Evaluation of Electronic Customer Knowledge Mediating by Electronic Customer Attraction on Electronic Customer Acquisition

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ABSTRACT

In today’s increasingly strong, competitive environment and rapidly changing business economies of the world, the electronic customer knowledge is becoming a key factor within organizations as it places considerable emphasis and excessive attention to improve their electronic customer acquisition. As a result, electronic customer knowledge and electronic customer attraction are widely used in the banks to effectively support electronic customer acquisition. In this present business situation, the Jordanian Islamic banking sector has become a highly competitive environment. The purpose of this paper is to suggest a model that defines how the combination between electronic customer knowledge processes and electronic customer attraction would successfully support electronic customer acquisition.

Keywords: Customer Relationship Management, Electronic Customer Acquisition, Electronic Customer Knowledge, Electronic Customer Relationship Management (e-CRM), Jordan

1. INTRODUCTION

Electronic customer relationship management (e-CRM) is one of the primary strategic initiatives in many organizations today. Due to the competitiveness that exists among organizations and the rapid changes in the business environment, the acquisition of Electronic Customers has become a top priority.

Girinath and Ravi (2013) noted that “In order to survive in the present world of competition, banks’ marketing strategy needs to be formulated in such a way as to persuade the customers.” “Consequently, e-CRM describes the broad range of technologies used to support a company’s CRM strategy. It can be seen to arise from the consolidation of traditional CRM with the e-business applications marketplace” (Kennedy (2006). With this approach, Electronic Customer

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Knowledge has become a strategic resource and an important asset for sustaining an Electronic Customer acquisition.

Recently, Ogunde et al (2010) noted that e-commerce organizations still have competency challenges in Customer Knowledge Management (CKM); therefore, an organization’s ability to develop competencies in all aspects of CKM, from understanding who their customers really are and what they want, to designing stages specifically for customers becomes a necessity. It is important for customer processes involving information collected from and about customers to be turned into knowledge, disseminated and used.

Also, Papoutsakis and Vallès (2006) indicate that organizations should particularly emphasize determining who their best customers are, as well as, locate and acquire new customers who will be similarly loyal and profitable. Therefore, KM is viewed as one if not the most important option as it can produce a distinct Electronic Customer acquisition (Cao and Gruca., 2005)

While numerous studies relating to e-CRM have been conducted, there has been a definite lack of academic effort addressing the issue of the Electronic Customer Knowledge model in the banking sector. In these conceptual frameworks, they concentrate on how Electronic Customer Knowledge mediating by Electronic customer attraction could be evaluated on Electronic Customer acquisition. Our study seeks to contribute to this field by addressing one of the concerns related to the Electronic Customer Knowledge and Electronic customer attraction and by providing a reliable and confident method of employing Electronic Customer acquisition as a valid model. This implies which Electronic Customer acquisition aspects should be focused on depending on the conceptualized perspective of the Electronic Customer Knowledge and Electronic customer attraction. As a result, the aim of this paper is to shed light on establishing long-term relationships with customers by using Electronic customer attraction process to support Electronic Customer acquisition and how they can be built while showing how Jordanian Islamic Banks utilize the Electronic Customer Knowledge mediating by Electronic customer attraction to evaluated Electronic Customer acquisition.

The following sections are organized as follows: Section two reviews relevant literature; section three proposes the research model and hypothesis, section four introduces the research methodology (i.e., the design of the questionnaire, sample, data collection, hypotheses analysis and results), and the last section presents the conclusion.

2. LITERATURE REVIEW

2.1. Concept of e-CRM

Lately, Wahab et al (2011) define that e-CRM is a new phenomenon that come out from the internet and web technology to facilitate the implementation of e-CRM. Moreover, Girinath and Ravi (2013) noted that the Aim of e-CRM system is to improve customer service, develop a relationship and retain valuable customers. e-CRM is a concern for many organizations especially banking sector. In a study by Scullin et al (2004) it was noted that e-CRM has forced marketing managers to reevaluate how, when and to what extent they interrelate with their customers.

E-CRM has become the latest paradigm in the world of Customer Relationship Management. Customer Relationship Management is a traditional method of managing and enhancing customer relationships (Muruko, et al (2013). In study by Kennedy (2006) explain that e-technologies continue to develop into the future in tandem with the proliferation of an e-customer base, therefore, companies must attempt to harness the opportunities available to deliver sustainable competitive advantage in the digital world of eCRM. Also, Wahab et al (2011) noted that Electronic customer relationship management performance is a comprehensive business and marketing