Customer Loyalty and Electronic Loyalty

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ABSTRACT

Due to the growth and diversity of e-commerce technologies, the increase in the number of virtual stores has increased the importance of the factors that make customers want to buy e-commerce and feel satisfied doing so. In this regard, the first step to create electronic loyalty is to identify the factors and drivers that create loyalty among customers. The purpose of this study is to investigate the factors affecting brand loyalty and program loyalty for customers of digital goods in the online store.

Keywords: E-loyalty, E-commerce, Online loyalty, Brand loyalty

Introduction

Loyalty is basically two-way and based on cooperation. In most cases, loyalty is attributed to people, companies and products. But when it comes to customer loyalty, the traditional definition is not valid. The theory of customer loyalty is relatively new in the sales and marketing literature.

The concept of customer loyalty can be defined as: Creating a deep commitment to repurchase or re-select a product or service, continuously in the future despite the fact that situational influences and competitors' marketing efforts could not potentially change customer behavior.

Loyalty is the existence of a positive attitude towards a phenomenon (brand, service, shop, or vendor) and its supportive behavior, but there is also a more complete definition of loyalty as proposed by Oliver [1]. Loyalty refers to a strong commitment to repurchase a superior product or service in the future. So that the same brand or product is purchased despite the effects and potential marketing efforts of competitors. Customer loyalty is a significant factor in business success in any organization. There is no guarantee that satisfied customers will buy from the company again. For this reason, it has become clear today that customer loyalty is significantly more important to a company's business success than customer satisfaction. Loyal customers offer amazing marketing power through word of mouth advertising and recommending the company's goods and services to other acquaintances. Loyal customers have many benefits, including improving the profitability of various companies, reducing marketing costs, increasing company sales, low price sensitivity of customers, and so on. Some researchers have defined loyalty solely in terms of the behaviors observed [2].

Loyalty is the degree to which a consumer exhibits repetitive buying behavior. In recent years, research on the recognition of factors that affect customer satisfaction and loyalty has expanded. In most cases, customer loyalty is critical to the success of business organizations. Because usually attracting new customers is more expensive than retaining existing customers. Loyal customers tend to continue their purchases from priority sellers. This means that loyal customers, as they climb the ladder of loyalty, not only buy more from organizations, but also tend to trade by increasing the number of goods and services purchased [3].

Loyalty to the organization is the ultimate goal of a company that has a specific product or service. The customer's preference or preference for buying a particular brand on a product shelf is called brand loyalty. At the beginning, customers make a test purchase of a product or service with a special brand, and after being satisfied with it, they want to repeat and continue buying the same brand or brand because they are familiar and confident with that product or service [4]. Loyal customers contribute to the performance of an organization in different ways; Lower costs and rumors are among the reasons for building loyal customers. Loyal customers traditionally refer to those who have a consistent shopping behavior [5].

It is now clear that customer loyalty is significantly more important than customer satisfaction in the

success of a company's business. Loyal customers provide amazing marketing power through word of mouth advertising and recommending the company's goods and services to other acquaintances [6]. Customer loyalty to repeat purchases (Behavioral loyalty) and (gossip advertising) attitudinal loyalty are separable [7].

Online Loyalty

Loyalty to online stores is inferred from brand loyalty to tangible goods. When there is no commitment of the store, the consumer will remain falsely loyal to the visit or the shopping behavior, or the consumer will "repeat the visit behavior by force. All definitions show that customer commitment is a prerequisite for loyalty to the store. Researchers believe that customer loyalty to online stores is the key to long-term profitability in B2B and B2C exchanges in e-commerce. Although the main concepts of online customer loyalty are not very different from traditional customer loyalty to brands, Which is discussed below. This model was developed by Tsai and Huang [8] and includes the following dimensions:

1. Competitive Equality: In the concept of online shopping, consumers may never have complete information about the quality of goods and the comprehensiveness of e-sellers. In addition, because they are not excellent information processors, they often rigorously evaluate their position in the industry in front of online vendors. When consumers are unable to discern the internal quality of products, they turn to social indicators of the value of communication exchanges, such as the position of online retailers or prestige in the industry; And when it comes to exchanging with an online retailer that creates good competitive parity, the consumer expects a good result from the exchange.

2. Telecommunication Investment: The definition of telecommunications investment reflects the awareness of consumers that a change in purchases from online stores will cause them significant involvement in changing costs in the form of an affiliation. For example, the time and effort required to become familiar with an online store may not be transferred to other online stores.

3. Overall Satisfaction: Overall satisfaction is an effective, detailed conclusion from the overall evaluation of vendors' performance with respect to all previous purchases and consumer experiences. Overall satisfaction reflects the integrated understanding of online consumers of a central service from an online vendor or provider of goods.

4. Perceived Sensitive Mass: Perceived sensitive mass represents the degree to which consumers perceive that many of their purchases in other online stores exceed their threshold. It may be difficult for the consumer to measure the actual sensitive mass in relation to a particular store.

5. Warranty: An executive warranty covers deficiencies and replaceable parts of a product for a long period of time (perhaps one year). In essence, a content-based guarantee policy reflects the goodwill of online retailers and the understanding and acceptance of a long-term approach to communications, thereby establishing a good reputation for the online retailer that should strengthen the understanding of competitive equality.

Electronic Loyalty's Classification Based on Oliver's Studie

This division is modeled on Oliver's study which states that in order to be loyal to a service provider, customers go through four consecutive stages of perceptual, emotional, willingness to act and finally behavioral stage [9].

In this model, the quality of customer relations, satisfaction, supplier change costs as effective factors of electronic branding and quality variables are divided into categories of service ordering, interactionism, convenience and design:

Ordering

The ability of a supplier and e-shop to provide a specific product, service, and exchange environment for each customer is called ordering. From the customer's point of view, ordering increases the power of choice and the supplier emphasizes the real needs of the customer. Among these, the most important marketing goal one by one can be ordering products. This type of marketing, which is considered a subset of relationship marketing, is based on the idea of treating different customers differently, because the company must be able to change products or their delivery method based on the individual needs of their customers. Continuous and constant interaction with customers is a one-to-one marketing feature [10].

Interactionism

The accessibility and efficiency of customer support tools on a website and the degree of its potential for building two-way relationships with customers is called interactionism. Researchers say that interactionism affects Internet users when gathering the information they need, which can greatly increase the success of websites in retaining customers.

Ease

Srinivasan et al. [11] define the degree of simplicity and user-friendliness of a website as easy for users to see. The idea is on the website, so a comfortable website should be easy to navigate, fast to exchange, and engaging with minimal customer effort.

Designing

Website design and graphic features naturally affect customers' first encounter. These features include images, text, colors, logos, themes and slogans [10].

E-Loyalty Dimensions

Loyalty can be viewed in terms of two dimensions: attitude and behavior [12]. Rather and Hollebeek [13] stated there were three dimensions of loyalty: attitude, behavior, and a combination of attitude and behavior. Moreover, loyalty has been described as cognitive, affective, conative, and active [14, 15]. The diversity of the traditional loyalty scales leads to diversity in e-loyalty. Valvi and West [16] mentioned a one-dimensional scale for e-loyalty, called loyalty with a positive attitude. Kaya et al. [17] used the behavior intention dimension of attitudinal loyalty, and Alonso-Dos-Santos et al. [18] recommended using intentional loyalty to measure e-loyalty.

Brand loyalty is the preferred response, attitude, and behavior of customers concerning certain brands in a product group. Loyalty is a biased buying process that begins with a consumer's psychology, which creates a favorable attitude toward repeated shopping [19, 20]. Loyalty is an absolute commitment that a customer will continue to buy or be interested in a product/service in the future, resulting in subsequent purchases of the same brand or its affiliates, despite any competitors' advertising strategies [21]. Electronic loyalty (hereafter, e-loyalty) is an extension of brand loyalty from traditional to online products/services [22]. E-loyalty is determined explicitly by customers' favorable attitudes toward online businesses, resulting in repurchasing behavior on their websites or through shopping apps [23]. Reichheld and Schefter [24] studied the purchasing patterns on leading electronic commerce sites and found that e-loyalty and brand loyalty (in the traditional outlets) are similar. The definition of e-loyalty comes from the classical customer behavior theory and is a combination of behavior and attitude [25].

The importance of developing e-loyalty of online shoppers has been stressed by most previous researchers to ensure profitable customer relationship. E-Loyalty is important from marketing point of view since the cost of getting new customers was noticeably higher than the cost of retaining the existing ones [26]. In fact, the successful online business ventures from the unsuccessful ones can be discerned by the repeat purchases from loyal customers. Online shoppers" loyalty deals with customer's real repurchase behaviour and it is defined as the favourable attitude of a customer towards an electronic business resulting in repeat purchase behaviour [27].

Yang & Tsai [8] proposed that first choice, positive comments and encourages someone surfing on the website will determine the loyalty of customers in online shopping in B2C market. In addition, like to use the website, recommendation, purchase intention, care about the website and best retail website will determine the e-loyalty of customers [28]. In conclusion, first choice, positive comments, encourages someone surfing on the website, like to use the website, recommendation, purchase intention, care about the website and best retail website are items that should be considered when measuring e-loyalty of online shoppers.

In research into the mechanism to create customer loyalty, Srivastava and Rai [29] defined three characteristics of customer loyalty: preference, patronage, and premium. The preference is made up of repurchase intentions, switching resistance, and exclusive purchases; patronage includes strong preferences, the willingness to recommend, and altruism; finally, the premium can be measured by price insensitivity, exclusivity, and identification. This result can be seen as the antecedent for further loyalty research, which shows that e-loyalty should be studied as a multidimensional concept to gain a clear meaning of loyalty.

Conclusion

Researchers believe that without the "loyalty", the implementation and application of the best strategies and technologies of e-commerce will not be effective. By reviewing and analyzing scientific and practical solutions to improve e-loyalty, a very important step can be taken in making customers loyal to e-shops. In this regard, the first step to create electronic loyalty is to identify the factors and drivers that create loyalty among customers. In this study, due to the increase in online shopping by customers, the factors affecting customer loyalty were examined.

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