

Dissertation Proposal

***Brand loyalty and Customer satisfaction
in online retailing company: A case study
on 'Amazon'***

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Chapter 1: Introduction

Brand loyalty is strongly and favourably influenced by customer satisfaction. Consumers' purchasing behaviour is influenced by loyalty and their intention to make future purchases. Notably, as customer satisfaction increases, their loyalty towards the brand escalates, which eventually supports the business concerning cost saving as the cost of keeping an existing customer is significantly lower than the cost of acquiring a new one (Swar and Rajesh, 2021). Consequently, companies are focusing on keeping customers and cultivating loyalty. Companies are now focussed on increasing consumers' loyalty to their brands; as a result, businesses are now taking significant measures, such as increasing consumer awareness and focusing on excellent customer service. Specifically, a devoted customer would not only make repeat purchases but would also bring in more clients from his or her social network through word-of-mouth marketing, which would result in significant savings for the business compared to the cost of acquiring a new client (Patel and Pathak, 2019). Precisely, customer loyalty and customer satisfaction are two interrelated concepts and their interdependence is explored in this research study using the case of Amazon online retail.

1.1 Research Aim

This research study aims to explore how customer satisfaction influences brand loyalty in an online marketplace by studying the customer and brand management of the Amazon online retail company.

1.2 Research Objectives

Primarily, the research paper focuses on the following objectives:

1. To understand what is brand loyalty and how it is influenced by customer satisfaction.
2. To understand the impact of brand loyalty and customer satisfaction on business growth and development.
3. To attain a comprehensive knowledge of online retail marketing and the customer service segment.
4. To acquire relevant knowledge about Amazon's strategy to achieve customer satisfaction and brand loyalty.

1.3 Research Questions

The research paper emphasises the below research questions:

1. How does customer satisfaction influence brand loyalty in an online retail market?
2. What is the strategy of Amazon's online retail chain to achieve customer satisfaction and brand loyalty?

Chapter 2: Literature Review

This section of the research paper covers different literature related to customer satisfaction and brand loyalty in the online retail industry. The definitions of customer satisfaction loyalty and relevant theories are discussed in detail under this segment.

2.1 Online Retailing

Across the globe, consumers and retailers are becoming more and more accustomed to online shopping. Customers' preference for online shopping is growing as it is more convenient, secure, and accessible to more people(Rasool and Rajmohan, 2015). Conventional retail channels cannot compete with the Internet's global connectivity when it comes to opening up new business opportunities. The Internet's scope to disseminate knowledge, enable two-way customer interaction, gather market data, publicise products and services, and facilitate online purchasing of goods creates an incredibly prolificand flexible new retail network.Early observers also understood that several obstacles would need to be addressed to ensure the effective implementation of online retailing. A few of the many obstacles seriously impeding the commercial growth of online retailing include the issue of slow low connection times, restricted Internet access for potential customers, and a lack of suitable online payment systems(Doherty and Ellis-Chadwick, 2010). Specifically, the online retailing market is significantly useful; however, there are challenges concerning technology usage and data security that needs to be resolved to maximise results.

2.2 Brand Loyalty

Brand loyalty is defined as a strongly apprehended commitment to continually repurchase or re-patronize a selected good or service, leading to recurring brand-set buying, despite circumstantial influences and marketing ascendancies having the plausible power to stimulate switching behaviour. Therefore, businesses must create powerful brands as a robust and healthy brand is essential to developing a long-lasting competitive advantage(Appiah, 2014).

2.3 Customer Satisfaction and Brand Loyalty

Making a customer brand loyal in this cutthroat business environment is proving to be difficult, but it is essential for increasing market stake and profitability. This can only be achieved by keeping customers happy and cultivating a positive reputation in their minds. The two factors that have been found to have the most influence on brand loyalty are customer satisfaction and brand image (Dutt and Arora, 2016). However, until the brand offers better quality, superior value, and other benefits, customer satisfaction cannot be attained. As it will ultimately result in brand loyalty, marketers should place a strong emphasis on building consumer trust. Loyalty develops when the product manages to achieve positive brand impact and build brand trust. Both the purchase and attitudinal dimensions of loyalty are possible. Attitudinal loyalty is frequently associated with setting up high prices, whereas purchase loyalty assists in achieving better market share. However, brand loyalty is affected by price elasticity, which means that it will decline if a company exploits its customers to an excessive extent (Ghafoor, Iqbal, Tariq and Murtaza, 2012). Precisely, customer happiness and trust in the company's product offerings are significant to building brand loyalty.

2.4 Theories of Customer Satisfaction

There is an ongoing discussion in the sector about how much customer satisfaction is an emotional or cognitive state. Specifically, it is a challenging social process involving comprehensive cognitive, emotional, and other understudied psychological and biological dynamics (Mill, 2011). The common theories used to describe this process are discussed below:

2.4.1 Disconfirmation Paradigm

As per the disconfirmation theory, consumers assess their new service experience against a set benchmark established on the basis of their prior experiences. The degree to which the service adheres to this standard affects their opinion of it. Expectations, perceived performance, disconfirmation, and satisfaction are the four parts of this paradigm. The level of expectations reflects expectations before consumption. Performance is how a customer perceives a service. If performance falls short of expectations, disconfirmation will occur. The final step is to combine the satisfaction results for the different service attributes to determine overall satisfaction (Mill, 2011).

2.4.2 Expectance-Value Theory

Under the expectancy-value theory, consumers frequently make assessments of a product's features, advantages, and potential outcomes. People will pick up the habit of acting in ways that they anticipate will produce favourable results. Their general attitude is a result of their beliefs and the potency of their beliefs regarding the characteristics of an object. Additionally, it is well known that attribute importance affects how consumers make decisions (Mill, 2011).

Chapter 3: Research Methods and Methodology

This section of the paper covers the research methodology used in conducting this research. A thorough explanation of research philosophy, paradigm, approach, methodology, strategy, sampling, data collection, data interpretation, and ethical considerations is covered under this segment.

3.1 Research Philosophy

There are primarily four philosophies of research: pragmatism, positivism, interpretivism, and critical realism. In particular, this research adheres to the interpretivism research philosophy. This philosophy seeks to take society and social structures into account when analysing research. The interpretivism approach, in particular, aims to comprehend the subjectivity of the research problem. To develop research knowledge, this philosophy investigates the perspectives, perceptions, beliefs, and values of individuals (Ryan, 2018). Therefore, this philosophy is useful to gain a comprehensive understanding of customer behaviour and satisfaction.

3.2 Research Paradigm

Research paradigms are the many presumptions that researchers make while conducting their studies, whether consciously or unconsciously. These include ontological presumptions, which are assumptions about the realities encountered during the research, axiological assumptions, which cover assumptions about the degree and ways in which beliefs and values stimulates the research procedure, and epistemological presumptions, which are assumptions about human knowledge. These assumptions inevitably affect the researcher's methodological choices, comprehension of the research questions, and study design (Kivunja and Kuyini, 2017). In this research, the paradigm used is ontology as it perfectly aligns with the interpretivism philosophy.

3.3 Research Approach

Inductive and deductive methods are the two main types of research methods. Under inductive research, the researcher specifically looks for a broader meaning of the issue being assessed and gains new knowledge about it. In contrast, a researcher using a deductive approach would begin with a model, draw premises from it, test those premises, and then modify the model in light of the findings (Woiceshyn and Daellenbach, 2018). For this research paper, an inductive approach is selected because it is consistent with interpretivism theory and qualitative research methodology.

3.4 Research Methodology

Qualitative and quantitative are two methods used in conductive research. The quantitative approach is objective and relies on factual data and numerical information concerning the research topics. On the contrary, the qualitative approach is subjective and takes into consideration the social system and the perceptions and perspectives of people and the community during the research (Ahmad et al., 2019). Specifically, for this research paper, the methodology used is qualitative. This is suitable for this study as it adequately explores the perceptions, customer satisfaction levels, and opinions about brand loyalty.

3.5 Research Strategy

Researchers have exposure to a widerange of several research strategies that can be used to gather relevant data and information corresponding to the topic of study. These may include the use of secondary data, experimental studies, focus groups, case studies, ethnography, and action research. Notably, for this research study, the strategy selected is the case study strategy. Specifically, the paper will explore the case of the world's leading online retail giant Amazon in an attempt to gather relevant knowledge on how the organisation achieves customer satisfaction and brand loyalty.

3.6 Sampling Methods

Predominantly, there are two approaches to sampling: probability and non-probability samplings. According to probability sampling, all member of the population have uniform likelihood of being chosen for the sample. On the contrary, in non-probability sampling, the sample is specifically chosen based on some predominant characteristics. Specifically, for

this research quota sampling method is utilised, which is a non-probability sampling technique(Taherdoost, 2016) to choose specifically collect data about Amazon customers.

3.7 Data Collection Methods

The two approaches used to gather data in research studies are primary and secondary data collection approaches. Primary data collection involves collecting first-hand information about the research topic through interviews, surveys, and observations. On the contrary, the secondary data collection method explores the second-hand data that has been gathered by other researchers. This involves a thorough study of works of literature, business cases, and archival documents(Harwoodn and Hutchinson, 2009). For this research study, the secondary data collection approach is chosen as the focus is on studying the case of Amazon, which can be best studied using secondary literature.

3.8 Data Interpretation

The data interpretation approach selected for this research is thematic analysis. A qualitative data analysis technique called thematic analysis involves sifting through a set of data to find, look into, and note recurrent patterns. It involves describing the data and interpreting the same by choosing codes and creating themes. This technique is characterised for its ability to align with a wide-array of theoretical and epistemological frameworks. It can be applied to a variety of research designs, studies, and sample sizes which makes this approach more robust and useful(Kiger and Varpio, 2020).

3.9 Gantt Chart

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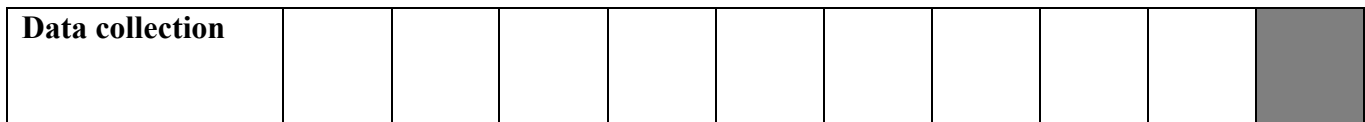


Figure 1. Gantt Chart

3.10 Ethical Considerations

The researcher and participants get along well when conducting qualitative research. As a result, moral standards must be established to guarantee the validity of the research methodology. To prevent biases, the study will ensure that the participants' identities are kept anonymous. In a similar vein, emphasis will be laid on encouraging the confidentiality of participants and important business information. Moreover, consent will be taken from managers and leaders of the organization before using business cases and other documents for research.

Chapter 4: Conclusion

The online retail industry is on a boom in the current technological era. Organisations are keen to divert their attention towards online retailing as it helps better interaction between the business and the customers. Now, in this online retailing environment the role of customer satisfaction and loyalty is critical. These two factors have a significant impact on customers' buying behaviour and repurchase intentions. Therefore, in this research paper, the focus is on identifying the efforts made by organisations in achieving customer satisfaction and brand loyalty. The case of Amazon's online retail business is considered for this research.

The research proposal outlines the research process explaining the research objectives and questions related to the topic. The objective of this research is to acquire a comprehensive knowledge of customer satisfaction and brand loyalty in the online retail industry. In this regard, literature concerning online retailing, theories of customer satisfaction, and concepts of brand loyalty are thoroughly studied. In the same context, a research strategy is formulated to study the business case of Amazon to extract relevant information about the company's strategies to achieve customer satisfaction and loyalty. Overall, the research proposal gives an overview of what will be researched and how concerning the topic of interest.

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