

The role of blockchain technology in building trust in customers in the marketing ecosystem

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Abstract

The purpose of this research is the role of blockchain technology in creating trust among customers in the marketing ecosystem. The current research is applicable in terms of purpose, and descriptive-survey in terms of nature and method. The statistical population of the current research includes the community of digital marketing specialists and experts in the field of advanced information technology, which was considered 385 people due to the large sample size using the Morgan Krejci table. This number was selected based on the sampling method of the available sample, and in this way, 385 questionnaires were distributed among the statistical population, and finally 228 perfect questionnaires capable of statistical analysis were collected. The collection tool in this research includes a researcher-made questionnaire derived from qualitative results. The reliability of the research was checked and confirmed using Cronbach's alpha criterion in SPSS software. AMOS software was used to fit the conceptual model of the research. The results of this research showed that the trust resulting from the transparency of blockchain technology is able to have significant effects on various financial and non-financial consequences for businesses that use this technology in their marketing ecosystem.

Keywords:

customer trust,
marketing ecosystem,
blockchain technology,
financial implications

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Extended Abstract

Introduction

In today's consumer world where more and faster production and provision of more diverse products and services has become the main paradigm of the market, this trust is damaged due to the emergence of various issues and challenges such as defects in the products and services provided, unfavorable quality of interactions between the customer and the brand due to the high volume and number of customers, and also the reduction of the overall quality of the parts used in the products in order to reduce their overall price. Even issues such as environmental pollution caused by economic activities have become another reason for high distrust among customers due to the increase in customer knowledge and information about the role of brands and businesses in creating it. In the meantime, communication and information technologies as channels of interactions between customers and brands have been able to recreate trust to a large extent through solutions such as timely information, facilitating communication between customers and brands, and clarifying production trends and processes. One of the newest and most developing of these technologies is blockchain technology (Wang et al, 2019).Blockchain technology is capable of creating a safer and more interactive environment for the purpose of exchanging and using information created in different parts of the system for all members and actors present in customer loyalty programs (Bunger, 2017). From the point of view of experts in the field of information technology, blockchain is considered as a trust-generating machine, which means the important and key role of trust-creating as one of the applications of this technology, so that its use can greatly reduce the concern about the existence of trust in exchanges and interactions. In fact, the introduction of blockchain technology is equal to the elimination of intermediaries in online interactions, which means faster and cheaper exchanges, and users will be able to interact with each other without the need for a trusted third party. In other words, blockchain technology itself is able to guarantee the accuracy and correctness of data (Tapscott, 2017).Therefore, the researcher is trying to answer the question: what is the role of blockchain technology in creating trust among customers in the marketing ecosystem?

Theoretical Framework

Blockchain technology

A blockchain can be defined as a shared digital ledger supported by a group of nodes. Therefore, blockchain is a type of information recording and reporting system. Its difference from other systems is that the information stored on this type of system is shared among all members of a network (Huimin et al, 2019).

Blockchain and trust building

Blockchain can create trust in digital data; once information is written into the blockchain database, it is almost impossible to change or delete it. This feature has not existed before. Blockchain applications are built around the idea that the network is an arbiter. This type of system is a cruel and blind environment. Computer code becomes law, and the law is executed as written and interpreted by the network. Computers do not have social and behavioral biases like humans (Albayati et al, 2020).

Building trust in the marketing ecosystem

Trust is a complex structure that is related to relationships between people in different groups and organizations. The difference between the concept of trust as a desire, expectation, belief, confidence, attitude, feeling or a behavioral intention with trust as a mental state, confusion and misunderstanding has caused many studies on the subject of trust (Fulmer & Dirks, 2018).Wasiq et al, (2023) conducted a study titled Acceptance and Application of Blockchain Technology in Marketing: A Retrospective Review and Bibliometric Analysis. The results of

these surveys show that studies on blockchain applications in marketing will reach full maturity over time. However, research streams show that the blockchain-based marketing framework is still in its infancy.

Jain et al, (2022) conducted a study entitled "How Blockchain is Used in Marketing". This study examined 75 articles from Scopus international database using bibliometric and network analysis. The present study first identified the influential aspects of literature in terms of highly cited articles, keywords, authors and printed journals. Five research streams in the field of blockchain are: 1) Blockchain and e-commerce; 2) blockchain and marketing; 3) blockchain and data; 4) blockchain and data analysis; 5) Privacy and security in blockchain. In this study, 18 research questions were raised for future research.

Research methodology

The current research is applicable in terms of purpose, and descriptive-survey in terms of nature and method. The statistical population of the current research includes the community of digital marketing specialists and experts in the field of advanced information technology, which was considered 385 people due to the large sample size using the Morgan Krejci table. This number was selected based on the sampling method of the available sample, and in this way, 385 questionnaires were distributed among the statistical population, and finally 228 perfect questionnaires capable of statistical analysis were collected. The collection tool in this research includes a researcher-made questionnaire derived from qualitative results.

Research findings

SPSS software was used for data analysis, and AMOS software was used for modeling structural equations. The results of this research showed that the trust resulting from the transparency of blockchain technology is able to have significant effects on various financial and non-financial consequences for businesses that use this technology in their marketing ecosystem.

Conclusion

The current research was conducted with the aim of the role of blockchain technology in creating trust among customers in the marketing ecosystem. The results of this research corresponds with the results of Tan & Saraniemi (2023), Wasiq et al, (2023), Jain et al, (2022), Peres et al, (2022), Da Silva and Moro (2021), Abu-Elezz et al, (2021), Rahimi et al, (2022), Nejati Rashtabadi et al, (2021), Ghazaleh & Zabadi (2021), Rahimi & Taheri (2020), Bahmani (2020), Albayati et al, (2020), and Rahman et al, (2019). Tan & Saraniemi (2023) showed that in blockchain-based marketing systems, the audience and customers purchase tendencies are higher due to the improvement of the level of transparency in the interactions perceived among them; which provides long-term growth fields of profitability for business.

According to the results of the research, the following suggestions are presented:

In order to increase customers' trust in blockchain technology, it is suggested to business managers to provide data management requirements in the blockchain platform and implement traditional data management solutions if necessary. In addition, blockchain technology stores data using complex mathematical and software rules, and thus hackers and attackers will not have an easy time manipulating data.

Blockchain technology provides the possibility of increasing business income. For example, it is possible to provide cryptocurrency and bitcoin mining using special equipment. Also, businesses can help increase their income by providing services such as investing through blockchain.