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ROLE OF ONLINE COMMUNITIES IN BUILDING CUSTOMER LOYALTY

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ABSTRACT

Customer loyalty helps the organizations to keep the customers coming back to the stores. With the ever growing digital embracement by the consumers, organizations are building online communities to build customer loyalty. This paper examines how organizations are building customer loyalty by leveraging digital platforms. Present paper explores how Oneplus brand has built Red Cable Club community to build the customer loyalty. Apart from building online communities on regular social media platforms like Facebook, Twitter, and Instagram, brands are building their own online communities to avoid the distractions from the competitors and building better customer and brand loyalty.

KEYWORDS:
Customer loyalty, Online communities, Virtual communities, Brand loyalty, Facebook page

I. INTRODUCTION

Customer loyalty refers to the act of choosing one company's products and services repeatedly over their competitors. Customer loyalty helps the customers not to distract by the price or availability. Instead of that they pay more and ensure the same quality products and services they used. Loyal customers helps the organizations to grow fast and they recommend the products to their friends and relatives. Investment in building customer loyalty not only helps the organizations in preventing the customers leaving but also ensures the business growth. Developing online communities is one of the marketing strategies to develop customer loyalty.

II. LITERATURE REVIEW

Dennis L.Duffy (1998) has mentioned that loyalty is a business strategy, not just a program. By proper development and implementation, loyalty marketing strategies become an integrated part of the products[1]. Knowledge and communities book authors Arthur Armstrong and Hagel(2000) emphasized the importance of nurturing online communities to encourage customer to company and customer to customer communications[2]. There are four types of virtual communities:

1. Communities of transactions which facilitate the customers in buying and selling of products and services, and provide information about these transactions.
2. Communities of interest help in bringing together the participants to discuss extensively with respect to their focused areas.

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3. Communities of fantasy which helps the participants to allow them to create new personalities, environments, or stories of fantasy.

4. Communities of relationship which helps in creating intense personal experiences.

Armstrong & Hagel (1996) pointed out that virtual communities is an effective strategy to retain customers[3]. Cheng, F. F., Wu, C. S., & Chen, Y. C. (2020) in their research found that to build customer loyalty among the online communities, information should be provided in a comprehensive manner and provide pleasure value to the participants apart from the believability [4]. According to Kim, W. G., Lee, C., & Hiemstra, S. J.(2004) sense of online virtual community was associated with member's purchasing behaviour[5].

III. ONLINE COMMUNITIES-CUSTOMER LOYALTY- ONEPLUS BRAND

Red Cable Club is a community owned by popular mobile brand. The Red Cable Club is a collective of inspired individual who are passionate about superior technology. It's a community of dreamers and pioneers united by one common belief - 'Great things happen when we're all wired together'.
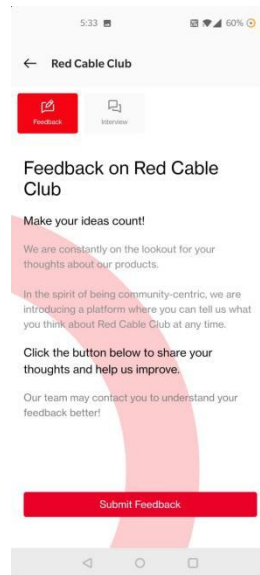
One plus brand has introduced many features multiple features to build the customer brand loyalty.

Figure 1. Red Cable Club features
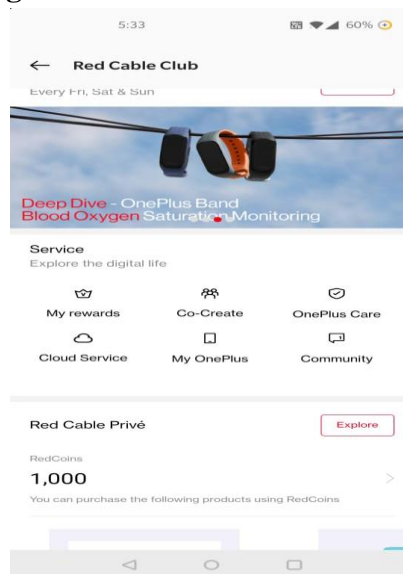
Co-Create: Co-creating will help the organizations to directly involve the customers in designing new products. Online communities facilitate the same.

Figure 2. Feedback form

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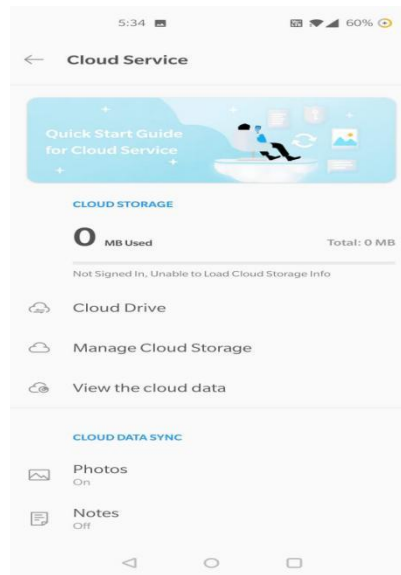
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Oneplus care: Integrating the after sales service inside the community program greatly enhances to easy access to support service to the customers.

Figure 3. Oneplus care
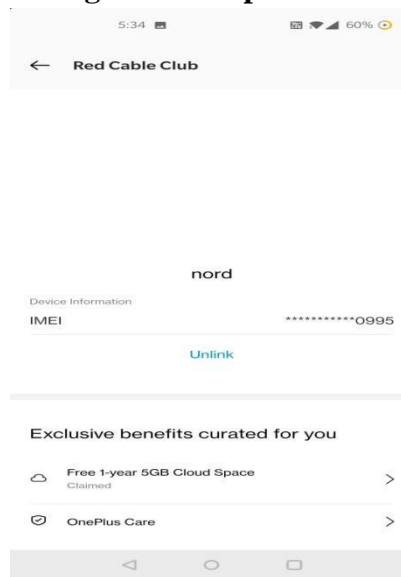
Cloud Service: Providing additional features like cloud storage will help the one plus customers to enhance the customer engagement with the brand.

Figure 4. Oneplus cloud

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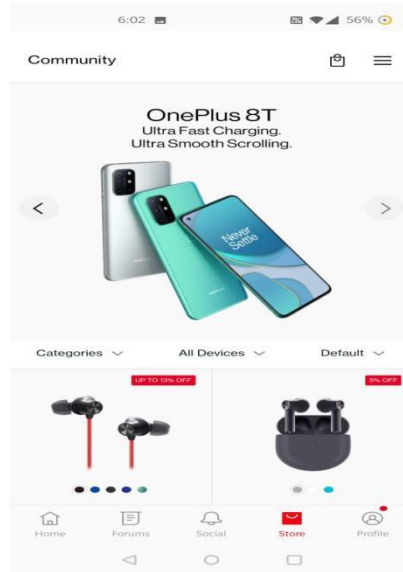
Community: Oneplus community helps it's users to update about the Oneplus new product offerings. Apart from that forums built inside the communities facilitate the users to create posts and interact with other Oneplus community members. It's also offers to run contests to engage the users positively with the brand. Inside the community social media features also embedded to build the online communities.

Figure 5. Oneplus community
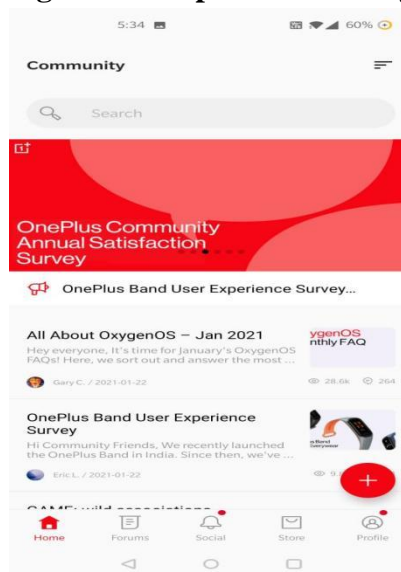
Store: Store offers the users to buy the products right within the community for convenience in purchasing.

Figure 6. Oneplus store

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Similarly Oneplus brand has official Facebook to develop online community. Just like Red Cable Club Oneplus gained customer loyalty through feedback, customer co-creation, events, promotions, and contents using Facebook community.

Figure 7. Oneplus official Facebook page showing customer co-creation

IV. DISCUSSION

The above information it is evident that organizations are building online communities to create customer loyalty using different social media platforms as well as their separate online brand communities. Online communities are meant not only for building brand and customer loyalty, it evolved as marketing strategy to improve the revenues. Online communities act as a platform to reach millions of customers to engage them with the brand. They offer the organizations to co-create marketing content, for generating product design ideas from the customers, communicating promotional content, updating about new products, and to develop

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the brand. Hence it is imperative that today organizations must integrate building online communities into their marketing operations to stay in the competition.

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