

Building a Customer-Centric Transformation for Next Generation e-Commerce

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Abstract. In today's fast changing business environment, it is extremely important to be able to respond to client needs in the most effective and timely manner. In online business, customers will wish to view products and services online without waiting or delaying. Researches have shown that most of the systems developed recently were not customer-centric. As a result, this research has proposed a customer-centric transformation for next generation e-commerce web application, which retails various brands of cars. The developed system would enable users to register, login, place order for desired products and make payment by using cash on delivery or pay later option, however, the user will be expected to pay shipping fee depending on the location. In developing the system, different strategies - like 3-tier architecture, server and model were considered. The tools used were bootstrap and JavaScript to design the front-end, codeigniter frame work for validation and verification, and to achieve a high degree of speed and less memory requirements, MySQL database were used. The result of the implementation did not only produced a customer centric website with many functionalities and user-friendly interface, but also provides an easy access to viewing orders placed by Administrators and Managers.

Keywords: customer, merchant, transformation, next generation, e-commerce.

1. Introduction

Advances in technology and communication, combined with the explosive growth in data and information, have given rise to a more empowered global consumer [1]. Development of customer centric transformation for next generation requires putting the customer at the heart of everything you do. Understanding your customers' values and adopting the right culture, technology and skills are critical to success.

According to [2], customers have changed, unlike in the olden days, consumers have higher expectations and more information at their fingertips than ever before. They can now transact in new ways such as the Internet or television, mobile devices, or in kiosks. However, some still prefer traditional stores option. Customers are king on the Internet, and so they should be treated as such. Today, many customers are on social media environments, as a result, if they have a poor experience of a particular brand or product, they do not just switch to another provider, they use the media (social) to make sure their friends, colleagues and family know all about it.

In this consumer-driven landscape, customer focus is a strategic imperative. Companies across the globe are striving to actively embrace customer centricity. They are seeking to increase customer satisfaction and loyalty by focusing on understanding customers' needs and preferences to reduce customer churn. At the same time they are seeking to grow their businesses in a challenging environment [3]. Baker, [4] reported that e-commerce is unquestionably in an age of ascendancy. Virtually anything that has been made in the last 100 years can be found for sale somewhere on the Internet. This reality is confounding traditional retailers, wholesalers and distributors and more as their facilities cannot match the scope of offerings found in the electronic showroom of the worldwide web. Captains of industries wanted to be known, as a result, creating online channels for their products and services. They can use electronic commerce to reduce transaction costs by improving the flow of information and increasing the coordination of actions and still be able to grow top line revenues. It is unfortunate that many wholesaler/distributor or manufacturer think that e-commerce is not too relevant to their current systems and processes [5].

The social relevance of e-commerce is permanently on the increase. Next generation shopping models are positioned mainly Niche PiggyBack- where sellers of similar products come together, beside well known big players like Amazon, to market more easily, usually retaining their own blog or eCommerce site elsewhere

too. That phenomenon leads to more customer satisfaction, loyalty and finally to more revenue for the vendor [6]. Presently, not many sellers are launching such new platforms and services. However, one can foresee a situation where online shopping will become a must-have for every shop owner. As a result, sellers should focus on upcoming trends to be part of next generation shopping.

1.1 Defining Customer-Centricity?

Customer centricity is not just about offering great customer service, it means offering a great experience from the awareness stage, through the purchasing process and finally through the post-purchase process. It is a strategy that is based on putting your customer first, and at the core of your business [7, 3]. According to [8, 9], many companies turn to various marketing concepts such as product-orientation and market-orientation when pursuing sustainable competitive advantage where one of the newly debated concepts is customer centricity [10, 11, 9]. Levitt [8] reported that creating customer-value is the key to competitive advantage [8]. He also stressed the importance of companies to be customer-centric oriented because they otherwise would fail to see market opportunities, as a result, fail to create value for their customers. Karina, [12] also supported the report of [13] that customer-centric orientation has become central due to the changes in the market. He stressed that face-to-face interactions should be replaced with technology driven touch points, and demanding new ways to build customer relationships. There are many reasons as to why it is essential for firms of today to create customer centricity.

[9] argued that customer-centric marketing is important in handling fragmented market, rapid developments in technology and rendering efficient customers' service. He added that creating long-term relations to the firm's most valuable customers is the greatest possibility to build sustainable competitive advantage. [10] agreed with Sheth et al., [9] and said that customer centricity is an opportunity for firms to develop a sustainable competitive advantage. He added that the approach is an effective way to handle the complex and globalized market. Firms who are customer-centricity oriented will definitely increase in profits and higher degrees of customer loyalty.

2. Next Generation e-Commerce for Retail

Majority of households in North America and United Kingdom now shop online, in addition to using more traditional channels like stores and catalogs. These valuable shoppers are demanding. According to [5], they want to shop when they want and how they want through both Web and traditional channels. As a result, sellers are expected give details of their products including cost prices on the Web. IBM noted that the shoppers are hard to attract and even harder to retain, meeting their demands is well worth the effort, because they spend more than their single-channel counterparts up to three to four times more [5]. Therefore, sellers should bear it in mind that more than likely, their most valuable retail customers are not exclusively online shoppers rather they are multichannel ones.

In fact, it is easy for retailers to gain a distinct competitive advantage by using new technology to deliver an integrated multichannel customer/shopper experience. A research conducted in 2006 showed that Web has influenced more than 20 percent of all retail sales [5]. It was also noted that the most efficient way to attract and retain most valuable customers is by first optimizing the e-commerce channel. IBM went further to say that sellers can transform ordinary customers into highly profitable ones if retailers can offer e-commerce sites that use next-generation capabilities to seamlessly integrate the e-commerce channel with more traditional retail channels [5].

According to [14], there is a fundamental shift in the way that commerce is changing in response to a generation that is growing up digital. Zimmerman [14] in his paper reported a survey conducted by Acquity Group, the survey involved more than 2,000 American consumers, and some interesting trends emerged from the results. The survey revealed that "consumers like to see what they get — and get it quickly." For example, the survey showed that 73 percent had used a service such as GrubHub, 46 percent had taken advantage of expedited delivery from a third-party service, and 51 percent had used in-store pickup, barely a majority. As reported by IBM, personalization is the foundation of loyalty [5]. More customers will be won when shipment is fast and delivery is not shady.

In conclusion, IBM has proposed a next-generation e-commerce that will allow sellers to integrate online systems with both delivery and customer service systems among others. With it shoppers can easily gather product details, special events and promotions, store hours and locations, and more from any channel [5].