The Impact of e-CRM Features in Websites on Marketing Communication: Evidence from the 500 Largest Greek Companies

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Abstract: *In this study the 500 largest Greek companies are examined concerning their websites as marketing communication channels. Features of the websites are checked and the most important features are categorized. Companies' characteristics are analyzed and connected to the business activities of the firms. Simultaneously, the companies are segmented using two-step cluster analysis and hence the profiles of the clusters are presented. The findings indicate that Greek firms mostly adopt phone number, email, fax, as an electronic mean of communication, while web form is used as a means to obtain customers information and complains. The majority of Greek companies do not use the modern feedback mechanisms and they do not take advantage of them in communicating with customers and building relationships with them. Only a small minority of firms surveyed have exploited the web as a marketing communication tool. Therefore, there is enough space for improvement.*
Keywords: *e-CRM features, marketing communication, internet technology, e-commerce*

1. INTRODUCTION

The emergence of Internet technology, as an electronic medium of commerce has brought about tremendous changes in the way companies compete in today's New Economy. For many years, the Internet was primarily used for exchanging information. The World Wide Web (WWW), however, has fundamentally changed the Internet. Internet technologies provide companies with tools to deliver value added services to their consumers. E-commerce is nowadays a growing reality in the Web. Organizations have realized the advantages of using the Internet for making on line transactions and building consumer relationships which affect consumer satisfaction, loyalty and retention. Consequently, many companies seem to rethink new ways of generating sales and increasing profits. E-commerce is one of the ways that organizations could employ to shorten and better utilize their time in marketing their products and services.

Advantages offered when using Internet have driven large organizations to get involved in e-commerce and create their own web site. Although e-commerce may be conducted on the Internet in a multitude of ways, a company's web site is one of the commonly used methods for generating commercial activities (Chakraborty et al., 2002). Moreover, beyond commerce, a company's web site is also used for communicating and interacting with customers. However, doing online business does not guarantee competitive advantages in itself. E-commerce firms depend on people visiting, trusting and purchasing through their sites. Thus, one of the most important issues for managers is to create an effective web site.

What composes a web site effective is a research topic that numerous researchers have worked on it. Among the various studies addressing the factors affect customers perception on the acceptance of the site, those involving customer satisfaction have received the most attention. Traditionally, customer satisfaction is a customer's evaluation of their purchase and consumption experience with a product, service, brand, or company. Customers are more likely to be satisfied if service performance meets their expectations (confirmation) or exceeds them (positive disconfirmation) (Oliver and Swan, 1989). Customer satisfaction is widely recognized as a key influence in the formation of consumers' purchase intentions. Interest in satisfaction stems from its role in affecting customers' loyalty and consequently repeat purchase decisions. Moreover, customer dissatisfaction, a related concept, is strongly related to complaining behavior (Ngai et al., 2007). Customers usually have some expectations about a product or service and when their expectations are not met, they feel dissatisfaction, which might lead to the adoption of one or more types of complaining behavior. Therefore, customers' complaints should be encouraged in order to give the firm the opportunity to improve consumer perception of service quality. Complaints are useful sources of information that help marketers identify sources of dissatisfaction (Nyer, 2000). Thus, businesses which strive to keep their customers loyal and satisfied must therefore offer attractive and stimulating complaint channels in order to encourage customers to express their dissatisfaction.

However, with constant intense competition, an understanding of what constitutes consumer satisfaction and loyalty is imperative in an online environment. Researchers have examined the factors affecting e-satisfaction, e-loyalty and e-

retention (Anderson & Srinivasan 2003; Khalifa and Liu 2003; Flavian et al., 2005; Hsiu-Fen Lin, 2007). Furthermore, Hamid et al. (2003) aimed to investigate the extent to which the use of Internet helps to build customer relationship, which in turn, lead to customer satisfaction. Past researchers have examined the impact of Internet technology on customer relationship management in various areas in small and large firms, services and business-to-business companies. Nevertheless, there remains a need to empirically examine the impact of implementing Internet technology on various dimensions of relationship management and further on marketing communication.

Therefore, this study identified various e-CRM features of web based technology used by Greek companies web sites. Employing evaluation instruments based on the literature, the web sites of 500 Greek companies were examined and analyzed. The primary objectives of this study are to assess the extent to which web sites can assist communication with customers and build relationships with them.

2.   LITERATURE REVIEW

Many studies have discussed extensively what makes a web site effective. However, previous studies have focused on identifying factors from IS literature and mostly from the system point of view (Nielsen et al. 2001; Vergo et al. 2003). Among the various studies addressing IS success factors, those proposing the major dimensions have received the most attention (Delone and McLean, 1992, 2003) and particularly, systems quality, information quality, usability, easy of use, user satisfaction are some of the dimensions have been suggested more frequently. Specifically, web site usability has been shown to be a key factor in achieving the satisfaction of the user (Flavian et al., 2005; Kim et al., 2009).

The guidelines existing in the literature for designing and evaluating usability of interfaces are useful, but not enough to compose customer's satisfaction. Therefore, businesses should recognize that users satisfaction concerning a web site involves much more than having a state-of-the-art web site (Petre et al., 2006).

Some dimensions are of particular interest when a CRM system integrated in a company's website. Many authors have argued that interactivity influences customers' perceptions of the effectiveness of web sites. Hoffman and Novak (1996) supports that interactivity frees customers from their traditional passive roles as receivers of marketing communication, gives them greater control over the information and the process and allows them to be active participants in the marketing process. According to Stern (1997), affective commitment is developed through time, because of the fact that consumers get used to positive emotional responses and consequently, more security is generated in the relationship. Thus, customers should be provided with a feedback mechanism through an e-mail link or/and a form or/and frequently-ask-questions (FAQ) section for service/product related information. This can promote the dialogue between a company and its customers. Additionally, this leads to a more satisfying web site experience, which in turn increases the effectiveness of web sites (Hoffman and Novak 1997).

Particularly, feedback is very essential in the process of communication and is one of the keys to good customer service. When you get the feedback, it is considered to be the sign of complete communication. Customer feedback form is one of the best strategies for customer retention, as the customers feel involved in the process. Good customer relationship management can be developed with the help of customer feedback form. Customer feedback also helps in recognizing company's strengths and weaknesses. Obviously those feedback reports could provide opportunities to identify and understand the determinants of customer satisfaction and dissatisfaction (Dellarocas, 2010).

Furthermore, it should be noted that many studies underline the need for web sites to provide caring (empathy) and individualized attention to customers (Cao et al., 2005; Chakraborty et al., 2002; Peppers & Rogers, 1999). This means that a web site should have the ability to treat each visitor as an individual, recognizing visitors when they revisit a site and based on his/her preferences serve up information. In order to achieve it that a web site should encourage registration (user ID and password) and customizes the content of each user. Provision of multiple communication channels such as electronic mail, on line forms, discussion forums and blogs are necessary to establish direct personal communication and interaction and not a faceless statistic one.

At the same time, consumers share their content with friends and their experiences about their favorite brands via Facebook, MySpace, Twitter. By using social media or by having presence at social networking, firms enhance their business branding and permit their target group to talk about them. Additionally, making use of the opportunities provided by new media companies also can easy obtain data input from media users via the internet or computer based automated applications without having to manually sort through the data. Data obtained might include age, gender, material purchases, money spent and other details of valuable information that marketers can use to target specific areas and to achieve personalization as well (Henning-Thurau at al, 2010). Personalization increases visitors quality of experience at a website, which in turn increases the web site's effectiveness.

In summary, web sites should fulfill objectives beyond the delivery of system quality and quality of information, that many authors have stated on. Issues concern the quality of service are very essential for customers' satisfaction and they have widely been studied in the e-commerce literature (Liu et al., 2003; Hsu et al., 2004; Papaioannou et al., 2011). Based on web site quality theory, it is worthy to mention that trust is crucial in building online relationship between customers and firms, due to the risk and uncertainty of the online environment. Trust is the expectation of customer that the firm will behave in an appropriate manner and not opportunistically and it will be capable of supporting transactions with them

(McKnight and Chervany, 2002).While there is a lack of trust in the Web site, privacy and security concerns are raised (Sheehan and Hoy, 2000). This is very important though insecurity with consumers when transacting online has become one of the most important obstacles to the growth of e-commerce (Gefen, 2003). On the other hand, reduction in perceptions of privacy and security concerns affects web usage and enhances satisfaction with the Web site (Yoon, 2002). Thus, managers should be interested in alleviating privacy and security concerns from their online consumers. There are many structural, trust building assurances provided by the web site, such as HTTPs, certifications, guarantees, statements of how the information would be used, or use of third-party assurance seals. Among these alternatives, the focus of researchers and practionners have been on developing a good relationship with consumers and thereby enhancing sense of trust in the web site (Chakraborty, et al., 2002).

Concluding, we should highlight that building on line relationships between firms and consumers should be an essential goal for every web site (Boisvert & Caron, 2006). E-CRM strategies should be integrated into the design of e-commerce environments, because e-CRM features (such as personalization, interactivity, etc) are the main factors that contribute to the success of any ecommerce web site (Ab Hamid et al., 2010), aiming to maximize customer satisfaction, retention and loyalty and hence profitability for the company (Petre et al., 2006). However, although it is imperative that CRM features should applied in companies' websites, there is no evidence if CRM features are taking into account in the case of Greek companies' websites and further if they do, which features and how can assist in communicating with customers and building relationships with them.

3.   RESEARCH METHODOLOGY

This research focused on the e-CRM features applied in the 500 largest Greek companies' websites and aimed to examine the use of these web sites as a marketing communication tool. There are many CRM features on web sites that have been identified by many authors (Feinberg and Kadam, 2002). Since this paper is focusing on whether companies can utilize CRM features on their websites for improving communication with their customers, we have selected some of these features (that is those improving communication) and examine them thoroughly. Concerning analysis of data selected, frequency tables were developed. Secondly, the companies were classified according their activities (B2B, B2C or both) and further using cross-tabulation and chi-square significance tests, relationships were revealed concerning type of activity and eCRM feedback communication channels. Finally, two-step cluster analysis was used to profile companies based on eCRM feedback features.

3.1 Data collection

A list of the 500 largest Greek companies was obtained, through the reliable classification of ICAP Group. ICAP Group is one of the most successful regional Business Services Groups in South Eastern Europe. ICAP Group (www.icap.gr)

has been recognized by the Bank of Greece as an External Credit Assessment Institution (ECAI) and by the European Central Bank as an Acceptable Credit Rating Source for Greek Businesses in the implementation of the "Eurosystem". Further, we searched for their websites of the companies. 464 companies were observed and categorized. Some of the firms do not have their own web sites or they do not have a web site at all. Consequently, they were excluded resulting in a total of 445 web sites available for further analysis.

In order to collect the necessary data, a standard procedure was set to find out the types of features available on each company's web sites. More specifically the authors examined each single web site and identified those features of each presenting communicative dimensions.   From the more than 70 E-CRM features mentioned in the literature 14 were identified and checked against the list being the most common in the Greek web sites. Then, the authors focused on these 14 eCRM features and further analyzed them. Provided that one of the element, ie. security and privacy policy, is not considered by most authors as a communication feature, it was not included in the initial analysis, but it is focal point for examination in the next stage of our research.

4.   FINDINGS AND RESULTS

E-CRM features are investigated in the web sites of the 500 largest Greek Companies. Those features present alternative ways that customers could contact the company and provide feedback information which can be exploited by the company's CRM system. Hence, the overwhelming majority of the websites provide a phone number (94,9%), a postal address (91,9%), a fax number (83,9%) and an e-mail address (78%). Those are the most popular characteristics found. On the other hand they seem classical or, in other words, they consist a fundamental way of communication with the customers.

Nevertheless, internet can provide several other means of feedback. Those are adopted by the companies in relatively lower degree compared to the fundamental ones previously mentioned. Thus, fewer are the companies (59,4%) that provide on line feedback forms at their web sites, followed by those web sites that are using social networking as a communication channel (34,3%). Moreover, the features that rarely seen in the Greek web sites are membership (29,4%) and the complaining ability (28,2%). At this point, we should note that this feature is getting very low score, though websites should allow users to make complaints and give companies the opportunity to improve their business and to be more successful in the future. The well known FAQs service (26,3%), the customer service page (25,2%), the helpdesk (23,2%) and the on

line help (19,9%) are very important features because each of them play their role in helping customers and further in keeping them "happy". Furthermore, the use of the online social networks enable customers to take a more active role as market players. This is not overlooked from the companies and thus a relatively high percentage (34,3%) of the firms have a presence in social networks.   Finally, just few companies employ forum or blog (12,2%) in their websites, though literature mentioned the importance of sharing opinions with customers and hence communicating with them. The frequencies of the features are summarized in Table 1.

The companies are also categorized to those that have Business to Consumer (B2C) activities (18,8%) and Business to Business (B2B) activities (25,8%). A third category consists of those that have both B2B and B2C activities (40,4%).

It would be interesting to see whether there are any correlations between the eCRM features and the company's activities. Applying chi-square it was found that there is a significant important relationship between B2C companies and on line help feature ($p<0.05$) and complain form ($p<0.001$). It seems that companies that are customer oriented provide those two eCRM features, in order to respond immediately to their customers' problems and to fulfill their needs. Additionally, those companies that are solely oriented to B2C activities are activated at the social media.

Table 1.: List of common CRM features on Greek web sites

e-CRM Features	Exist	Do not exist %
Tel	94,9%	5,1%
Fax	83,9%	16,1%
Postal Address	91,9	8,1
e-Mail	78,0	22,0
On line Feedback Forms	59,4	40,6
Customer Service Page	25,2	74,8
On line Help	19,9	80,1
Helpdesk	23,2	76,8
FAQs	26,3	73,7
Complaining Ability	28,2	71,8
Forum / Blog	12,2	87,8
Membership	29,4	70,6
facebook/twitter/youtube	34,3	65,7

On the other hand, companies having B2B activities are related to the social media feature (facebook/twitter/linkedIn) of a eCRM system ($p<0.05$). Finally, those companies that have B2B activities solely also provide on line help desk ($p<0.05$).

Examining thoroughly the eCRM features, there can be identified the traditional means of feedback information and the modern features that are connected to the internet technology. It worths to determine companies' profiles and investigate what are the categories existing in the Greek market. Hence, two-step cluster analysis is employed and results are depicted on Table 2. Two-step cluster is chosen basically for three reasons. The first is that it can handle efficiently a large number of data which is the case in this survey, the second is that it can process binary data, and the third is that it can reach a result without imposing a predetermined number of clusters (just like hierarchical cluster does), (Fraley and Raftery, 1998).

The cluster process resulted in two clusters. The cluster named basic features (i.e. cluster 2) consists of companies that the majority of the features are fundamental communication channels tel.(58%), fax.(57.3%), postal address (57.6%), e-mail (57%), on line feedback forms (52.7%). On the other hand, cluster 1 consists of the advanced eCRM features i.e. features closely connected to the internet characteristics, like customer service page (98.3%), on line help (95.6%), helpdesk (90.5%), FAQs (73.4%), forum/blog (98.2%), etc. Table 2 depicts the results of the cluster analysis across the clusters. As seen, both clusters consist of companies having traditional and electronic channels but traditional channels characterizes cluster 2 and electronic channels characterizes cluster 1.

Table 2.: Composition of company's profile across clusters

eCRM features		Cluster 1 (N=190) Advanced Features	Cluster 2 (N=274) Basic features
Existing or not of a website	Website of the company	43%	57%
	Website of a parent company	25%	75%
	Third party contacts (no website)	33.3%	66.7%
Tel.		42%	**58%**
Fax		42.7%	**57.3%**
Postal Address		42.4%	**57,6%**
e-Mail		43%	**57%**
On line Feedback Forms		47.3%	**52.7%**
Customer Service Page		**98.3%**	1.7%
On line Help		**95.6%**	4.4%
Helpdesk		**90.5%**	9.5%
FAQs		**73.4%**	26.6%
Complaining Ability		**56.9%**	43.1%
Forum / Blog		**98.2%**	1.8%
Membership		**73.7%**	26.3%
facebook/twitter/youtube		**66.5%**	33.5%

The companies that do not have a website and provide their information through third party sources are mainly belonging to cluster 2 (66.7%). Simultaneously, companies that are hosted to the website of a parent company belong also to cluster 2 at a larger proportion (75%). Finally, companies that do have their own web site have increased percentage (43%) at cluster 1, however, examining results on an aggregated basis it is obvious that the majority of them belong to cluster 2, which means that new communication channels through internet are not exploited to their extend.

5. CONCLUSIONS

The paper examined the features of eCRM that can be used as feedback communication channels through companies' websites. The sample is segmented into two clusters and the main characteristics are prominent. Generally, there are the fundamental (or otherwise mentioned traditional channels) forming one cluster, whereas there are also the channels available by the internet technology and those companies that have them in high percentages form the other cluster.

Statistically significant relations have been found between the companies' business activities (either B2B or B2C or both) and some feedback mechanisms.

Although technology is crucial, is not enough if it is not taken into account from the decision makers (marketers and managers) in a company. A major finding is that the majority of Greek companies do not use the modern feedback mechanisms and they have not take advantage from them in communicating with customers and building relationships with them. Only a small minority of firms surveyed have exploited the web as a marketing communication tool. Therefore, there is enough space for improvement. Companies should adopt relationship marketing and CRM strategies guiding the development of their web sites, in order to let them assume a bigger marketing communication role.

Finally, it should be underline that authors are currently working on a more detailed questionnaire that is going to be filled in by the companies of our sample investigating how feedback is fed to the company's CRM system and is actually utilised by the management.

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