SATISFACTION, COMMITMENT AND LOYALTY IN ONLINE AND OFFLINE RETAIL IN PORTUGAL

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ABSTRACT

The purpose of this paper is to understand if it is possible, in the retail area, to consider having only online stores, since e-commerce in Portugal has been changing over the past few years and the numbers registered in the virtual trade have been growing or, alternatively, if it is important to offer both possibilities. Specifically, this research seeks to understand the importance of offering good buying experiences, both on off and online stores, to make consumer feel satisfied and, therefore, committed to a certain retail brand and thus develop loyalty.

This article focuses on the major groups of the Portuguese retail sector aiming to analyze these two scenarios and a model is proposed, through the formulation of some Hypotheses, as a result of the literature review; in a second part, to test the suggested model, a questionnaire to a sample of 165 persons was applied.

According to the results, good shopping experiences, both on and offline stores, lead to Satisfaction which, in turn, leads to Commitment and, therefore, increases the possibility for the client to become Loyal (and recommend the on and offline store to their closest friends).

Thus, offering the two possibilities is, in fact, the best option; the actual crisis situation created a very rational consumer, totally aware of the need to save money because his/her income has been reduced due to politic and economic measures adopted. As a consequence, the individuals want to be in control of the buying process, having the possibility to easily access to a lot of information about products and services and, therefore, make the right choice.

Keywords: Satisfaction, Commitment, Loyalty, Retail, Online, Offline, Portugal
1. Introduction

Consumer behavior has changed significantly in regard to the choice of what to buy, where, when and how; the evolution and changes in consumer habits are closely related to the appearance of new technologies and the way the consumer chooses to purchase. Nowadays, consumer goods are not only products made available in the marketplace to attract attention, to be purchased, to be used and consumed in order to satisfy a need or desire (Kotler and Armstrong, 2006). The goal is to exceed expectations and to create emotions in the consumer (Kotler et al, 2011).

Retailers should always bear in mind that their customer’s satisfaction and commitment are keywords to their own success. These two concepts must be managed in a conscious way. The current crisis environment highly influences consumer choices and sets very clear rules regarding their consumption habits and restrictions. Therefore, Portuguese companies must adapt to new realities and trends. One of the main trends is the use of online platforms as a preferred channel to choose or purchase products and services. In this study we analyze the growth of this phenomenon in the recent years and what implications it may have in the future. Some changes need to be made and the Portuguese players must be vigilant for signs that consumers convey when they are assessing the available data on rates of internet penetration, use of websites, social networking and registry queries online.

After the literature review on internet actual use and on the issues that must be carefully managed – Satisfaction, Commitment and Loyalty – to keep consumers wanting to come back and repurchase, a quantitative approach was undertaken by developing a questionnaire to ask directly the final consumer about his/her plans towards shopping in the future. Regardless of the optimism of some authors that really trust the continuous growth of the new technologies, the goal of this paper is to get a perspective from final consumers and, therefore, breaking grounds to collect realistic data that can be used by companies playing in this sector: diversity (meaning, offering clients both possibilities to find and buy products and services) also means Satisfaction which, in turn, may lead consumer to become committed and, ideally, loyal to a certain retail player.

2. Literature review

2.1. Offline and online point of sale

The physical point of sale continues to play a key and strategic role, being one of the main points of contact between the brands and the consumers. Many individuals visit and circulate through the commercial spaces without really buying anything; while some just want to enjoy the spaces, pass time, socialize, be intellectually stimulated, entertain or simply repeat a previous experience, others choose to delay their purchases because they don’t find everything they need or simply because they decide to postpone their purchases because they like the ability to see and touch items before buying them (Joahansson, 2006; Millward Brown, 2010).

According to a recent study developed in the Portuguese market by ACEPI – E-mail and Interactive Communication Group – 78% of the Portuguese population buys online (Oliveira, 2012); the results also showed that 43% of the respondents believed that the percentage will increase until the end of 2012. The Portuguese is online approx. 13, 20 hours per week and they lead the e-mail ranking of the European users (Oliveira, 2012).

Having these figures in mind, one may say that e-commerce is not suffering from crisis (Oliveira, 2012); in fact, comparing the first three months of 2012 with the same months of 2011 we notice an increase in sales of 57%. This research also showed us that 97% of the Portuguese consumers use the internet to search for goods and 78% end up by buying online. Books, magazines, home products, art and decoration were the most purchased products; trips, clothes, accessories, holidays and show tickets are the most sought (Oliveira, 2012).
It is important for our study to realize that the Portuguese consumer is adhering to new technologies and platforms available to make purchases, due to a considerable number of factors: easy access to internet, Smartphone’s, Laptops, Tablets with a lower price and also the brands’ capacities to communicate through the internet; in fact, 51% of the respondents said that internet really helps them to make the wise decisions about the products and services to buy. At the same time and understanding the need to save money, the consumers look at the internet as a possible way to avoid picking situations (Oliveira, 2012). Some interesting elements (Oliveira, 2012):

- 34% of the Portuguese people visit new sites diary;
- 62% of the Portuguese watch TV by net;
- 86% of the Portuguese read news on net;
- Radio online had an increase of 42% (2011 vs 2010).

Nowadays most companies use to distribute products and services via different channels – a multi-channel strategy; alongside physical stores there are also online stores and e-commerce portals (www.ebeltoftgroup.com). Cross channel retailing is at a turning point but with a recognizable extent of progress since it started only five or six years ago. This strategy aims to answer a growing use of internet and new technologies and leads consumers to switch between the two channels during the buying process - the so called new phenomenon: Research Online, Purchase Offline - ROPO(www.ebeltoftgroup.com). The ROPO behavior can be categorized in two directions:

- The purchase process begins online, with research and with actual acquisition taking place offline (ROPO A);
- The research and try in a physical store and the subsequent purchase in the Internet (ROPO B).

The recent consumer studies point out that at times over 50% of the target group scan, research and compare information online before they finally purchase at the local store (www.ebeltoftgroup.com); this seems to encourage retailers to embrace cross channel strategy, giving consumers the opportunity to research and know the products they offer before purchasing them (Danaher et al, 2003; Kwon and Lennon, 2009; Christodoulides, 2011).

2.2. Satisfaction

Consumer satisfaction is both about regarding consuming a product – consumer goods and services or idea (post-purchase stage)– as well as all that takes place prior to the purchase (Dubois, 2003; Ferreira et al, 2011); it is a momentary feeling, one can feel satisfied with a product’s performance, a service or an attendance action (Lovelock, 2001).

According to Kotler (2000, p.58) “…satisfaction is the feeling of pleasure or disappointment resulting from comparing the performance (or outcome) of a product perceived in relation to the buyer’s expectation”.

In this study’s scope it is important to consider satisfaction as an essential goal for companies, because it is the mean to get and keep clients (Alves, 2003); recent authors have referred that satisfaction is/should be the ultimate reason to justify all consumer behavior (Ferreira et al, 2011; Kotler et al, 2011). Moreover, the mere consumer satisfaction is not enough to attract them: nowadays, it takes more than to merely satisfy, “…you need to delight them” (Mittal et al, 2008, pp. 345).

When a company starts its activity, it normally has no client portfolio; their efforts should focus exclusively on attracting new customers. In companies that have been in the market for some time, normally the number of conquered clients is greater than those they want to attract; this means that the effort towards customer retention should be greater than the effort to attract new customers (Kotler, 1997; Danaher et al, 2003).
Unfortunately, companies dedicate themselves largely on conquering new customers and give little attention to customer retention and/or to apply efforts in order to establish a stronger relation with their actual/current customers: “...companies spend 70% of their marketing budgets on acquiring new customers while 90% of revenues result from current customers” (Kotler, 1997, p.26). The basic principle should be the opposite because the market share is a retrospective indicator while customer satisfaction is a prospective indicator; more, it is a clear indicator of a close relationship with clients, a thorough understanding of their actions and needs, anticipating them and proactively presenting solutions instead of presenting problems and doubts (Ferreira et al, 2011; Kotler et al, 2011; Faria et al, 2012). The idea that is consensually accepted is that highly satisfied customers are less likely to switch suppliers, act as advocates and as the company’s prescribers, increasing its importance in the market, causing more people and/or organizations to approach them and become new clients (Kotler, 1997).

Satisfaction allows the client to gain confidence and start a loyal relationship. It is also an important premise that clients should be loyal to a brand, making repeated purchases and establishing an affectionate relationship with it; this relationship will allow managers to measure the customer’s affection and sensitivity towards the brand (Aaker, Kumar, & Day, 2001). Nevertheless, successful companies and brands are the ones that achieve more than their customer’s satisfaction (meet your client’s needs): they manage to surprise them, give them more than they expected to have (Kotler and Armstrong, 2006; Silverstein and Butman, 2008; Mittal et al, 2008; Silva, 2009; Ferreira et al, 2011) and, furthermore help them feel that they have gathered all the information needed to ensure a proper decision (Pires and Santos, 1996; Azjen, 2001; Danaher et al, 2003; Foxall, 2003; Kotler and Armstrong, 2006; Mattei et al, 2006; Mittal et al, 2008; Silverstein and Butman, 2008; Kwon and Lennon, 2009; Solomon, 2009; Christodoulides, 2011; Faria et al, 2012), in terms of products, services and points of sale (Sproles and Kendall, 1986; Sproles and Sproles, 1990; Faria, 2003; Faria et al, 2012). Therefore, to give the consumer the opportunity to decide what, where, when and how much to buy is the only way to ensure a good shopping experience and, therefore, to achieve consumers’ satisfaction and make them come back (Kwon and Lennon, 2009; Christodoulides, 2011; Faria et al, 2012).

2.3. Commitment

“Commitment corresponds to the psychological and emotional involvement established with a brand before the consumer is able to determine that the repeat purchase behavior results from a sense of loyalty” (Vieira, 2011, pp. 15).

According to several authors, different motivations can be found behind the desire to remain and therefore, different kinds of relationships are established with a brand: affective and calculated (Gundlach et al, 1995; Geyskens et al, 1996; Samuelson and Sandvik, 1999). That is why Vieira and Baptista (2007) have stated, in a complementary way, the existence of various types of commitment: calculated (calculative, as stated originally), defining it as the individual’s connection to a brand (or product, service, point of sale...company) based on the perceived costs associated with a decision to drop (exit cost) and affective, defining it as a sense of pleasure and well-being one feels to stay in a relationship with a brand - product, service, point of sale...organization (Faria et al, 2012).

The commitment does not appear immediately, it is built through a relationship that grows between both parties. The authors’ general opinion is that consumer’s commitment is only related to the salesperson/service provide; a high level of commitment is a powerful emotional barrier in changing consumer behavior in respect to the change of brand or product (Hultén, 2007), i.e., the higher the commitment, the less likely consumers switch brands or products they usually consume.

According to Hunter and Mukerji (2011), proper strategies to reach our target audience are essential to
create a long-term relationship with customers. Consumer compromise and loyalty can only be achieved through excellent performance in service providing - when the consumer receives a positive in-shop experience, no matter if it occurs on or offline (Kwon and Lennon, 2009; Solomon, 2009; Christodoulides, 2011; Faria et al, 2012).

2.4. Loyalty

The first step towards customer loyalty is customer satisfaction, many times mistaken for loyalty itself (Vilares, 2005); satisfaction is materialized by a repeated purchasing behavior and loyalty is materialized prior to the buying decision process: loyalty materializes in intention or willingness to repeat a purchase (previously…).

In increasingly competitive markets and in sectors such as modern distribution, that have been characterized by a slowdown on growth, companies that emphasize their performance more on acquiring new customers than retaining current customers enter into highly risky and costly strategies (Rosenberg and Czepiel, 1983; Danaher et al, 2003); retention related to customer loyalty, as a dimension, has been measured and worked on for a long time (Assael, 1998; Seth et al, 2001; Mowen, 2003). It is understood that the number of repeated purchases of the same brand (Tucker, 1964; Macconell, 1968; Lawrence, 1969) and the ratio in which it is purchased (Blattberg and Sem, 1976; Wind and Frank, 1967) demonstrate the existence of loyalty. What the authors aim to demonstrate is that, in fact, repeated purchases and/or consistent purchases of the same brand or in the same point of sale indicate loyalty towards them (brands or point of sale); however, the same loyal customers, occasionally buy another brand or visit a different point of sale (and in the scope of the present study, this could apply to the choice to purchase on a website or in a “real-life” store) They do not act this way because they feel dissatisfied with their usual brands or point of sale but because they might be attracted by other drivers such as sales promotions, appealing packs, good information, among others (Lichtenstein et al, 1993, in Bearden y Netemeyer, 1999; Danaher et al, 2003; Christodoulides, 2011; Faria et al, 2012).

Hence, so that one can speak of customer loyalty, two conditions are necessary: attitude and commitment (Bloemer and Ruyter, 1997; Chaudhuri and Holbrook, 2001; Fullerton, 2005; Mattei et al, 2006; Mittal et al, 2008); if competitor companies/brands have lower prices or other attractive characteristics and the customer remains faithful it could be considered that the companies’ products/brands are emotionally involved with the consumer, so, we are speaking of loyalty (Faria, 2003; Ponzoa, 2007).

According to Reichheled (1996) there are two types of loyalty: customers who are loyal to the point of sale (the customer knows in which point of sale their preferred products/brands can be found and there is low risk involved) and the customer that is loyal to the brand (when the customer has already purchased and knows what to expect, the risk is automatically reduced); being loyal to a brand is reflected in the customer’s action of buying a specific product/brand. Seth and Sobel (2001) also refer two types of loyalty: loyalty behavior and loyalty attitudes: there is loyalty behavior when the customer re-purchases, which indicates that the customer is satisfied with the product. Loyalty attitude exists when the customer’s motivation to buy a company’s product is convenience, or force of habit; the authors state that this type of loyalty builds unstable relationships, and if competitors offer better conditions this customer will not be immune.

Seth and Sobel (2001) also say that behavior and attitude loyalty define a cycle composed of five stages that the customer will go through whenever a purchase is made: the first stage is characterized as an initiating stage in which the customer is made aware of the product and purchases it. Afterwards, the customer will go through two stages, evaluating post-purchase and the new purchase decision. If the latter is confirmed then the fifth stage will be implemented and the cycle completed, achieving a closed circuit, i.e., a repeated purchase and, thus, establishing a loyalty connection.
A client’s loyalty is what all companies aspire, and retaining clients mean lessening costs (compared with that of attracting new ones), especially in such a time of economic instability and increasingly competitive markets. One of the most important factor and the one that has greater impact in customer loyalty is creating a good experience in the way companies and their clients get in touch, not only at the time of purchase but over the moments of consumption and, particularly, in the post-sale (Dionisio, 2009). In fact, our emotions are what keep us loyal in our relationships, making them more durable and stable. The best result is obtained and the relationships strengthened when the complementarity of both forms of loyalty are promoted and integrated (Dionisio, 2009).

It is important to point out that loyal customers are not necessarily satisfied but that satisfied customers tend to be loyal (Fornell, 1992). The modern believes on customer satisfaction and loyalty has a seductive logic: simply satisfy your customers and they will love you (Shaw, 1998).

To a considerable amount of authors, loyalty is an intention or predisposition (Vilares, 2005, among others) and loyalty is associated with customer retention (Griffin, 1998) or re-purchase; however, many authors consider them as synonyms (Day, 1969; Jacoby and Chestnut, 1978; Solomon, 1996; Too et al, 2001; Faria, 2003; Fullerton, 2005; Gómez, 2009; Samaha, et al, 2011) so our the decision was to use the indistinct expressions fidelity and loyalty in the present study.

What seems to be consensual, nowadays, is that loyal clients stay with a certain brand or point of sale and that a good online store may contribute in a positive way to a great number of loyalty clients (Danaher et al, 2003; Christodoulides, 2011).

2.5. Modern Distribution in an European perspective

Throughout the last 10 years a lot of economic and social changes happened in Europe causing a significant change in the retail sector (Cliquet, 2000; Flavián et al, 2002; Fernandes, 2007; Rousseau, 2008) concerning the mix of products available in the stores, commercial relation between Suppliers, Distributors and final Consumers. As far as consumers are concerned, we are facing a tendency to an older population all over the European countries but with particular impact in Portugal. Until 2008 we were watching a growth in the families’ buying power but, from 2009, the tendency is the opposite, with most of the countries having to face a gradual loss of the purchasing power (despite the crisis situation there are still some societies that reveal a strong propensity for purchase but in a more rational way, with families equitably distributing their incomes for different types of products). In a general way one may say that, all over Europe we are having an increase in the population educational level and in the number of women working actively; as a consequence some changes in the consumption habits are being felt: (ex.: food – an increase in the number of pre-cooked meals sold in the different stores and also the development of powerful household appliances. Last of all we have to consider, also, the growing concern about environmental and health care issues that are also responsible for the considerable number of changes and adaptations in the consumption patterns. If we think about suppliers it is undeniable that they are feeling the need to adapt their products and services to the new market Tendencies and to the new type of consumers, that became well informed and demanding persons.

Distributors also felt the need to adapt their business model, mainly the stores and their lay-out (ex.: increasing the number of cash registers), changing opening and closing hours and trying to offer a greater diversity of products and services (ex.: delivering products at home; online requests; means of transport); at the same time they introduced some technological innovations, such as self-service cash registers, they decided to pay more attention to the shelves, categories’ management and to constantly look for prices (shopping’s).
Europe has a retail sector mainly concentrated in a few number of players (Flavian et al, 2002; Fernandes, 2007): Carrefour (a French group); Metro (Germany); Tesco (British); Rewe (Germany); Auchan (French); Intermarché (French); Schwarz (Germany); Aldi (Germany); Edeka (Germany); Casino (French).

2.6. Modern Distribution in Portugal

The eighties in Portugal were a period with substantial changes happening in different areas, having a direct effect in the consumers’ behavior (Farhangmehr and Veiga, 1995): the country faced a stabilization of the political life and, by entering the European union, a significant improvement in the population living conditions which lead to the opening of new and different stores (Alturas, 2003). That explains what we have today: different types of stores, different ways of selling products, different brands and different ways to communicate with the consumers (Alturas, 2003; Rousseau, 2008).

Stores are targeted according to their price strategies, services offered and variety of assortment (brands and products); we have, mainly, Hyper and Supermarkets that are distinct because of their size, variety of products in shelves and the diversity of sections and space allocated to them (Rousseau, 2008); Supermarkets are, usually, located nearby the places of residence. In the between we use to have Discounts (in Portugal better to call them Soft-Discounts, because the pure Discount concept was not accepted by the Portuguese population), small supermarkets with a smaller variety of products, betting essentially in the Distributors’ Own Brands/Products, combined with the leading and sub-leading brand (Rousseau, 2008) and choosing to the same prices all year round (avoiding promotions except for short periods of time – INandOUT Actions). We are talking about Pingo Doce, Lidl and Minipreço, noticing that the last two were pure Discounts that decided to reposition themselves as nearby supermarkets, including promotions (Lidl with just-in-time actions; Minipreço with a loyalty card); only Pingo Doce, until the 1st May of 2012 still worked as a Discount (better, Soft-Discount) but, nowadays, is also a nearby supermarket with competitive promotions (Faria et al, 2012).

According to AcNielsen recent studies, the Portuguese market has the following players:

Graphic 1 – National players’ market share

![Graphic 1](image)

Source: AcNielsen data, 2012

The leading brands are Continente (Sonae) and Pingo Doce (Jerónimo Martins) and this still happens in 2013 with Continente being the brand that the Portuguese people trust the most.
3. Methods

Recent studies have shown that nowadays, individuals have a strong wish to be able to look for products and services online; it is a fact that in the present day it is not possible to dissociate technology from the retail sector (Desphande, 2002; Danaher et al, 2003; Morrissey, 2005; Kwon and Lennon, 2009; Christodoulides, 2011; Shahney and Kotler, 2011; Marques, 2012). The new electronic channels are thus changing the way companies interact with their customers, and this facilitates or may facilitate various marketing strategies adopted by the companies (ex.: direct marketing, relationship marketing and personalization) and contribute toward customer’s loyalty (Evans and Warster, 1997; Kara and Kaynak, 1997; Peters, 1998; Sirojanant and Thirkell, 1998; Danaher et al, 2003; Christodoulides, 2011; Wen et al, 2011). Consumers growingly tend to be online users, seeking mechanisms of self-service and easier alternatives for finding information, critical for various purchasing decisions and allow quick comparisons of the various selling points of modern distribution (Punj and Starlin, 1983; Alba et al, 1997; Brynjolfsson and Smith, 2000; Howard et al, 2001; Shira et al, 2001; Danaher et al, 2003; Holloway and Beaty, 2003; Hoffman et al, 2004; Johnson, 2004; Shih, 2004; Ferbes and Hoffman, 2005; Achille, 2008; Kim et al, 2009; Christodoulides, 2011; Wei et al, 2011; Wen et al, 2011). On the other hand, this group of individuals does not tend to see shopping as a pleasurable activity (Sproles and Kendall, 1986; Sproles and Sproles, 1990), so the online option seems to them the best solution.

H1: It is expected that with the increasing use of the internet and the continuous adoption for new technologies a considerable number of individuals start enjoying purchasing online and, as a consequence, become Satisfied, developing a sense of commitment and loyalty.

For some authors, however, the consumer, in regard to retail stores, primarily demands a sensory analysis of the product in order to make the purchase decision; clients prefer to touch, feel the product to sense they are getting the best possible quality (Sproles and Kendall, 1986; Sproles and Sproles, 1990); in a first phase, the consumer’s confidence toward a brand depends almost exclusively on the contact between the consumer and the retail store, where human interaction has increased importance as it poses as a vital factor of the consumer experience (Rojo, 1998; Daskalopolou and Petro, 2005; Theodoras and Moschuris, 2005; Rousseau, 2008; Simpson et al, 2008; Silva, 2009; Sum and Hui, 2009). The consumer is able to find the desired product/service, with minimum risk associated at the time of the purchase decision because there is direct access to what is about to be bought, giving the consumer a sense of satisfaction (Gemunden, 1985; Oliver and Swan, 1989; McCorkle, 1990; Dowling and Staelin, 1994; Pires and Santos, 1996; Azjen, 2001: Foxall, 2003; Holloway and Beaty, 2003; Forbes and Hoffman, 2005; Kotler and Armstrong, 2006; Mattei et al, 2006; Mittal et al, 2008; Silverstein and Butman, 2008; Hahn and Kim, 2009; Kwon and Lennon, 2009; Kim et al, 2009; Solomon, 2009; Wen et al, 2011) and the intention to remain (Sproles and Kendall, 1986; Sproles and Sproles, 1990).

H2: Despite the increasing use of internet and the continuous adoption of new technologies it is expected that a considerable number of individuals still prefer to go shopping in physical stores, wanting to have direct interaction with the products and persons and, though, feeling satisfied, committed and loyal.

For some authors, the ideal for a considerable number of individuals seems to be the combination of both options (Danaher et al, 2003; Christodoulides, 2011). The online retail serves mostly as a search engine for product information and then boosting offline purchasing; through offline service consumers have access e.g. to touch, smell and adjust. Players who use both online and offline service, can fully interact and create a better outcome for a company through granting product information and to allow its physical representation in stores, facilitating the individual’s decision making process; another point to consider is that certain product categories are more favorable to be purchased online than in the offline retail, this is due
to concerns regarding how returns and refunds are managed, i.e. security of e.g. services such as computer programs and leisure activities (Punj and Staelin, 1983; Danaher et al, 2003; Kim et al, 2005; MCCorkel, 1990; Elliot and Fowell, 2000; Jihyun and Park, 2005; Levi et al, 2005; Christodoulides, 2011). Thus:

H3: It is expected that a considerable number of individuals prefer market players that enable them to gather information and decide on the completion of the purchase in online and offline stores.

As the result of the present study’s scope and it’s bibliographic revision, satisfaction is understood as the ultimate reason for any consumer behavior, thus, a major concern for companies/brands (Ferreira et al, 2011; Kotler, 2011) is to understand the need to satisfy and delight consumers so that it is their wish to establish a long term relationship and a willingness to consider them at the moment to purchase a product or service, no matter in a on or offline perspective (Reicheld, 1996; Seth and Sobel, 2001; Solomon, 2002; Danaher et al, 2003; Vilares, 2005; Vieira and Baptista, 2007; Mittal et al, 2008; Christodoulides, 2011; Hunter and Mukerji, 2011; Samaha et al, 2011; Dionisio, 2009; Faria et al, 2012). The higher the commitment, the less likely consumers will switch brands, products or stores (Húlten, 2007; Faria et al, 2012). The consumer’s compromise and loyalty can only be achieved through excellent performance and a pleasant experience in the moment of buying, regardless of on or offline stores; satisfaction seems to increase commitment that seems to lead to loyalty and only by this can a retail player ensure a considerable number of clients and a competitive position in the market (Danaher et al, 2003; Christodoulides, 2011; Faria et al, 2012). Therefore:

H4: It is expected that once feeling Satisfied with a buying experience, on/and or offline, consumers tend to develop the intention to stay – Commitment.

And

H5: It is expected that once individuals develop the intention to stay - Commitment- they will develop a full identification and, as a consequence, feel prone to re-purchase- Loyalty (to on and/or offline stores).

The Conceptual Model in Scheme:

FIGURE 1
4. Results

4.1. Descriptive analysis

We’ve decided to do a quantitative research using a sample of 165 valid answers; Googledocs was the tool used to develop and apply the questionnaire; sample was no probabilistic, by convenience - contact network of the researchers – due to the financial and timing resources available. Table 1 describes our sample:

<table>
<thead>
<tr>
<th>Table 1 - Samples’ main Characteristics</th>
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<td>Gender</td>
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Trying to summarize one may say that the majority of respondents were male (55.8%), between 25 and 54 years of age, mainly from Oporto (62%) and Lisbon (20%, since “others” were regions close to this town). Only individuals with more than the secondary degree of education answered our questionnaire (what is acceptable considering the range of ages and, also, the networking of the investigators). About 92% of the respondents already used the internet to shop and the majority of them uses internet for more than 9 years (66%). In a general way one may say that our respondents can be divided in two important groups, considering time spend on net: 26% between 4 and 10 hours and 23% more than 22 hours; seems possible for us to say that time spend using internet is high. The favorite place to access net is at home (64%), followed by the working place (32%).
As far as services and resources are concerned, access to the e-mail appears as the first option (46%), followed by research for information and using social networks (both with 22%, each); for buying we had just 1% of answers. Regarding shopping online, most of the respondents said that they carried out online purchases for less than 1 year (24%) and between 3 to 6 years (24%); in the last six months 21% of the individuals made 2 purchases and 22% more than 5 purchases online. Products having a higher demand are books (43%), informatics (45%), clothes (33%), products of personal hygiene (26%), household appliances (19%) and food (18%), which meets the previous studied on the Portuguese population habits (Oliveira, 2012).

4.2. Scales, Measures and Psychometric Qualities

In order to reduce the number of variables that were used to measure each construct we’ve decided to do a PCA; as far as the Cronbach Alpha is concerned (index $\alpha$ that determines how consistently contribute the items to the unweighted sum of the instrument, on a scale ranging from 0 to 1 - internal consistency of the scale) - Curtain (1993) describes it as a measure of reliability – we’ve choose to follow the measure proposed by Murphy and Davidsholder, 1988, but proceeding according to Debellis (1991), who argues that for research in the area of social and behavioral sciences (e.g., consumer behavior), $\alpha$ of 0.60 is coming to be considered acceptable if the treatment makes use of a high level of caution and care (in Faria et al, 2012).

Next we analyze each of the variables that constitute the Principal Component Analysis model (PCA):

Table 2 - $\alpha$-Reliability Measure Under Debellis (1991)

<table>
<thead>
<tr>
<th>Reliability</th>
<th>$\alpha$ considered acceptable</th>
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<tbody>
<tr>
<td>Unacceptable Reliability</td>
<td>$&lt;0.6$ (except for studies in the area of social and behavioral sciences (Debellis, 1991))</td>
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<tr>
<td>Low Reliability</td>
<td>0.7</td>
</tr>
<tr>
<td>Moderate to High Reliability</td>
<td>0.8-0.9</td>
</tr>
<tr>
<td>High Reliability</td>
<td>$&gt;0.9$</td>
</tr>
</tbody>
</table>


- SATISFACTION

We performed a Principal Component Analysis (PCA) with all the items and we’ve reached 2 factors afterwards named F1 – SAT. ONLINE and F2 – SAT. OFFLINE; Cronbach’ Alpha with Acceptable to Moderate Reliability (0,651 to 0,852); KMO of 0,821 and Bartlett’ test inferior to 0,05 therefore, correlation between the two variables and good adequacy; total variance explained of 81,6%.
Table 3 - Exploratory Factor Analysis of Satisfaction Scale

<table>
<thead>
<tr>
<th>Item</th>
<th>F1</th>
<th>F2</th>
<th>Comunality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4</td>
<td>0.928</td>
<td></td>
<td>0.865</td>
</tr>
<tr>
<td>Q2</td>
<td>0.911</td>
<td></td>
<td>0.845</td>
</tr>
<tr>
<td>Q6</td>
<td>0.867</td>
<td></td>
<td>0.752</td>
</tr>
<tr>
<td>Q3</td>
<td>0.901</td>
<td></td>
<td>0.813</td>
</tr>
<tr>
<td>Q1</td>
<td>0.892</td>
<td></td>
<td>0.804</td>
</tr>
</tbody>
</table>

F1 - Offline; F2 - Online

It is remarkable to notice, whatever, the higher values reached in the 1st factor – online stores -, compared to the 2nd factor – offline stores.

- COMMITMENT

After the Principal Component Analysis (PCA) we’ve reached one factor named COM.; Cronbach’ Alpha with Low to Moderate Reliability (0.788); KMO of 0.500 and Bartlett’ test of Sph. inferior to 0.05 which means good adequacy. Total variance explained of 82.3%.

Table 4 - Exploratory Factor Analysis of Commitment Scale

<table>
<thead>
<tr>
<th>Item</th>
<th>F1</th>
<th>Comunality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q1</td>
<td>0.908</td>
<td>0.825</td>
</tr>
<tr>
<td>Q2</td>
<td>0.908</td>
<td>0.825</td>
</tr>
</tbody>
</table>

% Variance 82,537
% Variance Acumulated 82,537
α Cronbach 0.788
Number of items 2
Eigenvalues after Rotation 1.651
α Cronbach total (2 itens) 0.788
• **LOYALTY**

Principal Component Analysis (PCA) indicated one factor, named LOYALTY; Cronbach’ Alpha with Low to Moderate Reliability (0,786); KMO of 0,733 and Bartlett’s test of Sph. inferior to 0,05 which means good adequacy. Total variance explained of 61,9%.

**Table 5 - Exploratory Factor Analysis of Loyalty Scale**

<table>
<thead>
<tr>
<th>Item</th>
<th>F1</th>
<th>Comunality</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q2</td>
<td>0,862</td>
<td>0,743</td>
</tr>
<tr>
<td>Q3</td>
<td>0,827</td>
<td>0,684</td>
</tr>
<tr>
<td>Q4</td>
<td>0,773</td>
<td>0,597</td>
</tr>
<tr>
<td>Q1</td>
<td>0,672</td>
<td>0,452</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>% Variance</th>
<th>61,920</th>
</tr>
</thead>
<tbody>
<tr>
<td>% Variance Accumulated</td>
<td>61,920</td>
</tr>
<tr>
<td>α Cronbach</td>
<td>0,786</td>
</tr>
<tr>
<td>Number of Items</td>
<td>4</td>
</tr>
<tr>
<td>Eigenvalues after Rotation</td>
<td>2,477</td>
</tr>
<tr>
<td>α Cronbach total (4 itens)</td>
<td>0,786</td>
</tr>
</tbody>
</table>

### 4.3. Research findings and analysis

1\textsuperscript{st} Hypothesis - Made the correlation between individuals who claim to shop online with the variables set out in the hypothesis 1 - Satisfaction, Loyalty and Commitment - we can say that there is a positive correlation for all of them. Thus, there are indeed a considerable number of individuals who, as a result of online shopping experiences feel satisfied, eventually develop a commitment to this method of buying and become loyal to it and, therefore, develop positive feelings towards the retail player that allows them to do it. Those results meet the previous studies mentioned in this research project: Pires and Santos, 1996; Azjen, 2001; Danaher et al, 2003; Foxall, 2003; Kotler and Armstrong, 2006; Mattei et al, 2006; Mittal et al, 2008; Silverstein and Butman, 2008; Kwon and Lennon, 2009; Solomon, 2009; Christodoulides, 2011; Faria et al, 2012; Oliveira, 2012.

2\textsuperscript{nd} Hypothesis - Made the correlation between individuals who claim to shop offline with the variables set out in the hypothesis 2 - Satisfaction, Loyalty and Commitment - we can say that there is a positive correlation for all of them. Thus, there are indeed a considerable number of individuals who, as a result of offline shopping experiences feel satisfied, eventually develop a commitment to this method of buying and become loyal to it. In fact this is something that a lot of authors defend and the marketing itself advocates (Sproles and Kendall, 1986; Sproles and Sproles, 1990; Faria, 2003; Kotler and Armstrong, 2006; Silverstein and Butman, 2008; Mittal et al, 2008; Silva, 2009; Ferreira et al, 2011; Kotler et al, 2011).

3\textsuperscript{rd} Hypothesis – Only by descriptive statistic one may say that, in fact, people prefer those players that allow them to decide where to buy and/or gather information about products and services, meaning, to have the possibility to look for and decide where to buy in an off and online perspective:
Graphic 2 – I’m very pleased with Players that allow me to have both type of stores – on and offline

It’s very expressive to see the considerable number of persons that said that they prefer to have the option and, therefore, decide – being in control; only three persons, out of 165, claimed to disagree with the importance of having both possibilities.

This gives us an important guideline towards the actual tendency; in fact, in consonance with what is already happening in most of the other developed countries, Portugal is also adopting the internet as another channel to buy products and services… above all, this crisis situation that seems not to leave us, has raised a new type of consumer: someone totally aware of the need to save money, predisposed to gather all the information about products and services available before deciding what, how and where to buy (Danaher et al, 2003; Christodoulides, 2011; Oliveira, 2012, among others) and, above all, someone that wants to feel that is controlling the buying process, not being limited to what the brands or the players decide to offer them (Faria et al, 2012).

4th Hypothesis, 5th Hypothesis and 6th Hypothesis – According to the correlations done one may say that, regardless an off or online store, Satisfaction seems to lead to Commitment that, in fact, seems to be an antecedent to Store Loyalty; those results are consistent to a lot of literature already existent about shopping in general, regardless the sector and the channel.

Thinking about the main purpose of this study we may say that, in fact, it is convenient for any Portuguese retail player to consider having both opportunities available for consumers and, also, to use both ways to communicate in an efficient way, developing positive experiences both online and offline in order to satisfy the individuals. Only satisfied individuals will be prone to come back over time (commitment) and, if well stimulated, to become a loyal client. In fact, the decision towards on and/or offline is needed to be able to increase market share and to keep clients coming back; because, in fact, it is common sense that keeping a client costs less than getting a new one (Aaker 1991, Keller 1998; Kapferer 1998; Danaher et al, 2003; Faria, 2003; Faria et al, 2012). We may also say that retail Portuguese players face actually an informed consumer that, no matter his/her social class, wants to save money: importance of indirect price mechanisms or formulas has to be consider, altogether with having the right services, being the online store a priority in the next months. Nevertheless, for the Portuguese consumers, according to data collected, it is not possible, actually, to have just online stores, at least as far as modern distribution is concerned.
5. Main conclusions, implications and recommendations

As a new way for doing business one may say that e-commerce has changed the way consumers purchase goods and services in a diary basis; with a tendency to increase, in a part due to the actual crisis situation and the need to save money (which lead the individual to consider the costs related to travelling through different stores in order to gather information and/or get the best prices and promotions), customers are getting used to shop in an online store instead of going to a physical one (Danaher et al, 2003; Christodoulides, 2011; Wen et al, 2011; Oliveira, 2012).

If we compare the traditional stores – offline and/or face-to-face commerce model –, the online option presents some advantages, such as products or services specially selected to be sell online (not available in offline stores), plenty of detailed information and advices and, specially, no temporal or spatial limitations (Christodoulides, 2011; Wen et al, 2011; Oliveira, 2012). In fact it is undeniable that the shopping environment is changing and we are now starting to face an increasingly mature channel, easy to manage, secure to use and with very interesting and appellative layouts, which really satisfy the clients and make them wish to return (Christodoulides, 2011; Oliveira, 2012).

It seems very important, according to our study, that retail players consider the fact of having both off and online stores if they really want to keep their clients and/or conquer potential ones. Online customer retention it is, in fact, a hot issue in both IT and marketing areas (Danaher et al, 2003; Christodoulides, 2011; Wen et al, 2011). As far as the Portuguese players are concerned it is in fact crucial to understand what must be done in order to increase the number of purchasing actions online: what are the key factors that can not only satisfy the consumer but exceed his/her expectations, leading to the intention to buy over time (commitment)? How to make the perfect marriage between online and offline experiences, so that picking situations can be created and used in both realities? What type of promotional actions to develop so that people shall use both channels and, in this way, achieve a win-win perspective (Loyalty)? This cross-channel action may become one differentiation factor in a sector that has been fighting essentially based on price and promotions.

Having in mind the need to put the consumer in control of the buying process (Faria et al, 2012), meaning we are now facing a very rational individual that seeks for the best shopping experience – quality vs price –, gathers information and compares prices and promotions, this “...underscores the importance of the customer interface, and requires that retail business models articulate how the retailer will optimize its direct interactions with end customers to strengthen relationships with them... where the goal was to sell goods and services to ultimate customers, to one focused on enhancing the customer experience” (Sorescu et al, 2011, pp. 5). A customer that has, in fact, less money to spend and that, in the Portuguese situation, is getting older and, consequently, needs adapted solutions (easy to find stores, next to their homes or “in” their own computers, information wisely spread and promotions and stocks variety well communicated) so that he/she realizes that less risk and effort are associated also when buying mass market products.
References


