ABSTRACT

This research investigates how the companies’ efforts’ visibility influence VCs members’ loyalty. Based on the relationship marketing and the signaling theory, it posits that perceived benefits by members influence loyalty through the full mediation of the relationship investments and the relationship quality. However, this influence is moderated by the visibility of companies’ efforts. Data from 342 members of company-managed virtual communities were collected. The sample was divided into two groups according to the visibility of the company’s efforts. Data were analyzed using structural equation modeling techniques and multi-group analysis. Results show that this influence is significant when the efforts of the company are visible and not significant when they are not. Providing benefits to members is then not enough to foster loyalty. The company has to be a visible partner who contributes in the success of the virtual community.

Keywords: Company-Managed Virtual Community, Loyalty, Perceived Benefits, Relationship Marketing, Visibility

DOI: 10.4018/ijcrmm.2014100102
1. INTRODUCTION

Businesses are increasingly dependent on the relationship they build with their customers. Indeed, the long lasting aspect of such a relationship has long been recognized as being decisive for success. Creating enduring relationships with customers is, obviously, a priority because, at the end, it will lead to loyalty (Bojei and Alwie, 2010). Since their emergence, virtual communities have been suggested as a valuable asset as they offer the opportunity to get closer to customers (Heller Baird and Parasnis, 2011). VCs foster, indeed, trust with members and also turn them into regulars towards the sponsoring firms (Porter and Donthu, 2008). Many firms have launched business to consumers virtual communities (B2C VCs) by providing spaces to customers either in their websites or elsewhere on the web in order to interact around their products (Porter, 2004). B2C virtual communities are, relatively, easy to start. However, they do not always pick up on the product without a good management from the firm. Too many businesses are failing to rise to this challenge (Spaulding, 2010) and, most of their actions are not deemed successful (Coutant and Domenget, 2011).

The purpose of this paper is to understand why some B2C VCs fail whereas others succeed in creating long-lasting relationships with members. Despite the bulky research on VCs, managing them is still a source of confusion because of the variation in the findings. We focus on the participation of firms, which is relatively a new phenomenon (Ben Yahia, 2014). In fact, we still do not have empirical answer about how they may participate (Spaulding, 2010). Previous research underlined the importance of the company’s efforts in the VC’s success (Ben Yahia, 2014; Kim, 2000; Porter and Donthu, 2008). Nonetheless, it also affirmed that the company’s presence is, rather, perceived by members as an act of spying and a source of pressure (Cova and Carrere, 2002). Ben Yahia (2014) highlighted a gap between members’ expectations and companies’ practices. In fact, this issue is still experimental in nature. Some companies, such as Sage, hide their efforts intentionally. Others, however, such as Microsoft, encourage their employees to visibly take part in the VCs activities and to make their efforts deliberately noticeable. Dell’s strategy has changed several times (Spaulding, 2010). The stake is considerable as VCs’ members become the symmetric power with the company on the Web (Hoffman and Novak, 1996). Accordingly, we address the key question about whether a company should be a visible partner with members or remain on the sidelines in order to attain loyalty. In other words, how does the companies’ efforts’ visibility influence VCs members’ loyalty?

To answer this research-question, this paper is structured as follows: First, we present literature on VCs and we focus on the benefits perceived by members. Despite the ongoing operations (Wang, Yu, and Fesenmaier, 2012) and also lead to loyalty (Liu et al., 2012; Meyer-Waarden, Benavent and Castérán, 2013).
Developing and Implementing a Model for Selecting Videos for City Marketing
Pi-Fang Hsu, Chia-Wen Tsai and Sheng-Weng Doong (2012). *International Journal of Customer Relationship Marketing and Management* (pp. 50-64).
www.igi-global.com/article/developing-implementing-model-selecting-videos/74362?camid=4v1a