

ROLE OF TECHNOLOGY READINESS IN DEVELOPING TRUST & LOYALTY FOR E-SERVICE

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Technology has made its high impact on Consumer Decision Making Process (CDMP). CDMP starts with a need recognition followed by information search. Information search happens in different ways - it involves electronic, word of mouth, consumer may use search engines to get the information etc. consumers have to select best possible product/good/service from the available alternatives. Once the product is selected; it is the responsibility of the seller to get post purchase feedback from the consumers to know their satisfaction level. In this decision making process e-trust from consumers to e-loyalty from seller and e-service quality to e-trust has significant role. The effect of technology readiness can also be on such constructs like trust with the service provider as well as loyalty to the service provider. This conceptual paper discusses the development of building trust and loyalty in technology enabled e-services quality towards customer and also focuses on role of technology readiness in developing trust and loyalty for e-services.

Keywords: Consumer Decision Making Process, Role of Technology, Trust and loyalty in e-services and business.

1. Introduction

Technology is day by day increasing rapidly in the current scenario. Service providers need to have enough knowledge on dynamic marketing strategy to face the new challenges in the competition. Technology must add trust and loyalty for both customer and seller. Trust is the word which can be defined in many ways according to Ring and Van de ven (1992) they define the word trust as “*confidence in another’s goodwill*”. In the global business strategy team building in one of the major task which has to be accomplished to have global market success. Team building has to be happened between service providers, customer and seller by providing trust and loyalty. In e-marketing strategy trust and loyalty place a very vital role, E-services must add value to the word trust and loyalty virtually it must attract good number of customers and retaining the customers is all possible only when the product or the service is capable of rendering trust for the customers. Trust and loyalty can generate value to the product; value can be measured as benefit minus cost.

2. Customer decision making process

Step 1 - Need is the most important factor which leads to buying of products and services. Need in fact is the catalyst which triggers the buying decision of individuals.

Step 2 - When an individual recognizes his need for a particular product/service he tries to gather as much information as he can.

An individual can acquire information through any of the following sources:

- a. Personal Sources - He might discuss his need with his friends, family members, coworkers and other acquaintances.
- b. Commercial sources - Advertisements, sales people (in Tim's case it was the store manager), Packaging of a particular product in many cases prompt individuals to buy the same, Displays (Props, Mannequins etc)
- c. Public sources - Newspaper, Radio, Magazine
- d. Experiential sources - Individual's own experience, prior handling of a particular product.

Step 3 - The next step is to evaluate the various alternatives available in the market. An individual after gathering relevant information tries to choose the best option available as per his need, taste and pocket.

Step 4 - After going through all the above stages, customer finally purchases the product.

Step 5 - The purchase of the product is followed by post purchase evaluation. Post purchase evaluation refers to a customer's analysis and their feedback.

3. Technology Readiness

Technology readiness (TR) is not only the functions technical skills, TR indicate more of a customer's beliefs and feelings about the technology. Customer's beliefs may be positive to TR and sometime negative but relative customer strength is purely depends upon receptivity of customer's. In triangle model it was noticed that triangle model had 3 dimensions those are company, employee, and employer now a days fourth dimension is also comes into picture i.e. Technology. Technology readiness level (TRL) is a metric evaluation method for evaluating maturity of a technology. Technology readiness assessment (TRA) it describes and evaluates the program concept, technology capabilities and technology requirement. In TRL it consists of a scale of nine levels, in which each level symbolizes development in the progress of technology to full product deployment in the market place. This technology readiness scale was proposed by NASA in the year 1970 to estimate the technology maturity.

Level 1- Basic Principles

In this level fundamental investigation and other paper work has to be converted as applied research. This is considered as one of the fundamental lowest level in the technology readiness.

Level 2 – Application formulation

Once the basic level is observed and studied carefully it is better to convert that knowledge in to application level. Hence it is also named as applied research level in technology readiness.

In this level practical application to be formulates.

Level 3 – Concept establishment

In this level development activity takes place, Hence it is also named as active research level. Level 3 should validate proof of concept establishment and also validate predictions of analytical components.

Level 4 – Process or prototype testing

Once the technological components are prototype is design and developed. These technological components are integrated to verify whether it works fine when it is integrated. This is one of the important phases in the technology readiness.

Level 5 – Integrated prototype system testing

Once the prototype basic technological components are developed it has to be integrated and it must undergo laboratory testing in a simulated environment.

Level 6 – System prototype verification

Technology prototype is needed to be verified in a suitable environment. Hence this level is named as system prototype verification. This level has to be carried out in a operational environment.

Level 7 – Integration of pilot system

Once the pilot system is almost ready it is better to integrate and need to be demonstrated of its working so that it may be helpful to eliminate manufacturing and engineering risk.

Level 8 – System incorporated in commercial design

This level indicate end of competent true system development. Technology has been recognized to work in its finishing form under the anticipated circumstances.

Level 9 – System ready for full scale deployment

This level indicates system is fully ready and it is ready for full fledged deployment for commercial usage.

4. Trust and loyalty in e-service

Services or product offered with the help of information technology are known as e-service. The ability of the service provider to provide an excellent service to their customers is purely depends upon the trust and loyalty processed by the customer about the service or the product. According to Apostolos N. Giovanis et al (2014) loyalty implies satisfaction and trust. e-service quality dimensions of reliability/efficiency; privacy/security and ease of use/usability are shown to be antecedents of both e-satisfaction and e-trust; e-satisfaction mediates the relationship between the other three e-service quality dimensions, namely information quality/benefits, responsiveness, and web design and e-trust. Finally, several managerial implications are discussed and further research directions are provided.

5. Building customer Trust and loyalty

Many ways are available to build trust and loyalty from the customer perspective some of them are listed below

- Online Customer assistance
- Usage of social media to connect with right customer
- Encouraging customer review and displaying the same in the website
- Secure payment options.
- Providing quality products

- Conducting Webinars
- Conducting video conference
- Virtual exhibition of the product or the service
- E-mail assistance
- Conducting loyalty program

6. Technology readiness for Customer retention strategy

Marketing Wisdom introduce more of a several simple customer retention strategies that may cost little or nothing to implement Because of the technology readiness. This customer retention strategy may help to increase the business profit and creating good will in the society about the product or the e-service offered by the service provider.

- Blogs
- Loyalty Programs
- Personal Touches
- Questionnaires and Surveys
- Regular Reviews
- Social Media
- Welcome Book
- CRM Systems
- Magic Moments
- Premiums and Gifts

7. Conclusion

Technology readiness helps in development of Customer loyalty strengthens the brand image and builds equity by creating the trust in the mind of customers. An optimistic character always helps businesses scale to greater heights. Organizations or any business firms must focus on treating their customers better and rewarding them for their loyalty. Loyal customers will stick to a brand because they trust the brand. Organizations with a loyal customer base are immune to both competition and economic changes. This conceptual paper discusses the development of building trust and loyalty in technology enabled e-services quality towards customer and also focuses on role of technology readiness in developing trust and loyalty for e-services.

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