# THE IMPACT OF ELECTRONIC DISTRIBUTION CHANNELS ON CUSTOMER'S ATTITUDINAL AND BEHAVIORAL LOYALTY

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ABSTRACT: The study aim is "Impact of electronic distribution channels attitudinal and behavioral loyalty of customers". The methodology used in this study was descriptive and correlational and structural equation modeling. The research included all customers Cosmetics Living Nature products (Extracts) are unlimited number of customers, communities, according to Cochran formula 384 were selected. Standard questionnaire that the professors have confirmed its validity and reliability using Cronbach's alpha = 0.88 was obtained and indicating that the reliability is confirmed. Finally, the data sets were analyzed using LISREL software. The results showed that the dimensions of electronic distribution channels, customer loyalty, attitudinal and behavioral impact is significant.

Keywords: electronic distribution, loyalty, attitudinal, behavioral loyalty

#### INTRODUCTION

The current world economy is significantly affected by information technology. The creation of new forms of information technology, sales and distribution of products, new tools and methods of communication in the distribution and sale of goods and services and new forms of social [1] companies should be prepared to adapt their strategies to the rapidly changing business and IT needs of customers, unpredictable behavior of competitors and market pressures in today's global environment, and are able to quickly adapt to these changes. In other words, today requires continuous improvement of e-business strategies, business information technology [2] though most of the commercial use of the World Wide Web in recent years has focused on online sales, larger types of businesses have emerged in recent years. While some e-business initiatives, the company has helped to support direct interaction with suppliers and customers, key business processes to reduce intermediation [2 and 3] Based on the description provided above are deciding on the choice of distribution channel and one of the most important decisions of managers is to sell their products, and also the creation of customer satisfaction and loyalty is more important than the choice of channel in this study, we seek to influence the impact of electronic distribution channels and attitudinal and behavioral loyalty of customers in the company of living nature (Extracts) measure.

#### RESEARCH FOUNDATIONS

Theoretical approaches to the distribution channel

Agency theory

According to this theory, the relationship between the parties to the transaction in such a way that one party to carry out its activities related to the cross (Matson, 2008). Seeks provide appropriate mechanisms to resolve these issues and challenges [4]

• The theory of transaction cost economics it varies with the position of agency theory sees the field distribution. This theory is based on a combination of factors and conditions affecting decisions about property distribution channel by the supplier or by outsourcing activities and, some of the problems specific to the area of distribution, such as trade, investment requirements, the sides exchanged behavioral uncertainty, incomplete and inadequate information and solutions have been investigated

#### **Customer Loyalty**

Developing customer loyalty is a strategic objective for most companies and organizations today, the main efforts of many companies and organizations today, many companies try to keep the clients and gain greater share of each customer [5]. On the other hand, due to the rapid growth and increasing Internet users and by creating new and diverse business and economic objectives in using this new technology to improve and improve business practices and methods of competition in the market dynamic has changed [6]. Electronic customer loyalty, product distribution and factors affecting it and mail to customer loyalty favorable attitude towards electronic retailers which leads to repeat purchase is, in fact, the concept of e-loyalty, loyalty to the traditional on-line consumer behavior spreads [7]. In 2004, the confidence index of the e-mail content, reliability, ease of use, Datshton Alktronky experience, responsiveness and customization studied [8] factors, reliability, accuracy, electronic experience, responsiveness, and overall satisfaction customize your note Three main factors affecting the quality of electronic stores, E-mail was introduced confidence and satisfaction, and electronic stores for quality factors such as reliability, responsiveness, site design and safety is considered [9]

#### **Hypotheses:**

- 1. The product information in the chain of distribution channels online and attitudinal loyalty customers living nature (Extracts) are positive and significant impact.
- 2. The quality of the product in the chain of distribution channels online and attitudinal loyalty customers living nature (Extracts) are positive and significant impact.
- 3. The availability of the product in the chain of distribution channels online and attitudinal loyalty customers living nature (Extracts) are positive and significant impact.
- 4. The service after the sale of the product in the chain of distribution channels online and attitudinal loyalty customers living nature (Extracts) are positive and significant impact.
- 5. Customize the grade of the product in the chain of distribution channels online and attitudinal loyalty

- customers living nature (Extracts) are positive and significant impact.
- 6. The product information in the chain of distribution channels online and behavioral loyalty Living Nature (Extracts) are positive and significant impact.
- 7. Quality of the product in the chain of distribution channels online and behavioral loyalty customers living nature (Extracts) are positive and significant impact.
- International Internet access product in the chain of distribution channels and customer behavioral loyalty Living Nature (Extracts) are positive and significant impact.
- 9. The product after-sales service in the chain of distribution channels online and behavioral loyalty customers living nature (Extracts) are positive and significant impact.
- 10. Customize the grade of the product in the chain of distribution channels online and behavioral loyalty customers living nature (Extracts) are positive and significant impact and there is a significant positive impact.

#### **Background research**

Previous researches and their results with the brief description are listed in table 2.

#### RESEARCH METHODOLOGY

This is a little research and the practical purpose. The initial questionnaire based on the literature and previous studies has been prepared. The questionnaire consists of 33 questions. Cronbach's alpha was used to check the reliability of the results in table 3 show that all aspects of acceptable reliability (up to 0.7) are present.

Table 1: Advantages of proposed methods

Dimension	Benefit
Communication	1. Improved product information 2. Improved price 3. Ability to provide service 24 hours a day, seven days a week 4. The cost of communications 5. Ability to interact and provide information to customers upon request 6. on the same inventory 7. Technical support on-line 8. Quick response to customer inquiries
Exchange	1. Access all Internet users to store virtual     2. Lower transaction costs     3. Ability to perform partial exchanges     4. Reduce human error     5. Procurement Cycle time reduction     6. Reduce inventory levels and sales promotion activities tailored to each customer
Distribution	Reduce the waiting time for goods purchased services     Low cost of distributing digital goods and services     Ability to track orders by customer

Table 2. Previous researches

Years	Researcher	Title	Results
2010	Musharraf Javadi and Salehnia	The feasibility of using the Internet as a distribution channel	Features of Internet-distributed products that include product information, the degree of product customization, logistics, size and classification takes the name.
2010	Manand and Hapikinson	Changing distribution structures in Pakistan	The results showed that factors such as brand-name prices, strengthening the cluster distribution, shorten the planned distribution channels and advertising costs affect the distribution of goods and thus the efficiency of distribution networks in Pakistan.
2007	Lorenter, Wang and Hilmola	New distribution systems in Central and Eastern Europe	The results of the traditional structure of the distribution network in the countries of Central and Eastern European countries are taking advantage of the system is the direct distribution of goods that factors such as the use of new technologies (such as ecommerce), creating large distribution chains (such as retail and shops) and advertising tailored to each market segment, variable distribution networks to improve performance in these areas

Table 3. Statistics relating to reliability (Cronbach's alpha)

Variable	Dimension	Cronbach alpha (%)
Channels of distribution	Product Information	82
	Product quality assurance	79
	Access	91
	After sales service or order	90
	Degree of Order	92
Behavioral loyalty	•••••	83
Attitudinal loyalty		84

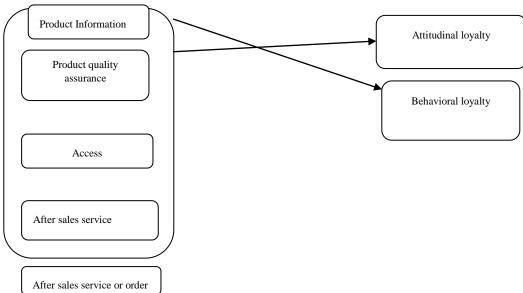


Figure 1: Source: self-made

## **Findings**

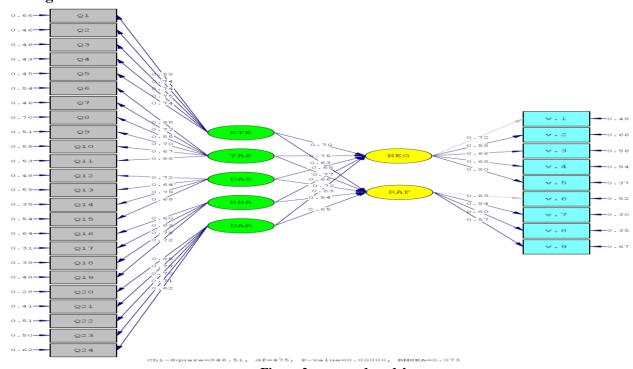


Figure 2: proposed model

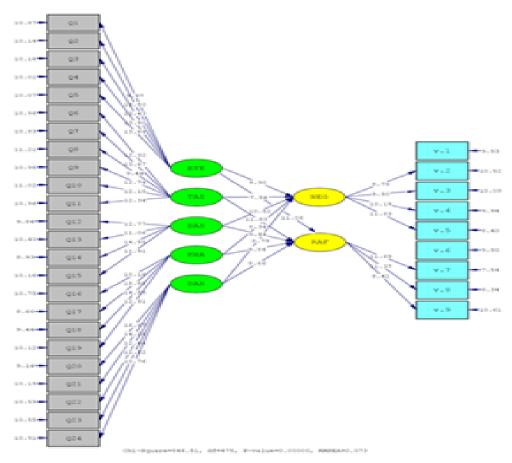


Figure 3: The model assumptions used to measure the overall model of factor analysis

The model assumptions used to measure the overall model of factor analysis in standard mode, table 4.

One of the most reliable indicators used to assess the suitability of the model, GFI goodness of fit index or the relative size of the variances and covariance of the model is justified by common sense. The GFI is closer to 1 the model fit the data better.

Moreover, if the square root of the estimated variance of the error of approximation (RMSEA) less than 0.05, it is appropriate.

For all latent variables (structural model) used factor analysis and index values obtained indicate the validity of the measurement model in all dimensions is acceptable.

Table 5 summarizes the results of the confirmatory factor analysis is looking, this index is:

#### CONCLUSION

Research studies show that the electronic distribution of understanding consumer behavior is essential to develop effective marketing programs. Establishing appropriate distribution for the target market is consumers need to understand the preferences and decision-making processes. Also, how can marketers know this by using a mixture of marketing variables, influence on consumers' decisions.

Several consumers are buying behavior of their occurrence. Apart from buying products, consumers may spend a lot of time and effort to find the product information or to purchase study to compare brands, stores and pay the price. Several factors affect the level of involvement of consumers in a position to buy. The following characteristics are considered in decision making, often with high involvement with the product are:

- Product of individual perception
- Product or the price is relatively expensive
- Consumers lack information about the product
- Risks associated with the decision to be bad or very bad.
- Product potentially bring many benefits to the buyer

At equilibrium, the majority of purchasing decisions are associated with low involvement. This feature applies to low-priced products and goods that are purchased frequently. But research in the supply of products and cosmetic products at lower prices is but in terms of being associated with an individual's health is a high level of customer involvement creates it may be concluded from the results of this study are in line with findings of previous researchers.

#### **Factor Analysis**

Table 4. Factor analysis results confirm the validity of the measurement model

Indices	Allowance	Model coefficients 1	Model coefficients 2	Result
GFI	More than 0.9	.98	.96	Good fit
AGFI	More than 0.9	.96	.93	Good fit
RMR	Better closer to zero	.08	.11	Good fit
NFI	More than 0.9	.97	.95	Good fit
IFI	More than 0.9	.99	.96	Good fit

Table 5. Summary of research hypotheses and test them

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Hypothesis	Standard rate	T-Value	Sig	Test result	
The product information in the chain of distribution channels online and attitudinal loyalty now living nature (Extracts) is positive and significant impact.	.7	9.9	0.000	Confirmation	
The product quality assurances in the chain of distribution channels online and attitudinal loyalty now living nature (Extracts) are positive and significant impact.	.75	7.54	0.000	Confirmation	
The availability of the product in the chain of distribution channels online and attitudinal loyalty now living nature (Extracts) is positive and significant impact.	.68	10.52	0.000	Confirmation	
The service after the sale of the product in the chain of distribution channels online and attitudinal loyalty now living nature (Extracts) are positive and significant impact.	.66	8.34	0.000	Confirmation	
The degree of customization of the product in the chain of distribution channels online and attitudinal loyalty now living nature (Extracts) is positive and significant impact.	.83	8.79	0.000	Confirmation	
The product information in the chain of distribution channels online and attitudinal loyalty now living nature (Extracts) is positive and significant impact.	.63	11.06	0.000	Confirmation	
The product quality assurance in the chain of distribution channels online and attitudinal loyalty now living nature (Extracts) is positive and significant impact.	.77	11.83	0.000	Confirmation	
The availability of the product in the chain of distribution channels online and loyalty of customers living nature (Extracts) are positive and significant impact.	.72	9.44	0.000	Confirmation	
The service after the sale of the product in the chain of distribution channels online and behavioral loyalty customers living nature (Extracts) are positive and significant impact.	.54	9.84	0.000	Confirmation	
The degree of customization of the product in the chain of distribution channels online and behavioral loyalty customers living nature (Extracts) are positive and significant impact.	.65	8.66	0.000	Confirmation	

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