The Effect of (sCRM) On E-Loyalty An Empirical Study on Telecommunication Sector at Jordan

ANAS Y. ALHADID

Assistant Professor of Marketing
Applied Science Private University, Amman, Jordan
Email: a_alhadid@asu.edu.jo
Tel: 00962799764241

BATOOL AHMMAD QADDOMI

Research Assistant
Applied Science Private University, Amman, Jordan
Email: batool.ak@hotmail.com
Tel: 009620797733729

Abstract

The aim of this study is concentrated on the effect of customer-relationship management by using social media on electronic loyalty, where the study applied on telecommunication sector in Jordan (Zain, Uminah, and Orange). The researcher uploads (100) electronic questioners on companies' facebook pages and get back (95) questioners were valid to analyze. The independent variable was sCRM and the sub variables were (online communities, social media support, information use, customer relationship orientation, and social media data) and the dependent variable was E-loyalty and the sub variables were (Word of mouth, and future purchase intention). The results indicated that there was an effect by using social media through customer relationship on E-loyalty.

Key Words: sCRM, E-loyalty, Telecommunication, Jordan.

Introduction

The aim of the following study is examining the effect caused by social media customer relationship management (sCRM) on e-loyalty in the telecom sector in Jordan where most companies ignore the importance of the proper usage of the (sCRM) in which will allow them to secure the loyalty of their customer. Where (sCRM) defined as the integration technology and social media to enhance the possibility of the customer to participate and allows companies to interact by using networks where it is the also it is a free social media fingertips of most of the customer and it is for free and could be used easily (Chau & Xu, 2012), (Mohan, 2008) and e-loyalty defined in order to attend consumers visit the same website over and over again we must to reload the positive perceived intention to use it for the second purchase (Hamid, 2008), (Cyr, Head & Ivanov, 2009). (Flavián, Guinaliu & Gurrea 2006).

Literature Review

This chapter will be divided into three main titles, which will be represented by a demonstration of the proportions and variables of the study. The first portion will be allocated to social media customer relationship management (sCRM), while the second will be allocated to e-Loyalty. As for the third and last portion, it will present a number of former studies that are related to the subject of the study.

Social Media Customer Relationship Management (sCRM)

The purpose of customer relationship management is to lead the way for the client in order to guarantee the return of the client to purchase more. It also collects data and information, which allows the company to target customers, and thus, inserting their data into their systems; and with the remarkable development of social media, the customer relationship management has been integrated with social media. (Mohan, 2008)

E-Loyalty

Loyalty is defined as, "a long-term commitment between e-retailers and consumers who perform purchases online." A customer's loyalty can be attained by creating a desire among consumers to return and visit their website over and over, and thus, repeating the purchasing process. (Ponirin et al., 2009)

Online Communities

Online Local Communities are defined as, "a group of people who have their similarities and who do not rely on any direct interaction. (Friesen, 2004)," These communities play an important role as they help increase a company's income. This can be achieved when a company presents its products to the market, same as its rival companies. (Barnatt, 1998). The company can also establish a set of regulations in order to know the reactions of their consumers regarding the products they offer or to encourage these consumers to leave their own suggestions as well. (Brown et al., 2002).

Social Media Support

The emergence of the numerous Social Media around the world has had a very positive impact on companies, as it provides them with a new source of information which can be easily accessed. It also provides these companies with a new way to reach out to as many individuals as possible, as well as assisting in the development of prediction models. (McKinsey & Quartery, 2009). Social Media has now become a fundamental way that contributes into the implication of the persona of many companies around the globe, giving the consumer an idea of what to expect from them regarding products, services, insights, and much more. (Lampos & Cristanini, 2010)

Information Use

Obtained Information is used to motivate and identify new opportunities and different patterns. Moreover, the usage of information helps executives achieve the intended outcomes, since it is considered as 'the core of decision making. (Simons, 1995), (McKeever, 1997).

Customer Relationship Orientation

The concept of Modern Marketing relies on assisting the clients in their purchasing decisions in order to satisfy their needs. It also boosts long-term relationships with clients. (Panayides, 2007) Its major and most fundamental priorities are to maintain clients by keeping them satisfied, and understand their target customers in order to be able to create a product with a superior value in comparison to its counterparts. (Narver & Slater, 1990)

Social Media Data

Social Media has been a very important source of acquiring data on a wide scale. The acquired Social Media data is often very rich in the information it provides, which is a result of the broad spread of the numerous Social Media everywhere. Nowadays, it plays a fundamental role in the lives of people as well as covering the opinions of most consumers, which allows a smoother interaction between clients and

companies, and therefore, an increase in the clients' satisfaction, which leads to a better income. (Mustafaraj et al., 2011).

Word of Mouth

It has been proven that the Word of Mouth is one of the most essential factors that can lead to the succession of the commercial relationship or the increase of the popularity of the product in the market. It also represents a company's personal experience and its reviews concerning a certain product. Studies show that the Word of Mouth is one of the most beneficial ways to acquire information, which affects purchasing decisions. It is also capable of affecting other clients, as it has a neutral, less-biased perspective. (Ogden et al., 2004).

Future Purchase Intention

Future purchase intention of some trademarks is associated with the demographic proportions of people, such as age, gender and race. It has been found that the relative impact of a brand's personal proportions in comparison with a product's attributes varies depending on the product type. While the relative impact of a brand's personal proportions is more powerful than a product's attributes, the product's attributes had a much more powerful impact on consumers' choices of products. (Saavedra, 2004).

Theatrical Background

Salojarvi et al. (2015) examine the effect of firm-specific customer relationship orientation, technology orientation and the marketing–R&D cooperation on market performance. The study samples consist of (209) R&D-intensive firms in Finland. The study found that customer relationship orientation has a direct positive effect on market performance and that technology orientation also has a positive, yet non-significant effect. The study result show that effect of both of these strategic orientations is accentuated when collaboration between marketing and R&D departments is high, providing evidence on the significant moderating effects of these types of processes.

Romero & Gomez (2015) analyze the effects of brand personality dimensions on purchase intention, and compared brand personality dimensions differences between users and non-users of (12) brands. The sample consist of (400) undergraduate students. The study results show that that Hipness/Vivacity, Success, Sincerity and Sophistication brand personality dimensions are significant predictors of purchase intention. The study also found that Domesticity/Emotionality and Professionalism also explain purchase intention but with a negative weight. The results are also broken down into product categories. Compared with non-users of the brands, the users rate the brands higher in all the brand personality dimensions.

He et al. (2015) propose a framework for social media competitive intelligence to enhance business value and market intelligence. The study collect and analyze a data set with nearly half million tweets related to two largest retail chains in the world. The study found that value of analyzing social media mentions and conducting sentiment analysis and comparison on individual product level. The study also found that there is a strong need for creating a social media data application that can conduct real-time social media competitive intelligence for social media data-in-motion.

Wong et al. (2014) investigated the outcome caused by perceived efficiency, usability and delight on a client's e-loyalty and e-satisfaction. The sample includes (395) Internet users. The study found that perceived efficiency and usability positively impacted customer e-loyalty and e-satisfaction. The study found also that technology acceptance factors integration of its attributes contributed to customer e-loyalty and e-satisfaction. Perceived efficiency and usability were the utmost notable elements which determined computer user acceptation. Both of these dimensions are also an explainable component to predict the Internet shoppers to evoke in e-purchasing.

Nitu et al. (2014) in review the concept of customer relation management CRM. The study reported that one of the most applicable controversies that aid the interests of directors and businesspeople for CRM is that (5%) diminution in the number of clients lost by the organization can bring about an expansion of (25%) to (85%) to the organization earnings. The study also reported that new web services permit users to combine genuine activities with the assist given by the Web. User-focused services alter the manner in which people use the Internet and affect how they manage their lives. The study shows that Social CRM establishes a two-way collaboration among the parts and provides customers with the control over the discussion with the company.

Dreher (2014) investigates the hazards and advantages of workers' use of social media on an organization's reputation, and proposes recommendations for a strategical management approach. The study is based on an inclusive literature review and bolstered by a leading practice exemplification. The study reported that workers serve as compelling-brand ambassadors who shape reputation with all that they do and say online through social media. This calls for a strategical management approach regarding the way workers use social media, which is inclusive of research, Internet access within the work environment, a solid allegiance from the C-suite, the formation of social media groups, the exertion of rules and protocols, preparation and pedagogy, unification, in addition to goal-setting and estimation.

Christodoulides & Michaelidou (2011) investigated the impacts on e-satisfaction and e-loyalty, which are caused by the intentions to shop online. The study used information gathered from an online poll involving (797) clients of two UK-based e-retailers focusing on hedonic merchandise. The study indicated that suitability, diversity-seeking, and social interaction assists in anticipating e-satisfaction, and that social interaction is the sole shopping reason that was examined and had an immediate relationship to e-loyalty. Likewise, the study demonstrated that e-satisfaction is a strong determinant of e-loyalty.

Kim et al. (2008) examined the impacts of characteristic dimensions on consumers' interests in order to confirm their predictability. The study sample comprises (351) adults in a extensive metropolitan region in South Korea. The study reports that three online communities' characteristic dimensions (goals, individuals, and policies) to be represented by a higher-order factor, while sociability, two characteristic dimensions (dialogue and social interaction) and navigation to be represented by ease of use. The study also reported that the basic framework testing the relationship amid sociability and social welfare, and ease of use and practical advantages was affirmed and proved the predictive legitimacy for the online community characteristic dimensions and the sociability/ease-of-use framework.

Research Model:

sCRM E-loyalty
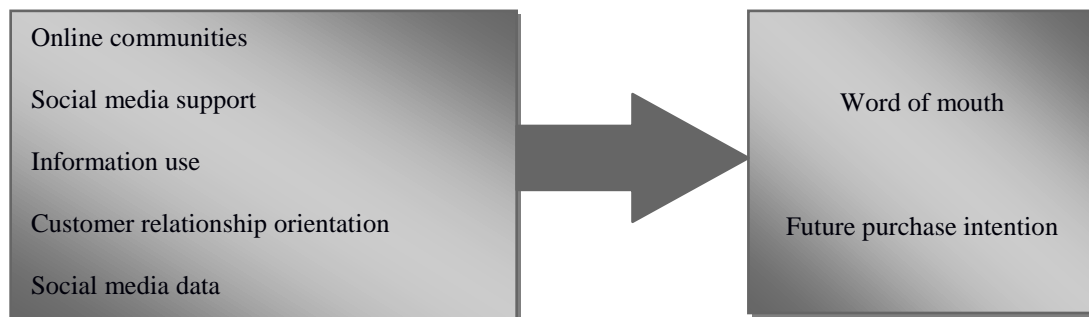
Hypothesis

H01: there is no effect of social media customer relationship management on E-loyalty.

Methodology

The electronic questioner has been used as a tool to collect data from the respondents by using the website of telecommunication company, where (100) questioner has been distributed and the likert scale has been used (Strongly Disagree, Disagree, Neutral, Agree, Strongly Agree). Where (95) has been collected and analyzed.

Description of Study Variables

Illustrative insights, the analyst processed the means and standard deviations of the study's areas as demonstrated through the chart below:

Table (1) Means and Standard Deviations of the Study's Main Areas

Items	Means	Standard Deviations	Degree of Agreement
sCRM	4.044	0.4841	High
E-loyalty	3.952	0.4521	High
High (3.67-5.00) Moderate (2.33-3.66) Low (1.00-2.32)			

Table (1) revealed that the means of the study's main areas were between (3.95) and (4.04). The sCRM achieved the highest mean with a score of (4.04), and the highest SD, with a score of (0.4841), while E-Loyalty got (3.952) for means and (0.4521) for SD.

Table (2) The Impact of *sCRM* on E-Loyalty

Independent Variables	β	T	Sig.
Online Communities	0.032	0.492	0.514
Social media support	0.325	5.512	0.000*
Information use	.054	1.005	.451
Customer relationship orientation	0.158	5.142	0.000*
Social media data	0.452	12.521	0.000*

*(R=0.795 ; R^2=0.632 ; F=175.963) ; *=significant level at P ≤ 0.05*

Table (2) revealed the outcomes between sCRM and E-Loyalty dimensions. While the social media data and social media support - (β=0.452, β=0.325) in respective order - were the most effective dimensions and of the utmost importance, online communities and information use of the E-loyalty had no effect.

Results

The concept of customer relationship management by using social media is a very important concept where many companies ignore the role of it in enhance the customer satisfaction where it will led directly to customer loyalty the electronic channels. Telecommunication companies in Jordan started to use is tool recently to get the benefit. Study results revealed a solid relation among sCRM and E-loyalty, where results indicate that there are a strong relationship between Social media support, Customer relationship orientation, and Social media data with the E-loyalty. Also the results indicate that there are a weak relationship between Online Communities, and Information use with E-loyalty.

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