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ABSTRACT

To date, customer orientation (CO) implementation constructs have not been systematically investigated. Existing studies have derived their constructs from different perspectives. However, the literature lacks scientifically developed and tested constructs that make an integrative CO philosophy. Through a detailed analysis of the literature as well as adding new factors, this research identifies 8 constructs for integrated CO implementation. The importance of the proposed constructs was theoretically discussed and justified. Using a sample of 202 banks, the constructs are then tested and validated. The overall results from the empirical assessment were positive, thus reflecting the appropriateness of the proposed constructs. This study provides new theoretical grounds for studying the CO. It also supplies banks with a number of operative factors that may be essential if they are to remain competitive in the dynamic marketplace. It gives valuable information, which hopefully will help this business sector to implement CO.

KEYWORDS

Banks, Customer Orientation, Scale Development, Service Quality

INTRODUCTION

The rapid changing business environment due to its unique characteristics, the raise of competition among companies, shrinkage of markets, and diffusion of the IT through the organisations and their marketing channels have put pressure on businesses to continually review and adopt their traditional marketing strategy. Customer orientation (CO) is central to management thinking especially, for high performing organisations which strive to satisfy customers at all time. According to Eid (2007) and Eid and El-Gohary (2015) customer orientation is becoming a priority due to very powerful economic, technological, and social forces that have effectively made the traditional business models irrelevant in the contemporary business and technological environment. However, successful CO implementation is complex and difficult. It causes vast change that needs to be managed carefully (Johnson, 2004; Kimiloglu and Zarali, 2009; Greenberg, 2010; Lukkari, 2011; Ranjan and Bhatnagar, 2011; Anosike and Eid, 2012; Eid and El-Gohary 2014).


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Hartline et al., (2000), Conduit and Mavondo (2001), Ahmed and Rafiq (2003), Naude et al., (2003), Ahmed et al., (2003); Ballantyne (2003), Anosike and Eid (2012) El-Gohary and Eid (2012) and El-Gohary and Eid (2013) conducted studies to understand those factors that are needed to enhance CO implementation. However, as will be argued in the next part, these studies do not go through a systematic scale development, content validity, and empirical validation. Hence, the generalisation of their results will be very difficult. Therefore, to develop a sound theory this research will follow a more robust approach that has been introduced by Schendel and Hofer (1979) and consists of five phases: (1) exploration, (2) construct development, (3) hypothesis generations, (4) hypothesis testing for internal validity, and (5) testing for external validity.

RESEARCH OBJECTIVES

The main purpose of this research is to contribute to the first three phases of CO theory building. In particular, the major objectives of this research are to:

1. Identify the constructs of CO implementation and develop scales of measuring these constructs in service industries;
2. Empirically validate these scales; and
3. Carry out an initial investigation of the relationship, if any, among the CO constructs in service industries (financial services).

The reminder of this paper is organised as follow. First, a review of relevant CO literature is presented. This is followed by identification of CO constructs and development of related scales. Empirical validation of the constructs is presented next. Based on of the exploratory analysis of the statistical relationships among various CO constructs, managerial implications are offered. The paper concludes with recommendations for future extension of this research.

LITERATURE REVIEW

The importance of a customer orientation for company survival is well acknowledged in the marketing literature. A broad range of factors that can influence the success of CO implementation has been also mentioned in the literature. For example Gronroos (1989), Reynoso and Moores (1995), Boshoff and Mels (1995), Frost and Kumar (2000 and 2001), Bruhn (2003), Ahmed et al., (2003), Naude et al., (2003), Ballantyne (2003) and El-Adly and Eid (2017) noted that an effective internal service quality has a critical role to play in the CO strategies implementation if the appropriate training is provided. However Geralis and Terzvioski (2003) argued that empowered employees are more customer- oriented and practice favourable levels of internal service quality.

Central to this literature is considerable discussion on the importance of the customer dimension, that is, Internal Customer Orientation, the use of the customer feedback as an enabler, not the driver of CO implementation (Eid, 2007; Hart et al., 2004; Jutla et al., 2001). Hartline and Ferrell (1996), Rafiq and Ahmed (2000), Montes et al. (2003), Todd et al. (2004), Bell et al. (2004) and Rod and Ashill (2010) also added the job satisfaction factor to the effective implementation of the CO. Conduit and Mavondo (2001) showed the importance of interdepartmental interactions within the organisation in order to facilitate responsiveness to customers regarding quality outcomes.

However, the literature review undertaken revealed a lack of research with regard to some critical factors of CO implementation (E.g. internal service quality, Interdepartmental connectedness, and Interdepartmental conflict. Therefore, this paper proposes a holistic framework for CO implementation based on an extensive review of the factors and essential elements that contribute to the success of CO.
Websites and Internet Marketing: Developing a Model for Measuring a Website’s Contribution to the Brand
www.igi-global.com/article/websites-internet-marketing/77330?camid=4v1a

E-Marketing Practices from Jordanian Tourism Agencies Perspectives: A Qualitative Evidence
www.igi-global.com/article/e-marketing-practices-from-jordanian-tourism-agencies-perspectives/198325?camid=4v1a