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How Does Employee Infusion Use of CRM Systems Drive Customer Satisfaction? Mechanism Differences between Face-to-Face and Virtual Channels

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Abstract

To attain customer satisfaction, service firms invest significant resources to implement customer relationship management (CRM) systems to support *internal* customer service (CS) employees who provide service to *external* customers in both face-to-face and virtual channels. *How* CS employees apply sophisticated CRM systems to interact with customers and *how* the mechanisms through which their CRM usage affects customer satisfaction vary across service channels and bear important implications. We approach these issues by investigating the concept of *infusion use*, defined as CS employees' assessment of the extent to which they use a CRM system to its fullest potential to best support their work in the CRM-enabled service interaction context. Drawing on the IS success framework and expectation confirmation theory, we first formulate a baseline model that explains the direct and indirect mechanisms through which CS employees' infusion use of CRM systems leads to customers' expectation confirmation, which in turn affects customers' satisfaction. We then draw on the lenses of media richness and communication adaptation to theorize why these two mechanisms exert differential influence in face-to-face and virtual channels. We test the hypotheses by collecting multi-wave data from CS employees, customers, and firm archives of a Fortune 500 telecom service firm. We find that (1) CS employee infusion use can *directly* contribute to customer expectation confirmation and *indirectly* do so through CS employees' satisfaction with the system (i.e., user satisfaction), and (2) the direct mechanism plays a more critical role in the face-to-face channel, whereas the indirect mechanism is more important in the virtual channel. Our findings inform managers of the avenues through which employees' infusion use promotes CRM-enabled service success across face-to-face and virtual service channels.

Keywords: Infusion use, post-adoptive use, CRM-enabled service success, multi-channel, face-to-face channel, virtual channel