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CUSTOMER-ORIENTED REVERSE LOGISTICS AND CUSTOMER SATISFACTION ON PRODUCT RETURNS

Abstract:

Most reverse logistics researches have not incorporated marketing concept or customer orientation into their frameworks. This study proposes that it is imperative to take customer point of view in reverse logistics process to improve customer satisfaction. Therefore, the purpose of this paper is to conceptualize and operationalize customer- oriented reverse logistics. It also examines the relationship between the developed construct and its impact on customer satisfaction. In this regard, a literature review was carried out to identify customer- oriented reverse logistics. Based on customer orientation, service quality and service recovery literature, the new construct was developed. A pilot study was subsequently conducted using the questionnaire survey with managers and employees of a particular company in the mobile telecommunications industry and its customers who have experience in product returns. The findings showed that the dimensions of the proposed construct comprised tangibility, reliability, assurance, empathy, responsiveness, information availability and employee's empowerment. Path analysis indicated that customer-oriented reverse logistics perceived by both employees and customers positively related to customer satisfaction of product returns service. The developed construct based upon cross disciplinary in marketing and logistics could facilitate future empirical studies in reverse logistics area. The proposed framework will also be useful for practitioners to implement their product returns strategies accordingly.

Keywords:

Reverse logistics, Product returns, Customer orientation, Service quality, Service recovery, Customer satisfaction

JEL Classification: M00, M31, M19