Preface

In the information age, it seems that the application of information technology is an indispensable tendency for the evolution of organizations in 21st century. However, building customer trust through Information Communication Technologies presents a challenge in both developed and developing countries and is a topic of increasing interest and importance. Trust is regarded as one of the most important prerequisites for the success of Electronic Commerce in general. Thus, it is essential to understand how trust is created and how it evolves through Information Communication Technologies.

Scholars and practitioners widely acknowledge trust’s importance. It is a key to positive interpersonal relationships in various settings e.g., (Fox, 1974; Lewise & Weigert, 1985) because it is central to how we interact with others e.g., (Golembiewski & McConkie, 1975; Berscheid & Meyers, 1996). Similarly, practitioners acknowledge the importance of trust as much as do scholars e.g., (Bartlett & Ghoshal, 1995; Covey, 1989; Peters, 1992). Because trust is considered so vital, it has been studied extensively in many social science research disciplines e.g., (Golembiewski & McConkie, 1975; Kramer, 1994; Kramer & Tyler, 1996). Scientific study should, over time, lead to some level of consensus on a topic (Kuhn, 1962). But while agreement is rising concerning the positive effects of trust e.g., (Kramer & Tyler, 1996), little consensus has formed on what trust means (Kee & Knox, 1970; Yamagishi & Yamagishi, 1994). Rather, significantly diverse definitions of trust continue to be used in the interdisciplinary research literature, ranging from a personality trait e.g., (Rotter, 1980) to a structural phenomenon. Such conceptual diversity is primarily driven by empirical studies that typically define trust in specific, narrow ways. It is believed that research has too often proceeded without the help of solid, a priori conceptualization. Hence, (Wrightsman, 1991) commented: “...the general concept of trust deserves much more theoretical analysis.

On the other hand, loyal customers are crucial to business survival, especially in an electronic commerce context (Reichheld & Schefter, 2000). Creating online customers is costly and competitors are just a mouse click away. Therefore, customer loyalty plays a critical role in the information age. However, few companies have succeeded to create loyalty, and little research has been done to reveal the mechanisms involved in generating online customer loyalty. In traditional service research, as well as in emerging research on e-services (Van Riel et al., 2004; Wolfinbarger, 2001), several antecedents of customer loyalty have been proposed. Among those, satisfaction figures prominently, and is thought to be attributable to customer evaluations of service and resulting quality perceptions. Next to satisfaction, trust has been brought forward as a precondition for patronage behavior. In ‘on-line’ transitions trust generally decreases the perceived risk and uncertainties of using a service since e-customers do not deal directly with the company or its staff, therefore it is a condition for exchange. The role of trust could be even more important, since it is believed to increase online customer loyalty. Having such importance of trust, however, empirical confirmations are scarce.
Some relationships have been proposed between trust, satisfaction and loyalty in an online context (Reichheld & Chefeur, 2000).

Whitman, CEO of the largest e-auction website – eBay, reports, “Loyalty is the primary ingredients in eBay’s secret sauce.” Web-savvy leaders know that loyalty is an economic necessity. Acquiring customers in Internet is enormously, and unless the customers stick around and make lots of repeat purchases over the year, profits will remain elusive. And they know its competitive necessity; in every industry, some companies will figure out how to harness the creative potential of the Web to create exceptional value for customers, and that company will lock in many profitable relationships at the expense of slow-footed rivals. Without the glue of loyalty, even the best e-business model will collapse.

Finally, satisfaction is the consumer’s fulfillment response (Taylor & Hunter 2002). In the online environment, satisfaction may also be driven by consumer benefits in using self-service technologies. These benefits include convenience, saving time and money, avoiding interpersonal interaction, and being in control (Brown & Chin 2004, Szymanski & Hise 2000, Reichheld & Schefeur 2000). On the other hand, Szymanski and Hise (2000) refer to the importance of e-satisfaction in technology-mediated relationship. They suggest that the conceptual domain of e-satisfaction appears similar to that understood from the general marketing literature.

This collection, Managing Customer Trust, Satisfaction, and Loyalty through Information Communication Technologies, highlights recent trends and advancements as they impact the way companies can manage customer trust, satisfaction and loyalty in an ever-changing age. The aim is to provide broad international coverage of subjects relating to the different dimensions. Emphasis is placed on the publication of articles which seek to link theory with application or critically analyse real-life situations with the objective of identifying good practice in the implementation of Information Communication Technologies. This book contains a group of papers discussing a range of issues dealing with Customer Trust, Satisfaction and Loyalty. Below is a brief overview of the chapters that appear in this book.

Chapter 1 of this book discusses the nature of trust and satisfaction that existed between service providers (large organizations) and a network of forty-seven distributors (small organizations) within Kuwaiti telecommunications sector. Data was collected using a questionnaire based survey involving a convenience sample of 209 respondents representing 47 distributor outlets. The results showed that the Kuwaiti telecommunications sector asymmetric relationship network was largely driven by cognitive input of trust i.e. technical competency was favored over affective input. Furthermore there was a significant relationship between cognitive input and long-term satisfaction disposition (LSD) and control input (i.e. use of power) and LSD. This indicated that trust, although favored, was not a condition for establishing long-term satisfaction within asymmetric business relationships. Finally the influence of wasa (i.e. favoritism) and control input on trust were found to be insignificant.

Chapter 2 tries to establish if using the comment card provides a reliable form of feedback regarding customer satisfaction in hotels. This exploratory study was conducted at the Jumeirah Beach Hotel-Dubai, UAE. This paper directs the focus to consider the comment cards as an important feedback mechanism to measure customer satisfaction and argues that it is an effective instrument to strengthen relationships. Literature reviewed suggests that comment cards aren’t scientific or secure. Only happy or unhappy guests participate in these surveys, which can lead to extreme or misleading results. Employees have been known to screen comment cards if they don’t like the evaluations or selectively hand in comment cards to guests whom they think are likely to give a favourable response. Doubtful scoring techniques reward employees for getting more guests to respond as it results in higher satisfaction scores.
Chapter 3 of this book discusses the role of environmental strategy in reinforcing the impact of green managerial practices on achieving competitive advantages of fertilizer companies in Egypt. This study attempts to fill this research gap and is conducted on a sample of 450 workers in 10 fertilizer companies. The results show that green managerial practices have strong effects on competitive advantages in the presence of proactive environmental strategies more than moderating reactive environmental strategies. In the light of results, study introduced many questions have to be answered in future research such as: does the effect of green managerial practices to achieve competitive advantages differ in the presence of flexibility in government regulations than in the strict application of those laws? And what is the effect of ISO14001 adoption’s time on the relationship between Green Managerial Practices and Competitive Advantages?

Chapter 4 of this book reviews the previous efforts which tend to introduce the Internet and computer networks into public administration actions. The purpose of the discussion is examining and evaluating for a full comprehension of the contributions made towards governmental electronic services. Subsequently, the paper proposes a conceptual framework for explaining the main barriers and drivers of public e-service development, and the relationships among them especially in the developing countries environment. The framework aims to increase the chance of success of e-service projects in developing countries governments and provides a basic context within which the process and practice of e-service can be implemented successfully.

Chapter 5 makes a contribution towards the engagement and expertise of hotels in handling customer complaints. This is of considerable interest to both practitioners and academics within the field of hospitality management. The study explores the hotel management’s attitudes and practices towards handling customer complaints within the hospitality industry in Scotland. This is undertaken through presenting an analysis of case study interviews with four and five star hotel managers in Scotland. The findings reveal that encouraging customer complaints and feedback should be seen as a way in which to develop a better relationship with customers and retain them. Also, the results confirm the importance of having employee training on the area of customer complaint and recommends empowering employees to handle complaints themselves. Furthermore, the study suggests that hotels need to be well equipped further for logging, processing and analyzing complaints. Management implications and areas for further research are discussed.

Chapter 6 compares marketing practices and client management approaches in Professional Service Organizations (PSOs) between those utilizing and those not utilizing a CRM system. The building industry is used as a case study. First, the paper introduces the CRM concept, describing its significance to the building industry. Second, it presents the methodology and findings from an exploratory research investigation. Third, it presents a framework for CRM applications in PSOs. Finally, it highlights a future research agenda tempered by some limitations of the research study.

Chapter 7 examines the role of psychological mediators in consumers’ use of persuasion knowledge, as theorized by Friestad & Wright in 1994. Given the lack of empirical testing of the construct, this largely exploratory study served two purposes; 1) to find structure (e.g. factors) within the various psychological mediators, and 2) to test the ability of these processes to mediate the relationship between persuasion tactics and persuasion outcomes, as theorized by Friestad & Wright (1994). The results found 4 dimensions: affect, self-concepts, preferences, and cognition. Empirical evidence was found supporting the ability of these processes to in fact mediate the relationship between tactics and outcomes.

Chapter 8 of this book examines the MBA student attitudes toward sales as a potential profession by examining responses from students enrolled in MBA programs in the U.S. and in the U.K. Findings sug-
gest that while U.S. students may not be positively predisposed to sales, as a career, their attitudes toward sales are generally significantly more positive than were the attitudes of U.K. students. The prevalence of negative attitudes from all students included in the study suggests that significant remedial information needs to be provided to MBA students as it relates to the true nature of a sales career. It was suggested that for sales to be included as a viable career option, both companies and educators need to work on correcting student misperceptions.

Chapter 9 suggests a novel success framework for customer relationship management (CRM) based on a conceptual implementation model to identify associated critical factors and their contribution to overall success/failure. Fuzzy analytic network process (FANP) is applied to identify relative importance of each factor in successful implementation of each stage and the CRM initiative as a unified process. The results illustrate that CRM goals, change management, customer knowledge management, and top management support are the most critical factors for successful implementation of CRM projects within Iranian business context. The proposed success framework provides valuable insight into the CRM implementation process and its critical success factors (CSFs). It can be also applied as a practical assessment tool that provides a pre-evaluation of the overall success of the CRM implementation project and helps identifying areas of weakness that negatively affect successful implementation of each stage of CRM initiative.

Chapter 10 of this book explores the dimensionality of customer-perceived service quality in the context of the turbulent, rapidly changing post-liberalization banking industry in India and the influence of these dimensions on customers’ behavioural intentions. The results should help to measure, control, and improve customer perceived service quality and be useful for retail bank managers as well as service management academics and practitioners.

Chapter 11 assesses the extent of supplier integration in automotive organisations and to identify what barriers still exist. An exploratory Europe wide survey was conducted and 31 usable returns from automotive organisations spread across the EU. The survey confirmed the increasing importance of supplier integration in the automotive industry however the practice varies from organisation to organisation. They also indicate that most automobile manufacturers are engaged in functional rather than strategic supplier integration indicating that the supplier integration is not yet fully developed, but progress in the first tier of suppliers is becoming common.

Chapter 12 introduces the Citizen Lifetime Value (CzLV) to measure the financial value of citizens for the government. CzLV evaluates citizen contribution in cost reduction of the organization. This measure can be calculated based on past behavior of citizens in using the service and cost reduction of using online services rather than offline ones. Logistic regression is employed as a data mining technique to predict future use of online services by citizens. At the end of the paper, a service of Tehran.ir that is one of the most important portals of Iran’s E-government called “137” is considered as a case study. CzLV for the citizens of this service is calculated and four citizen segments are specified. Then each segment is evaluated based on different characteristic of citizens, and finally suitable strategies of dealing with them are presented to build more financial values for the organization.

Chapter 13 discusses the effectiveness of customer relationship management program implemented by the life insurance companies in Indian context. The author measured effectiveness of program with the help of empirical data by applying statistical tools. Present study is based on the opinion scores of the policyholders of Life Insurance Corporation of India, who are with Life Insurance Corporation of India for more than last five years. Data from 182 survey respondents were collected from different policy holders with the help of field survey method. On the basis of average opinion scores found both
before and after implementation of Customer Relationship Management program by Life Insurance Corporation of India from the sample it was found that Customer Relationship Management program started by the Life Insurance Corporation of India is effective in approach, which was evidenced by the results obtained from the statistical analysis (paired sample t-test). The findings revealed that customer relationship management program is effective in approach and policy holders are experiencing difference in service comparatively with the past.

Chapter 14 of this book investigates the consumer relationship proneness and its impact on relationship marketing outcomes in the two cultural contexts. Specifically, the paper compares the U.S. and Chinese consumers of Generation Y (born from 1976 to 1995) in relationship proneness and their responses to relationship marketing tactics of retailers (i.e., direct mail, preferential treatment, communication, and tangible rewards). Based on previous research and cultural theories, eleven hypotheses were developed and tested. The results suggest that there is no difference of relationship proneness between the two samples, and relationship proneness is found to moderate the effect of preferential treatment, interpersonal communications, and tangible rewards on relational satisfaction only in the Chinese sample. The findings indicate that preferential treatment, interpersonal communication, and tangible rewards have greater impact on those consumers who are more prone to consumer-firm relationships. The findings of the research provide managerial implications for international retailers.

Chapter 15 proposes a model to enhance the premium calculation policies in an automobile insurance company. This method is based on the customer clustering. K-means algorithm is used for clustering based on RFM models. Customers of the insurance company are categorized into some groups, which are ranked based on the RFM model. A number of rules are proposed to calculate the premiums and insurance charges based on the insurance manner of customers. These rules can improve the customers’ satisfaction and loyalty as well as the company profitability.

Chapter 16 evaluates various roles (direct antecedent, mediator or moderator) of perceived switching costs in determining customer loyalty in the mobile telecommunications market. Data were collected through a field survey of mobile phone users in Pakistan. Structural equation modeling was used to evaluate hypothesized relationships. Perceived switching costs were found to play all three roles. Findings suggest that perceived switching costs directly influence customer loyalty, mediate the impacts of perceived service quality, value, and trust on customer loyalty and negatively moderate the relationships of satisfaction and perceived service quality with customer loyalty. Implications of these findings are discussed.

Chapter 17 of this book discusses that mobile services are becoming increasingly important for consumers and are now commonplace in everyday life; however, mobile payment (M-payment) is not among other more frequently used mobile services. The phenomenon of the slowness of the diffusion of this service constitutes the point of departure of the current research which attempts to answer why consumers are slow in adopting M-payment service, with a view to develop a proposed model that measures the customer’s attitude and intention to use this technology in Egypt. Different theories from diverse fields are reviewed to formulate the study’s conceptual framework. This study is a field study, which depends on an eclectic approach; empirical data were collected via an online survey for a sample of 490 students in the “open education”-a type of e-distance learning. Structural equation modeling was used to validate the measurement and test the hypotheses. The results suggest that whereas the most important determinants influencing the customer’s attitude towards the service are perceived behavioral control, and perceived usefulness, those influencing the intention to use it are perceived innovativeness, perceived expressiveness, facilitating condition, perceived usefulness, and finally social pressure. The
results of the current research differ from those of previous studies on the same area because of the effect of the Egyptian culture. Service providers can benefit from our results when formulating the marketing strategies to increase the usage of this service, hence improve the mobile commerce.

Chapter 18 contributes to the stream of research on job embeddedness and internal marketing. Greater attention needs to be paid to understand the mechanisms and processes through which internal marketing influences work-related attitudes such as turnover intention in order to develop complete understanding of the effect of internal marketing on job embeddedness. This study fills this research gap using a sample of respondents employed by telecommunication companies in Egypt. It is examine whether job embeddedness mediated the effects of internal marketing on turnover intention. Results from Structural Equation Modeling (SEM) showed that job embeddedness fully mediates the relationship between internal marketing and turnover intention. Results also support that internal marketing has obviously positive influence on job embeddedness and a clearly negative influence on turnover intention; finally, internal marketing has direct and indirect influences on turnover intention through job embeddedness. Implications for research and practice of our findings are discussed.

Chapter 19 presents the findings of the CRM case study, one of the e-service projects led by MSAD. The use of a case study method offers a richness and depth of information not usually offered by other methods. Semi-structured interviews have been used as primary data collection technique in this study. The reason for this choice is that interviews is the most fundamental of all qualitative methods help to generate insights into how respondents see the studied project. In addition, interviews are considered as one of the most important sources of case study data collection.

The findings of the study reveal that the main driver to the success of the project is changing the organisational culture and thinking. It is noticed there is an influence of the project on citizens’ encouragement for public participation as it was able to increase their satisfaction levels. Also, the findings emphasised the problems that face the overall e-government program in Egypt. They also explain the relationships among those identified problems of governmental e-service development.

Chapter 20 investigates the influence of Customer Relationship Management (CRM) factors benefiting from information communication technology on (CRM) performance. The results suggest that the three elements have positive relationships with CRM performance. Questionnaires numbered at 330 have been distributed to 110 public shareholding companies (PSCs) in four economic sectors in Jordan; banking, service, industrial, and insurance. The findings further suggest that CRM performance mediates the effects of marketing orientation, IT investment, and mass customization on customer network effect.

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REFERENCES


