

**Casual relationship between Customer value, Switching cost, Satisfaction
and Loyalty towards IndiaMART InterMESH Ltd**

M. KIRUBASHREE

(17PBA008)

**A Major Project Report Submitted to
Avinashilingam Institute for Home Science and Higher Education for Women
Coimbatore - 641043**

**In Partial fulfillment of the requirement for the Degree of
Masters in Business Administration.**

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CERTIFIED AS BONAFIDE RESEARCH WORK

**Signature of the
Supervisor**

**Signature of the
Head of the department**

**Signature of the
External Examiner**

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CONTENTS

CHAPTER NO	PARTICULARS	PAGE NO
	Synopsis	
	List of Tables	
	List of figures	
I	Introduction	
1.1	Industry Profile	1
1.2	Indiamart Intermesh Limited	7
1.3	Relationship between customer value,switching cost, satisfaction loyalty towards IndiaMART	12
1.4	Objectives of the Study	15
1.5	Scope of the Study	15
1.6	Limitations	15
II	Review of Literature	16
III	Research Methodology	20
IV	Analysis and Interpretation	24
V	Summary	48
5.1	Findings	48
5.2	Conclusions	50
5.3	Suggestions	51
	Bibliography	
	Annexure	

LIST OF TABLES

TABLE NO	TABLE	PAGE NO
3.1	Data Analysis and Tools Used	22
4.1.1	Business type and legal status of the respondents	24
4.2.1	Perception of customer regarding Reliability	26
4.2.2	Perception of customer regarding Assurance	27
4.2.3	Perception of customer regarding Empathy	28
4.2.4	Perception of customer regarding Responsiveness	29
4.2.5	Perception of customer regarding Tangibility	30
4.2.6	Perception of customer regarding Pricing	31
4.2.7	Perception of customer regarding satisfaction	32
4.2.8	Perception of customer regarding Switching costs	33
4.2.9	Perception of customer regarding loyalty	34
4.3.1.1	Reliability	35
4.3.1.2	Validity	36
4.4.1	Multicollinearity	38
4.5.1	Correlation Analysis	39
4.6.1	Variance Values	42
4.7.1	Effect Size	43
4.7.2	Predictive Relevance Results	44
4.7.3	Bootstrap Statistics	45
4.7.4	Garrett Ranking	46

LIST OF FIGURES

Figure No	Figure S	Page No
1.3.1	Conceptual Frame Work	14
6.1	PLS Path Diagram	42

SYNOPSIS

The purpose of the study is to examine the relationship between customer value, switching cost, satisfaction and loyalty towards IndiaMART. Totally 105 customers of IndiaMART were chosen out of entire crowd to collect data using the questionnaire. And convenience sampling technique too; is used to analyze the data. This study reports customer value, switching cost satisfaction and loyalty of IndiaMART customers of the tirupur and Coimbatore city.

The findings of the study helps the company to know about the customer satisfaction. Hence, this could help the company to improve their service to become more competitive and attract more customers.

The methodology used for this study is mainly depend upon the primary data. Various tools including correlation using Partial Least Squares (PLS) and mean Score. As the result of study it is found that the customers are highly satisfied by the present services provided by the company.

In the study questionnaire is used to collect data and convenient sampling tool is used to analyze the data.

CHAPTER I

INTRODUCTION

1.1 INDUSTRY PROFILE

E-COMMERCE

Internet has become an important medium for doing global business based on the state of the art technology. Global business was conducted in a new way: electronically, using networks and the Internet. The availability of Internet has led to the development of **E-Commerce (Electronic commerce)**, in which business transactions take place via telecommunication networks. E-Commerce has two major aspects: economical and technological. New standards and new facilities are constantly emerging and their proper understanding is essential for the success of an operation and especially for those who are assigned a duty to select, establish, and maintain the necessary infrastructure. (<https://www.wisdomjobs.com/e-university/e-commerce-concepts-tutorial-7/introduction-to-e-commerce-11845.html>)

History of E-Commerce

The history of E-commerce is about how Information Technology has transformed in business processes. Some authors will track back the history of E-commerce to the invention of the telephone at the end of last century. The Internet was conceived in 1969, when the Advanced Research Projects Agency (a Department of Defence organization) funded research of computer networking. The Internet could end up like EDI (Electronic Data Interchange) without the emergence of the World Wide Web in 1990s. EDI (Electronic Data Interchange) is widely viewed as the beginning of E-commerce. Now E-Commerce is considered as the networking of business communities and digitalization of business information.

EDI, which expanded from financial transactions to other transaction processing and enlarged the participating companies from financial institutions to manufacturers, retailers, services, and so on. Many other applications followed, ranging from stock trading to travel reservation systems. Such systems were described as telecommunication applications and their strategic value was widely recognized. With the commercialization of the Internet in the early 1990s and its rapid growth to millions of potential customers, the term electronic commerce was coined, and EC applications

expanded rapidly. One reason for the rapid expansion of the technology was the development of networks, protocols, software, and specifications. The other reason was the increase in competition and other business pressures. From 1995 to 1999 we have witnessed many innovative applications ranging from advertisement to auctions and virtual reality experiences. Almost every medium- and large-sized organization in the United States already has a Web site many are very extensive; for example, in 1999 General Motors Corporation offered 18,000 pages of information that included 98,000 links to its products, services, and dealers. (<https://feinternational.com/blog/what-is-e-commerce-an-introduction-to-the-industry/>)

Electronic Commerce under different perspectives:

Let's see how Electronic Commerce (EC) is defined under each perspective.

1. Communications Perspective

EC is the delivery of information, products /services, or payments over the telephone lines, computer networks or any other electronic means.

2. Business Process Perspective

EC is the application of technology toward the automation of business transactions and work flow.

3. Service Perspective

EC is a tool that addresses the desire of firms, consumers, and management to cut service costs while improving the quality of goods and increasing the speed of service delivery.

4. Online Perspective

EC provides the capability of buying and selling products and information on the internet and other online services.

Types of e-commerce

There are a number of different types of E-Commerce

- B2B - Business to Business
- B2C - Business to Consumer
- C2B - Consumer to Business
- B2E - Business to Employee
- C2C - Consumer to Consumer

- **B2B - Business to Business**

E-commerce has been in use for quite a few years and is more commonly known as EDI (electronic data interchange). In the past EDI was conducted on a direct link of some form between the two businesses where as today the most popular connection is the internet. The two businesses pass information electronically to each other. B2B e-commerce currently makes up about 94% of all e-commerce transactions.

Typically in the B2B environment, E-Commerce can be used in the following processes:

- Procurement
- order fulfillment
- Managing trading-partner relationships.

B2C - Business to Consumer

Business to Consumer e-commerce is relatively new. This is where the consumer accesses the system of the supplier. It is still a two way function but is usually done solely through the Internet. B2C can also relate to receiving information such as share prices, insurance quotes, on-line newspapers, or weather forecasts.

C2B - Consumer to Business

Consumer to Business is a growing arena where the consumer requests a specific service from the business.

B2E - Business to Employee

Business to Employee e-commerce is growing in use. This form of E-commerce is more commonly known as an 'Intranet'. An intranet is a web site developed to provide employees of an organisation with information. The intranet is usually access through the organisations network, it can and is often extended to an Entrant which uses the Internet but restricts uses by sign on and password.

C2C - Consumer to Consumer

These sites are usually some form of an auction site. The consumer lists items for sale with a commercial auction site. Other consumers access the site and place bids on the items. The site then provides a connection between the seller and buyer to complete the transaction. The site provider usually charges a transaction cost. In reality this site should be call C2B2C.

B2A is the least developed area of E-Commerce and it relates to the way that public sector organizations, at both a central and local level, are providing their services on-line. Also known as e-Government, it has the potential to increase the domestic and business use of e-Commerce as traditional services are increasingly being delivered over the Internet. The UK government is committed to ensuring this country is at the forefront of e-Commerce and it is essential that e-Government plays a significant part in achieving this objective

Business Marketing

Business Marketing is one of the most key drivers for any business to flourish in this competitive era. In other words, the strategy of business marketing is preferably known as industrial marketing or business-to-business (B2B) marketing. The commercial transaction takes place between the business groups. This offers a wide variety of business and trading options to the traders across the market. There are hundreds of buyers and sellers working in and out of the global market. For the functioning of the B2B portal, there has to be an interaction between the business group and commercial entity. These facilities and options have been provided by the technological advancement and availability of resources. There are one-on-one meetings organized for the interaction with the partners, some of them could be an overseas partner. There are domestic and international trading involved in the B2B marketing. For any B2B marketing to flourish, there should be an agenda defined which would serve beneficial in spreading the roots across the globe or over a region.

In India, B2B marketing is one of the biggest online platforms for buying and selling of products. There are certain areas where B2B marketing is focussed such as branding, product/service development, recognizing the target market, potential customers, promotions, etc. Most of the B2B marketing groups have adopted the online advertisement and campaigns for the promotion of the products/services, which is one of the best practices in the field of B2B marketing. These online business portals are one of the largest e-commerce sites functioning across the globe, helping in the trading of product/services. The websites are marketing for traders, exporters, supply chains and serve a better platform for the market giants. The marketing in the B2B portal is easier where the group has to make a registration on the portal for acting as a buyer or seller.

There are numerous B2B marketing giants operating in India along with the partnership with the overseas clients and business groups. There are time to time conferences and meetings held to ensure the transparency in the marketing and trending system. The online marketing and trading have provided a lot of ease to the people associated with the campaigning and marketing of the products and services. Over a period, the internet services would serve as one of the game changers in the B2B marketing scenario across the globe. Today, the concept of B2B marketing has been adopted in a few of the countries. In future, the market would be governed by the B2B marketing groups. Internet service has become one of the key components of a customer relationship management strategy for the B2B marketers. Here, the distributors gain the chance for building business opportunities. The growing entrepreneurial revolution has been working as a business driver in many sectors, bringing a great inflow of buyers, sellers and investors all over the world. Startups have been growing and flooding the marketplace. We are heading towards an era of digital marketing where the B2B marketing strategy would serve beneficial for taking over the international and national market.

Business-to-business

Business-to-business (B2B) ecommerce market is gradually maturing across the world, whereas in India it is still at the nascent stage. Experts have predicted that India's B2B industry will be worth Rs 45 lakh crore by 2020. And according to SME finance companies, this online industry is six times bigger than business-to-consumer (B2C) in India. India's yet-to-mature B2B ecommerce industry with large untapped potential of growth presents a great opportunity to companies who want to enter this market. From a handful of companies in the past (**Alibaba, IndiaMart, Trade India**), now there are all size of startups that cater to all size of buyers, be it a small online marketplace reseller to big chain of hotels. This has made the job of procuring raw materials in bulk quantity and at bulk prices much easier for sellers and resellers.

A B2B portal is a channel used to sell to business customers (called "trading partners") that are typically SMBs. They resemble a B2C store, except they are usually password-protected. The sellers who use B2B portals are suppliers of physical goods, typically wholesalers, manufacturers, or distributors. The buyers are businesses further down the supply chain. The buyers tend to be small boutiques and brick and mortar

stores. It's important to note that there is no way that a large big box store (e.g. Amazon, Walmart, or Nordstrom) would purchase from a vendor's B2B portal. They may be dealing with thousands of vendors, so they need a standardized way to send purchase orders, receive shipping notices, and collect invoices. As a result, large trading partners have their own procurement systems that they force all of their vendors to comply with. This system is usually Electronic Data Interchange (EDI).

B2B portals are a convenient way for a supplier to do B2B if one or more of the following scenarios are true:

- The supplier is primarily selling to smaller trading partners who want to visualize the entire product catalogue.
- The supplier has the B2B portal integrated with their system of record (e.g. ERP or accounting system). This would, in theory, eliminate the supplier from having to manually key each order into their system.
- The supplier is on boarding new and small trading partners who are ordering for the first time and may be unfamiliar with the supplier's pricing and special offers/quantity breaks.

Advantages of E-Commerce

- Electronic Commerce can increase sales and decrease costs.
- Advertising done well on the web can get even a small firm's promotional message out to potential customers in every country in the world.
- Businesses can use electronic commerce to identify new suppliers and business partners.
- Electronic Commerce increases the speed and accuracy with which businesses can exchange information, which reduces costs on both sides of transactions.

Disadvantages of E-Commerce

- Some business processes such as perishable foods and high-cost, unique items such as custom-designed jewelry might be impossible to inspect adequately from a remote location.
- Costs, which are a function of technology, can change dramatically even during short-lived electronic commerce implementation projects because the technologies are changing so rapidly.

- Many firms have trouble recruiting and retaining employees with the technological, design and business process skills needed to create an effective electronic commerce presence

1.2 INDIAMART INTERMESH LIMITED

IndiaMART InterMESH Limited operates as an online marketplace that connects buyers with suppliers. It is the India's largest online B2B marketplace, connecting buyers with suppliers. With 60% market share of the online B2B Classified space in India, the channel focuses on providing a platform to Small & Medium Enterprises (SMEs), large enterprises as well as individuals. The Company was founded in 1996 by Dinesh Agarwal, a former senior system analyst at HCL Technologies. Agarwal did his engineering from Harcourt Butler Technological Institute, Kanpur in 1990 and went to the US to work for HCL in 1992. The company's mission is '**to make doing business easy**'. The company is headquartered in Noida, India.

How it all started

In 1996, Agarwal returned to India after working for 3 1/2 years in HCL's US office. He was trying to set up his own business at a time when the Internet was launched in India on August 15, 1996. He bought a domain name IndiaMART.com for \$135. The idea was to build an online directory of merchants who wanted to sell their products abroad. When enquiries would come on the website from foreign merchants, Agarwal's company would inform the merchants in India via post or fax.

Core Values

Team Work: "Together we can achieve the impossible" is our belief. Our success is a result of our team work. We have experts from the field of management, marketing, IT, arts, content & various other disciplines who work cordially as a team on every project, every endeavour. Dedication and passion are the true means to our mission fulfillment.

Responsible: Responsible, not just for quality work but for continuous self-development, of our decisions and of our actions. This helps us think rationally and provides a sense of accountability to ourselves, our commitment to customers and to our colleagues.

Integrity: We realize the importance of the job & information we handle. We understand the responsibility that each member of our team has to shoulder and we do that with highest levels of trust, honesty and integrity of purpose and action.

Passion: Work at IndiaMART involves constant innovation and creativity. It involves a continuous thought process to get tangible benefits for our customers, taking into account the uniqueness of their purpose. Passionate people with a determination to make the difference are the ones who make this possible.

IndiaMART for Buyers

- Convenience of connecting with sellers anytime, anywhere.
- Wider marketplace with a range of products and suppliers.
- Payment protection program.

IndiaMART for Suppliers

- Enhanced business visibility
- Access to 1 Million daily buyer enquiries
- Increased credibility for your brand
- Lead Management System
- Instant payment gateway, Pay with IndiaMART

Product Categories

Its product categories include industrial plant and machine; electronics and electrical; Industrial Supplies; building and construction; apparel and garments; food and beverages; medical and healthcare; packaging machines and goods; chemicals, dyes and solvents; Mechanical Parts and Spares; Lab Instruments and Supplies; Furniture and Supplies; Agriculture and Farming; Automobile, Parts and Spares; Housewares and Supplies; Metals, Alloys and Minerals; Hand and Machine Tools; Handicrafts and Decoratives; Kitchen Utensils and Appliances; Textiles, Yarn and Fabrics; Books and Stationery; Cosmetics and Personal Care; Home Textile and Furnishing; Engineering Services; Gems, Jewelry and Astrology, and Computer and Information Technology Solutions.

Awards & Achievements

Success of our customers is our greatest achievement. Their confidence in us and our innovation, to give them the best, has got us applauds from various sources

2005-06

- IndiaMART.com completed ten successful years (1996-2006)
- Crossed 10,000 clients mark
- Launches MDC, a four-page online catalog for clients

2006-07

- BCCL (Times of India Group) makes strategic investment in IndiaMART.com
- Launches new Templated Product Catalogs

2007-08

- Launches IndiaMART Sourcing Guide
- Commences International Trade Fair Participation initiative
- Wins 'Shiromani Yojana Puraskar' award
- 5,00,000 members registered on IndiaMART.com

2008-09

- Intel Capital makes strategic investment in IndiaMART.com
- Wins 'Emerging India Award 2008' as a second runner-up
- IndiaMART.com footprints cover over 100 towns in India

2009-10

- IAMAI declares IndiaMART.com as India's largest online B2B marketplace
- Mr. Deep Kalra (Founder & CEO of Makemytrip.com) & Dr. Nachiket Mor (President, ICICI Foundation) join IndiaMART.com Board of Directors
- More than 300,000 products listed on IndiaMART.com

2010-11

- Takes a giant leap in SME space & launches 'IndiaMART Leaders of Tomorrow Awards'
- IndiaMART.com member base surges to 1 million suppliers

2011-12

- Launches FREE tenders service - a first in India
- Being a socially responsible corporate, associates with "Meri Dilli Meri Yamuna" campaign
- The SmartTechie ranks IndiaMART.com among India's '25 Most Promising Internet Cos.'

2013-2014

- Launched price discovery service
- Launched IndiaMART mobile website and app

2014-2015

- Launched IndiaMART Premium Number Service
- Launched behavioral matchmaking feature

2015-2016

- Implemented mobile enterprise resource planning (ERP) system
- Launched RFQ feature on IndiaMART called BuyLead

2016-2017

- Launched lead management system
- Launched IndiaMART payment protection program and payment facilitation

SWOT ANALYSIS OF INDIAMART

Strengths

- The company has excellent distribution system.
- The company has built a strong image among the customers.
- The company experiences excellent Brand loyalty for its Products from the customers.

Weaknesses

- Some products have high prices as compared to the other products.
- The company pays less attention towards the matured clients

Opportunities

- India has a vast potential market, which the company can get hold up
- The company can prove to be major threats for its competitor's if it increases marketing efforts.
- IIL should concentrate on the premium segment market.

Threats

- The major threat that company faces is from its competitors who are introducing products with lower cost backed by aggressive promotional schemes to attract the customer.
- The arrival of the MNC is a major serious threat for the company

1.3 Casual relationship between Customer value, Switching cost , Satisfaction and Loyalty towards IndiaMART InterMESH Lmt

E-commerce basic means is electronic commerce that is selling and buying of various information, goods and services over an electronic medium like the internet. We are moving to digital technology in which demand realized translate into demand satisfied in nanoseconds. Today majority of business have an online presence and become necessities for many companies to conduct their business online and they continuously think their business in terms of an internet where a wide range of selling and buying occurs

B2B Marketing

It is buying and selling process take place between two businesses. In B2B the dealer mainly establishes the relationship with the manufacturer, wholesaler and also retailer. In this supply chain mainly occurs more than two companies that are selling the products or goods to an intermediate buyer who then sells the goods to the final customer. Business to business e-commerce means different thing to different people and companies. to some, it means web-enabled selling and to some it means middleware. We can say that B2B mean to use of innovative technology to build the global relationship with customers or it simply means doing business on the internet. With e-commerce business customers demand more choices and convenience, the cost is drastically lower and competition increase in every direction, distribution channel is exploding and startup are bringing established giant to their knees. Bringing business together more information take place in one portal. Electronics, shipping, and warehouse, motor vehicle, agriculture, papers, office products are the leading items in business to business marketing.

Definitions of Customer Loyalty, Customer Value, Customer Satisfaction, and Switching Costs

Customer loyalty is a buyer's overall attachment or deep commitment to a product, service, brand, or organization (Oliver 1999). The loyalty concept is similar in meaning to relationship commitment, which is described by the relationship marketing literature as an enduring desire to be in a valued relationship (Anderson and Weitz 1992; Moorman, Zaltman, and Deshpande 1992; Morgan and Hunt 1994).

Customer loyalty manifests itself in a variety of behaviors, the more common ones being recommending a service provider to other customers and repeatedly patronizing the provider (Dwyer, Schurr, and Oh 1987; Fornell 1992). A number of studies have treated these two behaviors as loyalty indicators (Sirdeshmukh et al. 2002; Zeithaml et al. 1996). Therefore, we consider them two key manifestations of customer loyalty.

Customer value can be conceptualized as a comparison of weighted "get" attributes to "give" attributes (Heskett et al. 1994). Customer value is operationalized as a ratio or trade-off between total benefit received to total sacrifices, taking into consideration the available suppliers' offerings and prices (Buzzetl and Gale 1987). Service consists of a wide variety of dimensions, and two of the most commonly examined service attributes are reliability and customization (Zeithaml 2000). The sacrifice or price that a customer pays typically consists of transaction costs, life cycle costs, and some degree of risk (Naumann 1995)

Customer satisfaction in the B2B context is often defined as a positive affective state resulting from the appraisal of all aspects of a firm's working relationship with another firm (Geyskens, Steenkamp, and Kumar 1999). Two general conceptualizations of customer satisfaction exist in the literature: service encounter or transaction specific satisfaction and overall or cumulative satisfaction (Bolton and Drew 1991; Cronin and Taylor 1994; Shankar et al. 2003). While transaction specific satisfaction may provide specific diagnostic information about a particular product or service encounter, cumulative satisfaction (i.e., satisfaction that accumulates across a series of transactions or service encounters) is a more fundamental indicator of the firm's past, current, and future performance (Bitner and Hubbert 1994; Oliver 1996; Rust and Oliver 1994). Therefore, we focus on cumulative satisfaction in our investigation and, for simplicity, refer to cumulative satisfaction as customer satisfaction in this study

Switching costs can be defined as the costs involved in changing from one supplier to another (Heide and Weiss 1995). The domain of switching costs encompasses both monetary expenses and nonmonetary costs (e.g., time spent and psychological effort) (Dick and Basu 1994). Furthermore, the domain could include the loss of loyalty benefits as a result of ending the current relationship. For example, a customer may make transaction-specific investments on a relationship with a supplier,

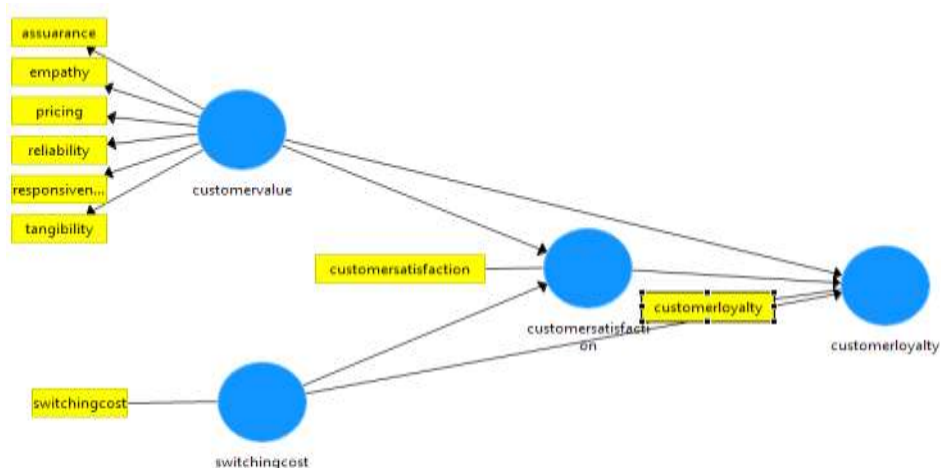
and over time, the customer may have developed routines and procedures for dealing with the supplier (Heide and Weiss 1995; Jaand Ganesan 2000). These investments and familiarity with procedures constitute one type of switching costs because they will become useless if the customer terminates the relationship. Conceptually, switching costs may 296 JOURNAL OF THE ACADEMY OF MARKETING SCIENCE SUMMER 2004 also reflect a buyer's dependence on a vendor, which refers to a buyer's need to maintain his or her relationship with a supplier to achieve desired goals (Frazier 1983).

Customer needs and strategy in b2b

As suppliers and customers have come more closely together, what changes have occurred and has this led to any benefits. This is a key area of experience enhancement within the B2B sector. Customers expect the organisation to understand their needs and on an advanced level their strategy. With these latent and sometimes explicit expectations the brand /organisation should provide experiences that ensure that the customer thinks, feels, sees and hears you trying to explore their needs or define and understand their strategy.

Conceptual Framework

Figure 1.3.1



1.4 Research questions:

- How customer value influence customer satisfaction and customer loyalty.
- How switching cost influences customer satisfaction and customer loyalty.
- How customer satisfaction influences the customer loyalty.

1.5 Objective of the study:

- To assess the relationship between customer value, customer satisfaction and customer loyalty.
- To assess the relationship between switching cost, customer satisfaction and customer loyalty.
- To find out the relationship between customer satisfaction and customer loyalty.

1.6 Scope of the study:

- This study helps to understand the needs of marketing through e-commerce portal for b2b business.
- This study provides informations about the expectation of the customer and how they satisfied with present service.
- The main purpose of the study is to know about the customer value,loyalty,satisfaction and satisfaction of the IndiaMART customers.

1.7 Limitation:

It is important to evaluate and consider the limitation of the study in advance in order to assess the reliability of the findings, In our study the following limitations were encountered.

- The population of the respondents groups are restricted to the area of Tirupur and Coimbatore
- The research was carried out in short span of time.
- Sample size is smaller may not lead to the generalized results for a larger population

CHAPTER II

REVIEW OF LITERATURE

Oliver (1997) states loyalty as a “deeply held commitment to rebuy or repatronize a preferred product or service consistently in the future” His work describes a detailed framework of loyalty that presents loyalty as consisting of four distinct, sequential phases, where consumers can become “loyal” at each attitudinal phase relating to different elements of the attitude development structure. First, cognitive loyalty refers to the existence of beliefs that a brand or service is preferable to others. Second, effective loyalty reflects a favourable attitude. It tends to procure free word of mouth advertising, which in turn can have an effect on switching behavior amongst potential customers. Third, conative loyalty constitutes the development of behavioral intentions characterized by a deeper level of commitment. Finally, action loyalty relates to the conversion of intentions to action, accompanied by a willingness to overcome impediments to such action. It combines the customer's professed likelihood to repurchase from the same supplier in the future, and the likelihood to purchase a company's products or services at various price points (price tolerance). Hence, frameworks of loyalty usually incorporate and integrate both behavioral and attitudinal components.

Kristensen et al. (2001) illustrates that, the CSI model includes a structural equation with estimated parameters of hidden categories and category relationships. The CSI can clearly define the relationships between different categories and provide predictions. The basic CSI model is a structural equation model with latent variables which are calculated as weighted averages of their measurement variables, and the PLS estimation method calculates the weights and provide maximum predictive power of the ultimate dependent variable

Smith and Wheeler (2002) highlighted about the customer experience is actually influenced by and through the expectations that the organisation creates for its brand, service and products. The experience the organisation then delivers will be evaluated by the consumer to determine how closely it matched the expectation in B2B sectors.

Schmitt(2002) advocates the identification of the touchpoints where customers come into contact with the organisation, brand, service and / or product, followed by developing the typical journey a customer makes when interacting with the organisation. Although this may work for one-off transactions or complete transactions, it starts to appear flawed when the principle is applied to regular relationships that may resemble more a ‘ pinball machine ’ than journey. However, certain contact patterns should be regular and can be mapped. Unfortunately, within a B2B relationship, complexity and the constant ability of the customer to detour to move away from the official journey.makes it extremely difficult to map.

Standifer and James (2003) stated that Ecommerce provides even faster communication than phone calls, sending faxes and invoicing system just because human linkages are faster than humans and other means. the profits coming from multiple sources and it allows companies to bypass some of the processes of value chain, the ecommerce also provides buyers an opportunity to choose the best one as per requirement, some might required higher quality and others need lower prices.

Bruner et al. (2003) explained that Procedural switching cost involves the expenses of time and efforts which includes learning, risk, setup and evaluation cost; Financial switching cost involves the financially loss resources which includes monetary loss and benefit loss cost; Relational switching cost involves emotional or psychological discomfort caused by the loss of identification and the breaking of the relationship which includes personal relationship loss cost and brand relationship loss cost .

Irene Gil-Saura, Marta Frasquet-Deltoro, Amparo Cervera-Taulet, (2009) examined that Confirmatory factor analysis provided satisfactory results. With regard to the direct effects of the relationship value, the three relationships being considered were verified: relationship value has a positive influence on trust, commitment and satisfaction towards the supplier. Also, and as already contrasted in previous studies, trust has a direct, positive effect on commitment. In addition, and regarding to loyalty antecedents, data did not confirm that greater trust would increase loyalty but commitment did, leading to the conclusion that the effect of trust on loyalty is only indirect through the effect it has on commitment. Loyalty was also positively affected by satisfaction with the supplier.

Mikko Pynnönen, Paavo Ritala, Jukka Hallikas, (2011) illustrates about how such systemic customer value in the firm's offering can be modeled. This enables the tracking down of the functions that produce the most value in terms of meeting various customer needs. A firm that understands the systemic nature of customer value is better able to concentrate on improving the core functions of its offering, thus gaining competitive advantage and value-based differentiation over its rivals

Cassia and Magno(2012) The growing body of research on business-to-business (B2B) branding has extensively demonstrated the benefits that industrial firms may gain from strong brands. In particular, several studies have suggested and documented that B2B brand image has positive effects on customer loyalty .

U. Zeynep Ata, Aysegul Toker, (2012) "The results indicate that CRM adoption has a significant positive effect on both customer satisfaction and organizational performance in B2B settings. CRM adoption is also found to affect organizational marketing performance significantly, but not financial performance. Additionally, the results reveal that enhanced customer satisfaction leads to better organizational performance in the B2B organization. Environmental dynamism and competition was found to have a negative moderating effect on the relationship between customer satisfaction and organizational performance.

B. Ramaseshan, Fazlul K. Rabbane, Laine Tan Hsin Hui, (2013) in their study reveals about the B2B context, value equity and relationship equity have significant influence on customer loyalty through the mediating effect of customer trust. On the other hand, brand equity is found to have no effect on customer trust and loyalty.

Gremler and Brown (2014), states that three loyalty dimensions define a loyal customer as the regular user of one service provider or supplier, who has positive feelings towards the organisation and does not consider using alternative provider. The three loyalty dimensions are usually used when measuring customer loyalty. Considering the B2B business and confectionery market characteristics and the three loyalty dimensions discussed, loyalty in this study will be measured using four factors that reflect all three loyalty dimensions discussed above: continue doing business with the supplier, considering the company to be the first choice to buy services, recommending the company to others, and having positive feelings about the supplier.

Markus B. et al. (2016) the result of their study showed that both customer satisfaction and switching cost had a significant influence on customer loyalty. Customer Satisfaction is the core of marketing. More the customers are satisfied about the product or service more they probably stay loyal. But Consumer behaviour becomes more and more complex and hard to understand due to variety of products provided by competitors. Some satisfied customers may want to test the competitor product and that lead them to temptation to switch. So firms need barriers to lock Clients to not switch easily.

Hirvone (2016) demonstrated that business-to-business (B2B) SMEs have achieved high business growth with the help of their strong brand. Particularly in B2B markets, the stronger brand produces more trust and a close relationship with customers and other stakeholders.

Daniel Kasser Tee, Alex Preko and Evans Tee (2016) examined about the interrelationships between service quality, customer satisfaction, and customer loyalty for the Ghana banking industry. primary research data were collected using questionnaires administered face-to-face, via systematic random sampling approach. Confirmatory Factor Analyses (CFA) was then used to test the hypotheses and address the research objectives as well. The results showed that the three variables were positively interrelated, with different p-values for significance. The five dimensions of service quality, tangibility, reliability, responsiveness, assurance and empathy, each affects overall service quality positively and significantly.. Service quality was seen to positively and significantly affect customer loyalty in this study. The findings therefore serve as a good guide for companies to work at improving service quality, which will in turn positively influence satisfaction and loyalty.

Akpan, Sunday John(2016) investigated the influence of ATM service quality on customer satisfaction in the banking sector of Nigeria. The study adopts survey research in which questionnaires are accidentally administered on customers of four banks randomly selected for the study. Multiple Regression Analysis, Descriptive Statistics of the Mean, Standard Deviation, Tables and Charts are the main tools of data analysis. Findings reveal that the higher the ATM service quality, the higher the level of satisfaction it provides. The study then concludes that ATM service quality determines customer satisfaction. Some recommendations are offered on the way forward.

CHAPTER III

RESEARCH METHODOLOGY

Research is a scientific and systematic research or pertinent information on a specific topic. It includes testing, verification, classification, organization and the orientation which include prediction and application.

The aim of the study is to find out relationship between customers satisfaction,value,switching cost and loyaty of an IndiaMART customer. This deals with the methodology adopted while conducting this research. It starts with the research purpose, research strategy and research approach.

This chapter consists of research design, data source, methods of data collection, data analyzing method.

3.1 Research design

A research design is the arrangement of conditions for collecting and analyses the data in a manner that aims to combine relevance to the research purpose with economy in procedure. The research design is the conceptual structure within which research is concluded. It constitutes the blueprint for the collection, measurement and analysis of data.

Descriptive research design is used for this study. Descriptive research is also called statistical research. The main goal of this type of research is to describe the data and characteristics about what is being studied.

3.2 Sources of data

The task of data collection begins after a research purpose has been defined and research design has been planned out. Primary data was used in this study. The primary data those which are collected a fresh time, and thus happens to do original in character.

3.3 Method of data collection

Data collection is an important aspect of any type of research study. Inaccurate data collection can impact the results of the study and ultimately lead to invalid result. Primary Data was collected using Structure Questionnaire from the consumers about their purchase intention towards organic food products. It is a mixture of open ended and multiple choice and scaling questions.

3.4 Period of study

The study is an attempt to analysis IndiaMART customers satisfaction and loyalty..The study is conducted for a period of January 2019 to March 2019.

3.5 Sampling design

A sample design is a definite plan for obtaining a sample form given population. It refers to the technique or the procedure the researcher would adopt in selecting items for the sample. Sampling design with the method of selecting items observed for given study.

3.5.1 Sampling Technique

The research was conducted by administering questionnaire which investigated the customer value,satisfaction,switching cost and loyalty among IndiaMART customer. There was no systematic pattern of selecting samples involved in this study. Convinent sampling technique is adopted in this study (Non probability).

3.5.2 Sample Size

The sample size selected for this research is 104 respondents. The sample size must not be too large or too be small, it should be optimum. The research was conducted in Coimbatore city.

3.6 Tool of analysis

The statistical tools used are selected based on the suitability to examine the objectives of the research using SPSS statistical and smartPLS 3 package. The various statistical tools used to determine the survey results are as follows.

Table 3.1 Data Analysis and Tools Used

S. No.	Objectives	Tools used
1.	Demographic profile	Frequency test
1.	Data Reliability and Validity	Cronbach's Alpha
2.	Descriptive study of Customer value,satisfaction,switching and loyalty	Mean score
3	To find out of the preference of the customer among various portal which providing online promotion	Ranking
3.	Model validation and hypothesis testing <ul style="list-style-type: none"> • Correlation • Multicollinearity • SEM - Graphical path modelling using latent variables 	Pearson's Correlation SmartPLS 3

3.6.1 Percentage Analysis:

It is a univariate analysis where the percentage of a particular factor with a category is calculated in order to get a fair idea regarding the sample. This analysis describes the classification of the respondents falling under each category. The percentage analysis is used mainly for standardization and comparison.

$\text{Percentage} = (\text{No of respondents} / \text{Total respondents}) * 100$

3.6.2 Garrett's Rating Scale

It was used to rank the preference indicated by the respondents on different factors. The ranks given for each suggestion, percent positions were calculated by using the formula.

$$\text{Percent position} = 100 * (R - 0.5) / N$$

Where R is the rank assigned and N is the number of items ranked. The percent position was then converted into scores using Garrett's scores table (Garrett H, 2005)

CHAPTER IV

ANALYSIS AND INTERPRETATION

Data analysis and interpretation is the process of assigning meaning to the collected information and determining the conclusions, significance, and implications of the findings. The purpose of this chapter is to present analysis and interpretation relevant to answering the research questions and associated research propositions.

This chapter reveals the various statistical analyses done with SPSS 21.0 and its implications. Sample characteristics are presented first, followed by descriptive statistics. The results of the hypotheses testing and path analysis are presented for interpretation. 105 responses were used for data analysis.

4.1 Demographic Sample Characteristics

Table 4.1.1 Business type and legal status

Categories		Frequency	%
Business type	Manufacturer	25	13.8
	Retailer	30	16.6
	Wholesaler	13	7.2
	Others	37	20.4
Legal status of business	H.U.F	12	6.6
	Partnership	30	16.6
	Private ltd	14	7.6
	Proprietorship	49	27.1

From the above table it indicates that the more number of the respondents belongs to retailer type of business. Hence, It indicates that most of the customers are doing retail business. The above table also indicates that the most of the respondents belongs to Proprietorship. Hence it indicates that most of the customers legal status of business is Proprietorship.

4.2 Descriptive Statistics

Descriptive Statistics includes statistical procedures that are used to summarize the data in a clear and understandable way. In this chapter the implication of data analysis is discussed under the following categories:

- 4.2.1 Perception of customer regarding Reliability
- 4.2.2 Perception of customer regarding Assurance
- 4.2.3 Perception of customer regarding Empathy
- 4.2.4 Perception of customer regarding Responsiveness
- 4.2.5 Perception of customer regarding Tangibility
- 4.2.6 Perception of customer regarding Pricing
- 4.2.7 Perception of customer regarding satisfaction
- 4.2.8 Perception of customer regarding switching cost
- 4.2.9 Perception of customer regarding Customer loyalty

4.2.1 Perception of customer regarding Reliability

Reliability is defined as capacity to execute the guaranteed benefit reliably and precisely (Armstrong, 2012). If a company is providing a good service, a company and its staff should be ready to respond to consumer's queries about products and services offered (Ojo, 2010). According to Toosi and Kohonali (2011), timely responses to requests, is one of the important customer's expectation. Therefore, this should not be delayed or ignored simply because these are fundamental issues. Online support is offer by some companies that provides customers with instant resolution to their queries.

Table 4.2.1 Perception of customer regarding Reliability

Variables	Mean	Standard deviation
Service performed as promised	3.84	1.128
Service provided correctly	3.75	1.026
Services provided at committed time	3.58	1.064
Service performed at first time	3.57	1.045
Dependability in service	3.50	1.102
Overall	3.68	0.98

The mean score value of service performed as promised is highest value at 3.84. Many respondents has positive opinion on service performed correctly and services provided at committed time ($\mu=3.75$ and $\mu=3.58$). The respondents have favourable opinion on service performed at first time ($\mu=3.57$). The $\mu=3.50$ also signifies that there is dependability in service. The overall mean score for customer's reliability is 3.68 which is significantly high and indicates high level of reliability on service quality.

4.2.2 Perception of customer regarding Assurance

Assurance is basically courtesy, competence, credibility; security of the firm employees gives to its customer. Parasuraman et al. (1985) interpreted (AS) as information to have cordiality of workers and their capability to motivate confidence and trust. If company's representatives provide genuine and caring service, customers would want to do business (Zekiri and Angelova, 2011).

Table 4.2.2 Perception of customer regarding Assurance

Variables	Mean	Standard deviation
Courteous	3.61	1.114
Knowledgeable	3.57	1.125
Safe transaction	3.69	1.031
Overall	3.65	0.93

The mean score value of courteous and safe transaction are highly significant ($\mu = 3.61$ and $\mu = 3.69$) by. The respondents were equally influenced by the knowledge of employees ($\mu = 3.57$). The overall mean of service quality assurance is **3.65**.

4.2.3 Perception of customer regarding Empathy

Empathy can be interpreted as the care, individualized concentration the company provides to its customers (Armstrong, 2012). Customer and employee interactions are reflected through the dimension of empathy (Armstrong, 2012). Gbadeyan and Gbonda(2011) proposed that to attract customers through caring is a key determinant and by providing variety in the features of service products that will fulfill their wants and needs in the marketplace

Table 4.2.3 Perception of customer regarding Empathy

Variables	Mean	Standard deviation
Individual attention	3.70	1.084
Understand needs	3.67	1.053
Convenient	3.63	1.031
Overall	3.66	0.94

The highest mean score value is employees individual attention towards customer (**3.70**). The mean score value of $\mu = 3.67$ indicates that understanding the needs of customers are highly significant. The overall mean score is **3.66** which are in accordance to the empathy.

4.2.4 Perception of customer regarding Responsiveness

Responsiveness characterized as the readiness or willingness of workers to give benefitor immediate response to the customer need. Offer quick service and willingness to give assistance to the customers (Armstrong, 2012). Customers highly appreciates to provide service in a timely manner, this aspect should be understood by the good service providers (Ahmed et al., 2010). Moreover, organizations that value efficiency and pay attention towards the services that they are offering, so that it can give them advantage and by using this advantage to keep off competitors (Karim & Chowdhury, 2014).

Table 4.2.4 Perception of customer regarding Responsiveness

Variables	Mean	Standard deviation
Prompt service	3.62	1.032
Willingness to help	3.68	1.042
Overall	3.65	0.98

The willingness to help has the highest mean score of 3.68. Many of the respondents find that the company providing prompt service $\mu = 3.62$. The overall mean score for responsiveness is 3.64.

4.2.5 Perception of customer regarding Tangibility

Tangibility can be illustrated as the appearance of physical offices, equipment, workforce, and correspondence materials. Parasuraman et al. (1985), tangibility can be characterized as the presence of physical offices, staff, and equipment and composed materials. If employees' neglect or mistreat customers, the customer do not complain every time about their experience as impersonal service. Rather, customer will never return and undoubtedly no organization wants this to happen. (Klemz & Boshoff, 2011).

Table 4.2.5 Perception of customer regarding Tangibility

Variables	Mean	Standard deviation
Presentation of product	3.81	1.057
Physical facilities	3.76	1.033
Website appearance	3.70	1.037
Overall	3.76	0.97

The presentation of product in e-commerce portal has the highest mean score of 3.81. This was followed by physical facilities and website appearance ($\mu = 3.76$ and $\mu = 3.70$). The overall mean score value is 3.76, indicates that most of respondents has optimistic view on tangibility.

4.2.6 Perception of customer regarding Pricing

Rangan et al.(1992) suggest that the weight given to price (relative to service) is an important driver of buyer heterogeneity. They use survey data to identify a segment of “programmed” business buyers who are less price sensitive and invest less in the buying process and a segment of “transactional” buyers who are more sensitive to price and are also more knowledgeable about the product because it is more important to their businesses. Shapiro et al. (1987) refer to these two segments as “passive” and “aggressive” buyers, and Matthyssens and Van den Bulte (1994) denote these as “co-operative” and “antagonistic.” Shapiro et al. discuss the merit of using different targeting strategies for each segment and the possible migration of buyers between these segments as a result of the seller’s targeting efforts.

Table 4.2.6 Perception of customer regarding Pricing

Variables	Mean	Standard deviation
Price quotes provided quickly and accurately	3.71	1.007
Information readily accessible	3.70	1.037
Price quotes meets my needs	3.64	.972
Overall	3.69	0.90

The mean score value for price quotes provided quickly and accurately is **3.71** . The mean score value of information readily accessible and price quotes meet my need are highly significant ($\mu = 3.70$ and $\mu = 3.6$). The overall mean score value of pricing is **3.69** indicates that customers are highly significant with pricing.

4.2.7 Perception of customer regarding satisfaction

Customer satisfaction in the B2B context is often defined as a positive affective state resulting from the appraisal of all aspects of a firm's working relationship with another firm (Geyskens, Steenkamp, and Kumar 1999). Two general conceptualizations of customer satisfaction exist in the literature: service encounter or transaction specific satisfaction and overall or cumulative satisfaction (Bolton and Drew 1991; Cronin and Taylor 1994; Shankar et al. 2003). While transaction-specific satisfaction may provide specific diagnostic information about a particular product or service encounter, cumulative satisfaction (i.e., satisfaction that accumulates across a series of transactions or service encounters) is a more fundamental indicator of the firm's past, current, and future performance (Bitner and Hubbert 1994; Oliver 1996; Rust and Oliver 1994). Therefore, we focus on cumulative satisfaction in our investigation and, for simplicity, refer to cumulative satisfaction as customer satisfaction.

Table 4.2.7 Perception of customer regarding satisfaction

Variables	Mean	Standard deviation
Satisfied with the present service	3.81	1.057
Satisfied with its relationship	3.76	1.033
Good company to promote	3.70	1.037
Treats fairly	3.68	1.042
Comes up my expectations	3.70	1.037
Overall	3.73	0.93

The mean score value for satisfied with the present service is 3.81. The mean score value of satisfied with its relationship and good company to promote are significant ($\mu = 3.76$ and $\mu = 3.70$). The mean score value of $\mu = 3.68$ that the company treats customers fairly. The overall mean score value of customer satisfaction is **3.73** indicates that customers are highly satisfied with the company service.

4.2.8 Perception of customer regarding Switching costs

Switching costs are the costs involved in changing from one supplier to another (Heide and Weiss1995). The domain of switching costs encompasses both monetary expenses and nonmonetary costs (e.g., time spent and psychological effort) (Dick and Basu1994). Furthermore, the domain could include the loss of loyalty benefits as a result of ending the current relationship. For example, a customer may make transaction-specific investments on a relationship with a supplier, and over time, the customer may have developed routines and procedures for dealing with the supplier (Heide and Weiss 1995; Jap and Ganesan 2000). These investments and familiarity with procedures constitute one type of switching costs because they will become useless if the customer terminates the relationship. Conceptually, switching costs may also reflect a buyer's dependence on a vendor, which refers to a buyer's need to maintain his or her relationship with a supplier to achieve desired goals (Frazier 1983).

Table 4.2.8 Perception of customer regarding Switching costs

Variables	Mean	Standard deviation
Lot of money to switch	3.75	.841
Lot of effort	3.76	.894
Lot of time	3.84	.932
New technological problem	3.76	1.033
Overall	3.78	0.75

Lot of time to switch presented with the mean value of 3.84. The mean score value of lot of effort and new technological problem are **significant ($\mu = 3.76$)**. The mean score value of lot of money to switch is 3.75. The overall mean score value of switching costs is **3.78** indicates that customers are highly significant with switching costs

4.2.9 Perception of customer regarding loyalty

Customer loyalty is a buyer's overall attachment or deep commitment to a product, service, brand, or organization (Oliver 1999). The loyalty concept is similar in meaning to relationship commitment, which is described by the relationship marketing literature as an enduring desire to be in a valued relationship (Anderson and Weitz 1992; Moorman, Zaltman, and Deshpande 1992; Morgan and Hunt 1994). Customer loyalty manifests itself in a variety of behaviors, the more common ones being recommending a service provider to other customers and repeatedly patronizing the provider (Dwyer, Schurr, and Oh 1987; Fornell 1992). Therefore, we consider them two key manifestations of customer loyalty.

Table 4.2.9 Perception of customer regarding loyalty

Variables	Mean	Standard deviation
Positive thinks about company to other colleagues	3.70	1.037
Recommend to other colleagues	3.68	1.042
Encourage other companies	3.69	.984
First choice for promoting products	3.74	1.010
Will do more business	3.70	.982
Overall	3.70	0.89

The mean score value of first choice for promoting products is **3.74**. The positive thinks about company to other colleagues and will do more business are highly significant ($\mu = 3.70$). Recommend to other colleagues is presented with the mean value of **3.68**. The overall mean score value of customer loyalty is **3.70** indicates that customer are highly significant with the loyal.

4.3.1 Measurement Model

The first step in presenting the results of PLS analysis is to calculate the reliability and validity of the measurement items, as it is important to determine whether the measures represent the constructs. This section provides an evaluation on how accurate the measures are and also their convergent and discriminant validities.

4.3.1.1 Reliability

Cronbach's alpha is used to assess internal consistency, since it provides an estimate for the reliability based on the indicators' intercorrelations (Henseler et al., 2009). Alpha coefficients range from 0 to 1 where higher coefficients indicate higher reliability. The accepted value of Cronbach's alpha is 0.70, whereas a value below 0.6 indicates a lack of reliability (Nunnally et al., 1967). Table shows that all constructs present alpha coefficients higher than 0.70.

Table 4.3.1.1 Reliability

Constructs	No. of indicators	Composite Reliability	Cronbach's α
Customer value	20	0.968	0.960
Customer satisfaction	5	1.000	1.000
Customer switchingcost	4	1.000	1.000
Customer loyalty	5	1.000	1.000

Cronbach's alpha tends to provide an underestimation of the internal consistency (Henseler et al., 2009) and hence it is important to apply the composite reliability measure. The composite reliability takes into account that indicators have different loadings, and can be interpreted in the same way as Cronbach's alpha. The accepted value for composite reliability is 0.70 or higher (Henseler et al., 2009). The composite reliability values are shown on Table 4.3.1.1, the values for all constructs are above the accepted level. The average composite reliability for all constructs is 0.99 showing high reliability. Therefore, the measurement model of this study is reliable.

4.3.1.2 Validity

For the assessment of validity, convergent and discriminant validities are used. Convergent validity means that a set of indicators represents one and the same underlying construct, which can be analysed through their unidimensionality. Discriminant validity is a complementary concept, meaning that each indicator should not have a stronger connection with constructs other than the one it attempts to reflect. To check convergent validity, each latent variables Average Variance Extracted (AVE) is evaluated. The AVE values for the conceptual model are tabulated below.

Table 4.3.1.2 Validity

Constructs	AVE
Customer value	0.834
Customer satisfaction	0.926
Switching cost	1.000
Customer loyalty	0.876

Fornell and Larcker (1981) suggested using the average variance extracted (AVE) as a criterion for convergent validity. AVE measures the amount of variance that a latent variable captures from its indicators relative to the amount due to measurement error (**Chin, 2010**). An AVE value of at least 0.5 indicates sufficient convergent validity, meaning that a latent variable is able to explain more than half of the variance of its indicators on average (**Henseler et al., 2009**). AVE is only applicable for outward-directed reflective constructs or latent variables. The entire measurement instrument in the present study is reflective, and thus AVE is applicable to all constructs. The AVE values are presented in Table 4.3.1.2, are greater than 0.50, thereby achieving convergent validity.

There are two measures of discriminant validity: The Fornell-Larcker criterion and the cross loadings (**Henseler et al., 2009**). The Fornell-Larcker criterion indicates that a latent variable shares more variance with its assigned indicators than with any other latent variable. The AVE of each latent variable should be greater than the latent variable's highest squared correlation with any other latent variable. The second measure of discriminant validity takes into account the loading of each indicator, where it is expected to be greater than all of its cross-loadings (**Henseler et al., 2009**). Although the Fornell-Larcker criterion assesses discriminant validity on the construct level, the cross loadings allow this evaluation on the indicator level (**Chin, 2010**). The results of both Fornell-Larcker criterion (Annexure 2 - Latent Variables Squared Correlations and AVE) and cross loadings (Annexure 3 - Cross Loadings) suggest that all construct measurements have adequate discriminant validities

4.4 Multicollinearity

Multicollinearity is a statistical phenomenon in which two or more predictor variables in a multiple regression model are highly correlated. Signs of multicollinearity in a regression analysis include:

1. Large standard errors on the regression coefficient, so that estimates of the true model parameters become unstable and low t-values prevail.
2. The parameter estimates vary considerably from sample to sample.
3. Drastic changes in the regression estimates after only minor data revision.
4. Conflicting conclusions will be reached from the usual tests of significance (such as the wrong sign for a parameter).
5. Extreme correlations between pairs of variables.
6. Omitting a variable from the equation results in smaller regression standard errors.
7. A good fit not providing good forecasts.

Multicollinearity exists when the independent variables have a correlation rating of $r=0.9$ or above, and pose problems when trying to draw conclusions about the relative contribution of each predictor variable. Two common measurements for checking for multicollinearity are the variance inflation factor (VIF) and tolerance (Hair and Black, 2006). VIF values of less than 10 are considered favorable. The tolerance values should be higher than 0.1 to be considered good (Field, 2009). The table 4.4 indicates VIF values well below 10 and tolerance values greater than 0.6. Thus we can conclude that the data collected for research shows no signs of multicollinearity.

Table 4.4.1 Multicollinearity

Constructs	Tolerance	VIF
Reliability	.137	7.164
Assurance	.261	3.722
Empathy	.120	7.959
Responsiveness	.188	5.225
Tangiability	.036	4.516
Pricing	.131	6.098
Customer satisfaction	.025	1.000
Customer loyalty	.332	1.000
Switching cost	.062	1.000

4.5 Correlation Analysis

Pearson's Bivariate Correlation analysis was used in the study to identify the interdependence of the variables. Pearson's correlation coefficient " r " measures the strength and direction of the linear relationship between two variables. It tells whether each variable is positively or negatively associated with the other variable. The value of correlation coefficient ranges from +1 to -1 where +1 implies perfect positive correlation and -1 implies perfect negative correlation (Whitley and Ball, 2002).

Table 4.5.1 Correlation Analysis

Variables	Reliability	Assurance	Empathy	Responsiveness	Tangiability	Pricing	Customer satisfaction	Switching Cost	Customer loyalty
Reliability	1								
Assurance	0.836**	1							
Empathy	0.886**	0.775**	1						
Responsiveness	0.774**	0.725**	0.861**	1					
Tangiability	0.797**	0.749**	0.773**	0.786**	1				
Pricing	0.764**	0.750**	0.838**	0.859**	0.846**	1			
Customer satisfaction	0.787**	0.747**	0.793**	0.804**	0.978**	0.876**	1		
Switching cost	0.671**	0.601**	0.679**	0.635**	0.758**	0.713*	0.742**	1	
Customer loyalty	0.764**	0.708**	0.809**	0.816**	0.923**	0.898**	0.951**	0.787**	1

**Correlation is significant at the 0.01 level(two tailed)

From the table 4.5, the Pearson's correlation value for and assurance and reliability is **0.836**. The Pearson's correlation for reliability and empathy is **0.886**. Thus, it can be inferred that reliability has a significant positive relationship with assurance and empathy.

The Pearson's correlation value for switching cost and pricing is **0.713**. The value indicates a significant positive relationship between switching cost and pricing.

The correlation for the relationship between pricing and customer satisfaction is **0.876** and that for tangiability and pricing is **0.846**. They are highly significant.

The Pearson's correlation value for assurance and empathy is **0.775**. The value indicates a significant positive relationship between assurance and empathy. The correlation for the relationship between reliability and assurance is **0.836** and that for assurance and empathy is **0.775**. They are highly significant

The Pearson's correlation value for responsiveness and reliability is **0.774** the value indicates a significant positive relationship between responsiveness and reliability. The correlation for the relationship between assurance and responsiveness is **0.725** and that for empathy and responsiveness is **0.773**. They are highly significant

The Pearson's correlation value for reliability and tangiability is **0.797** the value indicates a significant positive relationship between reliability and tangiability. The correlation for the relationship between assurance and tangiability is **0.749** and that for empathy and tangiability is **0.773**. The correlation for the relationship between responsiveness and tangiability is **0.786**. They are highly significant.

The Pearson's correlation value for reliability and pricing is **0.764** the value indicates a significant positive relationship between reliability and pricing. The correlation for the relationship between assurance and pricing is **0.750** and for empathy and pricing is **0.838**. The correlation for the relationship between responsiveness and pricing is **0.786** and for tangiability and pricing is **0.846**. They are highly significant.

The Pearson's correlation value for reliability and customer satisfaction is **0.787** the value indicates a significant positive relationship between reliability and customer satisfaction. The correlation for the relationship between assurance and customer satisfaction is **0.747** and for empathy and customer satisfaction is **0.793**. The correlation for the relationship between responsiveness and customer satisfaction is **0.804** and for tangiability and customer satisfaction is **0.978**. Pearson's correlation value for pricing and customer satisfaction is **0.876** They are highly significant.

The Pearson's correlation value for reliability and switching cost is **0.671** the value indicates a significant positive relationship between reliability and pricing. The correlation for the relationship between assurance and switching cost is **0.601** and for empathy and switching cost is **0.679**. The correlation for the relationship between responsiveness and customer satisfaction is **0.635** and for tangiability and customer

satisfaction is **0.758**. Pearson's correlation value for pricing and switching cost is **0.713** and for customer satisfaction and switching cost is **0.784**. They are highly significant.

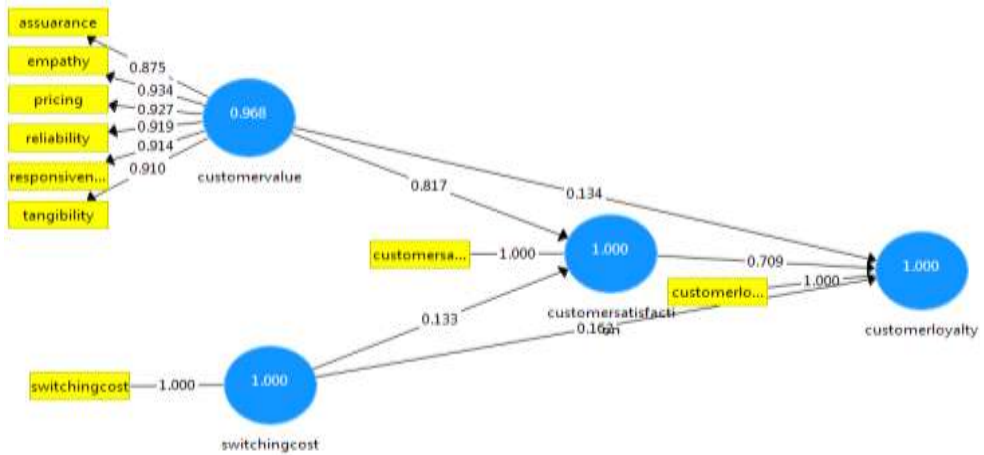
The Pearson's correlation value for reliability and customer loyalty is **0.764** the value indicates a significant positive relationship between reliability and pricing. The correlation for the relationship between customer loyalty and pricing is **0.708** and for empathy and customer loyalty is **0.809**. The correlation for the relationship between responsiveness and customer loyalty is **0.816** and for tangibility and customer loyalty is **0.923**. The Pearson's correlation value for pricing and customer loyalty is **0.898**. They are highly significant **0.898**.

The Pearson's correlation value for switching cost and customer loyalty is **0.787**. the value indicates a significant positive relationship between switching cost and customer loyalty. The correlation for the relationship between customer loyalty and customer satisfaction is **0.957** and for empathy and customer loyalty is **0.787**. They are highly significant **0.898**

4.6 Structural Model Results

PLS algorithm was executed on SmartPLS using 105 as maximum number of iterations. The following primary observations are made from the PLS path diagram.

Figure 6.1: PLS Path Diagram



4.6.1 Variance Explanation

The explanation power of the structural model is assessed by the R² values of the endogenous constructs. These values represent the amount of variance in the construct that is explained by the model (Tabachnick and Fidell, 2007). Table 4.6.1 summarizes the R² values obtained for the conceptual model.

Table 4.6.1 Variance Values

Constructs	R²
Customer satisfaction	0.847
Customer loyalty	0.923

The coefficient of determination, R² for the endogenous latent variable customer satisfaction is .847. This means that the latent variables moderately explain 84% of the variance in customer satisfaction .. The outer latent variables are able to explain 92% of variance of customer loyalty.

4.7 Path Analysis

The path coefficients of the PLS structural model provide a validation of the theoretically assumed relationships between constructs (Adams et al., 2007). The individual path coefficients measure the magnitude of the causal relation between constructs and they can be interpreted as standardized beta coefficients of ordinary least squares regressions (Henseler et al., 2009). The results of the structural path analysis are depicted in Fig 6, in which PLS path coefficients and indicators loadings are shown. All path coefficients are positive, except for the path perceived risk to attitude and perceived risk to trust. The negative path coefficient indicates that the causal relationship between the latent variables is negative.

4.7.1 Effect Size

Henseler et al. (2009) recommend that all indirect effects of a particular latent variable on another variable should be evaluated, considering that the standardized inner path model coefficients decline with an increased number of indirect relationships. In order to evaluate the effect size in the path model, **Cohen's (1988) f^2** was calculated as the increase in R^2 relative to the proportion of variance of the endogenous latent variable that remains unexplained (**Henseler et al., 2009**).

Table 4.7.1 Effect Size

Effects	f^2
Effects on customer satisfaction	
Customer value	1.950
Switching cost	0.052
Effects on customer loyalty	
Customer value	0.035
Switching cost	0.143

4.7.2 Predictive Relevance

Stone-Geisser's Q2 (**Stone, 1974; Geisser, 1975**) is used to assess the model's capability to predict. The Stone-Geisser criterion postulates that the model must be able to provide a prediction of the endogenous latent variable's indicators (**Henseler et al., 2009**). The predictive relevance can be measured using blindfolding procedures (**Tenenhaus et al., 2005**), which can only be applied to endogenous latent variables that have a reflective measure. The blindfolding procedure omits a part of the data for a particular block of indicators and then attempts to estimate the omitted part using the estimated parameters (**Chin, 2010**).

Predictive relevance (Q2) represents a measure of how well observed values are reconstructed by the model and its parameter estimates. Q2 values above 0 indicate that the observed values are well reconstructed and that the model has predictive relevance (**Hair et al., 2012**). Q2 was obtained using the cross-validated redundancy measure as suggested by (**Chin, 1998**) by running the blindfolding procedure on SmartPLS with

omission distance 6 for each latent variable. The choice of omission distance was based on (Chin,2010).

The results listed on Table 4.7.2 show that all endogenous latent variables have predictive relevancy, as all values are above 0.

Table 4.7.2 Predictive Relevance Results

Constructs	Q²
Customer Loyalty	0.878
Customer satisfaction	0.808

4.7.3 Bootstrapping

Bootstrapping procedure is used to estimate the significance of path coefficients in the model. Bootstrapping provides an estimate of the shape, spread, and bias of the sampling distribution of a specific statistic (Adams et al., 2007). Bootstrap procedure creates a number of samples where each bootstrap sample has the same number of cases as the original sample; bootstrap samples are created by randomly drawing cases with replacement from the original sample and PLS estimates the path model for each bootstrap sample. The obtained path model coefficients form a bootstrap distribution and this information is used to calculate t-test for the significance of the path model relationships (Henseler et al., 2009).

Bootstrap Statistics

In this study, bootstrap was performed with 105 samples. The significance of relationships was determined with one tail t-test distribution with 500 degrees path of freedom. One tail t-test is used because all hypotheses are directional in this study. table 4.7.3 summarizes the results.

Table 4.7.3 Bootstrap Statistics

Hypotheses	Path Co-efficients	T-Statistics
H ₁ : There is a positive influence of customer value on customer satisfaction	0.817	8.019
H ₂ : Customer satisfaction has a positive effect on customer loyalty	1.000	5.551
H ₃ : Switching cost have a positive effect on customer loyalty	0.163	2.486
H ₄ : Customer value has a positive effect on customer loyalty	0.134	1.258
H ₅ : Switching cost has a positive effect on customer satisfaction	0.133	1.261

4.7.4 Garrett Ranking

In order to reveal the importance of the variable in the ranking process, ranking has been assigned for the 7 item. The results have been given in table.

Table4.7.4 Garrett Ranking

VARIOUS ECOMMERCE PORTAL	OPINION OF CUSTOMERS	
	AVERAGE SCORE	RANK
IndiaMART	60.3	3
Alibaba	62.7	1
Walmart	57.4	7
Tradekey	60.1	5
TradeIndia	54.3	9
Flipkart	61.7	2
ExportersIndia	60.3	4
Itradein	57.8	6
Bizbilla	55.7	8
Amazon	53.2	10

The customers are highly preferring 'Alibaba' for promoting their products (Rank1) followed by 'Flipkart'(Rank2)'IndiaMART'(Rank3),'ExportersIndia'(Rank 4),' Tradekey'(Rank5), 'Itradein'(Rank 6),'Walmar'(Rank 7)' Bizbilla'(Rank 8)' TradeIndia'(rank9), 'Amazon'(Rank 10).

CHAPTER V

SUMMARY

5.1 FINDINGS

Findings are the results of the data analyzed for the study “**Casual relationship between Customer value, Switching cost, Satisfaction and Loyalty towards IndiaMART**”. This study helps the IndiaMART to know customer opinion about their service.

Table 5.1 Findings

Factors	Results
Demographic profile	
Type of business	Most of the respondents are belongs to retailing business
Legal status of the business	Most of the respondents are belongs to Proprietorship.
Hypothesis testing	
Path Analysis using Partial Least Squares (PLS) <ul style="list-style-type: none"> • Correlation • Multicollinearity • Reliability • Validity 	There is a positive influence of customer value on customer satisfaction
	Customer satisfaction has a positive effect on customer loyalty
	Switching cost have a positive effect on customer loyalty
	Customer value has a positive effect on customer loyalty
	Switching cost has a positive effect on customer satisfaction
Customer value,satisfaction,switching cost and loyalty based on factors	
Reliability	Most of the customers are have positive opinion on company for providing service as promised (MSV=3.84)

Assurance	Most of the customers are influenced by the factor of safe transaction in company (MSV=3.69)
Empathy	Most of the customers are influenced by the company's individual attention (MSV=3.70).
Responsiveness	Most of the customer find that company are more willingness to help them. (MSV=3.68)
Tangiability	Most of the customers are influenced by the presentation of product in website (MSV=3.81)
Pricing	Most of the customers opinion is that price quotes are provided quickly and accurately by the company. (MSV=3.71)
Customer satisfaction	Most of the customers are satisfied with the present service provided by the company. (MSV=3.81)
Customer switching cost	Most of the customers opinion is that it would takes lot of time if they switch from one company to another. (MSV=3.84)
Customer loyalty	Most of the customer opinion is that they will consider IndiaMART as first choice for promoting their products.

5.2 Suggestions

On the basis of the research “Casual relationship between Customer value,Switching cost,Satisfaction and Loyalty towards IndiaMART Customers in Coimbatore and Tirupur ”, the following measures are suggested to improve effectiveness of company.

- The IndiaMART is lacking in the areas of services promotion, it should redesign its promotional strategies to capture more market.
- The company will have to provide the customer experts knowledge in broader way i.e. to each needful person when needed
- The company should lower its brokerage charge in order to gain more customers.
- The company should increase the number of advertisement through various media to remind present as well as to aware the new customers about their services.
- Company should have a scheme of rewards and recognition to employees and the field persons to boost their motivation.
- After sales services and follow up calls are important for getting new references so trained telesales should be appointed for this purpose whose sole work should be to make feedback calls

Conclusion:

B2B ecommerce is for businesses not selling to the public. It allows you to take orders 24/7. It shortens dispatch times. It reduces the accounts departments time servicing account enquiries. It shows your stock availability in almost real time. Offering loyalty points in b2b ecommerce is the best way to convert your existing phone in orders to online ordering. The tremendous growth of B2B market is indicative fact that the retail industry is primed for further growth in the future. Manufactures, retailers and other customers are get more aware about the B2Bmarketing. This study mainly focus on the relationship between customer value, switching cost,satisfaction and loyalty of IndiaMART customers in Coimbatore and tirupur city. In this study it is clear that most of the customers are satisfied with the present service provided by the company.

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<https://www.b2binternational.com/publications/customer-satisfaction-survey/>

ANNEXURE

QUESTIONNAIRE

Casual relationship between Customer value, Switching cost, Satisfaction and Loyalty towards IndiaMARTInterMESH Ltd.

I am a student of Avinashilingam school of management technology are conducting a survey and hereby request you to fill up the questionnaire. The information provided by you will be keep strictly confidential and will be used for academic purpose only.

1. Name of the company:

2. Name of the respondent (optional):

3. Designation:

4. Nature of business

a) Manufacturer b) Retailer c) Wholesaler d) others

5. Legal status of your business

a) H.U.F b) Partnership c) Private ltd d) Proprietorship

6. Are you satisfied with the present service provided by IndiaMART?

a) Yes b) No

7. Does IndiaMART provide you with existence verification, credibility factors and statutory approvals?

a)Yes b) No

9. What you feel about overall service quality of IndiaMART?

a) Excellent

b) Verygood

c) Good

d) Fair

e) poor

8. Rank in order of your preferences from the various portal which providing online promotions
(Rank 1 for most preferred-Rank 10 for least preferred)

ONLINE PORTALS	RANK
IndianMART	
Alibaba	
Walmart	
Tradekey	
TradeIndia	
Flipkart	
ExportersIndia	
Itradein	
Bizbilla	
Amazon	

Please indicate your agreement or disagreement with the statements reflecting your own perceptions about the IndiaMART

(5-Strongly Agree, 4-Agree, 3-Neutral, 2-Disagree, 1-Strongly Disagree)

FACTORS		5	4	3	2	1
a)Service quality						
Reliability	The services are performed as promised					
	The services are provided correctly					
	The services are provided at the committed time					
	The services are performed "first-time-right"					
	There is dependability in the service performed					
Assurance	Employees are courteous to us					
	Employees knowledgeable to answer our questions					
	We feel safe in our transaction with company					
Empathy	We are given adequate individual attention during a service call					
	Employees understand our service needs well					
	Business hours are convenient for us					
Responsiveness	We experience a prompt service after registering					
	We could sense a strong willingness to help us					
Tangiability	Presentation of product in IndiaMART website are attractive					
	In IndiaMARTphysical facilities are visual appealing					
	IndiaMART website appears neat and clear					

b)Pricing	Price quotes are provided quickly and accurately					
	When providing quotes, your availability of information is readily accessible and up to the minute.					
	When providing quotes, the prices you quote or the availability of product meets my needs.					
c)Customer satisfaction	In general my company is very satisfied with the service provided by IndiaMART					
	My company is very satisfied with its relationship with IndiaMART					
	IndiaMART is a good company to promote our products					
	IndiaMART treats my company fairly					
	The service of IndiaMART comes up to my expectation					
D)Switching costs	It would cost my company a lot of money to switch from IndiaMART to another marketing company					
	It would take my company a lot of effort to switch from IndiaMART to another company					
	It would take my company a lot of time to switch from IndiaMART to another company					
	If my company changed from IndiaMART to another company, some new technological problem would arise					
e)customer loyalty	I have set positive thinks about IndiaMART to other professional colleagues					
	I have recommended IndiaMART to professional colleagues who seek my advice					
	I have encouraged other companies to do business with IndiaMART					
	My company considers IndiaMART as its first choice for promoting products					
	My company will do more business with IndiaMART					