



Customer engagement and online reviews

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ABSTRACT

This study aims at understanding the role of customer engagement in writing online reviews by shoppers with specific focus on mobile devices for shopping. Mobile devices are becoming first screen for the customers and are being used by marketers to have interactive communication making it more suitable for building customer engagement. The research in this space however is in a very nascent stage. Current study is one of the first few empirical studies exploring the role of customer engagement in writing online reviews. The study explores mediating role of customer engagement in satisfaction - online review intention and trust - online review intention relationships. Further moderating role of trust and satisfaction levels in customer engagement - online review intention is explored. This study contributes to marketing literature in the space of customer engagement, online reviews and mobile shopping behaviour. Further, this study provides a framework to managers for motivating the customers in writing online reviews. Also recommendations for retailers in exploiting customer engagement on mobile platforms are provided to address merchants and advertisers for better management of a new technology.

1. Introduction

Online reviews are becoming increasingly important sources of information for shoppers impacting as much as 20–50% online purchase decisions (Mathwick and Mosteller, 2016). Potential shoppers often check online reviews posted by other customers who bought and used those products. Such reviews give them a glimpse of purchase and usage experience of other users. These reviews are considered to be more credible by shoppers as compared to seller promoted advertisements (Bickart and Schindler, 2001; Godes and Mayzlin, 2004). Researchers have found that shoppers specifically log on to online websites like Amazon.com to check reviews as part of their product evaluation journey (Bughin et al., 2010; Simonson and Rosen 2014). Online reviewers serve the role of information service provider for the potential shoppers by “shaping how customers serve themselves before, during, and after purchase” (Ostrom et al., 2015). Such reviews play crucial role in influencing shoppers’ choice of products, services (e.g. camera, airline, hotel) as well as retailer (e.g., Amazon.com, Make-mytrip.com). Online reviews, therefore impact the business of several firms in a multi-sided platform like online marketplaces. Researchers recognize that by posting online reviews, customers derive great social value within the community (Balasubramanian and Mahajan, 2001). The act of reviewing is, therefore, being considered as one of the most influential expressions of customer engagement (Mathwick and Mosteller, 2016).

Customer Engagement is a psychological state of mind that leads to

frequent interaction with the focal object (e.g., a brand or a medium). Customer engagement is a long term relationship that arrives out of emotional as well as utilitarian motivational drivers. Emerging literature in the domain indicates that customer engagement may lead to several favourable outcomes for brands and firms beyond repurchase intentions. Among other things, these outcomes may include posting likes and reviews on online and social media. Customer engagement is a significant construct in online and social business environments (Brodie et al., 2013; Hollebeek et al., 2014) and may offer valuable insights in customers’ propensity to post online reviews. The act may be perceived by customers as making them influential in their relationships with the brands, and the online organisations.

With online reviews becoming key influencers customer purchase decisions, researchers are exploring drivers of online reviews in various settings. There is a strong stream of literature indicating that high level of satisfaction leads to customer loyalty exhibited in the form of repurchase, referrals and favourable word of mouth (Anaza and Zhao, 2013; Anderson and Sullivan, 1993; Shankar et al., 2003). Within the specific context of online media, satisfaction has been found to have a significant impact on customer propensity to post online reviews (Maxham III and Netemeyer, 2002; Ranaweera and Prabhu, 2003). Another construct closely associated with satisfaction and widely explored, as an influencer in posting online reviews is the trust in the brand or the firm. Trust has been found to have significant impact on customers’ propensity to stay with the firm and provide favourable reviews (Harris and Goode, 2004; Kim et al., 2009; Ranaweera and

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Prabhu, 2003). While there is established literature on role of satisfaction and trust in motivating people to post online reviews (Anderson and Sullivan, 1993; Gvili and Levy, 2016; Kim et al., 2009; Oliver, 1980; Shankar et al., 2003), there has been increasing interest in under-explored role of customer engagement in online reviews (Kim et al., 2013; Rossmann et al., 2016). Engaged customers are likely to visit retailers website frequently for reasons beyond immediate purchase need. Such engaged customers are likely to be more emotionally invested with the retailer and therefore more likely to respond to requests for writing reviews about their purchases.

Customer interaction with retailers' websites for shopping and other related activities however are increasingly shifting to mobile devices. With rise in penetration of smart phones, and changing trends in society, mobile phones have become personal companion for the users. Increasingly, customers are using mobile devices for accessing online content more frequently than through personal computers. Especially in emerging economies like India, where access to computers is limited, and mobile phone penetration is high, mobile devices may play significant role in generating engagement and online reviews. Further, people in emerging economies spend considerable time in traveling using public transport where mobile phones act both as a productivity enhancer as well as a source of entertainment. Shopping, browsing and writing reviews on the go using mobile devices, therefore, may be a source of instant gratification. The behaviour of these customers in the said context is likely to be of interest for online retailers, brands as well as merchants selling through online retailers. Such usage patterns are likely to enable firms to interact with customers using their mobile devices more frequently and effectively as compared to other modes of communication. Mobile devices are therefore likely to be more effective in building customer engagement with the firm. With that perspective, the study looks at exploring the role of satisfaction, trust, and customer engagement through mobile phones in posting online reviews. The investigation takes a specific instance of mobile shopping applications for fashion and lifestyle products to achieve the research objective. This research offers a contribution to academia in the form of an addition to the body of knowledge in three emerging streams in marketing literature – customer engagement, mobile shopping and online reviews.

In the following section, relevant literature on customer engagement, online review, satisfaction and trust is provided to derive the proposed model and testable hypothesis. This is followed by detailed research methodology, data analysis, results, discussion and implications. This study demonstrates that customer engagement mediates the relationships satisfaction → online review intention and trust → online review intention. Further, trust moderates the relationship between customer engagement and online review intention. Implications for the practice include insights for retailers, merchants, and brands.

2. Theory and hypothesis

2.1. Defining customer engagement and online reviews

2.1.1. Customer engagement

Customer engagement is a state of mind of being emotionally invested with the focal object (brand or medium), which leads to customers' frequent interactions with the focal object. As the literature on customer engagement is still in nascent stage, the operationalization of the same is still evolving and is yet to converge. While there are several different conceptualizations, researchers' views agree that customer engagement (CE) is a psychological state that leads to frequent interactions with the focal object (brand or medium) that go beyond transactional motive of merely a purchase. Also, researchers have proposed that engagement leads to several outcomes beyond re-purchase, including posting likes, reviews and participation in co-creation of products and services (Brodie et al., 2011a,b; Calder et al., 2009; van Doorn et al., 2010). Scholars have conceptualized engagement as a multidimensional construct (Bowden, 2009b; Calder et al., 2009;

Hollebeek, 2011; Mollen and Wilson, 2010) covering cognitive, emotional and behavioral dimensions. Table 1 gives a snapshot of recent literature on the conceptualization of customer engagement by scholars.

There is a strong body of conceptual literature emerging in the field of customer engagement construct, however the empirical studies where scales have been developed and tested are relatively few (Calder et al., 2013; Hollebeek et al., 2014; Sprott et al., 2009; Vivek et al., 2014; Zheng et al., 2015). Amid the emerging empirical literature, Calder et al. (2013) looked at customer engagement with a focal medium, Hollebeek et al. (2014), and Sprott et al. (2009) investigated engagement with the brand while Zheng et al. (2015) investigated engagement in brand community and social networking sites. A scale developed by Vivek et al. (2014) took a more broad base view at engagement with any focal object ranging from a brand to an organization to a medium where they looked at a three-dimensional view of CE, including conscious attention, enthused participation, and social connection. As this study deals with mobile phones as a medium for shopping, conceptualization around experiencing a medium as suggested by Calder et al. (2013) was deemed to be most appropriate for this study.

Calder et al. (2009) proposed that engagement comes from experiencing a medium in a certain way. They defined an experience as a consumer's beliefs about how a medium fits into his/her life. Customer experiences could be driven by customer motivations for interactions with the focal object (medium, service/ brand). In the language of measurement models, experiences are first-order constructs while engagement is a second-order construct. The model developed by Calder et al. (2009), has been used in subsequent studies on social media, print media, live concerts, mobile media, online retail etc. Mobile shopping sites/ applications provide customers a convenient and compatible medium to shop from their chosen retailer. Also, the focus of this is to investigate role of mobile phones as a medium for building engagement and subsequently generate online reviews. Therefore the model of measuring customer engagement as a higher order construct with underlying customer experiences arising out of usage of mobile app as lower level constructs was deemed to be suitable for this study. Based on the relevant literature and objective of this study, Customer Engagement is conceptualized as

A psychological state that leads to frequent interactions with the focal object (mobile shopping apps in this case) that goes beyond transactional motive of immediate purchase intention. The motives for interactions with the focal object may be utilitarian (e.g., looking for new product launch, promotional offers, deals etc. in a specific category) with the objective of information for potential purchase in future or hedonic (e.g., looking for entertainment in new market trends, scenic pictures, etc.) with the objective of keeping oneself abreast of environment.

2.1.2. Online reviews

The Internet and information technology provide a new opportunity for consumers to share their product evaluations online. Online retailers like Amazon, Flipkart etc. often request shoppers to share post-purchase reviews on their respective websites. The consumer reviews include customers' experiences with product quality, as well as services of the online service provider. There is strong evidence suggesting the growing importance of consumer reviews in consumer purchase decisions and product sales (Chen and Xie, 2008). Consumer-created information in the form of online reviews are considered to be more credible than seller-created information due to the trustworthiness of the information source (Bickart and Schindler, 2001). Online consumer reviews, as consumer-created product information, can therefore be viewed as a special type of word-of-mouth communication (Godes and Mayzlin, 2004).

Traditionally, the word-of-mouth communication (WOM), has been shown to have a significant impact on consumer choice (Katz and

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