EXPLORING THE SUCCESS FACTORS OF E-CRM IMPLEMENTATION ON B2C E-COMMERCE: SATISFACTION AND LOYALTY A CONCEPTUAL FRAMEWORK

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Abstract

E-CRM has an important role in addressing the challenges that exist in the e-commerce industry and certainly affect the success of e-commerce. One measure of the success of e-commerce is the customer satisfaction. The purpose of this study was to determine the factors that influence the achievement of satisfaction of existing customers in the industry e-commerce, Business to Consumer (B2C) in particular, so customer will be loyal. The researchers used meta-analysis to integrate the findings of previous studies. The meta-analysis method used is sourced from 25 journals previous studies from 2006 to 2016. Based on the literature review, authors create a research model on these factors. The factors namely access to information, service, security and trust that significantly affect the achievement of customer satisfaction. The achievement of customer satisfaction will be improved the customer loyalty then will be impact on increased sales and profits of the company. The researches then discuss the findings of the integrated framework leading to theoretical and practical with implications for implementation in Indonesia and reviews directions for future research. In addition, researchers also suggested the e-commerce industry in Indonesia to implement the E-CRM strategy.

Keywords: E-CRM, B2C E-commerce, Customer Behavior, Customer Satisfaction, Loyalty.

INTRODUCTION

As we know, the development of e-commerce in Indonesia is at a creative period. Development of e-commerce industry, would not be separated from the development of the internet. Based on survey results of the Asosiasi Penyelenggara Jasa Internet Indonesia (APJII) in 2016 reported that internet users in Indonesia reached 132.7 million people or half of the 256.2 million people who are the population in Indonesia (www.APJII.or.id). This is in line with the increasing number of e-commerce players in Indonesia which reached 25.1 million people in September 2016 or increased 17% in the last 10 years (www.bps.go.id). As well as the number of users is expected to amount to 39.3 million by 2020 (www.idea.or.id).

To encourage the expansion and improvement of economic activities of people in Indonesia efficiently, can be connected globally and lead Indonesia to the digital economy. President of Indonesia, Joko Widodo and Indonesian government issued a roadmap of e-commerce on 10 November 2016. This Roadmap e-commerce is to discuss strategies on funding, tax, consumer protection, communication infrastructure, logis-
tics, cyber security, education and human resource. In addition, the government also targets by 2020 Indonesia could create a thousand digital entrepreneurs (www.kemenkeu.go.id).

With increasingly fierce competition, e-commerce entrepreneurs must improve and choose the right strategy, which is choosing to attract new customers by increasing marketing activities or maintaining and maintaining existing customer loyalty. Establishing relationships to retain existing customers is the key to the answer to today’s marketing problems called relationship marketing that is more devoted to customer relationship marketing (CRM) strategies.

Customer relationship management (CRM) is the ability of a customer to capture and integrate customer data from all over the organization and then consolidate, analyze and distribute the data to various touch points within the organization (Ahmed, B., Maati, MLB & Mohajir, BA, 2014). However, today CRM has evolved into E-CRM, E-CRM expands the traditional CRM techniques by integrating new electronic channels, such as web, wireless and voice technologies as well as combines it with e-business applications into the overall enterprise CRM strategy which can measuring the performance of an organization in order to help the company to increase its profit and enhance customer loyalty towards the company products (Ahmed, B., Maati, MLB & Mohajir, BA, 2015).

The internet has become the foundation for electronic commerce customer relationship management (E-CRM). E-CRM refers to the application of e-commerce using the internet and web applications to manage customers (Ratnasringam, P., 2008). E-CRM is one of the primary strategic initiatives in industry today (Alhaiou, T., Irani, Z & Ali, M, 2009). Unlike traditional means of communication such as newspapers or television, the internet gives the customers control in choosing and processing informing about the company. E-CRM can helps a company in different situations including repeat purchase, word of mouth, retention, cross buying; brand loyalty and customer satisfaction, managing effective and efficient relationships with customers which lead in gaining competitive advantage for the company (Ahmed, B., Maati, MLB & Mohajir, BA, 2015). In addition, application of E-CRM allows the company to understand the customer behavior thus allowing effective marketing (Ahmed, B., Maati, MLB & Mohajir, BA, 2015).

The customer buying behavior is the outcome of the needs and wants of the customer and they purchase to satisfy these needs and wants. Although it sounds simple and clear, these needs can be various depending on the personal factors such as age, psychology and personality (Burman, D & Agrawal, A, 2015). The purchase decision-making process involves problem recognition, information search, alternative evaluation, product choice and actual purchasing behavior (Alhaiou, T., Irani, Z & Ali, M, 2009). Customer behavior is crucial factor determines customer’s behavior and intention to accept or reject new information about a company’s product (Usman, UMZ, Jalal, AN & Musa, MA, 2012). The influences on customer behavior are often made between external and internal factors. External factors are come from the environmental conditions and internal factors are usually from the customer’s mind. In addition to these, the customers have two types of motives while shopping, which are functional and non-functional. The functional motives are mostly about the time, shopping place and customer’s needs, which could be like one-stop shopping to save time, the environmental of shopping place such as free parking place, lower cost of products and available to choose from widely...
range of products. The non-functional motives are more related with culture or social values, such as the brand name of the store (Mittal, A, 2013).

The purpose of this study was to determine the factors that influence the achievement of satisfaction of existing customers in the industry e-commerce, Business to Consumer (B2C) in particular, so customer will be loyal. That will ultimately bring advantages to the customers as well as increasing the profit of company.

**Problem**

The more rapid the development of e-commerce industry, the more competitors and challenges that must be faced such as how to retain existing customers so as to increase customer satisfaction. That way, companies need to deliver more value to customers than those offered by competitors so that it will provide customer satisfaction. Satisfaction refers to a person’s feelings of pleasure or disappointment that may affect a person’s intention to buy back a company’s product or service (Saini, GS & Kumar, S, 2015). There are several factors that can support in maintaining and achieving customer satisfaction, such as the easy access of information between companies to customers or vice versa, there is a sense of trust in transactions involving online money exchange, the high level of service and security provided by the company. In response to these challenges, it is necessary to implement E-CRM that can help meet the needs desired by the e-commerce industry.

**RESEARCH METHOD**

**Significant Findings**

Type for this research is descriptive analysis. This journal uses meta-analysis method to integrate the findings of previous studies. The meta-analysis method used is sourced from 25 journals previous studies from 2006 to 2016 can be seen in the following Table 1 to Table 4.

<table>
<thead>
<tr>
<th>Authors (Year)</th>
<th>Significant Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ahmed, B., Maati, MLB &amp; Mohajir, BA (2014)</td>
<td>E-CRM increased the way of communication to the customers by integrating its services to several other mentioned devices or medium. E-CRM technology is a long term strategic investment neither flexible for continuous rollout for E-CRM functionality nor its cost effective.</td>
</tr>
<tr>
<td>Ahmed, B., Maati, MLB &amp; Mohajir, BA (2015)</td>
<td>E-CRM is new and integrates IT to an internal organization as well as external marketing strategies in the bid of fulfilling the customer requirements.</td>
</tr>
<tr>
<td>Ahmed, B., Maati, MLB &amp; Mohajir, BA (2015)</td>
<td>E-CRM integrates IT in internal organization in executing the marketing strategies. The current issue facing the E-CRM is determining the number of customers that are responsive to the e-commerce application. An online customer is reliant on an intelligent, convenient and concise application.</td>
</tr>
</tbody>
</table>

Source: Data Processed by The Authors
Table 2. Significant Findings (Continue 1)

<table>
<thead>
<tr>
<th>Authors (Year)</th>
<th>Significant Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Alavi, S., Ahuja, V &amp; Medury, Y (2011)</td>
<td>Trustworthiness can aid long-term strategic decision making. Peer-to-peer customer interaction is useful and relevant incentives to customer evangelists will be in the long-term organizational interest.</td>
</tr>
<tr>
<td>Alhaiou, T., Irani, Z &amp; Ali, M (2009)</td>
<td>Site design, search capabilities, security or privacy, payment methods, order tracking and on-time delivery effect on customer service e-satisfaction and loyalty.</td>
</tr>
<tr>
<td>Azila, N &amp; Noor, M (2011)</td>
<td>The regression analysis undertaken revealed that E-CRM performance was more related to customer loyalty and E-CRM performance explains a large percent of the variation in customer loyalty.</td>
</tr>
<tr>
<td>Bauboniene, Z &amp; Guleviciute, G (2015)</td>
<td>Looking at the technological, customer-related, price and product or service factors to driving online shopping and to develop an understanding of the factors influencing the online shopping by the customers.</td>
</tr>
<tr>
<td>Chen, HM, Chen, Q &amp; Kazman, R (2007)</td>
<td>The importance of an affective construct, attitude toward the system, as a mediating variable, for perceived touch to predict behavioral intention in the E-CRM context.</td>
</tr>
<tr>
<td>Ellatif, MMA (2008)</td>
<td>Electronic customer relationship management (ECRM) plays an important role in the process of managing the activity of an e-commerce websites.</td>
</tr>
<tr>
<td>Harfoushi, OK (2013)</td>
<td>The main problem that faces the Jordanian E-CRM usability that there are still no clear guidelines about usability to be followed by software organization that develop these applications.</td>
</tr>
<tr>
<td>Jirehbandei, S &amp; Pour, AN (2011)</td>
<td>Live-operator is a new model to increase the customer satisfaction. In this system, the customers feel that they receive the service directly from the organization. This model decreases the response time and the customer loss. Moreover, it increases customer trust and the ability of organizations.</td>
</tr>
<tr>
<td>Karami, M., et al. (2013)</td>
<td>The online buying behavior factors, are trust, realibility, functionality, web design, perceived value, privacy and company reputation perceived security control which they have impact on ECRM. Online shopping factors can reduce the final cost paid by customer and in contrast the small companies or organizations.</td>
</tr>
<tr>
<td>Kennedy, A (2006)</td>
<td>It is suggested that E-CRM has the potential to alter business processes significantly and as a result interdisciplinary approaches examining the impact of technology innovations on marketing are needed. There is recognition in the academic literature of the marketing benefits and the IT challenges of E-CRM, but these appear almost separately.</td>
</tr>
</tbody>
</table>

**Research Model**

Based on table of significant findings, in outline authors took four significant factors in this discussion theme. These factors are part of customer behavior, namely access to information, service, security and trust. By implementing E-CRM, company can understand customer behavior better, so that it can simplify to determine the company’s strategy and to develop stronger relationships with them, because good customer relationships are at the heart of business success. If the company implements a system of E-CRM correctly, this will bring benefits to the company, such as increasing customer satisfaction and loyalty so that in the long term corporate profits will increase. Implementation of E-CRM can be applied not only in large ecommerce companies, but also small companies or an organization. According to Karami, M., et al. (2013) that online buying behavior factors can reduce the final cost by customer and in contrast of small companies or organizations. Here is the model of research can be seen in the following figure 1.
Table 3. Significant Findings (Continue 2)

<table>
<thead>
<tr>
<th>Authors (Year)</th>
<th>Significant Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liu, R &amp; Wang, W. (2007)</td>
<td>Customers’ perception of B2C website’s performances has a remarkable and positive correlation with customer satisfaction from the aspects of content, customization and commerce. Customers’ expectation has as remarkable and positive correlation with customers’ perception from the aspects of context and content. There is indicates that the factor of customers’ age has remarkable influence on website’s performances which customers perceived when shopping online.</td>
</tr>
<tr>
<td>Michael, L (2015)</td>
<td>E-CRM expands the traditional CRM techniques by integrating new electronic channels, such as web, wireless and voice technologies and combines it with e-business applications into the overall enterprise CRM strategy. E-CRM can give ways to developing maintenance, stability, accuracy and timely collection of customer product and service information during the marketing and sales.</td>
</tr>
<tr>
<td>Mittal, A (2013)</td>
<td>Customer’s trust, privacy concerns, security concerns are the major factors for using internet for shopping, the trust on websites influence to the purchasing decision of any customer.</td>
</tr>
<tr>
<td>Mogharabi, V., et al (2014)</td>
<td>Company formation and electronic communication channels are the most important factors that influence customers in online marketing.</td>
</tr>
<tr>
<td>Rātnasingam, P (2008)</td>
<td>The important characteristics of the hard and soft factors that are in turn reflected on the transactional and relational components of communication leading to the four modes of the customers shopping time life-cycle experiences.</td>
</tr>
<tr>
<td>Saini, GS &amp; Kumar, S (2015)</td>
<td>Trust and security to convenience in online shopping significantly affect customer satisfaction.</td>
</tr>
<tr>
<td>Sakthivelan, (2014)</td>
<td>Implementation of E-CRM to provide one to one services and maintain the transaction security of the customers.</td>
</tr>
<tr>
<td>Usman, UMZ. Jalal, AN &amp; Musa, MA (2012)</td>
<td>Customer’s perspective about organizational business model may have an impact on the result of a succeeding process of E-CRM.</td>
</tr>
</tbody>
</table>

Source: Data Processed by The Authors

Table 4. Significant Findings (Continue 3)

<table>
<thead>
<tr>
<th>Authors (Year)</th>
<th>Significant Findings</th>
</tr>
</thead>
<tbody>
<tr>
<td>Yu, X., et al (2015)</td>
<td>The process of treating all customers differentially based on their needs and wants, should be managed carefully, as perceptions of unfairness may occur, reducing customers’ re-patronage intentions. However, the researcher has also confirmed a positive side to fairness within E-CRM, which suggests that fairness may be induced if there are perceptions of equity and justice in the procedures.</td>
</tr>
</tbody>
</table>
DISCUSSION

The company was established with a variety of targets and objectives to be achieved, one of which is able to operate in the long term for the future. This is in accordance with accounting principles concerning the survival of a company that is going concern. Many ways and approaches that can be taken to achieve these objectives. In a study conducted by Alhaoui, T., Irani, Z & Ali, M (2009) and Usman, UMZ., Jalal, AN & Musa, MA (2012) stated that a management approach that considered as one of the fastest growing and being adopted by many companies to attract and retain their customers from switching to other companies in order to prevent customer churn is customer relationship management (CRM).

CRM has expanded into E-CRM and replaced the traditional ‘four Ps’ of marketing, such as product, price, place and promotion. There is a difference between CRM and E-CRM shown in Table 5.

Table 5. Difference between CRM and E-CRM

<table>
<thead>
<tr>
<th>Criterion</th>
<th>CRM</th>
<th>E-CRM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Contacts</td>
<td>Traditional means-retail store, telephone or fax</td>
<td>Through internet, email, wireless, mobile and PDA technologies</td>
</tr>
<tr>
<td>System Interface</td>
<td>Works with backend application through ERP system</td>
<td>Designed for frontend as well as backend applications through ERP, data warehouse, data-mart</td>
</tr>
<tr>
<td>System Overhead (Client Computers)</td>
<td>The client must download various applications and applets to view the web-enabled applications as well as would have to be rewritten for different platforms</td>
<td>The client uses the browser</td>
</tr>
<tr>
<td>Customization and Personalization of Information</td>
<td>Different people require different information but personalized views for different audience are not possible here, individual customization requires programming changes</td>
<td>Personalized individual views based on purchase history and preferences, individual has ability to customize view</td>
</tr>
<tr>
<td>System Focus</td>
<td>System (created for internal use) designed based on job function and products, web applications designed for a single department or business unit</td>
<td>System (created for external use) designed based on customer needs, web application designed for enterprise-wide use and not limited to a single department</td>
</tr>
<tr>
<td>System Maintenance and Modification</td>
<td>Implementation is longer and management is costly because the system is situated at various locations and on several servers</td>
<td>Reduced time and cost, system implementation and expansion can be managed in one location and on one sewer</td>
</tr>
</tbody>
</table>

Source: Dr. Mahmoud M. Abd Ellatif (2008)
Companies need to understand what factors influence success in implementing the system, especially E-CRM. E-CRM presenting are both opportunities and challenges for company to considering its adoption and implementation. E-CRM integrates IT to an internal organization as well as external marketing strategies in the bid of fulfilling the customer requirements. E-CRM is not here to change marketing but to enhance it by presenting opportunities to company to improve their effectiveness and to deliver customer value as well as maximize customer lifetime value, such as acquiring new customers, enhancing the profitability of existing customers and retaining profitable customers for life. It can reduce the costs and time involved in communicating to customers, creates a more personal direct connection so enable enhanced customer interactions, optimize work flows, facilitate better market segmentation (Kennedy, A, 2006).

Besides, E-CRM can give ways to developing maintenance, stability, accuracy and timely collection of customer product and service information during the marketing and sales (Kennedy, A, 2006). Companies also need to consider factors that can be a challenge in implementing E-CRM system. The use of an E-CRM system enables traditional physical customer proximity to be substituted by digital proximity. Then, company will need a variety of hardware and software applications as well as tools to implement E-CRM. This suggests significant resource and cost implications, which company must incorporate into their overall strategic planning. Integrating data from multiple sources are both online and offline channels. When E-CRM was designed and implemented well as a digital loyalty cycle that continuously improves to create lasting competitive advantage (Kennedy, A, 2006). E-CRM has an important role in addressing the challenges that exist within a company and in the process of managing the activity of an e-commerce websites (Ellatif, MMA, 2008).

E-commerce means buying and selling products and services over the internet (Mittal, A, 2013). E-commerce can provide significant benefits to customers and companies such as the ability to market their products and services online thereby achieving global connectivity, high accessibility, scalability, interoperability, interactivity and greater information richness. E-CRM uses the e-commerce system and the CRM system of the company to integrate and consolidate both the company’s and customer’s data in order to facilitate access to any type of information, anytime and anywhere using the web. These web-based applications enable companies to generate, aggregate and analyze customer data, thereby employing the results to improve service and marketing activities (Ratnasingam, P, 2008).

E-commerce is generally divided into three main categories, namely business-to-business (B2B), business-to-consumers (B2C) and consumers-to-business (C2B) (Jirehbandei, S & Pour, AN, 2011). The internet shopping particularly in business to consumers (B2C) has risen and online shopping become more popular too many people. Internet shopping and traditional shopping have many similarities and trying to improving their services by learn commutatively from each other. But it still exist some differences between them, such as the Internet shopping could provide convenience and interactive services with adopt virtual reality and 3D Techniques as well as the traditional shopping could give customers more comfortable shopping environment and good quality of products (Mittal, 2013).

Additionally, according to the research conducted by Ratnasingam, P (2008) that there are hard and soft factors yang impacting on the E-CRM in the e-
commerce company, B2C. Hard factors thus refer to the technological mechanisms that facilitate customers to use the B2C company’s website to engage in online shopping. Hard factors such as web site’s performance as in increased sales, reduced complaints, user friendliness, quality of web content, customer acquisition or search costs and perceived security. Soft factors are derived from the interpersonal or relational component of communication between the firm and their customers. They include quality of products or services, satisfaction, trust, loyalty and reputation of the company.

Increased of e-commerce market, requires e-commerce entrepreneurs have a strategy to compete competitively. One way that can be done is to manage existing customers. According to Shoemaker and Lewis in Wijaya, S & Thio, S (2008) the cost to acquire new buyers can be five times more expensive than the cost of maintaining old customers. Loyal customers will gladly reveal positive things and make recommendations about the company to others. E-CRM becomes one of the strategic options for e-commerce actors to improve the analysis of consumer behavior. So that condition can improve the competitiveness of the company.

Based on the literature review conducted by authors, there are some studies that discuss the challenges of e-commerce companies related to customer behavior that can be prevented by implementing E-CRM system. The American Marketing Association defines “Customer Behavior” as the dynamic interaction of affect and cognition, behavior and environmental events by which human beings conduct the exchange aspects of their lives (Usman, UMZ., Jalal, AN & Musa, MA, 2012). A customer is the final user of a company’s product or service. Customer behavior involves psychological processes that customers go through for them to identify their needs. The requirement in question is the customer feel satisfied with the transaction conducted (Alhaiou, T., Irani, Z & Ali, M, 2009). Previous research reveals that customer loyalty begins with customer satisfaction. The satisfaction can be illustrated by several factors such as access of information, service, security and trust. The first factor is access to information. According to Mital (2013) state that detailed product information and improved service attracts more and more people changed their customers behavior from the traditional mode to more rely on the internet shopping. Website becomes a primary place to transact between the customer and e-commerce companies, B2C.

According to Karami, M., et al. (2013) stated that website design is consequential to convince to buy online by customer’s of internet. Through the website, customers can search for required information such as company information, pricing, product specifications and transaction cycle. The company must provide the latest information, understandability and quality. In addition, content organization on the site creating and maintaining value-laden relationships with current and potential customers (Alavi, S., Ahuja, V & Medury, Y, 2011). Research conducted by Saini, GS &
Kumar, S (2015) also stated that there is a significant relationship and a positive correlation between comfort and customers satisfaction toward online shopping. Convenience refers to the extent to which a customer feels that the web site is simple, intuitive, and user friendly, including easy access to information so that customers feel confident to make a transaction on the e-commerce.

The second factor is service. Service in question has a wide range of meaning, such as communication, price, promotion, customer service, payment method, ordering process or speed and so on. Alhaiou, T., Irani, Z & Ali, M (2009) stated that companies should provide price offers and promotions that are dynamic. That is mean the product prices and promotions are customized based on the customer status and the order characteristics (e.g., quantity, product mix). As well as the variety payment methods to enables the customer to choose a preferred payment method, e.g., credit card, cash on delivery, cheque.

Furthermore, according to Jirehbandei, S & Pour, AN (2011) with the implementation of E-CRM, e-commerce companies, B2C in particular can build interpersonal relationships between the customers and is able to manage what the customer wants. In line with research Ratnasingan (2008) and Harfoushi, OK (2013) declare that the components of soft factors (communication by companies with customers) affect customer satisfaction that leads to repeat purchases. This is supported by the communication is done via the telephone and email as well as live chat feature in the e-commerce website. Email and automated response considered as one of the important E-CRM tools. Customers expect feedback response to be quick. When a customer contacts the organization, the response for the needs of the customer is offered by the related live-operator as if he or she is involving with the organization directly and can reduce the response time. Therefore, it can be said that services that can easily the consumers in transactions can improve customer satisfaction.

The third factors that affect customer satisfaction is a security issue. Security is a set of procedures and programs to verify the information source and guarantee the integrity and privacy of the information (Saini, GS & Kumar, S, 2015). Security is a significant obstacle to online banking usage, which affects the use of e-payment systems. Similarly, in online shopping customers hesitated while purchasing due to security issues. Security challenges become important because it relates to the security of customer data and payment transactions. The security of online payment certainly will become a significant factor to influence the internet shopping.

Therefore, in accordance with the results of research conducted by Alhaiou, T., Irani, Z & Ali, M (2009) demonstrated that security is important to build long-term relationship with customer. Companies can manage web and network security issues assisted transactions with third parties. Saini, GS & Kumar, S (2015) there is a positive correlation between the security and customer satisfaction. Therefore one can conclude that safe and secure transactions will have an effect on consumer’s satisfaction. As well as the results presented by Liu, R & Wang, W (2007) that is customers’ perception of B2C website’s performances (one of them is safety) has a remarkable and positive correlation with consumer satisfaction.

The fourth factor is trust. Trust is a critical antecedent of building relationships between buyer and seller. In online retailing contexts where trust maybe a fundamental component for initiating the transaction. Customers perceive a higher level of risk with online retailers than traditional retailers in terms of delivery,
payment, information disclosure, etc (Alhaiou, T., Irani, Z & Ali, M, 2009). Trust is connecting the capability, generosity and honesty of another party (Karami, M., et al. 2013). Customers’ trust in an internet environment is very important as there is little guarantee that the online vendor will refrain from undesirable, unethical and opportunistic behaviour such as unfair pricing, presenting inaccurate information, distributing personal data and purchase activity without prior permission (Saini, GS & Kumar, S, 2015). From previous research Saini, GS & Kumar, S (2015), Karami, M., et al. (2013) and Talhat, Zahir and Maged (2009) provide the results that there is significant relationship and a strong positive correlation between trust and customers satisfaction toward online shopping. Trustworthiness is one of the main electronic qualities of service tools succeed to extensive satisfaction of customer. Thus, online customers may prefer to transact with online retailers they can trust.

Of these four factors namely access to information, service, security and trust provide positive results in improving customer satisfaction. Satisfaction is important from consumer’s point of view because it reflects a positive outcome from the outlay of scarce resources and the fulfillment of unmet needs (Saini, GS & Kumar, S, 2015). With increasing customer satisfaction will maximize customer lifetime value (Mogharabi, V., et al, 2014).

Loyalty as customer’s favourable attitude and commitment towards the online retailer that results in repeat purchase behaviors, bring increased profitability to the online retailer through long-time customer commitment and reduced costs of acquiring new customers (Alhaiou, T., Irani, Z & Ali, M, 2009). In today’s competitive and changeable market place, customer loyalty is seen to be a critical factor to the success of business organizations because attracting new customers is more expensive than retaining existing ones (Azila and Noor, 2011).

In a study conducted by Alhaiou, T., Irani, Z & Ali, M (2009) revealed a positive relationship between customer satisfaction and loyalty that has found significant results in several studies (Anderson and Srinivasan, 2003; Park and Kim, 2003; Rodgers et al., 2005). Moreover, Azila, N & Noor, M (2011) demonstrated that satisfaction may lead to customer retention, customer loyalty, lower customer switching costs and higher income and profitability. Usually loyal customers have a positive attitude towards the service provider and less tendency to switch provider. In turn loyal customer has a positive effect on a company’s profit and competitive.

**CONCLUSION**

This paper contributes to Indonesia e-commerce industry (B2C) by identifying e-CRM effects. E-CRM has an important role in addressing the challenges that exist in the e-commerce industry and certainly affect the success of e-commerce. In the industrialized world the competition is increasingly competitive, customer satisfaction is an important factor that must be considered by the e-commerce so that customers do not switch to other e-commerce. This is due to attract new customers is more expensive than maintaining existing customers. E-CRM is making companies become more dynamic and interactive, allowing companies to use information to communicate better with customers. Now a company can track customer behaviour and use this data to maximise customer profitability and loyalty throughout the entire life cycle through the enhancement of customer satisfaction.

In this study using four factors including customer behavior, namely access to information, security, service
and trust. The result of this research is the customer will feel comfortable in the transaction in e-commerce if the customer can easily find the information needed, such as company profile, price, product, payment method or others. In addition, companies that provide friendly service, provide a sense of security and a sense of trust that is owned by the consumer to the e-commerce. Customers will certainly choose e-commerce that can provide facilities that facilitate consumers in transactions and e-commerce that can be trusted. So these four factors can affect and improve customer satisfaction that already exists. Satisfied customers can create a sustainable relationship between e-commerce and customers, this will make the customer to be loyal and make repeat purchase.

The authors hope that future researches may be conducted with include all E-CRM factors that affect customer satisfaction and can also explore E-CRM effects on customer loyalty and customer retention on a larger scale and with a greater variety. Furthermore, it allows for further research to develop a framework that is more comprehensive and covers all aspects of customer behavior and E-CRM.

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