



Antecedents of mandatory customer participation in service encounters: An empirical study



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ABSTRACT

The literature on service quality and customer loyalty has long focused on enhancing the work of service providers. This study examined “the other side of the coin” in service co-production or value co-creation in service encounters by investigating how service providers might take a proactive approach to building relationships based on mandatory customer participation (MCP). The research evaluated how such antecedents as role clarity, self-efficacy, purchase importance, and servicescape could influence MCP. Path analysis revealed that these four factors significantly influenced different dimensions of MCP; which in turn had a significant impact on customer loyalty. Using these insights, managers could develop a strategic approach to managing customer roles in the service delivery process. This study adds to the body of knowledge on service quality by demonstrating empirically the determinants and structure of MCP and their relationships with customer loyalty in service co-production processes in a hospitality setting.

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1. Introduction

The hospitality industry is centered around the customer experience, which means that customers and employees work closely together at all stages of their relationship (Shaw et al., 2011). Mandatory customer participation (MCP) in service delivery has been found to be an important aspect of value co-creation in service products and a significant point of leverage for service providers in managing desired service outcomes. Unlike other areas of service management and quality, however, the antecedents of MCP have received limited attention by researchers, and documented empirical evidence regarding these antecedents is scarce.

As early as the 1980s, discussions around the difference between service products and goods products began to emerge. One school of thought was exemplified by Zeithaml et al. (1985), who contended that service products differ from goods products in four aspects and that the outcome of a service exchange is influenced not only by the service provider but also by the service recipient, that is, the customer. They termed this characteristic of service products “service inseparability.” Echoing this theory, Solomon et al. (1985)

used role theory as an analogy to describe this dyadic nature of service product exchanges. As implied in role theory, in service delivery the service provider and the customer are actors on a stage, each party plays his or her own role and has expectations toward the other party’s role performance, and when their mutual expectations are consistent, positive outcomes, such as customer satisfaction, are likely to result.

These and related discussions regarding the nature of service products and the role of customers as value co-creators in service product exchanges reassumed their momentum in the 21st century when Vargo and Lusch (2004) developed a comprehensive and penetrating foundation for a service dominant (S-D) logic in marketing. The essence of S-D logic is an increased acknowledgment that service is the common denominator in exchange in a service economy and not some special form of exchange. Further, it highlights the value co-creation process that occurs when a customer consumes or uses a service product rather than when the output is manufactured. Specifically, S-D logic holds that service businesses cannot independently create value, interaction between the service provider and customer offers a way to develop a joint process of value creation, and consequently, the customer is not simply a recipient but is rather a collaborative partner who “creates value with the firm” (Lusch et al., 2007, p. 6). From this perspective, value does not emerge until the acceptance of an offer takes place (i.e., value in use).

These theories, therefore, explicitly recognize the customer’s mandatory role, or MCP, in service encounters. Nevertheless, when

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compared with the copious literature examining the role of the service provider as the responsible party in achieving positive service outcomes, such as selecting service-oriented employees, carrying out professional development, and meeting customer expectations, empirical research on the customer's role in positive outcomes remains scant and is just beginning to gain some attention. Although this latter area has been neglected in the academic literature, evidence showing how practitioners manage MCP in practice when delivering services is widely available.

For instance, Disney management has made available brochures to increase its Chinese customers' knowledge and understanding about the Hong Kong Theme Park so they can properly participate in it and enjoy different activities in the park as was intended by Disney (Fowler and Marr, 2006). As reported in the *New York Times* (Barnes, 2010), Disney has also developed ways to manage customer waiting lines in its theme parks in Florida, such as providing game stations, so the customers will not become impatient, leave lines, and ultimately lose the opportunity to enjoy the service experience. LEGO's success is said to be completely built on successfully managing customer participation. As reported by Kalcher (2012), vice president of the Consumer Experiences department of LEGO Group, stated, the LEGO culture seeks to engage its customers; without customer engagement with the company's products, the company would not be able to survive, let alone thrive. Some of the most recent observations of this practice include that many well-known hotel brands and airlines such as Hilton, Marriott, Sheraton, and Delta call or text their guests one or two days before their travel to remind them of their hotel and flight reservations and to provide destination information. These practices no doubt help customers better understand and take charge of their own roles in the service process.

Clearly these successful companies are not leaving customer role performance in service encounters to chance. Fully understanding the benefits of active MCP, they have developed methods of managing it. It is important that practices such as these be documented, theorized, and shared in the hospitality industry. Moreover, researchers should help rationalize and facilitate these practices by providing concrete evidence on MCP's magnitude of impact on desired service outcomes, as well as revealing factors that could significantly influence it. This article fills a void in the service quality literature through understanding the antecedents of MCP. Specifically, it addresses and tests the effects of four factors on MCP, namely, customer role clarity, self-efficacy, servicescape, and purchase importance.

2. Literature review

Before exploring these antecedents of MCP, we must first clarify its definition and how it differs from a closely related concept in the service literature, namely, voluntary customer participation (VCP). In addition, we propose a grand theoretical framework derived from consumer behavior models to illustrate the position of MCP in the network of variables in service delivery. We then present a graphic illustration of a submodel highlighting the key MCP antecedents and their relationships with MCP and customer loyalty, followed by a review of the related literature and hypothesis development.

The service literature reveals that customers participate in and influence a service firm's business through two types of behavior: voluntary and nonvoluntary. Many activities in which a customer engages for the firm's own benefit are voluntary, such as taking a customer satisfaction survey or referring new customers to the firm (Gruen, 1995). This type of behavior is performed out of the customers' own will and so is voluntary. It has also been termed *customer citizenship* or *voluntary customer participation* (Yi

and Gong, 2013). On the other hand, researchers such as Zeithaml et al. (2006) have contended that service inseparability implies that service customers have responsibilities or mandatory roles necessary for creating a successful service. For instance, in a restaurant customers must place the order for food and drinks, while a hotel guest must show up to consume the hotel services. Without a customer, the services will not occur. Some researchers (e.g., Yi et al., 2011) have termed this involuntary role as *customer in-role behavior* or *mandatory customer participation*.

In the decision-making model for service customers depicted in Fig. 1 (Chen and Raab, 2014), MCP activities in a service encounter are most likely to occur in the stages of information search, information evaluation, purchase decision, and coproduction/consumption, that is, between Stages 2 and 5. Unlike VCP, which can occur anytime at any place and continue as long as the customer's interest in the service firm remains, MCP appears to cease once the service has been coproduced and consumed and all the bills are paid. Management of MCP, therefore, must be kept at a micro level, within one service product life cycle beginning with an information search and ending with service coproduction and consumption. These two types of customer behavior, MCP and VCP, are therefore distinct and so must be treated differently when examining how each influences a service firm's business.

To understand exactly how customers take responsibility for their mandatory roles or participate in service production, researchers have sought to establish the dimensionality of MCP. Although consensus over the exact number of dimensions has yet to be achieved, MCP appears to be a multidimensional construct. In one of the first empirical studies to systematically examine a scale of MCP, Chen and Raab (2014) developed and validated a mandatory customer participation scale derived from the EBK model of consumer decision making. This scale fit a three-dimensional construct model, namely, information participation, attitudinal participation, and actionable participation. Customers feel they have the responsibility to seek out information about a service provider before entering a service relationship (information participation); during the service, they must interact with the service provider in the manner of their choice (attitudinal participation); and if necessary, they must take action to make things right (actionable participation). The same three-dimensional scale is used in this study to examine MCP (for greater detail, see Chen and Raab, 2014).

3. A conceptual framework and research hypotheses

The consumer behavior discipline provides fertile ground for understanding those factors that might influence MCP in service encounters. In fact, over the years researchers have presented many models of consumer behavior. Instead of exploring all these models, which would not be feasible here, we derive our conceptual framework of MCP from one of the original models proposed, namely, the so-called EBK model, first presented by three scholars, Engel, Kollat, and Blackwell, in 1968. Providing a clear, complete, and systematic theory of consumer behavior, this model postulates that how a consumer makes consumption decisions is a consecutive process that leads to solving a problem (e.g., actions such as purchasing or walking away). It further proposes that this process is influenced by both intrinsic and extrinsic elements, the former including such matters as consumers' personal characteristics (e.g., demographics or psychological issues) and the latter involving such considerations as a firm's characteristics (e.g., brand recognition and marketing activities) and social environment (e.g., culture and social class).

Applying this model to the context of services suggests that whether and how much a customer takes care of his or her

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