Chapter 16 Customer Centric Marketing Strategies: The Importance and Measurement of Customer Satisfaction – Offline vs. Online

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ABSTRACT

Building strong relationships with customers has become strategic for firms wishing to sustain their competitive advantage. In order to reach this goal, it is fundamental to continuously work towards an even higher experienced customer satisfaction. Thus, the aim of this chapter is: (a) to review customer satisfaction studies in both offline and online environments, (b) to analyze tools and methods already used to measure it, and (c) to propose a new, comprehensive, and complete theoretical framework that helps evaluate e-customer satisfaction. The last point represents a prerequisite to reach a best and exhaustive understanding of e-customer satisfaction, able to take into account the joint effects of its different antecedents and clearly suggest how to design and shape a website in order to generate an even higher overall customer satisfaction online.

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INTRODUCTION

A famous John Chambers' phrase (CEO of Cisco Systems) "Put your customer at the center of your culture" highlights the importance of successfully building strong relationships with customers, in this context customer centric marketing concepts (RM, CRM, CKM, Behavioral Branding, and Cause Related Marketing) are essential. The final goal firms must take into account is continuously satisfying customer needs and desires, creating and supporting even higher brand or products lovalty levels. In this scenario, the development and measurement of customer satisfaction play a primary role. As is well known, customer satisfaction comes out of the comparison between customer expectation before buying a product and its performance. It is therefore a fundamental tool to build strong and satisfying relationships with customers (Costabile, Raimondo, & Miceli, 2004; Kotler & Keller, 2007; Oliver, 1980a; Oliver, 1997) and create brand loyalty (Agustin & Singh, 2002; Castaldo, 2002; Costabile, 1998; Fournier & Mick, 1999; Garbarino & Johnson, 1999; Johnson & Gustafsson, 2000; Iacobucci, Grayson, & Omstrom, 1994; Lemon, White, & Winer, 2002; Mohr & Spekman, 1994; Oliver, 1997, 1999; Pankaj, 2004; Sirdeshmukh, Singh, & Sabol, 2002; Westbrook, 1987; Yi, 1993). Because of its great importance, customer satisfaction and its features in the offline environment have been studied from researchers all over the world (Anderson & Weitz, 1989; Costabile, 2001; Jones & Sasser, 1995; Kumar, 1996; Mohr & Speckman, 1994; Oliver, 1999; Reichheld & Schefter, 2000).

The advent of Web 2.0 and the pervasive role that it is progressively occupying in firms' CRM strategies calls now for a new research area. In fact, the existing literature on offline customer satisfaction cannot be fully applied to the online context and e-customer satisfaction passes also through a new media, the website, which has its own rules and features. Thus, the coming of Web 2.0 raised new and interesting questions about customer satisfaction and puts out new challenges for managers and scholars (Bughin & Chui, 2011), opening a new scenario in which contributions are more and more numerous.

Some scholars argue that Web 2.0 allows companies to build new, different, and more useful relations with their clients and the early studies' results on consumer behavior in digital environment demonstrate a major "structural" online customers' propensity to loyalty (Degeratu, Rangaswamy, & Wu, 2000; Lynch & Ariely, 2000; Reichheld, 1996; Reichheld & Schefter, 2000; Reinartz & Kumar, 2002).

Other studies highlight that the features of competition and digital interactions seem to create the conditions for further strengthening the importance of customer centric marketing strategies rather than radical changes in trading logics, thus reinforcing role and value of relational capital. As a result, it is necessary to examine in-depth online customer satisfaction concepts, its tools and their effectiveness in building it more closely (Busacca & Castaldo, 2000; Costabile, 1998; Reichheld & Schefter, 2000; Verona & Sabbaghian, 2000).

Thus, planning, designing and implementing correctly online interactions with and among customers allow companies to access to a large amount of information at low prices, tracking customers' Web surfing activity and creating the Web-surfers' profile. Moreover, firms choosing online development sustain moderate operating costs and have the possibility to reinforce relationships, thus making up for risks arising from lower trading costs and increasing their value and potential. Interactions among present and potential customers may fundamentally determine, in addition to a better reputation and increasing in customer base due to Consumer-to-Consumer (C2C) communication, an exponential and self propelling spread of products (network effect) and also create a "critical mass" effect for all in41 more pages are available in the full version of this document, which may be purchased using the "Add to Cart" button on the publisher's webpage: www.igi-global.com/chapter/customer-centric-marketing-strategies/71075

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