

FUELLING POSITIVE SERVICE ENCOUNTERS: THE CUSTOMER'S CONTRIBUTION

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ABSTRACT

Positive service encounters can occur when customers and service employees direct their respective efforts towards achieving a jointly favourable outcome. This paper argues that customers can play a significant role in creating a positive and gratifying service encounter for both themselves, the service employees, and the rest of the customers involved in the service interaction. This can be achieved when customers voluntarily engage in beneficial behaviours towards service employees, which in turn influence the service employees' subsequent behavioural response. This paper demonstrates how employee extra-role behaviour is mediated by the beneficial and resourceful impact resulting from customer positive actions.

KEYWORDS: Service encounter, Customer behaviour, Service employee behaviour, Social Exchange.

1. INTRODUCTION

A considerable body of research has acknowledged the importance of the service encounter in general, and the centrality of personal interactions occurring at the customer-service employee interface in particular, as these exchanges are considered to be vital elements of the service encounter that contribute to the performance of a service firm. Therefore, a significant amount of interest has been directed towards the understanding of the interpersonal dynamics involved in the service encounter, so as to render this exchange into a positive one.

In view of the above, our motivation for this research was based on two premises. Firstly, it is maintained that despite the aforementioned acknowledgement, a considerable amount of studies on the interpersonal dynamics of the service encounter have focused on the exchange of negative behaviours between the two interacting parties (e.g., service sabotage, customer verbal aggression). Secondly, despite the established dyadic nature of the service encounter and aside from a few notable exceptions (e.g., Garma and Bove, 2011), which have highlighted the beneficial impact of customer positive behaviours for service employees, studies focusing on the customer's role in contributing to the formation of an equally gratifying service encounter

are rather limited. Taken together, these observations point to a gap in the services marketing literature in terms of the number of studies dedicated to the investigation of customer behaviours directed towards service employees, which ultimately lead to a mutually beneficial encounter. Therefore, with the present research, we adopt the service employee perspective, and we seek to investigate how positive service encounters can occur at the customer's initiative.

2. THE NATURE OF THE SERVICE ENCOUNTER AND THE ROLE OF THE CUSTOMER

The dyadic nature of service encounters suggests that positive encounters can occur only when both parties involved in the interaction can share a mutually satisfactory experience and gain some type of benefit (Chandon *et al.*, 1997). Furthermore, during these encounters, service employee and customer behaviours are interdependent, in that one party's actions affect, and are affected by the other party's actions. Hence, the service outcome essentially arises from the coordinated efforts of customers and service employees during the service process (Mills and Morris, 1986).

In this view, apart from a focus on employee roles, a significant battery of research has also been examining customer roles during the service exchange. Prior research distinguishes between customer in-role and extra-role behaviour; these two constructs are theoretically validated, however, only a few recent studies have focused on customer extra-role behaviours that explicitly target service employees. Differentiating customer extra-role behaviours on the basis of their intended beneficiaries is imperative, as evidence indicates that customer discretionary actions can at times produce negative outcomes for service employees.

In order to fulfill this identified gap, Garma and Bove (2011) proposed a new construct named 'customer citizenship behaviour directed to service personnel' (CCB-SP). According to their conceptualization, CCB-SP is positioned in the realm of customer extra-role behaviours and includes "*helpful, kind, considerate or thoughtful acts voluntarily performed by customers that benefit service personnel in some way*" (Garma and Bove, 2011, p.634). These types of customer behaviours have constituted the starting point of our research.

3. PURPOSE

Our aim with the present paper is to apply the lens of the theory of social exchange (Blau, 1964) and a resource-based perspective to the existing

literature, and to thereby extend past research by examining the impact of customer beneficial behaviours in terms of the service employees' subsequent behaviours. In simple terms, drawing on the norm of reciprocity (Gouldner, 1960), we assume that when service employees are the beneficiaries of customer voluntary behaviour, they will experience an internal obligation to engage in favourable reciprocal behaviours towards their benefactor. Adding to this, we adopt a resource-based perspective, and we draw on Conservation of Resources theory (Hobfoll, 1989) and the Job Demands-Resources (JD-R) model (Demerouti et al., 2001), to explain the impact of customer behaviour on service employee service behaviours. Therefore, we propose that the benefits brought by customers to service employees can be translated into enhanced personal and work resources; such a resource supply can enhance service employee performance overall. As such, we aimed at answering two research questions:

RQ1: What is the impact of customer beneficial behaviour towards service employees in terms of their subsequent behaviour towards their benefactor?

RQ2: What is the impact of customer beneficial behaviour towards service employees in terms their subsequent behaviour towards all customers?

Specifically, in order to offer insights into the area under investigation, this research adopted a mixed-methods research design, involving the consecutive implementation of two research phases: (1) study one, was exploratory in nature and employed the Critical Incident Technique (CIT) in order to investigate the phenomenon of customer beneficial behaviour; (2) study two was quantitative, and comprised of an online scenario-based experimental survey, implemented with the aims of validating the preliminary exploratory findings at an aggregate level. Both studies focused on the beneficiary perspective by examining the service employee's viewpoint, so as to investigate their response following customer beneficial behaviour on a cognitive, affective, and behavioural level. Furthermore, both research phases were conducted among waiting personnel of full service restaurants in Greece.

3. STUDY ONE

A critical incident study was designed in order to explore both research questions qualitatively. A total of 29 individuals working as waiting personnel were interviewed, and a preliminary analysis resulted in the identification of 61 critical incidents involving customer beneficial behaviour. This stage of the analysis indicated that customers can benefit service employees on two major levels: by providing instrumental

support they tangibly assist and facilitate the service employees in performing their work-related tasks; by engaging in emotionally beneficial behaviour, they help service employees to cope with the affective dimension of their job by alleviating some of the emotional burden associated with the nature of their work.

With regards to *RQ1*, results revealed that service employees express some form of reciprocal behaviour following customer beneficial behaviour. Specifically, three broad categories of employee favourable reciprocal behaviours emerged: functional benefits, special treatment, and social benefits. Specifically, (a) *functional benefits*, involve employee behaviours that enhance the core service offering (e.g., faster service, more attentive service); (b) *special treatment benefits*, consist of benefits that are typically reserved for privileged customer segments (e.g., priority service, complimentary offering); and (c) *social benefits*, conceptualized as behaviours that promote the development of friendship (e.g., engaging in more social conversation, making use of humour).

In relation to *RQ2*, the results disclosed that customer beneficial behaviour mainly impacts on three levels of the service employees' experience: their affective state, their job stress, and their self-efficacy. Furthermore, the findings suggested that these customer benefits are resourceful for service employees in a way that enhances their overall performance, as well as the enjoyment derived from delivering the service to all customers.

4. STUDY TWO

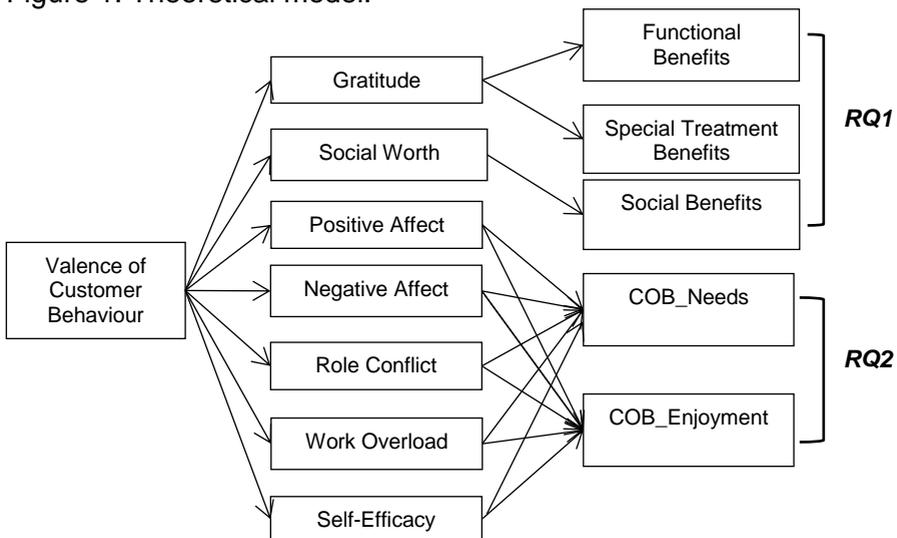
The primary objective of the second study was to validate the qualitative findings from study one, and to offer support for the underlying mechanisms that explain service employee behavioural reactions following customer beneficial behaviour. This phase of the research also contrasted the service outcomes received by beneficial customers to the ones received by customers who exhibit some form of unfavourable behaviour towards service employees. Such a comparison would allow drawing inferences about the mutuality of customer and employee behaviour. Furthermore, this approach would showcase how customers are partially responsible for the service outcome they receive, whether positively or negatively valenced, thereby lending support to the overall theorization of this research.

As such, a scenario-based experimental survey design was implemented and distributed, once again, to waiting personnel of full-service restaurants in Greece. In order to replicate real-life settings, it was

decided that the scenarios should describe hypothetical customer behaviours towards waiting personnel, while being served in a restaurant. In these scenarios, the independent variable consisted of 'valence of customer behaviour' (VCB), which was manipulated on two levels: customer positive behaviour (CPB) and customer negative behaviour (CNB). This led to the development of four scenarios (two positive and two negative), which captured the range of customer behaviours revealed in study one.

The research design implemented the method of counterbalancing (Sani and Todman, 2008); therefore, participants were randomly assigned initially to one experimental condition (e.g., positive) followed by the measurement items, and subsequently exposed to the experimental condition of the opposite valence (e.g., negative) along with the same measurement items. The theoretical model illustrated in Figure 1 derived from the qualitative findings as well as the existing literature outlines the hypothesized paths that were tested in study two per research question. Table 1 offers an overview of the scales employed to measure each of the research constructs.

Figure 1: Theoretical model.



It is worth noting that the construct of 'job stress' consisted of two dimensions, which were measured separately: role conflict and work overload. Likewise, customer-oriented behaviour was decomposed into a 'needs' dimension (COB_Needs), reflecting employees' ability to focus on customer need satisfaction, and an 'enjoyment' dimension (COB_Enjoyment), measuring employees' enjoyment derived from such a focus.

Table 1: Summary of the scales of the research constructs.

Research Constructs	Scales
Gratitude	Spence <i>et al.</i> (2014)
Social worth	Grant and Gino (2010)
Affective state	Watson <i>et al.</i> (1988)
Job stress	Chan <i>et al.</i> (2010)
Self-efficacy	Grant and Gino (2010)
Functional benefits	Bettencourt and Brown (1997)
Special treatment benefits	Lacey <i>et al.</i> (2007)
Social benefits	Hyun and Kim (2012)
Customer-oriented behaviour	Brown <i>et al.</i> (2002)

In order to test the proposed paths and hypothesized relationships, a series of mediation analyses was performed according to the causal steps approach suggested by Baron and Kenny (1986). Table 2 offers an overview of the supported hypothesized paths, while the non-supported hypotheses illustrate in Table 3.

Table 2. Summary of supported hypotheses.

Hypothesis	Independent variable	Mediating variable	Dependent variable
1	VCB	Gratitude	Functional Benefits
2	VCB	Gratitude	Special Treatment Benefits
3	VCB	Social Worth	Social Benefits
4	VCB	Positive Affect	COB_Needs
6	VCB	Positive Affect	COB_Enjoyment
12	VCB	Self-Efficacy	COB_Needs
13	VCB	Self-Efficacy	COB_Enjoyment

Table 3. Summary of non-supported hypotheses.

Hypothesis	Independent variable	Mediating variable	Dependent variable
5	VCB	Negative Affect	COB_Needs

7	VCB	Negative Affect	COB_Enjoyment
8	VCB	Role conflict	COB_Needs
9	VCB	Role conflict	COB_Enjoyment
10	VCB	Work Overload	COB_Needs
11	VCB	Work Overload	COB_Enjoyment

5. DISCUSSION

Notwithstanding the substantial amount of research on service employee efforts, limited attention has been paid to understanding the ways that customers can contribute to the service encounter by engaging in specific behaviours towards service employees, as a means of supporting the social and psychological context of the service delivery (Garma and Bove, 2011). Our aim with the present research was to contribute towards this identified gap through the implementation of two consecutive studies. In particular, our research a) has explored the phenomenon of positive service encounters occurring at the customer's initiative from the service employee's perspective, and b) has offered and tested a theoretical model linking customer behaviour to employee behaviour, mediated by the employee's experience. Overall, we aimed at investigating the phenomenon of positive service encounters, i.e., those encounters that are mutually beneficial, which occur at the customer's initiative.

First, with regards to *RQ1*, results showed that employees engage in favourable behaviours to customers who benefited them, on a significantly higher degree compared to customers who have exhibited some form of negative behaviour. Specifically, two mechanisms account for service employees' behavioural response towards their benefactor: (a) gratitude, on the one hand, prompted service employees to provide functional or special treatment benefits as a means of returning the favourable behaviour to their benefactor; (b) social worth, on the other hand, a communal mechanism through which individuals sense a form of comfort with others (Keyes, 1998), resulted in providing more social benefits to beneficial customers.

Next, in terms of *RQ2*, results showed that the benefits offered by customer positive behaviour to service employees are translated into valuable resources that enhance the personnel's service behaviours overall, as opposed to when they are the recipients of customer negative behaviour. Specifically, study one revealed, and study two confirmed, that positive affect and self-efficacy constitute two basic resources that service employees receive from customer supportive behaviour, and

draw upon in order to provide extra-role service to the rest of the customers in the service setting.

Lastly, as the level of customer satisfaction is directly related to the level of customer contribution, it stands to reason that customer dissatisfaction is not necessarily the result of service employee action or inaction, but rather emerges from the behaviour of the customer (Kelley et al., 1992). As such, there is a vein of research that argues for the necessity of a more rigorous examination of the role of customer behaviour as an antecedent to subsequent service employee behaviour (e.g., Bradley et al., 2013). In order to highlight this causal chain, we have contrasted the service outcomes related to both positive and negative customer behaviour. Such an approach revealed that customer positive behaviour is associated with heightened levels of service employee beneficial behaviour, as opposed to customer negative behaviour. Consequently, our research enhances the robustness of the argument according to which customers are partially responsible for the service outcome they receive, as they have the ability to either enhance, or to hinder the development of a mutually beneficial service encounter through their behaviour.

6. LIMITATIONS, FUTURE DIRECTIONS, AND MANAGERIAL IMPLICATIONS

There can be no better source for the perceptions of service employees than service employees themselves. However, although the value of service employees as sources of insights on customer behaviour cannot be discounted, by virtue of the dyadic nature of the service encounter, future research that uses data from both sides of the dyad (i.e. service employees and customers) on the same service interaction would contribute to the validation of the findings revealed by this research. On the same note, the present findings are also constrained by the particular context and culture in which this research was undertaken. Extending the notion of customer contributions to other types of services either in the hospitality industry, or to more functional contexts (e.g., banking) could be fruitful in providing truly significant insights on the role of customers across different contexts.

In addition, an overall pattern revealed from our study relates to the fact that service employees don't hold high expectations from their customers in terms of their behaviour; performing within their expected role seems to be enough in order for a balanced encounter to occur. However, our study provided some indication that customer behaviour may operate as a trigger for service employee extra-role behaviour. As the provision of extra-role service to customers is a desirable scenario for service

organizations, the challenge for service firm managers is to discover ways for encouraging such positive behaviour from customers. Hence, a possible avenue for further research relates to the study of the motivations of customers who engage in this type of beneficial actions, so as to offer insights for the development of reward mechanisms that would promote customer beneficial actions.

Finally, service employee behaviour plays a key role in eliciting customer prosocial behaviours (Yi and Gong, 2008). To this end, management should consider empowering service employees, as this would allow for more flexibility during their interactions with customers. In other words, empowered service employees have the freedom to make decisions and act independently by going 'off script', and by being given more control in shaping the customers' experience through extra-role service.

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