

Online Patronage: Primer, Systematic Literature Review, and Conceptualization

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The ongoing global pandemic has led to a seismic shift of shopping behavior towards online channels. In this light, understanding consumer choice between online shop alternatives – online patronage - grew even more important. Problematically, due to inconsistent naming and conceptualization of online patronage in the literature, the body of evidence is scattered, confusing, and incommensurable. To address this issue, we use methodological triangulation to identify and synthesize online patronage conceptualizations from the literature. Namely, we employ an analysis of emblematic patronage definitions, a narrative literature review, and an interdisciplinary systematic literature review. On that basis, we offer a primer on patronage in the e-commerce context, argue conceptual distinctiveness from loyalty, propose an online patronage conceptualization, and briefly discuss research opportunities.

Keywords: Electronic Commerce, Online Patronage, Systematic Literature Review

1. Introduction

The COVID-19 pandemic has disrupted shopping behavior worldwide (Lowe, 2020; Morgan, 2020). E-Commerce surges, while bricks-and-mortar retailers are forced to temporarily close their doors in many countries. In reaction, many companies hastily introduced online shops to keep operations running (OECD, 2020). With that, the longstanding question of how consumers choose which online shop to patronize rapidly grew in importance.

In retailing, the concept of retail patronage is concerned with consumers' choice between alternative brick-and-mortar outlets and determinants of this choice (Stephenson, 1969; Arnold, Oum, & Tigert, 1983; Gripsrud & Horverak, 1986). The great number of scientific studies conducted, as well as the continued attention of retailing scholars over the last decades, are testimony to its high practical and theoretical relevance (Pan & Zinkhan, 2006; Blut, Teller, & Floh, 2018). Thus, unsurprisingly, the patronage concept has been readily applied to the online retailing context with the emergence of e-commerce since the mid-1990s (Jarvenpaa & Todd, 1996).

In the e-commerce context, however, we observe extensive heterogeneity with regards to naming, theoretical understanding, and measuring patronage. This impairs our capability to readily assess the current knowns and unknowns, and thus the ability to provide sound advice to e-commerce managers. This is arguably due to a dearth of conceptual efforts with regards to the patronage framework (Brown & Dant, 2009). The result is a highly fragmented body of evidence, hampering practical insight and theoretical progress. Therefore, a revisit of the patronage concept in the online context and taking stock of the literature on online patronage appear worthwhile and timely.

2. Research Question

Patronage arguably represents a distinct and valuable concept for marketing, retailing, and e-commerce research. In retailing, several seminal studies have made use of this concept to great merit, see e.g., Pan and Zinkhan (2006) or Blut et al. (2018). In the online context however, despite its proliferation, even a quick literature search reveals a distinct and problematic heterogeneity with regards to conceptualization, operationalization, and naming of the construct. The dissent on the construct's nature and scope, and resultingly the lack of conceptual clarity, diminishes its utility at present. In consequence, the body of evidence on online patronage is fragmented and characterized by a-theoretical application of (retail) patronage scales. To illustrate, authors such as Kim, Fiore, and Lee (2007) and Chiang, Zhang, and Zhou (2006), use multiple naming alternatives throughout their papers when referring to online patronage, such as "patronage intention towards a retail Web site", "patronage intention towards an online store", "patronage intention towards the online retailer site", or "patronage to the online retailer". Others use patronage and loyalty notions interchangeably, c.f. Wang, Zhu, Tian, and Li (2019) or Osman (1993), showcasing the need for conceptual clarity. This makes assessing the collective evidence on online patronage challenging and impedes the potential of online patronage as a useful theoretical framework.

In response, this paper poses the research question (RQ): How can online patronage be conceptualized? In addressing this question, we hope to strengthen the rigor and relevance of online patronage research and help practitioners and researchers to assess and make sense of the accumulated knowledge. Our results may also support editors and reviewers when evaluating manuscripts on online patronage.

3. Methodology

To conceptualize online patronage, we use methodological triangulation. First, we lay the foundation for content- and face validity (Hardesty & Bearden, 2004) by discussing how patronage is commonly and naturally understood in the English language. We achieve this by examining emblematic definitions, as found in popular dictionaries. Then, we turn to academic literature, which we review narratively to trace the origins of the patronage concept, and to delineate the patronage framework from loyalty. Then, we consider the literature on online patronage in a systematic literature review. In doing so, we ensure inclusion of common operationalizations and thus minimize the risk of neglecting important aspects of the concept in this specific context. By impartially including interdisciplinary sources, we hope to achieve a robust conceptualization that transcends field boundaries and is somewhat universal applicable, so that it will stand the test of time.

4. Analysis of Emblematic Patronage Definitions

The Cambridge Dictionary (2021) defines patron as “a person or group that supports an activity or organization, especially by giving money.” Further, patronage is “the support given by a patron” as well as “the regular custom attracted by a shop, restaurant, etc.,” as defined by the Oxford Dictionary (2021). Integrating these definitions from common language use, the concept of patronage appears to incorporate favorable actions of a patron directed towards a firm – such as buying at a shop, recommending it to others, or contributing positively, e.g. in the form of user reviews. Importantly, these exemplary definitions further point to the aspects of positive affect and allude to a relationship between patron and the patronized (firm).

5. Narrative Literature Review

5.1. Retail Patronage

Put plainly, retail patronage poses the question: “How do shoppers choose in which retail store to buy?” (Stephenson, 1969; Arnold et al., 1983). Hence, retail patronage literature is concerned with the consumer’s choosing of a store, shop, or retailer to buy from, their corresponding shopping and visiting pattern, and determinants and motives of this choice (Stephenson, 1969; Arnold et al., 1983; Baker, Parasuraman, Grewal, & Voss, 2002; Brown & Dant, 2009). Due to the proximity to a retailer’s bottom line, retail patronage is arguably an important outcome variable for firms in retailing (Ou, Abratt, & Dion, 2006).

Recently, scholars started to characterize retail patronage as a framework consisting of several facets. Frequently, these include customer satisfaction, patronage intentions, patronage behavior, and word-of-mouth (Pan & Zinkhan, 2006; Emrich & Verhoef, 2015; Blut et al., 2018). Yet, the scope of retail patronage is an ongoing debate (Davari, Iyer, & Rokonzaman, 2016).

5.2. Disentangling Patronage and Loyalty

The interchangeable use of the patronage and loyalty concepts by some authors (Osman, 1993; Wang et al., 2019) warrants attention to the issue of patronage’s relationship with related constructs. To foster the discriminant validity of the patronage concept, a brief delineation appears therefore necessary.

In our view, patronage as a concept is congeneric to the concept of customer loyalty. However, we argue the concept forms a distinct theoretical entity. Customer loyalty is the continued, strong, and complex relationship between a *specific* firm and a patron (Dick &

Basu, 1994; Oliver, 1999; Davari et al., 2016). Patronage, on the other hand, represents a consumer’s buying behavior as well as their relative preference and affect towards a firm or shop in a *set of alternatives* (Baltas, Argouslidis, & Skarmas, 2010). Patronage moreover incorporates patronizing behaviors like recommendation to others, such as friends and family.

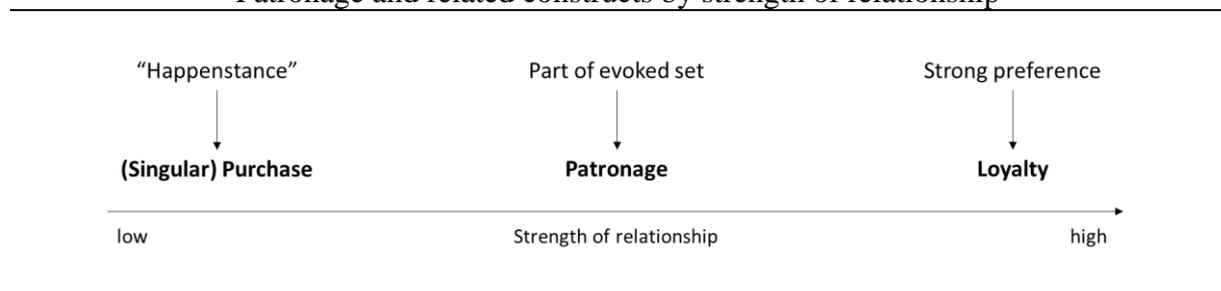
Table 1
Delineation of Patronage and Loyalty

<i>Construct</i>	<i>Definition</i>
Patronage	“The concept of patronage in general, and in retailing in particular, is characterized by reciprocity between the partners in this relationship, whereby the retailer offers services to its patron and, in return, the patron displays a positive attitude and behavior toward the retailer” (Blut et al., 2018)
Loyalty	“Customer loyalty is viewed as the strength of the relationship between an individual's relative attitude and repeat patronage.” (Dick & Basu, 1994)

Hence, whereas loyalty is concerned with the monogamic and continued relationship between one firm and a customer over time, patronage assumes a broader perspective. Consumers frequently patronize a set of retailers, shops, or stores (Baltas, Argouslidis, & Skarmas, 2010). Therefore, where a singular firm in retailing is considered, strong and sustained patronage towards one firm could be seen as a constitutive element of customer loyalty.

Alternatively, one may also differentiate both constructs in terms of the strength of relationship between customer and firm, since patronage considers a set of firms while loyalty focuses on a specific firm. From this perspective, loyalty indicates a truly strong relationship, while patronage resides somewhere in the middle of that spectrum. A patron may regularly consider alternatives from their evoked set, while a truly loyal customer would only do so as an exception.

Figure 1
Patronage and related constructs by strength of relationship



6. Systematic Literature Review: Patronage in the E-Commerce Context

Online patronage applies the patronage concept to the e-commerce domain. To analyze how online patronage has been conceptualized and operationalized by different authors, we used a systematic literature search approach. We followed PRISMA group’s gold standard recommendations for systematic literature reviews and meta-analyses where applicable (Liberati et al., 2009).

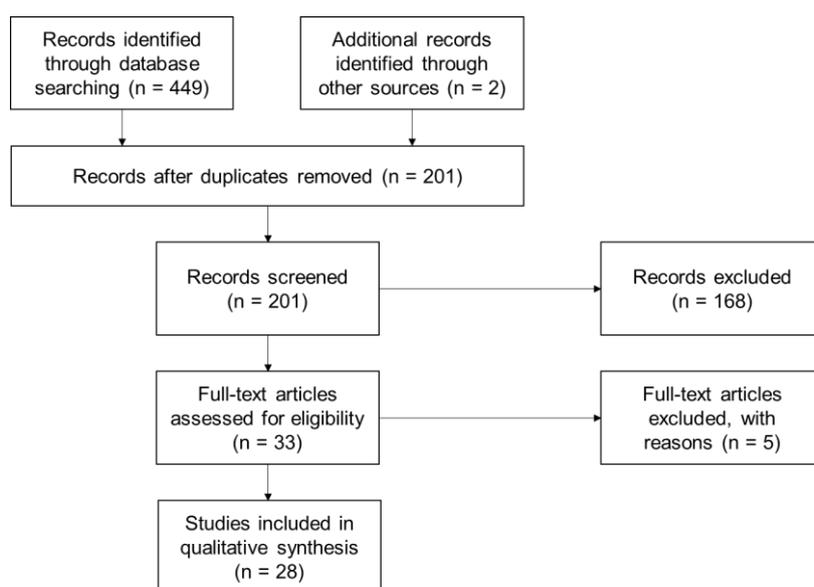
For the present systematic literature research, we relied on the principal search systems *ESBCO Host*, *ProQuest*, and *Web of Science*. We chose three online databases following the recommendations by Gusenbauer and Haddaway (2019), who analyzed a wide range of search systems and databases in terms of their suitability for systematic literature research. In addition, we used *lens.org* as an auxiliary resource. We used the search strings: “online retail patronage”, “online patronage”, “patronage AND online”, and “patronage AND *-commerce”. Where possible, we restricted the search to only include articles, working papers, or preprints. Further, we filtered results by subject: Business / Management (*Web of Science*), Consumer Behavior (*Web of Science*), Electronic Commerce (*ProQuest*, *EBSCO Host*), Online Shopping (*EBSCO Host*). Moreover, we only included results in English language in our qualitative analysis.

Table 2
Search Strategy and Search Strings

<i>Time frame</i>	* – June 2020
<i>Search strings</i>	“online retail patronage” “online patronage” patronage AND online patronage AND *-commerce
<i>Search fields</i>	Title, Abstract, Keywords
<i>Search systems</i>	Principal: <i>ESBCO Host</i> , <i>ProQuest</i> , <i>Web of Science</i> Supplementary: <i>lens.org</i>

At this stage, we focused on systematically assessing how different authors across field boundaries treat online patronage conceptually. Hence, we included the term patronage in all our search strings, and added various terms geared towards the e-commerce context.

Figure 2
PRISMA Statement



Our systematic literature search resulted in an initial set of 201 articles, after consolidation of our search results and the elimination of duplicates. We then screened the remaining 201 records by title, keywords and abstract to assess whether to include them in further analysis. At this stage, we eliminated 168 articles of which we found 133 to be outside the scope of our intended review, 18 to be concerned with retail patronage instead of online patronage, 5 to be non-journal records, and 3 non-English resources. Additionally, we excluded 8 records since we were unable to obtain full text records with reasonable effort. We were left with 33 records, for which we analyzed the full text for eligibility. In this stage, we excluded five (5) records that merely mentioned patronage in passing and did not offer any conceptualization or operationalization of online patronage.

7. Findings

7.1. Terminology

In line with previous observations, we find highly inconsistent terminology in the literature. Researchers dubbed the online patronage concept as diverse as “consumer patronage” (Kim et al., 2007), “online retail patronage” (Emrich & Verhoef, 2015), or “online patronage” (Ganesh, Reynolds, Lockett, & Pomirleanu, 2010). Notably, we find great variance in the exact wording, except from the term “patronage”. The most common notations take the form of: “patronage towards an e-tailer / online shopping site / online retailer / online store” (n = 5), “web site / e- / online patronage” (n = 7), or “patronage” (n = 12) with in-text referral to the e-commerce context. To facilitate literature search, and for differentiation from retail patronage, we advocate use of the term *online patronage* in future studies.

7.2. Conceptualization

We find distinct incongruence regarding the conceptualization of online patronage. Most prior studies focused solely on patronage intentions (n=22; 78.6%), often adapting scales from retail patronage literature. Several authors employed a more holistic approach, considering patronage intentions and either behavior (n = 9; 32.1%) or affect (n = 5; 17.9%) simultaneously. It is noteworthy that no study operationalized online patronage encompassing all three identified dimensions.

7.3. Operationalization

Authors drew heavily on retail patronage literature, either by directly applying retail patronage scales, or indirectly, by following the precedent of earlier work. The retail patronage scale by Baker et al. (2002) was identified as the most influential (n = 4). Affect was operationalized in terms of (store) preference, attitude, and satisfaction. Patronage intention was typically operationalized in terms of the intention or willingness to (re-)purchase, recommend, and to visit the online shop. Patronage behavior was measured using recommending, visiting, and purchasing behavior items, but also in terms of recency or frequency of purchase.

8. Discussion

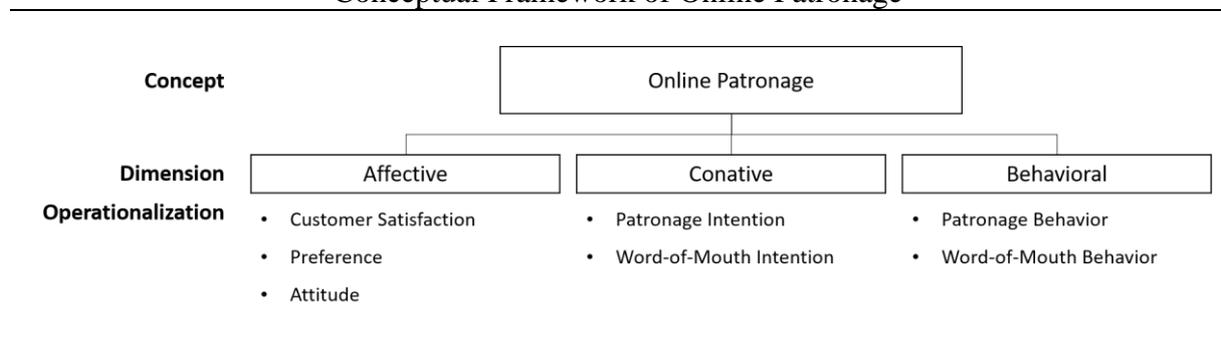
Currently, the literature on online patronage is afflicted by several significant issues. Since the concept is referred to by many different names, managers and researchers struggle finding relevant insights. This problem is further exacerbated by the great diversity in conceptualization and operationalization between studies. This requires great effort to put together and assess the collective evidence to provide a comprehensive picture of the current knowledge.

Online patronage is a valuable concept that relates to the situation in which consumers chose which e-tailer to purchase from when several alternatives are in their evoked set. Arguably this is much more commonplace than the loyalty scenario, where a customer would not consider shopping alternatives in normal circumstances. This might especially be the case in e-commerce, where switching costs are virtually non-existent.

Based on our results, we define online patronage as a consumer’s positive affect, conation, and behavior towards an online retailer or -shop. Accordingly, our proposed online patronage framework comprises of three main dimensions: affective, conative (intentional), and behavioral, as depicted in Figure 3. Our conceptual framework is the first to consider the three dimensions of online patronage concurrently, as indicated by the results of our systematic literature review.

The affective dimension pertains to the positive and favorable emotional response of a consumer towards an e-tailer, measured as customer satisfaction and preference. Further, this dimension incorporates the relationship and attitude components. The conative or intentional dimension, being the most prominent in prior studies, contains patronage- and word-of-mouth (WOM) intention. Last, the behavioral dimension comprises of patronage- and WOM behavior. It is worth mentioning that WOM includes forms of electronic WOM (e-WOM) in the context of our conceptualization. The distinction between the conative and behavioral dimension accounts for empirical findings on the intention-behavior gap, frequently observed in the context of consumer behavior (Carrington, Neville, & Whitwell, 2014) and across fields (Sheeran & Webb, 2016).

Figure 3
Conceptual Framework of Online Patronage



One might be tempted to assume that the three dimensions are hierarchical, such that the affective dimension represents a precursor to the conative dimension, which in turn is an antecedent to the behavioral dimension. However, as pointed out earlier, online patronage encompasses a relational component. Thus, it transcends such a static view in favor of a long-term view. Patronage behavior might influence the affective dimension through, for example, customer satisfaction, which in turn may have down stream consequences in the conative and behavioral dimensions at a later point in time. It would consequently appear more reasonable to view the dimensions being connected in a cybernetic feedback loop.

9. Managerial Implications

For e-commerce managers, our conceptualization provides a framework to better understand consumers’ online store choice. Our framework may be of special relevance for retailers and e-tailers that require a deeper understanding on how consumers adopt online-shops to their evoked set. The current global pandemic has made this issue particularly

important, especially to those firms that had to hastily shift a large proportion of their operations to online channels.

Performance measurement in e-commerce is often heavily focused on the use of metrics and key performance indicators. Such metrics commonly include website traffic, conversion rates, cost-per-click, or click-through-rates. They are successfully used to assess the effectiveness of marketing activities, e.g., a banner advertisement. Many e-commerce firms have therefore adopted these measures even as their principal measures for marketing success. However, such a way of performance evaluation only considers the short term. This can lead to unintended consequences, since the long-term is at risk to be neglected. A point in case is Adidas, who have recently acknowledged having over-invested on digital advertising and performance marketing at the expense of brand-building traditional marketing instruments (Vizard, 2019). The concept of online patronage represents a suitable counterpart that accentuates the longer term. In combination with ad-hoc metrics, managers in e-commerce firms are well-equipped to assess the performance of marketing campaigns, and their marketing effectiveness in general.

10. Conclusion

Online patronage is a valuable framework for understanding consumer behavior in e-commerce. Problematically however, the systematic literature review confirmed that the comparability of research findings on online patronage is hampered by inconsistent language and inconsistent conceptualizations. In this paper, we suggest a conceptual framework based on a comprehensive review of the literature. We identify three dimensions of online patronage and present corresponding operationalizations. Future research may further explore the different theoretical lenses on patronage, investigate in greater depth the development of the patronage framework over time, consider the idiosyncratic differences of online patronage and retail patronage, or might advance online patronage scale development and validation. We hope our efforts spark an insightful debate on online patronage and contribute to conceptual clarity, hence strengthening clarity, transferability, and practical relevance of online patronage research in the future.

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