Marketing Mix and the E-loyalty

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Abstract—*Online shopping has become more and more common in everyday life, and thus e-loyalty has gained special attention of the e-marketers.This study has been done to understand the relationship between the evolved e-marketing mix elements proposed by Kalyanam & Mc Intyre (2002) and the electronic Loyalty with the help of literature available. The literature review has been divided into 2 parts . Part one will include the literature review about the combination of marketing mix that suits the need of the current online marketing trends and the second part will include the study of the determinants of E-loyalty.A theoretical framework was developed based on the literature review. The study finds the positive relationship has been found between the marketing mix elements proposed by Kalyanam & Mc Intyre and E-loyalty.Trust and satisfaction were found to be the the anticidents of e-loyalty.*

Keywords: E-Marketing Mix, E-loyalty, Trust & Satisfaction.

1. INTRODUCTION

Information technology has influenced the way businesses are conducted today. With the rapid growth of e- commerce and online consumer shopping trends, the importance of building and maintaining customer loyalty in electronic marketplaces has come into sharper focus in marketing theory and practice. This research proposal intend to study the role of marketing mix elements in building e – loyalty among the customers.With the changing trends in the shopping trends the marketing mix elements have also evolved from a basic 4P model to the others evolved marketing mix suitable as per the needs of the online marketing.In this study first of all we need to indentify the set of marketing mix element which is used in online marketing and then we have to study the role those elements play in buiding up the customer's electronic loyalty.

2. LITERATURE REVIEW

The literature review has been divided into 2 parts . Part one will include the literature review about the combination of marketing mix that suits the need of the current online marketing trends and the second part will include the study of the determinants of E-loyalty .

3. MARKETING MIX REVIEW

Peattie & Peters (1997) argued that The new communication and interaction capabilities will change everything around marketing in many industries, yet the basic marketing concept will remain unchanged. New role for the 4P's of the Marketing Mix and proposes the new definition of the 4Ps i.e. Product: co-design and production, Price: more transparency, Place: direct contacts with customers and Promotion: more control of the customer, interaction.

Mosley Matchett (1997) argued that a successful presence on the Internet is based on a Web site designed on the basis of a Marketing Mix of 5 W's i.e Who: Target audience / market ,What: Content   When: Timing and updating ,Where: Findability and Why: Unique Selling Proposition.

Evans and King (1999) There are four steps in building a successful B2B web site. Each of these steps brings with it a number of major managerial implications.These steps are Web Planning: defining mission and goals, Web Access: How to get Web entry, Site Design and Implementation: Content Site Promotion, Management and Evaluation: Commercial and managerial aspects.

Chaffey et al (2000) Argues that the Internet can provide opportunities to vary the elements of the traditional marketing mix, while he identifies six key elements for effective web site design: Capture, Content, Community, Commerce, Customer Orientation, Credibility.

Lawrence et al (2000) propose a hybrid approach suggesting that creating an online marketing activity should be based on the traditional Ps of the marketing mix (indeed with two add-ons; people and packaging) as well as the new five P's of Marketing. The New Five Ps of Marketing are: Paradox, Perspective, Paradigm, Persuasion and Passion.

Kambil and Nunes (2000) argued that Looking to the marketing of music products E-Commerce Marketing requires new approached from marketers, they have to move away from the traditional approach based on the 4P Marketing Mix and proposes that Important elements of the online marketing are: Community building, Original event programming, Convenience and Connectivity.

Bhatt and Emdad (2001) argued that the virtual value chain is changing the nature of the 4P's and transforms them by adding new dimensions. Businesses still make their strategic marketing decisions based on the 4P Marketing Mix. Proposes the New Character of the 4P's :Product: new options for

customised information, Place: no time and location restrictions, direct delivery, Price: price discrimination and customisation, price transparency and Promotion: action-oriented promotional activities are possible, promotional flexibility.

Schultz(2001) argued that marketplaces have bcome customer oriented. The 4P's have less relevance today; they made sense the time they were invented. Succeeding in the 21st century interactive marketplace means that marketing has to move from an internal orientation illustrated by the 4 Ps to a view of the network or system. Proposed that the end consumer controls the market, Network systems should define the orientation of a new Marketing and A new Marketing mix must be based on the Marketing Triad Marketer, Employee and customer.

Allen and Fjermestad (2001) Accept that the traditional 4P marketing Mix can be the basis of the E-Commerce strategy and identify the changes that are needed to make the model suitable for e-marketing. 4P's major changes in an Ecommerce situation

- Product: information, innovation

- Place: Reach

- Price: Increased competition

- Promotion: More information, direct links

Constantinides (2002) Some major flaws of the 4Ps mix as basis of online marketing activities:Lack of interactivity, lack of strategic elements in a constantly developing environment, the 4Ps are not the critical elements of online marketing. Proposes the 4S model offers a comprehensive, integral approach on managing the online presence:

- Scope: Strategic issues

- Site: Operational issues

- Synergy: Organisational issues

- System: Technological issues

Kalyanam and McIntyre (2002) argues that In the post dot-com boom, marketing managers are learning to cope with a whole host of new marketing elements that have emerged from the on-line world of the internet. In some ways these new marketing elements have close analogs in the off-line world, and yet from another perspective they are revolutionary and worthy of a new characterization into what we coin as the E-Marketing mix (or the e-marketing delta to the traditional marketing mix).Proposed that E-Marketing mix can be characterized by a 4Ps +P2C2S2mnemonic.
-Product
-Price
-Place
-Promotion
-Personalisation

-Privacy
-Customerservice
-Community
-Sitedesign
-Security

4. PRODUCT & E-LOYALTY

Koo (2006) identified the fundamental reasons of e-consumer's loyalty to an online store. The study found the positive relationship between product assortment and customer loyalty.

Hsu et al. (2009) explored the factors that affect the online shopping loyalty. The study found the positive relationship between product information and purchasing loyalty.

Chen (2008) examined the link between product involvement and E-loyalty and explored the mediating role of Perceived Play. Founds that product involvement and e-loyalty are positively related.

Schwarze (2000) Developed a model for determining and maintaining brand loyalty of consumer goods, and to show the relationship between quality levels, consumer attitudes, promotion activity using coupons, advertising, product innovation, and the brand loyalty found the positive relation between product development and e-loyalty.

Tsai and Huang (2009) conceptualized the determinants of customer loyalty and investigated their interrelationships The study found that warranty (part of product) is positively related to competitive equity which is again positively related to loyalty intention

5. PRICE AND E-LOYALTY

Gefen and Devine (2001) Identified the dimensions of online service quality and assess their relative importance in customer loyalty. The study found the positive relation between price and e-loyalty.

Valvi & West (2013) provided a general model of e-loyalty's drivers by empirically testing the widely accepted factors influencing e-loyalty in combination with a number of new factors, namely: trust, perceived value, dissatisfaction, inertia, convenience motivation, psychological factors, price, web design and computer knowledge. Price was found to be the determinant factor of e-trust and e-loyalty.

Koppius, Speelman, Stulp, Verhoef & Heck (2004) Identified the reasons why customers come back to buy their airline ticket online. The study found that Price is positively related to continuance intention.

Xiang, Hui & Sheng (2006) empirically tested a model examining the antecedents and consequences of consumer satisfaction toward e-retailers and found that Internet security, Product quality & Price advantage are positively related to continuance intention.

6.   WEBSITE AND E-LOYALTY

Swaid and Wigand (2009) construct a scale for measuring e-service quality, and examined the effects of the dimensions of e-service quality on the various types of customer loyalty and found the positive relationship between website usability and e-loyalty.

Li and Huang (2009) examined whether there is an existing linkage between e-service quality dimensions and e-satisfaction and e-loyalty and found the positive relationship between website quality and Satisfaction & trust which are also found to have positive relationship with e-loyalty.

7.   PRIVACY & SECURITY AND E-LOYALTY

Riquelme & Roman (2014) conducted a study to analyzes the relationships among online trust and two of its most important antecedents, namely privacy and security, and explains how consumers' characteristics (gender, age, education and extraversion), moderate the influence of both privacy and security in online trust. The study found the positive relation between Privacy & security and trust.

Lawler (2002) examines from simulation the effects of the privacy sensitivity of customers, the personalization practices, standards of retailers and the difficulty in locating alternate favorable sites, on the loyalty of consumers to a Web site. The study found the positive relation between privacy sensitivity and loyalty.

Wolfinbarger and Gilly (2003) Examines the online e-tail quality and its effects on satisfaction, customer loyalty and attitudes towards the website. The analysis suggests that website design, privacy/security and customer service—are strongly predictive of customer satisfaction, customer loyalty and attitudes toward the website.

Eastlick, Lotz & Warrington (2006) examined the roles of consumers' privacy concerns and perceived e-tailor's reputation on trust, commitment and purchase intent toward a services e-tailor. The study show that privacy concern directly influence trust and indirectly influence commitment.

Yang and Jing (2009) examined the factors that influence customers' e-loyalty. The study indicate that website security positively influence e-loyalty.

Cyr (2008) conducted a research to determine whether there are differences across countries (Canada, Germany & China) regarding preferred website design elements ,website trust, website satisfaction and website loyalty. The study positively linked the website design to website trust website satisfaction & website loyalty.

Caruana and Ewing (2006) examined the role of corporate reputation and its relationship to quality, perceived value, and loyalty in an online context.The study found the positive relationship between website design and e-loyalty.

Lin and Sun (2008) explored the relationship between customer satisfaction and loyalty in internet shopping and also explored the effects of the technology acceptance factors, perceived usefulness (PU) and perceived ease of use (PEOU)), website service quality and specific holdup cost on customers' e-satisfaction and e-loyalty. This study found the positive relation between e-satisfaction and e-loyalty.

Flavián (2006) Studied the influence of perceived usability, satisfaction and trust on website loyalty and the study found that trust and satisfaction are positively related to loyalty.

Thatcher & George (2004) Developed and tested a theoretical model that links antecedents to Web shopper loyalty and identified how perceptions of the Web environment may moderate links between antecedents and loyalty. The study found that price and convenience are positively related to satisfaction. Satisfaction was found to be positively related to commitment which in turn is related to loyalty.

Yang and Peterson(2004) investigated the moderating effects of switching costs on customer loyalty through both satisfaction and perceived-value measures. The study found that satisfaction is positively related to loyalty.

Balabanis(2006) examined the antecedents of e-store loyalty (perceived switching barriers and satisfaction) and the way in which they interact. The study found positive non linear relationship between e-satisfaction & e-loyalty**.**

Chen (2010) Examined the variables affecting customer loyalty from the point of online shopping experience. The study found that satisfaction is positively related to loyalty.

Gupta (2006) examined the transformation process of a virtual community (VC) members into online purchase customers based on the classical conditioning approach. The study found the positive relation between virtual community and e-loyalty.

Chen & Ching (2008) examines the relationship of five virtual experiential marketing (VEM) elements on customer browsing, purchase intentions and loyalty. The study concluded that community relationship (one of the element of VEM) is positively related to browse intention which is again positively related to loyalty.

Jin and Park (2006) investigate the moderating effect of online purchase experience on the evaluation of online store attributes and its impact on market response outcomes. The study founds the positive link between security/ privacy, promotion and trust which is one of the antecedent of e loyalty.

Peikari (2010) examined the influence of security statement and technical protection on satisfaction, loyalty and privacy. The study found that security is positively related to loyalty & satisfaction.

Fuentes-Blasco (2010) examined the antecedents of e-loyalty and the effect of switching costs on website. The study finds

that security is positively related to Perceived Value & E-Loyalty.

Li & Huang (2009) examines the link between e-service quality dimensions and e-satisfaction and e-loyalty. Results of the study indicated that e-satisfaction is positively related to e-loyalty and security which is one of the dimensions of service loyalty is positively linked to e-satisfaction.

Liu & Xu (2010) explored virtual community involvement and how it affects online stickiness and repurchase intension. The research model was checked for goodness of fit. Results of the study indicate that virtual community involvement positively affects online stickiness and online customer satisfaction.

Min, Cheng, Kai & Yong (2008) Demonstrated how "7C" (content, convenience, communication, concern, credibility, character & customization) affect consumer loyalty in B2C e-commerce. Results indicate that security, Product information and Customer service are found to be positively related to loyalty.

PROPOSED RESEARCH FRAMEWORK
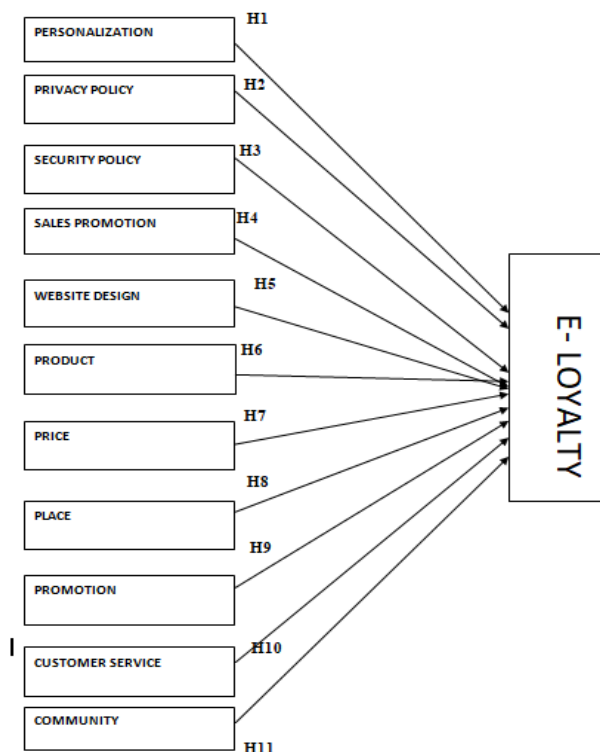
8. CONCLUSION OF THE STUDY

As per the literature review positive relationship has been found between the marketing mix elements proposed by Kalyanam & Mc Intyre and E-loyalty.

Trust and satisfaction were found to be the the anticidents of e-loyalty.

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