



The relative contribution of love and trust towards customer loyalty

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ABSTRACT

This study examines the respective role of two constructs, love and trust, as drivers of customer loyalty in a business-to-consumer service context. A review of the psychology and marketing literature suggests prominent roles for both love and trust in relation to long-term interpersonal relationships. The likely interaction between love and trust foreshadowed in prior studies also suggests the need of studying both factors simultaneously. Yet, to the authors' knowledge, the relative contribution of love and trust to loyalty has never been examined in the context of B2C service relationships. This study collected 293 valid consumer self-administered questionnaires in a personal care service setting. Analysis results, using structural equation modelling, show that customer experience of love, and trust, are both significant predictors of customer loyalty. However, love is a stronger driver of loyalty than trust. This study contributes to our understanding of consumers' unspoken needs or wants for love and confirms their need for trust in service encounters, helping frontline employees and managers to perform better in their efforts to generate and maintain customer loyalty. The study also makes a cross-disciplinary contribution to the literature on loyalty, love and trust, in marketing and psychology.

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CHINESE ABSTRACT

本研究探讨在企业对消费者 (B2C) 服务模式下, 热爱和信任这两种客户忠诚度推动力的作用。回顾心理学和营销文献, 爱和信任在维持长期人际关系中发挥着突出作用。之前的研究中预示了热爱和信任之间的相互作用, 还建议需要同步研究这两个因素。然而, 据笔者所知, 人们从未在B2C服务背景下研究过热爱和信任对客户忠诚度的相对贡献。此次研究收集了有关个人护理服务设置的293份有效消费者自填问卷。通过结构方程模型分析, 热爱和信任的顾客体验, 是客户忠诚度的显著预测指标。但是, 热爱是比信任更强大的推动力。这项研究有助于我们理解消费者对爱的潜在需求或渴望, 并证明消费者在服务接触中需要信任, 帮助一线员工和经理更好地营造和维护客户忠诚度。本文也为营销和心理学领域跨学科研究忠诚度、热爱和信任做出了贡献。

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1. Introduction

Maintaining a long term relationship with customers is a challenge for organizations (Gummesson, 2008; Oliver, 1999). A key objective for organizations seeking to build customer loyalty (Badgett et al., 2007) may be to create superior customer experience. Numerous studies on understanding customer experiences and their impacts on consumer behaviour, or on business, can be found (e.g., Puccinelli et al., 2009; Verhoef et al., 2009; Yim et al., 2008). Despite this, research on customer experience continues to be lacking in the field of marketing (MSI, 2010, 2012, 2014).

Scholars have called for varied views on customer experience (e.g., Puccinelli et al., 2009; Verhoef et al., 2009). Amongst the relevant studies of interpersonal relationships in the disciplines of marketing and psychology, scholars have specifically called for a study of love. Whilst marketing studies investigating the notion of love in commercial relationships are scarce (Vlachos et al., 2010), the question of whether the notion of love is applicable to business contexts has interested researchers from the field of psychology (Berscheid, 2010). Therefore, a study of love in the business context should contribute to our understanding of its application beyond psychology and in doing so, would address the call for more research on love.

In contrast with the concept of love, the concept of trust is well recognized for its significance to long term business relationships (e.g., Bove and Johnson, 2000, 2006; Chaudhuri and Holbrook, 2001; Doney and Cannon, 1997). In most studies of interpersonal relationships across the disciplines of marketing and psychology, trust

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appears to be the critical factor in engaging customers in a relationship (e.g., Johnson and Grayson, 2000; Rempel et al., 1985). Significantly, the likely interaction between love and trust foreshadowed in prior studies (e.g., Fehr, 1993) suggests the need for both factors of love and trust to be examined simultaneously. Yet, to the authors' knowledge, the relative contribution of love and trust to customer loyalty has never been examined in the context of B2C service relationships/commercial relationships.

Whilst previous research on loyalty has focused on identifying the attitudinal and behavioural dimensions of the constructs (e.g., Härtel and Russell-Bennett, 2010; Melnyk et al., 2009) as well as establish their consumer manifestation (intention to purchase or willingness to pay) (e.g., Dick and Basu, 1994; Oliver, 1999), this study aims to provide a novel explanation of why customers stay loyal in a B2C service relationship, by introducing the concepts of love and trust. In the case of a service encounter, it is the interaction between consumers and frontline employees that creates the customer experience (Frow and Payne, 2007; Verhoef et al., 2009). Consumers' experience of love and trust in their interactions with frontline employees in the service encounter should therefore provide some insight into why they may become loyal consumers. In the service encounter, is it effective to use the concepts of love and trust to predict a customer's loyalty? What are the respective contribution of the consumer's experience of love and trust in the formation of customer loyalty? From these research questions two hypotheses are developed that guide this empirical work. First, however, the extant literature on customer loyalty, love and trust from both the marketing and psychology literature provide the theoretical background for this study.

2. Theoretical background and hypotheses

2.1. Customer loyalty

This study is concerned with the loyalty exhibited by current customers towards the firm. The significance of maintaining and strengthening on-going relationships with current customers is underscored by its tremendous impact on financial performance (Gummesson, 2008; Oliver, 1999). Given that the cost of customer retention is lower than that of customer acquisition (Reichheld, 2001), retaining current customers may be key to ensuring business success. In addition, according to past studies, the role of frontline employees is critical in developing a basis for customer loyalty (e.g., Frow and Payne, 2007). The interactions between customers and frontline employees can lead to the customer being, or not, loyal to the firm (Bove and Johnson, 2000, 2006). This study thus examines customer loyalty by focusing on the potential and direct influence of customer–employee interactions on the customer–firm relationship.

In this study, customer loyalty is defined as a consumer's loyal attitude and behaviour towards a specific service firm, despite competitors providing alternative services in the market. Definitions of loyalty vary, but common elements can be identified, including the expression of psychological (attitudinal) and process (behavioural) loyalty in a relationship between an actor and another entity, in the presence of alternative entities. For example, Melnyk et al. (2009, p. 82) defines "the core of the loyalty concept" as being "that there is a relationship of some sort (i.e., ranging from very shallow to very strong) between an actor and another entity and that the actor displays behavioural or psychological allegiance to that entity in the presence of alternative entities. ..." Oliver (1999, p. 392) defines "ultimate loyalty" in the service context as being "a deeply held commitment to rebuy or repatronize a preferred service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behaviour". In addition, loyalty can be demonstrated from consumer attitudes of liking, and having a preference for, a specific firm (affective loyalty) and their re-patronization of the same firm in the future regardless of market

factors (conative loyalty) (Chaudhuri and Holbrook, 2001; Dick and Basu, 1994). Based on the acknowledgment of attitudinal and behavioural components of loyalty, different types or levels of loyalty have also been proposed by researchers. For example, Dick and Basu (1994) list spurious, latent, true loyalty and no loyalty; Oliver (1999) describes cognitive, affective, conative, and action loyalty; and Härtel and Russell-Bennett (2010) discuss varied functions of emotional and cognitive consumer loyalty.

This study investigates customer loyalty from the perspective of consumers' experiences of love and trust. Though human relationships are temporal in nature (Berscheid, 2010), studies of personal relationships suggest that an emotional bond derived from experiences appears essential for any relationship development and reinforcement (e.g., Bowlby, 1979). A cross-disciplinary review of the psychology and marketing literature also suggests that love and trust play a prominent role in relation to loyalty. For example, customers' adoration and commitment, which is one component of a well-known theory of love (Sternberg, 1986) in psychology, are suggested as motives for customers' self-isolation from competitors' overtures, which in turn sustains loyalty (Oliver, 1999). On the other hand, trust also appears to be a key affective antecedent to the formation of loyalty (e.g., Macintosh and Lockshin, 1997; Rempel et al., 1985). A high level of customer trust in a service employee can result in a customer's favourable attitude towards a firm, and can lead to the customer's patronage of the firm (Bove and Johnson, 2000, 2006).

2.2. Customer experience of love

The notion of love has mainly been studied in relation to personal relationships in the context of psychology (e.g., Berscheid, 2010; Hendrick and Hendrick, 1989; Lemieux and Hale, 1999; Overbeek et al., 2007; Shaver et al., 1996). Love is an affectionate bond between two parties (Shaver et al., 1987). Love is noteworthy because it provides an important interpersonal connection (Guerrero and Andersen, 2000) and because people have an intense desire to sustain a relationship when love exists (Shaver et al., 1996). Given the importance of keeping customers loyal for an organization's business performance, applying the concept of love to the service/commercial context could make a meaningful contribution towards our understanding of business relationships. Remarkably, however, the concept of love is only now receiving greater attention from marketing academics (Beetles and Harris, 2010).

This study uses Sternberg's (1986) love theory as the foundation of its proposed variable of love. Sternberg's (1986) theory of love is cited in most conceptualizations of love in studies of interpersonal relationships in the field of psychology (e.g., Berscheid, 2010; Guerrero and Andersen, 2000). The construct of love comprises three components: intimacy, passion, and decision/commitment. In his study, intimacy refers to the feeling of closeness, connection and bond. It can derive from a person's emotional investment in the relationship, including "mutual understanding with the loved one" (Sternberg, 1986, p. 121). Passion refers to the analysis and response to the needs of another person and the actions taken to fulfil those needs. It can derive from a person's motivational involvement in the relationship through psychological and physiological arousal due to a longing for union with the other party. Decision/commitment refers to the short-term decision to love and the commitment to maintain that love in the long-term through actions. It can derive from a person's cognitive decision regarding, and commitment to, an interpersonal relationship. Noticeably, the component of decision/commitment in Sternberg's studies of love is not a construct of its own, despite its wide application in the relationship marketing domain, but is only one dimension of the construct of love. Moreover, the existence of three distinct components of Sternberg's (1986, 1997) love construct has been supported in past psychology studies of personal relationship (e.g., Overbeek et al., 2007). According to Sternberg (1986), it would be

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