Repositório ISCTE-IUL

Online Business-to-Business Communication and Online Relationship: The Mediator Role of Trust

Abstract:

The main purpose of this study is to examine the influence of online personalised content and interactive content communication on online relationship through trust as an affective mediator in a Business-to-Business (B2B) context. A quantitative research approach was conducted using structural equation modelling and a sample of B2B reseller market of information technology in Portugal. Results indicate that online communication influences positively online relationship through trust. Interactive content has a strong influence on trust, whereas the personalised content revealed a weak relationship with trust and, indirectly, with online relationship. Trust has an important role in the relationship as it is a full mediator. In addition, the interactive content is more influential than the personalised content in building and maintaining online relationships in the B2B reseller market.

Keywords: B2B; Personalised content; Interactive content; Online relationship; Trust.

Track: Business-To-Business Marketing & Supply Chain Management

1. Introduction

Using online channels to obtain information before purchasing is currently the most common pattern of customers' behaviour (Rosenbloom, 2007). Similar to conventional distribution channels, the Internet is a medium capable of communicating information and leading transactions (Webb, 2002). With the expansion of the Internet, one of the major changes undergone in B2B was undoubtedly in the relationships between the different stakeholders. A one-to-one relationship has emerged, and communication has been assuming an important role as the "heart" of B2B channel in regard to build and maintain online relationships (McIvor & Humphreys, 2004; Palmatier et al., 2006). Today, trust, satisfaction and commitment are placed at the centre as key factors in the online environment to create and reinforce online relationships (Taylor et al., 2001; Briones et al., 2011).

This new reality required a rethinking of communication strategies (Järvinen & Taiminen, 2015). Personalised content emerged as a key to solve the overload of online information, providing an accurate recommendation of relevant content to the customer (Thongpapanl & Ashraf, 2011; Liang et al., 2014). Moreover, interactive content has been shown to be helpful for a customer who needs immediate assistance. The power of real-time facilitates the reciprocal relationship, and the quality of the message has demonstrated a positive impact on costumer (Song & Zinkhan, 2008).

These changes have trigger the interest in studying how relationships are built and maintained in the B2B online environment. However, previous studies related to the personalised or interactive content focus on content message or satisfaction as an outcome of purchase intention (Song & Zinkhan, 2008; Thongpapanl & Ashraf, 2011; Liang et al., 2014; Murphy & Sashi, 2018). Although factors such as trust have been widely discussed as contributors to the relationship, few studies have recognised them as characteristics of relational exchanges as well as its importance to build and maintain online relationships in B2B context (Ellis & Ching, 2006; Barret et al., 2007; Barry et al., 2008). Furthermore, both communication approaches – personalised and interactive contents - are not considered. Thus, the extant literature provides little evidence of how the online relationship in B2B context is created and reinforced by both communication -based strategies. The current study attempts to bridge this gap identified in the literature. Therefore, in this study, the influence of personalised and interactive content communication on online relationship is examined and the contribution of trust as a mediator is explored to build and maintain an online relationship in B2B context.

2. Literature review and Research Hypotheses

Communication has an enormous impact on customers' perceptions. It is required from the supplier a communication initiative, and a precise content conveyed, in order to generate a positive effect on the customer relationship (Hänninen & Karjaluoto, 2017). An ongoing communication relationship may contribute to customer security and minimizing risks (Grönroos, 2004).

Personalised content is known to reduce the complexity caused by increasingly available information (Thongpapanl & Ashraf, 2011). It contributes to reducing messages sent to the customers by targeting different customers with different information aligned with their needs (Ho & Kwok, 2003; Hänninen & Karjaluoto, 2017). Also, a more fine-tuned message that is easily accessible, easily to process and to search may reduce uncertainty and risk in the relationship (Lancastre & Lages, 2005; Thongpapanl & Ashraf, 2011). Personalised content communication contributes to enhancing relationship (Hänninen & Karjaluoto, 2017).

In fact, studies suggest that personalised content not only influences relationship strength directly but may be an important factor in explaining trust and satisfaction (Järvinen & Taiminen, 2015). When customers are in contact with personalised content, the tendency is to seek less information during the purchasing process, making the experience easier and increasing the feeling of trust (Chang et al., 2005; Thongpapanl & Ashraf, 2011). Therefore, trust may act as a mediator between personalised content and relationship behaviour, and thus the following hypothesis is formulated:

H1: Online communication of personalised content has a positive influence on trust.

Content is an important tenet of communication, and poor valuable content may result in customer disinterest (Sam & Tahir, 2009). The level of trust that customers have is an important factor that distinguishes suppliers who merely possess information from those who use it efficiently (Lancastre & Lages, 2005). Thereby, virtual advisers, impartial and comprehensive information, and also an online content creation that facilitates interaction for feedback, may contribute to create and reinforce trust. Such characteristics promote an interactive dialogue, access to content information, transparency, and understanding of risk-benefits that increase trust in the customer-seller relationship (Urban et al., 2009). Thus, this allows to formulate:

H2: Online communication of interactive content has a positive influence on trust.

Karampela et al. (2018) argue that the relationship paradigma in B2B includes a different view and perception of the relationship between customers and sellers.

Therefore, the current study is based on the theories of relationship strength and relationship value. According to Barry et al. (2008), the relationship strength in B2B implies the dimensions of willing to invest, share of purchase and reluctance to search. In their findings, trust explains the relationship strength. The acknowledgement of this attribute within the business interactions generates a mutual dependence on the relationship as partners (Tuten & Urban, 2001; Lin et al., 2005). Thus, the literature suggests that relationship strength is influenced by content communication through the effects of affective dimensions such as trust.

The relationship value is formed on expectations, and mainly because of it, it is considered a subjective concept. The value factors perceived in business can be monetary (e.g. the investment expenses perception) or non-monetary (e.g. the relationship aspects such as time, effort or energy) (Makkonen et al., 2017). Saura et al. (2009) suggested that the B2B relationship value regarding the supplier is associated with a positive response from trust. Although previous literature shows different meanings of the concept, the research of Saura et al. (2009) was developed in line with the idea that relationship value is an outcome of trust. Therefore, the following hypotheses are formulated:

H3: Trust positively influences online relationship.

H4: Trust mediates the relationship between online communication and online relatioship.

3. Methodological Approach

The current population is characterised by all reseller companies' collaborators in B2B distribution channel in the information technology (IT) field, interacting in a daily base with a distributor through the use of online platforms. Data was collected using a structured web-questionnaire which was written in Portuguese. It was distributed online via email and LinkedIn connections. The participants were selected using a convenience sampling technique. The survey was conducted between July and August 2018. The final sample was composed of 358 valid responses.

38 items were used to measure the respondent attitudes regarding each construct: personalised content (Ho & Kwok, 2003; Pappas et al., 2016), interactive content (Murphy & Sashi, 2018), trust (Saura et al., 2009; Barry et al., 2008) and online relationship (Barry et al, 2008; Saura et al, 2009). The items were measured using a 5-point Likert scale, which ranges from 1-strongly disagree to 5-strongly agree.

Structural equation modelling (SEM) was used to estimate the conceptual model and test the hypotheses. AMOS 25 was used to estimate the model.

4. Results

4.1. Sample characterisation

Of the 358 total participants, 84.1% were male, ranged in age mainly from 35 to 60 years old (83.0%). Most of the respondents were from sales department (52.4%), followed by after-sales (17.2%); they are also characterised by having a very high (36.2%) or entire autonomy (36.8%) in terms of decision-making. Concerning the online relationship, 70.7% of the participants have a long-term online relationship (>5 years) with the distributor considered as the reference to respond the questionnaire, and 39.1% of the respondents make quite often online purchases in the same distributor.

4.2. Hypotheses and model testing

Confirmatory factor analysis was first conducted to test the the overall measurement model. All constructs exhibit reliability and convergent validity, as composite reliability and average variance extracted values are higher than the threshold values. The structural component of the model was also estimated in order to provide the basis to verify the proposed hypotheses. Table 1 presents the standardised total, direct and indirect effects of structural model. The overall fit indices indicate that the model has an acceptable model fit ($\chi2$= 1176.023; df= 415; CFI= 0.893; TLI= 0.886; RMSEA= 0.064 90%CI= (0.061; 0.068)).

Table 1: Standardised estimates for direct, indirect and total effects (1)

	Dependent	Trust	Online Relationship		
	Independent constructs	Direct	Direct	Indirect	Total
M1	Personalised Content	0.237	---	0.148	0.148
	Interactive Content	0.597	---	0.373	0.373
	Trust		0.626	---	0.626
M2	Personalised Content	0.235	0.032 (ns)	0.161	0.193
	Interactive Content	0.601	-0.106 (ns)	0.414	0.308
	Trust		0.688	---	0.688

(1) all the values are significant at 1%, except those that are identified by (ns)

Results from the structural equation model show that all hypotheses are supported. The interactive content has a strong effect on trust, given its the high direct effect (0.597; p<0.01). In contrast, personalised content has a weak but statistical significant effect on trust. Trust has a strong influence on the online relationship (0.626; p<0.01). This last relationship not only allows to verify H3 but also H4, i.e. trust is a mediator of

the relationship between the online communication constructs and the online relationship.

One competing model, M2, was also tested in order to assess whether trust is a partial or full mediator. In addition to the hypothesized relationships, tested in M1, the M2 model includes the direct effects from the online communication constructs to the online relationship. Table 1 also presents the standardised effect estimates of M2. The model fit indices of M2 indicate it has an acceptable fit ($\chi2=1174.247$; df=413; CFI=0.898; TLI=0.885; RMSEA=0.064 90%CI=(0.061;0.068)). As the M1 model is nested in M2, the $\chi2$ test of the difference ($\chi2diff=1.776$, df_diff=2, p>0.05) allows to conclude that both models can be accepted. M2 results show that the two direct effects of the online communication constructs on the online relationship are not significant. Therefore, trust can be considered as a full mediator of this relationship.

5. Discussion and Conclusion

The main purpose of this study was to examine how online communication content strategies contribute to build and maintain an online relationship in a B2B context through trust. Consistent with the literature, findings of this study corrobore the importance of communication in the online environment as well as the role of trust to build and reinforce online relationships in B2B context (Meents et al., 2003; Stanko et al., 2007; Murphy & Sashi, 2018). First, the study found that personalised content contributes to nurturing trust in line with Järvinen and Taiminen (2015) findings. This result reinforces the notion that, in first instance, customers rely on personalised content as a reference to their decision-making (Jackson, 2007; Thongpapanl & Ashraf, 2011). Second, the interactive content theory of Urban et al. (2009) fits with the assumption that interactive content influences trust. The study confirms that interactive content creation that facilitates the access to information and dialogue, including feedback, increases trust in the B2B online environment. Third, the interactive content emerges as a significant strategy to build and maintain an online relationship (total effect of 0.374) instead of personalised content (total effect of 0.148). Thus, it is evident that, in a real-time communication based on back and forward dialogue, providing relevant and useful content is on the top of interest. Finally, findings also show a positive relationship between trust and online relationship. This result is in line with those obtained by Barry et al. (2008) and Saura et al. (2009) studies. Another interesting finding is the full mediation of trust in explaining the online relationship increases, which may be

explained by the complex and sometimes urgent requirements for information. Although content needs to be interactive and personalised, trust may increase the online relationship and thus promote business performance.

This is an ongoing research. Future research should investigate the role of other affective dimensions such as satisfaction and commitment as well as include more specific functional or operational aspects of online communication.

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