

The study of satisfaction and customer behavior response in 3C industry

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Abstract: Maintaining long-term relationships with customers is important for businesses when it comes to improving customer loyalty. Previous research includes many discussions of forward logistics services. However, for a homogeneous product provided by the 3C industry (computer, communication, and consumer), the quality of reverse logistics services can bring about different services, and results in a competitive advantage in the 3C product hypermarket. The interviewees of this study include those consumers who have purchased and returned or replaced a 3C product. This study utilized convenience sampling and adopts regression analysis in order to verify research hypotheses. Research result shown that customer satisfaction has a significant and positive effect on attitudinal loyalty and behavioral loyalty, separately. Moreover, reverse logistics services exert a significant moderating effect on both satisfaction and attitudinal loyalty and satisfaction and behavioral loyalty.

Keywords: reverse logistics services, 3C, satisfaction, attitudinal loyalty, behavioral loyalty

INTRODUCTION

Most of the 3C hypermarkets in Taiwan sell homogeneity products. Given this, customers are able to choose to go to different 3C hypermarkets to purchase the same products. Furthermore, even when a customer perceives products to be satisfactory, this does not necessarily translate into them buying more of the product or repurchasing the product. Thus, it is exceptionally important that 3C hypermarkets identify how to maintain a competitive advantage.

For the service industry, including 3C hypermarkets, it is important to pay attention to after-services. Except for the normal provision of services, other services, such as when customers need to return or replace a product, depend on the quality of reverse logistics services, which can differentiate a particular store from others. Accordingly, this study uses 3C hypermarket customers as the study object, and has the following research aims:

- To identify whether satisfaction related to purchasing products from 3C hypermarkets and returning or replacing these products, etc., which involves reverse logistics services, affects customers' recommendations to others or repurchase intentions?
- To investigate whether reverse logistics services have a positive effect on customers' recommendations to others via word-of-mouth or

customers' repurchase intentions?

LITERATURE REVIEW

In the past, the concept of reverse logistics has always been seen as related to the environment. This concept can also be applied in the service industry. The service industry, that is, involves both forward and reverse logistics services during the selling process. These include returning, replacing, and repairing products etc. Furthermore, all reverse logistics services have to belong to the same service process. Thierry *et al.* [1] argue that with returned products a wide range of options become available, all with different revenue streams. Possible destinations for returned products are:

- Return to vendor;
- Sell as new;
- Repackage and sell as new;
- Sell via outlet;
- Remanufacture/refurbish;
- Sell to broker;
- Donate to charity;
- Recycle;
- Send to a landfill.

Service quality has been identified with increased profitability and is seen as providing an important competitive edge by generating repeat sales, positive word-of-mouth feedback, customer loyalty and competitive product differentiation[2]. Thus, the intention of improving reverse service quality is a key

challenge for every 3C outlet. When an outlet improves its reverse logistics services, this leads to perceived service and quality improvement, which, in turn, is essential to success. Previous research also suggests that proper service has the potential to prolong and intensify the company-customer relationship, lead to customer satisfaction and ultimately strengthens customer retention through the creation of loyalty[3].

Much of the academic research on loyalty behavior has focused on two factors: positive word of mouth and re-purchase intentions, which represent customers' willingness to recommend a product/service to other consumers and the likelihood of repeat purchases in the future[4-7]. Oliver [8,9] indicates that customer satisfaction, as a marketing concept, makes customers more likely to have a positive attitude towards a product and so to repurchase it. Given that evidence points to the fact that service quality leads to satisfaction, which in turn leads to customer loyalty, considerable practitioner interest has focused on programs to improve service quality. In terms of the concept of customer satisfaction, there have been numerous studies focusing on customer effort, expectations and satisfaction, and the body of work in this field has expanded greatly over the past few years. Studies of consumer behavior emphasize customer satisfaction as core to the post-purchase period. Because customer satisfaction presumably leads to repeat purchases and favorable word-of-mouth publicity, the concept is essential to marketers. Satisfaction, that is, is seen to influence both attitudes and intentions. The expectation that perceived performance disconfirmation leads to a level of satisfaction has been central to the literature on product satisfaction. Thus, customer satisfaction is expected to affect both attitudes and behavioral loyalty.

PROPOSED RESEARCH and METHOD

Based on the previous literature on satisfaction, reverse logistics services, attitudinal loyalty, and behavioral loyalty, a conceptual framework is developed and four hypotheses are proposed:

H1: Satisfaction has a positive and significant effect on attitudinal loyalty.

H2: Satisfaction has a positive and significant effect on behavioral loyalty.

H3: Reverse logistics services have a significant moderating effect between satisfaction and attitudinal loyalty.

H4: Reverse logistics services have a significant moderating effect between satisfaction and behavioral loyalty.

This study of research method is using the convenience sampling and distributes 500 copies to 3C's consumers. Questionnaire of effectiveness had received 459.

RESULTS

Reliability

The four constructs were submitted to reliability analysis via Cronbach's alpha test. The reliability results show that satisfaction has a value of 0.89, reverse logistics services has a value of 0.92, attitudinal loyalty has a value of 0.88, and behavioral loyalty has a value of 0.80.

Given that all constructs coefficients of reliability exceed 0.7 this shows that they all reach the acceptable threshold[10].

Empirical Method

This study then used structural equation modeling in order to test whether or not the research hypotheses were supported.

The results show that satisfaction has a positive influence on attitudinal loyalty ($p < 0.01$, $\beta = 0.64$), thus hypothesis H1 is supported. Satisfaction also has a positive influence on behavioral loyalty ($p < 0.01$, $\beta = 0.65$), and so H2 is also supported.

Moreover, this study uses hierarchy regression analysis in order to test whether there are moderating effects between reverse logistics services and satisfaction, attitudinal loyalty, and behavioral loyalty.

The two hypotheses, H3 and H4, are tested for moderating effects. H3 is tested, and it is shown that reverse logistics services have a significant moderating effect between satisfaction and attitudinal loyalty. Reverse logistics services produce an increase of 10.8%, which supports H3. Moreover, the results show that there is a significant moderating effect between reverse logistics services and satisfaction and behavioral loyalty, increasing this value by 11.0%. Thus, H4 is also supported (Table 1).

Table-1: Research Empirical Results

Hypotheses	Empirical Results
H1: Satisfaction has a positive and significant effect on attitudinal loyalty.	Supported
H2: Satisfaction has a positive and significant effect on behavioral loyalty.	Supported
H3: Reverse logistics services have a significant moderating effect between satisfaction and attitudinal loyalty.	Supported
H4: Reverse logistics services have a significant moderating effect between satisfaction and behavioral loyalty.	Supported

CONCLUSION and SUGGESTIONS

The empirical results of this research support hypotheses H1 and H2, which is consistent with the findings of previous research. The results, that is, indicate that feeling satisfied can affect the future behavior of consumers.

By adding reverse logistics services into the research model, this study also tests for moderating effects, and the empirical findings support hypotheses H3 and H4. The results indicate that reverse logistics services are able to differentiate between 3C sellers who should therefore aim to improve their reverse logistics services to increase customers' repurchase intentions and achieve a competitive advantage over other 3C sellers.

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