Chapter 5.19

The Affective and Cognitive Impacts of Perceived Touch on Online Customers' Intention to Return in the Web–Based eCRM Environment

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ABSTRACT

Electronic Customer Relationship Management (ECRM) systems focus on a website as the interaction channel for creating a one-to-one relationship with customers via various "touch" options. The intention of such technologies is to affectively and cognitively impact on online customers' intention to return to the website. To capture the influence of eCRM systems, we define a construct, Perceived Touch, to differentiate the customer's perception of the touch received from the actual level of touch deployed. We report the results of an empirical study that provides evidence that Perceived Touch positively influences customers' Behavioral Intention to Return via both affective and cognitive routes. Our results show that Perceived Touch provides a theoretical underpinning for eCRM system design and suggests that e-business managers invest in the design and evaluation of the users' perception of touch options and pay special attention to affective quality manipulation.

INTRODUCTION

In the face of recent dramatic changes in the business landscape because of technology, "relationships continue to maintain their value in determining customer behavior … . A business can't control the pace of technology, it can't control the economy, it certainly can't control its competitors, but it can control the way it manages interactions with its customers" (Greensburgh, 2001). Electronic Customer Relationship Management (ECRM) systems are tools businesses use to maintain this control. ECRM systems are currently proliferating and being rapidly adopted by many businesses to manage customer interactions in the e- business world (Turban, King, Lee & Viehland, 2006) and have become a strategic imperative for organizations to unlock customer profitability (Chen & Chen, 2004). eCRM (with a small "e") refers to ECRM primarily built for Web site interaction with customers. The important characteristics of the World Wide Web, such as its interactive structure and constant availability of information, have been shown to be central to variables of relationship marketing, such as commitment, satisfaction and trust (Gefen, Karahanana & Straub, 2003; Park & Kim, 2006; Peppers & Rogers, 2004). Technological advances in databases, data warehousing, data mining, personalization, networking, multimedia communications, and computer-telephone integration have spurred an array of new eCRM tools that offer many new options and opportunities for direct interactive marketing, sales, and personalized customer services. Many "touch" options are available in the new generation of eCRM systems and the level of touch can vary by manipulating communication media, humanization, and interactivity aspects of the system. Touch options range from relatively "low" touch technologies such as simple 1-800 numbers, FAQs, and e-mail, to live chat (connecting with an online agent), to relatively "high" touch technologies like desktop sharing or video conferencing with an online agent. The agent could be an embedded software agent (i.e., intelligent system agent) or a human. The goal of these eCRM systems is to achieve positive affective and cognitive impacts (e.g., toward building a relationship) with their customers to influence their behavioral intention. By being interactive, one-to-one, and personal via the high tech touch option, eCRM aims to appeal to customers' affective response in the hope that customers will have favorable attitudes toward the system. By providing information and decision aids to support customers' tasks, eCRM strives for customers' cognitive satisfaction based on their task performance.

Despite the critical strategic and operational role of eCRM systems for modern organizations, there exists little theoretical examination of eCRM touch deployment in influencing online customers' behavioral intention. The purpose of the present study is to model the distinctive routes of the affective and cognitive influence intended by eCRM systems, to empirically test whether an eCRM system's intended "touch,' as perceived by online customers, influences the customers' intention to return, and finally to provide design guidelines for manipulating such a perception to gain competitive advantage.

Although many eCRM systems are equipped to provide high touch options, it is arguable whether these options are perceived by online customers as the same level of touch intended by the system. In this article, we focus on perceived touch, rather than the actual level of touch deployed by the system, as we believe that the perception of touch received by online customers is the key determinant in their behavior intention. We therefore defined a new construct, Perceived Touch, as the degree to which an online customer believes they can communicate well (in a natural, real-time, bilateral, immediate, and synchronized fashion) with a Web-based system when performing online tasks and how well the system can aid them in their tasks (by being responsive, understanding, affective, helpful, interactive, and flexible).

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