Consumer Satisfaction, Dissatisfaction and Complaining Behavior Conference PROCEEDINGS

June 15 – 18, 2016

Hosted by

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Student Experience Value and Behavioral Intentions in Higher Education

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Abstract

This study builds upon emerging discussions related to marketization practices associated with higher education by considering the role of students' perceived value in the formation of their education-related behavioral intentions. 260 surveys were collected from undergraduate business students at a medium-sized university in the United States taking an introductory business course. Descriptive analyses, including conjoint analysis, first suggest that students prefer value delivery (associated with value-in- exchange and sales-based marketization practices) over value co-creation (feeling "better off" and associated with marketing-based learning practices) course delivery. These results suggest that a significant challenge exists for those educators trying to embrace a marketing (i.e., value cocreation) approach to higher education because students generally desire the former. Second, an attempt to conduct predictive analyses using scenarios demonstrate that Prebensen etal.'s (2015) scale of experience value fails to exhibit discriminant validity in a sample of business students from the United States. Satisfaction researchers are encouraged to carefully assess measurement models involving latent variables beyond the traditional reliability and AVE scores to also include analysis of discriminant validity in this line of inquiry.

How the Customer Feedback Process Contributes to Perceived Customer Orientation in the Educational Context

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Extended Abstract

As with all service industries, colleges and universities are facing increasing competition, poor retention rates, the need to diversify income streams, and more demanding customers (Shahaida, Rajashekar & Nargundkar, 2009; Furey, Springer & Parsons, 2014). Further, students are both consumers and products of the educational service (Conway & Yorke, 1991). In attempts to build distinctiveness leading to long-term competitive advantage, calls for more strategic marketing and brand management in higher education are spurring schools to respond to these imperatives (Furey et al., 2014; Williams & Omar, 2014). What makes efficacious marketing responses difficult in the educational environment is a lack of understanding corresponding to limited theory and research in this context (Furey et al., 2014; Williams & Omar, 2014).

In this experiential service, students (customers) do much of the work to co-produce the outcome (their education) (Khanna, Jacob & Yadav, 2014; Fleischman, Raciti & Lawley, 2015). As highlighted by Fleischman et al. (2015), educational institutions must *engage* students in this process through experiences created via *reciprocal communication and interaction*. These relational intersections have been recognized as various educational touchpoints which influence student perceptions of a university's performance, satisfaction, loyalty, and advocacy (Khanna et al., 2015).

The higher education literature relating to market and customer (student) orientation clearly points to the potential for the application of these constructs to benefit educational marketing strategies. However, it is equally clear that there is a need for models that better capture the required responsiveness associated with the flow of information and ideas from an effectively realized customer orientation. This has led educational researchers to conclude that the successful implementation of a customer orientation requires the university to regularly examine its commitment to understanding and meeting student needs from the perspective of the *experience of its students* with the implication that the university should encourage student voice (Mukerjee, Pinto & Malhotra, 2009). It has long been known that academic issues account for about 50 percent of the variance in retention (Pantages & Creedon, 1978); clearly accounting for the broader student experience in conceptualizations of student engagement would be important for advancing our understanding in this area (Hand & Bryson, 2008; Kahu, 2013).

The present research aims to contribute to contemporary thought regarding the marketing of higher education by developing and testing a model related to a deeper understanding of the broader student feedback process (i.e., beyond classroom feedback) as a critical component of customer orientation and co-creation. Consistent with this broader conception, the student feedback process encompasses positive (compliment) or negative (complaint) feedback, or a suggestion or idea for an improvement to any aspect of the service provided to a person, department, or service group of the institution.

To our knowledge, this is the first test of a model that attempts to capture the broader notion of the student feedback process (i.e., looking at how the feedback process itself can benefit an organization). Pulling from the technology adoption model (Davis, Bagozzi, & Warshaw, 1989), this model proposes that perceptions of feedback (usefulness and ease of use of the process) interact to influence the perceived customer orientation of the institution. Further, it is posited that perceived customer orientation will mediate the influence of these perceptions to influence affective commitment toward the institution.

Method

Sample and Procedure

A medium-sized Midwestern university was chosen as the research site. Based on the distribution procedure, the approach resulted in a total of 626 usable questionnaires. The average age of respondents was 21, with a range of 18-63. Forty-five percent of the respondents were female. Twenty-five percent of respondents were freshman, 22% sophomores, 21% juniors, and 29% seniors.

Measures

The questionnaire included multi-item measures utilizing five-point scaling of the constructs in addition to demographic descriptors. Construct measures were adapted from previously published scales that have exhibited acceptable levels of reliability and validity.

Analysis and Results

Conditional process analysis is required with the hypothesized model as the effect of the independent variable should differ in strength as a function of the proposed moderator and then work through the proposed mediator to impact the dependent variable (Hayes, 2013). Consistent with predictions, ease of use perceptions associated with a customer feedback system interacted with perceived usefulness of the system to influence the perceived customer orientation of the organization. Specifically, perceived customer orientation is enhanced with increasing usefulness perceptions when perceived ease of use of the feedback process is high. Further, the influence of this interaction on customer affective commitment to the organization is mediated by perceived customer orientation.

Implications

The findings of this study contribute to the higher education marketing literature by explicitly linking the customer feedback process to the engagement construct. We thus broaden the notion of the importance of customer feedback, to also looking at the process itself, in keeping with calls to recognize the complexity of the total student experience. Positioning the feedback process as an important aspect of student engagement, and a prerequisite for co-creation in the educational services context, is a novel, and relatively straightforward method to garner the perception of being considered a customer-oriented organization, with more affectively committed customers. This perspective holds important implications for strategic marketing and brand management in higher education; as by making a feedback process easier to use, customer orientation is enhanced; more useful feedback will be provided and affective commitment also increases.

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Thanks, I Guess: What Consumers Complain About When They Complain About Gifts

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Abstract

Gift buying in the United States is a billion dollar business that has implications for brands, retailers, marketers and consumers. This research contributes to our understanding to gifts that cause dissatisfaction and complaining. In particular, the situation in which gift givers intentionally purchasing unwanted gifts and recipient's reactions to them are examined. This study employs two methods of data collection: 1) phenomenological in-depth interviews and 2) netnography of an online community. The scholarly contributions of this study are twofold. First, the research lends support for the idea that inaccurate gift preference prediction is not always a mistake and is often a deliberate act. The second contribution of this study is the extension of consumer gift-giving and gift receiving knowledge by the development of the taxonomy of five types of deliberate inaccurate gift preference prediction: 1) threats to self-concept, 2) to you – for me, 3) aggression, 4) ritual and obligation, and 5) bragging rights.

Key Words: Consumer Behavior, Gift Giving, Complaining, Dissatisfaction

Emotional Tone of Cruise Travelers Reviews and Dissatisfaction Ratings

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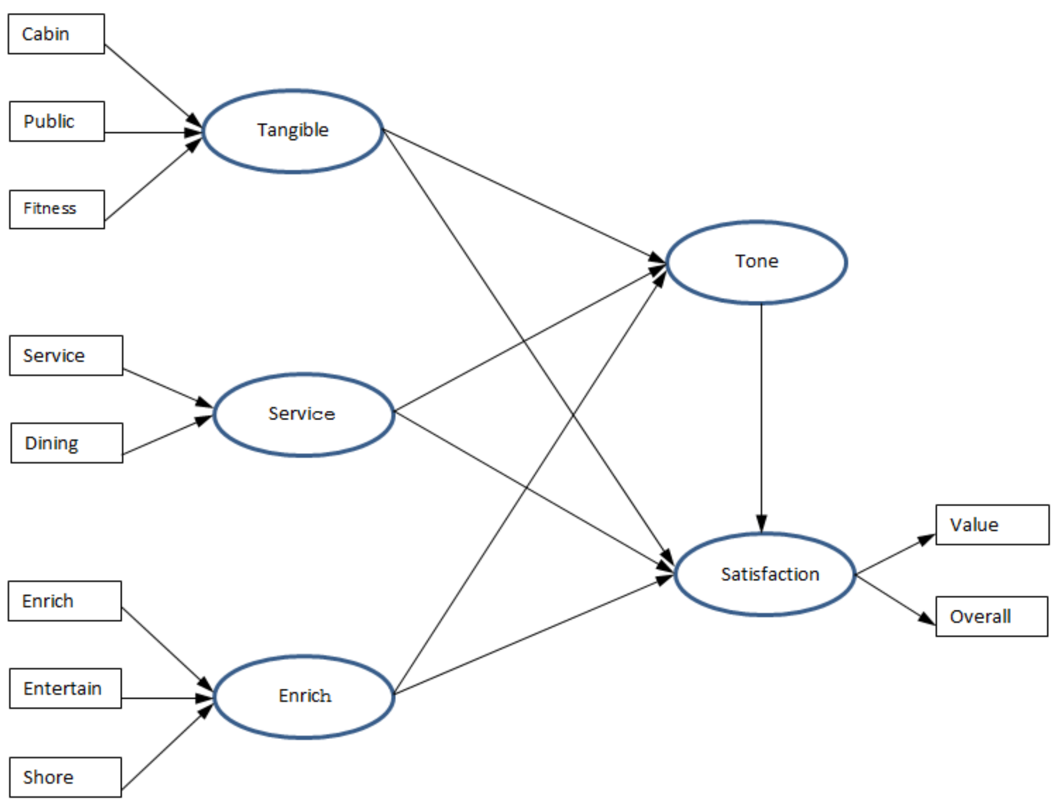
Extended Abstract

Online cruise reviews and ratings are key sources of information for cruise line operators and passengers. This study is an exploratory investigation of the drivers of dis-satisfaction in the context of cruising, with a focus on the consistency or lack thereof of consumer qualitative reviews and quantitative ratings. The attributes pertinent to cruising dis-satisfaction were identified for four classifications of cruises (budget, premium, luxury, and deluxe) using an analysis of data from online reviews and ratings. Also in this study a two-step statistical modeling procedure is applied with the first step using a principle components analysis to identify attributes and the second step analyzing a structural equation model to examine direct and indirect impact on dissatisfaction. The statistical model is novel in that it also accounts for the emotional tone of the consumer reviews.

For the principle components analysis a three factor structure emerged: tangible, service, and enrichment factors. The factors are consistent with Herzberg's two-factor theory of satisfaction as a function of two conditions he termed hygiene (or dissatisfier) and motivator (or satisfier) attributes (Herzberg, Mausner, and Synderman, 1959).

FIGURE 1: CONCEPTUAL MODEL



Herzberg suggested that job satisfaction was a function of two conditions he termed hygiene (or dissatisfier) and motivator (or satisfier) attributes (Herzberg, Mausner, and Synderman, 1959). In Herzberg's research, motivators linked to the job content and hygiene factors related to the job context. Hygiene factors were expected to be present and could cause dissatisfaction if they were not appropriately in place, but would not create satisfaction like motivator factors. Motivator factors linked directly to satisfaction. Researchers in the leisure services industry that have used Herzberg's theory (Balmer and Baum, 2003; Crompton, 2003) concluded that focus should be on motivators. In adapting Herzberg's theory, we consider which factors of the cruise experience may be considered hygiene factors (dissatisfiers/maintenance factors) and which factors may be motivators (satisfiers) that attract individuals to cruising and ultimately engender satisfaction. The underlying premise is that while the motivators (satisfiers) that attract people to cruise vacations are extremely important, adequate focus on hygiene factors must not be overlooked to avoid dissatisfaction.

Our factors are also aligned with the Kano Methodology that classifies customer satisfaction effects into three categories where dis-satisfiers can be one dimensional and two dimensional/ bi-valent, resulting in two types of dissatifiers and one type of satisfier. In his seminal work Kano et al., 1984 identified four distinctive types of factors each with a customer satisfaction effects. One-dimensional (O) attributes, refer to those attributes that result in customer satisfaction when fulfilled and dissatisfaction when not fulfilled. Attractive (A) attributes are those not expected by customers; their absence does not lead to customer dissatisfaction, but their presence and strong performance greatly delight customers. Must-be (M) attributes refer to those attributes that are taken for granted when present, but customers become very dissatisfied when they are absent or do no perform sufficiently. Indifferent (I) attributes are those for which customer satisfaction remains unchanged by attribute performance.

Given the four levels of cruises investigated and the factors impacting customer satisfaction, our research questions guiding this study are 1) Does cruise level moderate the effect of hygiene factors and motivator factors on overall scores and perceived value? 2) Does emotional tone of review mediate the effect of hygiene factors and motivator factors on satisfaction? Hypothesis used are:

- H1. Cruise attributes can be classified into different Kano categories; i.e not all attributes will be described by a linear (one-dimensional) relationship.
- H2. Must-be (M) attributes is likely to shift with cruise type

The findings suggest emotional tone plays a significant mediating role on overall satisfaction ratings. In addition, the results indicate that dis-satisfiers vary by cruise line classification in a counter-intuitive manner. Service factors proved to be Must-be (M) attributes -- those attributes that are taken for granted when present, but customers become very dissatisfied when they are absent or do no perform sufficiently – and were significant dis-satisfiers for budget cruises. Similarly, tangible factors were Must-be attributes and significant dis-satisfiers for premium cruises. However, Enrichment factors proved to be Indifferent (I) attributes -- those for which customer satisfaction remains unchanged by attribute performance – and were not significantly related to dissatisfaction for the four cruise classifications.

Implications

Travel planners can compare cruise lines and amenities from a variety of online sources as well as learning how to optimize a cruise vacation. A myriad of "objective" expert cruise reviews such as Frommer's, Fodors, Cruise Diva, and CruiseMates. However, many travelers look to "subjective" consumer ratings that are available via the internet in addition to traditional cruise line marketing materials. Given that a customer experience is the internal and subjective response customers have to any direct or indirect contact with a company (Meyer and Schwager, 2007), the customer review is an important source of information to be studied. Customer Experience Management (CEM) captures what a customer thinks about a company from past, present, and predicted interactions. Our research explores the customer experience in the context of the fastest growing segment of the travel industry - the global cruise industry. The cruise industry is a fertile application area for CEM study due to the huge volume of public reviews (data) available for a purposeful investigation of both the satisfiers and dissatisfiers found in a cruise experience. In addition, our research introduces the idea of applying Herzberg's two-factor theory and the Kano Methodology to the cruise industry.

According to Cruise Lines International Association (CLIA), approximately 21.3 million people worldwide cruised in 2013 and a forecasted 21.7 million will cruise in 2014 (CLIA, 2014). Considering the industry growth expectations, the CLIA 2014 global fleet includes 410 ships and after a $7.2 billion investment, another 20 ships will be added to the fleet between 2015 and 2018 (CLIA, 2014). Similar to other product and service providers, managers in the industry are constantly monitoring and making updates and changes to cruise offerings in efforts to create the most satisfying vacation experiences and to motivate travelers to choose cruising as their preferred vacation out of the myriad of options available. Research related to cruising and cruise passengers has focused on motivational perspectives, types of passengers, and perceived value (Jones, 2011; Teye and Leclerc, 2003; Yi, Day, and Cai, 2014); however, given the recent occurrences of Norovirus outbreaks onboard various vessels, applying Herzberg's two-factor theory and the Kano Methodology may provide additional insight for cruise customer experience management.

The United States is the top passenger source country with 51.7% of the world's cruise passengers (CLIA, 2014). Given that only 20% of adults in the United States have ever taken a cruise coupled with the expected growth of interest in cruises as Millennials mature, there is a sizeable market of potential customers. This potential market (and the financial ramifications involved) increases the importance of continued research to the industry. The current research will provide a discussion of findings, implications and suggestions for future research directions.

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Service Recovery via Corporate Social Media Channels: An Online Complaining Alternative to Third-Party Review Sites

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INTRODUCTION

Online complaint sharing has grown increasingly popular in recent years, and researchers have chosen to frame such complaints within the negative word-of-mouth domain instead of the customer service domain. The reason for this is quite logical, when considering the type of Internet sites that researchers examine, such as online review sites, anti-brand sites, or blogs (e.g., Grégoire, Laufer, and Tripp 2010; Hennig-Thurau et al. 2004; Ward and Ostrom 2006). These types of sites are non-firm-managed online environments (i.e. neutral third-party sites), which foster consumer-to-consumer communication. Reasons why consumers complain on such sites include warning other consumers, altruism, venting negative feelings, or seeking revenge against a firm by sharing negative experiences with others

(Grégoire, Tripp, and Legoux 2009; Hennig-Thurau et al. 2004; Sparks and Browning 2010), which are appropriate to classify as word-of-mouth activities.

Fast-forwarding a few years into the Web 2.0 era, consumers now have additional websites to disseminate communications on: social media sites (Kaplan and Haenlein 2010). While consumers can manage their own personal social networking pages, so too can firms manage their own corporate pages. In the case of the latter, firm-managed social media pages, such as corporate Facebook pages and Twitter profiles, are viable destinations for consumers to share online complaints (Clay 2012; Dugan 2012). Researchers investigating complaints on corporate social media pages frame complaining behavior in the domain of word-of-mouth and public relations crisis management (Pfeffer, Zorbach, and Carley 2014), with a superficial focus on customer service possibilities (Grégoire, Salle, and Tripp 2014). Likewise, the literature lacks a clear understanding as to why consumers complain on firm-managed social media sites.

This research posits that a lack of understanding within the online complaint phenomenon exists under the premise of the offline consumer complaining behavior framework (Singh 1988). This framework identifies different ways consumers complain, such as complaining directly to a firm versus complaining to other consumers. These two distinct complaining behaviors are separate processes and influenced in different ways (Richins 1987). Furthermore, these different complaining behaviors include different motives, degrees of effort, and may lead to different outcomes for a complainant (Hirschman 1970). Returning the discussion to the online context, if the reasons why consumers complain online differ between firm-managed and non-firm-managed sites, then behavior, expectations, and recovery strategies are likely to vary as well (Locke and Latham 2004; Singh 1990). However, a gap exists due to extant research examining why consumers complain on non-firm-managed review sites, yet failing to investigate why consumers complain on firm-managed social media sites.

The present research fills this gap by identifying consumers' motivations when sharing complaints on a firm's social media site versus an independent third-party online review site. Two research questions frame this exploration: "*Why do consumers complain on a firm-managed social media page?*" and "*Do these reasons differ from other online complaint channels that are not managed by firms, such as an online review site?*" The results suggest that corporate social media pages are viable customer service channels. This new type of service channel is unlike all other existing customer service situations, due to the publicly viewable and participative nature of social networks. In addition, a social media service channel is one touchpoint in a multi-step complaining process. Managerial and theoretical implications are offered in this paper.

METHODOLOGY

To gain the necessary insights into why consumers complain on different types of websites, the qualitative method of netnography was used. Netnography is an ethnographic study of computer-mediated interactions (Kozinets 2002). This method provides a rich understanding of specific topics and people by using participant-observational research through digital communication data. A key differentiating factor of netnography from online content analysis is researcher participation (Kozinets 2015). To meet this criterion, the researchers participated in two ways. First, 30 one-on-one interviews were conducted via Skype with online complainants (50% female; M age=34; M income=$60K). Second, 200 online complaints were captured for analysis, within which the researchers participated with complainants in some of the conversations, while also creating detailed field notes to reflect upon the experiences.

Nvivo10 served as the analysis software. Interview data was recorded, transcribed, and input into the software platform. The text from the online complaints and the accompanying field notes were also input into Nvivo. Following grounded theory recommendations, the source material was coded with a constant comparative, inductive approach for category development (Corbin and Strauss 2008). First order codes were assigned to the source data (Weber 1990), which led to the grouping of related first order codes into categories, and then finally grouping categories to form abstract metacategories (Corbin and Strauss 2008). Reliability was assessed by using multiple methods recommended for qualitative data validation (Neuendorf 2002; Perreault and Leigh 1989; Rust and Cooil 1994).

RESULTS

Many of the categories to emerge from the data were related to complainants' motivations to post an online complaint. For example, one category was a desire to speak with the firm regarding a dissatisfying experience. This motivation is present in offline complainants within the consumer complaining behavior framework (Singh 1988), yet is not identified as a strong motive for online complaints on review sites. The following is a representative quote for this category: "I think the key difference is that the company manages [a firm's social media channels] compared to a review site… the company does not manage it, so there's some degree of ownership involved. On a social media page, I'm reaching out to the company. I had a bad experience… I expect a response. I'm expecting you to talk back to me," (male, age 39).

Another category was a desire to have a problem resolved on a firm's social media channel. This is not a strong motivating force of complainants on online review sites. The following is a representative quote: "Sharing [a complaint] via social media… maybe the manager of the local Tim Horton's I went to would have seen it and tried to have contacted me personally and apologized, offered something to correct the mistake… I think once you're at the review site, you're just letting others know that you were very disappointed," (female, age 27).

An additional category was a desire to maintain the customer-company relationship. The opposite motive of exiting the relationship is identified in online complaint research in the context of review sites (e.g., Grégoire, Tripp, and Legoux 2009) and is identified within offline complaining behavior (Hirschman 1970; Singh 1988). The following is a representative quote for this category: "I would tend to use things like Yelp as a last resort. I'll tell the world not to deal with this company because they have failed in every possible other way… I think the very nature of posting on [a firm's] social media page is more that [consumers] are thinking, 'Help me out here, I want to stay with you,'" (female, age 68).

Another category was a desire to use social pressure to aid in a resolution. Subjects viewed the potentially large audience on social media as added pressure on a firm to resolve an issue. The motive to use a large audience to force a resolution is not present in offline complainants or online complainants who complain on review sites. The following is a representative quote: "... a lot of people see [the complaint on a firm's social media page], maybe that will cause the brand to want to do something about it. Almost like some type of social evidence or social proof. A lot of people are going to know about this," (male, age 47).

In addition to developing categories around complainants' motivations, an overall theme was developed using the relative temporal progression between different complaining channels and situations. Data analysis revealed a typical progression that most complainants move through. Many complainants first complain offline to a firm privately (e.g., in-person at a place of business). When a firm fails to provide a satisfactory resolution, many complainants progress to complaining online to a firm publicly (e.g., on a firm's social media channel). If a satisfactory recovery is not received, many complainants will then complain online to other consumers publicly (e.g., on a review site). Moreover, a three stage progression for complainants was uncovered: first, privately to a firm; second, publicly online to a firm; and third, publicly online to other consumers.

DISCUSSION

The findings support the position that corporate social media pages are viable customer service platforms. More importantly, though, are two key points to consider regarding corporate social media channels as customer service channels. The first is the recognition of how this type of service platform differs from other customer service touchpoints. A firm's social media page as a customer service channel is more public and more open to the participation of other consumers. This contrasts other complaint handling situations or tools, such as in-person, via the telephone, via e-mail, or through instant chat. In-person complaint handling situations often insulate a complainant and a firm's customer service representative from the view of and participation by fellow consumers, due to servicescape designs (Bitner 1992) and acceptable norms of social behavior (Fullerton and Punj 2004). Furthermore, all other technology-mediated complaint handling tools – e-mail, phone, and online instant chat – are purely dyadic communication channels, which do not enable fellow consumers to easily view the details of a complaint and corresponding complaint handling process. Complainants view this "public" attribute as one of the key reasons they complain on social media. A prior recovery attempt in private was not successful; and now a complainant believes complaining to the firm in front of an audience may provide leverage to resolve a complaint.

The second key point is related to this public attribute of social media. Firm-managed social media channels are one complaining resource that consumers use in a multistage process, if other service touchpoints used for a recovery fail. Many consumers first complain privately to a firm; and then proceed to social media when a private recovery is unsatisfactory, with the belief that a large audience will improve the chances for a satisfactory recovery. If an unsatisfactory recovery occurs after a social media complaint to a company, consumers continue to proceed to complain to other consumers on an online review site. Thus, a three step progression of, 1) private customer service; 2) public customer service; 3) word-of-mouth is uncovered. This suggests that framing all online complaints under the lens of word-of-mouth, which is currently the status quo, is incorrect. Failing to recognize that all online complaints are not created with the same underlying consumer motivations undermines the customer service possibilities.

CONCLUSIONS AND IMPLICATIONS FOR THEORY AND PRACTICE

Contributions of this research pertain to the merging of service-related theory with interactive, public online media. Consumers complaining on firm-managed social media pages are seeking service recovery efforts from a firm. The characteristics of these social networking pages, such as a large audience who is watching and joining in the conversation (i.e. the recovery attempt), lead to the following noteworthy managerial and theoretical implications:

- Service recovery moves from dyadic to polyadic situations: fellow consumers watching and participating in the recovery effort of a complainant and a firm's service rep;
- Adjusting the service network to include fellow consumers: the presence of other consumers may introduce new consumer roles in service recovery;
- Conflicting justice perceptions: additional consumers watching or participating in a recovery suggests multiple perspectives of fair or unfair recovery efforts;
- Customer-to-customer (C2C) justice perceptions: if fellow consumers now have active roles in another's recovery, this suggests a complainant may assess fair (extremely helpful) or unfair (rude or aggressive language) treatment from other consumers;
- Attribution of blame to a firm from C2C justice perceptions: if another customer acts rudely during a recovery, it is possible that some unfairness is attributed to the firm;
- A combined marketing communications and customer service channel: a simultaneous channel containing marketing communications and customer service is now available, which has never been possible before;
- This simultaneous channel suggest that customer service efforts of a firm now will have a promotional element: effective recoveries communicate positive signals to an audience;

- This simultaneous channel causes recovery efforts to move from back-stage operational activities to front-stage in plain sight of a massive audience.

References are available on request.

Note: the authors would like to thank the Direct Marketing Policy Center for awarding a research grant to partially fund this research project.

The Varying Impact of Service Product Attributes on Customer's Quality Assurance Behavior in the US Airline Industry

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Abstract

Prior research has identified many factors, some under the control of the providers (e.g., quality, price) and some under the control of consumers (e.g., quality assurance behaviors), that influence customer satisfaction in services. However, there is limited research that examines the relationship between such industrial factors and consumer driven factors of service quality. Based on US airline industry data, we find that product attributes (e.g., flight schedules, fare and etc.) affects the level of customer's quality assurance behavior (QAB; e.g., time spent at the airport prior to boarding), and this relationship varies across various customer attributes (e.g., different levels of risk). Given that QAB can be considered as a cost that the customer is 'voluntarily' willing to pay in order to secure adequate levels of service quality that leads to customer satisfaction, our findings may provide valuable insights to the service industry in terms of generating additional revenue opportunities (e.g., increase in airport revenue).

Global Consumers' Complaint Inclinations: A 90 Country Analysis of Differences in Cultural Dimensions

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Abstract

Hayes and Hill (1999) found that customer satisfaction is attributable not only to service success but also associated with the effective management of complaint recovery strategies executed when consumers

complain. The research in this study was conducted to analyze consumers' perception of fairness in the treatment they received when they were dissatisfied with a good or service and subsequently complained.

When consumers are dissatisfied, there are at least three actions in which they engage. Those are one or more of three feedback mechanisms – exit, voice and/or loyalty (Hirschman 1970). One of the findings in this study was that respondents fell into three distinct categories. There were the target respondents who had in fact had an occasion of being dissatisfied, and subsequently complained. There were consumers who had had an occasion that warranted a complaint, yet they chose not to complain, and there was a set of consumers who had expressed that they had *not* had an occasion to complain about a good or service.

The total number of respondents in the study was 1,821, representing 90 countries. Approximately 500 respondents articulated that they had had a reason to complain and subsequently launched a complaint. A little over 700 had been dissatisfied but did not file a formal complaint and a little under 600 respondents articulated that they had never had reason to be dissatisfied.

Because the study covered consumers worldwide, the respondents across the three categories can be identified by country, therefore offering possible insights with respect to whether particular countries or cultures tend to have citizens who are inclined not to complain. In that regard, an analysis of the cultural aspects of the countries whereby consumers chose not to complain can be compared to the cultural aspects of the countries where consumers chose to complain.

Hofstede's (1980) model of cultural dimensions could provide some insights with respect to the countries of residence of the respondents. Hofstede's model includes the characteristics of power distance, uncertainty avoidance, masculinity versus femininity, and individualism versus collectivism. The model later added dimensions of long-term versus short-term orientation, and indulgence versus restraint. The analyses in this study present an opportunity to identify possible cultural differences between countries whereby consumers tended not to complain to those countries whereby complaining appeared to be more likely.

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To What Extent Does Culture Influence Consumer Complaint Behavior?

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Submitted as an extended abstract to 2016 Conference of the *Journal of Consumer Satisfaction, Dissatisfaction & Complaining Behavior*

Extended Abstract

Over the past several years numerous retailers have expanded into international markets. On average, the top 250 retailers in the world operate in over 10 countries, and nearly one-quarter of their revenues come from outside their respective home countries. As retailers open stores in foreign markets they face a variety of challenges, one of which is cultural (Aliouche and Schlentrich 2011). The concept of culture is a recognition that societies from around the world are guided by different beliefs, customs, religions, values, ethical and moral standards, and social hierarchies; and vary in their emphasis on individual vs. group accomplishments, their acceptance of family vs. personal obligations, and their adherence to rules and deference to authority (Hofstede 2001). Culture has been shown to influence consumer behavior in many ways; cognitively, emotionally, and behaviorally (Luna and Gupta 2001; Moon and Song 2015). To achieve success in foreign markets it is important to understand how culture influences customer satisfaction, dissatisfaction, and post-purchase behavior.

Interestingly, multiple studies indicate that dissatisfied consumers in other countries react differently as compared to those in the U.S. (e.g., Hui and Au 2001; Mattila & Patterson 2004; Reimann, Lünemann, and Chase 2008; Mayser and von Wangenheim 2012; Liu, Wang, and Leach 2012; Surachartkumtonkun, McColl-Kennedy, and Patterson 2015). However, the extent to which cross-national differences in complaint behavior are due to cultural values, as compared to situational factors, is not entirely clear. Indeed, meta-analyses by Orsingher, Valentini, and de Angelis (2010) and Vaerenbergh, Orsingher, Vermeir, and Larivie`re (2014) indicate that the effects of culture on customer complaint behavior and recovery outcomes are relatively minor.

It has long been recognized that customer satisfaction leads to higher market share, greater profits, and increased shareholder value (Rust and Zahorik 1993; Anderson, Fornell, and Mazvancheryl 2004). It is generally understood, though, that it is impossible to completely satisfy all customers all of the time. Product and service related problems inevitably occur, and thus many retailers have found that one of the keys to maintaining a loyal customer base is effective recovery management. Importantly, research has consistently shown that effective recovery management leads to greater profitability (Knox and van Oest 2014; Cambra-Fierro, Melero, and Sese 2015).

Effective recovery, though, first requires that dissatisfied customers voice their complaints to the seller and seek redress (i.e., request a refund, exchange, apology, repair, etc.). Research, though, indicates that dissatisfied customers in some countries are reluctant to voice a complaint and seek redress, due largely to their cultural orientation (Zourrig, Chebat, and Toffoli, 2015; Walsh, Northington, Hille, and Dose 2015). These studies indicate, for example, that persons living in collectivist cultures, in societies with high levels of uncertainty avoidance, and in those that are highly concerned with maintaining “face” are reluctant to complain to the seller when dissatisfied with a product or service (Lowe, Chun-Tung, Corkindale 1998; Liu, Furrer, and Sudharshan 2001; Liu and McClure 2001; Ngai, Heung, Wong, and Chan 2007; Chan, Wan, and Sin 2009; Wan 2013. In these countries, dissatisfied consumers instead are more likely to "exit" (i.e., never shop there again) and engage in negative word-of-mouth, warning others about the offending retailer (Chan and Wan 2008).

Other evidence, however, suggests that situational factors might have equal, or greater, impact on dissatisfied customers' complaint behavior. A key factor that determines whether dissatisfied customers voice their complaints is the perceived probability that this action will result in the desired outcome; i.e., the "likelihood of success" (Richins 1987; Stephens and Gwinner 1998; Huppertz 2007). Dissatisfied customers who perceive that the seller will be responsive to complaints are more likely to seek redress, thus giving the retailer a chance to recover. In order to convey a high likelihood of success and retain dissatisfied customers, many retailers and service providers in the U.S. "guarantee" satisfaction and have adopted liberal return and exchange policies (Chu, Gerstner, and Hess 1998). Knowing that lost customers represent an opportunity cost (Fornell and Wernerfelt 1987), and that it is significantly more costly to replace a lost customer than to remedy a complaint (Hart, Hesket, and Sasser 1990), most retailers in the U.S. make it easy for dissatisfied customers to return or exchange items. Retailers in other parts of the world, however, maintain more restrictive policies, and in many countries it is generally understood that "all sales are final" (Blodgett, Hill, and Bakir 2006).

Disentangling Cross-National Differences in Complaint Behavior

The customer satisfaction/dissatisfaction → complaint behavior → recovery model is well established; for an overview, see meta-analyses by Orsingher et al. (2010), and Gelbrich and Roschk (2011). Studies show that even in the U.S., dissatisfied consumers do not always complain to the seller, seeking a refund or to exchange the item (Stephens and Gwinner 1998; Chebat, Davidow, and Codjovi 2005). Indeed, in a field study of U.S. consumers, Blodgett and Anderson (2000) found that the prior probability that a dissatisfied customer would voice a complaint and seek redress from the retailer was only 54%. Among those individuals who perceived a high likelihood of success, though, the probability increased to 74%; however, for those who perceived the likelihood of success to be low the probability decreased to 30%. With these figures in mind, it is clear as to why a consumer's decision to seek (or not seek) redress when dissatisfied with a product or service is so critical.

Over the years, many researchers have attributed cross-national differences in customer satisfaction/dissatisfaction, complaint behavior, and recovery outcomes to cultural values such as individualism/collectivism, uncertainty avoidance, and power distance. Reimann et al. (2008), for example, found that individuals living in countries with high levels of uncertainty avoidance are less satisfied when their service expectations are not met; and Chapa, Hernandez, Wang and Skalski (2014) found that dissatisfied customers from individualist countries are more likely to complain to the seller, as compared to those from collectivist countries. Meta-analyses by Orsingher et al. (2010) and Vaerenbergh et al. (2014), though, indicate that the moderating effects of culture on complaint behavior and recovery outcomes are relatively minor. Given the impact of recovery management on profitability, this issue should be of interest to all retailers.

Methodology

To assess the relative influence of culture vis-à-vis situational factors on consumer complaint behavior two studies were conducted, across several countries. For the qualitative study, we content analyzed feedback to open-ended questions from consumers in the U.S., China, India, Mexico, and Turkey. These countries were chosen both for convenience, and because the prevailing cultures are substantially different than that of the U.S. The second study was empirical, and utilized a quasi-experimental approach to compare consumers in China, India, Mexico, and Turkey to cohorts who now live in the U.S. To the extent to which the respective cohort groups share the same cultural values, any differences in their responses can more confidently be attributed to situational factors.

Study I: A Qualitative Inquiry

In order to gain a better understand of retail policies in other countries, and how these influence consumer complaint behavior, a qualitative study was conducted. Respondents were working adults who were also attending school part-time. They were asked whether retail stores in their country allow customers to exchange defective items, and whether refunds are provided. They were further asked whether customers can return items that have been used for a short amount of time, but quickly became worn out or damaged (for example, a pair of running shoes that fell apart after being worn for only one month; a TV that stopped functioning after six months, or a jacket whose zipper broke after only two weeks). Respondents also indicated whether it is common for retailers in their country to promise "satisfaction guaranteed, or your money back", and/or encourage consumers to "try a product for 30 days" with the understanding that consumers can return the product and get their money back if not satisfied.

Content Analyses

Overall, the evidence clearly indicated that retail policies in China, India, Mexico, and Turkey are less consumer friendly than those in the U.S. The results were fairly consistent across the China, India, Mexico, and Turkey, and indicate that refunds are rare. Although it is more common that dissatisfied customers in these parts of the world are allowed to exchange defective items; this remedy appears to be much less certain than in the U.S. Another difference is that in each of these countries, only a small percentage of individuals reported that consumers can return items that have been used, but shortly thereafter became defective. And very few reported that retailers in their countries promote "satisfaction guaranteed, or your money back" policies, or "try it for 30 days, and return it if not satisfied". As previously discussed, one of the key factors that determines whether a dissatisfied customer voices a complaint and seeks redress is the perceived likelihood of success. Clearly, the likelihood of success (i.e., being granted a refund or exchange) in the countries included in this study is much lower than it is in the U.S.

Study II: An Experimental Approach

In order to better disentangle the effects of culture and situational factors on complaining behavior another study was conducted; in which consumers in China, India, Mexico, and Turkey were compared to cohorts now living in the U.S. Based on the understanding that cultural values are deeply embedded and enduring (Hofstede, 2001), any differences between the respective cohort groups can largely be attributed to situational factors. Study 2 utilized a quasi-experimental design (Cook and Campbell, 1979). A total of three scenarios were employed – each describing an imaginary situation pertaining to a product they had recently purchased, and which was the wrong size or had become defective; however, each participant was presented with only two of these. One scenario described a situation in which a customer had recently purchased a shirt, and after wearing it a couple of times the stitching in a sleeve had come undone, and a gap in the seam appeared. Another scenario described a situation in which an individual had purchased a new jacket but did try it on in the store because it was the size the person normally wears. However, after getting home and removing the price tag this person discovered that it did not fit very well, and was disappointed. A third scenario pertained to a recently purchased a DVD player, which worked fine at first but after a few months did not function properly. After reading each scenario respondents were asked to indicate, on a scale of 1 – 7, the likelihood that the store would refund their money, grant store credit, or exchange the item. For both the shirt and DVD scenarios, subjects were also asked whether they would warn others about the store, and whether they would vow to never shop there again.

In India, China, Mexico, and Turkey, data was collected from adult, part-time graduate students. In the U.S., many of the cohorts were recruited via email, with the cooperation of local ethnic organizations. Other data from the U.S. cohort groups was obtained via Qualtrics panels. To qualify, U.S. participants had to have been born and raised in China, India, Mexico, or Turkey, and had to be at least 21 years of age.

Summary of Study 2 Findings

Overall, across the four groups of respondents, and the three scenarios, a fairly consistent pattern emerged. First of all, the likelihood that a dissatisfied customer will be granted a refund is significantly lower in China, India, Mexico, and Turkey, as compared to the U.S. Except for Mexico, and partly for Turkey, the likelihood of receiving store credit is also much lower. In China and Mexico, the likelihood of being allowed to exchange a defective, or wrong-size, item is significantly lower than in the U.S. However, it appears that dissatisfied consumers in India and Turkey, for the most part, can more readily exchange these items. Finally, dissatisfied customers in China and Mexico appear to be more likely to warn others, and less likely to repatronize the offending stores, than their cohorts in the U.S. Dissatisfied customers in India, and Turkey, however, appear to be no more likely to engage in negative word-of-mouth, or exit, as compared to their U.S. cohorts. Perhaps that is because they are able to dissatisfied consumers in these two countries are able to exchange defective items.

Conclusions

The purpose of these two studies was to better understand the relative influence of situational versus cultural factors on complaint behavior. Both studies indicates that retail policies in China, India, Mexico, and Turkey are more restrictive and less consumer friendly than commonly found in the U.S. Together, the two studies demonstrate that overt complaint behavior is influenced to a large degree by situational factors. These findings challenge the notion that culture is the driving force behind differences in redress seeking behavior across national boundaries. Of course, more work needs to be done to disentangle the effects of cultural and situational variables on consumer complaint behavior.

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The Roles of Quality, Satisfaction, and Value in the "Lock-In" Commitment of Different Retail Customer Groups

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Extended Abstract

Intense competition and rising customer expectations characterize the service environment in which firms struggle to develop strategies to enhance longer-term commitment from customers. There are two key domains in the service literature that are related to this strategic imperative. The first domain relates to the relationship among service quality, value, and satisfaction. While there is consensus that these constructs are distinct (Cronin & Taylor, 1992) and that all three should be included in studies of desired service outcomes (i.e., patronage intention, commitment, and word of mouth) (Cronin, Brady, & Hult, 2000), there is less agreement as to how these concepts work to simultaneously influence these outcomes. For example, the possibility has been raised and support found for moderating relationships between service quality and satisfaction (Taylor & Baker, 1994). Furthermore, mixed results have also been reported regarding quality, satisfaction, and/or value having indirect as well as direct effects on key service outcomes (Zeithaml, Berry, & Parasuraman, 1996; Roest & Pieters, 1997; Sweeney, Soutar, & Johnson, 1999; Bolton & Lemon, 1999; Cronin, Brady, & Hult, 2000).

The second important domain in the service literature relates to the idea of customer prioritization. This implies that selected customers should receive different treatment in terms of marking practice (Zeithhaml, Rust, & Lemon, 2001). As part of this thinking, firms strategically develop tiered levels among customers based on actual or potential sales volumes as a means of increasing the profitability of marketing efforts. However, despite the integration of this approach in their *strategy*, firms often fail to effectively *implement* customer prioritization (Homburg, Droll, & Totzek, 2008). As noted by Homburg, et al. (2008) this can occur for several reasons. First, this orientation may cause the firm to overlook lower priority customers inadvertently contributing to their defection. Further, focusing on a limited number of high-value customers may prevent taking advantage of economies of scale through focusing on a larger pool of customers. Thus, more effectively focusing on a range of customers might help balance the "customer portfolio" by hedging risks across a range of customers.

This research uniquely spans these two service literature domains in addressing the aforementioned imperative related to the development of service strategies to enhance the longer-term commitment of customers. To this end, the research: incorporates all three service constructs - quality, value, and satisfaction; examines service quality and satisfaction in relation to customer service as the employee-customer relationship is one of the most important determinants of service outcomes; explores indirect as well as direct effects of the quality, satisfaction, and value constructs by specifically examining moderating and mediating relationships; incorporates continuance ("lock-in")commitment as a strategically important dependent variable as opposed to the oft used patronage intention; and hypothesizes and examines different models for different service customer groups (high-value and low-value).

Method

Sample and Procedure

Customers of a pet supply retailer were selected as the sampling frame for this research. The distribution procedure resulted in a total of 761 usable questionnaires. Seventy-eight percent of the respondents were female. A majority of respondents were married (54%). Most respondents were between the ages of 35-54 (42%) or 26-34 (24%). The respondents tended to be college graduates (42%) or with many having some college experience (27%). Many respondents reported management/professional occupations (44%). Approximately 1/3 of respondents reported household incomes between $50,000-$100,000.

Measures

The questionnaire included mostly multi-item measures of the constructs in addition to demographic descriptors. Construct measures were adapted from previously published scales that have exhibited acceptable levels of reliability and validity.

Analysis and Results

Conditional process analysis was used with the hypothesized models to examine whether the effect of proposed independent variables differed in strength as a function of proposed moderators to then work through proposed mediators in impacting the dependent variable (Hayes, 2013). Consistent with predictions, for the low-value customer group, satisfaction moderated the effect of quality on value which in turn impacted customer continuance commitment (i.e., a fully mediated moderation model). In contrast, for the high-value customer group, the effect of quality worked through value to influence continuance commitment with satisfaction having a direct effect on continuance commitment (i.e., the effect of quality was mediated by value with no moderation effect for satisfaction).

Implications

Results of this study contribute to the services marketing literature by helping to explain mixed findings in the area. It appears that future research should consider including all three service constructs and examine their effects for different customer segments (i.e., defined by sales volume or relational levels) as the effects of quality, satisfaction, and value may work differently for different customer groups. The model for low-value customers shows overall value as the immediate antecedent for "lock-in" commitment while the model for high-value customers shows that satisfaction with customer service is directly related to "lock-in" commitment in addition to overall value. These findings hold important implications for service firms attempting to more effectively implement customer prioritization strategies.

Satisfaction with Small, Independent Fashion Chain Stores' Environment

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ABSTRACT
U.S. small businesses account for 54% of the nation's sales and make up 99.7% of U.S. employer firms (U.S. Small Business Administration 2014). Since small, independent fashion chain stores face considerable competition and must set themselves apart (i.e., gain a competitive advantage) from national retail chain stores, this study seeks to investigate consumer satisfaction in regards to the following store environment variables: store atmosphere, ease of shopping, and sales associates from the standpoint of a small business chain. In doing so, the study: (1) utilizes data obtained via a survey conducted for a small, independent fashion chain store located in the Southeastern United States; (2) analyzes the data via generational cohort; and (3) analyzes six hypotheses (two per store environment variable). Results reveal no significant mean differences in satisfaction for store atmosphere and ease of shopping; however, the Swing Generation differs from Generation Y for sales associate satisfaction. Additionally, results indicate generational cohort differences for two sales associate measures and one ease of shopping measure. These findings are useful to small, independent retailers as they attempt to compete with national department store chains.

Keywords: Small, independent retailers; chain stores; Consumer satisfaction; Store environment

INTRODUCTION

In 2004, a woman with a love of fashion jewelry and a passion for improving the lives of others started a small trunk show company. In doing so, a portion of the company's sales go back into the community to help nurture, prevent and treat child abuse and neglect. As company sales grew, so did the need for a brick-and-mortar store; then more store locations. Today, the company has 18 brick-and-mortar locations in five states, as well as an online sales presence. The privately owned company continues to give back to the community, its customers, and its employees.

Like the small fashion company, many small, independent retailers face intense competition from national department store chains and oftentimes struggle to survive (Grewal, Roggeveen, Puccinelli, and Spence 2014). Many have limited financial resources and are faced with the daunting task of deciding where and how to allocate funds for marketing, company expansion, and the introduction and development of new inventory lines. Furthermore, employee training, if available, is often conducted in-house by the owner and/or existing employees.

Although small businesses consist of fewer than 500 employees, they make up 99.7% of U.S. employer firms and account for 54% of all U.S. sales (U.S. Small Business Administration 2014). Despite the challenges faced by small, independent retailers, they provide valuable resources to communities. These retailers enhance the community landscape by increasing the diversity in shopping opportunities, employment, and acting as sales tax resource generator.

Retailers throughout the industry, including big box, franchise, chain store and independent companies alike, are realizing that the products and/or services offered alone are not sufficient to keep the organization profitable, since marketplace competition is at an all-time high. To be successful long-term, retailers must go beyond "selling products and services"; they must be in the business of satisfying consumers (Hosseini, Mosayebi, and Khorram 2013; Muhammad, Musa, and Ali 2014). The challenge however, is identifying how to best satisfy consumers (Turhan 2014). Shopping convenience, products offered, store environment, ambiance, and sales associates are all aspects that retailers try to adapt in a pleasing way to entice and retain consumers. Altogether, consumers' shopping behavior (i.e., their willingness to stay in the store, browse merchandise, and ultimately make purchases) is ultimately influenced by the store environment (Sinha and Uniyal 2005).

Since small, independent fashion chain stores face considerable competition and must set themselves apart (i.e., gain a competitive advantage) from national retail chain stores, this study seeks to investigate consumer satisfaction in regards to the following store environment variables: store atmosphere, ease of shopping, and sales associates from the standpoint of a small business chain. In doing so, the study will: (1) utilize data obtained via a survey conducted for a small, independent fashion chain store located in the Southeastern United States; (2) analyze the data via generational cohort; and (3) analyze six hypotheses (two per store environment variable). The study is broken down by generational cohort for ease of data analyses and due to the information being sought by the small, independent fashion chain store owner. Generational cohorts examined in the study include: Swings (those born between 1933 - 1945); Baby Boomers (those born between 1946 - 1964); Generation Xers (those born between 1965 - 1976); and Generation Yers (those born between 1977 - 1994).

THEORETICAL BACKGROUND

Person, Situation, and Person-within-Situation Antecedents of Satisfaction

Millions of dollars are spent annually by retailers on marketing and advertising in an attempt to encourage consumer traffic, entice patronage, and instill satisfaction. These resources are often wasted as a result of negative in-store scenarios (Grewal, Baker, Levy, and Voss 2003). A boring or ineffective store atmosphere, ineffective or insufficient number of sales associates, or crowded store layout can override advertising efforts. Instead of satisfying consumers with the promise of new merchandise, a negative environment taints the shopping experience.

Building upon previous research (Bloemer and Odekerken-Schroder 2002; Kim and Kim 2012; Grewal et al. 2003; Fatima and Razzaque 2013), the authors propose that store atmosphere, ease of shopping, and sales associates significantly influence consumer shopping experience satisfaction. Through the use of Dickson's (1982) general framework for analyzing the antecedents of store satisfaction, Bloemer and Odekerken-Schroder (2002) distinguish a person antecedent as consumer relationship proneness, a situation antecedent as store image, and a person-within-situation as a positive effect. Bloemer and Odekerken-Schroder (2002) define consumer relationship proneness as "a consumers relatively stable and conscious tendency to engage in relationships with retailers of a particular product category", store image as "the summation of all attributes of a store as perceived by the shoppers through their experience of that store", and include a positive affect as a person-within-situation antecedent of satisfaction because "the positive affect a person experiences is elicited by a particular store situation or environment." This general framework is applicable to the current study, since the authors are analyzing satisfaction (person-within-situation antecedent) in regards to store environment (i.e., store atmosphere, ease of shopping, and sales associates) (situation antecedent) of a small, independent jewelry chain company (person antecedent). According to Dickson (1982), person-situation segmentation can be analyzed via groups of persons (e.g., generational cohorts), since individuals or groups of persons view physical and social settings differently. As such, this study analyzes the differences among generational cohorts.

REVIEW OF LITERATURE

Shopping is a popular past time for consumers, whether they are in their hometown, relaxing on the weekend or vacationing (Sirakaya-Turk, Ekinci and Martin 2015). Motives and perceptions of shopping activities are classified into two categories: hedonic and utilitarian. Hedonic shopping is undertaken for the sheer enjoyment of the activity (e.g., shopping for jewelry or a new outfit). Utilitarian shopping consists of an activity that fulfills a necessary household task (e.g., shopping for groceries, filling the gas tank, purchasing supplies for yard work). The type of shopping a consumer undertakes may influence the level of satisfaction received from the experience (Sirakaya-Turk et al. 2015). A safe assumption may be made that many, although not all, consumers enjoy shopping for a new outfit significantly more than they do for groceries.

While the financial bottom line continues to be the ultimate deciding factor in the viability of a company, research suggests that consumer satisfaction is a critical component to any company's long term success (Evanschitzky, Sharma and Prykop 2012). The store's environment is one area that retailers are able to directly control, and therefore can alter and influence consumers' level of satisfaction. Specific areas within the store environment that may influence consumers' satisfaction, and ultimately their loyalty and purchase behavior with the retailer, include the store atmospherics, ease of shopping within the store, and sales associates.

Store Atmosphere

Retailers, regardless of size, shape the store's atmosphere in an attempt to maximize consumers' satisfaction and ultimately purchasing behavior (Kim and Kim 2012). Store atmosphere is broadly defined as anything within the store that influences the retail environment (Grewal et al. 2014). Retailers spend millions of dollars annually updating the store's environment in an attempt to enhance the store's atmosphere (Muhammad, Musa, and Ali 2014). Components of the atmosphere include lighting, displays, mannequins and fitting rooms. The authors propose that consumers' satisfaction with store atmosphere is the sum of their experiences with the retail physical environment. Research supports the premise that a pleasing store atmosphere significantly influences consumers' satisfaction with a retail store (Muhammad, Musa, and Ali 2014). Building upon the previous research, the authors propose two hypotheses related to consumers' satisfaction with store atmosphere. The hypotheses are:

> *H_1: Swing, Baby Boomers, Generation Xers, and Generation Yers differ in their satisfaction of store atmosphere.*
>
> *H_2: Swing, Baby Boomers, Generation Xers, and Generation Yers differ in their satisfaction of the store atmosphere measures (cleanliness, inviting atmosphere, enjoyable music, comfortable temperature, and appealing window displays).*

Ease of Shopping

Regardless of the type of shopping activity, hedonic or utilitarian, the ease in which consumers are able to navigate the retail store environment significantly influences their level of satisfaction with the company (Grayson and McNeill 2009; Pons, Giroux, Mourali, and Zins 2016). Research reveals that ease of shopping significantly influences consumer satisfaction with the shopping experience (Grewal et al. 2003; Skallerud, Korneliussen, and Olsen 2009). For example, consumers who are not bound by time constraints typically perceive the shopping experience to be easy, more pleasant and therefore are more satisfied with the with experience. In addition, the effectiveness, or lack thereof, of the store's design can greatly enhance or detract from consumers' perception of the ease of shopping (Turhan 2014).

Ease of shopping as it relates to the store's environment is not a new concept. Indeed, as early as 1973, Kotler cites the importance and relationship between store atmospherics to that of ease of shopping and consumers' level of satisfaction. Other research (Baker, Parasuraman, Grewal, and Voss 2002; Ridgeway, Dawson, and Bloch 1990) suggests that the store's environment significantly influences a consumers' decision to patronize the establishment.

When retailers focus on offering shopping ease, they are essentially attempting to make consumers comfortable within the retail environment. The desired comfort level is for consumers to feel as if they are part of the retail family. Browsing, selecting, and purchasing products and services from a retailer with a shopping ease environment is one that brings delight, enjoyment and/or feelings of convenience (Turhan 2014). As competition increases, as a result of the growth, the authors propose two hypotheses related to consumers' satisfaction with ease of shopping. The hypotheses include:

> *H_3: Swing, Baby Boomers, Generation Xers, and Generation Yers differ in their satisfaction of ease of shopping.*
>
> *H_4: Swing, Baby Boomers, Generation Xers, and Generation Yers differ in their satisfaction of the ease of shopping measures (layout, timely purchase, checkout service, shopping baskets, and packaging).*

Sales Associates

Many retailers state that "customer service" is the number one priority for success. The difficulty with ensuring high quality customer service is that it entails predicting consumers' expectations and successfully satisfying the expectations and requirements (Katarachia 2013). This emphasis on customer service lends itself to an extensive amount of research on the subject matter (e.g., Bradford, Crant, and Phillips 2009; Homburg and Stock 2005).

Retailers would be unwise to presume that the primary role of a sales associate is to complete sales transactions. Perhaps a more important role is that of developing personal connections with the consumers (Gremler and Gwinner 2000). It is through enjoyable business-to-consumer interactions that satisfaction with the retailer is built (Fatima and Razzaque 2013).

Research reveals that sales associates' appearance (e.g., how they are dressed) and the perceived level of friendliness, significantly influences consumers' response toward them (Kim, Ju, and Johnson 2009; Tsai 2001). Other research indicates that consumer satisfaction is influenced by the sheer presence of sales associates (e.g., number and availability of sales associates) (Kim and Kim 2012). Too few sales associates results in dissatisfaction among consumers, whereas the ability to obtain assistance throughout the store generates consumer satisfaction (Kim and Kim 2012).

Based on prior research, the authors propose two hypotheses as they relate to consumers' satisfaction with sales associates. The hypotheses are:

> *H_5: Swing, Baby Boomers, Generation Xers, and Generation Yers differ in their satisfaction of sales associates.*
>
> *H_6: Swing, Baby Boomers, Generation Xers, and Generation Yers differ in their satisfaction of the sales associate measures (periodical check back, assistance with selection, knowledge of*

merchandise, advice on trends and fashion, friendliness, and fashionably dressed).

METHODOLOGY

Data Source

Using the independently owned fashion chain store's customer email database, an online survey (via Qualtrics) is employed to measure the hypotheses. Based upon prior research, quantitative questions are posed to actual customers. The online survey consists of four sections: (1) store atmosphere; (2) ease of shopping; (3) sales associates; and (4) demographics. Demographic questions include gender and age. The demographic question regarding age is segmented by generational cohort for ease of data analysis and due to the information being sought by the chain store owner.

The independent chain store regularly updates the consumer's email address at the time of purchase. Additionally, consumers are asked for consent to be contacted via email regarding promotional merchandise and updates on store news and events. Consumers who agreed to be contacted by email for promotional purposes are included in the sample population.

Consumers are randomly selected to participate in the survey by the first letter of their email address from a database of 16,890 names. The final random sample consists of 7,000 consumers who (a) regularly patronize the local independent chain store retailer and (b) has made a purchase in the past 12 months. Of this database, 1,500 are asked to complete questions on experiences associated with the local chain store retailer. The study yielded a return rate of 33.8%; thereby, providing the researchers with 507 useable, completed surveys for data analysis. The participant breakdown is as follows: 18 (3.55%) Swings, 203 (40.04%) Baby Boomers, 195 (38.46%) Generation Xers, and 91 (17.95%) Generation Yers. All participants included in the study were female, because they are the company's target market.

Measures and Analysis Procedures

Store atmosphere satisfaction (H_{1-2}) is captured by asking respondents to indicate on a five-point Likert-type scale (4 = strongly agree, 3 = agree, 0 = neutral [neither agree nor disagree], 2 = disagree, and 1 = strongly disagree) their level of agreement for five individual measures/statements: (1) the store is clean, (2) the store environment is inviting, (3) the music being played is enjoyable, (4) the temperature is comfortable, and (5) the window displays are appealing. For H_{3-4}, ease of shopping satisfaction consisted of five measures/statements: (1) the layout is easy to shop, (2) I am able to complete my purchase in a timely manner, (3) good checkout service is provided, (4) shopping baskets are provided, and (5) store packaging is an important part of the shopping experience, while sales associate satisfaction (H_{5-6}) consists of six measures/statements: (1) sales associates check back with me periodically during my shopping experience, (2) sales associates assist me in selecting merchandise, (3) sales associates are knowledgeable about the merchandise, (4) sales associates offer trend and fashion advice, (5) sales associates are friendly, and (6) sales associates are fashionably dressed. The same five-point Likert-type scale is used to measure H_{1-2} is also used for H_{3-6}.

Prior to testing the hypotheses, a confirmatory factor analysis is used to test the adequacy of the variables (store atmosphere, ease of shopping, and sales associates). The goodness of fit index is 0.9199; therefore, there is evidence that the variables are adequately measuring/capturing the proper information. For $H_{1, 3, 5}$, one-way analyses of variance (ANOVA's) are conducted to find out if significant mean differences are present between the generational cohorts (independent, categorical variables) for the three dependent variables (store atmosphere, ease of shopping, and sales associates). For $H_{2, 4, 6}$, ANOVA's are also utilized; however, testing is conducted for each measure (dependent variable) associated with the three variables (five measures for store atmosphere, five for ease of shopping, and six for sales associates) in order to determine if significant mean score differences exist between the generational cohorts (independent, categorical variable). Following ANOVA testing, post-hoc pairwise comparisons using Tukey's HSD procedure for unequal sample sizes are then conducted to test for mean score differences between generational cohorts. The statistical program SAS is used for all analyses and all significance levels for are set at α ≤ .05.

RESULTS, DISCUSSION, AND CONCLUSIONS

ANOVA testing among the generational cohorts on the three store environment variables reveal no significant (p < .05) mean differences: (H_1) store atmosphere (F = 1.49, p = 0.2163); (H_3) ease of shopping (F = 1.67, p = 0.1723); and (H_5) sales associates (F = 2.34, p = 0.0724) (see Table 1). Although marginal significance (p is between .05 and .10) is found for sales associates among the generational cohorts, all three hypotheses (H_1, H_3, and H_5) are not supported. Based on the overall mean scores, all generational cohorts appear to be more satisfied with store atmosphere (mean score = 3.40), than that of sales associates (mean score = 3.21) and ease of shopping (mean score = 3.09) (see Table 2). It is important to note; however, that all generational cohorts appear to be somewhat satisfied with the three store environment variables since all variables receive mean scores within the range of three (agree). On average, the individual generational cohort mean scores for the three store environment variables are as follows: store atmosphere (Swing = 3.69; Generation X = 3.42; Generation Y = 3.38; Baby Boomer = 3.35); ease of shopping (Swing = 3.41; Generation Y = 3.14; Baby Boomer = 3.08; and Generation X = 3.03); and sales associates (Swing = 3.64; Baby Boomer = 3.23; Generation X = 3.19; and Generation Y = 3.10). Following ANOVA, pairwise comparisons using Tukey's HSD reveal that sales associates is the only variable to experience significant mean differences among the generational cohorts. As such, it is found that the Swing Generation (mean score = 3.64) significantly differ from Generation Y (mean score = 3.10).

Table 1. ANOVA results: Generational cohort effects of mean scores by variable and measure (H_{1-6}).

Variable & Measure	*n*	*df*	*F*	*p-value*
Store Atmosphere (Overall)	506	3, 503	1.49	0.2163
The store is clean.	504	3, 501	2.04	0.1070
The store environment is inviting.	504	3, 501	0.65	0.5847
The music being played is enjoyable.	454	3, 451	0.77	0.5112
The temperature is comfortable.	500	3, 497	2.19**	0.0885
The window displays are appealing.	501	3, 498	1.04	0.3752
Ease of Shopping (Overall)	506	3, 503	1.67	0.1723
The layout is easy to shop.	502	3, 499	0.98	0.4028
I am able to complete my purchase in a timely manner.	502	3, 499	0.41	0.7430
Good checkout service is provided.	502	3, 499	0.29	0.8299
Shopping baskets are provided.	455	3, 452	2.73*	0.0437
Store packaging is an important part of the shopping experience.	500	3, 497	1.98	0.1165
Sales Associates (Overall)	506	3, 503	2.34**	0.0724
Sales associates check back with me periodically.	505	3, 502	1.87	0.1329
Sales associates assist me in selecting merchandise.	495	3, 492	3.60*	0.0135
Sales associates are knowledgeable about the merchandise.	501	3, 498	2.99*	0.0307
Sales associates offer trend and fashion advice.	479	3, 476	1.35	0.2582
Sales associates are friendly.	503	3, 500	1.95	0.1207
Sales associates are fashionably dressed.	500	3, 497	0.13	0.9443

Note: *Significant: p < .05; **Marginally significant: p is between .05 and .10.

Table 2. Mean vectors: Testing for differences among generational cohorts ($H_{1,\ 3,\ \text{and}\ 5}$).

Generational Cohort	*Variable*	*n*	*Mean*	*Standard Error*	*Standard Deviation*
Overall (All Cohorts)	Store Atmosphere	507	3.40	0.0301132	0.6787179
	Ease of Shopping	507	3.09	0.0331904	0.7480736
	Sales Associates	507	3.21	0.0361236	0.8141856
Swing	Store Atmosphere	18	3.69	0.0959605	0.4071261
	Ease of Shopping	18	3.41	0.1477254	0.6267459
	Sales Associates	18	3.64^{a}	0.1161051	0.4925922
Baby Boomer	Store Atmosphere	203	3.35	0.0494090	0.7039704
	Ease of Shopping	203	3.08	0.0548267	0.7811602
	Sales Associates	203	3.23	0.0558660	0.7959685
Generation X	Store Atmosphere	195	3.42	0.0467517	0.6528524
	Ease of Shopping	195	3.03	0.0545608	0.7619000
	Sales Associates	195	3.19	0.0590956	0.8252244
Generation Y	Store Atmosphere	91	3.38	0.0745556	0.7112149
	Ease of Shopping	91	3.14	0.0677052	0.6458660
	Sales Associates	91	3.10^{a}	0.0901898	0.8603555

Note: Mean scores having the same superscript letter in the mean column represent generational cohort effects that are significantly different at alpha ≤ .05 (Tukey HSD procedure). Based on a five-point Likert-type scale where 4=Strongly Agree - 1=Strongly Disagree; Neutral=0.

ANOVA testing among the generational cohorts on each of the measures ($H_{2,\ 4,\ \text{and}\ 6}$) associated with the three store environment variables reveal significant ($p < .05$) mean score differences for only two sales associate measures and one ease of shopping measure: (1) sales associates assist me in selecting merchandise ($F = 3.60$, $p = 0.0135$); (2) sales associates are knowledgeable about the merchandise ($F = 2.99$, $p = 0.0307$); and (3) shopping baskets are provided ($F = 2.73$, $p = 0.0437$) (see Table 1). Although marginal significance (p is between .05 and .10) is found for one store atmosphere measure (the temperature is comfortable; $p = .0885$), only hypotheses four and six are partially supported. Further analysis, using Tukey's HSD procedure, reveal significant generational cohort mean score differences for each of the three previously mentioned measures (see Table 3). Baby Boomer's (2.82) mean score significantly differ from Generation Xer's (2.38) for the "shopping baskets are provided" measure for ease of shopping, while Baby Boomers (3.28) significantly differed from Generation Yers (2.84) for the "sales associates assist me in selecting merchandise" measure for sales associates. Finally, the Swing Generations (3.89) mean score for the sales associate measure "sales associates are knowledgeable about the merchandise" significantly different from Generation Yers (3.17)

Table 3. Mean scores and statistically significant mean score differences by variable and measure ($H_{2, 4, \text{and } 6}$).

	Generational Cohort			
Variable & Measure	*Swing*	*Baby Boomer*	*Generation X*	*Generation Y*
Store Atmosphere (Overall Score)	3.69	3.35	3.42	3.38
The store is clean.	4.00	3.79	3.86	3.86
The store environment is inviting.	3.89	3.71	3.74	3.68
The music being played is enjoyable.	3.11	2.71	2.77	2.98
The temperature is comfortable.	3.56	3.40	3.43	3.13
The window displays are appealing.	3.89	3.63	3.61	3.71
Ease of Shopping (Overall Score)	3.41	3.08	3.03	3.14
The layout is easy to shop.	3.61	3.37	3.26	3.41
I am able to complete my purchase in a timely manner.	3.61	3.49	3.55	3.55
Good checkout service is provided.	3.67	3.54	3.52	3.58
Shopping baskets are provided.	3.07	2.82^a	2.38^a	2.64
Store packaging is an important part of the shopping experience.	3.61	2.73	2.73	2.78
Sales Associates (Overall Score)	3.64	3.23	3.19	3.10
Sales associates check back with me periodically.	3.67	3.36	3.35	3.14
Sales associates assist me in selecting merchandise.	3.65	3.28^a	3.13	2.84^a
Sales associates are knowledgeable about the merchandise.	3.89^a	3.31	3.42	3.17^a
Sales associates offer trend and fashion advice.	3.39	2.78	2.70	2.87
Sales associates are friendly.	3.94	3.58	3.55	3.48
Sales associates are fashionably dressed.	3.50	3.35	3.37	3.35

Note: Pairwise comparisons are only across generational cohorts. Mean scores having the same superscript letter in each row are significantly different at alpha ≤ .05 (Tukey HSD procedure). Based on a five-point Likert-type scale where 4=Strongly Agree - 1=Strongly Disagree; Neutral=0.

RECOMMENDATIONS AND LIMITATIONS

The findings from the study add to the body of knowledge regarding small, independent retailers. The existing study consists of the examination of one company with 18 locations. The retail locations are situated in five southern states, primarily in college towns. The fact that the authors are examining a small, independent retailer automatically generates strengths and limitations to the study. An obvious strength of the study is the addition to the body of knowledge for practitioners and academics. Unfortunately, the limitation is that the results of the study cannot be generalized. Indeed, the results of this study are applicable most strongly to the company under investigation.

Small retailers are the lifeblood of many families and communities. Indeed, the company that this data was collected is an important source of employment for college students. It is critical to continue research on the nuances of a retail store's environment on consumers' satisfaction level. Gone are the days when retailers can rely solely on satisfying consumers with a product or brand. Store environment, specifically that of independent retailers, must continually be examined.

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Extraversion And Market Mavenism Mediate The Relationship Between Review Involvement And The Intention To Create Online Consumer Reviews

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Abstract

The aim of this research is to examine the drivers of online review behavior. Preliminary results show that review involvement positively affects consumers' intention to create online reviews. Moreover, we find both market mavenism and extraversion mediating the relationship between review involvement and creating online consumer reviews.
Keywords: electronic word-of-mouth (eWOM), online consumer reviews, market maven, extraversion

Theoretical Background

Consumer behavior is influenced by multiple factors. One factor, besides others, is the behavior of other consumers e.g. their recommendations behavior. This holds particular true in online marketing. Consequently, a plethora of literature exists on the impact of online consumer recommendations and associated reviews on consumer behavior (Park, Lee & Han 2007). Yet, fewer research has focused on drivers for creating online consumer reviews, mainly covering consumers' motives (Hennig-Thurau, Gwinner, Walsh & Gremler 2004; Cheung & Lee 2012). This research aims at contributing to prior literature by examining the effect of both traits and states on creating online consumer reviews.
According to the Theory of Planned Behavior (Ajzen 1991), the intention of an individual is the strongest predictor for actual behavior. Thus, the intention to create an online consumer review was set as the dependent variable. Prior eWOM literature (Hennig-Thurau et al. 2004) found involvement to cause review behavior. Even more, the interest in online consumer reviews manifests itself in an intensive assessment of the medium and is therefore assumed to affect the intention to create a review. Hence, we propose:

> H1: Review involvement positively affects consumers' intention to create reviews.

Market mavenism (Feick and Price 1987) as a personality trait describes persons, who like to actively collect and share market information. Since online reviews can be seen as medium for information sharing, we do not only assume market mavenism to have a strong direct effect on creating online consumer reviews, but to explain the relationship of review involvement and the actual intention to create an online review. We therefore hypothesize:

> H2: Market mavenism mediates the relationship between review involvement and intention to create an online consumer review.

Wang & Yang (2007) prove a positive correlation between extraversion and the intention to share knowledge with others. Since online reviews also provide an opportunity to satisfy the desire for social interaction (Picazo-Vela, Chou, Melcher & Pearson 2010), we expected extraversion to mediate the relationship between review involvement and actual review intention. Review involvement should then affect extraverted individuals in their intention to create online consumer reviews. We propose the following hypothesis:

> H3: Extraversion mediates the relationship between review involvement and intention to create an online consumer review.

Materials and Methods

In order to test our hypotheses, we conducted an online survey (n=115) of which 111 interviews could be used for data analysis (63.96% females, μ = 29.05 years; σ = 7.99). To assess the validity and reliability of the measurement model, standard criteria such as Cronbachs α and the average variance extracted (AVE) were employed. To measure market mavenism (6 items, α = .92, AVE = 72.02%) and extraversion (2 items, α = .82, AVE = 84.75%), well established scales were derived by the literature (Feick & Price 1987; Muck, Hell & Gosling 2007) and slightly modified. For measuring review involvement (3 Items, α = .70, AVE= 63.07) and intention to create online consumer reviews (3 Items, α = .96, AVE= 92.56) essentially modified scales were used (Zaichkowsky 1985; Lis 2013; Picazo-Vela et al. 2010; Cronan & Al-Rafee 2008). Throughout the survey 7-point Likert-scales (7 = strongly agree; 1 = strongly disagree) were applied.

We performed structural equation modelling (SEM) with AMOS 23.0 to test our model. Several fit indices supported a good fitness of the model (χ^2/df = 1.431, NFI = 0.930, CFI = 0.978, RMSEA = 0.063). The results indicate that review involvement (SD-β = 0.387, $p < 0.01$) significantly predicted intention to create online consumer reviews, supporting H1. We used bootstrapping method (Preacher and Hayes 2008) to test the mediating role of market mavenism and extraversion between the relationship of review involvement and intention to create online reviews. The results showed, the total indirect effects of review involvement through market mavenism and extraversion on intention to create online reviews (indirect effects = 0.277, $p < 0.01$, 95%-CI: [0.156 to 1.411]) were significant. Moreover, the direct effect of review involvement on intention to create consumer reviews (β = 0.135, $p > 0.05$) did not reach significance. Therefore, market mavenism and extraversion fully mediated the relationship between review involvement and intention to create online reviews. In sum, H2 and H3 were supported.

Conclusion

Empirical evidence for H1 was found, indicating that review involvement has a significant effect on consumers' intention to create online consumer reviews. Further, market mavenism and extraversion do not only account for a direct effect, but fully mediate the relationship between review involvement and the actual intention to create a review, supporting H2 and H3. This research in progress contributes to existing eWOM literature by examining the antecedents of consumers' eWOM intentions, shedding light on why people spend their time to share their purchasing experiences online.

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Social Media Monitoring as a Tool to Assess Customer Satisfaction: The Case of Spotify

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EXTENDED ABSTRACT

The importance of social media as a source of market intelligence cannot be denied (Bolton, et al., 2013). It is particularly attractive given the large amount of user-generated content available for free on social media sites (He, Zha, & Li, 2013). Social media monitoring is defined as "capturing information from social media about characteristics, needs, behaviors and relationships" and subjecting this information to appropriate analysis (Kupper, et al., 2014, p. 130). Through social media monitoring, a company can acquire information on consumer-focused measures (i.e., brand sentiment and customer satisfaction) which serve as leading indicators of traditional performance outcomes (Heijnen, et al., 2013; Shweidel & Moe, 2014). As stated by Barger and Labrecque (2013), "social media metrics are all the rage" (p. 64). Researchers have demonstrated the value of social media monitoring to be important in a number of retail settings (online and bricks and mortar) (Chua & Banerjee, 2013), for monitoring not only one's own performance, but the performance of competitors (He, Zha, & Li, 2013), and for capturing employee voice (Miles & Mangold, 2014).

This study demonstrates how social media monitoring can be used as a tool for assessing customer satisfaction and other consumer sentiments. The researchers chose Spotify, a digital music service, as the focal company given its strong social media presence. Following a methodology similar to the one employed by Collins, Hasan, and Ukkusuri (2013), the target constructs were assessed by measuring Twitter feeds. Specifically, researchers used Topsy, which is a social media analytics company and Twitter partner that analyzes insights from trends and interactions in different social media platforms. Over a six day period divided into three day parts (morning, afternoon and evening), Twitter feeds related to Spotify were captured and coded using the following coding scheme:

- Satisfaction: If the tweet was referring to the fulfillment of expectation or needs.
- Artists: If the tweet was referring to a music industry artist.
- Songs, Playlists and Albums: If the tweet was referring to a particular song, album and/or playlist.
- Competitors: If the tweet was referring to Spotify's direct or indirect competitors.
- Collaborators: If the tweet mentioned collaborators or associates who jointly work with Spotify.
- Positive/Negative: If the tweet constituted a positive or negative assessment regarding Spotify.

In addition, the Topsy provided sentiment scores were recorded. This methodology resulted in n=1816 tweets of which 39% (n=703) related to satisfaction issues. Of those tweets, 89% (n=625) expressed satisfaction with the service.

Based on the detailed analysis of the tweets, the following themes emerged:

- The leading factor driving Spotify's satisfaction is its interactive platform allowing customers to share, create and discover playlists.
- The absence of certain popular artists/bands and the lack of music variety affects Spotify satisfaction. Occasionally driving customers to switch to other substitute services such as the leading competitor Apple Music.
- The integration of other social media platforms like Snapchat, Facebook and Chromecast, creates a multi-platform web that greatly enhances Spotify's awareness thus adding value to its services.
- Moving users from the freemium to the premium subscription is a challenge, due to the fact that the majority of freemium users have already achieved high levels of satisfaction.
- Spotify depends heavily on the use of social media platforms such as Facebook and Twitter, to identify trends in new music, create awareness and distribute music.
- The majority of the resistance towards Spotify services is derived from artists, who currently believe that they are being poorly remunerated for their art, and music industry major record label representatives who believe Spotify will eventually drive the Music Industry to bankruptcy.

Based on these findings, recommendations for Spotify include:

- Spotify needs to re-evaluate its payment structure and royalty rates to better reflect the real value of music. Negotiations with major record labels are encouraged.

- Spotify needs to build stronger relationships with artist and concentrate efforts on creating partnerships with popular artists such as One Direction and Justin Bieber in order to increase final-user value and artist value, as well as the company reputation.

- Spotify needs to continue working with labels and distributors to gain access to even more content variety, especially from DJ's, classic musicians, and representation for genres that are less mainstream-like jazz and blues.

- Spotify should continue its efforts to partner with other companies, mobile applications and social media platforms to boost brand image and appeal to potential new users.

- Spotify should keep finding ways to add value to the premium subscription in order to make it more appealing to current freemium users.

This research was undertaken as the second phase of a three phase brand analysis project. The relationship between this phase of the research and other phases of the research will be discussed along with limitations and lessons learned when conducting this social media monitoring.

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Choosing by Selecting or Rejecting: How Decision Strategy Influences Consumer Satisfaction

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ABSTRACT

Decision strategy refers to the process used to make a choice (Shafir 1993). A rejection-based decision strategy occurs when the primary focus of the decision is on rejecting undesired option(s) or attribute(s). A selection-based decision strategy occurs when the primary focus of the decision is on selecting desired option(s) or attribute(s). That *how* consumers reach their decision might influence consumption satisfaction is a non-obvious proposition that warrants investigation. Three experimental studies test – and find support for – the idea that a rejection-based decision strategy can lead to greater satisfaction compared to a selection-based decision strategy. Relative to consumers who select liked options, consumers who decide by rejecting disliked options attend more to the undesirable features of the options they discard. They use this negative information to imagine worse possible alternative outcomes ("at least I didn't choose one of the other options"), which mitigates potential dissatisfaction with the actual consumption experience. The moderating roles of experience valence (positive or negative) and salience of the foregone alternatives (present or absent) are examined, and two mediating processes are identified. The findings offer unique opportunities for marketing practitioners to influence and manage consumer satisfaction, dissatisfaction and complaining behavior *before* the consumption experience takes place.

Shafir, Eldar (1993), "Choosing Versus Rejecting - Why Some Options Are Both Better And Worse Than Others," *Memory & Cognition,* 21 (4), 546-56.

Birds of a Feather: A Normative Model of Assessing Consumers Satisfaction in a Generalized Expectation-Disconfirmation Paradigm

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ABSTRACT

Based on the basic expectation-disconfirmation paradigm, this article proposes a generalized model in evaluating customer satisfaction (CS) by integrating equity, regret, and disappointment. Within this conceptual framework, CS can be assessed in a global manner so that different marketing mixes and strategies may take to meet consumers' expectations effectively. In addition, by adopting weight and cluster to classify behaviors signaling defined post-purchase emotional responses, this disappointment-regret-inequity disconfirmation framework and the post-purchase signal model is expected to compromise variables of chosen and forgone options with social exchange comparisons.

Managing Negative Word of Mouth in Your Brand Community: The Interplay between Community Behavior and Firm Actions

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Abstract

As consumers are increasingly shifting their focus on computer-mediated C2C communications to gather information on which to base their decisions, organizing and managing online brand communities have become of high importance to many firms. Using a netnographic approach, the current provide several insights to firms regarding brand community management strategies (e.g., rumor control, manage the spread of negative word of mouth) that are actually favored and called from the community members. The findings highlight the role of social identification (e.g., member status) on how marketers should monitor, identify, and moderate C2C communications in an online brand community management.

Communicating with Dissatisfied Customers about a Service Failure: The Role of Relational Continuity

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Extended Abstract

Marketers often face a question about how to communicate with their customers about a service failure. In this research, we study the impact of different service recovery communication strategies on customer satisfaction. Specifically, we propose that their effectiveness will be determined by relational continuity between marketers and customers.

According to a recent survey with over 8,000 customers across 17 countries, only about 50% of the mobile phone users revealed that they had been with their current service provider for at least one year (Rousselet, 2015). Even though this finding shows how competitive a phone service industry is, it stresses the important role that marketers should play to maintain relationships with existing long-time customers.

Past research also reports that relational continuity is beneficial in restoring a damaged customer relationship. Customers tend to be more tolerate and be satisfied with recovery if there is a well-established relationship between marketers and customers (Hess, Ganesan, & Klein, 2003; Grégoire, Tripp, & Legoux, 2009). However, it takes time and effort for marketers to build and enhance their relationship with customers. A marketer's active listening can be a key to winning customer trust and satisfaction (Pryor, Malshe, & Paradise, 2013).

We argue that marketers should design different recovery communication strategies, depending on their relationship with customers. For example, one-night stand customers tend to have a commercial exchange relationship with marketers so their relationship will be relatively weak. In contrast, long-time loyal customers are likely to have a communal relationship with marketers and thus their relationship will be stronger (Joireman, Grégoire, & Tripp, 2016). As a result, for one-night stand customers, firm-driven, proactive recovery communication strategies may give them an impression that a firm is efficiently engaged in recovery (Chang & Chen, 2013; Mikolon, Quaiser, & Wieseke, 2015; Smith, Bolton, & Wagner, 1999). In contrast, for loyal customers, customer-driven, gradual recovery communication strategies can them an impression that a firm is actively listening to them in recovery (Pryor et al., 2013; Zhou et al., 2014). Compared to one-night stand customers, loyal customers should be treated as co-producers and thus their input can be paramount to the success of marketers' recovery effort.

To test customer response to different service recovery communication strategies, we ran an online filed experiment. We first invited participants to visit and evaluate a hypothetical website. We manipulated their relational continuity as part of their evaluation goal so that they can play a role of either a one-night customer or a loyal customer of the site. Next, during their website evaluation task, we changed the speed of the site so that they can actually experience a service failure. Then, we presented each individual participant with a different service recovery message. Finally, we measured their overall satisfaction (Maxham & Netemeyer, 2002).

Our results show that loyal customers' satisfaction improved when they were offered with customer-driven, rather than firm-driven, recovery communication strategies. Yet, one-night stand customers' satisfaction did not change, regardless of recovery communication strategies. They suggest that it will be crucial for service marketers to utilize a tailored communication strategy in order to better reestablish a damaged relationship with customers.

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