

The Impacts of Customer Orientation on Behavioral Intention in C2C e-Commerce Context: The Mediating Role of Customer Value

Chongcai Wang* and Mingli Zhang

School of Economics and Management, Beihang University, Beijing, 100191, P.R. China

Abstract: This study extends Web site customer orientation and salesperson customer orientation to C2C e-commerce marketing. According to customer orientation and customer value theory, the paper establishes the relationship model of consumer-to-consumer (C2C) Web site and seller customer orientation, customer value and behavioral intention. The researchers empirically examine the model employing structural equation modeling (SEM) methodology. At the same time, the researchers analyze the mediating effect of customer value between customer orientation and behavioral intention by using regression methodology in C2C e-commerce environment. The results show both Web site and seller customer orientation have significant positive influences on utilitarian value. However, seller customer orientation has insignificant impact on hedonic value. Findings have revealed customer value has partial mediating role between customer orientation and behavioral intention. The theoretical and practical implications, future research are also discussed.

Keywords: Chinese C2C e-commerce, customer value, seller customer orientation, web site customer orientation.

1. INTRODUCTION

Nowadays, with the rapid development of Chinese online shopping market, C2C e-commerce is facing increasing competitive pressure to maintain its market position and improve customer loyalty intention. For example, according to iResearch (2014), Chinese C2C online shopping transaction market share has dropped from 74.7% in 2011 to 54.2% in 2014 (iResearch 2014) [1]. On the other hand, Chinese social shopping is booming, which poses an enormous threat to the C2C e-commerce development (CNNIC, 2014) [2]. So far, though C2C e-commerce market share, brand penetration and trading volume are higher than B2C (Business-to-Consumer) (iResearch 2014; CNNIC 2014), customer word-of-mouth, customer retention ratio and customer satisfaction are lower than B2C e-commerce market (CNNIC, 2014; iResearch, 2014) [1, 2]. Specifically, a growing body of research has confirmed the positive relationship between customer orientation and superior performance of a firm. For example, customer orientation of a firm or a salesperson is positively associated with outcome behavior [3-7] as well as customer satisfaction [4, 8, 9] and performance (Tang, 2012; Blocker *et al.*, 2001; Narver and Slater, 1990; Brown *et al.*, 2002; Teroh *et al.*, 2015) [3, 7, 10-12].

Even though the vital importance of customer orientation has been recognized in prior researches, most of the prior researches, however, are conducted in the offline context (e.g. Wong and Dean, 2009; Blocker *et al.*, 2011; Tang, 2014), and seldom is examined in online setting (e.g. Poddar *et al.*, 2009; Chakravarty *et al.*, 2014) [13, 14]. Specifically, many prior researches have examined the topic of customer

orientation at organizational level (e.g. Narver and Slater 1990; Blocker *et al.*, 2011) [7, 10], individual salesperson level or from service employee perspective of a company (e.g. Hennig-Thurau, 2004; Ndubisi, 2012; Brown *et al.*, 2002; Homburg *et al.*, 2011) [4, 6, 11, 15]. However, from the customer perspective, the critical linkage between customer orientation and behavioral intention has received little empirical attention (e.g., Stock and Hoyer, 2005; Brady and Stock, 2001) [5, 9]. There is absent from literature of customer orientation that focuses on C2C e-commerce context. Besides, in online shopping context, customer value has been recognized as a vital factor affecting consumer behavioral intention and acquiring sustainable successful development (e.g., Deng *et al.*, 2013; Wong and Dean, 2009; Lee and Overby, 2004) [16-18]. Despite the crucial position of the customer value in online shopping marketing, it has not been explicitly identified in C2C context of the topic.

To date, there is little published research about the customer orientation associated with customer value in C2C e-commerce context. This research attempts to make an effort at the subject. Based on the above academic questions and Chinese online shopping setting, this paper aims to from individual customer level explore customer value mediating role between customer orientation and behavioral intentions, and analyze the importance of different dimensions of customer value in customer orientation behavior in C2C e-commerce setting. We hope this study can provide a little valuable reference for C2C e-commerce researchers and practitioners.

2. LITERATURE REVIEW

2.1. Customer Orientation

Since its introduction in 1960 (Levitt, 1960) [19], customer orientation has represented a central idea and business

philosophy of a company in relationship marketing (e.g., Brady and Stock, 2001; Narver and Slater, 1990; Levitt, 1960) [5, 10, 19], which emphasizes creating, identifying and satisfying consumers' needs and wants rather than selling products (Levitt, 1960) [19]. Customer orientation of salespersons or frontline employees is often considered as a vital factor of a service firm's success (Tang, 2014; Hening-Thurau, 2004; levitt, 1960; Saxe and Weitz, 1982) [3, 4, 19, 20], which originates from SOCO (selling orientation-customer orientation), proposed by Saxe and Weitz (1982) [20]. At the individual salesperson level, Stock and Hoyer (2005) innovatively put forward customer "two-dimensional conceptualization of customer orientation distinguishes between attitudes and behaviors" [9], whereas Hennig-Thurau (2004) proposes a four-dimensional structure of COSE (Customer orientation of service employees) to measure customer-sided COSE consequences [4]. From the organizational perspective, Blocker *et al.* (2011) propose customer orientation includes proactive customer orientation and responsive customer orientation two aspects, which refers to business customers hope the selling party not only actively respond to their existing needs but also understand and express their future and potential needs [7]. In addition, it is totally different from other scholars, based on the Business-to-Business (B2B) online context, at the B2B platform level, Chakravart *et al.* (2014) propose the B2B platform serves as an intermediary of buyers and sellers and on the basis of their study subjects, they further identify customer orientation includes platform customer orientation toward buyers and platform customer orientation toward buyers two dimensions [14].

However, in C2C e-commerce environment, buyers not only communicate with e-shop sellers but also interact with Web site (third party trading platform), where C2C Web site serve as an intermediary to link buyers and sellers (Deng *et al.*, 2013; Liao and Wang, 2010) [16, 21]. The third party trading platform provides trading platform merchandise display platform, reputation system, and other functions to assist consumers and sellers to complete online transactions (Pavlou and Gefen, 2004; Chakravarty, 2014) [14, 22]. Sellers use the trading platform to sell their products or services (Pavlou and Gefen, 2004; Chakravarty, 2014) [14, 22], and consumers buy products from the e-vendors or sellers in C2C online transaction environment (Deng *et al.*, 2013; Liao and Wang, 2010) [16, 21]. Therefore, in C2C online shopping context, from the customers' perspective, the researchers identify customer orientation is composed of Web site customer orientation (Poddar *et al.*, 2009) [13] and seller customer orientation two distinct dimensions. In addition, in C2C e-commerce setting, the salesperson is the owner of his or her e-shop and every owner is a multitasker. For example, each seller is both salesperson or customer service personnel and personal store owner. He or she doesn't need to please their boss and pretend to be higher customer orientation behavior (Donavan and Hocutt, 2001) [8]. So, in C2C e-commerce setting, the seller's behavior is often the direct reaction of his or her attitude. In this study, the researchers use customer orientation of salespersons measurement scale to evaluate seller customer orientation (Stock and Hoyer, 2005) [9]. The researchers think it is indispensable for C2C e-commerce customers to simultaneous evaluate Web site

customer orientation and seller customer orientation in competitive C2C online setting.

2.2. Customer Value

The concept of customer value emerges in 1980s. After that, many scholars and practitioners have great interest in its definition, dimension, and so on. Lam *et al.* (2004) claim customer value reflects customers' rational cognition, which is a trade-off between the gains and losses of customers using or experiencing a product or service [23]. Parasuraman and Grewal (2000) argue customer value is the total function of consumers perception what they "get" and what they "give" [24]. In C2C e-commerce setting, Pavlou and Gefen (2004), Liao and Wang (2010), and Deng *et al.* (2013) argued search costs, competitive price, convenience are the core elements of customer value [16, 21, 22]. However, customer value is very complicated, which not only refers to practical or functional value, but also has closely related to research background.

On the basis of exploratory research, Babin *et al.* (1994) identify customer value consists of utilitarian and hedonic value two dimensions in traditional retailing shopping experience [25]. Sweeney and Soutar (2001) in line with Sheth *et al.* (1991) thinking, develop PERVAL model and acquire emotional value, social value, quality/performance and price/value money four dimensions to measure customer value [26, 27]. Following Lee and Overby (2004) introduce utilitarian value and experiential value (including entertainment, visual, escape, and interaction four aspects) two kinds of dimensions to measure online shopping customer value [18]. Drawn on the extant literature and based on the empirical research of Chinese traditional large store departments, Tang and Zhang (2012) employ utilitarian and hedonic value to evaluate customer value. They argue utilitarian value is related to product/service attributes, and hedonic value is more inclined to subjective judgment and spontaneous reaction [28]. In line with the investigation of retail banking industry, Chiu *et al.* (2005) suggest customer value is composed of utilitarian value and hedonic value, and further demonstrate both utilitarian value and hedonic value have close relationship with customer behavior [29]. As for this study, the researchers think that online shopping customers have two basic objectives: task-oriented mission and non task-oriented mission. The former refers customers can buy their desired products/service successfully. The researchers believe the latter refers to during customers shop online they can enjoy the shopping process, experience spiritual enlightenment and get psychological satisfaction. Thus, in line with Chiu *et al.* (2005) thinking [29], the researchers use utilitarian dimension and hedonic dimension to measure customer value in C2C environment. Utilitarian value includes shopping convenience, time savings, wide selection and high quality, *etc.* Hedonic value refers to customers' subjective reaction, spiritual enjoyment and psychological factors, such as visual enjoyment, bargain perception and entertainment.

2.3. Behavioral Intentions

Customer retention is much more crucial than attracting new ones in competitive online shopping context (CNNIC, 2014; Deng *et al.*, 2013; Reichheld and Schefter 2000;) [2,

16, 30]. Research has shown “increasing customer retention rates by 5% increases profits by 25% to 95%” (Reichheld and Schefter 2000) [30]. Customers defect from an e-commerce company just a click of his or her mouse away [30]. Due to the lower switching cost, it is vital for online Web shop to improve customers’ loyalty intentions [16, 31, 32]. Prior researches have revealed behavioral intentions are important signals whether customer remained with or defected from a company (Collier and Bienstock, 2006; Zeithaml *et al.* 1996) [32, 33]. Based on the investigation of Korean restaurants in the United States, Ha and Jang (2010) suggest behavioral intentions encompass repurchase intentions, spread positive evaluation and recommend behavioral three aspects [34]. In line with Zeithamal *et al.* (1996) thinking, Tu and Zhang (2013) introduce word of mouth and repurchase intentions two types of dimensions to measure customer behavioral intentions based on the empirical study of non-trading virtual community [35]. As for this paper, the researchers use recommendation, continue to visit, and intend to purchase three items to evaluate behavioral intentions (Coller and Bienstock, 2006) [32].

3. CONCEPTUAL FRAMEWORK AND HYPOTHESES

3.1. Research Model

According to the reviews of previous literature and analysis of research background, the researchers propose a research model to test the relationship among customer orientation, customer value and behavioral intentions. Fig. (1) shows the research model. The individual components are discussed before the related hypotheses are stated.

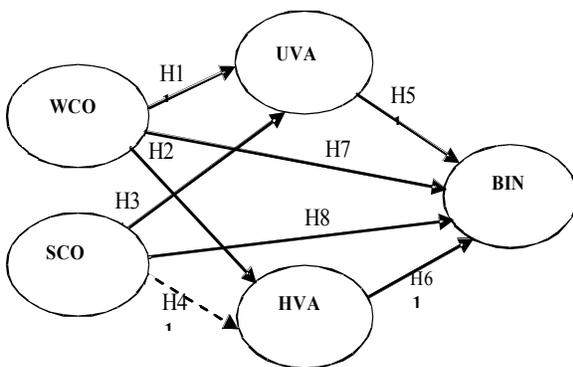


Fig. (1). Research model and hypotheses Note: dashed arrow represents significant paths.

Notes: WCO stands for Web site customer orientation, SCO stands for seller customer orientation, UVA stands for utilitarian value, HVA stands for hedonic value, and BIN stands for behavioral intentions. Solid arrows represent significant paths.

3.2. Hypothesis

In this study, the researchers have put forward customer orientation consists of Web site customer orientation and seller customer orientation. Web site customer orientation refers Web site can effectively keeps track of a customer’s all previous search and purchase records, infers likely alternative and intelligent recommends new items by trying to help customers make wise purchase decisions (Saxe and Weitz, 1982; Poddar *et al.*, 2009) [13, 20]. Seller customer

orientation reflects the degree to which an e-shop boss (or seller) try to understand customers’ needs and satisfy customers’ expressed his or her preferences, needs, or problems to be solved (Saxe and Weitz, 1982; Blocker *et al.*, 2011) [7, 20].

Customer orientation of service employees is a key determinant for a service companies’ success, which can promote the development of long-term relationships with customers (Donavan and Hocutt, 2001; Hennig-Thurau, 2004; Stock and Hoyer, 2005) [4, 8-9]. Based on the investigation of Chinese storefront retail stores, Wong and Dean (2009) have empirically tested the positive relationship between customer orientation and customer value [17]. Poddar *et al.* (2009) findings have demonstrated higher Web site customer orientation has a significant influence on intention to purchase [13], while customer value is the direct driver of behavior intention (*e.g.* Lam *et al.*, 2004; Ha and Jang, 2010) [23, 34]. So, the researchers think Web site customer orientation has created value for them before they make purchase decisions. For example, Web site infers likely alternatives, and intelligently recommends new items. When Web site customer orientation and seller customer orientation satisfy customers’ current and potential needs and wants, they not only help customers obtain utilitarian value or complete the mission, but also bring them sense of pleasure and achievement of online shopping. Therefore, hedonic value is the further extension of utilitarian value.

In addition, according to psychological theories, consumer behavior may be stimulated by extrinsic or intrinsic motivation. Extrinsic motivation is rational (functional or instrumental) perception, while intrinsic motivation is hedonic (emotional or experimental) consumption (Lofman, 1991) [36]. In general, the consumer is not only instrumental orientation but also experimental orientation (Gursoy *et al.*, 2006) [37]. Studies have shown that many consumption activities have both utilitarian and hedonic two-sided results (*e.g.* Babin *et al.*, 1994; Tu and Zhang, 2013; Gursoy *et al.*, 2006) [25, 35, 37]. Therefore, customers shopping online maybe seek both functional (utilitarian or pragmatic) and emotional (hedonic or enjoyable) benefits (*e.g.* Babin *et al.*, 1994; Tu and Zhang, 2013) [25, 35]. That is, utilitarian value and hedonic value. For example, the practical purpose of consumer online shopping is convenient, savings in time, money and energy, buying satisfactory products. The hedonic goal of consumer online shopping is enjoying the purchase process, experiencing the buying pleasure [31, 38]. In C2C e-commerce context, personal e-shop sellers’ customer orientation is not only about tapping and satisfying customer needs but also feeling happy and satisfied from providing customers with superior service [11]. Based on the above analysis, we put forward hypotheses as follows:

H₁: Web site customer orientation has significant impact on utilitarian value

H₂: Web site customer orientation has a significant impact on hedonic value

H₃: Seller customer orientation has a significant impact on utilitarian value

H₄: Seller customer orientation has a significant impact on hedonic value

Customer value is the direct driver of behavior intention or loyalty intentions (e.g. Lam *et al.*, 2004; Parasuraman *et al.*, 2005) [23, 39]. When customers perceived high value from online shopping or consumption experience, they are inclined to show positive behavioral intentions (e.g. Ha and Jang, 2010; Tu and Zhng, 2013; Parasuraman *et al.*, 2005) [34, 35, 39]. Such as, repeat purchase, spread positive word-of-mouth and recommend the store to others (e.g. Lam *et al.* 2004; Tu and Zhang, 2013) [23, 35]. Scholars have established positive relationship between utilitarian value, hedonic value and behavioral intentions or loyalty intention (Tang *et al.*, 2012; Tu and Zhang, 2013) [28, 35]. Deng *et al.* (2013) argued the more customers perceived value from C2C Web site and e-vendor, the more they will revisit or repurchase from the same e-shop [16]. Prior researchers have empirically demonstrated both utilitarian value and hedonic value have positive effect on behavioral intentions (e.g. Bain *et al.*, 1994; Chiu *et al.*, 2005; Ha and Jang, 2010; Tu and Zhang, 2013) [25, 29, 34]. So, when customers obtain their desired value during online shopping process, they can further pay attention to or revisit the C2C Web site and the e-shop. Finally, the customers maybe support the Web site and e-vendor by some means. Based on the above analysis, the researchers put forward hypotheses as follows:

H₅: Utilitarian value has a significant impact on behavioral intentions

H₆: Hedonic value has a significant impact on behavioral intentions

3.3. Mediating effect of Customer value

Customer orientation of service employees is a vital factor for a service companies' success, which can promote the development of long-term relationships with customers (Brady and Cronin, 2001; Hennig-Thurau, 2004) [4, 5]. At the individual perspective, Brady and Cronin (2001) argue that customer orientation has an indirect influence on outcome behavior [5]. However, buyers obtain customer value is the fundamental prerequisite for customers to have positive behavioral intentions [7, 34, 39]. Poddar *et al.* (2009) empirical study has established the positive relationship between Web site customer orientation and consumer behaviors [13]. Besides, at the B2B context, Blocker *et al.* (2011) have demonstrated the relationship between proactive customer orientation, customer value and customer loyalty [7]. The results indicate proactive customer orientation is the most vital enduring driver of customer value [7]. Previous researches have revealed the mediating role of customer value in cognition-behavior relationships (e.g., Wong and Dean, 2009; Tang *et al.* 2012) [17, 28]. Customers shopping online not only obtain the physical product, save time and money, but also want to enjoy the shopping process (Deng *et al.*, 2013; To *et al.*, 2007; Baucer *et al.* 2006) [16, 31, 38]. When the Internet users obtain their desired value in online shopping, they maybe further convert customer value into preference and spiritual enjoyment, in the end which further affect the behavior and attitude of customer in C2C online setting. According to the above analysis, we put forward following hypotheses:

H₇: Customer value plays a mediating role between web-site customer orientation and behavioral intentions

H₈: Customer value plays a mediating role between seller customer orientation and behavioral intentions

4. RESEARCH METHODOLOGY

4.1. Profile of Respondents

In view of online shopping wide popularity and convenience of respondents, this study conducted an online survey through Sojump (www.sojump.com), which is a very famous professional online survey platform in China. The study data collection lasted for one and a half months. Now, Sojump have 2.6 million diverse demographic backgrounds sample resources across China. We set two filtering questions and screen respondents. Only those who successfully bought a physical product at least once on C2C e-vendors in recent three months are our target customers. When a respondent selects a particular item, if he or she doesn't conform to the requirements, then the system automatically terminates the answer. Finally, we received 469 completed questionnaires, discarded 125 questionnaires due to the incompleteness and insincerity of the answers. Finally, we accepted 344 valid questionnaires. Among this, there are total of 314 valid questionnaires on C2C online shopping. The effective rate was 66.95%. The sample profile is shown in Table 1.

4.2. Variable Measurement

This research adapts scales from the previous research. Some minor changes are made to make the scale item suitable for C2C e-commerce setting and Chinese context. There are 8 scale items for C2C customer orientation, 9 scale items for behavioral outcomes. A seven Likert-type scale is used ranging from 1 ("strongly disagree") to 7 ("strongly agree").

According to Poddar, Donthu and Wei (2009), this study adopts a four-time scale to measure Web site customer orientation [13]. In line with Stock and Hoyer (2005), the research employs four items to measure seller customer orientation, which stems from Saxe and Weitz (1982) [9, 20]. Customer value consists of six items, three items reveal utilitarian value adapt from Chiu *et al.* (2005), and the other three items representing hedonic value adapt from Lee and Overby (2004) and Chiu *et al.* (2005) [18, 29]. Based on the viewpoints of Collier and Bienstock (2006), this study adopts a three-item scale to measure behavior intentions construct [32].

5. ANALYSIS AND RESULTS

5.1. Reliability and Validity Analysis

The researchers use SPSS 20.0 to conduct statistical analysis and test the internal consistency of scale with Cronbach's Alpha value. Based on the principal component analysis (PCA) associated with varimax rotation, the research shows KMO is 0.851, and the test of Barlett's sphericity ($\chi^2=2768.284$, $p=0.000$) is significant. The accumulated variance explanation is 73.227%. The PCA extracts five factors with Cronbach's α between 0.791 and 0.892, and the overall Cronbach's α of scales is 0.883, which are all higher than standard (>0.70) [40], indicating good internal

Table 1. Sample profile.

Characteristics	Categories	Percent (%)
Gender	Female	60.19
	Male	39.81
Age	Below 20	6.69
	21-30	68.15
	31-40	16.88
Education	Above 40	4.78
	High school or below	6.69
	Junior college	17.52
Experience with internet usage	Undergraduate	58.60
	Post-graduate or above	17.19
	Below one year	5.41
	1-2years	21.97
	3-5years	43.31
	Over 5 years	29.30

consistency and construct validity. In addition, in the research, all the standard loading factors are above the standard of 0.6 [41]. The composite reliabilities for all constructs are higher than requirement of 0.7 [40], and all Average variance extracted (AVE) are greater than standard of 0.50 (Fornell and Larcker 1981) [42]. The square root of the AVE of each construct exceeds the coefficients between factors (Fornell and Larcker 1981) [42]. These results show the scales have better convergence validity and discriminant validity.

5.2. Confirmatory Factor Analysis

The researchers use Lisrel 8.70 to perform confirmatory factor analysis for the five latent variables. The results show $\chi^2=138.84$, $df= 109$, $\chi^2/df= 1.37$ ($p<0.01$), RMSEA and

SRMR are 0.030, 0.038 separately. Both of the two indices fulfill the standard (<0.08). IFI is 0.99, CFI is 0.99, NFI is 0.97, and NNFI is 0.99, which all meet the requirement (>0.90). In addition, the five latent variables' standardized coefficients are larger than standard (>0.60), and T-values are higher than 1.96. The results reveal all the above indices fulfill specified standard and the simulation model is good.

5.3. Verification the Construct Model

On the basis of the statistical analysis of Lisrel 8.70, Table 3 shows the structural equation model (SEM) estimated results. According to Hu and Benler (1999) [43], all the fit indicators meet the thresholds ($\chi^2=165.68$, $df=112$, $\chi^2/df=1.48$, $p<0.01$, RMSEA=0.039, SRMR=0.054, CFI=0.99, IFI=0.99, NFI=0.97, TFL=0.99), which indicates all the above fit statistics exhibits a good representation of the observed data and the simulation model is ideal.

Besides, the estimated result of hypothesis model is shown in Table 3. The result reveals H_1 and H_2 receive the support. Web site customer orientation has a positively effect on utilitarian value (H_1 , path coefficient is 0.49, $t=7.22$), hedonic value (H_2 , path coefficient is 0.44, $t=5.62$). As for H_3 and H_4 , seller customer orientation has a significantly positive impact on utilitarian value (H_3 , path coefficient is 0.23, $t=3.64$). However, seller customer orientation has an insignificant effect on hedonic value (H_4 , path coefficient is 0.10, $t=1.38$). The results indicate H_3 receives the support, but H_3 isn't verified. In this respect, the impact of seller customer orientation on hedonic value is significantly less than on utilitarian value, which indicate seller devote much time and effort on improving utilitarian value of customers, but devote relative less on hedonic value. Based on the estimated result, both utilitarian value and hedonic value all have significantly positive impacts on behavioral intention (H_5 , path coefficient is 0.36, $t=5.60$; H_6 , path coefficient is 0.22, $t=3.30$), which shows H_5 and H_6 all receive the hypotheses, which indicate utilitarian value and hedonic value are vey critical for customers shopping online.

5.4. Testing Mediating Effect of Customer Value

In order to test the hypothesis that customer value mediates the relationship between customer orientation and behavioral intentions, as suggested by Baron and Kenny (1986), the researchers use hierarchical regression [44]. In

Table 2. Discriminant validity tests.

Scale items	WCO	SCO	UVA	HVA	BIN
WCO	0.711				
SCO	0.43	0.808			
UVA	0.56	0.43	0.825		
HVA	0.45	0.27	0.47	0.747	
BIN	0.33	0.36	0.44	0.37	0.866
AVE	0.505	0.653	0.680	0.558	0.750

Note: The figures in diagonal line are square root of the average variance extracted by each construct, and the figurers below the diagonal s are correlation coefficients between the constructs.

Table 3. Estimated results of structural equation model.

Hypothesis	Path Coefficient	T-Value	Supported
H1:WCO→UVA	0.49***	7.22	Yes
H2: WCO→HVA	0.44***	5.62	Yes
H3:SCO→UVA	0.23***	3.64	Yes
H4: SCO→HVA	0.10	1.38	No
H5: UVA→BIN	0.36***	5.60	Yes
H6: HVA→BIN	0.22***	3.30	Yes

* Significant at 0.5 level; ** Significant at 0.01 level; *** Significant at 0.001 level.

Table 4. The results of customer value mediating effect.

INV	MED	DEP	IND→DEP	IND→MED	INV+MED→DEP	
					INV	MED
WCO	UVA	BIN	0.285***	0.475***	0.135*	0.317***
WCO	HVA	BIN	0.285***	0.362***	0.200***	0.235**
SCO	UVA	BIN	0.330***	0.410***	0.209***	0.95***
SCO	HVA	BIN	0.330***	0.254**	0.269***	0.239***

Notes: INV stands for independent variable, DEP stands for dependent variable, MED stands for mediator variable, WCO stands for Website service quality, SCO stands for seller service quality, UVA stands for utilitarian value, HVA stands for hedonic variable, BIN stands for behavioral intention.* Significant at 0.5 level; ** Significant at 0.01 level; *** Significant at 0.001 level.

this article, the researchers put gender, age, education, occupation *etc.* as control variables into the independent variables of regression analysis, then regress variables with three steps.

First, the researchers regress utilitarian value and hedonic value on the Web site customer orientation and seller customer orientation. Second, regressing the dependent variable behavioral intention on the independent variables (Web site customer orientation and seller customer orientation) respectively. Third, the researchers regress the dependent variable (behavioral intention) on both the independent variable (Web site customer orientation and seller customer orientation) and on the mediator (utilitarian value and hedonic value) respectively.

The results are as shown in Table 4. Utilitarian value and hedonic value play partial mediating role between Website customer orientation and behavioral intention, which indicates H₇ is verified. At the same time, both utilitarian value and hedonic value also have partial mediation relationship between seller customer orientation and behavioral intention, which shows H₈ is verified.

CONCLUSION

Based on the online survey of C2C Web customers and conclusion of previous literatures, the researchers propose a research model to test the relationship between customer orientation, customer value and behavioral intentions. Specifically, this research reveal customer orientation can divide into Web site customer orientation and seller customer orientation in C2C e-commerce setting. Web site orientation stands for the third trading platform C2C Web site orienta-

tion, which reflects whether it has the ability to be customer centricity and help customers make wise decision, while seller customer orientation refers whether he or she can satisfy and resolve customer’s expressed requirements, needs or problem by trying to help customers make decisions.

Besides, the results show Web site customer orientation has a significant impact on both utilitarian value and hedonic, and the impact of Web site customer orientation on utilitarian value is more significant. Seller customer orientation also has a significantly positive influence on utilitarian value. But, seller customer orientation has insignificant impact on hedonic value. Finally, empirical research indicates utilitarian and hedonic value has partial mediating role between customer orientation and behavioral intentions. According to the results, the researchers find utilitarian value plays a critical role in satisfying customers, whereas sellers have a little neglect customer psychological perception. In fact, Customers shopping online not only expect to obtain functional value but also expect to get high hedonic value, for example spiritual enjoyment, excitement, emotional expression and escapism [18, 28]. Specifically, e-shop sellers in C2C context should not only further improve their customer-oriented extrinsic behavior but also take some effective marketing activities to stimulate customer intrinsic affective motivation, further significantly raise the level of customer behavioral intentions.

7. RECOMMENDATIONS

Customer orientation has a very substantial impact on customer value. Though utilitarian value dominates the rela-

tionship between customer orientation and behavioral intention, hedonic value is indispensable in C2C online setting. In order to further improve hedonic value and cognitive perception, the researchers put forward following suggestions:

First, C2C e-sellers should establish strong relational customer orientation between e-shops and customers, strengthen long-term interaction with customers and foster emotional linkage with customers. For example, sellers can develop lasting relationship with customers by implementing membership card program. If sellers create superior functional value and service for customers, who will produce spontaneous motivation, and in turn sellers obtain emotional payoff of their customers.

Second, sellers should encourage customers to actively participate in and make suggestions for the improvement of e-shops. At the same time, sellers can invite buyers actively experience and participate in related activities of e-shops, and further promote customers and sellers co-creating unique value. Besides, the sellers should give active participants much more direct economic reward and service than those indifferent customers or non-participants, further make the active participants become the member of the e-store value chain and share the value with them.

Third, sellers should transform customer orientation idea into proactive customer orientation business philosophy. Sellers not only exhibit superior external customer orientation behavior, but also reflect excellent service consciousness in their heart. For example, they should often have empathy for their customers, especially when customers have different opinions about the product or service or customers complain to the sellers. Empirical research has revealed high empathic concern is better able to understand, satisfy and solve the special needs of every buyer (Widmier, 2002) [45]. On the other hand, sellers should transform internal excellent service philosophy into customer desired customer orientation behavior, which will lead to superior customer value and long-term success. Although some people have high business concept, external performance is relatively weak, whereas internal psychology is much more stable than external behavior (Stock and Hoyer, 2005) [9]. These sellers should try to improve their customer orientation behavior, and ultimately realize internal attitude and external behavior robust consensus.

8. LIMITATIONS

In this study, the researchers only analyze the customer orientation in C2C e-commerce environment. In different e-commerce contexts like B2C and B2B, the hypothesized relationships might not work. In addition, the researchers only study the mediator customer value between customer orientation and behavioral intentions, without considering moderating effect. For example, scholars can consider moderator like customer involvement, familiarity, and relationship strength, and analyze moderating effect between customer orientation and behavioral intentions. The third limitation is that the research adopted seller customer orientation construct were from salesperson customer orientation in different settings (offline). Although the researchers tried to modify every scale item, there still have some differences between the both. Finally, in this paper, the researchers just

employ salesperson customer orientation of one dimension to measure C2C seller customer orientation behavior. In fact, though the C2C seller is the owner of his or her e-shop and he or she can make the decisions, seller's external behavior may not necessarily represent his or her internal thought. In the future, we can use different dimensions of seller customer orientation to measure the relationship between seller customer orientation and customer value in C2C online shopping context.

CONFLICT OF INTEREST

The authors confirm that this article content has no conflict of interest.

ACKNOWLEDGEMENTS

This work is supported by the National Natural Science Foundation of China (Grant No.71272018). We wish to express our sincere appreciations to anonymous reviewers for their insightful comments and constructive suggestions.

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Received: June 10, 2015

Revised: July 29, 2015

Accepted: August 15, 2015

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