AN INVESTIGATION OF CONSUMER SWITCHING INTENTION IN E-SERVICES

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ABSTRACT

Customer retention has been a preferred strategic choice among marketers owing to the higher cost of customer acquisition. As a consequence, marketers have widely deployed Customer Relationship Management (CRM) tools to operationalize their intent and the subject has drawn significant academic attention. A dominant paradigm in academics prescribed customer satisfaction as a primary precursor to customer loyalty. But changes in business regulations across the globe and rapid technological advancement have lowered the switching barriers and thus fueling propensity to switch despite being satisfied with an existing service provider. Recent researches empirically confirm the changing reality of markets by empirically highlighting the inability of customer satisfaction as a construct to fully explain consumer switching behavior, particularly in the context of E-services wherein switching barriers are perceived to be even lower. The lack of any comprehensive study to explain the consumer switching intention in the context of E-services has been the primary motivation behind this study. The main aim of this study is to examine the role of consumer switching barrier in consumer switching behavior. This is an exploratory study and we have performed an extensive literature review followed by in-depth interviews among consumers to develop a conceptual framework. Our exploratory research indicates that besides satisfaction from core service offering, organizational antecedents such as service bundling, subscriber lock-in, asset specificity, and network value can lead to consumer switching barriers that in turn reduce switching intention. The study has important implications for theory and practice.

Keywords: Consumer Switching Intention, Switching Barriers, Service Bundling, Network Value, E-services