

# E-CRM INFLUENCE TOWARDS CUSTOMER SATISFACTION AND LOYALTY: AN EMPIRICAL SURVEY ON MOBILE PHONE CONSUMERS

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## ABSTRACT

*An E-CRM is a word that describes how organisations and their consumers can connect with each other via the Internet or the web in order to streamline the deployment of CRM. It is possible for businesses to boost customer satisfaction and loyalty by using E-CRM, for example. E-CRM capabilities are also crucial for the management of online connections with customers. Concrete website functionality and tools are terms used to describe these elements, which are critical to the customization, personalization, and consumer interaction processes.*

*This study contributes to our understanding in numerous ways. E-CRM features are shown to have a significant impact on online consumer loyalty at all phases of the purchasing process, leading to long-term customer relationships. As a result of this research, mobile phone providers in India should implement E-CRM programmes into their customer loyalty programmes.*

**Keywords:** CRM, E-CRM features, E-satisfaction, E-Loyalty.

## INTRODUCTION

Since the Internet established a working relationship with a variety of businesses and other organisations, including e-commerce and business, customer relationship management (CRM) and supply chain management (SCM), electronic tickets (e-ticketing), education (e-learning), and government (e-government), it has sparked considerable interest. We are witnessing an exponential growth in the use of internet technology in both consumer and business-to-business situations Bradshaw & Brash (2001). Customers' costs of looking for commodities and services are reduced through the use of internet-based services, which also expand seller alternatives, provide clients more control over the products and services they receive, and increase customer convenience (Anderson & Srinivasan, 2003). According to Purba, the term "E-CRM" refers to the use of electronic (or Internet-based) technologies to meet customer relationship management (CRM) objectives 2001 provide clients more control over the products and services they receive, and increase customer convenience (Anderson & Srinivasan, 2003). They argue that customers of E-CRM companies take an active role in the purchasing and service processes because they use online self-service tools rather than depending on firm employees directly. For organisations, this allows them to obtain a deeper understanding of their customers as well as give their customers a greater say in how the process is run. Online customer relationship management (ECRM) is defined by

Bergeron (2004) as e-mail, web-based commerce, and any other online touch points that integrate customer relationship management (CRM). When Feinberg and Kadam (2002) examined the relationship between E-CRM features and customer happiness, they discovered a dearth of studies on the subject. To save money, businesses should only use E-CRM services that are absolutely necessary for client pleasure. According to Devaraj et al. (2002); Wixdom & Todd (2005) the usefulness and ease of online shopping, as well as low economic prices and great service quality, all influence consumers' satisfaction, which in turn influences their channel preference. According to Feinberg et al. (2002), a lack of correlation between E-CRM features and their implications may be a contributing factor to the failure of E-CRM implementations. As a result, businesses are encouraged to cram as many features onto their websites as possible and spend vast sums of money on services that are of little or no use to their customers, according to the researchers. However, theoretical models for components of customer relationship management (CRM) that influence online loyalty are woefully inadequate. Additionally, the components of E-CRM related with the various stages of the transaction cycle are being investigated (pre-purchase, at-purchase, and post-purchase). The notions of e-satisfaction and e-loyalty are examined at various points of the purchasing cycle in this study, which expands on past research. Due to the lack of prior research examining the influence of repurchase E-CRM, the purchase process, and post purchase E-CRM, this study tries to fill this void by examining the interaction between these factors in the context of B2C E-Commerce.

### Mobile Phone Market in India

The country's mobile telecommunications system now has a subscriber base of over 1151.8 million people, owing to the system's privatisation in the 1990s (as of 31 October 2020). With 80 percent of global customers, GSM comfortably maintained its position as the dominant mobile technology, while CDMA appeared to have achieved a plateau at 20%. The country is divided into a number of circles, each of which represents a different region of the country (roughly along state boundaries). Local and long-distance telephone services are provided by the government and commercial corporations, respectively. Prices in India have already fallen to among the lowest in the world as a result of competition, especially with the launch of Reliance Jio's services. As a result of the Information Ministry's new policies, prices should drop even lower.

Fixed-line connections began to decline in September 2004, but mobile phone usage has now overtaken that of wired connections by a wide margin. In 2001, there were just 5 million mobile subscribers, while in July 2018, there were more than 1,179.32 million. For the vast majority of its population, India is a GSM country. The 1800 MHz spectrum has also recently seen new entrants. VI, Airtel, Jio, and BSNL/MTNL are some of the market's top players. The great majority of carriers, both domestically and internationally, have signed roaming agreements with one another. Mobile number portability (MNP) was approved by the government, allowing customers to keep their mobile phone numbers even if they transfer mobile service providers. There were more than 100 mobile phone connections for every 100 people in Trivandrum in 2014. Kollam, Kochi, and Kottayam, three more Kerala cities, also achieved the century mark in 2015. Chennai, Mysore, Mangaluru, Bangalore and Hyderabad are just a few of the major cities in India that have crossed the landmark in 2017.

The Videsh Sanchar Nigam Limited (VSNL) provided the first commercial Internet connection in India on August 15, 1995; however, educational institutions have been permitted to use the Internet since 1986 through the Educational Research Network (ERNET) (ERNET). In just six months, VSNL successfully added around 10,000 additional Internet

subscribers. Throughout the following decade, the average internet speed on the country's narrow-band connections remained less than 56 kbit/s. However, this did not improve (dial-up). "An always-on Internet connection capable of downloading at least 256 kbit/s" was defined as broadband by the government in 2004. While broadband adoption rose from 2005 to 2010, it fell short of government and agency goals due to resource constraints in last-mile connectivity, which at the time of the study was dominated by wired-line technology. When 3G and 4G spectrum were auctioned in 2010 and 2011 respectively, the government removed this restriction to a competitive wireless broadband market in the United States and throughout the world. In India, both public and private firms now offer Internet connection via a range of technologies and media, including dial-up (PSTN), xDSL, Ethernet FTTH ISDN, coaxial cable, 4G, WiFi, HSDPA (3G), and WiMAX.

There were 190 million Internet users in India at the end of June 2013 and 378.10 million at the start of January 2018, according to the Indian Internet and Mobile Association (IAMAI). Between 2005 and 2010, broad band's five-year CAGR (compound annual growth rate) was roughly 117 percent.

As of December 31, 2017, India had 204 Internet Service Providers (ISPs) offering broadband services. As of January 2018, Reliance Jio had 168.39 million subscribers, 75.01 million Bharti Airtel subscribers, 54.83 million Vodafone subscribers, 37.33 million Idea Cellular subscribers, and BSNL subscribers. (There are 21.81 million people in the country.) As of 2009, 37 percent of internet users did so from a cyber café, 30 percent did so from a workplace, and 23 percent did so from their personal residences. Since 2009, the number of mobile Internet users has grown significantly, reaching 359.80 million at the end of January 2018, with the vast majority of these users connecting using fourth generation (4G) wireless networks.

## **E-Commerce**

The revenue generated by online sales is rising. Businesses can benefit from the growing number of mobile phone retailers on the high street, which has demonstrated to be an online popular niche. Electronic commerce is an ideal fit for mobile phone retailing because of its nature and the character of its primary consumer. It's already a substantial distribution channel for mobile phone shopping with 27% of users acquiring their new phones online. This demonstrates that E-Commerce has a greater impact in marketplaces driven by technology.

## **Statement of the Problem**

Businesses may now connect more effectively and efficiently with their customers thanks to modern technology. The need for Internet technology adoption is obvious as firms enhance their efficiency in handling buyer-seller transactions, notably through the usage of the Internet. A little amount of research has been conducted on the topics of electronic customer relationship management, customer happiness, and customer loyalty. Additional study is being conducted to elucidate this connection.

Customer relationship management (CRM), customer satisfaction (CS), and customer loyalty (CL) are three research holes in my thesis that I want to address (CL). There has been little research into the transaction cycle of electronic customer relationship management (E-CRM) (pre-purchase, at-purchase and post-purchase). Despite substantial research on these traits, only a few studies have examined their relevance to the transaction cycle. Additionally, no empirical research has been

conducted on the components of E-CRM that influence a consumer's decision to acquire mobile phone products/services over the internet.

The mobile phone sector has benefited from websites in its efforts to communicate with clients worldwide. Additionally, consumers can purchase mobile products and services directly from the company's website, allowing mobile phone companies to reach a global audience and develop a presence in the international market. As a result, users of mobile phones will migrate from an offline to an online experience in the near future.

## Objectives

1. The goal of this study is to investigate the effect of E-CRM features on customer pleasure and loyalty when they purchase mobile phone items and services online at three distinct stages: before, during, and after the transaction.
2. Customer satisfaction, customer loyalty, and E-CRM features are all inextricably linked.
3. To examine the interaction of the pre-purchase, in-transaction, and post-transaction components of E-Loyalty and E-CRM systems.
4. To analyze the role of e-satisfaction as a mediator between the attributes of E-CRM and customer loyalty.

## Research Design

In order to make conclusions about the population as a whole, it is necessary to sample a significant number of cases. In this study, the target population consists of internet users in Vijayawada, Andhra Pradesh residents (aged 20 or older) who use a preferred mobile phone website for informational purposes and/or to purchase mobile phone accessories. Because compiling a list of Vijayawada residents who purchased mobile phone accessories directly from mobile phone websites would have been excessively expensive and impossible, it was agreed that customers would be 'students. It is also important to note that this study's target audience includes all students at selected engineering colleges in Vijayawada who have previously purchased mobile phone accessories online. As a result, the use of convenience sampling is appropriate. In this investigation, based on the findings of the pilot test, the overall sample size is limited to 200.

It is crucial to decide how to analyze data prior to collecting it in order to prevent collecting it in the improper format and receiving misleading results (Cooper & Schindler, 2001). For the purposes of this study, SPSS version 15.0 was used to analyze the data that was obtained. It was decided to use the SPSS.0 statistical program for data analysis and presentation since it contains all of the necessary statistics, such as descriptive statistics and reliability/correlation tests, as well as factor and linear regression analyses, as well as multiple regression studies. As an added bonus, SPSS is easy to get started with and doesn't require a lot of training.

## LITERATURE REVIEW

Client relationships that last a long time are at the heart of CRM's primary concept (Kristoffersen et al., 2004). Customer relationship management (CRM) is a strategic and process-oriented tool for buyers and sellers that academic literature describes as a tool that can assist organizations in attaining superior financial performance (Lambert, 2004; Payne and Frow, 2005; Boulding et al., 2005; Bohling et al., 2006). Customers Relationship Management (CRM) is a broad term that incorporates a variety of diverse components that are crucial to the success of a well-implemented

CRM system. Customer relationship management (CRM) and "data-driven marketing" are two terms coined by Smith (2001) to describe CRM. In order to achieve its stated goal of maximizing customer value, CRM should be deployed throughout the customer lifecycle, according to Bruhn (2003).

This management technique focuses on the identification, attraction, development, and maintenance of long-term successful connections in order to boost lucrative customer retention. Customer relationship management (CRM) is a notion that is always evolving. E-CRM, also known as web-based CRM, was created as a result of the introduction of the Internet (Norton, 2001). Since customer relationship management (CRM) has been characterized as being centered on call centers and sales force automation, the rush to adopt electronic customer relationship management solutions has begun. Successful implementation of E-CRM can result in significant benefits for organizations, including a high return on investment (ROI), an increase in customer loyalty, and other advantages. The letter 'E' in customer relationship management (CRM) represents a challenging task for CRM-performing organizations. E-CRM is the future of customer relationship management, and businesses that do not make their CRM programs web-friendly will be doomed to failure. Following the identification of E-CRM as a top priority for CEOs in 2008 (Fletcher, 2008), AMR Research has indicated that 33 percent of organizations intend to enhance their E-CRM systems in 2009 (AMR Research) (Forrester Research). The terms E-CRM (electronic customer relationship management) and CRM (customer relationship management) are two distinct technologies in 2009, according to (Marston), despite the fact that the distinctions between them are minor and significant. Customer Relationship Management (E-CRM) systems often provide clients with a self-service browser-based window through which they can place orders, check order status, examine purchase history and request additional information about products, as well as perform a variety of other operations, such as sending e-mails.

Neither the consumer nor the organization is compelled to answer customer enquiries and requests with a live person on the other end during regular business hours. Customers, rather than enterprises, perform the majority of the effort in relation to E-CRM (Chandra and Stickland 2004). CRM software focuses on the products and tasks it supports, not the other way around. Electronic Customer Relationship Management (E-CRM) systems have been built to provide the customer with the "whole experience" on the web. Instead of serving the entire company, a web-enabled CRM system focuses on a single department or division. E-CRM software, on the other hand, is designed to serve the needs of the entire organization, including customers, suppliers, and business partners. Multi-channel customer contacts, such as phone, Internet, email, fax, and live chat are not supported by traditional CRM systems.

## DATA ANALYSIS

### Multiple Regression Analysis

The relationship between the features of E-CRM mobile websites and client e-satisfaction was explored using SPSS 15.0. There are eight components to examine while evaluating e-CRM mobile website characteristics Grossnickle & Raskin (2001), including website design, search capabilities, participation in loyalty programmes, security/privacy, payment method options, order tracking, and on-time delivery. These are the factors that this study considers to be independent (CS) Kassaroff (2000). The E-

Satisfaction Questionnaire (E-SQ) was employed as an independent variable in this study when these websites were used Shim et al. (2001) (Tables 1-4).

Model	R	R	Adjusted R Square	Std. Error of the Estimate
		Square		
1	0.610 <sup>(a)</sup>	0.604	0.553	1.172

aPredictors:(Constant),

b Dependent Variable:E-SQ

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	505.417	6	66.427	52.546	0.000 <sup>(a)</sup>
1 Residual	658.38	453	1.62		

a Predictors: (Constant), service, Web, Tracking, Payment, Security

Independent Variables	Standardized Coefficients $\beta$	Std. Error	VIF	p	t-value
Constant		0.253	-----	0.055	
CS	0.539	0.062	1.33	0	2.568
OT	0.323	0.019	1.237	0.004	1.786
S/P	0.306	0.012	1.701	0.014	2.887
OD	0.543	0.065	1.214	0.015	1.53
SC	0.105	0.024	1.257	0	2.784
WD	0.453	0.040	1.567	0.009	1.916
LP	0.215	0.051	1.357	0.006	2.247
PM	0.264	0.038	1.354	0.005	4.328

### Regression Analysis Co-efficient

The association between the features of E-CRM websites and consumer e-satisfaction with the same websites was investigated using MRA, and the findings were published in the Journal of Business Research Wixom & Todd (2005). Among the eight characteristics of e-CRM mobile website features are website design, search capabilities, loyalty program participation, security/privacy, payment method possibilities, order tracking, and on-time delivery (OD) (CS). The E-Satisfaction Questionnaire (E-SQ) was used as the dependent variable in this study.

Model		Unstandardized Coefficients		Standardized Coefficients	t-value	Sig.
		B	Std. Error	$\beta$		
1	(Constant)	-0.817	0.257		-2.811	0
	Pre/E-CRM	0.434	0.079	0.497	4.675	0
	At/E-CRM	0.422	0.069	0.211	5.602	0
	Post/E-CRM	0.450	0.049	0.276	8.468	0

a. Dependent Variable: E-SQ

## CONCLUSION

Mobile phone firms are urged to keep their online clients by understanding the E-CRM characteristics that allow them to build and sustain connections with their customers on the Internet. Consumer behavior changes as they interact with 'new' technology, even if old marketing principles still apply. This is especially true in the Internet age. E-Loyalty, on the other hand, necessitates E-Satisfaction. It is essential for marketing managers to identify the most effective E-CRM system and marketing mix in order to maximize the likelihood of customers purchasing mobile products/services online. A deep understanding of customers' requirements can help businesses better tailor their electronic customer relationship management (ECRM) capabilities to match the needs of customers at each point in the purchasing process. Web developers in India can use the findings of this study to improve the design of their company's websites and homepages. This is especially true for mobile firms.

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