between the variables under the study, therefore besides a general test regardless of any specific company, hypotheses were also tested for three most popular companies in this study. General test comprises twenty four companies and the first three most popular companies in this survey are Agoda.com, Amazon.com and eBay.com. Findings of this study show that all three eCRM features under the study have positive association with

customer satisfaction and customer loyalty as follows:

General Test

H1 & H2:

Table 1 shows hypothesis testing results in the general test. Based on the results, service personalization plays a moderate positive role in customer satisfaction (H1_a). Customer satisfaction also has a moderate effect on customer loyalty (H6_a). Therefore, the indirect relationship of personalization and customer loyalty and in turn the mediating role of customer satisfaction in the relationship between personalization and customer loyalty were evidenced.

Moreover, personalization has a positive weak relationship on customer loyalty (H2_a). These findings were matched with prior studies (e.g. Peppers and Rogers, 1997; Montgomery and Smith, 2009; Halimi, Chavosh, and Choshali, 2011; Tong, Wong, and Lui, 2012) which asserted that personalization had a significant moderate effect on customer satisfaction and customer loyalty. The interactions between provider of personalized services and a customer can generate intimate experience for building a close relationship. Intimacy, as a feeling of closeness, then influences customer satisfaction and loyalty. Therefore, intimate interaction plays a key mediating role in developing positive relationship between service providers and customers. Despite the common view that online tools of eCRM such as personalization are nothing more than a supplement to traditional CRM services, in practical terms, perception of service personalization of eCRM has a significant positive impact on the level of satisfaction. And consequently, it can prove that service personalization is an important driver of satisfaction and in turn eCRM (CRM + Internet) is much more efficient in maintaining customers than CRM.

H3:

Regarding the variable of community, this study shows that it has a positive weak effect on customer satisfaction (H3_a) which is supported by Khalifa and Liu (2004). A strong community can become a brand's marketing army. It plays a critical role in customer satisfaction. When customers are at the very first stage of buying any new product, genuine and reliable customer photos, videos and comments help them to research and dream about products and experiences. Businesses, by creating a forum or discussion area, will be able to give clients and potential customers a reason to return to web site, especially when they need help or advice on a certain subject. Being in direct contact with existing customers and potential customers through communities allows a company to be better informed about customers' needs, questions and general interests, and create meaningful relationships and a sense of belonging.

H4 & H5:

The results reveal that convenience has a strong positive impact on customer satisfaction (H4_a). Also it has a moderate positive effect on customer loyalty (H5_a). These findings are supported by previous studies (Szymanski and Hise, 2000; Chang, 2010; Miremadi et al., 2012). Since there is also a significant moderate relationship between customer satisfaction and customer loyalty (H6_a), it can be concluded that convenience has an indirect effect on customer loyalty as well by mediating effect of customer satisfaction. The results indicate that convenience has the greatest effect on satisfaction among the customers who took part in this survey. According to the results, customer satisfaction is more dependent on convenience than other eCRM features because any inconvenience may have a negative effect on the relationship between company and its customers. In this case,

other eCRM features (i.e. personalization and community) would not result in much customer satisfaction. Customers make the decision on which website they will go to based on their satisfaction which has been drawn by service convenience. Once the customers face any inconvenience in this process, there is a high probability that they will leave.

H6:

The results also indicate the moderate positive effect of customer satisfaction on customer loyalty (H_{6a}). This result corroborates the findings of the previous studies (Chang, 2010, Halimi et al., 2011, and Tong et al. 2012). It implies that the more customers are satisfied with eCRM features of the company's website, the more they are likely to remain loyal to the company. In other words, the increase in relationship satisfaction enhances the customer loyalty. Loyal customers have an intense connection which is a consequence of their faithful behavior to a company and its website by considering the level of satisfaction or other encouraging factors.

Table 1: Hypothesis testing results-General Test

Hypothesis	Significant value (α)	Correlation Coefficient	Result
H1 _a	0.000	Moderate (0.433 ^{**})	H ₀ is rejected
H2 _a	0.000	Weak (0.381 ^{**})	H ₀ is rejected
H3 _a	0.000	Weak (0.381 ^{**})	H ₀ is rejected
H4 _a	0.000	Strong (0.757 ^{**})	H ₀ is rejected
H5 _a	0.000	Moderate (0.502 ^{**})	H ₀ is rejected
H6 _a	0.000	Moderate (0.516 ^{**})	H ₀ is rejected

**Correlation is significant at the 0.01 level (2-tailed).

Company Specific Test

The results of inferential analysis showed that the strength of Pearson Correlation between variables in company-specific test

was slightly different compared with the general test as follows:

Agoda.com:

Based on the results in descriptive statistics of screening data, Agoda is the most popular company in this research which 121 respondents (30.1 %), answered the questionnaire based on. Table 2 illustrates the quality of correlation between variables under study in Agoda.com by using Pearson Correlation method.

Table 2: Hypothesis testing results-Agoda.com

Hypothesis	Significant value (α)	Correlation Coefficient	Result
H1 _a	0.000	Moderate (0.429 ^{**})	H ₀ is rejected
H2 _a	0.000	Weak (0.398 ^{**})	H ₀ is rejected
H3 _a	0.000	Weak (0.371 ^{**})	H ₀ is rejected
H4 _a	0.000	Strong (0.674 ^{**})	H ₀ is rejected
H5 _a	0.000	Moderate (0.549 ^{**})	H ₀ is rejected
H6 _a	0.000	Moderate (0.545 ^{**})	H ₀ is rejected

**Correlation is significant at the 0.01 level (2-tailed).

Personalized services in Agoda.com make customers more loyal through customer satisfaction rather than its direct effect. Services which fulfill each individual customer's needs should naturally be more satisfying than a general service for all customers. Companies' online communities are ideal to provide the main goal of eCRM in a way that connect customers and companies to each other. It is a tool to exchange ideas and lack of a well-built community in the websites may result in less customer satisfaction. Agoda.com conducts a very easy to use and convenient eCRM. It is an important key component to make Agoda's business successful through enhancing customer satisfaction and loyalty. As it was

discussed before, satisfaction of customers is a fundamental antecedent of customer loyalty. Satisfied customers of Agoda, are more motivated to create an account and become a loyal customer in order to get the most advantages offered by this website.

Amazon.com

92 (22.9 %) of the respondents answered the research questionnaire based on their experiences with Amazon website. Table 3 shows the nature of correlation between variables under study in Amazon.com.

Table 3: Hypothesis testing results-Amazon.com

Hypothesis	Significant value (α)	Correlation Coefficient	Result
H1 _a	0.001	Weak (0.352 ^{**})	H ₀ is rejected
H2 _a	0.000	Moderate (0.410 ^{**})	H ₀ is rejected
H3 _a	0.001	Weak (0.346 ^{**})	H ₀ is rejected
H4 _a	0.000	Very Strong (0.850 ^{**})	H ₀ is rejected
H5 _a	0.000	Weak (0.393 ^{**})	H ₀ is rejected
H6 _a	0.001	Weak (0.352 ^{**})	H ₀ is rejected

**Correlation is significant at the 0.01 level (2-tailed).

Although Amazon.com is a successful company in achieving the goal of being the most customer oriented online retailer company, findings of this research shows that personalization in Amazon.com does not necessarily satisfy customers, meanwhile, the moderate correlation between personalization and customer loyalty shows that personalization in this website can encourage customer loyalty directly more than its indirect influence through customer satisfaction. The community of Amazon is one of the greatest communities in online shopping websites. This is a great place where customers can be assisted by the reviews

when they are going to buy products, however, the respondents of this research are more interested in the company's social media such as Facebook. Amazon by collecting customers' data designed a very convenient way to build a close relationship with their customers. The Amazon value proposition of convenience is maintained in all parts of website, which lets Amazon.com reach out to the new markets and strengthen its customer relationships. As mentioned earlier, customer satisfaction is not the key role for customer loyalty and customers may stay loyal because of some other reasons such as high switching cost or lack of substitute (Backhaus and Buschken, 1999). Amazon.com is thoroughly knowledgeable about the value of loyalty, therefore by focusing more on this matter and by means of eCRM features and the user's needs they have been trying hard to achieve the goal of loyalty.

eBay.com

eBay is the third most popular company among respondents with 89 participants or 22.1%. The correlations' characteristics among variables are shown in table 4.

Table 4: Hypothesis testing results-eBay.com

Hypothesis	Significant value (α)	Correlation Coefficient	Result
H1 _a	0.000	Moderate (0.551 ^{**})	H ₀ is rejected
H2 _a	0.002	Weak (0.320 ^{**})	H ₀ is rejected
H3 _a	0.000	Strong (0.694 ^{**})	H ₀ is rejected
H4 _a	0.000	Very Strong (0.809 ^{**})	H ₀ is rejected
H5 _a	0.000	Strong (0.647 ^{**})	H ₀ is rejected
H6 _a	0.000	Strong (0.655 ^{**})	H ₀ is rejected

**Correlation is significant at the 0.01 level (2-tailed).

eBay as one of the most popular online retailers has an effective personalization strategy. When a user buys a specific number of auctions, eBay will suppose that it has enough data to estimate user's auction preferences. Enhanced personalization feature of eBay.com leads to customer loyalty; however, due to a strong association between satisfaction and loyalty in this website, it can be deduced that customer loyalty is more dependent on the satisfaction obtained from eCRM features. In accordance with the results of this study, the community of eBay strongly links with customer satisfaction. It improves the website functionality by means of gathering valuable customer's data towards providing more relevant personalized services to satisfy customers' needs. This website has been successful to provide the users with a very convenient access to the most relevant search results and recommendations through the in-depth knowledge of customers' needs and expectations which consequently leads to satisfaction and loyalty. Strong correlation between satisfaction and loyalty in eBay.com shows that cumulative satisfaction derived from eCRM features under this study plays a mediating role in the correlation between eCRM features (i.e. personalization, community and convenience) and customer loyalty.

5. Conclusions and Recommendations

This research provides organizations with a better comprehension of their customers and assists them in developing excellent eCRM strategies which can make an efficient relationship with their customers and serve them on the internet more effectively.

According to the results of this study, the correlation between personalization and customer satisfaction in all tests except Amazon.com is moderate; however there is a weak relationship between personalization and customer satisfaction in Amazon.com. It presents that,

respondents in both general and company specific tests were agreed that regardless of the companies' business models and other factors, personalization has a significant moderate effect on customer satisfaction. This result emphasizes the importance of conducting personalization in eCRM programs of companies. And a possible explanation for the weak relationship between personalization and customer satisfaction in Amazon.com might be a high expectation of the respondents from a most popular online retailer such as Amazon.com, and it does not mean personalization feature in Amazon.com is not beneficial for users but it shows that the respondents valued this feature and expect a very high quality of personalization from this popular company.

With regard to the correlation between personalization and customer loyalty, the results show that the correlation between personalization and customer loyalty in Amazon.com is moderate, while in the general test, Agoda.com and eBay.com, there is a weak relationship between these two factors. This result proves that Amazon.com is the leading online retailer in personalization field since the respondents probably believed that they could not find such a professional performance of personalization in other e-retailers.

Considering the variable of community, it has a weak impact on customer satisfaction in general test, Agoda and Amazon; however there is a strong relationship between community and customer satisfaction in eBay.com. As it was mentioned before, a possible explanation for this result can be the recent changes in eBay.com that positioned it as a leading company in terms of community.

The variable of convenience is the most influential feature of eCRM in this study. According to the results, the correlation

between convenience and customer satisfaction in general test and Agoda is strong, and this correlation in Amazon and eBay is a very strong. The Pearson Correlation between convenience and customer loyalty in general test and Agoda is moderate, and with only a bit difference the correlation between these two variables in Amazon is considered weak, however this correlation in eBay is strong. The significant correlations between convenience and customer satisfaction as well as convenience and customer loyalty lead the researcher to come up with a conclusion that the variable of convenience is the most crucial factor in eCRM to maintain customer satisfaction and loyalty.

And finally concerning the influence of customer satisfaction on customer loyalty, the results reveal that there is a moderate association between customer satisfaction and loyalty in general test and Agoda.com; and the correlation between these two variables in eBay.com is strong; while this correlation in Amazon.com is weak that it might be because of the respondents' high expectation from this website. Therefore, it can be concluded that, satisfaction has a vital role in customer retention and accordingly businesses can get more benefit from loyal customers as a result of satisfied customers. As it has been previously discussed, improving of eCRM features (i.e. personalization, convenience and community) by e-retailers can maximize customer satisfaction and in turn customer loyalty.

It is worth mentioning that Amazon and eBay as online shopping websites can get the advantages of both pure-play and click to brick businesses. Any kind of customers can find their needs in these websites; therefore because of high customer transactions, these websites are more experienced in managing customer relationship and finding the most

influential factors in order to make their customers more satisfied. eBay.com puts lots of efforts recently to use their experiences and skills to provide their customers with new features and services which are more acceptable and satisfactory for the customers.

However, Agoda as an online hotel booking website, do not offer variety of product and services, therefore, it caused in less customers transaction compared with Amazon and eBay, although it is still one of the leading company in this industry.

- Recommendations

Findings of this study showed that eCRM features affect customer loyalty indirectly (through customer satisfaction) more than their direct effect. Therefore, a well-integrated process of eCRM will not be effective in building loyalty, unless web-enabled organizations fully understand the drivers of satisfaction.

In order to draw customer loyalty through satisfaction, a solid strategy has to be developed and organizations must apply eCRM features in order to enhance the advantages of eCRM and help to minimize its drawbacks. In accordance with the present results, the followings are the recommendations to overcome the weaknesses observed and strengthen eCRM features to draw maximum customer satisfaction and in turn customer loyalty.

Regarding personalization as one of the most significant eCRM features, most of the respondents valued the company's website that personalizes the products/services for them based on their personal preferences. However the respondents did not strongly agree that they feel like a unique customer. In order to build a close relationship with users, personalization agents have to offer

personalized services for the purpose of providing empathic responses to the users, through sociability, personalized interface, and personalized recommendation. According to the social response theory, if personalization agent possesses human-like attributes or social cues, such as language (written or spoken communication), politeness, and interactivity, the users will respond to personalization agent in a way that is similar to human-human interaction and easily perceive the service offered by personalization agent as an empathic response (Wang, Baker, Wagner, and Wakefield, 2007) and in turn the user can feel as a unique customer. For example, a greeting message “Hi Angela, how are you?” would show caring to the users. In addition, personalization agent can enable users to experience intimate interaction by providing services through personalized interface, such as showing the user’s name on the screen, reorganizing menu based on the user’s browsing habit, and summarizing the information relevant to the user. Finally, the content can also be personalized. For example, books recommended to one customer are very different from those recommended to another at Amazon.com. This personalized content is a core element in personalization. A recommendation agent that offers content (e.g., advertising) tailored to the users’ needs based on their preferences could express understanding and caring to the users. By offering these personalization strategies, organizations can offer more personalized services based on customer preferences and draw more customer satisfaction and loyalty.

In regard to the factor of community, respondents’ answers indicated that they do not participate in the discussions in companies’ forums as active members; meanwhile, they agreed that they will obtain useful information from company through social media. Moreover since the

respondents were mostly between 18-24 years old, it can be concluded that this age group are more interested in social media websites rather than companies’ forums. Based on these results, the researcher would like to recommend companies to apply their communities through social media such as Facebook and Twitter in order to draw more customer satisfaction and loyalty.

Companies should provide their customers with clear and enlightened information about their communities and its benefits. In addition, organizations should try to find a way to attract customers to participate actively in their eCRM communities and then take the advantages of communities. For example as the findings of this study showed that convenience had the most impact on customer satisfaction, therefore creating a convenient community with clear instructions, or providing loyalty programs via communities may help in attracting customers to companies’ communities and draw more customer satisfaction.

Concerning the variable of convenience, most of the respondents agreed with “companies’ websites provide easy-to-follow instruction on how to use their services”, however, they agreed less that “companies’ websites provide timely information about their products and services availability”, therefore companies should fill this gap by providing more timely information about their products and services.

Convenience is a multidimensional aspect and organizations should keep it in mind while they want to offer other features of eCRM. For example convenient personalized services attract customer satisfaction more than just personalization services which may be inconvenient for customer to use and make them leave the company. Therefore, convenience is the

most critical eCRM factor that web-enabled organizations should invest in to keep their customers satisfied.

Based on the mean of satisfaction questions, the lowest average means were “Satisfaction with the company’s experience of CRM programs” and “satisfaction of the relationship with the company”. These results indicated that companies should put more effort in their eCRM knowledge and skills and get more experience in order to implement eCRM features more effectively and build a close relationship with their customers. In other words, in conformity with the recommendations of this study applying proper strategies of personalization, community and convenience can influence customer loyalty dramatically through satisfaction in a buyer-seller relationship.

References:

- Anderson, E.W., and Sullivan, M.W., (1993), The antecedents and consequences of customer satisfaction for firms, *Marketing Science*, 12(2), 125-43.
- Anderson, F. and Lehmann, D., (1994), Customer Satisfaction, Market Share, and Profitability: Findings from Sweden, *Journal of Marketing*, 58(3), 53-66.
- Anderson, R. E., and Srinivasan, S. S., (2003), *E-satisfaction and E-loyalty: a Contingency Framework*, *Psychology & Marketing*, 20(2), 123-138.
- Apicella, M. (2001), *Solid CRM is difficult, but not impossible*, in *Info World*. 55-56.
- Backhaus, K., and Buschken, J., (1999), The paradox of Unsatisfying but Stable Relationship a look at German Car Suppliers, *Journal of Business Research*, 46, 245-257.
- Chang, K. C., Chen, M. C., Hsu, C. L., and Kuo, N. T., (2010), The effect of service convenience on post-purchasing behaviors, *Industrial Management & Data Systems*, 110(9), 1420 - 1443.
- Corstjens, M., and Lai, R., (2000), Building Store Loyalty through Store Brands, *Journal of Market Research, American Marketing Society*, 37(3).
- Darrell, K.R., Frederick, F.R., Phil, S., (2002), Avoid the four perils of CRM, *Harvard Business Review*, 80(2), 101-109.
- Feinberg, R. and Kadam.(2002), E-CRM Web service attributes as determinants of customer satisfaction with retail Web sites, *International Journal of Service Industry Management*, 13 (5, 2002. A144), 432-451.
- Gebert, H., Geib, M., Kolbe, L., and Riempp, G., (2002), Towards Customer Knowledge Management: Integrating Customer Relationship Management and Knowledge Management Concepts, *The Second International Conference on Electronic Business Taipei*, Taiwan.
- Halimi, A. B., Chavosh, A., and Choshali, S. H. (2011), The Influence of Relationship Marketing Tactics on Customer’s Loyalty in B2C Relationship – the Role of Communication and Personalization, *European Journal of Economics, Finance and Administrative Sciences*, 31, 49–56.
- Jackson, T. W., (2005), CRM from art to science, *Database Marketing & Customer Strategy Management*, 13(1), 76 – 92 .
- Jolley, B., Mizerski, R., and Doina, O., (2006), How Habit and Satisfaction Affects Player Retention for Online Gambling, *Journal of Business Research*, 59, 770–777.

- Keller, K.L., (1993), Conceptualizing, measuring and managing customer-based brand equity, *Journal of Marketing*, 57, 1-22.
- Khalifa, M., and Liu, V., (2004), Satisfaction with web-based communities, *IADIS International Conference Web Based Communities*, 262-269.
- Kotler, P., (1997), *Marketing Management: Analysis, Planning, Implementation, and Control*, Prentice-Hall, Engelwood Cliffs, NJ.
- Lee, S. F., and Jih, W. J., (2010), Effects of e-CRM Value Perceptions on Website Loyalty: An Empirical Investigation from Customer Perspective, *International Journal of E-Business Research (IJEER)*, 6(3), 1-14.
- Liu, H.Y., (2007), Development of a Framework for Customer Relationship Management (CRM) in the Banking Industry, *International Journal of Management*, 15-32.
- Melymuka, K. (2002), *You can avoid CRM's pitfalls*, in Computerworld.
- Miremadi, A., Khaligh, A. A., and Aminilari, A., (2012), The Impact of eCRM on Loyalty and Retention of Customers in Iranian Telecommunication Sector, *International Journal of Business and Management*, 7(2), 150-162.
- Montgomery, A.L., and Smith, M.D. (2009), Prospects for personalization on the Internet, *Journal of Interactive Marketing*, 23(2), 130-137.
- Oliver, R. L., (1997), *Satisfaction: A Behavioral Perspective on the Consumer*, The McGraw-Hill Companies Inc., New York, 1st edition.
- Peppers, D., and Rogers, M., (1997), *Enterprise one-to-one: Tools for competing in the interactive age*. NY: Currency Double Day.
- Reichheld, F.F. and Sasser, W.E. (1990), Zero defections: quality comes to service, *Harvard Business Review*, 68 (5), 105.
- Richards, K., and Jones, E., (2008), Customer relationship management: Finding value drivers, *Industrial Marketing Management*, 37 (2), 120-130.
- Rosenbaum, H., and Huang, B.Y., (2002), A framework for web-based ecommerce customer relationship management, *Research in progress in proceedings of the 8th AMCIS Conference*.
- Scullin, S., Allora, J., Lloyd, G. O., and Fjermestad, J. (2002), Electronic customer relationship management: benefits, considerations, pitfalls and trends, *In Proceedings of the IS One World Conference*, Las Vegas, Nevada, 3-5.
- Srivastava, R. K., Han, J. K., and Kim, N., (1998), Market orientation and organizational performance: Is innovation a missing link?, *Journal of Marketing*, 62, 30-45.
- Szymanski, D. M., and Hise, R. T., (2000), e-Satisfaction: *An Initial Examination*, *Journal of Retailing*, 76(3), 309-322.
- Tong, C., Wong, S. K., and Lui, K. P. (2012), The Influences of Service Personalization, Customer Satisfaction and Switching Costs on E-Loyalty, *International Journal of Economics and Finance*, 4(3), 105-114.
- Tseng, Yi Ming, (2007), The Impacts of Relationship Marketing Tactics on Relationship Quality in Service Industry, *The Business Review*, Cambridge, 7(2), 310-314.

Wang, C., Baker, L., Wagner, J. A., and Wakefield, K. (2007). Can a Retail Web Site Be Social?, *Journal of Marketing* (71), 143-157.

Winer, R. S. (2001), A framework for customer relationship management, *California Management Review*, 43(4), 89–105.

Websites:

Peshwe, A. G., and Kothari, P. P., (2012), E-CRM: New Dimension in the Process of Customer Management, *Indian Streams Research Journal*, 2(7), Available at: <http://www.isrj.net/PublishArticles/1175.aspx>, [Accessed June 2012].

AU-GSB e-Journal

Appendix 1. The Analysis of Demographic Factors by Using Frequency and Percentage

		Frequency	Percent
Nationality	Thai	281	69.9
	Chinese	27	6.7
	Myanmar	25	6.2
	Bhutanese	10	2.5
	Other	59	14.7
Gender	Male	170	42.3
	Female	232	57.7
Age Category	18-24	228	56.7
	25-29	131	32.6
	30-34	28	7.0
	35-39	6	1.5
	40-44	5	1.2
	45-49	2	.5
	50 or above	2	.5
Educational Level	Undergraduate	155	38.6
	Graduate	216	53.7
	Post-graduate	31	7.7
Monthly Income	< THB* 10,000	118	29.4
	THB 10,000 – THB 20,000	175	43.5
	THB 20,001 – THB 30,000	61	15.2
	THB 30,001 – THB 40,000	19	4.7
	>THB 40,000	29	7.2

* 1 ฿ = ± 0.033 \$

Appendix 2. The Analysis of Screening Data by Using Frequency and Percentage

	Frequency	Percent
Agoda	121	30.1%
Amazon	92	22.9%
eBay	89	22.1%
Ensogo	33	8.2%
Weloveshopping	10	2.5%
Other	57	14.2%
Total	402	100.0%

Appendix 3. Descriptive Statistics of variables

	Questions	N	Min	Max	\bar{x}	s
Personalization	1: Value the personalization based on personal preferences.	402	2	5	3.73	.771
	2: Feeling like a unique customer.	402	1	5	3.33	.895
	3: Value the personalization based on voluntarily given information.	402	1	5	3.53	.814
	4: Value the tailored advertisements and promotions based on personal preferences.	402	1	5	3.60	.815
	5: Make recommendations that match needs.	402	2	5	3.67	.803
Convenience	6: Easy-to-follow instructions.	402	1	5	3.83	.839
	7: Clear and well-organized products/services categories.	402	1	5	3.80	.756
	8: Convenience site map.	402	1	5	3.70	.781
	9: Easy to contact the company.	402	1	5	3.75	.821
	10: Timely information about products/services availability.	402	1	5	3.64	.888
	11: Get the benefits of the services with minimal effort.	402	1	5	3.69	.829
	12: Appropriate time required to receive the benefits of the services.	402	1	5	3.65	.808
	13: Convenient to shop.	402	1	5	3.78	.843
	14: Save time.	402	1	5	3.82	.873
	15: Easy to track the shipping and delivery.	402	1	5	3.71	.884
Community	16: Share experiences online with other customers.	402	1	5	3.42	.853
	17: Useful for gathering products/services information.	402	1	5	3.52	.755
	18: Get benefit from the community.	402	1	5	3.32	.870
	19: Encourage to express opinions and comments.	402	1	5	3.49	.784
	20: Closely connected with other customers.	402	1	5	3.26	.942
	21: Participation in the discussions on forum.	402	1	5	3.22	1.048
	22: Information through social media.	402	1	5	3.57	.945
Customer Satisfaction	23: Satisfaction with the customer relationship performance.	402	2	5	3.64	.668
	24: Satisfaction with the company's experience of CRM programs.	402	1	5	3.62	.765
	25: Overall service satisfaction.	402	2	5	3.65	.769
	26: Relationship satisfaction.	402	1	5	3.62	.775
	27: Satisfaction with the purchases made at the company's website.	402	1	5	3.68	.807
Customer Loyalty	28: Recommend this company's website.	402	1	5	3.68	.796
	29: Seldom consider switching to another company's website.	402	1	5	3.43	.833
	30: This company's website is the best retail website to do business with.	402	1	5	3.46	.802
	31: Continue using.	402	2	5	3.69	.734
	32: Strong likelihood to shop from this company's website again.	402	1	5	3.63	.823