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Beyond close vs. distant ties: Understanding post-service sharing of information with close, exchange, and hybrid ties

Kalyani Menon*, Chatura Ranaweera

Lazaridis School of Business & Economics, Wilfrid Laurier University, 75 University Avenue, Waterloo, ON N2L 3C5, Canada

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ABSTRACT

Customers' post-service sharing of information (PSSI) occurs with a range of social ties typically conceptualized in terms of closeness/tie strength. We extend this research by orthogonally crossing the dimension of closeness with exchange to define close, exchange, and hybrid ties. Study 1, a survey of actual PSSI behavior, supports our conceptualization regarding the dimensions of closeness and exchange defining audiences for PSSI. Study 2, a survey of PSSI intentions, further supports the significance of this extended conceptualization by showing that a model with close, exchange, and hybrid ties has a significantly better fit than a model with only close ties. We provide further evidence of the significance of these three ties by showing that service outcome and process have distinct effects on PSSI to each social tie. Satisfaction has a non-linear effect on PSSI to close ties, and positive and negative linear effects on exchange and hybrid ties respectively. Further, satisfaction is the sole predictor of PSSI to close ties, whereas satisfaction, provider status and customer power interactively drive PSSI to exchange and hybrid ties. Thus, considering close, exchange, and hybrid ties enables a more comprehensive understanding of PSSI.

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1. Introduction

Customers talk. They share information about their service experiences with a range of social relationships. Whom they share information with has important implications for the acquisition of profitable and committed customers and gathering actionable feedback on the customer experience (Haenlien, 2013; Hervas-Drane, 2015; Karniouchina, 2011; Libai et al., 2010; Schmitt, Skiera, & van den Bulte, 2011). In contrast to the volume of research on customer motivations to share information, channels of information sharing, and types of information shared, there is much less research on whom customers talk to (Berger, 2014). Such an understanding is an important first step in the design and implementation of preemptive and restorative service strategies to channel customer information sharing towards desired audiences (Stephen & Lehmann, 2016).

Past research on whom customers share information with has conceptualized the customer-audience relationship in terms of Granovetter's (1973) social ties. Social ties are typically defined in terms of tie strength (the frequency of interactions) and/or in terms of interpersonal closeness (the psychological intensity of relationships). The common dimension underlying tie strength and interpersonal closeness is that of closeness – behavioral in the case of the former and psychological in the latter. Focusing on closeness has led to a conceptualization of customer-audience relationships in terms of strong/close – weak/distant ties (e.g., Baker, Donthu, & Kumar, 2016; Brown & Reingen, 1987; De Bruyn & Lilien, 2008; Dubois, Bonezzi, & De Angelis, 2016; Goldenberg, Libai, Moldovan, & Muller, 2007; López-López, Ruiz-de-Maya, & Warlop, 2014; Mittal, Huppertz, & Khare, 2008).

E-mail addresses: kmenon@wlu.ca (K. Menon), cranaweera@wlu.ca (C. Ranaweera).

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^{*} Corresponding author.

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This focus on the dimension of closeness (behavioral or psychological) and the resultant bipartite understanding of social ties (strong/weak or close/distant), while fruitful, also imposes a significant constraint. Social ties are multi-dimensional in nature. One can think of social ties with similar intensity of closeness but different in other ways. For instance, a customer may be equally close to a neighbor and a car mechanic they have patronized for a long time. However, there is a distinction in the type of closeness closeness to the former is within a social framework while closeness to the latter is predominantly within a commercial framework based on exchange of services in lieu of payment. Similarly, a customer may share valuable information with weak/distant relationships such as with a new appliance repair person and an online audience on a review website. Despite both being weak ties, there are qualitative differences between them. Because types of social ties affects information sharing (Berger, 2014), marketers and researchers will benefit from a more nuanced understanding of ties, one that also includes ties that are not defined, or are not primarily defined, by closeness.

We complement the existing research on social ties defined in terms of closeness with an understanding of another dimension along which social ties may vary. We orthogonally cross the extant dimension of closeness (Dubois et al., 2016) with that of exchange (Clark & Mills, 2011, 1993)¹ to conceptualize a broader range of social ties that customers share information with – close ties, exchange ties, hybrid ties (both closeness and exchange). We empirically show that while close ties are clearly identifiable, ties that are not close are not all the same. Ties that are not close are distinguished by differing levels of exchange, leading to at least two types of additional social ties – predominantly exchange, and hybrid (elements of exchange and closeness) ties. We thus extend the literature that has defined ties only in terms of the occurrence of closeness. We then highlight the significance of this more nuanced understanding of social ties by showing that using close, exchange and hybrid ties provides a more comprehensive understanding of customer information sharing, than does the focus on only close ties. We also show that information sharing with close, exchange, and hybrid ties has very distinct relationships with customer satisfaction (a key predictor of information sharing) and with service process factors of perceived provider status and customer power. Satisfaction, perceived provider status, and customer power are managerially relevant factors that provide insight into managing customers' service experiences. Taken together, given that customers may share information about the same service experience with multiple social ties and how service providers can best manage these ties for optimal information sharing.

We focus on customers' post-service sharing of information (PSSI). PSSI refers to the sharing of information about the customer's own service experience, and includes the various forms of information sharing that may occur with a range of social ties using a variety of channels – online or offline WOM, voice in the form of complaints/compliments lodged with the service provider or third party mediational agencies. We focus on PSSI of contact services (i.e., services that require some in-person interaction between service provider and customer during the delivery of the primary service) because such a context provides customers with perhaps the broadest range of social ties for PSSI both within and outside the consumption experience.

We first review previous research on customer information sharing with social ties. This is followed by an elaboration of the conceptual underpinnings of our proposed close, exchange, and hybrid ties. We then demonstrate the significance of moving from a focus on only close ties by developing hypotheses comparing a model comprising close, exchange and hybrid ties with a model with only close ties, followed by hypotheses about how service outcome (satisfaction) and process (provider status, customer power) have distinct relationships with PSSI to each social tie. Finally, we present our empirical data – a survey capturing PSSI behavior and another survey on PSSI intentions and empirically test and confirm most hypotheses. We end with a discussion of the theoretical and managerial implications of our work.

2. Past research: social ties and customer information-sharing

Over the years, a steady stream of research has accumulated on the role of social ties in customer information sharing. Much of this research is based on Granovetter's (1973) notion of tie strength (strong/weak ties). Marketing research has conceptualized social ties solely in terms of closeness - either as frequency of interaction (e.g., Godes & Mayzlin, 2009; Goldenberg et al., 2007), psychological closeness (e.g., De Bruyn & Lilien, 2008; Dubois et al., 2016; Mittal et al., 2008; Zhang, Feick, & Mittal, 2014), or as some combination of the two (e.g., Brown & Reingen, 1987).

There is strong evidence that close ties between the customer and audience impacts information sharing. Much of the research focuses on customer-customer relationships where the recipient is close (to a lesser or greater extent) to the customer (e.g., De Bruyn & Lilien, 2008; Dubois et al., 2016; Godes & Mayzlin, 2009; Zhang et al., 2014). An exception is Mittal et al. (2008) who study information sharing with the provider, but they too conceptualize the customer-provider tie in terms of intensity of closeness. This emphasis on information sharing with close/distant ties implies that potential PSSI with a range of ties not defined in terms of closeness is not yet clearly understood. For instance, online WOM is an extremely popular and potent form of PSSI. Though some online relationships may be defined in terms of closeness (e.g., friends/family on Facebook, ties on highly specialized blogs), significant online WOM is broadcast to anonymous audiences (e.g., product review websites), and presence/absence of closeness may not fully explain customer relationship with such an audience. While online WOM is extensively studied (see Berger, 2014), the nature of customer – online audience social tie and its impact on PSSI remains underexplored. Similarly, PSSI with other potential audiences (e.g., unknown providers; consumer protection agencies such as Better Business Bureau) occurs in the context of an underlying social tie that is not captured by closeness.

We are indebted to an anonymous reviewer for suggesting this framework.

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