

Building Business To Consumer Relationships In An Online Market

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E-commerce is still a relatively new and volatile industry. A lot of online businesses are started by inexperienced business people, small manufacturing outlets, a next door neighbor who's keeping inventory in his garage, or mom and pop stores that have turned to an online model to save money and capture a wider audience. In the mind of these new e-tailers, setting up a website that sells and effectively marketing that site online are the most important day to day operations outside of actually sourcing and shipping the product. Furthermore, they lack the resources and tools to produce a truly customer-available experience because of the limitations for communication that the Internet brings. Other channels and methods for marketing and design have already been developed thoroughly so there is little that can be done to enhance that segment of the industry. However, only the biggest firms have teams of sales people answering phones and customer service reps to help when a customer needs assistance which leads to a major problem with customer satisfaction across the online market as a whole. In a nutshell, online business owners are unable to deliver the type of care and customer service required to create a lasting experience due to a lack of tools or mediums through which personal human contact can be found.

Why would this be of interest? If a customer walks into a local brick-and-mortar business, they are immediately able to see product, touch it and leave with it. If needed, a store representative is readily available to help answer questions or address customer concerns. In an online market, you have nothing but a screen, an Internet connection and faith that the site you are on isn't about to rip you off. Human interaction via phone, web chat, or email is the only thing connecting online storeowners and their customers. In a study by Ba and Johansson (2008) looking strictly at a strictly online market, the researchers found that "Only when customers need special assistance... do they feel the need to initiate an interaction with a customer service

representative" (p. 116). They also noted that the more a customer has to interact with a website, the less satisfied they are with the shopping experience (Ba and Johansson 2008). This is a well-known variable throughout the e-commerce industry. Many Internet and design agencies stress the importance of getting the customer through the buying process quickly and efficiently and making sure they understand how easy this process is helps them convert (purchase) at a higher rate.

Site usability and availability of support aren't the only factors hindering the relationship between online business owners and their customer. Trust is probably the most key component because of the lack of a visible, tangible product or person to interact with. McKnight and Chervany (2001) argue that a consumer's ability to trust a website enough to engage in single or repeated purchases depend on a variety of factors including interaction, reputation, and the availability of certifications to build consumer confidence. All of these factors are important in the evaluation of a site and buyer confidence.

The primary disciplines that can contribute to this topic are psychology and marketing. Both draw on the importance of interpersonal connections and trust to the buying process, but each differs in their own focuses. Because of the narrow interests of both marketing and psychology with regards to online consumer relationship building, an integrative model is required. Integration is the process by which we identify a unique problem, explain why that phenomenon is of interest, determine what disciplines are most important in understanding possible solutions to the problem, and finally combining key components from each discipline into a newer, optimal solution. Where integration is different than interdisciplinarity is in innovation and creation. Repko (2008) defines this as the "new whole" (p. 117), meaning that not only are multiple disciplines being used (interdisciplinarity), the best parts of each application

are “synthesized” into a superior, more effective resolution of the problem. Before we move onto integration in more detail, let’s first examine the two disciplines’ interests in the problem of B to C relationship-building.

Psychologists looking at the barrier for e-businesses are interested in the interpersonal relationships that consumers have with the online storeowner and how that would differ from a relationship with the local mom and pop shop. They would also be interested in the consumer’s tendency to trust both the online store and the e-tailer, which is dependent on the consumers predispositions to trust online vendors in general as well as their prior experience with the company (McKnight and Chervany 2001). Awad and Ragowsky (2008) discuss trust as differing quite substantially for men and women based on perceived ease of use of technology. According to their study, women have less confidence in their abilities to use computers and navigate websites, so when they get to a site that is easy to use, it actually increases their trust levels inadvertently. This component is crucial in identifying the basic site tools and differences between gender-specific sites (e.g. hunting websites for men versus makeup websites for women) (Awad and Ragowsky 2008). Psychologists are also interested in the difficulties of producing strong interpersonal relationships, particularly with social exchange. Social exchange online typically takes place through common media channels such as blogs, social book-marking sites and other popular sites like Facebook and Twitter. However, the online relationships formed through social exchange is very dependent on offline relationship-building, meaning people who tend to have stronger relationships through online group settings interact offline on a somewhat regular basis (Hall et al., 2010). Because this paper focuses on building online relationships where offline relationships are relatively non-existent, creating some component of offline communication will be critical.

An important limitation to note from the psychological epistemology is the need for control in order to produce the most effective analysis of data. Repko (2008) supports this ideology by stating “A critical ingredient of a good experiment is experimental control that seeks to eliminate extraneous factors that might affect the outcome of a study” (p. 96). The reason this is a limitation is it lacks real world data. In a controlled study, manipulation of variables is established prior to the research and then tested. In the real world, changing variables in real time could have disastrous effects and is also subject to many other variables. That is why a more post-purchase analytical procedure should be used and then tested methodically over time to achieve optimal results with minimal impact. That leads us into theories supported by marketing.

Marketing in its most basic form seeks to benefit the merchant, the consumer and society as a whole through the exchange of goods, ideas, and money. You cannot have a business without some form of marketing because it is completely engrained in the process of buying and selling. The best ways marketers achieve satisfaction for all parties are by keeping the customer satisfied and engaged before, during, and after the exchange. Creating the best experience for the customer is the goal of every marketer. This experience, referred to by Thomas and Novak (1997) as "flow" (pg. 16), is something that can be systematized and developed into a repeatable advertising strategy for marketers. Marketers are interested in the buying process, from how the customer gets to the site to their post-purchase evaluation. Therefore, the relationship building between online business and customer is based off of the consumer's expectations of the product compared to their evaluation of the product after it arrives (Kim et al., 2009). Marketers have the freedom to continually test and optimize their methods on real world subjects (customers), which is a nice alternative to the psychological approach. However, over the course of time, marketing researchers have slowly developed into a more scientific approach.

With any discipline, there are certain theories and epistemologies that need to be defined and marketing is no exception (as noted above). However, Lowe et al., (2004) argue "...that epistemologies are themselves culture bound" and "...through such recognition one might wish to initiate a discourse not anchored in a pretext of rationality, as it has in the past, but anchored in values and a morally concerned skepticism" (p. 1062). This statement helps illustrate the need for adaptation on both a cultural and methodological perspectives of marketing. Although it is not as bound to the restrictions that psychological research has, it still has limitations that have to date prevented it from breaking the boundaries beyond consumer behavior, business management, and advertising. All hope is not lost however, and the two disciplines share some common ground on the subject at hand.

Marketing and psychology research converge at the consumer psychology level; analyzing how consumers interpret products/brands, how those brands become a reflection of themselves, and assessing emotional and cognitive value to products and brands (Woodside et al., 2008). Marketers use this information in promoting effective word-of-mouth referrals to support new business and brand awareness. Psychologists use it to develop new theories surrounding brand association including the ability to "assign roles, actions, and relationships to brands" (pg. 101, Woodside et al., 2008). Unfortunately, psychologists are too concerned with the internal experience and trust of the customers where the marketers are primarily focused on the before and after consumer impressions of the business and the product. The common ground where integration steps in is helping business connect with customers in a non-invasive, but supportive way to then enhance the pre-purchase and post-purchase impressions of the product and the brand.

Bearing that in mind, I'm proposing a new solution called Reaction-Action-Analysis Consumer Marketing: An Online Business Relationship Procedure. It is impossible to propose one solution that will become the new standard for online B to C relationship-building as there are millions of different business models that require varying levels of support and outreach (i.e. technology sites versus stuffed animal sites). However, there is a simple enough baseline that all sites should start at, which is outlined in this procedure. As in any market, the need for some form of social communication will arise whether it is the consumer's first or tenth time buying from that business. This procedure is not designed for the Amazon.com's of this world, it is intended for small, mid-sized and other pre-fortune 500 companies who have an established, but not household name brand. Reaction-action-analysis consumer marketing is intended to break the barrier between norms established through laziness, lack of resources, and tendency toward automation to create a satisfactory experience for the consumer and a lasting relationship between the customer and the business. Now that I've established whom this procedure is intended for, I will break down each component separately.

I've chosen to highlight reaction first as this procedure is designed for the site owner and the goal is to have the customers make the first move. Should the customer decide to move through the site without a need for assistance that works to the site owner's advantage because there are no resources used. We don't want the site to appear too interactive, and certainly don't want customers to be bombarded with support people or pop-ups that might make them feel they are being sold snake oil or some other form or trickery. The idea is to let them make a decision and have a support system available via a prominent phone number, email/contact form, and live chat that is available at the least during regular business hours. These will be our reactive tools so

that customers know that can communicate instantly with a representative. The site should clearly reflect what of these tools are available and how often support is provided.

Next is action, which in this definition equals outreach. This is one of the least-utilized areas of online push marketing because in the eyes of the owner (or the ecommerce site's marketing firm) the goal or objective was completed upon the customer's purchase. More recently, automated email systems have been developed that help facilitate existing customer outreach. These emails are generally pre-canned, come from popular/recognizable newsletter sites, and have little to no information that's directly related to that customer or their purchase. Consumers will often dismiss these or regard them as spam rather than open them. Earlier in this paper, we discussed a need for offline communication in building online relationships. What better time could you reach out (offline) to a customer than a few weeks after they've bought your product? They know there's no snake oil because they've already bought the product. Regardless of if they're thrilled or dissatisfied with the product, can you imagine the brownie points you'll get with them if you ask them simply (and in your own words), if they're happy with the product? Depending on the available resources, either a phone call or a hand-written note are most appropriate and take little time. I've chosen phone number and physical address as primary tools because they are the most available means of communication due to a majority of customers being required to fill in that information to check out on a website.

Piggybacking off of both reaction and action is analysis. Just as the initial conversion (purchase of a product) is an extremely important measurement and continually tested, the results of the outreach program should also be examined and tested. We learned earlier that a need for innovation in both cultural and methodological marketing is necessary for future growth and strength of a company in the marketplace. Not only is the online marketplace extremely volatile,

it is also potentially limitless. Building on these foundations, companies can create their own strategies for support and offline outreach through testing and analysis. Consumer relationship management (CRM) tools are by far the best way to keep in communication with customers and track progress. There are several online CRM interfaces available now, which allow us to categorize customers, keep notes on previous communication, record contact information and even see how much revenue they've attributed to. Of course that statement sounds almost cold because it appears to turn a living, breathing, human being into a page on a database, but the concept of CRMs is one of the closest bridges to psychological and marketing interests available. This tool enables you to build out a profile of the customer, examining your previous interpersonal communications with them, what products they like purchasing and what outreach programs they've been responsive to in the past.

In summary, this three-pronged approach to consumer marketing is a new, fresh method for relationship building in an online market. It utilizes both online and offline methods for communication with customers and allows a non-invasive approach so that consumers do not feel bombarded with slimy salespeople or obnoxious advertisements. The Reaction-Action-Analysis Procedure also provides recommendations for the available tools that should be used (especially initially) to enable small to mid-sized businesses to succeed in optimizing the customer's experience as well as measuring that success. The tools are extremely affordable (free in some cases) and are easy to use. Marketers and psychologists can both gain great insight into business to consumer relationships through their own research and analytical methods, however the distinct differences of the two fields of study outlined in this paper show the true importance of a cross-discipline procedure that fills the void between their interests in the issue.

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