

An empirical study of the effect of social media marketing activities upon customer satisfaction, positive word-of-mouth and commitment in indemnity insurance service

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Abstract

The present study explores the dimensions of social media marketing (SMM) activities and the effect upon customer satisfaction (SAT), positive word-of-mouth (WOM) and commitment in one of high perceived risk services—indemnity insurance service in Japan. An internet based survey was conducted to examine moderation hypotheses, which was analyzed by factor analysis and covariance structure analysis. The results show that the effect of SMM activities can be evaluated by interaction, trendiness, customization and perceived risk. Moreover, the results show that the effect of SMM activities significantly influence SAT, but not positive WOM and commitment. Lastly, this study also finds the linear relationship of SAT→Commitment→Positive WOM in the case of high perceived risk service.

Key words

Social media marketing activities, Customer satisfaction, Positive word-of-mouth, Commitment, Indemnity insurance service

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1. Introduction

With the dot-com bubble burst of 2001, Web 2.0 brought an unprecedented change to online users' behavior (Chan and Guillet. 2011). According to Hansen et al. (2011, pp.11), social mediating technologies have engendered radically new ways of working, playing, and creating meaning, leaving an indelible mark on nearly every domain imaginable.

Social media refers to a set of online tools that supports social interaction between users (Hansen et al. 2011, pp.12). Hansen et al. (2011, pp.12) also define that social media is a catchall phrase intended to describe the many novel online sociotechnical systems that have emerged in recent years, including services like email, discussion forums, blogs, microblogs, texting, chat, social networking sites, wikis, photo and video sharing sites, review sites, and multiplayer gaming communities.

Social media, such as Facebook, Twitter and Myspace, once only applied as one of communication tools among internet users, has become the focus of business companies' attention, because of its huge communication power. Compared with traditional communication tools for advertising, such as television CM, people receive the information passively, but social media makes it possible to encourage customers receive and search information positively because of its two-way communication character.

Realizing the importance of social media is not enough and practicing it into real business world is an essential task for companies which emphasize the communication with their customers. As social media does not have long history and the commodification of social media has been highlighted from very recently, there are few studies, especially empirical study, about this literature. For filling up the blanks of the field, this study explores how social media marketing (from now calls SMM) activities could be evaluate and what the dimensions are. Moreover, this study also interests in how social media affect customers attitude which includes customer satisfaction, positive word-of-mouth (from now calls WOM) and commitment in the service context believed as a high perceived risk service——indemnity insurance service. The two purposes can be expressed by the research questions as below.

1. How we can evaluate the effectiveness of social media marketing activities?
What is the most important dimension in a high perceived risk service context?
2. Do social media marketing activities work on customer satisfaction, positive word-of-mouth and commitment?

In the following sections, we will firstly clarify the definitions about SMM activities, customer satisfaction, positive WOM and commitment by review some previous

studies. In the third section, based on the theoretical background, hypotheses will be developed and a conceptual framework will be built. In the fourth section, methodology in this study will be introduced in detail including how the data collect has been conducted. Exploratory factor analysis (EFA) and confirmatory factor analysis (CFA) will be employed to seek how customers evaluate the dimensions of SMM activities. Furthermore, covariance structural analysis will be used to clarify how SMM activities affect customer satisfaction, positive WOM and commitment. In the fifth section, we will discuss some important findings based on the data analysis and induce some critical implications. In the last section, we will show the unavoidable limitations in the present study and list research agenda for further studies.

2. Theoretical background

2-1 Social media marketing activities

The early stage of SMM is called e-marketing and its framework can be traced to Kierzkowski et al. (1996). In their study, five elements including Relate, Attract, Engage, Retain and Learn are suggested as critical factors which can lead to success of digital marketing. Teo and Tan's (2002) study applied the five elements introduced above and conducted an empirical study which explored the extent of usage and perceived effect of various online marketing tools among business-to-consumer (B2C) firms in Singapore. Although there are important implications in their study, they only emphasized the effect of SMM activities from manager perspective. Another essential research using Kierzkowski et al.'s (1996) framework is Chan and Guillet's (2011) study which seeks to clarify how Hong Kong's hotel can build and keep a good relationship with customers through social media. Different with Teo and Tan's (2002) study, Chan and Guillet (2011) explored the effect of social media through a qualitative method.

Kim and Ko's (2012) study built a new framework to explore how SMM activities enhance customer equity in term of luxury fashion brand. In their research, they suggested that brands and customers are communicating with each other without any restriction in time, place, and medium so that old-fashioned one-way communication is being changed by interactive two-way direct communication. In their study, Entertainment, Interaction, Trendiness, Customization and positive WOM have been used to evaluate the effect of social media in the context of luxury fashion brand.

This study defines SMM activities as one of e-marketing strategies which helps companies review their current performance as compared to their counterparts (Chan and Guillet, 2011). As Teo and Tan's (2002) dimensions were used to measure how

evaluate SMM activities from the perspective of managers, but not customers, this present study applies Kim and Ko's (2012) dimensions which were used to measure how customers evaluate SMM activities. However, "Entertainment" and "WOM" which were listed in Kim and Ko's (2012) study are not applied in this study, as it is expected that customer access social media of indemnity insurance service is for gaining more useful information but not only for fun. Moreover, positive WOM in this study is viewed as one of result factors rather than reason. Besides the previous dimensions, this study adds a new dimension—effect of decreasing perceived risk, as two-way communication tool is believed to help decrease high perceived risk brought about by service intangibility. Therefore, the dimensions used in this study are Interaction, Trendiness, Customization and Decreasing perceived risk.

2-2 Customer satisfaction

The satisfaction construct has gained an important role in the marketing literature and represents critical revenue for market research firms (Oliver, 1999). Customer satisfaction has been represented by either affective or cognitive state. The researchers who believe satisfaction as cognitive state suggest that customers tend to evaluate service quality by calculative things, such as how many benefits they received and how many sacrifices they paid. Then customers will form satisfaction by those calculative things—if they felt they gained more than they paid, customers will be satisfaction. On the other hand, some researchers define satisfaction as affective state, because they consider that the evaluation of service quality includes customers' emotion and feeling. Customers might be satisfied by many things, such as the good relationship with service suppliers and employee, the atmosphere of shop, brand preference and other things which cannot be calculated by how much they gained and how much they sacrificed. Furthermore, other researchers claim that although customer satisfaction have been represented by either cognitive or affective state, the extent to which a satisfaction scale should have an impact in terms of both the antecedents that affect satisfaction and the consequences fostered by satisfaction (e.g. Eggert and Ulaga, 2002).

According to Oliver (1997), most researchers define satisfaction as an affective. This study applies Oliver's (1997) definition that customer satisfaction is a pleasurable fulfillment. Japanese Customer Satisfaction Index (JCSI) dimensions for measuring how customers satisfied with service they used are employed to evaluate customer satisfaction in this study.

2-3 Positive WOM

Word-of-mouth plays more and more important role with the development and broad practice of social media technology, because social media technology makes it easier to spread or read a WOM than ever before. WOM is believed as a critical wealth for companies, because positive WOM can gain more new customers and increase more profits, especially in service sectors which intangibility is so significant that customers tend to perceive high risk before and during the service encounter. The history of WOM can be traced to Dichter's (1966) study and WOM is defined by a number of researchers (for example, Anderson, E.W. 1999) as informal communications between private parties concerning evaluations of goods and services rather than formal complaints to firms and/or personnel.

Conducting WOM research within a services context is unique and sheds an interesting light on the issue (Bansal and Voyer, 2000). Based on Anderson, E.W.'s (1999) study, this study defines WOM as informal communications, opinion exchanges and recommendations among customers concerning evaluations of services. As the same as customer satisfaction, WOM is also measured by the dimensions of JCSI. It has been stated that customers' behavior of spreading and receiving WOM is very likely related to their national cultural. Therefore, in this respect, the measurement and items developed by JCSI seems to be suitable to examine Japanese customers' WOM behavior.

2-4 Commitment

The relationship marketing literature recognizes another potential driver of customer loyalty: relationship commitment (Bendapudi and Berry. 1997; Morgan and Hunt. 1994; Gustafsson, A. et al. 2005). According to Gustafsson, A. et al. (2005), although the definitions about customer commitment are various, there are still two major dimensions cannot be neglected in the literature of relationship commitment——affective commitment and calculative commitment. They also differ the two types of commitment as this follow——“Calculative commitment is the colder, or more rational, economic-based dependence on product benefits due to a lack of choice or switching costs; Affective commitment is a hotter, or more emotional, factor that develops through the degree of reciprocity or personal involvement that a customer has with a company, which results in a higher level of trust and commitment.”

This study defines customer commitment from both affection and calculation and practices the dimensions of Gustafsson, A. et al. (2005) to evaluate how customers are willing to make commitment to indemnity insurance companies they currently use. The two aspects——affection and calculation are both considered in this present study. In

other words, this study explores how customers are willing to commit from not only affective aspect, but also calculative one.

The dimensions used in this study as well as the items included in each dimension are shown in Table 1 and will be discussed further later. Note, however, that the items are specifically operational measures of SMM activities, customer satisfaction, positive WOM and commitment in indemnity insurance service. For any other industry in service sector, these items will need to be changed for the measurement to remain operational.

3. Design of hypotheses

3-1 The dimensions of SMM activities

Although a number of business companies realize the importance of practicing social media into real business world, it is no easy matter to evaluate how effectively social media works. Teo and Tan (2002) testified the conceptual framework of digital marketing by quantitative analysis, and found only the dimension of “Attract” positively affect the value of online brand equity. Kim and Ko (2011) testified five dimensions—Entertainment, Interaction, Trendiness, Customization and Word-of-Mouth in the literature of how customers are influenced by social media and how the effect of social media influences customers’ behavior of purchasing and evaluating brand. In their study, five dimensions are showed all positively influencing the evaluation of SMM activities, although some of items in each dimension have been deleted because of factor loadings.

This study employs interaction, trendiness, customization and perceived risk to evaluate the effect of SMM activities. As social media has the character of two-way communication and the possibility of enhancing communication between service provider and service users, customers are willing to use social media to know the indemnity insurance service better. Therefore, the four dimensions are expected to positively relate to SMM activities (H1-1).

However, although the four dimensions are expected to positively relate to SMM activities, customers seem to evaluate those dimensions differently. In other words, customers tend to treat some dimensions critically, but others not. As mentioned above, social media is a two-way communication tool which enhances the interaction between service providers and users, therefore, it is supposed that customers treat Interaction importantly. Moreover, as social media updates information quickly and make it possible to contact with companies frequently, it greatly helps decrease the high perceived risk brought about by service intangibility. For this reason, Perceived Risk is

also supposed as more important dimensions than Trendiness and Customization (H1-2).

H1-1: Interaction, Trendiness, Customization and Perceived Risk are positively and significantly related to SMM activities

H1-2: Interaction and Perceived Risk are treated more importantly than Trendiness and Customization in evaluating the effect of SMM activities

3-2 The inter-relationship among SMM activities, customer satisfaction, positive WOM and commitment

Initially, the purpose of marketing is to form a communication by which a firm is able to inform customers of its products and services and create interest in its offering (Kim and Ko, 2012). The effect from SMM activities can be seemed as marketing activities' income, whereas, customer satisfaction, positive WOM and behavior intention can be seemed as marketing activities' outcomes. Customers can not only contact with service providers, but also exchange their opinions with other customers frequently. In other words, effective SMM activities can help companies to build good relationship with customers which are described by customer satisfaction, positive WOM and willing to do (commitment). If customers perceive SMM activities effective, they tend to increase their satisfaction, spread positive WOM and being likely to use the service (H2-1, H2-2, H2-3).

H2-1: SMM activities are positively and significantly related to customer satisfaction;

H2-2: SMM activities are positively and significantly related to positive WOM;

H2-3: SMM activities are positively and significantly related to commitment

3-3 The inter-relationship among customer satisfaction, positive WOM and commitment

Customer satisfaction is widely accepted among researchers as a strong predictor for behavioral variables such as repurchase intentions, WOM, or loyalty (Liljander and Strandvik, 1995). Similar with those researchers' opinions, Lam et al. (2004) stated that a satisfied customer's affect toward a service provider could motivate the customer to patronize the provider again and recommend the provider to other customers. Moreover, Henning-Thurau et al. (2002) suggest that a high level of satisfaction provides the customers with a repeated positive reinforcement, thus creating commitment — including emotional bonds (H3-1, H3-2).

H3-1: Customer satisfaction is positively and significantly related to positive WOM;

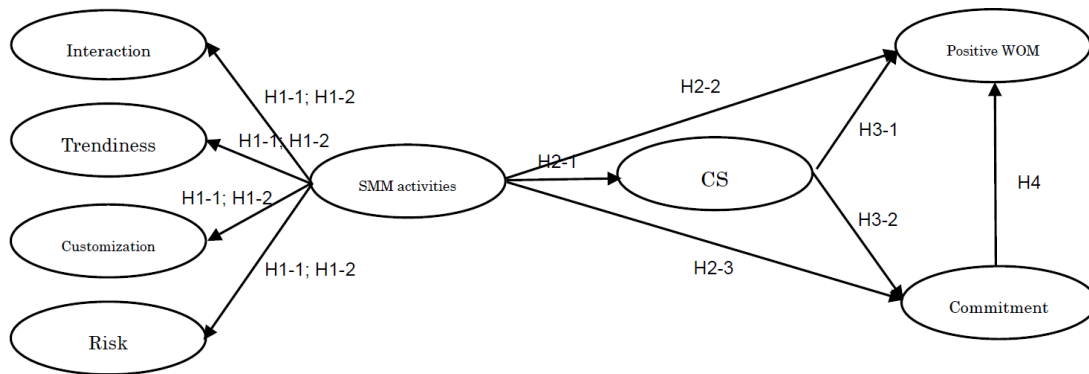
H3-2: Customer satisfaction is positively and significantly related to commitment.

3-4 The inter-relationship between positive WOM and commitment

Brown, T. J., et al. (2005) explored a model of inter-relationship among dealership satisfaction, consumer identification, consumer commitment and positive word-of-mouth intentions (behaviors). In their study, it has been testified that commitment mediates the relationship between identification and positive WOM intentions and behaviors. In Money, R. B., et al. (1998)’s study, it compared the behavior of spreading WOM between the United States and Japan in B2B context, and found that it is very different between American customers and Japanese customers. It can be supposed that national culture greatly affect the behavior of spreading WOM. In Japan, customers do not positively recommend a product or a service to other people, except they are willing to commit to a certain business company (H4).

H4: Positive WOM is positively and significantly related to commitment.

● **Figure 1: Conceptual Framework**



4. Research methodology and data

4-1 Research instrument

As mentioned above, this study applies Kim and Ko’s (2012) dimensions for measuring the effect of SMM activities, Japanese Customer Satisfaction Index (JCSI)’s dimensions for measuring customer satisfaction, positive WOM, and Gustafsson, A. et al.’s (2005) dimensions for measuring customer commitment. This study also adds some original items for fitting the special environment of digital marketing, such as whether social media helps customers decrease their perceived risk, whether customers would like to recommend the service to their friends through social media. In addition,

seven-point items (with endpoints strongly disagree/strongly agree) were used to measure all items.

4.2 The sample

Two waves of internet based sampling took place in order to attain a sufficient number of survey respondents. Questionnaires were first sent to 73,716 respondents all over the country who are above 18 years old and 71,764 samples were completed. However, as we are only interested in the people who have the experience of accessing or using indemnity insurance service's social media, 71,764 completed samples have been screened to 4,731 samples for further survey. In the second wave, in order to secure a more representative sample, we sent our questionnaire to the 4,731 respondents who claimed having experiences to access or use indemnity insurance service's social media in the first survey wave. As the result, 338 completed questionnaires were used for data analysis.

Fifty-nine percent (59%) of the respondents were men. The frequency distribution for annual total income was as follows: 34.6% of incomes were between three million and six million yen and 15.7% of incomes were over ten million yen. With regard to education, 42.2% had a college degree and 7.2% had a graduate degree. Overall, the sample showed relatively high status in education. Moreover, 43.1% respondents were company employees (including company directors), 8.6% were government employees, 6.8 % were independent businessmen and 41.5% were other occupations or students.

4.3 Data analysis

In order to properly assess the dimensionality of the newly developed SMM activities scale, the confirmatory factor analysis (CFA) was conducted for SMM activities on the broader sample because this technique provides a more rigorous interpretation of dimensionality than is provided by the exploratory factor analysis (EFA). One additional advantage of using one sample for the exploratory factor analysis and a different sample for the confirmatory factor analysis is to reduce the likelihood of capitalizing the factors on chance characteristics of the same sample, which may lead to a final model that will not necessarily generalize to other samples (Olorunniwo, et al. 2006). However, in order to properly access to the four variables (SMM activities, customer satisfaction, positive WOM and commitment), EFA has been conducted.

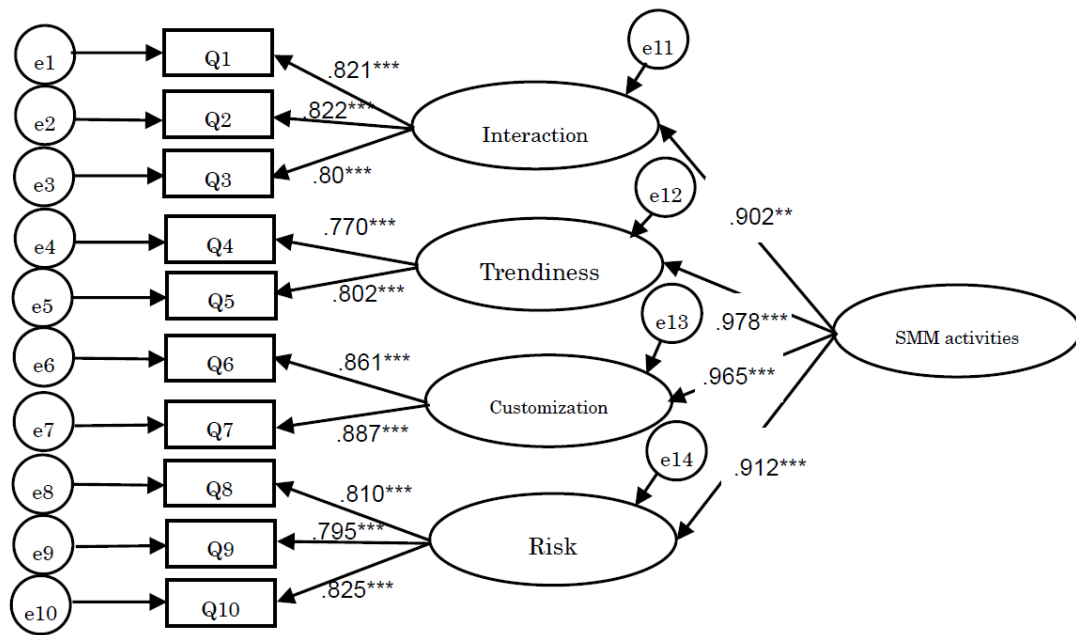
SPSS and AMOS (version 22) was used as the analytical tool for the estimation of the measurement and structural equation models discussed below. Fit indices included in the present study are the adjusted goodness of fit index (AGFI), comparative fit index

(CFI), normed fit index (NFI), and root-mean-square error of approximation index (RMSEA). A value greater than 0.8 is desirable for AGFI, and values greater than 0.9 are desirable for CFI and NFI (Olorunniwo, et al. 2006). Moreover, a value smaller than 0.1 is acceptable for RMSEA (Olorunniwo, et al. 2006). Modifications were performed after the degree of fit was assessed by several generally accepted measures.

4.4 Assessing fit between proposed models and data

In advance of investigating the influence of SMM activities on customer satisfaction, positive WOM and commitment drivers, the constructs of those activities perceived by customers were revealed. Since dimensions of SMM activities were not clearly distinctive as result of EFA, CFA was conducted (see Figure 2). The entire set of indicators has a standardized loading higher than 0.5 and the composite reliability scores for each of the four factors are higher than 0.7, suggesting that each of the factors is reliably measuring its respective constructs (Olorunniwo, et al. 2006). Based on the results of data analysis, hypothesis 1-1 can be accepted, because the all factors are significant with desirable factor loadings. However, contrary to our expectation, Trendiness and Customization seem to play more important roles than Interaction and Risk (decreasing perceived risk). Therefore, hypothesis 1-2 cannot be accepted.

Figure 2: Confirmatory factor analysis of perceived social media marketing activities



Model fit: $\chi^2 = 61.984$, $df = 31$, $p = .001$, AGFI = .935, NFI = .974, CFI = .987, RMSEA = .054
 Cronbach's α : Interaction = .855; Trendiness = .761; Customization = .866; Risk = .851
 Note: *** Indicates significance at $p < .000$ level

The second purpose of the present study is clarifying how SMM activities work on

customer satisfaction, positive WOM and commitment. To explore the latent factors and confirm the property of items, an EFA has been conducted (see Table 1). The composite reliability scores for each of the four factors are higher than 0.7, suggesting that each of the factors is reliably measuring its respective constructs (Olorunniwo, et al. 2006). Based on the results of data analysis, we can suppose that all items fit for the four factors and the four factors (SMM activities, Customer satisfaction, Positive WOM and Commitment) are reasonable.

Table 1: Factor loadings for latent variables in indemnity insurance service

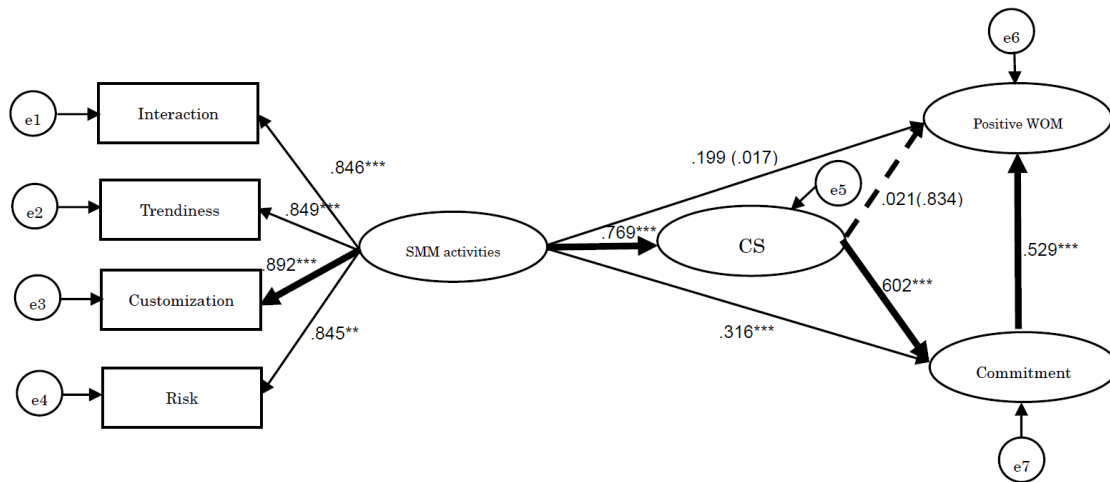
	Factor			
	SMM activities	CS	Positive WOM	Commitment
Q 1	.780	-.164	.212	-.029
Q 2	.667	-.009	.119	.038
Q 3	.588	.150	.177	-.041
Q 4	.637	.261	-.109	-.026
Q 5	.864	-.091	-.155	.111
Q 6	.771	.140	-.052	-.026
Q 7	.812	.105	-.020	-.039
Q 8	.674	-.021	-.022	.153
Q 9	.736	-.072	.045	.070
Q 10	.767	.129	.007	-.130
Q 11	.147	.840	-.017	-.088
Q 12	-.003	.815	.000	.069
Q 13	-.017	.841	.199	-.132
Q 14	.112	.638	.114	.063
Q 15	-.030	.789	.130	-.084
Q 16	-.047	.801	-.076	.170
Q 17	-.005	.121	.791	-.012
Q 18	-.101	.086	.832	.070
Q 19	-.008	.027	.820	.054
Q 20	.249	-.133	.592	.170
Q 21	-.029	.300	.035	.613
Q 22	.182	.266	-.122	.543
Q 23	-.052	.007	.139	.788
Q 24	.071	.521	-.212	.429
Q 25	-.005	.179	.062	.654
Q 26	.050	-.122	.090	.772
Q 27	.045	-.047	.265	.562

Cronbach's α
SMM activities: .945; CS: .934; Positive WOM: .902;
Commitment: .921

To increase the reliability of results that confirmed SMM activities' dimensions in indemnity insurance service, this study composed items which are included in each factor by seeking the average of these items. In other words, this study changed latent variables (Interaction, Trendiness, Customization and Risk) into observed variables in order to increase reliability in exploring how SMM activities affect customer satisfaction, positive WOM and commitment. To test H2-1,2,3; H3-1,2; and H4, we constructed a conceptual model based on Figure 1 which SMM activities have direct effect and indirect effect on customer satisfaction, positive WOM, and commitment. The results were presented in Figure 3. As expected, the hypothesized paths between

SMM activities and customer satisfaction, positive WOM as well as commitment are significant and positive, thus H2-1, 2, 3 can be accepted. Moreover, the hypothesized paths between customer satisfaction and commitment, commitment and positive WOM are significant and positive, thus supporting H3-2 and H4. Correlation matrix for all exogenous variables are showed in Table 2.

Figure 2: Direct and indirect effects of SMM activities on customer satisfaction (CS), positive WOM and commitment



Model fit: $\chi^2 = 587.995$, $df = 183$, $p = .000$, AGFI = .808, NFI = .907, CFI = .934, RMSEA = .081
 Cronbach's α : SMM activities = .945; CS = .934; Positive WOM = .902; Commitment = .921
 Note: *** Indicates significance at $p < .000$ level

Table 2: Correlation matrix for all exogenous variables

Factor	SMM activities	Customer satisfaction	Positive WOM	Commitment
SMM	1.000			
CS	.696***	1.000		
WOM	.564***	.514***	1.000	
CM	.681***	.718***	.600***	1.000

Note: ***Indicates significance at $p < .000$ level

5. Conclusions and managerial implications

5.1 Dominant dimensions of SMM activities in indemnity insurance service

The dimensions which are employed to evaluate the effect of SMM activities are Interaction, Trendiness, Customization and Risk (decreasing the perceived risk). According to the results of data analysis, all dimensions shows significantly and positively relate to SMM activities with relatively high factor loadings (see Figure 2 and Figure 3). However, contrary to our expectations, customers treat Trendiness and Customization more important than Interaction and Risk.

Based on results reported in the present study consequently, service providers in the

high perceived risk service sector (for example, the indemnity insurance service) could interpret these results as suggesting that they may downplay the role of trendiness and customization played in the effect of SMM activities. It has been explained why companies positively practice social media into their real business by increasing interaction between service providers and customers and decreasing perceived risk brought about by service intangibility. Nevertheless, customers tend to more emphasize the newest information they get through social media and the customized information as well service provided by social media.

Managers working in high perceived risk service should know what customers mostly want, but not only follow the tendency of practicing social media blindly. It is important that keep up-dating the various information which cannot be provided through traditional advertising tools. In this point, managers should take it into account how to make their blogs, Facebook, Twitter and so on keep newest and let customer feel the advantages using social media to access the service they provide.

Moreover, managers are also suggested to make endeavor on providing customized service to each customers. The strategies used in mass marketing died out in recent markets, and customers do not only satisfy the mass service which other customers equally receive, but desire to be treated specifically. In other words, customers prefer to have the service that fit for their needs and differ with other people. In this respect, managers should know social media can help them shape the personal service, for example, creating some topics that target to special customer groups by Twitter, or linking their new service customers may be interested in to their Facebook page. Thus, customers are likely to feel that they are being treated specifically.

5.2 The direct and indirect effect of SMM activities in indemnity insurance service

The direct effect of SMM activities to customer satisfaction is greater than to both positive WOM and commitment. The findings indicate that while SMM activities bring effect to positive WOM (.199; $p=.017$) and commitment (.316; $p=.000$), managers should know SMM activities affect customer satisfaction greatest. Although increasing customer satisfaction does not necessarily ensure customer loyalty, customer satisfaction is still an important variable that cannot be neglected.

More essential thing is the indirect effect of SMM activities through customer satisfaction to commitment. The commitment, including affective and calculative one, relates whether customers are willing to keeping a long-term relationship with the service companies. Therefore, although the direct effect of SMM activities to commitment is not large enough, it still can increase commitment by indirect ways, for

example, through customer satisfaction. In other words, if customers were happy with indemnity insurance service's social media, customers would be satisfied with the service provided by companies and then, are willing to commit to those companies. As a result, managers may not expect the direct effect of SMM activities to customer commitment, they can try to satisfy their customers by social media firstly, and achieve customer commitment.

5.3 The direct and indirect effect of customer satisfaction in indemnity insurance service

The data analysis results also show that customer satisfaction cannot induce positive WOM directly, but affect it indirectly through commitment. This result can be explained by spreading WOM behavior based on the differences among various countries. It has been testified that it is very different behavior of spreading WOM between American customers and Japanese customers. Satisfied Japanese customers do not positively recommend the service to other people, except they are willing to make commitment to a certain service company. Japanese customers show negatively spreading WOM compared with other countries' customers. However, when customer satisfaction becomes customer commitment, customers tend to believe they are one part of company, thus they become positively to recommend other people to this company.

Indemnity insurance companies' managers should be kept informed of results and be encouraged to take part in figuring out an effective resolution strategy that enhance customer satisfaction to commitment, if they want to enlarge the number of customers. Only when they keep a number of customers who are willing to commit, managers can expect exploring new customers. Of course, having more loyalty customers is not an easy matter, indemnity insurance companies still can manage it by making effect of SMM activities which drives customer satisfaction and commitment.

6. Limitations and future study agenda

Compared with other developed countries, Japan is still a young country in practicing SMM activities. A limitation of this study is that only a limited sample claimed that they have experiences to use or access indemnity insurance companies' social media. Social media in Japan is still believed by a number of people as only one of powerful communication tools but not for businesses. Therefore, the final fitted sample is relatively small, although we conducted a wide range of survey all over the country. In this respect, further study is expected to have a larger sample, for example, over 1,000 samples, to testify the model built in this study again.

Another limitation in this study is that only one service has been testified. This study interested in how SMM activities play the role in high perceived risk service, such as indemnity insurance service. However, we did not consider whether the model is fit for the low perceived risk service, such as retailing service. In this respect, further study is expected to extend research objects to other service, and it also should be testified in product context.

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