Who cares if "service with a smile" is authentic? An expectancy-based model of customer race and differential service reactions

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ABSTRACT

Service with a smile improves performance ratings—but it is unclear if that smile must be authentic. We propose that reactions to display authenticity depend on perceivers' race, due to a history of differential service experiences. These experiences are proposed to change the meaning of display authenticity, such that Whites are more likely to use authenticity to judge service performance, and Blacks are more likely to use authenticity to judge provider trustworthiness. We first confirmed that Blacks have lower service expectations than Whites due to a history of mistreatment. In two experimental studies, we then show that authenticity is important for service judgments (expectation disconfirmation, which predicted satisfaction and store loyalty) for Whites, but has no effect for Blacks. Display authenticity determined judgments of trustworthiness regardless of perceiver race. Our findings underscore the biased treatment that some customers have come to expect and the challenge of pleasing a diverse customer-base.

1. Introduction

As illustrated by the "service with a smile" mantra, organizations expect front-line employees to display positive emotions in an effort to create a positive experience for customers (Schneider, Gunnarson, & Niles-Jolly, 1994; Surakka & Hietanen, 1998). Positive emotional displays have been shown to affect performance ratings, customer satisfaction, and loyalty intentions (Pugh, 2001; Tsai & Huang, 2002). These are important outcomes for service organizations due to links to firm productivity and future revenue (Anderson, Fornell, & Rust, 1997; Lengnick-Hall, 1996; Levitt, 1960). Yet, employees are not always feeling positive emotional states at work and may find it challenging to display a seemingly genuine smile (Chi, Tsai, & Tseng, 2013; Diefendorff, Richard, & Yang, 2008). Therefore, employees' smiles can sometimes be forced or faked to meet organizational display rules (Hochschild, 1983). However, it may not be the case that all customers expect service with a smile due to their past experiences with service providers. We contend that service expectations may depend on demographic characteristics of the customer, namely customer race. Understanding how display authenticity affects customers is important to our understanding of the consequences and rewards related to emotional labor.

Within this manuscript, we have two major goals. First, we aim to

provide a unique perspective for why White and Black customers may perceive the same service interaction differently due to their past history with service providers. In doing so, we compare two distinct theories about forming judgments. Based on expectation confirmation theory (Oliver, 1980), Whites should be more reactive to display authenticity compared to Blacks, because Whites expect to be treated well and seek more than just a polite smile, whereas Blacks may have adapted to poor service by expecting less (Thau, Aquino, & Bommer, 2008). Yet that history of mistreatment in service may mean that Blacks are more sensitive than Whites to inauthentic emotional displays as indicators of low trustworthiness, based on schema accessibility (Fiske & Taylor, 1991). Second, we aim to advance theoretical understanding of both when and why authenticity of positive emotions influences customer satisfaction and loyalty intentions. Consistent with our above theoretical reasoning, we propose that display authenticity activates judgments about performance expectation disconfirmation and provider trustworthiness, which are both linked to service outcomes (i.e., satisfaction; loyalty), and are expected to vary by perceiver race.

By testing the assertions outlined above, we add meaningfully to the literature by introducing a new social-context variable—customer race—as a meaningful predictor of the impact of perceptions of authenticity in service encounters. Consideration of customer race also

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provides useful information for service providers, by highlighting the fact that service outcomes are not only affected by that service encounter, but also by prior expectations that customers bring with them. We take this approach to understand variations in reactions to service across demographic groups (namely, Whites and Blacks), as well as increasing understanding for why such variations exist. Overall, we integrate theory to extend existing research on why and for whom the authenticity of positive displays matters, allowing us to derive practical implications for managing employees who serve an increasingly diverse customer base.

2. Theory and hypotheses

2.1. Display (in)authenticity and service judgments: Perceiver race as a moderator

Positive emotional expressions (i.e., a smile) are perceived automatically as signals of friendliness and intentions to affiliate and help (Harker & Keltner, 2001; Keltner & Haidt, 1999), perceptions clearly desirable in a customer service context (Grove & Fisk, 1992). Employees attempting to appear friendly and helpful over the course of the workday may need to manage their emotions strategically, resulting in forced or faked smiles to customers (Clark, Pataki, & Carver, 1996; Hochschild, 1983). Markers may leak information that the smile is faked or felt such as the crinkles around the eyes, the duration of the smile, and the presence of fleeting micro-expressions that reveal one's true feelings (Ekman, 2003; Johnston, Miles, & Macrae, 2010; Surakka & Hietanen, 1998). However, compared to positive displays (i.e., smiling), indicators of display inauthenticity are generally more subtle and therefore may not be detected or attended to DePaulo (1992). Thus, inauthentic or faked expressions have weak effects on customer reactions (Hülsheger, Alberts, Feinholdt, & Lang, 2013) unless taking the perceiver (e.g., detecting inauthenticity ability) or context (e.g., busyness) into account (Grandey, Fisk, Mattila, Jansen, & Sideman, 2005; Groth, Hennig-Thurau, & Walsh, 2009).

As an ambiguous cue, the meaning (if any) ascribed to the authenticity of displays may be different for Blacks and Whites due to racial differences in service treatment. We propose that display authenticity can inform customers about (a) the service performance quality and (b) the service provider's trustworthiness, but how this information is interpreted or weighted depends on the perceiver's race. These two types of informational judgments are important, since both affect how satisfied customers are with the provided service and their decision to return to the store (Johnston, Locke, Giles, & Rattray, 1997; Oliver, 1993; Parasuraman, Zeithaml, & Berry, 1988; Sirdeshmukh, Singh, & Sabol, 2002). Below, we compare theoretical arguments for why customer race is likely to change the *meaning* ascribed to display authenticity, specifically as exceeded performance expectations or as provider trustworthiness. These arguments are both based in the assumption that Blacks and Whites tend to have differential experiences in service contexts, which then acts as a lens through which they interpret display authenticity. Utilizing one perspective, Whites are more likely to have the privilege of expecting positive displays, such that service performance judgments are based on discriminating between genuine and false "service with a smile". Through another perspective, Blacks are more likely to be discerning of deceptive and dishonest treatment, resulting in more weight given to cues about trustworthiness, such as a false smile.

2.1.1. Higher expectations: Whites are more reactive to display (in)authenticity than Blacks

According to expectation confirmation theory (Oliver, 1980), customer satisfaction and loyalty are largely determined by the extent to which the observed performance meets or positively disconfirms service expectations. Expectation disconfirmation involves two conceptually linked processes, consisting of the (a) formation of expectations and (b)

disconfirmation of those expectations through "performance comparison" about what is expected and what is observed. The first process, *expectation*, is a prediction made by customers about what is likely to happen during an impending service transaction or exchange. The theory posits that prior service experiences shape customers' expectations, which serve as an adaptation level (or frame of reference) from which *disconfirmation* and subsequent satisfaction judgments are made (Oliver, 1980; Zeithaml, Berry, & Parasuraman, 1993). Customers experience low satisfaction if the observed performance is worse than expected (i.e., negative disconfirmation) due to disappointment. They are moderately satisfied when their expectations are confirmed. If the performed service is perceived as better than expected (i.e., positive disconfirmation), customers are highly satisfied due to a surprise effect.

Differences in adaptation levels can explain why White customers are likely to be more reactive to display authenticity than Black customers are. White customers are more likely to receive fair service outcomes and a welcoming smile than Black customers. Black customers as a group have experienced a history of unfair service outcomes such as being charged higher prices, forced to wait longer for service, and being treated as potential criminals or loiterers rather than as valued customers (Ayers, 1991; Bocian, Ernst, & Li, 2008; Henriques and Manatu-Rupert, 2001; Lee, Kim, & Moon, 2000; Morin & Cottman, 2001; Schreer, Smith, & Thomas, 2009). As a result of these differential experiences, Whites are likely to have habituated to "service with a smile" such that only smiles that indicate genuine enjoyment of the service interaction can exceed their expectations, and a false smile barely meets expectations (Grandey, Fisk, & Steiner, 2005; Grandey, Cordeiro, & Crouter, 2005; Hochschild, 1983; Pine & Gilmore, 1998). In contrast, Blacks are more likely to anchor their service expectations at a comparatively lower level than Whites, such that receiving friendly "service with a smile"—whether genuine or faked—exceeds Black customers' (lower) expectations.

Evidence in support of expectation confirmation theory indicates that customers consistently cite the disconfirmation of service expectations as a key determinant of overall satisfaction and loyalty intentions (e.g., Brady & Cronin, 2001; Cronin & Taylor, 1992; Kim, Tanford, & Raab, 2012; Oliver, 1993; Parasuraman et al., 1988; Zeithaml, Berry, & Parasuraman, 1996). This is because customers who perceived the observed performance as exceeding, rather than failing to meet, their service expectations tend to interpret the encounter as not only satisfying but as delightful, increasing return intentions (Oliver, 1980). Thus, the above arguments suggest that the authenticity of positive displays is a stronger predictor of service satisfaction and store loyalty for White customers compared to Black customers due to its effect on the extent to which performance expectations are positively disconfirmed.

2.1.2. Provider distrust: Blacks are more reactive to display (in)authenticity than Whites

Above we propose that Whites are more reactive than Blacks to the authenticity of positive displays due to performance expectations in service contexts. Yet, Blacks may be more reactive than Whites to display authenticity as a cue of trustworthiness due to heightened sensitivity to deception and cues of trustworthiness. For instance, they are generally quoted higher "bottom line" prices for cars than Whites (Ayers, 1991), charged higher prices when renting properties and purchasing homes (Ross & Turner, 2005), and experience discrimination in gaining approval for high-quality loans (Williams, Nesiba, & McConnell, 2005). These discriminatory experiences, personally or observed, should lead Blacks to pay more attention to cues about the trustworthiness of service employees based on schema accessibility arguments: When individuals have a similar experience that is repeated over time (e.g., being deceived by others), the schema for that experience can become stronger, resulting in a schema that is chronically (as opposed to temporarily) accessible (Fiske & Taylor, 1991; Simons, 2002). For instance, Black employees were found to be