

The 3rd International Research Symposium in Service Management (IRSSM-3)



Business School, University of International Business and Economics (UIBE),
Beijing, China

The 3rd International Research Symposium in Service Management (IRSSM-3) Conference Proceedings

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Welcome to IRSSM-3

The international research symposium on service management (IRSSM-3) with the theme “Service Imperatives in the New Economy: Localization and Globalization” provides a forum for those who have a special interest in services. The symposium held in UIBE Beijing will bring together scholars, professionals and practitioners from various disciplines and countries and provide them with a unique forum for sharing the latest theories and practices prevalent in the dynamic service economies.

Service plays a significant role in the economy of every nation and every business in the marketplace. Service sectors permeate every aspect of our daily lives and every part of the economy. It is service that underpins the strength of every person and which lies at the very hub of the economic activity of society and/or country, irrespective of where we live. This new paradigm of ‘service’ has transformed both the industry and the customer. The global advancement of service knowledge and practice is therefore imperative in motivating the next generation of service researchers, teachers and practitioners. This international research symposium in service management (IRSSM) will bring together researchers, teachers, practitioners and students from various service sectors and related fields.

Please join me to congratulate and thank everyone those who have contributed to this symposium through their research presentations, reviewers, Key note speakers, panel speakers, workshop leaders, Scientific committee, co-chair of the symposium, associate chairs of the symposium and the organizing members at UIBE. Thank you for helping to make this unique symposium and experience the true essence of ‘service’.

Jay Kandampully
Chair- IRSSM

Welcome to IRSSM-3 and UIBE

Business School and International Research Center for Service Marketing and Management (IRCSMM), University of International Business and Economics (UIBE) is delighted to host the upcoming IRSSM-3 (International Research Symposium in Service Management) on July 3-7, 2012 in Beijing, China. The Symposium theme is “Service Imperatives in the New Economy: Localization and Globalization”. As the sponsor of the Third International Research Symposium in Service Management (IRSSM-3), we are striving to continue the tradition of combining excellent academic content with collegial hospitality as demonstrated by prior conferences held in India (2011) and Mauritius (2010).

In the past decade, services are playing more and more important role both in the economic development of each country but also in the successful business competition all over the world. Furthermore, with the rapid development of information technology and the wide spread of Internet, services are also influencing every aspect of our daily lives no matter where we live in the service economy. Accordingly, this new paradigm of service dominant logic of marketing has attracted more and more attention and transformed every aspect of each nation, region, industry, firm and even consumer. The international research symposium on service management with the theme “Service Imperatives in the New Economy” provides a forum for those who have a special interest in services. The symposium will bring together scholars, professionals and practitioners from various disciplines and countries and provide them with a unique forum for sharing the latest theories and practices prevalent in dynamic service economies. The symposium will provide you with an opportunity to illuminate the latest thinking in services, combined with aspects of technology, social science, and business, and share sharing the latest theories and practices prevalent in the dynamic service economies in general and service dominant logic of marketing in particular.

We hope to this chance to welcome and thank each participant who has contributed to this symposium through his or her research presentation, manuscript review, Keynote speech, panel discussion, workshop, etc. Thank you for helping to make this unique symposium and experience the true essence of ‘service’. Please feel free to contact us when you are in UIBE and we hope you will enjoy this great experience in Beijing.

Yonggui Wang
Organizing Chair of IRSSM-3
Associate Chair of IRSSM-3

The 3rd International Research Symposium in Service Management (IRSSM-3) Proceedings Contents

Service Localization and Globalization

- Toward better services of Shari'ah governance in Islamic financial institution: the role of Shari'ah Advisory Council in Malaysia

Jasri Jamal (Faculty of Law, Universiti Kebangsaan Malaysia)

- The Mechanism of knowledge Transfer in Chinese Family Business Succession:

Yu Fei (School of Economics and Management, Wuhan University, China)

- The Dyadic Influence of The Dyadic Influence of Chinese Cultural Characteristics and Relationship Marketing on the Transaction Revenues in the Steel Service Industry

Kun-Hsi Liao; Qing-Yuan Chen (Taiwan Shoufu University, China)

- A STRATEGIC PERSPECTIVE TO SMALL FIRMS IN RELATIONSHIP MARKETING: CASE OF FRANCISTOWN

R. Chirau and S. Sigauke (Botho College, BOTSWANA)

Service Innovation

- Relationship Strength, Knowledge Sharing and Innovation Effects: An Empirical Study in Chinese Telecommunication Service Industry

Yinan, Qi & Yonggui, Wang (School of Business, University of International Business and Economics, Beijing, China)

- A Research on Knowledge Management Process of Knowledge Intensive Business Service Based on Social Networks

Guoshun Wang; Xiaoping Bi (School of Business, Central South University Changsha, China)

- Navigating The Call Centre Servicescape: Problematic IVR System Use and its impact upon the Service System

Benjamin Piers William Ellway (Mahidol University International College, Mahidol University Nakhonpathom, Thailand)

- Exploring the Potential of Social Networking Websites for Effective Viral Marketing in Mauritius: Customers' Perspectives

Thanika Devi Juwaheer; Sharmila Pudaruth & Rishi Nursing (Faculty of Law and Management, University of Mauritius, Mauritius; National Institute of Rural Development, Hyderabad India)

- A Research on Innovation Models and Evolution Process of Product and Service

Han Shunping, Wu Yizhen, Zeng Runkun (Department of Marketing, Nanjing University)

Service Marketing and Branding

- Study of the impact of paid referral reward programs on referral intention —a case of online group shopping

Zhang Guojun; Shi Xiaoshuai : (Department of Marketing and Logistics, Nanjing University of Finance and Economics, China)

- An Empirical Study on the Effects of Corporate Brand on Product Evaluations: The Moderating Role of Consumer-Company Identification

Shuiling Wu, Zuohao Hu, Shali wu (School of Management and Economics, Beijing Institute of

Technology, China)

- Corporate Service Branding Development: A Conceptual Framework

Fanggy T. Sumaco; Kashif Hussain; Brian C. Imrie (Graduate School of Hospitality and Tourism Taylor's University, Lakeside Campus Subang Jaya, Malaysia)

- The Effects of Firm Characteristics on Consumers' Risk Perceptions and Responses for a Credence Service

Jin Sun; Hean Tat Keh(University of International Business and Economics, China)

- An empirical examination of the concept of online trust and its post-effects on tourist behaviour Jayraj Roodurmun (University of Mauritius, Mauritius)

Relationship Marketing

- Can Customer Relationship Management(CRM) lead to customer loyalty in retail settings?-an empirical investigation

Juwaheer; Sharmila Pudaruth (Faculty of Law & Management, University of Mauritius, Mauritius)

- Influence of personality traits on relationship outcomes

Fengxi(School of Economics and Management, BeiHang University, China)

- How does customer participation impact service performance? A perspective of task performer XU Lan; CUI Nan; WANG Tao; HU Yanghong (Department of Marketing, School of Economics and Management, Wuhan University)

- The Study on the Relationship of Team Boundary Management, Cohesion and Effectiveness

Guanfeng SHI(The research center of corporate governance and management innovation, Shihezi University, SHZU;School of economics and management Shihezi University, SHZU ,Shihezi, China)

Service Design

- USING SERVICE DESIGN PROCESS AND METHODS FOR SERVICE DESIGN CURRICULUM DEVELOPMENT

Gerda Mihhailova; Heli Tooman (University of Tartu Pärnu College, Estonia)

- Does the Effect of Country of Origin Exist in Service Product?

—Research on Country of Service Origin and its Impact on Consumer Service Evaluation

ZHANG Hui, WANG Tao (Marketing Department,Economics & Management School, Wuhan University, China)

- QFD Approach for Evaluating and Improving Environmentally Conscious Service Strategies

Nur Indrianti (Faculty of Industrial Technology, Universitas Pembangunan Nasional “Veteran” Yogyakarta, INDONESIA)

- Investigating satisfaction with MRT services: A SEM approach at Dubai metro

Parahoo Sanjai K; Gihad Yakoob Abdelrahim Radi (e-School of Business and Quality Management, HBMeU)

Service Operations and Outsourcing

- How Could the Control Mechanisms Affect Client Satisfaction in Offshore Outsourcing Project? An Empirical Study from Vendor's Perspective

Zheng Songyue; Liu Yi(Xi'an jiaotong university, China)

- The Impact of Task Uncertainties on Offshore Outsourcing Performance: The Moderating Role of Internal and external ties
Zhang Qianjun ; Liu Yi(Xi 'an jiaotong university, China)
- The Impact of the Fit/Misfit between Task Uncertainty and Vendor's Control on Offshore Outsourcing Performance in China: The Moderating Role of Client Liaison
Yi Liu; Liang Wang; Yuan Li (School of Management University/Institution:Xi'an Jiaotong University, China)
- Implementation of Kaizen as a Competitive Advantage in Food Industry
Renni Renggani; Yessie Fransiska Lydiana (Business Management, Institute Technology Bandung, Indonesia)

Service Management

- SERVICE BUSINESS at the BASE OF THE PYRAMID: a bibliographic investigation into the development and future directions of the research domain
Heiko Gebauer, EAWAG – Swiss Federal Institute of Aquatic Research;Javier Reynoso - EGAD Business School, Tecnologico de Monterrey, Mexico
- Analysis of Operating Room Utilization
Juryafanny A.; Mursyid Hasan Basri(School of business and Management, Institut Teknologi Bandung Indonesia)
- Intermediary services online: Customer experience as a mediator to brand image and loyalty
Alison M Dean; Stacey Baxter (Newcastle Business School , The University of Newcastle University Drive Callaghan NSW 2308, Australia)
- Effective service recovery as predictors of service trust, service loyalty and intention to recommend
Jayraj Roodurmun (University of Mauritius, Mauritius)
- Investigating the Interactive Effects of Customers' Self-Regulatory Focus and Service Recovery Efforts on Customer Satisfaction
Ke "Alan" Chen; Rungting Tu; Ping Tu(University of International Business and Economics, China)

Tourism and Hospitality Services & Other Topics in Services

- A Study on Application of Quality Tools and Techniques in Hospital: Case Study in Bandung City
Ilma Nurul Rachmania; Santi Setyaningsih; Merlyn Rakhmaniar (School of Business Management Institut Teknologi Bandung ,Indonesia)
- Understanding Satisfying Service Encounters in Retail Banking – A Dyadic Perspective
Thorsten Gruber; Nathalie Kania(Manchester Business School, UK)
- Conceptualization and application of value-configuration spaces in a complex service system
Comparative study of Public Transport Services in industrialized and newly-industrialized countries
Samuel Petros Sebhatu; Mikael Johnson¹;Bo Enquist¹;Heiko Gebauer (Service And Market Oriented Transport Research, Karlstad University, Sweden.)
- Responsible Tourism in Rural Area in Malaysia: An integrated Approach

Vahideh Abaeian; Brian C. Imrie Paolo Mura(taylors.edu.myTaylor's Business School
University/Institution: Taylor's University, Malaysia)

- An explanation of how and why customer orientation influences customer's evaluation of service quality

Gabriel Gazzoli; Murat Hancer& BeomCheol (Peter) Kim.PhD. (School of Hotel & Restaurant Administration Oklahoma State University, USA; School of Hospitality & Tourism Auckland University of Technology)

Service Marketing and Branding II (Using Chinese Language)

- 房地产业顾客参与对品牌忠诚的影响：顾客体验的中介作用

Zhang Guojun; Huang Tianhu (Department of Marketing and Logistics, Nanjing University of Finance and Economics, Nanjing , PR. China)

- 服务品牌内化背景下员工品牌相关行为研究述评

张 辉; 牛振邦; 白长虹 (南开大学 商学院; 南开大学 旅游与服务学院)

- 品牌丑闻负面溢出效应的跨文化差异研究-----基于自我建构视角

田阳 黄韞慧 王海忠 (中山大学)

- 服务品牌的内化过程及其实证研究-----从员工视角进行的探讨

邱玮 (南开大学旅游与服务学院)

Service Dominant & Other Topics in Services I

- Investigating the Key Drivers of Customer Engagement from the MOA Perspective

Ching-Fu Chen; Odonchimeg Myagmarsuren (Institute of International Management National Cheng Kung University, China)

- Movie Recommendations Algorithm Research Based on Emotional Recognition of Microblogging Users

Bing Li,Ying Jiang, Zizhu Zhang(University of International Business and Economics, Information School, China)

- BUILDING A CULTURE OF HIGH EMPLOYEE ENGAGEMENT: STUDY CASE IN BUSINESS AND MANAGEMENT SCHOOL – BANDUNG INSTITUTE OF TECHNOLOGY

Siti Maryam, S.Si(School of Business and Management Bandung Institute of Technology, Indonesia)

- Measuring Business Intelligence (BI) Implementation Readiness: A Framework Development and Its Application to Small Medium Enterprises (SMEs)

Achmad Nizar Hidayanto (Faculty of Computer Science, University of Indonesia, Indonesia)

- How Self-Construals Sustain Membership Continuance Intentions in Virtual Community?

Shuang Ma (School of Business, University of International Business and Economics, Beijing,)

- Optimizing Organizational Human Resource Competencies to meet Target Service Levels

Khalid Hafeez,Izidean Aburawi (Hamdan Bin Mohamed e-University, , Dubai, UAE; Higher Institute of Industrial Technology, Tripoli Libya)

Service Management &Relationship Marketing II (Using Chinese

Language)

- 顾客与服务企业共同创造服务体验的内部机制探索

刘文超; 任俊生; 辛欣; 孙军 (吉林财经大学工商管理学院)

- 购房者感知价值对购买意愿影响的实证研究——以县域农民工为例

黄侦; 张燕军 (赣南师范学院商学院)

- 顾客关系培植视角: 关键交易片段的结构作用研究

胡查平 (武汉大学)

- 负面网络口碑对消费者购买意愿的影响机理研究——以笔记本电脑产品为例

Zhang Guojun; Pan Pingping; Zhou Jun (Department of Marketing and Logistics, Nanjing University of Finance and Economics, Nanjing , PR. China)

Other Topics in Services II

- Change Management Strategies for Knowledge Management System Implementation: A Case Study at PT. TelkomVision Indonesia

Achmad Nizar Hidayanto (Faculty of Computer Science, University of Indonesia)

- Meaning-based approaches to Chinese volunteer vacation experience

Xueling Miao (Meaning-based approaches to Chinese volunteer vacation experience)

- Destination love as predictors of service loyalty intentions and likelihood to recommend

Jayraj Roodurmun (University of Mauritius, Mauritius)

- Business Intelligence Implementation Readiness: A Framework Development and Its Application to Small Medium Enterprises (SMEs)

Achmad Nizar Hidayanto, Robertus Kristianto, Muhammad Rifki Shihab

Faculty of Computer Science University Indonesia

- Study on Implementing Results of Flexible Employment and Related Policies

Case Analysis based on Beijing Municipality

Wang Xin(Capital University of Economics and Business Beijing, China)

- Research on the development of low carbon economy based on ecological Philosophy

Gang LI (1 School of economics and management in Northeast Forestry University, Heilongjiang Harbin;2

School of management in Harbin University of Commerce, Heilongjiang Harbin)

- Study on Inland River Shipping Enterprise's Level of Safety Management Based on Triangular Fuzzy Number

Qing LIU ;Xuhong Zeng(School of Transport, Wuhan University of Technology Wuhan, China)

- The research in the Development of industrial clusters of the Great Northern Wilderness Group

Li Yinigy ;Li Dandan(The college of Economics and Management Northeast Forestry University)

Toward better services of *Shari'ah* governance in Islamic financial institution: the role of *Shari'ah* Advisory Council in Malaysia

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Abstract

Purpose – The purpose of this paper is to highlights the rationales that underlie the need for a specific regulatory framework for Islamic finance in Malaysia main statutes.

Design/methodology/approach – The paper presents a descriptive approach seeks to find out and investigate what happened in the role of the *Shari'ah* Advisory Council (SAC) in recent development in Malaysia

Findings – While emphasizing the importance of having a reliable regulatory framework, it explains the unavoidable correlation between having a sound regulatory framework for Islamic finance and the sustainability and development of Islamic financial services industry in every jurisdiction. Hence, prudential framework should be designed to enhance confidence and ensure stability in the Islamic financial services industry.

Practical implications – The establishment of the *Shari'ah* supervisory body that can provide assurance that the strategic direction, formulation of policies and conduct of financial transaction of Islamic Finance Institutions are in compliance with the *Shari'ah* rules, become an important aspect for instilling public confidence. The rulings of the SAC shall prevail over any contradictory ruling given by a *Shari'ah* body or committee constituted in Malaysia, the court and arbitrator are also required to refer to the rulings of the SAC for any proceedings relating to Islamic financial business, and such rulings shall be binding. Principles of Islamic finance place great emphasis on strong corporate governance values and structure, transparency, disclosure of information and strict adherence to *Shari'ah* principles.

Originality/value – The paper provides that the SAC as the highest authority for the ascertainment of Islamic law for the purposes of Islamic banking business which is based on *Shari'ah* principles and is supervised and regulated by Bank Negara Malaysia.

Keywords – *Shari'ah* Advisory Council; Malaysia; Governance; Legal Frameworks

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Introduction

The *Shari'ah* Advisory Council is an independent body of specialised jurists in *fiqh al-muamalat* (Islamic commercial jurisprudence). However, the Council may include a member other than those specialised in *fiqh al-muamalat*, but who should be an expert in the field of Islamic financial institutions and with the duty of directing, reviewing and supervising the activities of the Islamic financial institution in order to ensure that they are in compliance with Islamic *Shari'ah* rules and principles (Ahcene Lahsasna, 2010). The fatwa and rulings of the *Shari'ah* Supervisory Council shall be binding on the Islamic financial institution.

The legal framework of Islamic finance in Malaysia

An effective legal framework is essential in safeguarding public interest in the Islamic financial system. Indeed, such a framework is important to cater for the growth and sustainability of the Islamic financial service institutions (Asyraf Wajdi, 2011). The Central Bank of Malaysia Act 1958 has now been re-enacted as the Central Bank of Malaysia Act 2009 (Act 701) has granted the authority to the Central Bank of Malaysia for the establishment of the National *Shari'ah* Advisory Council as the highest and sole authority to be referred by the civil courts in dealing with Islamic banking and finance cases in Malaysia.

Provisions of Shari'ah Advisory Council in Central Bank of Malaysia Act 2009

The role of the supervisor is critical in ensuring smooth functioning of the institutions. The key element of *Shari'ah* supervision is existence of a mechanism that ensures that the Islamic financial system continues to remain viable and growing without compromising the principles of *Shari'ah* (Shamshad Akhtar, 2006).

The Shariah Advisory Council of Central Bank is the final authority in matters relating to Islamic banking business, takaful business, Islamic financial business, Islamic development financial business, or any other business which is based on *Shari'ah* principles and is supervised and regulated by Bank Negara Malaysia (Surianor, 2010).

Under the section 51, Central Bank of Malaysia Act 2009 provided the establishment of *Shari'ah* Advisory Council:

- (1) The Bank may establish a Shariah Advisory Council on Finance which shall be the authority for the ascertainment of Islamic law for the purposes of Islamic Financial business.

Section 52 (1) the function of *Shari'ah* Advisory Council:

- (a) To ascertain the Islamic law on any financial matter and issue a ruling upon reference made to it in accordance with this Part;
- (b) To advise the Bank on any *Shari'ah* issue relating to Islamic financial business, the activities or transaction of the bank;
- (c) To provide advices to any Islamic financial institution or any other person as may be provided under any written law; and
- (d) Such other functions as may be determined by the Bank

Section 56, reference to Shariah Advisory Council for ruling from court or arbitrator:

(1) Where in any proceedings relating to Islamic financial business before any court or arbitrator any question arises concerning a *Shari'ah* matter, the court or the arbitrator, as the case may be, shall-

- (a) Take into consideration any published rulings of the SAC; or
- (b) Refer such question to the SAC for its ruling

Section 57, the effect of *Shari'ah* rulings:

Any ruling made by the SAC pursuant to a reference made under this part shall be binding on the

Islamic financial institution under section 55 and the court or arbitrator making a reference under section 56, Shariah Advisory Council is prevails as stated under provision section 58: where the ruling given by a *Shari'ah* body or committee constituted in Malaysia by an Islamic financial institution is different from ruling given by the SAC, the ruling of the SAC shall prevail.

The primary objectives of the establishment of the SAC are to advise Islamic financial institutions on any *Shari'ah* matter such as to its operation, to analyse and evaluate *Shari'ah* aspects of new products/schemes so as to ensure compliance with the *Shari'ah* tenets and requirements in their operations. The SAC will evaluate the concept and structure of the new product and will review the existing products. For example home financing under the concept of *Bay' Bithaman Ajil*. From observation, Islamic banking products under the concept of "al-Bay'" or contract of exchange are the biggest contributor in terms of growth and profit to the Islamic financial institutions in Malaysia.

Monitoring by SAC

The *Shari'ah* Advisory Council will monitor the Islamic banking operations from time to time. Section 20 (a) of BNM/GPS 1 provides that they shall advise the bank on *Shari'ah* matters in order to ensure that the business operations of the Islamic financial institutions comply with *Shari'ah* principles at all times. It includes the procedures for transaction, actual business operations, and system applicable to the banking operations.

The guideline provides that the *Shari'ah* Advisory Council member will be appointed by the board of directors of an Islamic financial institution upon recommendation of its nomination committee. The appointment of the *Shari'ah* Advisory Council member shall obtain prior written approval of Central Bank of Malaysia (Bank Negara Malaysia) and the term of appointment shall be valid for a renewable term of two years. To ensure that the *Shari'ah* Advisory Council would be able to function effectively, the composition of the *Shari'ah* Committee consist a minimum of three (3) members and their affairs will be managed by a *Shari'ah* secretariat of the respective Islamic financial institutions.

Bank Negara Malaysia with a cooperation of judicial body has agreed to set up a special High Court in the Commercial Division known as the Muamalah bench. According to Practice Direction No.1/2003, paragraph 2, all cases under the code 22A filed in the High Court of Malaya will be registered and heard in the High Court Commercial Division 4 and this special high Court will only hear cases on Islamic banking. Islamic banking and takaful could not be interpreted under the ambit of 'personal' but under the item 'finance' in the Federal Constitution. Therefore, it falls under the purview of the Civil Court.

The *Shari'ah* Advisory Council plays very important roles in ensuring good *Shari'ah* governance. The setting up of a special High Court in the Commercial Division, the issuance of BNM/GPS1 and also the amendment of Central Bank of Malaysia Act 2009 shows positive indication by the government in providing more comprehensive and effective *Shari'ah* governance. An effective *Shari'ah* governance frame work requires involvement of the *Shari'ah* Committee as the key player, the government as the regulatory body, the Islamic financial institutions as the implementer and also to other persons relevant to the business such as auditors,

accountants and lawyers.

Any resolution or fatwa either issued by National Fatwa Committee or State Fatwa Committee or the SAC on *mua'malat* should be circulated and published by the mass media. The SAC must not only act merely as an advisory unit whereby its resolution or opinion may be rejected but it should be regarded as a decision and policy maker.

The SAC of BNM will be referred to by the court or arbitrator in disputes involving *Shari'ah* issues in Islamic banking & finance and takaful. In the case of the Islamic finance matters, the SAC's resolution "shall be binding" on the arbitrator (obligatory) and the court.

Cases under Central Bank of Malaysia Act 2009

Not long after the passing of the Central Bank of Malaysia Act 2009 by the Parliament but before the coming into force of the Act, the issue of the reference to the *Shari'ah* Advisory Council was raised in the case of *Bank Islam Malaysia Berhad v. Lim Kok Hoe and Anor and Other Appeals* [2009] 6 CLJ 22. The case before the Court of Appeal consists of 12 separate appeals filed by the Appellant following common judgment for 12 cases passed by the Kuala Lumpur High Court on 18 July 2008 i.e. the case of *Arab-Malaysian Finance Bhd v. Taman Ihsan Jaya Sdn Bhd & Ors; Koperasi Seri Kota Bukit Cheraka Bhd (Third Party) And Other Cases* [2009] 1 CLJ 449. In all these cases, the Plaintiff is Bank Islam Malaysia Berhad while the Defendants are the Bank's customers. The High Court had earlier declared that the *Bai Bithaman Ajil* (BBA) contract which is a financial instrument in Islamic financing is contrary to the basic principles of Islam thus it is not approved by the religion of Islam which is a requirement under section 2 of the Islamic Banking Act 1983.

The decision of the Court of Appeal was delivered on 26 August 2009 that is 8 days before the coming into force of the Central Bank of Malaysia Act 2009. The learned judges of the Court of Appeal in arriving at their decision had referred to the case of *Adnan Omar v. Bank Islam Malaysia Berhad (unreported)* where the Supreme Court upheld the validity and enforceability of the BBA contract. Subsequently the issue was again raised in the case of *Datuk Haji Nik Mahmud Nik Daud v. Bank Islam Malaysia Berhad* [1998] 3 CLJ 605 in which both the High Court and the Court of Appeal disagreed with the submission of the Defendant that the BBA contract was void and granted the order of sale for the full outstanding balance of the Bank's selling price (Nik Norzrul Thani et.al, 2003).

Recent case regarding to Shari'ah Advisory Council

In the recent case of *Mohd Alias Ibrahim v RHB Bank Bhd & Anor*, Suit No: D-22A-74-2010 in High Court of Malaya, Kuala Lumpur, the plaintiff claimed that S. 56 and 57 of Act 701 were ultra vires the Federal Constitution and seeking to declare of the court:

1. (a) whether the provisions making the ruling of the SAC binding on the court, the SAC was actually usurping the judicial power of the court as stated in Art 121 (1) of the FC;
- (b) whether the provisions had in effect delegated the decision making power of the court relating to matters of Islamic financial business to the SAC and thus inconsistent with Article 121(1) of Federal Constitution.

The Court answering the questions in negative and refusing the declaration as follows:

Considering the provisions of Article 121 of the Federal Constitution and s 84 of the CAJ and the fact that the provisions are valid federal laws ‘in respect of ascertainment of Islamic law for purposes of civil law’ enacted by the Parliament pursuant to Item 4(k) of the Federal List (List 1) Ninth Schedule of the Federal Constitution. Act 701 is a federal law and its contents are consistent with the word employed in the Constitution. In this sense, the SAC is not in a position to issue a new *Hukum Sharak* (Islamic law) but only to find out which one of the available *hukm* is best applicable in Malaysia for the purpose of ascertaining the relevant Islamic laws concerning the question posed to them. It is to be noted that the root word “ascertain” used in s 51 of Act 701 is also used in Item 4(k) of the Federal List in the Ninth Schedule of the FC. This similarity is of significance and not a mere coincidence, since the State List in the Ninth Schedule uses the word “determination” instead and states that the jurisdiction of the State is for the “determination of matters of Islamic law.” In any case, since the keyword is “ascertainment of Islamic law”, it follows that, if the court were to refer to any question under s 56 (1) of Act 701 to the SAC, the SAC is merely required to make ascertainment and not determination of Islamic laws relating to the question. Thus the issue of whether the facility is *Shari’ah* compliant or not is only one of the issues to be decided by the court. And although the ascertainment of Islamic law as made by the SAC will be binding on the court as per the provisions, it will up to the court to apply the ascertained law to the facts of the case. Consequently, the final decision remains with the court.

The sole purpose of establishing the SAC is to create a specialized committee in the field of Islamic banking to ascertain speedily the Islamic law on financial issues so as to command the confidence of all in terms of the sanctity, quality and consistency of the interpretation and application of *Shari’ah* principles pertaining to Islamic finance transactions before the court. The SAC cannot be said to be performing a judicial or quasi judicial function as the process of ascertainment has no attributes of a judicial decision. Hence, this is not an attempt by the executive to take over the judicial power traditionally exercised by the courts.

The rulings as passes by the SAC constitute a form of expert opinion in the matter of Islamic finance. Further , considering that its members were highly qualified in the fields of *Shari’ah*, economics, banking , law and finance and appointed based on standards enunciated in s 53 of Act 701, every such ruling, in the context of Islamic banking and *takaful*, can also be regarded as collective *ijtihad*. Within the contexts of administration of Islamic laws in Malaysia, these rulings, however, are not fatwa.

Conclusion

The importance of *Shari’ah* governance in Islamic Finance Industry is undeniable. Proper mechanism and framework need to be created to enable proper advisory and supervisory role of SAC. Integration between the SAC and SSB of Islamic finance should be facilitated to provide a conducive environment for a better *Shari’ah* governance. The scope of advice and supervision must include both micro and macro issues of Islamic finance in Malaysia.

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我国家族企业代际传承中的知识转移机制

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摘要: 作为一种传统的 forms 形式, 家族企业对我国社会和经济的发展做出了突出贡献。目前, 我国家族企业正处在代际传承的关键时期, 如何帮助这些企业顺畅接班, 实现可持续发展, 成为亟待解决的重要课题。通过对国内外家族企业代际传承相关理论、文献的梳理和研究, 认为家族企业代际传承是指一系列要素在代际间的传递或转移, 其中, 创造家族企业竞争优势的知识在代际之间进行传递从而维持家族企业的发展。在对 121 家家族企业访谈和问卷调查的基础上, 通过数理统计和结构方程模型等方法, 本文提出了家族企业代际传承中知识转移的影响因素和作用机制模型。影响知识代际转移的主要因素有家族关系、在任者和继任者特性、知识转移渠道和知识特性。研究发现, 在任者和继任者特性对知识转移效果具有显著正向影响, 知识特性对知识转移效果有显著负向影响, 家族关系对知识转移效果的直接影响不显著, 主要通过知识转移渠道的中介作用间接影响知识转移效果; 知识转移渠道在知识代际传承起到中介作用。针对以往企业代际传承的研究缺乏对所有权和管理权以外要素的关注, 本研究丰富了家族企业代际传承研究的理论视角。

关键词: 家族企业; 代际传承; 知识转移; 影响因素

The Mechanism of knowledge Transfer in Chinese Family Business Succession: An Empirical Study

Abstract: As a traditional form of business, family businesses made outstanding contributions to social and economic development of China. Family businesses in China are now in the key period of intergenerational succession, and it has become a crucial issue to be solved that how to help these businesses to succeed smoothly and achieve sustainable development. With the research of the domestic and foreign relative theories about family businesses succession, it's concluded that intergenerational succession of family businesses refers to intergenerational succession of a series of factors, and among them the knowledge that creates competitive advantage of family businesses transfers through generations so as to maintain the development of family businesses. Based on the interview and questionnaire of 121 family businesses, this

paper advances a model of the influence factors and function mechanism of knowledge transfer in intergenerational succession of family businesses by statistics and SME. The main factors that influence knowledge transfer include family relationships, the characteristics of incumbent and successor, knowledge transfer path and knowledge characteristics. The research finds that the characteristics of incumbent and successor have significantly positive effect on the knowledge intergenerational transfer, and the knowledge characteristics have negative effect on it. Family relationships have insignificantly effect on the efficiency of knowledge transfer, and it influences indirectly the efficiency of knowledge transfer by knowledge transfer path. The knowledge transfer path plays a mediating role in the knowledge intergenerational transfer. As the past study of corporate intergenerational succession lacks of concern about any factors other than the ownership and management power, this study enriches the theory perspective of intergenerational succession of family businesses.

Key words: Family Businesses; Intergenerational Succession; Knowledge Transfer; Influence Factors

1、引言

家族企业作为一种古老的企业组织形式，在中国的经济发展和就业方面扮演着重要的角色。目前，我国家族企业正处在代际传承的关键时期，而代际传承过程又异常复杂，涉及到所有权、经营权、家族关系等多方面的问题，处理不好，随时都可能给企业带来灾难性的打击(Astrachan & Bowen,2002)。而目前为止，“子承父业”仍然是世界各地家族企业普遍采用的交接班模式(Ambrose, 1983; Kets de Vries,1993; Miller, Sterier & Breton-Miller, 2003)。过去的研究主要关注企业的所有权和管理权这两个要素传承，忽略了创造家族企业竞争优势的知识这一重要要素。知识是家族企业竞争优势的重要来源，家族企业能否成功延续在很大程度上取决于这些知识在代际间的转移效果(Lee,Lim & Lim,2003; Royer, Simons & Boyd,et al, 2008)。因此家族企业现任者如何将家族文化、家族传统、价值观以及企业经营管理的各类知识传授给下一代继承人，维持家族企业的生存和可持续发展，成为迫切需要解决的一项紧迫课题。

目前，代际传承中知识要素体系还不够明确，影响知识转移的因素也尚未厘清，知识在代际间转移过程和作用机理更是模糊不清。这些问题已经成为家族企业代际传承理论研究中的瓶颈问题。因此，本文将针对上述问题展开深入研究。

2、文献综述

2、1 家族企业代际传承研究现状

目前有关家族企业代际传承的研究大部分都集中在传承效果的影响因素上(Sharma et al.,2003; Venter et al., 2005)，只有少数文献探讨了智力资本如知识在代际传承中如何转移，受到哪些因素的影响(Cabrera-Suárez et al., 2001; Steier,2001)。Sharma (2004)曾经呼吁家族企业代际传承的研究应该更多的放在代际间的知识转移上，他认为在影响企业代际传承的众多因素当中，嵌入到在任者思想中的默会知识是其中一个重要因素。Malinen(2004)认为阻碍家族企业代际传承一个最主要的因素就是在任者的知识难以转移给继任者。Cabrera-Suárez et al. (2001)利用资源基础观理论，构建了一个家族企业代际传承的理论模型，在这个模型当中，企业家默会知识的代际转移是传承成功的关键。一些学者从企业经营管理的视角，研究了高科技行业中知识的代际转移问题 (Liebowitz, Ayyavoo and Nguyen,2007)，如一些学者对美国的高科技企业进行研究，探讨当出生于“婴儿潮”时代的员工退休时，如何将其知识转移给新生代的员工 (Liebowitz & Ivanov,2008)。McNichols (2008)通过问卷和访谈研究了美国宇航工程师的代际知识转移，结果表明知识发送方与接收方的关系质量，知识转移的环境、过程和方法是影响知识转移效果的主要因素。Bourhis (2008)对加拿大多个行业中员工默会知识的代际转移问题进行了研究，发现了影响

代际知识转移的9个因素：信任，组织文化，社会文化，以前的招聘政策、共享价值观，知识价值等。国内学者窦军生（2008）研究了家族企业代际传承中，家族关系对企业家默会知识代际转移的影响。于丹（2011）以方太集团为案例，利用定性分析研究了家族企业知识代际转移影响因素。

2、2 知识转移影响因素的相关研究

通过梳理有关知识转移的文献，发现该领域的研究主要集中在知识转移的影响因素上，并取得了较丰富的研究成果。尽管不同的研究之间还存在观点上的差异或分歧，但总体而言，知识转移的影响因素可以从转移主体、转移媒介、转移内容和转移情境这四个方面进行概括(Szulanski,1996;Albino,Garavelli & Schiuma,1998)。在被转移的知识的特性方面，研究表明知识的默会性和复杂性越高(Simonin, 1999)，因果关系越模糊(Szulanski,1996)，嵌入程度越深范围越广(Cummings & Teng,2003)，则知识转移成功的难度就越大。对知识转移的参与者而言，双方的认知能力(Gupta & Govindarajan,2000;Tsai,2001)、知识接受者的吸收意愿和吸收能力(Simonin,1999; Szulanski,1996)、以及知识提供者的转移意愿和知识存量(Gupta & Govindarajan, 2000)都可能会对知识转移的效果产生影响。知识转移的情境主要是指知识提供者和接受者之间的信任关系(Szulanski, 1996)和组织内的支持结构(Goh, 2002)。比如，Gupta & Govindarajan (2000)就指出，知识转移双方沟通渠道的丰富程度是影响知识成功转移的一个重要因素。知识转移的媒介主要是指知识转移机制，组织内或团队内的文档传递和人际互动(疏礼兵,2006)等。

综上所述，可以发现目前的文献对于知识代际转移的研究都借鉴了知识管理领域的研究成果，对于影响知识代际转移因素的探讨大多还局限在理论分析上，缺乏相应的实证研究。另外，现有的大部分文献只关注了上述提到的知识转移影响因素四个方面中的某一个，缺乏全面综合性的理论和实证研究。

3、研究假设

通过综合以上文献的研究成果，本文认为家族企业知识转移的主要影响因素有：接受者的特性、知识源特性、被转移知识的特性、知识源和接受者之间的关系、以及转移渠道。

3、1 继任者特性

在代际传承的过程当中，继任者本身的特性是影响传承效果的一个重要因素(Cabrera-Suàrez *et al.*, 2001;Brockhaus, 2004;Venter *et al.*,2005)。从知识转移的角度来看，接收意愿和吸收能力是影响知识转移效果的两个主要因素。

3、1、1吸收能力

Szulanski (1996)认为吸收能力是知识转移成功的一个重要因素。这一概念是指识别、消化以及应用有价值的新信息的能力,包含获取、消化、转化和使用四个方面(Zahra & George,2002)。根据这一概念，本文认为接收方的吸收能力可分为两个维度：知识基础和学习方法。

知识基础是指继任者已有的知识储备。对于继任者而言，不仅要接收和理解父辈转移过来的知识，还必须对接收的知识进行重构和编码才能最终形成自己的知识体系(Trott *et al.*,1995,Kogut and Zander,1992))。继任者的知识积累在一定程度上决定了接收父辈转移过来知识的能力，如果不具备知识基础，就无法理解和吸收转移来的新知识(Cohen and Levithal, 1990)。但同时，知识的学习和获取也需要抛弃“过时无用”知识的能力(Huber,1991; Bettis and Prahalad,1995)，如果继任者现有的知识储备与转移过来的知识差异太大，则会由于“路径依赖效应”妨碍新知识的接收(Dossi and Teece, 1993)。因此除了现有知识的存量外，转移知识的关联度也会影响继任者吸收知识的能力。先验知识的存量越大、先验知识与转移知识的关联度越高，继任者吸收知识的能力越强。

为了顺利接收由父辈转移下来的各种知识，继任者需要经过一定的学习，比如正规教育和培训等。同时在家族企业内部工作和学习也是一个非常重要的学习过程，一是为了在一定程度上了解父辈经营的企业，二是为了获得家族企业内部管理者和员工的普遍认同和信任 (Chrisman *et al.*,1998)。

3、1、2接收意愿

另外一个重要的因素就是继任者接任家族企业的意愿和动机。忠诚并愿意接替家族事业是影响代际传承效果的一个重要因素(Chrisman *et al.*, 1998; and Chirico and Salvato, 2008)。家族企业的继任者必须对经营家族事业有着浓厚的兴趣才能保证家族企业代际传承的成功，而大部分家族企业传承失败都是因为子女不愿意接替家族企业Ambrose(1983)。缺乏接收意愿会导致消极被动、甚至拒绝接收父辈传承下来的各类知识(Szulansky, 1996)。因此只有当家族企业子女对家族企业感兴趣时，才会主动接收现任者所传承的各类知识，这样知识转移的结果会事半功倍。Stavrou (1998)认为继任者接任家族企业的意愿和动

机来源于两个方面：一是满足个人抱负，二是对家族事业的责任感。

假设1：继任者的接班意愿和吸收能力对知识转移效果有正向影响。

3、2在任者特性

在任者是否愿意转移和共享自己的知识和发送方转移能力（如知识存量及知识的价值等）将对发送方结点的知识转移能力产生明显的影响。

3、2、1转移意愿

有关家族企业代际传承的研究发现，在任企业家不情愿放手是家族企业推迟领导权传承时机的重要因素之一(Sharma, Chrisman & Pablo, et al, 2001)。现任者不愿从企业退位阻碍了继任者应用知识、整合知识的能力。在任者可能因为害怕失去拥有权、优越感、权利地位等而不愿意与他人分享知识，也有可能是因为知识拥有者不愿花时间与他人分享，或者是分享知识并不会得到适当的回报和补偿。同时，如果有多个子女，他们还会担心从中选出一个来继承自己的衣钵会引发冲突，威胁到家族的和谐(Applegate,1994)。

3、2、2转移能力

知识转移的有效性和高质量不仅需要的是知识发送者的转移意愿，良好的知识传递能力也是非常重要的。所谓传递能力是指知识发送者以接收者容易理解和吸收的方式传递转移知识，并且根据知识本身的特质选择相应的转移渠道的能力。在家族企业经营和发展的过程中，会形成大量的隐性知识，它经常是在任者自然而然的行为或思考方式、一套适合自己的经营管理知识体系，这套知识体系具有默会、复杂和专有性(Perren & Grant,2000)。因此，这要求在任者有优秀的沟通编码能力，清晰的表达出个人的看法，根据知识特性和接收者的特点选择相应的编码和转移方式；其次，在任者还必须具备与继任者建立起良好关系的能力，较差的关系质量是知识代际转移过程中一大障碍(Sharma et al., 2001)。此外，在任者还需要帮助继任者创造自己的声望，以便使得家族企业的其它成员和股东能够承认继任者的能力和合法性(Ambrose, 1983)。

假设2：在任者转移意愿和转移能力对知识转移效果有正向影响。

3、3 知识特性

家族企业代际传承当中，由父辈转移给下一代的知识包括有技术诀窍、管理经验、专家见解或心得、经营理念、价值观和愿景等，这些知识有默会性和情境嵌入性的特点。

3、3、1 知识的默会性

Reed 和 Defillippi(1990)将默会性知识定义为暗含的、无法编码的、以“干中学”的方式积累的技巧。默会性知识不容易沟通与共享，是高度个人化的、植根于特定情境下的活动。无论是通过文字还是图像、声音等都不能准确体现默会知识的本质，只能通过感觉和接触才能慢慢体会到默会知识的精髓，这些都限制了默会知识的转移。所以默会知识通常需要学习者花费很长时间慢慢体会，想要转移这些知识不是短时间内就能做到的。正如 Teece (1998)说过“我们知道的远比我们能说来的知识多”。家族内部和企业内部隐藏着大量的隐性知识，而且这些隐性知识创造了家族企业的竞争优势，因此转移和保留这些知识对于家族企业持续发展是至关重要的。

3、3、2 知识的情境嵌入性

在家族企业代际传承中，继任者经常想要模仿和复制在任者的知识和实践来管理家族企业，但结果常常不能令人满意，这是因为与某项“实践”相关的知识产生于特定的内外部情境中。内部情境中包括工作习惯、管理技能、思维模式等；外部情境包括了该结点所处的企业环境和文化，任务、关系网络等。脱离了特定的情境，同样的知识可能无法导致成功。这说明，知识往往嵌入于其所产生的情境之中，情境嵌入性的程度越高，要明确与某项成功紧密相关的知识有哪些就越困难，知识的因果模糊性就越强(Nohria, Ghoshal,1993)。

假设 3：知识的默会性和情境嵌入性越高，则知识转移效果越差。

3、4 家族关系

大量关于家族企业代际传承的研究也表明，家族关系的质量不仅对传承过程的平稳演进和传承效果有着重要的影响，还对在任者的离任意愿、子女的接班意愿以及继承人的培养和发展(Goldberg,1996; Chrisman, Chua & Sharma, 1998)等产生重要影响。

在任者和继任者之间的关系是知识转移成功的基础。发送者和接收者只有能够相互理解时，默会知

识才能成功转移和吸收,这种相互理解包括理解对方的愿景、认知结构和语言中的隐喻、暗喻等。显然,这种相互理解只有在双方处于一种融洽的关系当中才会发生。融洽的关系促使双方不断的进行交流和沟通,增加接收者接触和使用知识的频率,提高知识转移的效率。

本文将家族关系分成家族凝聚力和信任关系两个维度。

3、4、1 家族凝聚力

研究表明,阻碍个体间知识转移的一个重要因素就是缺乏时间(Dixon,2000)与会面的场所(Davenport & Prusak,1998)。在家族凝聚力高的家族中,父母喜欢花时间来同子女交流他们对未来的期望、规划(Olson, Russell & Sprenkle, 1979)以及对商业的理解和看法,这些恰恰都是企业家默会知识中需要转移的重要组成元素。此外,在高凝聚力家族中,家族成员更倾向于集体行动,比如经常组织集体聚会、定期召开家族理事会,等等。这些集体行动为企业家默会知识的代际转移提供了良好的场所和机会以及更为丰富的沟通渠道,这无疑也会在一定程度上提高知识在代际间的转移效果(Gupta & Govindarajan, 2000)。

3、4、2 信任关系

一些研究知识转移影响因素的学者指出了信任促进人际之间的信息交流和知识转移,当知识转移双方之间有良好的信任关系时,人们更愿意提供有价值的知识,同时对方也愿意接受和吸收知识发送者提供的知识(Zaheer et al.,1998; McEvily et al.,2003)。Szulanski (2000)从反面验证了不信任对知识转移的消极作用,认为如果知识发送者被视为不可靠,那么接收者不愿意接收其传递的知识。

同时,家族企业研究者们也认为,家族成员之间的相互信任有助于家族企业领导权的代际传承(Handler,1990)。传承过程中在任者和继承人之间相互理解和信任可以令双方彼此感受到来自对方的支持和认可,并能够建立信任和反馈的良性循环,推动知识和关系网络在代际间的有效转移,从而促进家族企业的成功传承。如果在传承的过程中,在任者表现出任何不想交接权力的迹象(如不信任)都会对代际传承的效果有负面的影响(Barach and Ganitsky, 1995)。另一方面,由于两代人思想观念的差异,会在传承过程中引发一些冲突,因此,在家族企业内建立信任关系,是推动知识代际转移的有效手段。

假设 4: 家族关系质量会正向影响知识转移效果,即家族凝聚力和信任程度越高,知识转移效果越好。

3、5 转移渠道

根据现有的文献,知识转移的渠道和渠道可以分为正式渠道(正式整合机制)和非正式渠道(社会化机制)(Gupta & Govindarajan,2000;Holtham & Courtney2001)。理论上,正式和非正式渠道对于结点之间的沟通和知识转移的作用是相辅相成的,互相促进的。正式的渠道更适合于外显知识的转移和沟通,而默会知识更多通过非正式渠道来实现。

3、5、1 正式渠道

正式渠道包括继任者在企业内部的培训和学习、专家指导、正式会议、书面文件(企业内部资料、指导手册)、视频信息以及由家族成员构成的董事会等。这些转移渠道在家族代际传承中扮演着重要的作用,能够将知识进行编码化、系统化,比较容易实现知识的复制,促进显性知识高效、快捷的转移。培养锻炼继任者的知识、技能,继任者通过一定的工作岗位学习相关业务知识,通过制度、文件、工作内容学习企业运作过程;继任者在团队内部学习完成项目任务,以及通过董事会管理决策等获取学习知识。因而正式渠道在转移显性知识上更具优势。

3、5、2 非正式渠道

通过正式渠道转移的知识更多地是显性的,而大量的隐性知识无法通过正式的渠道传递接收,这些知识嵌入到在任者的头脑、经验和技能当中,难以表达和编码,包括心智模式、管理经验和技能、相应的企业家精神等,这些隐性知识是创新和技术的核心基础,这些经验、诀窍和直觉无法从书本、文件上学习到。接收者只有通过观察、工作访谈、面对面交流、经验分享等人际互动方式和亲自体验(如基于一定任务目标形式的团队合作)才能获取这些知识。并且,这些知识当中有一部分是在特定情形下、特定时间段下使用的,参与企业管理和决策过程能够克服知识因果模糊性和粘性的缺点,是获取这些知识的唯一模式(Nonaka and Takeuchi's, 1995)。

因此可以看到,知识属性与转移渠道之间是相对应的,不同的知识要求选择不同的渠道。同时,只是发送者和接收者双方的特性和关系也会对渠道的选择产生影响。也就是说,在知识转移效果与知识特

性、知识发送和接收双方主体特性、主体间关系之间，知识转移渠道起到中介作用。

假设 5：家族企业代际传承中知识转移效果受正式渠道的正向影响。

假设 6：家族企业代际传承中知识转移效果受非正式渠道的正向影响。

假设 7：正式渠道在知识特性、在任者特性、接收者特性、家族关系与知识转移效果的关系中起中介作用。

假设 8：非正式渠道在知识特性、在任者特性、接收者特性、家族关系与知识转移效果的关系中起中介作用。

假设 8a：家族关系质量越高越倾向于使用非正式转移渠道。

假设 8b：知识模糊性和情景嵌入性越强，越倾向于使用非正式转移渠道。

概念模型如图1：

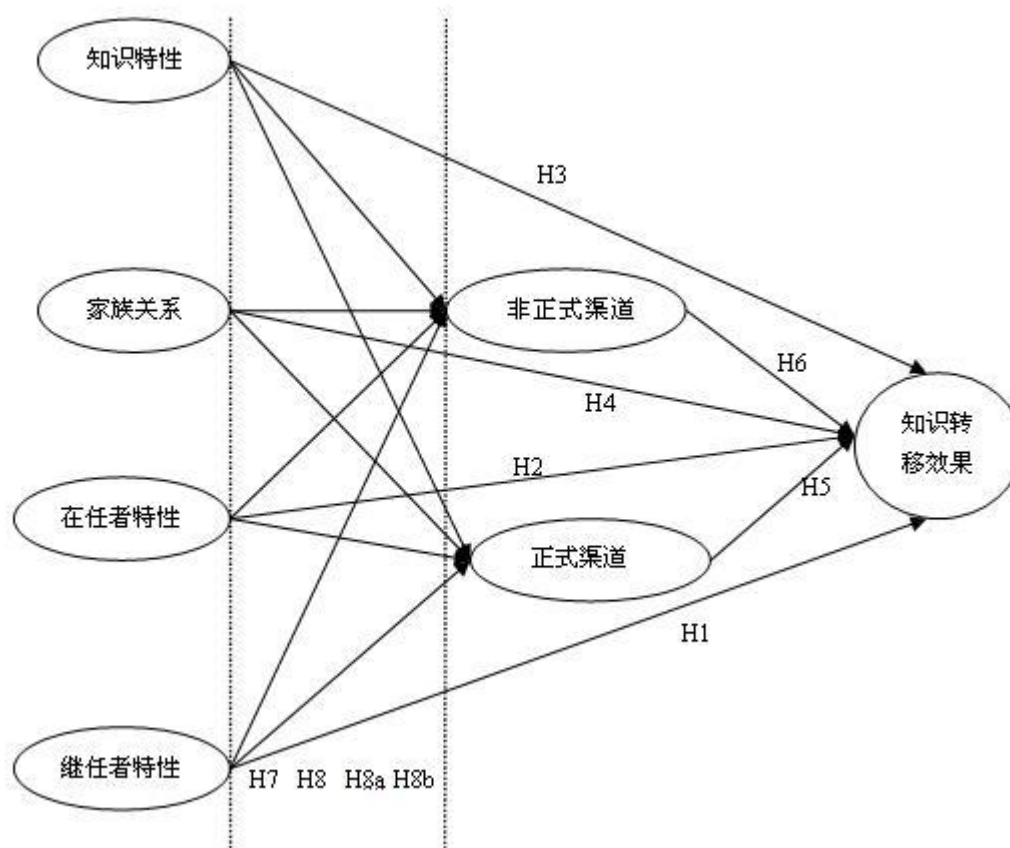


图1：概念模型和假设

4、研究方法

4.1 样本收集和数据分析

本文所研究的样本企业来自于广西桂林高新区信息产业园和苏桥工业园的家族企业。研究采用深度访谈和问卷调查相结合的方法，为争取到各样本企业的积极配合，以保证访谈和问卷调查的质量，笔者借助了桂林市高新区政府和苏桥工业园管理委员会的力量和关系。首先对工业园内的 12 家家族企业的创始人以及将要接班的子女进行了深度访谈，了解他们在代际传承过程中的亲身经历和感悟，了解创始人向子女传授哪些知识、采取传授方法、遇到的实际困难等，以及继任者在接收这些知识时的方法、困难以及想法等。在此基础上，结合相关文献进一步界定了研究的构念和构念中的维度，设计测量构念的问卷调查题项。随后，通过电子邮件和实地发放问卷的方式来收集研究数据，前后总共发放问卷 142 份，回收问卷 126 份，有效问卷 121 份。

本文采用结构方程模型（SEM）对量表数据进行分析，根据结构方程模型最小有效样本量必须大于100的要求，本文的样本数符合该要求。首先对问卷数据进行效度和信度检验以确定问卷设计质量。然后把模型中提到的变量作为潜变量，把问卷中的有关问题进行合并，以每个潜变量中划分的维度作为观察变量，建立观察变量到相应潜伏变量的联系。

4、2 变量度量

量表的开发方法通常有翻译法、改编法、脱离背景法和融入背景法四种(Farh, Cannella & Lee, 2006)。在本研究中，除了知识转移效果、家族关系和知识特性外，已有的家族企业研究领域的文献缺乏对知识转移和接收主体特性的现成度量工具，因此本文研究的自变量中，在任者特性和接收者特性都将参考知识转移研究领域的成果，综合运用改编法和脱离背景法来开发其测量条款。为避免“趋中效应”的影响，本文采用六点 Likert 量表（1=完全不同意，6=完全同意）。

4、2、1 在任者特性

根据 Szulanski (1996)和 Fiddler (2000)的量表设计，把在任者特性分成转移意愿和转移能力两个维度，每个维度用3个题项进行度量。转移意愿维度的题项分别是：在任者退位意愿；家族内外部利益相关者对继任者的意见；在任者把家族事业传承给家族成员的意愿。转移能力：在任者的知识储备；在任者的转移知识方式的丰富性；在任者转移方式的适用性。

4、2、2 继任者特性

接收者特性根据 Cohen & Levinthal (1990)和 Szulanski (1996)提供的量表进行改编，通过接收意愿和接收能力两个维度来进行度量。接收意愿维度下的题项包括：接替家族事业的意愿；承担家族责任的意愿；个人抱负理想的实现。接收能力维度下的题项包括：继任者现有知识存量；继任者的学习方法和渠道；学习新知识的能力。

4、2、3 知识特性

根据知识转移的相关文献，知识特性通过知识默会性和情景嵌入性两个维度衡量。知识默会性用可表达性、可传授性、模糊性、经验知识比重来度量（Kogut B, Zander U,1995）。情景嵌入性用知识留驻载体，即人员、任务、惯例和人际关系网络来度量（Nohria,Ghoshal,1993）。

4、2、4 家族关系

为了更好的描述家族关系，Lansberg & Astrachan (1994)首次借鉴了家族研究领域学者 Olson, Russell & Sprenkel (1988)关于家族关系的度量方法，通过家族凝聚力和家族适应性两个维度对家族关系进行了测量。Harvey & Evans(1995)和 Neubauer & Lank (1998)等学者也对在任者与继承人之间的质量关系做过阐述。在知识管理领域，发送者与接受者之间的高质量关系通常被界定为两者间易处、亲近和友好(Szulanski,1996)。综合他们的观点，家族关系是指两者之间具有较高的信任、相互支持、开放并热衷交流、彼此欣赏对方的成就

因此，本文通过家族凝聚力和家族信任关系两个维度来对家族关系进行度量。在用这两个维度对家族关系的两个维度进行具体测量时，将改编 Olson 等学者开发的 FACES 量表进行度量。

4、2、5 转移渠道

转移渠道分为正式和非正式渠道。正式转移渠道用于传播明晰知识的手段，如企业内部书面文件、培训和学习、专家指导、会议等衡量；非正式转移渠道用于传播默会知识的手段，如参与经营管理、组织外工作经历、父子沟通交谈、人际互动等衡量。

4、2、6 知识转移效果

知识转移的目标是为了成功地向接受者转移源知识，但由于知识及知识转移难以识别和测量，学者们至今仍未对知识转移的测量达成共识。因此，本文主要借鉴了 Simonin(1999)和 Joshi, Sacker& Sacker(2004)等学者对知识转移结果的主观度量思路，让继承人对自已知识基础的变化进行主观的判断，通过知识转移数量、心智模式获取和继任者满意度三个维度进行度量。

5、结果分析与讨论

5、1 信效度分析

本研究主要检验问卷的内容效度和建构效度。为达到内容效度，本文以相关理论为基础，参考以往文献的问卷，并加以修订。问卷初稿完成后，多次与企业人员和学者讨论修正，因此具有较好的内容效

度。随后，使用AMOS17.0针对问卷题项进行验证性因素分析，发现各题项的因子载荷都大于0.5，说明各变量建构效度较好。

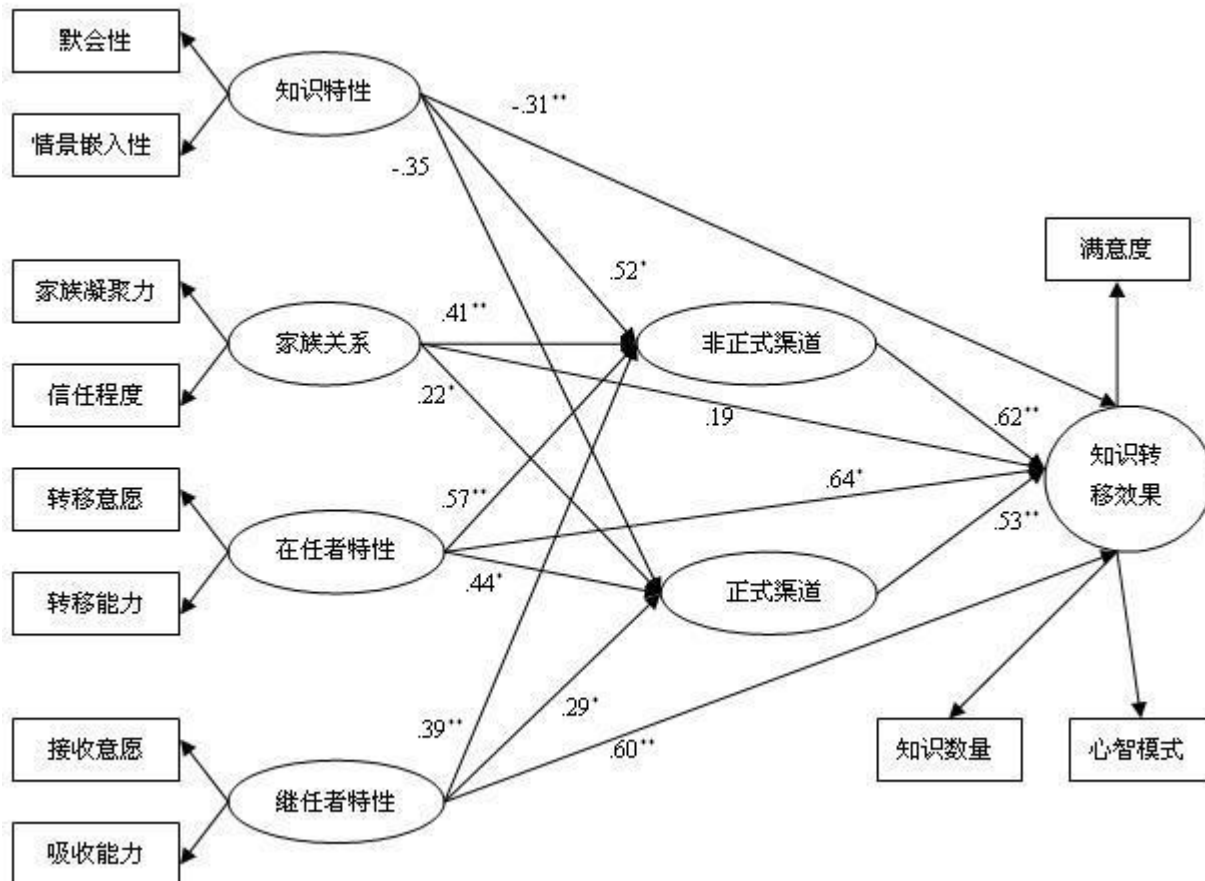
使用SPSS17.0对每个潜变量所对应的问卷题项，计算Cronbach's α 值评价信度。具体数值如表1所示，Cronbach's α 值均大于0.7，说明数据的信度较高。

表1: Cronbach α 信度系数表

测量项目	在任者特性	继任者特性	知识特性	家族关系	正式转移渠道	非正式转移渠道	知识转移效果
α 系数	0.715	0.704	0.771	0.812	0.802	0.762	0.811

5、2 模型拟合情况

根据模型假设，把样本数据录入AMOS17.0中，原始模型的比较拟合优度指数(CFI)为0.691，未达到理想水平，卡方检验的P值低于0.05，表明原始模型拟合程度很差。根据AMOS的修正指标(M. I.)建议，在反映“家族关系”、“在任者特性”、“非正式转移渠道”的部分观察变量之间建立测量误差关联。修正后的模型拟合度指标有了显著改善，其模型拟合度指标见图2，表明修正模型与样本数据拟合度较好。



Chi-Square=285, df=203, RMSEA=0.04, GFI=0.94, AGFI=0.89, CFI=0.91

说明：*** $P < 0.01$ 、** $P < 0.05$ 、* $P < 0.10$ 。为简洁起见，该模型只显示了潜变量之间相互作用的结构模型，省略了观察变量到潜变量间的路径系数，同时省略了观察变量到正式渠道和非正式渠道的测量模型。

图2：知识代际转移机制的结构方程模型

5、3 结果解释

首先看各变量对知识转移效果的直接作用。根据图2显示的数据处理结果，可以看出知识特性、在

任者特性、接收者特性和两种转移渠道对知识转移有显著的直接作用。其中,知识特性对知识转移效果有负向显著影响,说明知识默会程度越高、情境嵌入性越强,则知识转移效果越差;同时,在任者的转移意愿和转移能力越强,则知识转移的效果越好,同样,接收者的接收意愿和接收能力对知识转移效果也有显著正向影响。因此,研究证实了假设 H1、H2 和 H3。非正式转移渠道和正式转移渠道对知识转移的作用系数在 $p=0.10$ 的水平上显著,证实了假设 H5 和 H6。而家族关系对知识转移的直接作用不显著,假设 H4 不成立。

其次讨论知识转移渠道的中介作用。这种结构关系包含各种自变量对因变量的直接效应和知识转移机制对反应变量的中介关系。在结构方程中可以看到,知识特性只对非正式转移渠道存在显著正向作用,对于正式转移渠道回归系数为负但并不显著,因此可以判断非正式转移渠道对知识特性起到了部分中介作用,这与理论逻辑相符,越是默会性强、情境嵌入性强的知识,越倾向于采用非正式转移渠道来转移,因此假设 H8b 成立,而正式渠道对转移这类知识几乎没有作用。家族关系对知识转移效果的直接作用不显著,但是对正式转移渠道和非正式转移渠道都存在显著的正向作用,假设 H8a 成立,同时也表明转移渠道对家族关系起到了完全中介作用。这说明如果这没有转移机制的参与,家族关系在知识代际转移过程中的作用就无法得到体现。因为知识转移的效果很大程度上要靠接收者和发送者之间的关系强度(Hansen,1999),这种关系强度在家族企业中的反映就是亲密的家族关系和两代人之间顺畅的沟通,由于非正式转移渠道以人际互动为主,需要较高级别的关系协调和信息沟通。这些渠道如果缺少家族凝聚力、家族成员的相互信任等条件的配合,协调和信息沟通就会不顺畅,使非正式转移流于形式,起不到应有的作用。换句话说,家族关系质量能够促进家族成员间通过各种渠道(正式或非正式的)更频繁的交流 and 沟通,增进理解,从而提高知识转移效果。在任者特性和接收者特性对两种转移渠道有显著正向作用,因此转移渠道对这两个因素起到部分中介作用。在本研究的模型中,两种转移渠道对知识成功转移的直接促进作用非常高($\beta=0.62, T=2.75; \beta=0.53, T=3.15$),此外,在任者特性和接收者特性对非正式转移渠道也有显著推动作用,并通过它的中介对知识转移效果起到了显著的间接作用,可以看出两种转移渠道在知识转移接收双方的意愿和能力较强时作用明显。综合上述分析可以看到,假设 H7 部分成立,而假设 H8 成立。

6、结论

知识转移在家族企业代际传承中的研究运用是一个较新的课题,目前国内有关这方面研究文献十分稀少。本文对家族企业知识代际转移影响因素进行了研究,得到了一些有意义的结论,同时也存在一些需要进一步探讨的问题。总体而言,可以归结为以下几点。

(1) 已有研究认为,知识特性、知识源特性、知识接受者特性、情境特性会影响知识转移的效果。本研究在此基础上,将情境特性因素进一步细化成知识转移渠道和家族关系两个维度,并通过实证研究证明在家族企业代际传承中,知识转移效果同样会受到上述因素影响,进一步证实了这些影响因素的普遍适用性;同时,本研究还发现了知识特性、知识源特性、知识接受者特性和家族关系需要通过转移渠道才能对知识转移效果产生影响。

(2) 本研究发现,转移渠道对不同的影响因素中介作用不一样。默会性知识、关系嵌入性知识倾向于通过非正式转移渠道转移,如果家族关系质量较好,也倾向于采用非正式转移渠道。知识转移接受双方意愿能力越强,转移渠道效果越明显。

由于一些条件的限制,本研究的样本范围较小,这在一定程度上影响了研究结论的广泛适用性。因此,未来研究应该设法拓宽取样的渠道和区域,进行更深入的探讨,使研究结论更具有说服力和普遍性。同时,本研究当中部分变量的影响效应并没有想象的那么显著,因此,要深入理解家族企业知识代际转移的机制还需更进一步的研究。

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The Dyadic Influence of Chinese Cultural Characteristics and Relationship Marketing on the Transaction Revenues in the Steel Service Industry

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Abstract

The rapid growth of the steel industry in the first decade of the 21st century forced steel operators to critically acknowledge the importance of service improvement in order to gain competitive advantage. Therefore, identifying the factors that influence the transaction revenues in the steel industry is critical for the success of the companies. The purpose of this study was to explore the relationship between Chinese cultural characteristics and relationship marketing and transaction revenues of steel industry in Taiwan. A closed-ended questionnaire was completed by 241 customers of the Quintain Steel Company in Taiwan. Structural equation modeling was used to confirm the effect of Chinese cultural characteristics and relationship marketing to transaction revenues. The results indicated that Chinese cultural characteristics and relationship marketing had positive and significant effect to transaction revenue, and Chinese cultural characteristics was the ancestor of relationship marketing in the effect on transaction revenue.

Keyword : Chinese culture characteristics, relationship marketing, transaction revenues

INTRODUCTION

A detailed knowledge of the target social culture is required (e.g., beliefs, values, lifestyles, symbols, psycholinguistics, and attitudes) to successfully implement service transaction in international or domestic markets. This information may be used to manage the alignment of service offerings with local tastes, and create perceptual stimuli to foster trust and encourage consumption (Fugate, 1996; Imrie, 2011). However, misunderstanding cultural nuances may impede the ability to manage the adaptation to local preferences. Thus, consideration of the formative influence of the sociocultural environment on the service aspect has received limited attention in the related literature. Numerous researchers have

examined the role of national cultural values as an antecedent of service quality (Furrer et al., 2000; Mattila, 1999). Thus, it is easy to understand the effects of social culture on the service industry, especially in service quality, service transaction, and other orientations.

Another factor that influences service performance may be customer relationship marketing. An excellent relationship between customers and a company produce high service benefits. Two types of approaches are used in marketing, that is, the traditional based approach and a strategic market-based approach (Jackson, 1985). The Marketing Continuum concept was first proposed by Grönroos (1994, 1996), who argued that marketing continuum represents a line of marketing strategies with two ends, as follows: the left end of this continuum refers to transaction marketing orientation, and the right end refers to relationship marketing (RM) orientation. The rise of market and service orientation theory since the early 1990s (Narver & Slater, 1990; Kohli & Jaworski, 1990; Kohli et al., 1993; Deshpandé et al., 1993; Lytle et al., 1998) has attracted several management and marketing researchers to investigate the relevance of these orientations in affecting organizational performance and competitiveness in various sectors (Harris & Piercy, 1999; Voon, 2006). However, the relationship between customer relationship marketing and social cultural was unknown. Therefore, this study examined the relationship among Chinese cultural characteristics, customer relationship marketing, and service performance, which contributes to understanding the efficacy of using current conceptualizations of the construct in culturally diverse markets.

LITERATURE REVIEW

Chinese Culture Characteristics

China is a culturally diverse country that has a special cultural style called Chinese culture characteristics. Chinese culture characteristics influence both daily life and business organizations. Tsang (1998) stated that Chinese society was nothing but “*Guanxi*,” which means “good connections,” and that it played a crucial role in daily life. Park and Luo (2001) indicated that *Guanxi* was a cultural identity that has strong implications for the dynamics of interpersonal and social organizations in China. Chinese society builds up *Guanxi* in an active and skilled manner to manage their human and organizational relations. *Guanxi* is a widespread and universal concept in the activities of Chinese society and organizations. To understand the composition of Chinese culture characteristics, we must first realize that all Chinese social culture relationships are based on *Guanxi*, from which other culture characteristics are derived. According to the literature review, this study summarized five major Chinese culture characteristics in Chinese society and culture; that is, “ren-qing,” “wa-pao,” “mianzi,” “chaxu-geju,” and “collectivism.” These crucial factors prevail in Chinese society. The relative definitions of these five Chinese culture characteristics and literature are listed in Table 1.

Chinese culture characteristics indicate excellent *Guanxi*. Although Chinese culture characteristics are often considered the source of sustained competitive advantage for marketing in business, this view is insufficiently supported by a theoretical basis. Chinese culture characteristics must be valuable, rare, and imitable before they can lead to a sustained advantage. Even if a certain advantage is gained, it can be difficult to sustain because Chinese culture characteristics can be disrupted by something as simple as staff mobility. By suggesting methods for companies to develop their Chinese culture characteristics, we hope that this crucial aspect of Chinese management may be more easily understood by Westerners to enhance and encourage its use by Western managers.

Table 1. Chinese culture characteristics

	definitions	literatures
ren-qing	Ren-qing is a resource that can be used to feed relationships between two people, and occasionally occurs in social and interpersonal interactions.	Simmons and Munch (1996); Wong and Chan (1999).

wa-pao	Wa-pao is a reciprocal equal reward that occurs in Chinese social exchanges and interpersonal relationships.	Jacobs (1982); Park and Luo (2001).
mianzi	Mianzi is an individual social esteem gained from other social dignity, or a public image that is allowed and authorized by any other person.	Yeung and Tung (1996); Park and Luo (2001).
chaxu-geju	Chaxu-geju is the relationship between people who share a group status or are related to a common person.	Tsang (1998); Wong and Chan (1999).
collectivism	Collectivism is an idea that reflects on private life and individual behaviors, and is influenced mainly by organizations, groups, or the attitudes of other people.	Kiong and Kee (1998); Hofstede (2001).

Customer Relationship Marketing

Two types of approaches are used in marketing, that is, the traditional based approach and a strategic market-based approach (Jackson, 1985). According to Jackson, the traditional approach focuses more on transaction, competition, firm-induced, value to the firm, buyer passiveness, firm as focus control, firm as a boundary, short-term focus, and independence, whereas strategic market relationship focuses more on partnership, collaboration, cooperation, value in partnership, buyer as an active participant, firm as part of the process, boundary-less, long-term focus, and dependence and is network-led. Grönroos (1994, 1996) argued that the marketing continuum represents a line of marketing strategies with two ends, as follows: the left end of this continuum refers to transaction marketing orientation, and the right end refers to customer relationship marketing (CRM) orientation. Figure 1 shows the marketing continuum, which refers to CRM.

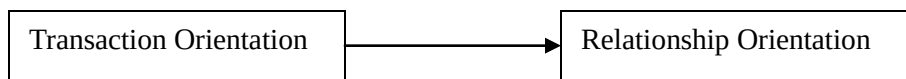


Figure 1. The marketing continuum (Grönroos, 1994; 1996)

A new paradigm focuses on the orientation for relationship building between two parties. Therefore, this new concept of marketing is referred to as customer relationship marketing (Berry, 2002; Adamson et al., 2003; Roslin & Melewar, 2004; Rowly, 2004). Organizations can improve their long-run profitability by shifting from transaction-based marketing to relationship marketing because relationship marketing emphasizes the retention of customers (Cravens & Piercy, 1994; Ryals & Knox, 2001; Styles & Ambler, 2003). Several models have been proposed in the customer relationship orientation aspect. Ravald and Grönroos (1996) indicated that long-term relationships are first built by providing economic value, and subsequently by increasing the benefits and reducing expenses to attract customers to purchase again. Furthermore, Chien and Moutinho (2004) proposed a theory with a high level of abstraction foundation, which provided a more comprehensive and systematic explanation of the relationship model, defined as *Relationship Exchange*.

This model includes utility, projectability, reciprocity, and legitimacy (Table 2). The effective relationship exchange model consists of these four elements. Utility mainly refers to the gain of “real core benefits” when a customer engages in a relationship exchange with the company. Customers gain real utility through the core services provided by the manufacturer, which prebuilds the long-term relationship (Gwinner et al., 1998). Projectability means future prospects in the marketing process, as in the company will provide valuable benefits in the future (Gruen, 1995). Lemon et al. (2002) also indicated that when customers decide to maintain the relationship of product or service, they consider the past and present

performance of the firm, and future expectations toward the firm. Reciprocity means the mutual trust relationship between customers and a company. Trust is the most powerful tool to establish an excellent relationship (Berry, 1996). Numerous studies have indicated that trust is crucial in maintaining long-term relationships (Sirdeshmukh et al., 2002; Urban, 2000; Reichheld, 2000). Legitimacy is the formal image of a company that provides intangible information consumers use to assess the risks of purchase (Bharadwaj et al., 1993; McKnight et al., 1998).

Service Performance

Performance is defined as an “action or process of performing” (Mohammed & Mohamed, 2011). The meaning of service performance differs when used in a heterogeneous environment. From a productivity aspect, service performance means the total outcomes of a firm in all service processes, including transaction revenues and financial revenues. The outcome of service performance reflects the efficiency, competitiveness, business alignment, and business of a company.

Table 2. Customer Relationship Marketing

	definitions	literatures
Utility	Utility mainly refers to gaining “real core benefits” when customers engage in relationship exchanges with a company.	Gwinner et al. (1998); Donaldson and O’Toole (2002).
Projectability	Projectability means future prospects in the marketing process, in that the company will provide valuable benefits in the future.	Chien and Moutinho (2000); Lemon et al. (2002).
Reciprocity	Reciprocity means the mutual trust relationship between a customer and a company.	Berry (1996); Urban (2000).
Legitimacy	Legitimacy is the formal image of a company that provides intangible information that consumers use to assess the risks of purchase	Bharadwaj et al. (1993); McKnight et al. (1998).

Numerous factors influence the service performance outcomes. Nigel et al. (2009) specified five objectives of performance that can be applied to all types of operations to satisfy customer requirements and contribute to competitiveness. The competitive factors/variables are cost (price), quality, speed (fast delivery), dependability (reliable delivery), and flexibility (innovation of products and services and the ability to change the time or quantity of products and services). These variables represent the sources of competitive advantage. However, the service performance measurement (SPM) is a crucial process of selecting the appropriate measures. A revolution in performance measurements occurred in recent years. Therefore, several SPM frameworks were identified; however, two main phases of performance measurement are used, as follows: financial measures were used as an imitative approach until the 1980s, and performance measures were used in the late 1980s (Ghalayini & Noble, 1996; Matsuno & Mentzer, 2000). Financial performance means the total financial income of a company when implementing their business. Wong and Chan (1999) indicated that customer relationships must be persistent for businesses to secure long-term business relationships. An excellent relationship with a customer results in high performance and efficiency. Customer relationship marketing is the basis for building strong relationships during in the sale exchange. Hence, “marketing performance” is one type of service performance because it is the result of successful marketing revenues that lead to excellent relationships with customers. This study used “financial performance” and “marketing performance” as indicators to evaluate service performance. The relative definitions are shown in Table 3.

Table 3. Service performance

definitions	literatures

Financial performance	Total service income from the financial performance of enterprises, such as return on investment and overall performance.	Wong and Chan (1999); Desarbo et al. (2005).
Marketing performance	Total customer marketing outputs of enterprises, such as the overall customer retention and key customer retention rate.	Ghalayini and Noble (1996); Matsuno and Mentzer (2000); Mullins et al. (2005).

Conceptual Framework

The hypotheses of this study are shown in the research model in Figure 2. Service performance is influenced by Chinese culture characteristics through customer relationship marketing, the construction of left associations in the minds of consumers, the facilitation of stronger consumer connection, and the formation of service performance. A number of hypotheses were formulated to explain the effects of Chinese culture characteristics tools on the dimensions of marketing relationship.

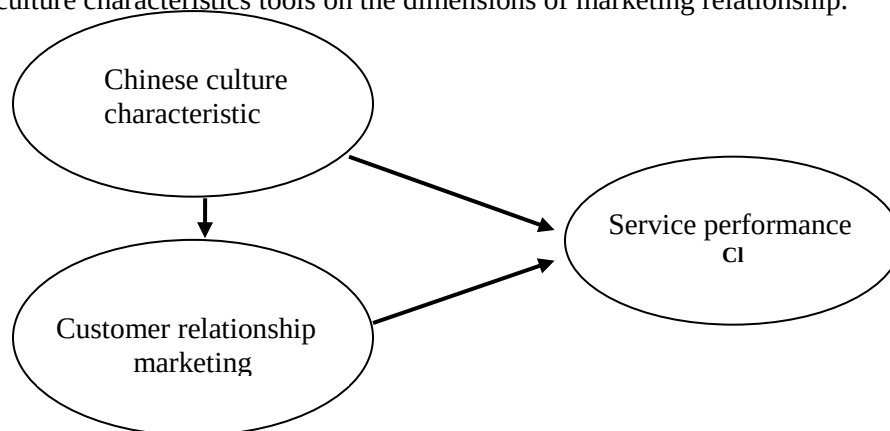


Figure 2. Proposed linear structural relationships model

In this study, service performance was affected by two variables, that is, Chinese culture characteristics and customer relationship marketing. These relationships can be summarized by the following hypotheses:

- H1: Chinese culture characteristic has a positive effect on customer relationship marketing.
- H2: Customer relationship marketing has a positive effect on service performance.
- H3: Chinese culture characteristic has a positive effect on service performance.

METHODOLOGY

This study examined the effects of Chinese culture characteristics on customer relationship marketing and service performance. A quantitative approach was used to address the research problem. This study used the Linear Structural Relationships (LISREL) method to probe this statement and identify the relationships of each variable.

Measurements of Constructs

This study used a pool of indicators. All items were measured on 6-point Likert scales. This study proposed three novels constructs, that is, Chinese culture characteristics, customer relationship marketing, and service performance. Chinese culture characteristics (Ccc) was measured using five indicators, that is, “ren-qing” (RQ), “wa-pao” (WP), “mianzi” (MZ), “chaxu-geju” (CG), and “collectivism” (CV). These indicators were developed by the authors listed in Table 1. Customer relationship marketing (Crm) was measured using four indicators, that is, “Utility” (UL), “Projectability” (PJ), “Reciprocity” (RP), and “Legitimacy” (LM). These indicators were developed by the authors listed in Table 2. Service

performance (Sp) was measured using two indicators, that is, financial performance (FP) and marketing performance (MP). These two indicators were developed by the authors listed in Table 3.

Data Collection Method and Procedures

Data were collected using a close-ended questionnaire for passengers of the Quintain Steel Company in Taiwan. LISREL testing was conducted for 214 employees, which were drawn from 200 downstream firms of the Quintain Steel Company in Taiwan. Participation was voluntary in this study. The participants had at least one commercial experience with the Quintain Steel Company. The usable response rate was 14%. Validity test, reliability checks, descriptive statistics, and hypothesis testing were used in this study. The results are shown in Table 4. The indicators were verified by the results of confirmatory factor analysis and standardized factor loading (Hair et al., 2006; Ghazali, 2008).

RESULTS AND DISCUSSION

A total of 214 completed questionnaires were eligible for processing. The participants were invited from 200 downstream firms of the Quintain Steel Company in Taiwan. The distribution of participants included five CEOs, nine general managers, 46 managers, 38 section chiefs, and 116 employees. The contact years of the downstream firms with the Quintain Steel Company were approximately one to three years for 24 firms, four to six years for 45 firms, seven to ten years for 89 firms, 11-15 years for 39 firms, and over 15 years for 17 firms.

Table 4. Mean values, validity, and reliability tests

indicators	Mean	Cronbach's alpha	Cross loading	AVE
RQ	4.07	0.720	0.66	0.58
WP	3.73	0.760	0.71	
MZ	3.74	0.826	0.67	
CG	3.89	0.670	0.78	
CV	3.89	0.452	0.54	
UL	3.92	0.810	0.81	
PJ	4.06	0.893	0.90	
RP	4.10	0.902	0.87	0.47
LM	4.13	0.702	0.72	
FP	3.19	0.941	0.78	
MP	3.90	0.784	0.49	

Measurement Model Test

This study used Structural Equation Modeling (LISREL) as the tool to identify the fit model to explain the relationship among the constructs of Chinese culture characteristics, customer relationship marketing, and service performance. By using the tool, the fit model showed the relationship between Chinese culture characteristics (Ccc) and Customer relationship marketing (Crm), and the causal relationship between Chinese culture characteristics (Ccc) and Service performance (Sp). The measurement model is shown in Figure 3.

A preliminary test was conducted to identify the optimal model. Table 5 shows the test results. Table 5 shows that the optimal fit model is Model B because it has low χ^2/df and a high p -value. We used Model B to test the overall model-fitting.

The LISREL model testing, including the overall model testing and internal model testing, are

described as follows: the maximum likelihood method was used to conduct the overall model-fitting test. The output of the overall model-fitting diagram is shown in Figure 4. The figure also shows the fit indices: the chi-square (χ^2) is 47.61 with 35 degrees of freedom, $p = .07570$, and the root mean square error of approximation (RMSEA) = 0.041. The overall model fit the data efficiently.

Table 5. Preliminary test model

Model	Path	χ^2	df	χ^2/df	NNFI	p
Model A	Ccc $\rightarrow$ Crm $\rightarrow$ Sp	49.8	36	1.38	0.98	0.062
Model B	Ccc $\rightarrow$ Crm $\rightarrow$ Sp	47.6	35	1.36	0.98	0.076
Model C	Sp $\leftarrow$ Ccc $\rightarrow$ Crm	56.7	34	1.66	0.97	0.00086

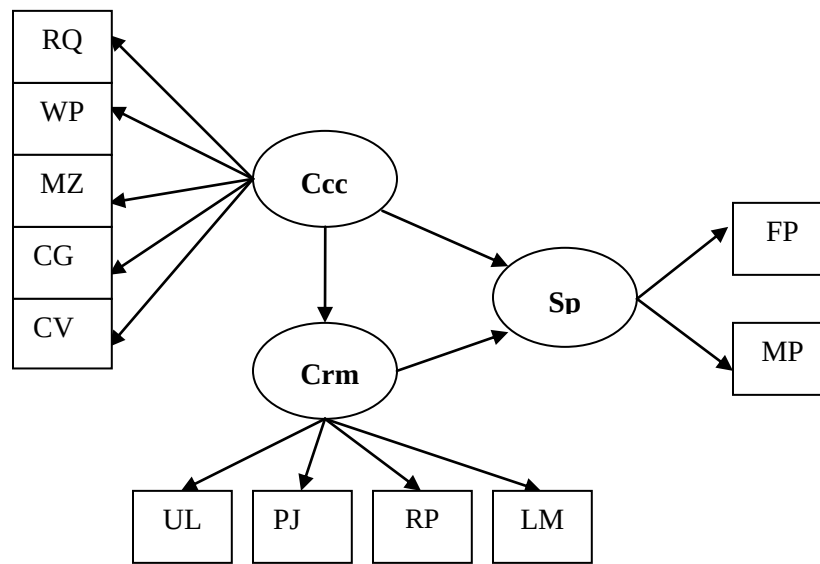


Figure 3. Measurement mode

The output of the measurement model test is shown in summary in Table 6. The result test of the measurement model can be divided into three categories, as follows: (1) absolute fit indices; (2) incremental fit indices; and (3) parsimony fit indices. As shown in Table 6, the absolute fit indices were chi-square = 47.61, $\chi^2/df = 1.36$, $p = .076$, GFI = 0.96, and AGFI = 0.93; all data fit the fitness criteria. Incremental Fit Indices: NFI = 0.97, NNFI = 0.98, and CFI = 0.99, all data fit the Fitness Criteria. Parsimony Fit Indices were PNFI = 0.62, RMR = 0.025, and RMSEA = 0.041; all data fit the fitness criteria. Therefore, this model fit the data efficiently. All fit estimates ranged within a reasonable scope. The overall model fit the data efficiently.

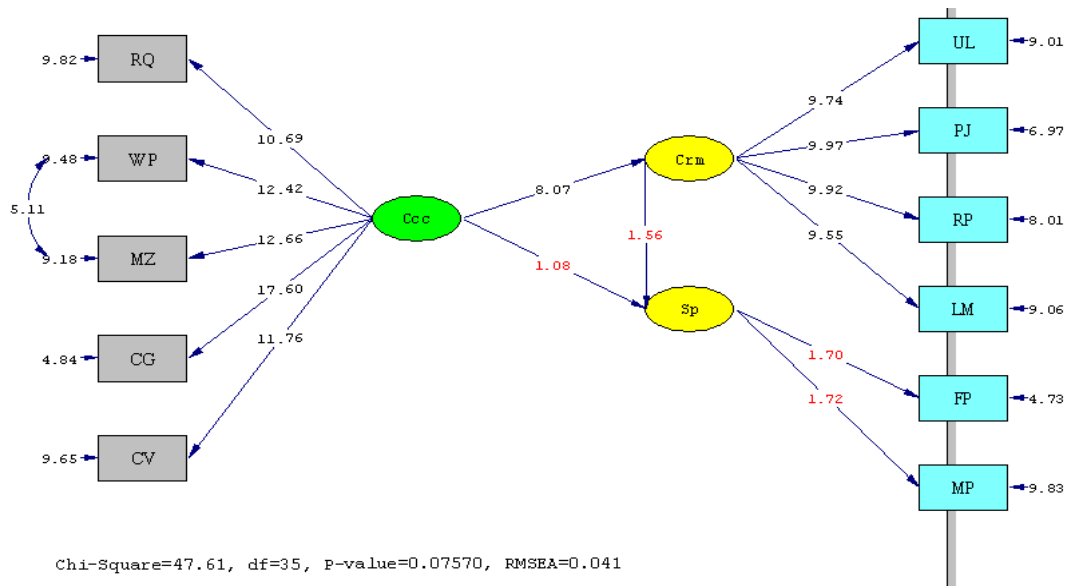


Figure 4. Output of the overall model-fitting diagram

Table 5 shows that the model passed the measurement model test. After the model fit, the subsequent process involved determining whether the indicators of a construct actually build the construct, which is usually called the construct validity test. This test can be conducted through a convergent validity test. This test, by using LISREL, revealed its regression weight, its significance, and the value of extracted variance. If $p < .05$, the relationship between the manifest variables and its construct is significant.

Table 6. Measurement model test

Model Fitness	Analysis	Fitness Criteria	Result
Absolute Fit Indices	Chi-Square analysis	χ^2	47.61
	χ^2/df index	< 3	1.36
	p	$p > 0.05$	0.076
	GFI	$\gg 0.9$	0.96
	AGFI	$\gg 0.9$	0.93
Incremental Fit Indices	NFI	$\gg 0.9$	0.97
	NNFI	$\gg 0.9$	0.98
	CFI	$\gg 0.9$	0.99
Parsimony Fit Indices	PNFI	0.00 - 1	0.62
	RMR	< 0.05	0.025
	RMSEA	< 0.05	0.041

Table 7 shows the results of the internal structure model-fitting test. The outputs can be expressed by the parameter estimate and t -value. The parameters Gamma (γ) and Beta (β) expressed the relationships between latent variables and latent variables. The parameters Lambda (λ_x) and Lambda (λ_y) expressed the relationships between latent variables and observed variables.

As demonstrated by the output, all parameter coefficients of completely standardized solutions nearly fitted the indices, except $Ccc \rightarrow Sp$, $Crm \rightarrow Sp$, $Sp \rightarrow FP$, and $Sp \rightarrow MP$. The relationship between Chinese culture characteristic (Ccc) and customer relationship marketing (Crm) was moderate. The relationship between Chinese culture characteristic (Ccc) and service performance (Sp) was non-significant. The relationship between service performance (Sp) and customer relationship marketing (Crm) was non-significant. The moderate R-square indicated the slight effect of independent variables on

dependent variables.

The path coefficient estimation measurement was used to examine the support of the hypotheses. Table 5 shows the result of hypothesis testing. One hypothesis (H1) was confirmed, whereas the other two (H2 and H3) hypotheses were not confirmed, because the paths of customer relationship marketing (Crm) to service performance (Sp) and Chinese culture characteristic (Ccc) to service performance (Sp) were non-significant ($p > .05$). The correlation among Chinese culture characteristic (Ccc), ren-qing (RQ), wa-pao (WP), mianzi (MZ), chaxu-geju (CG), and collectivism (CV) was also moderate. The correlation among customer relationship marketing (Crm), utility (UL), projectability (PJ), reciprocity (RP), and legitimacy was also moderate.

Table 7. Parameter estimates and t-value

LISREL Parameters	Estimate	t-value	Hypothesis
Ccc→Crm	0.90	8.07	Confirmed
Ccc→Sp	0.20	1.08	Not confirmed
Crm→Sp	0.78	1.56	Not confirmed
Ccc→RQ	0.66	10.69	Confirmed
Ccc →WP	0.71	12.42	Confirmed
Ccc →MZ	0.67	12.66	Confirmed
Ccc →CG	0.79	17.60	Confirmed
Ccc →CV	0.53	11.76	Confirmed
Crm →UL	0.80	9.74	Confirmed
Crm →PJ	0.90	9.97	Confirmed
Crm →RP	0.87	9.92	Confirmed
Crm →LM	0.72	9.55	Confirmed
Sp→FP	0.81	1.70	Not confirmed
Sp→MP	0.48	1.72	Not confirmed

The correlation among service performance (Sp), financial performance (FP), and marketing performance (MP) was non-significant. The internal structure model-fitting test outputs showed that the observed variables of Chinese culture characteristic and customer relationship marketing were suitable. However, the observed variables of service performance were unsuitable.

CONCLUSION

Conclusion and Theoretical Implications

The findings in this study show that Chinese culture characteristics positively affect customer relationship marketing. They are consistent with the theory that *Guanxi* has a positive effect on customer relationship marketing (Luo, 2001; Tsang, 1998). It also supports the result of previous studies conducted by Simmons and Munch (1996), Wong and Chan (1999), Yeung and Tung (1996), Park and Luo (2001), Jacobs (1982), Tsang (1998), Kiong and Kee (1998), and Hofstede (2001).

This study proposes that Chinese culture characteristics can be used to generate excellent relationships with customers to create consumer preference toward a company and to drive service marketing repurchase. If a company understands Chinese culture characteristics, marketing would increase. Excellent *Guanxi* has a positive effect on service relationship marketing (Park & Luo, 2001). Customer relationship marketing has a positive but non-significant effect on service performance. These findings contradict the theory that states that customer relationships must be persistent for businesses to secure long-term business relationships (Wong & Chan, 1999). However, the effect of Chinese culture characteristics on service performance is positive, but non-significant; this may be attributed to unsuitable service performance indicators. This study used financial performance (FP) and marketing performance (MP).

Research Limitations and Suggestions for Further Research

This study has several limitations. The data were collected only from consumers of 200 downstream firms

of the Quintain Steel Company in Taiwan. A suggestion is to test this model by applying probability sampling to generalize the result, to explain the population. The concept must also be tested for various service companies to compare results and provide an improved understanding of the effect of Chinese culture characteristics on the creation of high-performance customer relationship marketing. The questionnaires were not separated between financial performances (FP) and marketing performance (MP). Different types of questionnaires may provide various responses on the marketing activities of service performance and their effects on the result. Future research must investigate whether Chinese culture characteristics of different service firms influence the effects of marketing and performance.

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A STRATEGIC PERSPECTIVE TO SMALL FIRMS IN RELATIONSHIP MARKETING: CASE OF FRANCISTOWN

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This paper seeks to advance the strategies which could be employed by small-scale retail outlets as they normally fight for survival by enhancing relationship marketing. Many small firms face a number of challenges in terms of technology, economic strength, geographic expansion, human resources and relationship marketing. These challenges emanate duly from the untrained and inexperienced workforce that knows little about the tools needed to market products and services successfully. Not only that, but even many small-scale retail service providers are pushed into

their business with very little or actually without any marketing knowledge. They are driven some by seeing small niches in the market or just they have enough capital to start a small business. Little focus is actually made on the longer-term customer lifetime value; hence most of them fail and close down.

This paper shall merge the literature review with the practical situation of what is currently happening on the ground. Questionnaires will be designed and handed to small-scale retailers in Francistown, and follow-up interviews conducted to a randomly selected number of these retailers. The small retail outlets to be considered here are those with less than 30 employees, meaning between 1 and 30 employees. This will be done to ensure effective strategies are put in place that should not only help new start-up retailers and existing ones, but also big firms that might have been neglecting the importance of relationship marketing. This paper eventually shall be a two edged sword in reframing and redefining the strategies for winning small-scale retailers, that will compete locally and globally.

Keywords: Relationship marketing, small retail outlets, strategies

introduction

Relationship Marketing (RM) is a relatively new field of marketing. This study attempts to explore possibilities that can be derived from its full exploitation. The researchers addresses this issue by firstly defining RM and briefly touching on the discourse of RM which will show that RM has also gone through a lot of phases, which when brought together fully explains the concept of RM. This is followed by a brief discussion of small firms so that the reader fully understands that our area of concentration is small firms in Francistown. Research questions are addressed and the methodology follows. Results, analysis discussions follow and we draw the conclusion. Finally recommendations follow.

Defining relationship marketing

RM is a relatively new discipline. Generally, it is a discipline which has got an evolutionary impact on the general marketing. Some authorities view it as a mere splitting of the hair and view it as a mere extension of marketing put in some difficult language. RM has been labelled by Berry (1983) as "...attracting, maintaining and – in multi service organizations – enhancing customer relationships". Sorce (2002) echoes these sentiments says it creates "mutually beneficial exchange between business partners". Fitchett and McDonagh (2000) effectively capture the impact of RM on marketing and conclude that, "Relational Marketing has come to dominate the (r) evolutionary imagination of marketing thought". Gummesson (1999:24) extends the concept of RM to "Total Relationship Marketing" and maintains that it still remains a domain of marketing "based on relationships, networks and interaction". Gummesson (1999) concludes that "RM has given recognition to collaboration as part of the market economy". This is a very crucial contribution to marketing. This recognition carries a lot of weight especially after a lot of debate of marketing tools. Previously these tools were not recognized as contributing anything to a firm but have been accused of siphoning a lot of resources and lacked measurement. RM attempts to measure the contribution of RM to a business entity.

Discourse in research marketing

With so many varied definitions of RM, it is more effective and efficient to capture and summarize the various phases of RM. A good summary has been advanced by Fitchett and McDonagh (2000). Table 1 below summaries the discourse, thus:

Table 1: Historical development of the discourse of RM

Industrial	Emphasis	References
• Industrial Marketing	Mutual interdependence consensus and collaboration closeness trust and satisfaction.	Hakanson and Ostberg (1975) Ford (1980) Gummesson (1987)

and purchasing group • Business to business • Channel relations • Buyer-seller relationships • Relational resources	Resource-advantage theory	Spekman et al. (1997) Nielson (1998) Selnes (1998) Hunt (1997)
services	Emphasis	References
• Service markets • Small groups • Selling services • Forming relationships	Coined term RM Respect Trust Situation characteristics	Berry (1983) Gupta (1983) Crosby et al. (1990) Gronroos (1990) Barnes (1995)
consumers	Emphasis	References
• Quality service • Implementation • Advanced technology • Intrusion or intimacy • Definition confusion • Structure • Co-operation • Social networks • Consumer behaviour • Consumer marketing • Consumer survey • Rhetoric vs reality	Consumer retention Database use Customer retention Privacy Value relations Content analysis & concept categorization Interpersonal vs commercial Customer as collaborator Guanxi vs RM Equity of relations Interaction and network approaches Inappropriate metaphoric transfer Review of business- customer relationship BCR	Reicheld and Sasser (1990) Petrisson and Wang (1993) Patterson et al. (1996) Pine et al. (1995) Cova (1993) O'Malley et al. (1997) Tzokas and Saren (1996) Harker (1999) Iacobucci and Ostrum (1996) Zineldin (1998) Arias (1998) Szmigin and Bourne (1998) Pels (1999) O'Malley (1999) O'Malley and Tynan (forthcoming)

(Source: Fitchett and McDonagh, 2000)

For a long time, now, many authorities have been dealing with different facets of RM in an uncoordinated manner before it was developed as a fully fledged discipline. This generated a lot of weaknesses for the model. However, these weaknesses are not the subject of discussion in this paper.

Small firms

Small firms in this study refer to organizations with less than 30 employees. This figure has been chosen for convenience and is close to the definition proposed by SMME taskforce of 1998 who say a small enterprise makes an annual turnover of between BWP 60 000 and BWP 1.5 million and employ not more than 25 people” (RB, 1999).

Challenges that small firms are facing

Most small firms in Africa are facing mounting pressures to contain costs and improve quality given the dumping of mostly cheap Chinese products on the market. China's expansion and ascension as the second largest economy after United States of America, has greatly affected the growth and sustenance of most small firms in Africa. So much pressure has been mounted to both small and big firms in most developing countries.

Overnight, customers have so many different brands to choose from. This situation has also been compounded by the technological expansion and improved technologies. Most firms are left without choice but to impose survival strategies. The irony of it all is that, that survival is hugely depended on improved technologies. The solution now lies on an integrated delivery network that involve customers/suppliers partnering and or any kind of alliances. Some authorities argue that partnering may be a solution as firms may utilize the facilities and expertise of other service providers.

Benefits enjoyed by the firm in the relationship

Generally there are many benefits that can be enjoyed when firm is in relationship. Fitchett and McDonagh (2000) put forward the following benefits:

- *Terms of reference* The organization defines the interaction it has with its consumers as a relationship only if it is considered to benefit organizational interests (e.g. secure growth, increase repeat consumption).
- *Relational basis* The organization defines and regulates the terms and conditions of the relationship. Consumers have little opportunity to specify their own terms and/or can alter them only if sanctioned by the organization.
- *Opportunity to vary relational terms* The organization, due to the relational basis, can adapt, modify and change the terms of a customer relationship without negotiation. Consumers are tied to relational terms.
- *Relational conflict* When disagreement in the relationship emerges or either party fails to comply with the agreed relational basis, organizations have a greater opportunity to arbitrate on the resolution arrangements and have a greater capacity to improve penalties

Small firms in Francistown

It appears like there is a lot generation and death of small firms all around Francistown. The rate of creation of small firms is almost equal to the rate of death of the small firms. This problem has been compounded by the world recession which has affected the buying power of customers. The growth of small firms in some areas of Francistown came about due to economic crisis that has reduced the neighbouring Zimbabwe to a basket case. In a way this has opened a lot of opportunities for most people with entrepreneurial minds such as Chinese nationals and Indian trophy hunters. The Indian communities have taken full residence of the country unlike their Chinese counterparts who are only starting to venture into mainstream Africa.

Indian nations seem to be pursuing business in many different sectors and have mostly started businesses in construction, education, retailing (especially hardware and electronic gadgets). Chinese individuals are also into retailing, especially clothing items and electronic gadgets. Nigerian nationals have invaded the car and Pharmacy industries and Zimbabwean and Zambians expatriates are largely employees. It will be interesting to find how businesses are owned according to nationality. However, this is not a subject of study in this research.

Manufacturing firms

Generally, manufacturing in Francistown is limited to small manufacturing plants which are hardly comparable to most world class manufacturing plants. Botswana generally imports most goods from neighbouring countries, largely South Africa. The manufacturing is generally limited to the production of school uniforms, overalls for Mine workers, poultry producers. There are not wide varieties of these producers.

Money lenders

Money lenders play a major role in the economy of Francistown. Most small businesses get their capital requirements from these expensive sources. These money sources have in a big way also contributed to the winding up of most small firms when they fail to pay back the expensive rates. In some cases people lose some of their capital goods such as vehicles because they are usually used as some form of collateral when borrowing money from “Matshonisa” (Micro- lenders).

Construction firms

There is quite a lot construction going on in Botswana and more especially in the town. This construction is being done by Chinese companies. Most local companies are outsourced, and this affects the relationship marketing since the Chinese are not there to stay and the locals remain. Even so, the local firms are not local in the 'real sense' but are foreign companies that are using local fronts. The nature of these fronts is basically politicians. It will be exciting to find out how these relationships can affect RM. So far construction industry is one of the major employers of most local people, the surprising part in the industry is that most employees are foreigners and the local people are muscling their way into the industry by seeing the issue of indigenization and empowerment programs that have been introduced by the government. In this area "malemasky" or "tenderpreneurs" rule the roost. Very few people are genuine business people and generally the people are getting their way into the industry.

Purpose and context of the research.

This paper tends to present the findings on how the level of education impacts on the RM strategies used by a small firm. Small firms in Africa in general are seen as the future power houses of development. Industry development in Botswana is anchored by the government and there has been lack of growth of private investments. The Botswana government has responded to the calls of the Bretton Woods institutions to give space to private companies. Elsewhere it has been seen that small firms can be a good source of employment. Recession has also eaten into the government reserves and as such the government is no longer guaranteed of future earnings from diamonds. This is especially so during the current Eurozone crisis where the traditional markets of Botswana diamond have been heavily curtailed. As such there is need to diversify the economy and further stroke the local market into action. As such, there is need to promote growth of the local economic activities to kick-start the ambitious program of diversifying the economy.

We intend to advance the strategies which could be employed by small-scale retail outlets as they normally fight for survival by enhancing relationship marketing. Many small firms face a number of challenges in terms of technology, economic strength, geographic expansion, human resources and relationship marketing. These challenges emanate duly from the untrained and inexperienced workforce that knows little about the tools needed to market products and services successfully. Not only that, but even many small-scale retail service providers are pushed into their businesses with very little or actually without any marketing knowledge. They are driven some by seeing small niches in the market or just they have enough capital to start a small business. Little focus is actually made on the longer-term customer lifetime value; hence most of them fail and close down. So the question is, how they can strategise for long term benefits in their relationship?

methodology

In this research, the researchers relied mostly on literature to draw conclusions. However the study was largely a quantitative research which was heavily informed by qualitative research. The researchers trained six students to help in collecting data by using a questionnaire instrument coupled with a systematic observation during the administration of the questionnaire. The students were expected to write individual reports concerning their experiences during the data collection.

The assistant researchers moved street by street administering the questionnaire randomly selecting retail shops to administer the questionnaire. They were basically looking for volunteers who were prepared to be administered the questionnaire. Each student had 15 questionnaires which he administered in a period between 0930hours and 17:00hours.

A questionnaire instrument with 24 questions on a Likert scale of 5 was administered. The responses were ranging from Strongly Disagree to Strongly Agree.(refer to appendix 1 attached).The population of the establishment is all small firms in Francistown whose business ranges from small clothing/boutique (15), engineering(8), construction (2), finance/cashloan(5), entertainment(4), electrical/Chinese shops (16), grocery shops (9), hair saloons (6), car rental/filling stations (3) agriculture (4), health/opticians (4), car wash (4) furniture (5) café (4) and courriers (1). Figures in the bracket are the actual number of firms in each category where the questionnaire was administered. The range covered fairly represents the many small firms that are in Francitown. The population of registered small firms is about 400. The sample size represents 22.5% of the

total small firms in Francistown. This is a fair representation. The researchers got 100% return on the questionnaire since the respondents were met during their normal working hours and the assistant researchers only administered only 15 questionnaires. They were persuading the respondents to fill in the questionnaire in their presence so that they would give them assistance since majority of the respondents have a language problem. Chinese nationals were responding to the questionnaire with the assistance of their shop assistance. The local business people were asked the questions through our trained assistants (who are students) at the researchers college and are also local citizens of Botswana.

The questionnaire was post coded to enable easier analysis on Statistical Package for Social Scientist (SPSS). Cross tabulation technique was used to cross one's level of education with all the 24 questions that the respondents were subjected to. The questionnaire design was made with the consideration of the the following research questions.

1. How much is technology being used by small firms?
2. What are the levels of management involvement of small firms in their business operations?
3. To what level are the employees and management trained in small firms?
4. What are the motivational levels practised in the small firms?

RESULTS, DISCUSSION AND ANALYSIS

Appendix 1 carries a summary of our results. In this section, we combined some of our findings, discussion, and literature review to present and analyse the results.

Regular communication with customers

All categories (100%) indicated that they communicate with customers regularly. This is consistent with the spirit of RM. Gummesson (n.d.) emphasises the importance of networks. He argues that "if we dissolve the social networks or relationships, the earth is left with five billion independent and self sustaining hermits", (p.75). Business people in Francistown are generally recognising the need to engage customers. Maybe the challenge is that you may "step on partner's toes", (p.75). Working with customers, may be described as some form of dance. It requires the dancing skill and the ability to manage what is communicated. This study did not cover "what is communicated" but rather how to "get into the dancing arena". Communication is a prerequisite of successful RM.

Usage of technology

Generally business people in Francistown are sceptical of the use of technology. It appears that they rely more on traditional technology and are suspicious of the more recent technology. Telephone usage is high in all categories. This finding appears to be inconsistent with Cook (2011) who says "yet telephone contact is now being challenged by increasing use of the internet by consumers as a preferred method of interacting with businesses" (p.24). Business people in Francistown appear to be going at a tangent with the trends in consumer requirement development. Modern social networks like Badoo, tagged, LinkedIn, have not been generally accepted. See fig 1 below

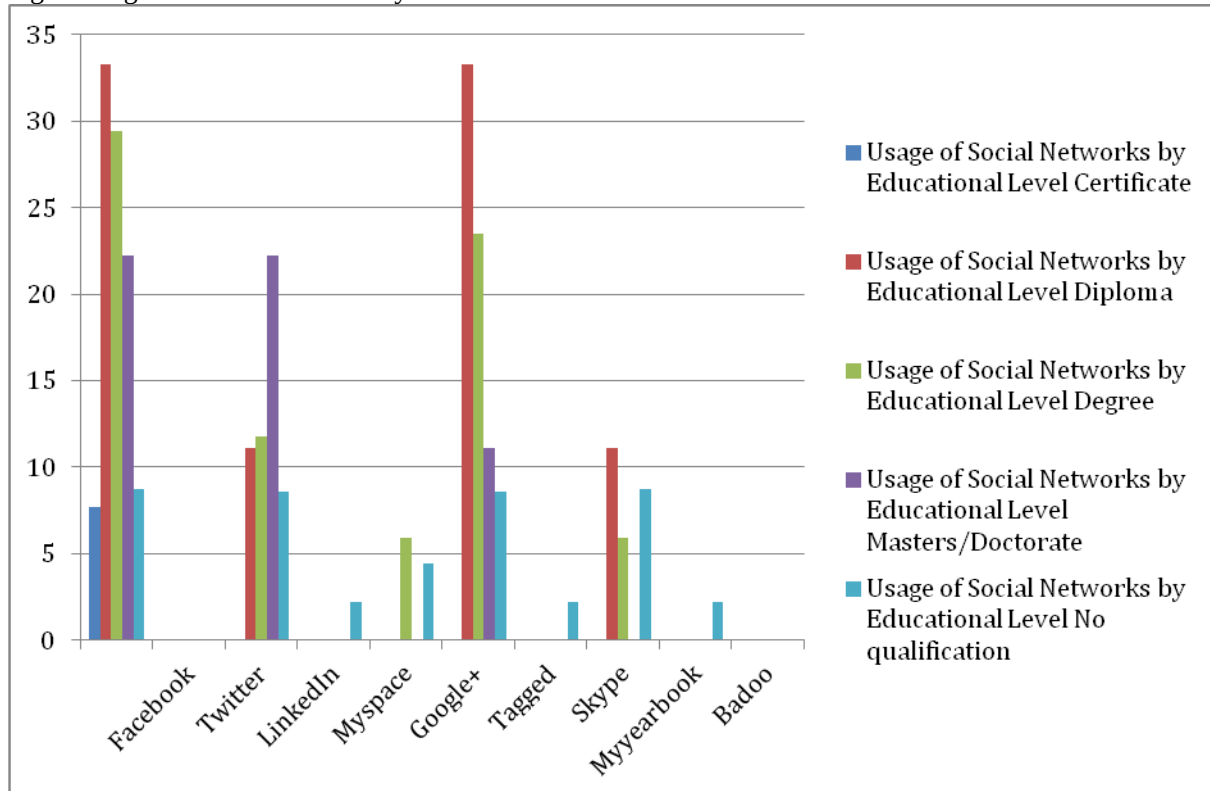
Fig 1 below shows higher percentage of the diploma holders (55.6%) compared to certificate holders do not use email. This is a surprising finding taking into consideration that diploma holders are likely to be exposed and more likely to accept new technologies due to their level of education.

Failure to adapt to technology keeps the business stagnant as the business is likely to maintain the old customers and fail to attract new ones, which may be a challenge in this revolutionary age. Cook (2011)

reiterates that “organisations that do not have a presence in terms of social networks run the risk of becoming the dinosaurs of their age” (p.27). So, in the long term, in Botswana, the government is investing and promoting ICT uses and adaptation. To survive, therefore, there is need to positively respond to these technologies. Small firms need not adapt all of them at once, but could start say with the most popular ones in Botswana, that is, Face book or Google, and subsequently the others.

And some interesting results are as follows:

Fig 1: Usage of Social Networks by the Level of Business Education



Targeted marketing

In all categories, generally, business people understand the importance of targeting as a way of rewarding loyal customers. They are focussed and 92.3% of certificate holders tailor promotions on those customers that give them continuous business. This is highly comparable to diploma holders (88.9%), degree holders (64.7%), masters holders (77.8%), and those without any qualifications (71.7%).

It is interesting to note that most owners and managers have a number of incentives that they use to retain their customers. For Saloons, they will do your head dressing for about four to five times, and the fifth or sixth one will be free. These are also very good at adjusting to customer changing hair styles. The same also for the car washes. Those into retailing indicated that they offer some month-end specials for the customers that give them more business. Those into health (opticians) offer free consultation to their regular customers. However, the rest only give incentives or offer presents during the festive season, that is during Christmas holidays.

Customer suggestions and follow-ups

There was almost a 100% agreement on this that small firms allow their customers to air out their views and suggestions in improving RM. Some small firms indicated that they even visit their customers at home and in their offices like those for car washes, tailors of garments (manufacturers), and health. These are also the few who use mobile Internet. According to Kotler et al (2007) noted that "Salespeople working with key customers must do more than call when they think customers might be ready to place order. They should call or visit at the other times, take customers to dinner, and make useful suggestions about business" (p.525).

Communications

Most of the business owners in Francistown indicated that they communicate with their customers as often as possible, but further probes indicate that this is with regular customers who will be enquiring about the availability of certain goods they need. The owners hardly contact their customers any other time, and most are not concerned with having customer profiles except for the few that buy in large quantities. The owners hardly make use of either direct responses via the radios or television or using the local newspapers and magazines. Francistown has "The Advertiser" and "The Northern" magazines which are distributed weekly, but most of the small firms do not use these. However, internal communication is strong: managers, owners and their staff always communicate business related issues from time to time as is supported by our results:

Certificate holders

The certificate holders do not use direct response television/radio (100%), catalogues (53.9%), direct response magazines/newspapers (53.9%) direct mail (92.3%), e-marketing (84.6%), bus shelters (69.3%) and are anti internet (69.2%). However, majority of them love the mobile (84.75) and to a certain extent use telemarketing (53.9%)

Diploma

Diploma holders are using the following communication strategies: Catalogues (55.5%), Mobile (77.8%), direct mail (33.3%), telemarketing (22.2%), e-marketing (33.3%), direct response magazines/newspapers (55.5%), Out of home (11.1%). However, 0% is using couponing and direct response radio/television. These contrast to what we have in big shops where the managers with diplomas use these methods extensively. This could be explained by the fact that they are probably too cost conscious

Degree

Degree holders use less of catalogues (35.3%) compared to their diploma counterparts. They also use online (29.4%), mobile (76.5%), direct mail (47.1%), couponing (17.7%), telemarketing (35.3%), e-marketing (17.6%). 0% are using direct response television/radio, but 47.1% are using direct response magazines/newspapers. Diploma holders use more of Out of home methods compared to diploma holders (29.4%).

Masters/Doctorate

Masters/Doctorate holders use catalogues (44.4%), online (33.3%), mobile (88.9%), direct mail (44.4%), couponing (22.2%), telemarketing (33.3%), e-marketing (33.3%), direct response radio (0%), direct magazines/newspapers (11.1%), out of home (11.1%).

No Qualifications

No qualification category produced surprising results. It was expected that most users do not use most modern methods of communication. The results are competent and generally in the same trends with the other categories. The most plausible explanation is that, this is now the work of experience of the companies. Experience was not one of the variables studied in this study, therefore this is beyond the scope of this study.

No qualification category use: catalogues (30.4%), online (30.2%), mobile (67.4%), direct mail (17.4%), couponing (34.7%), telemarketing (47.8%), e-mail marketing (34.8%), direct response radio/TV (10.8%), magazine /newspapers (41.3%), and out of home (47.8%).

From these results, it is apparent that communication has to be enhanced and broadened for RM to be effective. Lamb, Hair and McDaniel (2004) noted that "RM is a strategy that entails forging long-term partnership with customers. It begins with developing a clear understanding of who your customers are, what they value, what they want to buy, and how they prefer to interact with you and be served by you" (p.12). Meaning that a number of channels need to be opened so that strong relations are made strong with customers.

TRAINING OF EMPLOYEES

Generally all categories say staff is highly trained in handling customers: certificate holders (84.7%), diploma (88.9%), degree (70.6%), Masters/doctorate (88.9%) and no qualifications (80.4). Most of the training that was referred to is in-house training. Most organizations believe that employees can learn on their own how to build relations with customers. Certificate holders (84.7%), diploma (55.5%), degree (70.6%), masters/doctorate (88.8%) and with those without business qualifications (84.8%) saying employees can learn on their own.

Here are also responses on continuous staff development, firms holding meetings every morning before they start work to strategize customer handling techniques: certificate (61.6%), diploma (44.4%), degree (41.1%), masters/doctorate (77.8%) and no qualifications (60.9%).

It was observed during the interviews that the training for most workers is internal, and waits upon last minute when maybe there is a problem that is when they train the workers. Given that most employees do not possess business related qualifications, training should encompass all things about customer care. According to Kurtz and Boone (2006), they noted that "Relationship Marketing does not rest entirely on information technology, it also incorporates good manners, or etiquette, such as greeting people properly, with a firm handshake" (p.27).

Management Involvement

Level of interaction with the owners and managers is high in the organisation, with certificate holders (77%), diploma (100%), degree (76.5%), masters/doctorate (88.8%) and no qualifications (76.9%).

Owners and management are also coming up with initiatives in all categories. Certificate holders agree that managers come up with initiatives (84.7%), diploma (100%), degree (82.3%), masters/doctorate (88.9%) and no qualification (76.1%).

Certificate holders (92.3%), diploma (100%), degree (100%), masters/doctorate (100%) and no qualifications (87%) say management is interested a lot in customer complaint handling.

It was noted during the questionnairing process and interviews that management involvement of managers is on basic principles about keeping the business going. They hardly work on the creating the organisational vision, mission statement and company objectives that someone can easily read on visiting their offices. Unlike big businesses, on entering management offices one easily reads these. This is important in constantly reminding all stakeholders about the purposes of being in business. Cook (2011) emphasis this point by saying that "The approach which many organisations adopt in formulating a customer service strategy can be outlined as follows; link to vision, values and corporate objectives" (p.51).

EMPLOYEE MOTIVATION

The firm offers small tokens/rewards to motivate staff improve their attitudes to customer care. The results

showed greater support of this: Certificate holders (84.7%), diploma (88.9%), degree (82.3%), masters/doctorate (66.6%) and no qualification (69.6%) say they are offering small tokens to motivate staff. Fig 2 below shows that all categories agree that their firms offer employee motivation in almost equal proportions. The levels of motivation are also enhanced by the empowering of employees to solve customer problems (which is also consistent with the offer of tokens

Some of the items mentioned by the owners and managers to motivate their employees include that they offer transport to and from work, they allow their workers to buy their products at reduced prices. They also offer bonus at the end of the year, and sometimes give the workers some food hampers. Some indicated that they review and increase the salaries of their employees. Sadly however, is that some retail outlets said they offered these incentives when they were opening the shop, and have since stopped to do such things.

Any success of RM needs to be fully supported by a happy workforce. Kurtz and Boone (2003) further reiterates this by saying that “Employees can seldom, if ever, satisfy customers when they themselves are unhappy” (p.321). Things which satisfy employees need not be big especially for small firms, but surprises in line with food hampers, lunch offers, small presents as tokens of appreciation will go a long way in satisfying the employees. Even employee of the month awards without money will always make a difference.

Employees are also motivated by being empowered to solve some problems brought by customers. The researchers however found out that whilst employees are allowed to do this, this is very much restricted which is however, normal. Some indicated that it is only on minor problems, and or under supervision, otherwise management does this alone. Most foreigner owned small firms allowed employees to solve problems since they are the ones who will understand the language (Setswana).

.Fig 2: Employee motivation response level

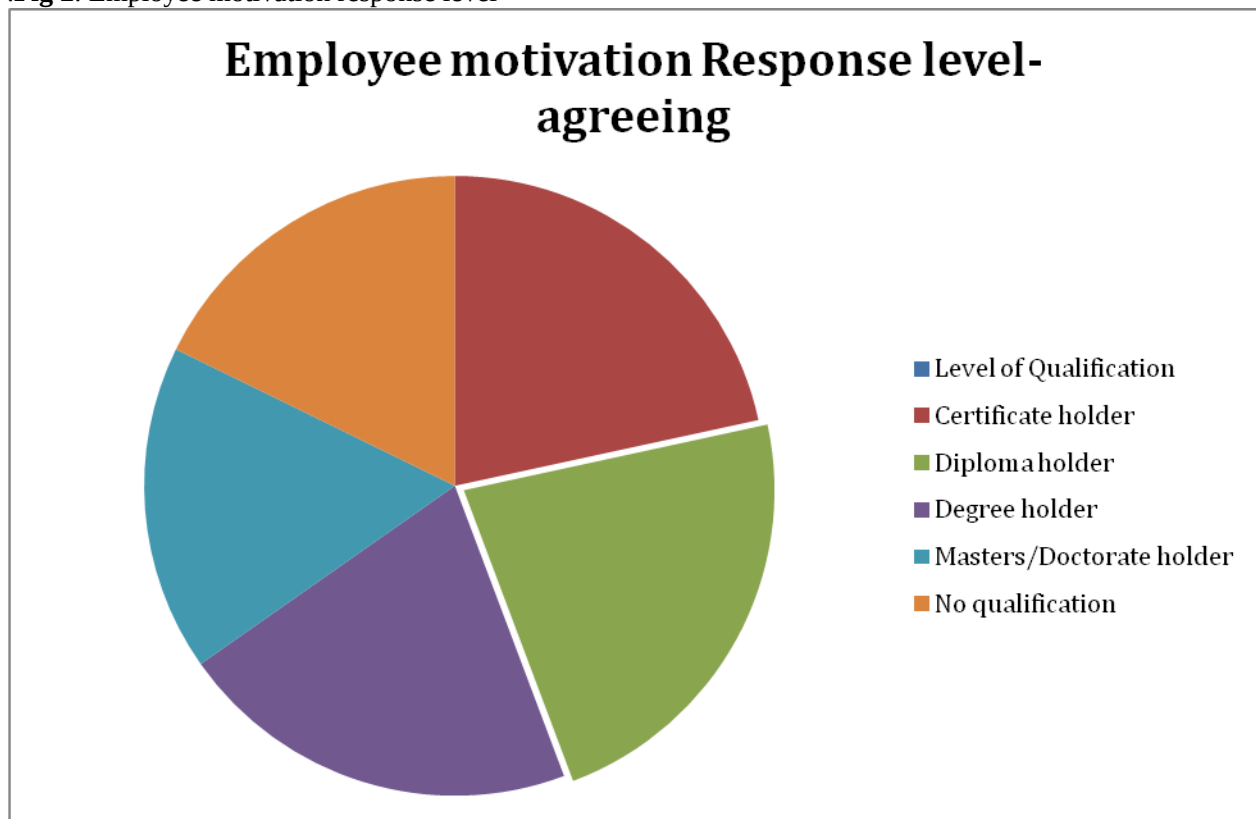


Fig 3: Objective awareness response level

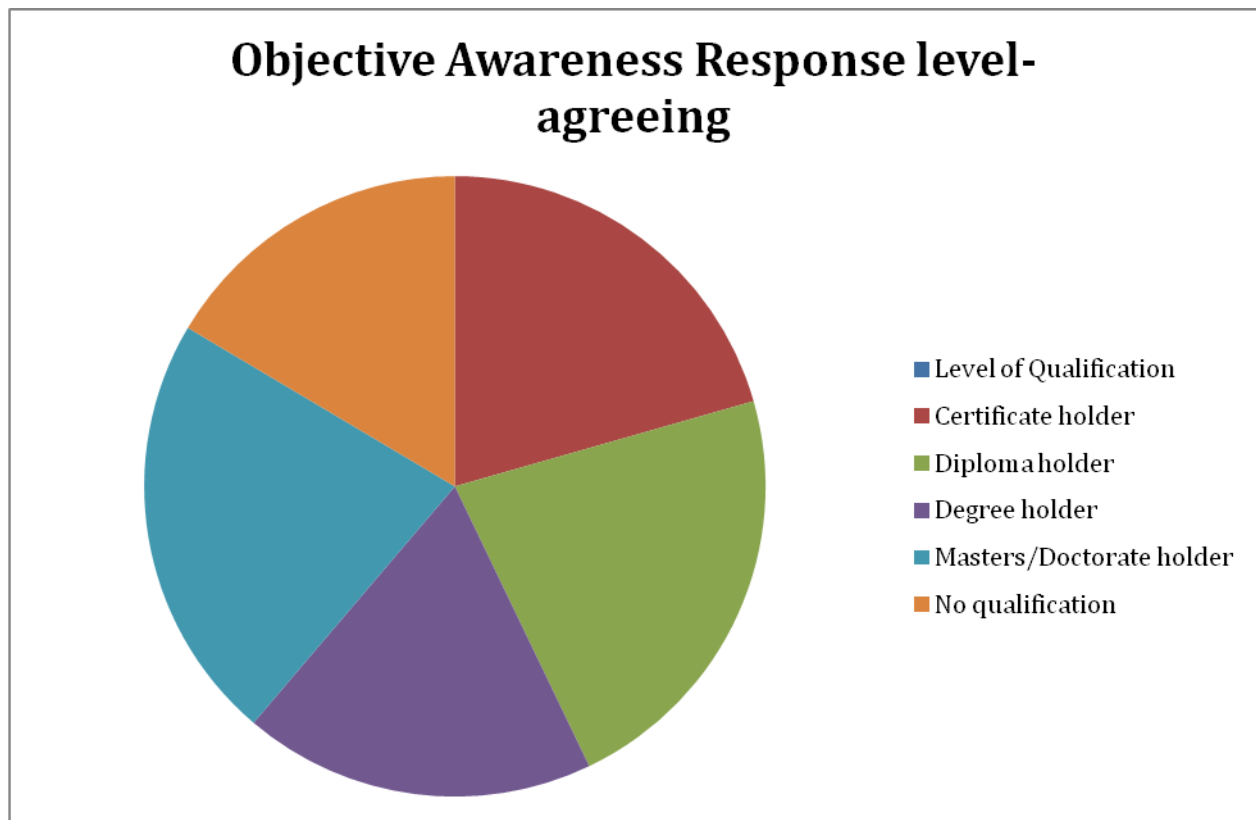


Fig 3 above refers to objective awareness levels in the respondents.

Generally all categories agree that, there is clear communication between management and staff as a sign of good motivation. Certificate holders (92.3%), diploma (100%), degree (76.5%), masters/doctorate (88.9%), and No Qualifications (89.2%).

OTHERS SERVICES RENDERED

If the product is not available, management tries to make it available for the customer who gives us continuous business follow the same trends as the previous discussed above but however about the lessons learnt from big businesses, the percentages take a dramatic plunge to certificate holders (53.9%), diploma (66.6%), degree (64.7%), masters/doctorate (66.6%), and No Qualifications (54.3%).

Summary of Findings

- Business people in Francistown are generally recognising the need to engage customers.
- Most small retailers in Francistown rely more on traditional technology and are suspicious of the more recent technology.
- Level of education and experience affect the adoption of modern social network technologies which can be employed by small firms to enhance Relationship Marketing.
- Business people in Francistown appear to be going at a tangent with the trends in consumer requirement development
- Business people understand the importance of targeting as a way of rewarding loyal customers
- Small firms allow their customers to air out their views and suggestions in improving Relationship Marketing.
- Small firms in Francistown communicate with regular customers who will be enquiring about the

availability of certain goods they need.

- Small firms in Francistown are not taking advantage of cheap and always free magazines to communicate with their customers.
- Training used by small firms in Francistown is largely internal
- Management in small firms are heavily involved in the process of relationship marketing
- Employees are highly motivated

conclusion

It appears all sectors are generally doing well but the major challenge appears like, the companies lack capacity to expand in doing the things that they have set themselves. The following conclusions can be drawn from the discussion above:

- Education is a success factor for small businesses considering, looking at those with diplomas, degrees and higher degrees who tend to differ with those with certificates and without qualifications on how they employ RM and other marketing communication technologies.
- Most firms are being run by uneducated people. The lower the education, the lower the application of technology
- Experience is a great player in the success of small businesses as they appreciate the importance of RM and do make effort to apply the minimum RM practices
- Technology is not being used optimally.
- Most businesses are very slow in applying new technologies and cling to old technologies yet there are better and cheaper technologies which can be more efficient
- The form of training being used is in-house training. This level of training is only capable of maintaining the status quo of the organization and does not aim out towards expansion and attracting new customers
- Most small firms know what their customers expect from them
- Given the level of management involvement, most small firms are likely to survive and maintain the same levels of operations.

Recommendations/Strategies

- There is strong need to consider using the off the training which will bring in fresh and new ideas in terms of RM rather than depending on internal training alone.
- There is need to tap into the use of mobile/cellphone internet which is becoming popular with the customers
- Management and owners still need to expand their levels of education, and broaden their visions so that small firms are seen expanding
- Owners and management need to build strong associations or ties with well established and big business managers instead of confining themselves to their territories

- There is need to infuse new blood into the management of small firms in order to adjust and accept new technologies.
- Small firms need not adapt all of the modern social technologies all at once, but could start say with the most popular ones in Botswana, that is, Face book or Google, and subsequently the others
- Further research is recommended to confirm that employees are well trained

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Relationship Strength, Knowledge Sharing and Innovation Effects: An Empirical Study in Chinese Telecommunication Service Industry

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Abstract

As the supply chain management becomes more and more important in the global competition, the investigation on how to effectively and efficiently manage the supply chain network is facing more challenges than before. In order to achieve higher performance, the continuous innovation in the supply chain is an imperative weapon for suppliers and customers. This study investigates the mechanism of the supply chain innovation from a perspective of social capital theory. Using the data from Chinese telecommunication service industry, this study explores the impact of relationship strength between suppliers and customers on the project innovativeness through the mediating role of knowledge sharing. The results show that the affective relationship and cognitive relationship are positively associated with knowledge sharing among supply chain partners. However, the conative relationship doesn't show such an effect. Furthermore, the knowledge sharing has positive impact on the project innovativeness in the service supply chain.

Keywords: Social capital, Relationship strength, Innovation, Knowledge Sharing, China

Introduction

As the trend of globalization is more apparent, the supply chain management is facing more challenges than before. The effective supply chain management needs more collaboration between partners spread over the world. As the traditional supply chain management practices and principles, such as supply chain integration, vendor managed inventory, outsourcing, mass customization etc., became more and more common to all manufacturers with the strong trend of globalization and demand heterogeneity of customers, it is imperative for manufacturers to be innovative in the market to find out better ways of winning the future competition (Flint et al., 2008).

Innovation is important for all kinds of firms to achieve higher performance, which is continuously emphasized by academic researchers (Flint et al., 2005). As mentioned before, the global marketplace with the changing customer demand and technology are pushing manufacturers to find new way to innovate. According to the traditional point of view, the innovation in the supply chain is originated from the buyer's side (von Hippel, 1988). It means that innovation alone is not an effective method any more. Roy et al. (2004) argued that the interaction between firms and outside partners will generate innovation more efficiently. Furthermore, Wind and Mahajan (1997) emphasized that the interaction between upstream and downstream organizations play an important role in generating innovations for both sides through the advanced technologies. Therefore, manufacturers need to look beyond their organizational boundaries and take the advantage of the resources of suppliers and customers to generate innovative ideas (Soosay et al., 2008). The collaboration or inter-firm relationship in the supply chain is important for firm's innovative capability. As such, the current research focus on the changes from transactional to relational paradigm and dyadic to network relationships (Mentzer et al., 2001). However, little research has been conducted on such an issue from the

perspective of supply chain management.

Autry and Griggs (2008) argued that the basic rationale and ways of extant studies on interfirm relationships in supply chain cover two important perspectives of relationships, i.e. structural and relational perspectives. These two perspectives are originated from the social network theory (SNT) and social capital theory (SCT), and were extensively investigated in social sciences fields. Autry and Griggs (2008) and Min et al. (2008) proposed that the social capital theory has great potential for the supply chain management research, especially in the supply chain innovation area. By using SCT to investigate innovation issues, a comprehensive and complete explanation will be provided to help us understand the firm-specific and external factors explaining innovation (Molina-Morales and Martínez-Fernández, 2010). Furthermore, Min et al. (2008) argued that the managed supply chain can achieve higher performance only when the partners are willing to form strong relationships based on common goals. In the essence, the supply chain of any organization can be considered as a business network. As mentioned by Powell (1996), the network forms of organizations can significantly facilitate the transfer of know-how among the companies in the network. Such kind of transfer will increase the innovation capabilities of the related partners. Ahuja (2000) argued that firms can achieve higher performance through the access to the information, knowledge and resources by utilizing the direct and indirect interfirm relationships. In the SCT, the relationship is consistently defined as a very important capital (Hitt et al., 2002). Also, the social network is an important learning channel in which firms can discover the new opportunities and acquire new knowledge (Molina-Morales and Martínez-Fernández, 2010).

Although some notable research findings have been achieved about how the inter-organizational relationships influence the buyer-supplier performance in the fields of

operations management and supply chain management (Zhao et al., 2007; Paulraj et al., 2008), “such work has remained disjointed, largely anecdotal, and without a strong theoretical underpinning” (Paulraj et al., 2008, p. 45). Furthermore, most of extant studies focus on the innovation creation from customer’s side. It is necessary to explore from the supplier’s perspective whether inter-organizational relationship can lead to the co-creation of value for global supply chain partners (Vargo and Lusch, 2004). Our study aims to consolidate the social network theory and social capital theory to investigate the innovativeness in the supply chain management, especially from the perspective of the suppliers’ innovation.

Because of the increasingly important role that Chinese manufacturers play in the global supply chain and their increasing emphasis on innovation, it is critical to conduct high-quality research on supply chain management in China (Zhao et al., 2007). Therefore, we use data from Chinese manufacturers to test our model. Firstly, our study contributes to the supply chain management field by explaining the impact of relationship among partners on the innovation capability from a solid theoretical background, i.e. social network theory. Secondly, our study will improve the knowledge of the underlying mechanism for the influence of social capital on the innovation capability in China, in which the relationship has various meanings than the counterpart in western countries. Thirdly, our study will also provide significant managerial insights for firm’s innovativeness through exploring its network.

The rest of the paper is organized as follows. Next, the theoretical background of the study and a series of hypotheses are presented, followed by the research methodology. Then, the statistical analyses and results are presented. The article concludes with a discussion of the major findings, contributions, managerial implications, and limitations of the study.

Theoretical Background and Hypotheses

In this section, we will provide the literature review related to the social capital theory and our conceptual model (see Figure 1). In our model, we propose that the relationship strength will have positive impact on firms' knowledge sharing process and then the knowledge sharing will positively influence firms' innovation performance.

<<<<<<<Insert Figure 1 about here>>>>>>>>>>

Social Capital Theory and Supply Chain Management

Lesser (2000) emphasized that the rise of knowledge-based organizations is the major driver of the interests in social capital theory. The social capital is the important resource that is essential for the creation and sharing of the knowledge (Manning, 2009). However, although there is plenty of literature on social capital theory, “there is a no consensus as to its origins, application and boundaries, and consequently there is a lack of consistency in how social capital is understood and applied.”(Manning, 2009, p: 84). Therefore, we need to elaborate the social capital concept for the purpose of supply chain management first.

The origin of social capital can be traced back to the sociological efforts to examine how relationships influence actor's social action (SeEVERS, et al., 2010). Coleman (1988) argued that the social capital is embedded within relationships and may be gained or lost as relationships are developed or broken. Therefore, the social capital generates when the actors investing in the relationships with other actors enjoy the positive expected economic returns through the capability of leveraging such relationships to get valuable resources (Lin, 2001). It comes through the changes in the relationships between people or organizations that facilitate action (Coleman, 1988). "One of the main virtues of social capital is that it is close to becoming a joint concept for all social sciences" (Paldam, 2000, p. 631). As suggested by Manning (2009), the social capital concept has numerous interpretations, which shows the multi-dimensional nature of

such a concept and extant studies tend to understand this concept from their own particular area of expertise (Adle and Kwon, 2000).

Lambert and Cooper (2000) emphasized that the social network of business is the main characteristics of supply chain. Golicic et al. (2003) and Golicic and Mentzer (2006) argued that the social relationship is very important for supply chain management. Therefore, the social capital theory will have great potential to effective supply chain management research (Autry and Griffis, 2008). Granovetter (1985) proposed that the structural and relational embeddedness characteristics of firms in a network will have significant influence on their social capital. In the social network theory, the structural dimension includes two concepts: structural density and structural holes, and the relational dimension includes another two concepts: tie strength and strength of weak ties. Therefore, the social capital of an actor includes both structural components and relational attributes, although there is no widely accepted ideal value of social structures (Lin et al., 2001). Both the structural and relational embeddedness aspects of social capital are related with supply chain management, and firms participating in the supply chain have the potential to leverage their network to exchange resources, knowledge, and goods/services to serve their final customers (Autry and Griffis, 2008). In their study, Autry and Griffis (2008) pointed that although the social capital has been well investigated from the individual perspective, the attentions was seldom paid to the “multi-organizational or supply chain” level. However, Gulati and Gargiulo (1998) proposed that the formation of supply chain is really affected by the structural and relational embeddedness. Therefore, the extension of social capital into the supply chain manage research is reasonable and necessary. It is interesting to consider how firms utilize their structural configuration and portfolio of relationships to achieve firm-level performance.

In their seminal work, Autry and Griffis (2008) provide a good attempt to consolidate the social network theory and social capital theory with the supply chain management research. They proposed an innovative concept – “supply chain capital” – which means “the value of a firm’s supply chain network, derived both from structural configuration and the nature of direct and indirect relationships present within the supply chain” (Autry and Giffis, 2008, pp: 159). Following the concept, they propose a conceptual framework in which the influences of structural capital and relational capital in the supply chain on the firms’ innovation oriented performance through the supply chain knowledge creation are highlighted. In another attempt, Min et al. (2008) proposed that the social capital within the supply chain is the critical drivers to firm’s performance through facilitating the exchange of information, resources and knowledge. Further, Autry and Griffis (2008) argued that the use of social capital and social network theory in the supply chain management research in terms of structural and relational perspectives is rational. Therefore, in this study, we focus on the relational attributes (tie strength) of the social capital in the supply chain management.

Customer Relationship and Relationship Strength

The increasing importance of creating and maintaining strong customer relationships has been widely acknowledged (Gwinner, Gremler, and Bitner 1998; Hennig-Thurau, Gwinner, and Gremler, 2002; Palmatier et al. 2006). Accordingly, many studies have been conducted to explore the role of a strong relationship with customers (e.g. Crosby, Evans and Cowles 1990; Crosby and Stephens 1987; Parasuraman, Zeithaml and Berry 1985). In those studies, various similar terms were used to describe the properties of a strong relationship with customers such as relationship closeness, relationship quality (typically commitment, trust, satisfaction, etc.), relationship intensity, and relationship depth (Crosby, Evans and Cowles 1990; Barnes 1997;

Gwinner, Gremler, and Bitner 1998; Hennig-Thurau, Gwinner, and Gremler, 2002; Palmatier et al. 2006). However, although they do capture the idea of a strong relationship, such constructs are insufficient to fully describe the relationship since they fail to integrate both the social and economic perspectives, which is a very important perspective from social capital theory, to capture a whole picture when describing the property of a relationship between suppliers and customers (e.g., Donaldson and O'Toole, 2000; Shi, et al., 2009).

Consequently, several studies proposed and focused on the construct of relationship strength (Donaldson and O'Toole, 2000; Shi, et al., 2009; Dagger, Danaher and Gibbs, 2009; Barry, Dion, and Johnson, 2008). Relationship strength is defined as the extent, degree, or magnitude of the association between a customer and service provider (Barnes 1997; Dagger, Danaher and Gibbs, 2009). Such studies also attempt to integrate both the social and economic perspectives when they define and operationalize the construct of relationship strength. For example, Donaldson and O'Toole (2000) demonstrated that relationship strength captures both the economic ties and social bonding of partners, and measure it in terms of the belief and action components inherent in a relationship: the belief components measure behavioral processes while the action components measure economic content. More recently, Barry et al. (2008) intended to capture the construct under three dimensions: reluctance for alternative searching; willingness to invest in a relationship; and the share of purchases.

In this study, we follow Shi et al. (2009) and define the relationship strength as the extent to which the partners are bound in a relationship. Such a definition corresponds with the definition of strength of ties (Lincoln (1982), which captures the important characteristics of relational embeddedness in supply chain capital.

The relationship strength reflects the ability of the relationship to resist both internal and

external challenges, which consists of affective strength, cognitive strength and conative strength on the basis of a tri-component attitude model (Rosenberg and Hovland 1960; Fishbein and Ajzen 1975) Affective strength is defined as the relational partners' emotional attachment to the ongoing relationship, which captures the social aspect of relationship strength (Donaldson and O'Toole, 2000). If there is a strong emotional attachment to each other between a specific supplier and customer, they will be less likely to change partners (vendors or buyers), and therefore the relationship between them is relatively strong. Cognitive strength is defined as the relational partners' belief that the ongoing relationship is worthy of being maintained, which coincides with the dimension of willingness to invest in a relationship of Barry et al. (2008). If a partner believes that the ongoing relationship is very important, they will try to invest more resources to maintain it and the relationship is relatively strong. Conative strength is defined as a relational partners' intention to continue the ongoing relationship given various challenges, which coincides with the dimension of eluctance for alternative searching of Barry et al. (2008). If a partner's intention to continue the ongoing relationship is high when he faces various threatening situations and promotional opportunities, the ongoing relationship is relatively strong (Shi et al., 2009).

Relationship Strength, Knowledge Sharing and Innovation Capability

The tie strength and group cohesiveness have been used for decades in the literature on social networks and social psychology. Since relationships between suppliers and customers can be considered special kinds of ties in the social network or special sorts of social groups, studies of tie strength and group cohesiveness are very helpful in shedding light on the dynamics of relationship strength (Shi et al., 2009). For example, Granovatter (1992) has argued that the economic organization is socially constructed and any economic action is embedded in the

networks of relationship. From the perspective of embeddedness, the characteristics of relationships with other actors in the social network will influence firm's capability to access external resources. Through social interaction, firms may increase the mutual exchange and sharing of knowledge (Lane and Lubatkin, 2001). Granovetter's (1973) "strength of ties" concept, one of the important perspectives of social capital, focuses on the structure of the network. Tie strength (Granovetter 1973) is concerned with how network configuration is associated with reaching diverse contacts and in turn, the network contacts will influence firms' acquisition of social capital resources (SeEVERS, et al., 2010). Intensive ties with partners can smooth the exchange of private information, which can be exploited by actors to achieve higher performance (Hult et al., 2004). Malhotra et al. (2005) showed the various inter-organisational relationships contributed to firm's knowledge creation capabilities.

The mutual trust and close relationship among the parties in the supply chain can lubricate the process of supply chain innovation (Mentzer et al, 2001), because the relationship network can facilitate the accumulations of information and other resources. However, only acquisition and accumulation of information doesn't guarantee the successful innovation. The extensive literature in resource-based theory argued that the successful use of information depends on the effective knowledge sharing and management (Grant, 1996). Morina-Morales and Martinez-Fernandez (2010)'s findings suggested that the knowledge exchange is necessary for innovation and may be favored by relational conditions. Flint et al. (2008) also found that the interaction with customers can improve the supply chain innovation through the share of knowledge of customer demands within the organization. However, knowledge is one of the critical resources in the supply chain and is often protected by the organization (Frankel et al., 2002). The close relationship between partners can overcome this problem and facilitate the

knowledge sharing.

Knowledge sharing is the first generation knowledge management and is not only defined as transmitting knowledge to target receivers, but also absorbing and being used by organization (Vorakulpipat and Rezgui, 2008). As the global economy trend is apparent, the knowledge sharing has become an imperative tool for firms to win the business competition. In the knowledge management literature, the knowledge can be classified into explicit knowledge and tacit knowledge. The explicit knowledge is relatively easier to be shared through the physical and virtual linkages among partners in supply chain. However, tacit knowledge is difficult to share and learnt by experience, “learning by doing”, and apprenticeship (Vorakulpipat and Rezgui, 2008). To succeed in sharing tacit knowledge, a socio-technical approach to knowledge sharing is applied in many organizations (Vorakulpipat and Rezgui, 2008). The relational link between organizations is conducive for knowledge transfer and imitation, especially for the tacit knowledge (Tsai, 2001). Furthermore, trust and close relationship among partners will play an important role in increase knowledge sharing (Lee, 2001). Therefore, we proposed the following hypothesis:

H1: The relationship strength will positively influence the knowledge sharing in the supply chain.

H1a: The supplier is more likely to share the knowledge with its customer when the affective relationship strength is high.

H1b: The supplier is more likely to share the knowledge with its customer when the cognitive relationship strength is high.

H1c: The supplier is more likely to share the knowledge with its customer when the conative relationship strength is high.

There are a plenty of literature on knowledge management and innovation provide the evidence of the impact of knowledge sharing and innovation. The innovation is generated from Heide (1994) argued that a firm must find ways to acquire resources from outside network for an efficient innovation due to the limit of resources seized by itself. As emphasized by Tsai (2001), in order to benefit from external innovation, the knowledge transfer and sharing among inter-organizations is requisite. When the technologies became more sophisticated, the knowledge sharing across organizations is more important for innovation (Zhang and Li, 2008). With good mechanism of knowledge sharing, the supplier can easily acquire the information/knowledge of customer demands and preference that will make supplier to provide customer-oriented value more easily. On the other hand, the knowledge sharing also provide manufacturer to understand the capability of suppliers, which can improve the product and process innovation. Furthermore, the knowledge sharing can provide organizations an opportunity to improve the organizational learning capabilities and simulate the organizational innovation capability (Tsai, 2001). In another study on large multi-national companies, Tsai (2004) emphasized that the learning and knowledge transfer among the different business units can improve the innovation performance of the corporations. Yli-Reko et al. (2001) argued that the knowledge acquisition through network is positively associated with the knowledge exploitation for competitive advantage in terms of new product development and technological distinctiveness.

Therefore, we have the following hypotheses:

H2: The effective knowledge sharing will positively influence the innovation effects in the supply chain.

Research Methodology

This study used a survey methodology. The design of the survey questionnaire and the data collection and measurement validation procedures are outlined below.

Sample and data collection

The target population for this study is the telecommunication construction and engineering (TCE) service industry in China. The service industry in China is experiencing an significant growth during these decades. Therefore, the studies on the behavior of suppliers and customers in the service supply chain in China can contribute more to the theoretical and managerial field.

Furthermore, The TCE service industry is proper for this study because those firms in this industry are responsible for designing and providing value-added infrastructure services for telecom operators and help them to attract more consumers. Thus customized services and intimate interactions with customers are required during the process of infrastructure service design, production and delivery. Therefore, the relationships between the two partners and innovation in such a supply chain are the key to the performance of both sides.

Three major TCE service providers in China were selected as the major source of respondents. We first contacted the general managers of three TCE companies to explain the purpose of the study and invited their participation. With top managers' permissions and assistances, totally 400 questionnaires were distributed to those project managers who show interests in this study given that project teams are the basic work units in this industry. The three companies operate within a wide geographic area in China which results in a sound geographic representativeness of respondents.

After two-round correspondences, 213 questionnaires are considered valid and the response rate is about 53.3%. Among them, 136 copies were first-wave responses and the rest were second-wave responses. As suggested by Armstrong and Overton (1977), the first-wave and second-wave responses were compared using a t-test analysis. The results showed that these two

waves of respondents had no significant differences across all key variables. Table 1 shows the demographic statistics of the sample.

<<<<<<<Insert Table 1 about here>>>>>>>>>>>>>>>>>

Questionnaire design

The questionnaire for the survey was originally prepared in English, and then translated into Chinese by two management researchers from a top university in China. To avoid cultural bias and ensure validity, the Chinese version was then back-translated into English. We conducted a pilot study to clarify the instrument with 50 project managers. According to the feedbacks from the pretest, we revised the questionnaire to improve the clarity. Then the questionnaire was mailed to other project managers, together with an invitation letter from their general managers. Respondents were asked to finish the questionnaire based on one of their recent projects that they were most familiar with.

The items used to measure the theoretical constructs were derived from the literature. All items were measured using a seven-point Likert scale (anchored from “strongly disagree”=1 to “strongly agree”=7).

As mentioned above, relationship strength was operationalized into three dimensions with ten items that were adapted from extant literature (Shi et al., 2009; Barry et al., 2008): four items for affective strength, three items for cognitive strength and three items for conative strength.

Knowledge sharing was measured by four items drawn from Willem and Buelens (2007). This construct examined the extent to which a specific supplier and customer exchange their information and expertise with each other. Respondents were asked to indicate the extent to which they share valuable information, share their expertise, and exchange ideas and experiences.

Project innovativeness refers to the degree of novelty (such as originality, uniqueness and creativeness) of a project. We adapted the measurement items from Wagner (2010), Moreau and Dahl (2005), and Avlonitis et al. (2001). And the respondents were asked to evaluate the extent to which the project demonstrates in terms of various measurement items on a 7-point Likert scale.

We also include three control variables that might influence the outcomes of project innovation, i.e., project cycle, project team size and project investment. Project cycle is measured as the number of months that a project took to finish, project team size is measured as the number of people involved in a project, and project investment is measured as the capital invested in the project.

Measurement Model and Construct Validation

This study follows the two-step approach recommended by Anderson and Gerbing (1988) to assess the adequacy of each multi-item scale in capturing its construct by checking internal consistency reliability, convergent validity and discriminant validity before testing the propositions via the causal models.

To test the construct validity, we followed the procedures suggested by Fomell and Larcker (1981) and conducted the confirmatory factor analysis model. The general findings showed that our measures had good discriminant and convergent validities. As shown in Table 2, all composite reliability values were above the suggested threshold of 0.70, with a minimum of 0.85 for affective strength. In addition, the standardized factor loadings for all items were above the suggested cut-off point of 0.60 with a minimum of 0.69, and all were significant with strong evidence of convergent validity. Furthermore, as shown in Tables 2 and 3, the average variance extracted (AVE) value of each construct in the model was more than 0.50, which met the

1) Our results show that the affective relationship strength is positively associated with the knowledge sharing between suppliers and customers. The affective relationship reflects the emotional attachment of suppliers to customers. It demonstrates the social aspect of relationships among supply chain partners. In other words, the strong affective relationship implicates that the supplier develop a higher relational social capital via its supply network. The higher relational social capital will increase its ability to acquire new knowledge from the outside of organization.

2) Our results also show that the cognitive relationship strength is positively associated with the knowledge sharing within supply chain. The cognitive relationship means that the relational partners are willing to invest resources in maintaining the ongoing relationship. From the perspective of transaction cost theory, the investment in typical relationship between suppliers and customers can be considered as the specific asset. As an important part of relational capital of suppliers, the cognitive relationship can help the partners to reduce the counter-effect of specific asset in terms of increasing transaction cost. On the other hand, the willingness to invest in the relationship will increase the development of processes integration between suppliers and customers. Lots of extant literature on supply chain integration already proved that the higher integrated process in supply chain can lubricate the interaction of information and knowledge between supply chain partners.

3) Our results don't find the evidence that the conative relationship strength has positive relationship with knowledge sharing in supply chain. According to its definition, the conative relationship reflects a relational partners' intention to continue the ongoing relationship given various challenges (Donaldson and O'Toole, 2000), which represents to some degree the reluctance of searching for alternative partners. Our findings demonstrate that, for a supplier, no matter whether it is willing to change to another customer, its current relationship network will

also works as a channel for knowledge sharing.

4) Our findings show that the impact of affective relationship strength is higher than that of cognitive relationship strength. It suggests that emotional relationship in the supply chain network is more valuable than the economic relationship in China. These findings are interesting and can be validated from several extant studies in which the Guanxi was testified as an important factor of competitive environment in China. In addition to that, the emotional relationship can further testify the significant role of relational capital in supply chain management in China. For Chinese people, the social relationship in terms of private interaction, friendship and other emotional interactions are more important than the pure economic incentives, especially for those partners who have a very long interaction history.

5) Our findings show that the knowledge sharing between suppliers and customers has positive impact on the project innovativeness. This finding provides further support for extant studies on knowledge management and innovation(add reference here). The knowledge sharing gives suppliers more opportunities to exchange ideas and information with customers. Such an exchange will facilitate the learning process between the organizations in supply chain, which in turn will increase both innovation capabilities (Tsai, 2001). Furthermore, the knowledge sharing can also provide environment in which the suppliers and customers exploit the mutual knowledge (Yli-Renko, 2001). The better knowledge exploitation will definitely increase the innovation of both sides.

Conclusions

This study makes several contributions to academia and provides several valuable suggestions to supply chain management in China. First, our study is one of the first attempts to investigate the supply chain innovation from a perspective of social capital theory. Autry and Griffis (2008)

highlighted the importance of the application of social capital theory in the supply chain management research. Our study empirically explores the framework proposed in Autry and Griffis (2008) in which the supply chain capital is proposed to have impact on supply chain performance through the supply chain knowledge management. Our findings proves that the relational capital in terms of relationship strength have an impact on supply chain innovation and the knowledge sharing between supply chain partners mediates such an impact. In particular, our findings suggested that various dimensions of relationship strength have differentiated impacts on supply chain innovation and the knowledge sharing, in which affective relationship strength is much more important than cognitive relationship strength, and we failed to find the significant impact of conative relationship. To our best knowledge, this is one of the first study of exploring the differentiated impacts of each dimension of relationship strength on supply chain innovation and the knowledge sharing by taking a disaggregated approach.

Second, this study investigates the supply chain innovation from a supplier's perspective. The suppliers play an important role in the supply chain innovation, especially in a service supply chain. On the one hand, competition among suppliers are becoming increasingly intense in most of markets nowadays, in which customers have been gaining more and more power in the selection of offerings provided by suppliers. So they have much more pressure to improve their innovativeness to win in the market. On the other hand, besides the possible innovations within their organizational boundaries, customers are also facing much more pressure to innovate to attract and retain their own customers in, for instance, ultimate consumer market by delivering high quality of products and services, and their competitiveness depends increasing heavily on the offerings from their specific suppliers. So they have very strong incentives of helping their suppliers' innovativeness. In reality, the supplier can create more opportunities to acquire and

exploit the new knowledge from the customers through the strong relationship. With the knowledge exchange, the suppliers can easily develop innovative idea for a service project. Therefore, for a service supply chain, the effective relationship management with suppliers are of significance of project innovativeness.

Third, our findings show that the economic relationship in supply chain network in China is not as important as that in developed countries as concluded by (add reference). On the contrary, the emotional relationship plays the most important role in knowledge sharing in China among the three dimensions of relationship strength examined in this study. The findings suggested that the organizations should pay more attention to maintain a sustainable private relationship with their Chinese organizations instead of use more economic ways to reward or punish the partners' behaviors. Such a result can be validated from several studies in supply chain integrations, such as Zhao et al., (2009). Furthermore, this study contributes to the supply chain integration literature in that it provides another analytical perspective of such an issue.

Although there are several contributions and managerial implications in this study, the limitations should also be noted. First, this study does not consider the role of structural capital in supply chain innovation. Future studies can explore such an issue using some well-established social network analysis tools. Second, this study doesn't discuss the impact of weak tie on innovation capabilities. The weak tie is very important in social capital theory. Due to the complexity, future study need more effort to design the empirical study on the measurement of supply chain network in which the strong and weak ties can be caught accurately. Another limitation is that we only focus on the service supply chain. The future study can expand our findings to the manufacturing supply chains. Furthermore, the Chinese data will also limit the generalizability of our findings. The future study is suggested to investigate the global supply

chain network in which multi-national companies are involved.

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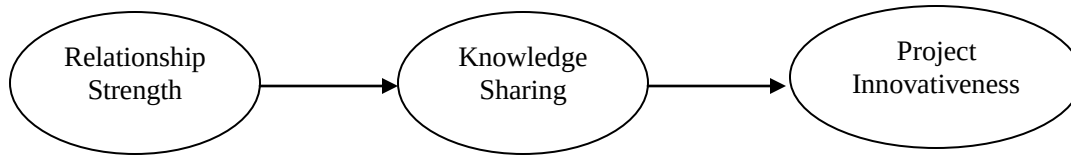


Figure 1 Conceptual Model

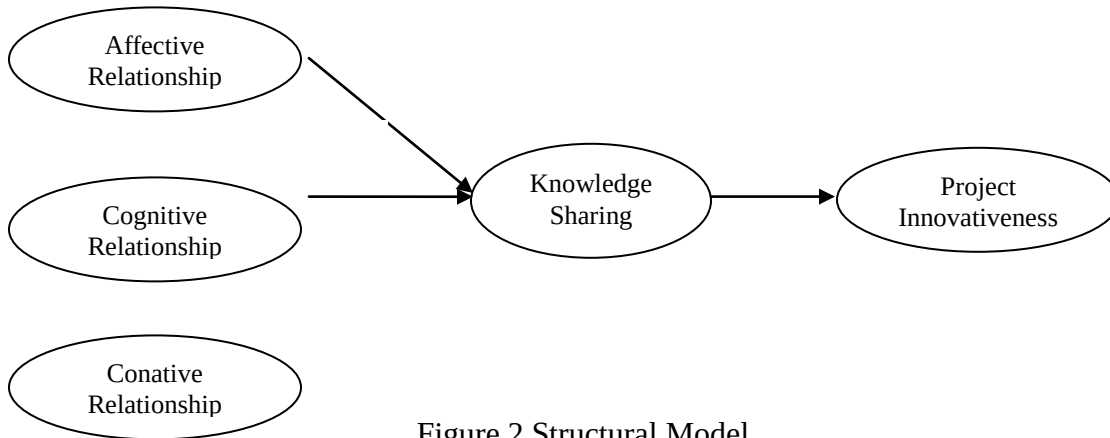


Figure 2 Structural Model

Table 1 Profile of Respondents

	Respondents	
	N	Percentage (%)
Gender		
Male	192	90.14
Female	21	9.86
Total	213	100
Age		
<=30	143	67.14
31-40	55	25.82
41-45	13	6.10
46-55	1	0.47
>=56	1	0.47
Total	213	100
Work experience (Years)		
Less than 5	77	36.15
6-10	99	46.48
11-15	27	12.68
16-20	6	2.82
Over 20	4	1.88
Total	213	100
Education Level		
High school	12	5.63
Junior college	42	19.72
Bachelor degree	153	71.83
Master degree	4	1.88
Doctor degree	2	0.94
Total	213	100
Project cycle (months)		
Less than 3	52	24.41
4-6 months	69	32.39
7-12 months	58	27.23
Over 12	34	15.96
Total	213	100
Project team size		
Less than 20 workers	76	35.68
21-50 workers	70	32.86
51-100 workers	39	18.31
Over 100 workers	28	13.15
Total	213	100
Project investment (RMB, million)		
Less than 1	67	31.46
1-10	101	47.42
Over 10	45	21.12
Total	213	100

Table 2 Confirmatory Factor Analysis Results Based on PLS Method

Construct/ Items	Standardized loading	T-value
Affective strength (Composite Reliability = 0.887 , AVE = 0.664)		
1. We enjoy the interaction with the specific customer	0.8014	25.0221
2. We care about the long-term success of the specific customer	0.8705	39.6911
3. We have a very close relationship with the specific customer	0.8065	26.2779
4. We defend the specific customer when others criticize it	0.7778	24.4523
Cognitive strength (Composite Reliability = 0.888 , AVE = 0.727)		
1. From the economic perspective, the relationship with the specific customer deserves our maximum effort to maintain	0.8973	43.3310
2. The continuation of a relationship with the specific customer is very important to us	0.8580	29.1475
3. Regardless of our feelings, we need to continue a relationship with the specific customer	0.7991	15.7766
Conative strength (Composite Reliability = 0.853 , AVE =0.662)		
1. We are continuously searching for alternatives to replace the current customers*	0.9144	43.2663
2. If we meet a better customer, we will certainly replace the current one*	0.6919	22.1044
3. We want to change the customer right away*	0.8187	32.8234
Knowledge sharing (Composite Reliability = 0.931 , AVE =0.772)		
1. We always provide each other valuable information during the project delivery period	0.8689	45.4062
2. We always shares our expertise during the project delivery period	0.9146	45.6365
3. We actively exchanges our information, ideas and experiences with each other	0.9095	54.4643
4. The exchange of information about techniques and working styles between us happens frequently	0.8180	28.1493
Project innovativeness (Composite Reliability = 0.950 , AVE =0.863)		
1. As far as the outcome is concerned this is a unique new project	0.9114	47.7085
2. As far as the outcome is concerned, this is a pioneering project, first of its kind	0.9337	67.4169
3. As far as the outcome is concerned, this is a project full of creativity	0.9416	88.7198

Table 3 Correlation Matrix and Descriptive Statistics of Measures with the Square Root of Average Variance Extracted (AVE)

	Mean	S.D.	1	2	3	4	5	6	7	8
1. Affective strength	5.37	.89	0.81							
2. Cognitive strength	5.01	1.11	0.481**	0.85						
3. Conative strength	3.69	1.33	0.12	0.02	0.81					
4. Knowledge sharing	4.67	1.27	0.400**	0.08	0.242**	0.88				
5. Project innovativeness	4.75	1.27	0.27**	0.13	0.61**	0.450**	0.93			
6. Project cycle	2.34	1.02	0.02	0.03	0.12	0.15*	0.27**	†		
7. Project team size	2.08	1.04	-0.03	-0.01	-0.10	-0.12	-0.14*	0.22**	†	
8. Project investment	1.89	.72	-0.03	-0.11	0.08	-0.05	-0.09	0.29**	0.45**	†

Note: ** Correlation is significant at the 0.01 level (2-tailed); * Correlation is significant at the 0.05 level (2-tailed); Square root of Average Variance Extracted (AVE) is on the diagonal; † Single item

control variables 0.20(2.65), -0.10(1.40), 0.01(0.19)

Table 4. Path coefficients and t-values

	Path coefficient	T value	Hypothesis testing
Affective strength-Knowledge Sharing	0.49**	8.97	Strongly supported
Cognitive strength- Knowledge Sharing	0.19**	3.08	Strongly supported
Conative strength- Knowledge Sharing	0.13	1.73	Not supported
Knowledge Sharing -Innovation	0.55**	9.61	Strongly supported
Project cycle -Innovation	0.20**	2.65	n/a
Project team size -Innovation	-0.10	1.40	n/a
Project investment -Innovation	0.01	0.19	n/a

** Coefficient is significant at the 0.01 level (2-tailed);

A Research on Knowledge Management Process of Knowledge Intensive Business Service Based on Social Networks

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Abstract According to the previous researches and the specific attributes of Knowledge Intensive Business Service, the knowledge management process of Knowledge Intensive Business Service is divided into four processes: knowledge acquisition, knowledge integration,

knowledge transfer, and knowledge protection. Social networks are divided into three stages in this article: the stage of establishment, maintenance and development. At the same time, we build the relationship model between the knowledge management processes of Knowledge Intensive Business Service and different stages of social networks combined with related various social networks indicators. Finally, we summarize the paper and point out defects of this research. This research has certain theoretical and practical significance on the development of Knowledge Intensive Business Service itself and the entire service industry.

Keywords: Knowledge Intensive Business Service; knowledge management; social networks

Introduction

With the global economy shifts from material resources to knowledge resources, knowledge has become the most important strategic resources. So the management of knowledge resources is becoming more and more important than before, especially for Knowledge Intensive Business Service which depends on knowledge. Therefore, we use the popular social networks analyses tool to explore the knowledge management process of Knowledge Intensive Business Service from a business perspective. With an increasing demand for knowledge and the change of organizational structure as well as the division of labor in manufacturing companies, Knowledge Intensive Business Service has a huge development (Strambach, 1997). Knowledge is the key input and output elements of Knowledge Intensive Business Service and also the core of KIBS (O'Farrell, 1995). KIBS has a characteristic of high R & D, high innovation, high growth and high employment in modern service-oriented enterprises (Damian Grimshaw, 2006). Obviously, KIBS has high knowledge-intensive compared to other industries; and knowledge management becomes the core tasks of KIBS. So, we use the social networks to explore the knowledge management process of KIBS that will have certain theoretical and practical significance on the development of KIBS itself and the entire service industry.

LITERATURE REVIEW

The Connotation of KIBS and Social Networks

Academia on the concept of KIBS enterprises and industry classification of KIBS did not reach unanimous agreement. On the one hand, scholars have different backgrounds and macroeconomic environment; on the other hand, scholars pay close attention to different perspectives, such as knowledge, technology and interaction. Miles (1995) gave a detailed description of KIBS enterprises for the first time that KIBS enterprises are companies and organizations that significantly depend on the specialized field of knowledge to the community and users to provide intermediate products or services. It is divided into traditional KIBS (P-KIBS) and KIBS based on new technologies (T-KIBS). Hertog and Bildereek (1998) pointed out the core of KIBS enterprises is providing related knowledge services in the process of innovation in service industry and manufacturing industry. Hipp (1999) deemed that KIBS is to obtain information from the outside and to provide customers with useful services after processing. Hertog (2000) considered that KIBS is private companies and organizations which are highly dependent on expertise. Muller and Zenker (2001) thought that KIBS enterprises are some consulting service enterprises. Tovoinen (2006) defined KIBS as to provide professional services for companies and organizations. Wei Jiang (2007) thought KIBS are commercial companies and organizations which have the features of high knowledge-intensive, relying on new technology and expertise and the obvious customer interaction. Cao Yong (2009) thought KIBS is the service industry that depends on expertise or technology with highly knowledgeable human resources as the core, an independent private sector as the organizational form, the continued integration with the manufacturing as the ultimate target, the customer's high degree of participation in service output process as a means, also achieving knowledgeable market target aiming at the dynamic characteristics and the status of Chinese KIBS. This paper focuses on the process of knowledge management, so we chose a higher degree of knowledge-intensive-KIBS enterprises, and try to combine the social networks to study the process of knowledge management in KIBS enterprises.

Simmel published the "Sociology: the discussion about social communication form" in 1908. In this book he

imagined the form of social interaction as the interwoven social relations, which is the earliest thought about social networks. Radcliffe Brown, a British anthropologist, used the concept of "social networks" in an article called "On the social structure" (1940) at the first time. He explained the social distribution and social supporting through social network theory. Early social network theory holds that the world is constituted by the social actors and the relations among network structures; these relations are the flowing channels of social resources; the actors identify opportunities for the exchange and use of resources through the network of relationships (Wang Xiaoguang, 2007), in which the strength of links, social capital, structural holes are the three core theories of social network theory. (1) Granovetter divided solidarity into two categories: strong and weak joint; and four dimensions to measure the strength of the relationship through frequency of interaction, emotional intensity, intimacy and mutual exchange, he thought that strong ties are within groups of ties, weak ties are the ties among groups through the measurement and definition of the strong and weak ties. Weak ties mainly help people deliver information and knowledge resources; strong ties can transmit a sense of trust and influence, and other resources. (2) Bourdieu studied social capital from the point view of social networks for the first time; he said social capital is a collection of actual or potential resources (1997). Coleman thought that social capital consists of three elements: the first is the "certain aspects" of social structure; the second is a kind of social relationship as these aspects carrying; the third is the actions and resources thus generated. Bian Yanjie believes that social capital is the actors connected to the community, as well as the ability to take scarce resources through this link (2000). (3) Bort thought that "structural holes" is the phenomenon that one individual is in direct contact with some individuals while not directly linked with other individuals in social networks. To facilitate this study, we divide social networks into three stages: the stage of social network establishment, maintenance and development, pointing out the key indicators of social networks: the relationship between the strength and temporary, network density, network centrality, the number of structural holes, network size, network range, the average distance and clustering coefficient.

Related Researches of Knowledge Management

Previous researches on knowledge management include the meaning of knowledge management, models, frameworks, system functions, real-time strategy, and implementation techniques. Senge (1990) pointed out: the only source of competitive advantage is to have more knowledge than its competitors and a faster learning ability. Grant (1990) thought that knowledge management is, in essence, the integration and coordination of knowledge. Kogut and Zande (1993) pointed out that the companies focus on knowledge creation and transfer of internal organizations. There are close relationship between effective management of these two processes and the success and failure of knowledge management implementation. They studied from different aspects: knowledge creation, knowledge of internal transfer and knowledge integration. The Wiener Allie (1995) considered that knowledge management helps people reflect on existing knowledge and explore the sources of knowledge, also adjust and develop business internal structure, and improve the skills of people for promoting knowledge exchange. Ulluri (1996) said that knowledge management is to create value though providing the most appropriate knowledge to the most appropriate demand in the shortest possible time, creating new knowledge through the use of knowledge. The report of the Organization for Economic Cooperation and Development (OECD) first proposed the concept of "knowledge-based economy" in 1996. Since that following researches on knowledge management have rapid developments. American Productivity and Quality Center (APQC) think that knowledge management is the strategy that enterprises consciously take; it can deliver the right knowledge to the right people at the right time, at the same time help members of the company share knowledge and then enhance the adaptability and creativity. Yogesh Malhotral thought that knowledge management is a measure to cater for the adaptability of the organization aiming at promoting the ability of organization's survival and competitiveness and other important aspects when faced with the non-continuity of the growing environmental change. Essentially, it contains the process of development in an organization and seeks the combination of data and information processing provided by the IT with human inventiveness. Sachiko Nonaka thought that knowledge management requires the task-based knowledge innovation and spreading, being embodied in the products, services and systems. Knowledge management has emerged in-depth development and more detailed researches since 2003. Studies found that there are two dimensions in domestic knowledge management researches: the IT dimension and the organization management dimension; three theories: artificial intelligence theory, organizational behavior theory, strategic management theory. Yu Liming (2003) constructed the knowledge management capability framework model which contains the knowledge management process capability, basic resource capacity, proficiency and knowledge management

capability of knowledge field, analyzing competitive advantage the source of creativity to build the knowledge value chain model that can explain the core competence; and discussed the role of technology in the field of knowledge management according to the analysis of the existing representative knowledge management theory. Yang Qi (2004) pointed out that knowledge management capability contains four abilities: knowledge acquisition, integration, transfer and protection. Information technology, culture and structure are important factors for enhancing knowledge management capability. There are significantly positive correlations with the four knowledge management capability and these factors. IT and culture are strengthening factors that directly influence the knowledge management capability; structure is only the relationship factor that has no direct causal relationship with knowledge management capability. Ma Qin (2006), starting from the theoretical perspective of knowledge management, pointed out that the meaning of knowledge management ability reflects on three aspects: (1) the nature of knowledge integration and coordination; (2) different levels of knowledge management; (3) reflect by knowledge management practices. Zhu Xiaoyun and Yang Jiahong (2006) believe that knowledge management capacity contains three mutual restraint knowledge processes: knowledge acquisition, transfer and use; these processes operate throughout the entire process of business, developing with the structural reform and cultural evolution. Zhan Yanzun (2006) believes that knowledge management capacities are conditions and forces when implementing knowledge management projects. Knowledge management capacity should cover at least three levels: technical capability in implementing knowledge management projects; the organization and usage of knowledge; the main body of knowledge management property organization system. Lee Chih-Ling, Li Li (2007) defined knowledge management capabilities as the following seven areas: knowledge acquisition, transform and diffusion capability, application ability, innovation ability, the ability to protect and asset measurement; and knowledge on this basis management capacity of early warning indicator system proposed evaluation method of the analytic hierarchy process and fuzzy theory combined with an early warning system of knowledge management capabilities. Sandhawalia and Dalche (2008) proposed the framework of the knowledge management capability and discussed the development course of knowledge management. Infrastructures and processes of knowledge management constitute the basis for a framework of knowledge management capability. The framework can help companies analyze the uneven knowledge management and identify the part that needs to improve.

Clearly, researches on knowledge management are very comprehensive, but combined with social networks specifically for KIBS enterprises should be strengthened. Therefore, we chose to study on the knowledge management processes of KIBS enterprises on the basis of social networks.

RESEARCH DESIGN

Knowledge Management Process of KIBS

With an increasing demand for knowledge services and the change of organizational structure as well as the division of labor in manufacturing companies, Knowledge Intensive Business Service changes rapidly (Strambach, 1997). Knowledge is the key input and output elements of Knowledge Intensive Business Service and also the core of KIBS (O'Farrell, 1995). KIBS is the high R & D, high innovation, high growth and high employment in the emerging modern service-oriented enterprises (Damian Grimshaw, 2006). The biggest difference between KIBS enterprises and traditional enterprises is the higher degree of knowledge-intensive, so how to manage KIBS efficiently becomes the top priority of the KIBS enterprises. Tanriverdi (1995): knowledge management process is defined as an enterprise to create, organize, transfer and apply knowledge resources; and the ability to integrate knowledge resources and other resources. L.J. Bassi (1997) thought that knowledge management is the process of creating, acquiring and using knowledge. P. Qulntas (1997) thought that knowledge management is the process of managing knowledge to meet present and future needs. Sarvary (1999) considered that knowledge management is a business process, including organizational learning-accessing to knowledge program; the production of knowledge-transforming acquired knowledge into the knowledge that can solve business problems; knowledge distribution-the company members to learn and use the public knowledge within the company. Alavi and Leidner (2001) thought that knowledge management is the systematic application of professional knowledge of specific processes, including knowledge creation, storage, transfer and application. Goldetal (2001) found that if knowledge management can effectively enhance their competitive advantage, then they must have good knowledge management infrastructures and processes. Among them, the knowledge management infrastructure capacities include three abilities: technical,

organizational structural and cultural ability; process capabilities include four abilities: knowledge acquisition, integration, transfer and application. Quitas (2001) proposed the knowledge management process is to build an enterprise-wide development-oriented strategic policy to develop, acquire and apply knowledge, improving and testing the course of business through knowledge development and use. Wiig and Cohen (2001) studied on the best knowledge management practices and then put forward knowledge infrastructures, knowledge assets, the efficient allocation and application of knowledge monitoring to promote knowledge activities. Based on the specific characteristics of KIBS industries and previous researches, knowledge management of KIBS enterprises process is divided into four processes in this paper: knowledge acquisition, knowledge integration, and knowledge transfer and knowledge protection, this knowledge management process is shown in Figure 1.

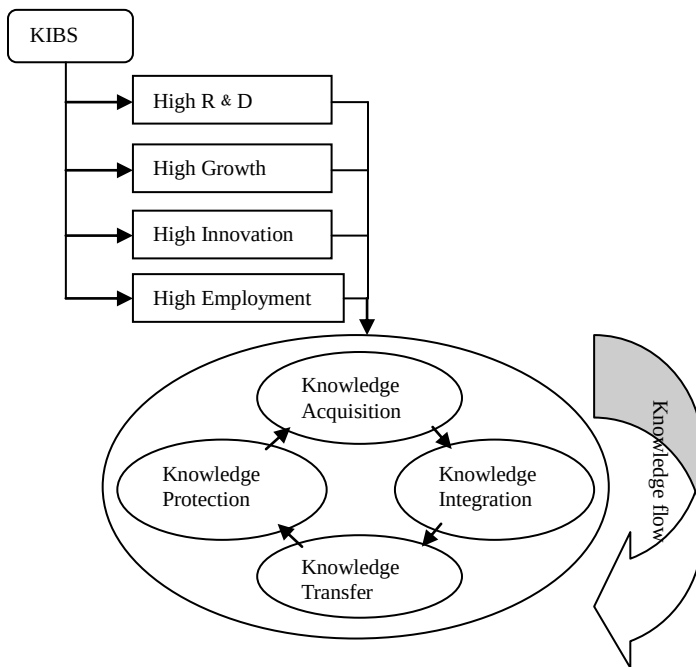


Figure1. Knowledge management process of KIBS

a) Knowledge acquisition process of KIBS enterprises contains three approaches: the internal social network, outside the enterprise social network and the Internet. The quantity and quality of knowledge that KIBS enterprises acquired depend on the internal employees to what extent to share knowledge within internal social networks. Knowledge sharing realized can only guarantee realizing its value, which requires a higher degree of trust. If the internal employees A, B, and C.....of KIBS enterprises can share their knowledge actively, then the extent of knowledge acquisition will greatly improve. At the same time, the KIBS enterprises can obtain the knowledge outside KIBS enterprises through internal employees A, B, and C..... who are the center of the small group (clique) of this social network. The amount of knowledge that KIBS enterprises obtain from internal social network, however, is very limited. In order to improve their core competitiveness advantage and occupy the position of competitive perpetually, KIBS enterprises need to substantially develop their external social networks. The outside social networks of the KIBS enterprises mainly include: client companies (usually non-KIBS enterprises), competitor businesses (KIBS enterprises), research institutions, universities, government agencies, mass media and so on. KIBS enterprises should strive to establish, maintain and then develop good relationships with the main body of these external social networks to obtain more efficient knowledge, thereby enhancing their competitiveness. With the continuous development of the modern information society, the communication network technology has become a necessary tool for enterprises to grow and develop, especially for the KIBS enterprises. Moreover, the Internet has become an important way for enterprises to acquire knowledge in KIBS. The future competition between KIBS enterprises will increasingly depends on the quantity and quality of knowledge they can obtain from the Internet. Approaches of knowledge acquisition process can be explained in Figure 2.

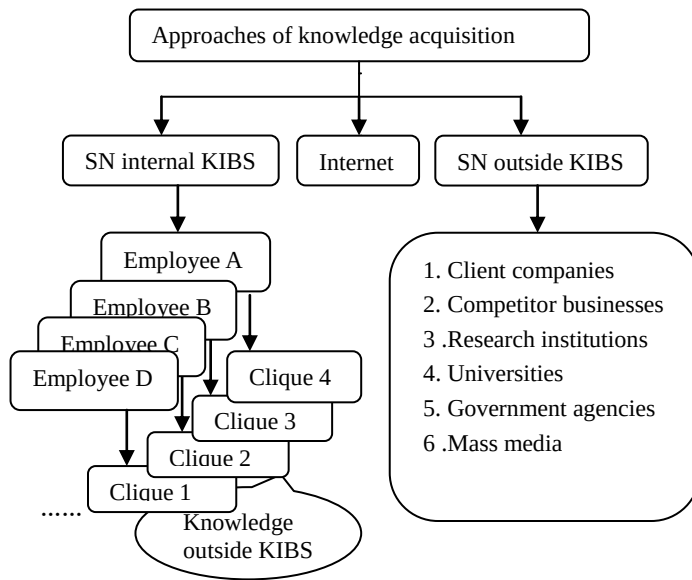


Figure2. Approaches of knowledge acquisition of KIBS

b) Knowledge integration is to change unstructured knowledge into structured knowledge, adding more valuable new knowledge to the KIBS enterprises. KIBS enterprises should give this knowledge better organization, induction, classification, and then refine into structured knowledge to meet their needs after obtaining various kinds of knowledge. Knowledge integration has a direct impact on the quality of the final knowledge they use, and thus the process of knowledge integration is the key to the knowledge management process.

c) We analyse knowledge transfer from two levels: individual level and organization level. On the individual level, knowledge transfer includes the exchange of internal staff in an organization, external staff exchanges and some professionals; independent directors also can bring about knowledge transfer. On the organization level, knowledge transfer includes the cross-organizational training, learning and Expert Knowledge Base and other ways.

d) With the increasingly fierce competition among enterprises, enterprises should strengthen the protection of knowledge while access to external knowledge, especially KIBS enterprises. They had better establish intellectual property rights protection mechanisms to prevent their own core technical knowledge being followed by other companies. Nabil Amara, Rejean Landry, Namatie Traore (2008) proposed technical patent, the registration of design patterns, the confidentiality of trademarks and delivery, consisting the intellectual property rights protection mechanisms. And they also noted that KIBS can protect their innovations to prevent imitation rely on patents and complex designs. Intellectual property management strategies in knowledge management generally include: full implementation of the intangible assets, strategic management, and the emphasis on knowledge management technology and software intellectual property protection, intellectual property protection mechanism for knowledge management document.

Knowledge Management Process of KIBS on the Basis of

Social Networks

Knowledge management of KIBS enterprises in the modern information society is paid more and more attention; and social networks have infiltrated every corner of human social activities. Therefore, it is very necessary that we combine social networks with knowledge management of KIBS enterprises to explore knowledge management process of KIBS enterprises based on social networks. Corresponding to four knowledge management processes of the KIBS enterprises (knowledge acquisition, knowledge integration, knowledge transfer and knowledge protection), social network is divided into three stages: the establishment of network, network maintenance and network development; also we point out the various stages of the social network of nine key indicators: the relationship between the strength and temporary, network density, network

centrality, the number of structural holes, network size, network range, the average distance and clustering coefficient. These indicators not only have different degrees of impact on the establishment, maintenance and development of social networks, but also indirectly affect the knowledge acquisition, knowledge integration, knowledge transfer and protection.

These three stages of social networks correspond to the four processes of knowledge management of KIBS enterprises; each process has their own focus of attention. The stage of the social network establishment (E) should focus on knowledge acquisition (E1) and knowledge integration (E2) of knowledge process, so we can make the efforts from the strength of the relationship, network density and the number of structural holes to establish social networks for better knowledge management. The stage of the social network maintenance (M) should focus on knowledge acquisition (M1), knowledge integration (M2) and knowledge transfer (M3) of knowledge process, so we can make the efforts from relationship temporary, network size and network range to maintain social networks for better knowledge management. The stage of the social network development (D) should focus on knowledge acquisition (D1), knowledge integration (D2), knowledge transfer (D3) and knowledge protection (D4) of knowledge process, so we can make the efforts from network centrality, the number of structural holes and clustering coefficient to develop social networks of the KIBS enterprises for better knowledge management. According to the above explanation, we have a critical purpose in different stages of development of social networks to focus on the efficient management of KIBS enterprises. At last, this knowledge can really help KIBS enterprises, thereby improving the business performance of KIBS enterprises. The above corresponding relations can be explained in Figure 3.

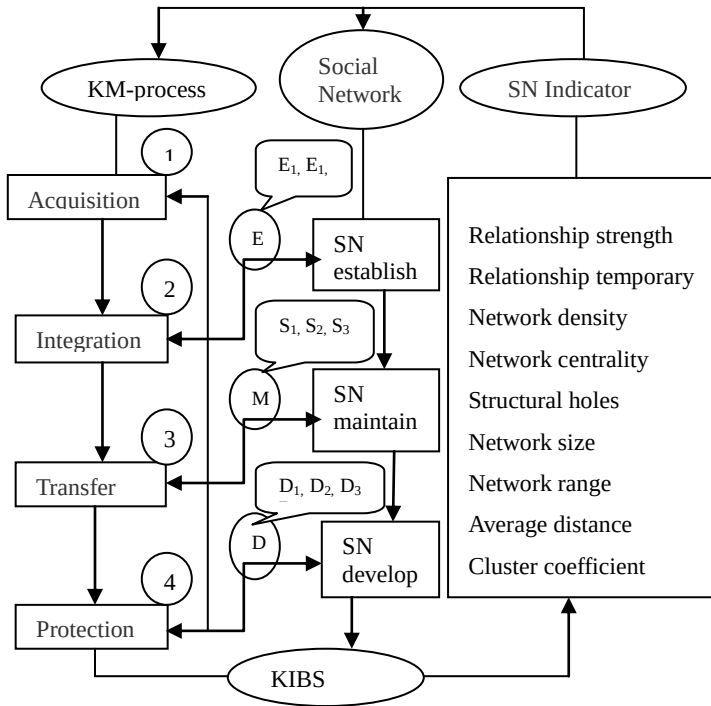


Figure3. Knowledge management process based on Social networks

IV. CONCLUSION

Based on nine key indicators of social networks, this article points out that KIBS enterprises should pay

close attention to different focus in different stages. In this way, KIBS enterprises can obtain more efficient knowledge management process to improve business performance at last. However, the lack of empirical research on knowledge management process of KIBS enterprises to establish, maintain and develop social networks is a problem worthy of continued in-depth study; also we did not conduct a detailed description and specific explanations on how these key indicators of social networks interacts each other at each particular stage. In the future, we will combine this important kind of social network analysis tool with complex problems of KIBS enterprises to more detailed and in-depth studies, hoping more researches will appear in this field.

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Navigating The Call Centre Servicescape: Problematic IVR System Use and its impact upon the Service System

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Abstract

Purpose - This paper is an exploratory investigation into confusion arising from customers' use of the IVR system using the conceptual framework of the servicescape, and an examination of the resulting implications for the efficiency of the service system from the perspective of customer contact.

Design/methodology/approach - The paper draws upon observational evidence of live encounters between employees and customers from an interpretive study of work and service in a UK call centre. The language used by both customers and employees is examined with reference to the notion of spatial metaphors to interpret how the IVR system and service process are experienced.

Findings - Despite the absence of actual physical movement within the service process, customers appear to experience orientation and navigation. Yet, as an aural servicescape, the IVR system lacks physical or visual attributes that would normally enable a spatial representation of layout and signs to support purposeful movement through the service process. Incorrectly routed calls represent incorrect inputs into the highly decoupled front-office operations of the call centre, which in practice reconfigures planned pooled interdependence patterns into sequential ones.

Research limitations - Despite observing live calls, direct interaction with customers, which would have enabled more detailed investigation into the phenomenon of technologically mediated virtual navigation, was not possible.

Practical implications - The use of the IVR system must be acknowledged as a potentially complex activity of orientation and navigation through a technological system. Call centres must recognise the effects of problematic call routing (where calls arrive) upon the efficiency of service operations and service quality.

Originality/value - The paper extends the servicescape framework to the domain of call centre service provision. While customers are not immersed in a (physical or visual) servicescape, a preliminary theorisation of their experience of the voice-to-technology interaction reveals the activity of navigation found in more conventional servicescape settings. The paper also offers a modest contribution to interdisciplinary service research by demonstrating how theoretical ideas originating from the fields of marketing and operations can be used in conjunction to analyse a service management problem.

Keywords: Call Centres, IVR System, Servicescape, Spatial Metaphors, Customer Contact

Article Type: Research Paper

1. Introduction

As a specific form of service delivery, the emergence of the call centre was motivated by efforts to centralise previously disparate processes to enable cost savings (Taylor & Bain, 2007), yet their role has grown in scope and importance, being used to enable the segmentation of customers (Batt, 2000), representing a cost but also a profit centre based upon revenue generation (Williams, 2003), and therefore occupying an increasingly strategic role for companies (Amrinstead et al., 2002). Although originally emerging in the financial services industry and quickly adopted by telecommunications and utilities companies, they have become ‘a fundamental contact point’ to companies and many other organisations for customers (Burgess & Connell, 2004). Technology plays a central role as it enables the organisation of work and service as Information and Communication Technologies (ICT) are deployed ‘further into the customer interface’ (Richardson & Marshall, 1996: 310). The integration of telephonic

and computer technologies - 'Computer-Telephony Integration' (CTI) defines call centre work organisation (Taylor and Bain, 1999: 102), with the Automatic Call Distribution (ACD) system allowing customer calls to be stacked in a queue and delivered to the next available operator without geographic constraints, as calls can be routed to groups of CSA in call centres and also be rerouted between centres (Miozzo and Ramirez, 2003; Taylor & Bain, 2007).

Operations management research examines patterns of calls arriving in the ACD system. Forecasting models are used for call arrival (Betts et al, 2000; Taylor, 2007) and are linked to demand and capacity management practices (Jack et al., 2006) in an attempt to manage the trade-off between excess capacity associated with 'idle' agents vs. extended waiting times resulting from a queue for an available advisor. This extensive literature provides a quantitatively informed analyses of *when calls arrive* (Gans et al 2003; Koole & Mandelbaum, 2002). But what happens to calls *after* they arrive? In this paper we present an interpretive investigation into the activity of call routing that focuses upon *where* (in which team or department) calls arrive. We analyse customers use of the Interactive Voice Response (IVR) system to self-route their call to a specific call queue or 'workflow' (Frenkel, et al., 1999). While it is recognized that customers often experience problems in using IVR systems (Bocklund & Bengtson, 2002; Suhm & Peterson, 2002), this instance of technologically mediated service is an under researched area. Rather, existing literature tends to focus upon 'voice-to-voice' interactions (Leidner, 1993), investigating how specific aspects such as the perception of wait time (Whiting & Donthu, 2006; 2009), vocal attractiveness and accents of CSA (Bartsch, 2011), or orientation and adaptiveness to customers (Burgers et al., 2000; Dean, 2007) affect customer perception of call centre service. In contrast we examine the crucial role of the 'voice-to-technology interaction' (Burgers et al., 2000) represented by IVR system use that precedes voice-to-voice interactions in call centre service provision.

To explore customers' experience of the IVR system we draw upon research conducted within a call centre in the UK Telecommunications industry which investigated the role of ICT within call centre work and service. We use the conceptual framework of the servicescape (Bitner, 1992), which concerns how the physical dimensions of the service setting affects the experience of customers and employees. While the servicescape has been applied to online service provision (Hopkins et al., 2009; Vilnai-Yavetz & Rafaeli, 2006; Williams & Dargel, 2004), this paper extends the servicescape framework to a new domain - call centre service provision. It is argued that customers are not "immersed in the servicescape" in call centres (Whiting & Donthu, 2005: 235). However, while there is no conventional physical setting as such, the IVR system and voice-to-voice encounters can be construed as a virtual servicescape. The phenomenon of interest that we analyse is that customers appeared to experience a sense of movement and navigation within / through the IVR system and broader service process, despite the fact that, in the physical sense, they were stationary. We argue that the servicescape framework offers a powerful interpretive lens through which to interpret the implicit representation of space within language used by customers to represent their experience.

Service management problems are often "fuzzy and unstructured ... multidimensional and complex" (Roth & Menor, 2003), which is one reason why an interdisciplinary approach to service science should be adopted (Bitner & Brown, 2006). In our analysis of problematic IVR system use we observed immediate consequences for the efficiency of the service system. We therefore present a counterpart analysis on the impact of the servicescape upon

the internal operations of a call centre. We do so by drawing upon conceptual ideas from the customer contact model (Chase, 1978, 1981; Chase and Tansik, 1983) to demonstrate that incorrectly routed calls represent input uncertainty into the service system, which tends to reconfigure the nature of interdependence patterns, which the highly-decoupled front-office operations of a call centre are ill equipped to deal with. In doing so we make a modest attempt at combining conceptual ideas originating from the fields of marketing (servicescape) and operations (customer contact) to the analysis of a service management problem in call centres.

2. Technologically Mediated Servicescapes: Form, Complexity, & Facilitation

Since the perspective of the servicescape was introduced by Bitner (1992), two important trends are observable. The first involves ongoing recognition of aspects other than physical ones which constitute a servicescape, with research having identified and demonstrated the importance of *social* (Edvardsson et al, 2010; Rosenbaum and Montoya, 2007), *symbolic* (Rosenbaum, 2005), and *restorative or natural* (Rosenbaum, 2009; Rosenbaum et al., 2009) components. The second theme, and the one which this paper focuses upon, concerns the emergence of technology mediated service delivery, which research has responded to by extending the framework to understand online servicescapes, which have been referred to as ‘e-servicescapes’ (Hopkins et al, 2009), ‘virtual servicescapes’ (Vilnai-Yavetz & Rafaeli, 2006), or ‘cyberscapes’ (Williams & Dargel, 2004). However, in extending the servicescape to the domain of call centre service provision to analyse the particular technology of the IVR system used by customers during the service encounter, important questions emerge regarding the form a servicescape takes, its relative complexity, and their implications for its facilitating role.

Hopkins et al., (2009) provide a particularly useful analysis of e-servicescapes as they relate existing e-commerce literature on website design, which has identified how the dimensions of entertainment, organisation, and informativeness (Chen & Wells, 1999; Chen et al 2002) impact upon the customer experience, to servicescape dimensions. For example, the entertainment role, involving the look and feel of websites, relates to sensations and enjoyment, and reflects the ambient conditions and aesthetics of the servicescape. Similarly, organisation, involving how information is presented, how it guides the user and affects how easily customers can explore and navigate the website, relates to the spatial layout and functionality of the conventional servicescape. Finally, informativeness concerns the perceived quality of the factual information content of websites, which is linked to the signs, symbols and artifacts of the servicescape. Interestingly, Vilnai-Yavetz & Rafaeli (2006) argue that websites or online service provision are virtual rather than physical. But does the virtual nature of internet or e-service necessarily imply that there are no physical aspects of websites? A website is a physical artifact of a company and the design and functionality of websites are seen as important aspects in enabling processes to be conducted (DeLone and Mclean 2003; Parasuraman et al., 2005), thus design / functionality appear to reflect the importance of the physical layout /functionality dimension of conventional servicescapes. Thus, while e-servicescapes are in one sense virtual and do not exhibit physicality constituted by floors, counters, stairs or lifts, corridors, information kiosks, etc, they nevertheless do retain potentially important physical attributes that may be embedded within websites but that are represented in a visual form on a computer screen by pages, sections, buttons, and pictures, videos, etc. In the context of this paper, an interesting question therefore is what form the call centre servicescape takes because while it is a virtual servicescape, it intuitively does not involve either visuality or physicality present in conventional or

e-servicescapes.

One important implication of the observation that physicality tends to be represented in a visual form as one moves from a conventional to the e- domain concerns our understanding of servicescape complexity. Bitner (1992) clarifies that servicescapes will differ in the extent to which they involve physical complexity, from 'lean' to 'complex' servicescapes. For example, electronic ticket booths are seen as lean servicescapes with a simple structure, whereas in contrast hospitals are seen as elaborate servicescapes with more complicated elements. However, this conceptualization implies that complexity / leanness is an outcome of a design decision rather than being connected to the richness and variety of different aspects that are potentially possible. Bitner (1992: 59) claims that "for lean servicescapes, design decisions are relatively straightforward, especially in self service or remote service settings in which there is no interaction between customers and employees". Yet, as the previous example of online servicescapes shows, they are likely to involve complex design requirements and websites which are not necessarily lean. A key argument underpinning our analysis will be that whether a servicescape is 'lean' or 'complex' depends upon the previous point - what particular form it takes and how various aspects of physical dimensions constitute it. As will be suggested, lean servicescapes, lacking a multitude of different physical cues and clues to aid the customer, are likely to require particularly careful attention to their design.

We focus upon the facilitating role of the servicescape, which hinders / enables the approach avoidance behaviour of customers in carrying out a plan. Bitner (1992) proposes that the spatial layout and functionality dimension of the servicescape is especially important for this facilitating role in *self-service encounters*, because the customer is on their own and thus rely more upon the layout / functionality to guide them; in instances involving *time pressure*, because customers will be more aware of the simplicity / complexity of the servicescape and its affect upon their progress through the service process; and finally, where a service requires the customer to complete *complex tasks*, because effective design in such cases is imperative for supporting the customer. With regard to this paper, the voice-to-technology encounter is self-service (the customer is alone while using the IVR system), and call centres are notorious for being time pressurised environments, which affects both customers and staff. Although intuitively it might be assumed that IVR system use involves a relatively simple task, our analysis will force us to reconsider this assumption. Collectively then, these attributes constituting the nature of call centre service suggests that layout / functionality will be imperative. But the aforementioned points concerning the form and complexity of virtual servicescapes raise another important question - how is layout / functionality embodied or represented in the technologically mediated case of the IVR system? Our analysis seeks to investigate what form the call centre servicescape takes, how layout / functionality is reflected in and represented by this form, and with what consequences for its facilitating role in helping / hindering the customer to carry out their plan.

3. Introduction to the Case: Call Centre Service in Telecentre

The analysis of IVR system use arose out of a broader investigation into call centre work and service based upon an in-depth interpretive field study conducted within a UK call centre in the telecommunications industry, which spanned a period of 5 months in 2009. The main form of data collection was through 'sit-bys' with CSA, which involved observing their work and handling of live calls. The researcher was plugged into the telephone turret

and could therefore listen to the conversation between the customer and CSA while observing the latter's use of the computer system. In total, sit-bys were conducted with a total of 47 different CSA within 11 different teams across all four functions - *Customer Services, Provision, Billing, and Repair*. Informal semi-structured interviews were conducted with team managers, coaches (responsible for supporting CSA work and dealing with escalated calls) and four centre managers, each of whom was responsible for overseeing 5 - 6 teams within one of the four functions.

Notes were taken on the interaction between the CSA and customer, including their comments made during conversations. One limitation was that the researcher was not able to interact directly with customers. However observing live calls provided illuminating insights into the customer experience, firstly because of the real problems that emerged during interactions between the customer and CSA, and secondly because customers were very willing to recount their experiences with CSA. While calls were not recorded, customer comments were noted and reflected upon through discussion with CSA. It quickly became apparent that customer enquiries were not always being resolved by the first CSA they spoke to. CSAs corroborated that customers were transferred between teams before their call was effectively resolved, and team managers were also aware of these problems, referred to by some as "the Telecentre shunt". It became apparent that such problems were often preceded by variations in how customers used the IVR system and confusion with the call routing task.

The servicescape framework informed data analysis, firstly in relation to examining customer intentions and actions and therefore the nature of their plan within the servicescape. Secondly, responses from customers which represented their experiences were examined, with particular attention given to the nature and therefore implications of the type of language used by them. Finally, a more fundamental question remained - what form did the servicescape constituted by the IVR system and broader call centre service process take, and how was this implicated in its facilitating role?

4. Analysis of the IVR and Broader Call Centre Servicescape

The following analysis is divided into four sections. We firstly highlight that customers use of the IVR system may diverge from its originally planned or intended purpose. Secondly, recognising customer confusion with the IVR system, we consider the nature of customer responses through an interpretation of the language used by them, especially as it relates to the activity of navigation and experience in spatial terms. We then examine how the call centre servicescape is constituted, with particular attention on layout and signs, and the resulting implications for the capacity of this particular technological system to provide a facilitating role for customers. In the final section we provide a counterpart analysis concerning the impact of servicescape use upon the service system.

4.1 The Purpose & Use of the Servicescape: When the Organisation and Customer Plan Diverge

From the corporate perspective of Telecentre, the design and use of the IVR system was intended to facilitate a single purpose - to help customers self-route their enquiry to the appropriate team. However, an important observation concerning the approach / avoidance behaviour of customers was that they sometimes adopted a different plan from the one which the IVR system was designed to facilitate as its actual use by some customers was appropriated for their own personal objective of reducing their wait time or avoiding having to go through the IVR

system. This involved two activities, experimenting with different options and calling a direct number. In the former case CSA believed that some customers intentionally misused the numbered choices in attempts to shorten their wait time, so that they could speak to an CSA more quickly, with a coach confirming this view:

“They’ll (customers) just press anything and everything to get through.”

This appeared to be particularly common during busy periods. Realising that certain options involved long queues, customers would hang up and try again, this time avoiding the option they had just used, instead choosing a different option from the IVR menu to see if they could “get through” to a “real person” more quickly.

A second problem was that some customers circumvented the call routing process all together by calling a direct number that they had kept from a previous encounter with the broadband payers or line testing teams. CSA believed that some customers used the direct number to avoid going through the IVR system:

“a lot of calls that come through are not our business, about 15%, usually transfers but also sometimes from customers who keep the numbers and then use it in the future because there is no call steering”

In the above quote, call steering referred to the capacity of the IVR system to move calls towards the correct team. However, while another CSA confirmed efforts to avoid call steering / routing, she crucially highlighted why such actions were often futile:

“it’s a direct number, so they speak to someone straight away. Customers call because they know the queue is less, then they will ask to be transferred, but if they want customer services they’ll still have to be put in a queue anyway.”

This was reflective of most attempts either to avoid the IVR system or to choose different options within it, because both usually resulted in a service encounter with the ‘wrong’ department, which therefore required a transfer back to the correct service team capable of resolving the enquiry. However, while these examples concern intentional attempts motivated by a particular customer plan, a much more widespread phenomenon concerning IVR system use was that customers became confused while attempting to choose the ‘right’ option. To examine this confusion, the following section analyses the nature of customer responses.

4.2 Simply choosing the right option? - “navigating” the IVR system and “the customer journey” through the service process

A Process of Navigation?

Many customers commented upon their experience of using the IVR system at the start of the call, especially highlighting that the different options provided on the menu were confusing. One particularly illuminating comment

from a customer represented the use of the IVR system as a process involving the activity of navigation:

“I’ve just been trying to *navigate* through the various options”

The use of the word navigate was interesting because of what it suggested about the nature of customers experience of the voice-to-technology servicescape. Navigation is defined as

“the process or activity of accurately ascertaining one’s position and planning and following a route”
(*Oxford Dictionaries* definition).

Navigation therefore suggests the existence of places within a space, positioning within the space, and movement towards a destination, aspects of experience that one would expect in a conventional or an e-servicescape. In the former setting, a customer can stand, look around, walk, wait, sit down, and move through the service process to complete a task(s). In an online setting, a customer ‘browses’ a website and can move around different sections and pages of it to experience movement. For example, an early web browser was called *Netscape Navigator*, suggesting that individuals needed a facilitating and supporting tool with which to explore cyberspace. With regard to the IVR system, understanding customers experience in terms of a process of navigating through it is less clear.

Spatial Metaphors: representing the experience of the servicescape in spatial terms involving movement

Lakoff & Johnson (1980) highlight that metaphors form a part of our everyday language, which they argue are implicated in how we think about, perceive and experience the world. Metaphors thus exist in our verbal and written forms of language even when we do not intend to use them explicitly. Carefully examining the use of language can therefore reveal insights into (potentially hidden or taken-for-granted aspects) of how we perceive and experience a particular form of human activity. In Telecentre it was *spatial metaphors* and the broader representation of experience in spatial terms which appeared in language used by both customers and employees. Thus, while the use of the IVR system and broader call centre service process does not involve movement, navigation or orientation in a purely physical sense, reflecting upon the nature of language used by customers and employees of Telecentre offers a more nuanced appreciation of their experience. The following examples are drawn from live encounters between customers and CSA.

In the extract below, the customer explained that they had become confused with the IVR system and therefore were uncertain whether they had contacted the correct call handling team. The customer stated:

“I hope I’ve *got through to* the right department...”

After confessing his frustration at not being able to find a CSA that could deal with his enquiry, the conversation proceeded with the CSA stating their own team’s name. The customer, with a sense of despair but also humour, immediately responded:

“...Oh I think that’s *where I started from!*”

This brief extract revealed the inclusion of movement and direction to represent experience of the IVR system and broader service process. It also illustrates that an incorrectly routed call was often misdirected by the first CSA they

spoke to, resulting in further interactions with other CSA. Another customer succinctly captured this phenomenon:

“I’ve been passed from pillar to post!”

The above phrase, and “going around the houses”, were commonly used by employees within Telecentre to describe the customer experience of “visiting” multiple teams. Not surprisingly, such encounters involved emotional responses as customers became angered and frustrated, and in some cases were desperate in their attempt to “find” the correct team that would be able to help them. Despair and even disbelief from customers was palpable following their use of the IVR system and ordeal of talking to a number of different CSA. For example, the following two quotes from customers are responses to the familiar question of “how can I help?” asked by CSA:

“I’m rapidly losing the will to live!”

“I could do with a large scotch and an injection!”

These were responses to their torturous “journey” around the service process. The notion of “*the customer journey*” was a further phrase used in the company to represent experience in terms of movement. CSA described this in many different instances, such as “*put in a queue*” - suggesting that the customer will be required to be physically stationary while waiting to be served; “*call steering*” - representing the IVR system as controlling and guiding the movement of the customer in a particular direction; and “*I’ll put you through to...*” suggesting physical movement towards a new location of the service process. The following quote from a team manager in Customer Services also described the customer journey in spatial terms, and clarified the initial cause of problems as originating with the IVR system, which he refers to as platforms:

“He’s (customer) been all round the houses, it goes transfer, transfer, transfer, (manager motions with his hand) and they come back again....a mega problem, one of the main problems is the platforms (IVR system), they (customers) need a clear understanding...what it needs is a clear menu”

In the following section, we explore precisely why customers may not have a clear understanding and why the menus of an IVR system may not be perceived as clear, by examining characteristics of the call centre servicescape.

4.3 Why the Call Centre Servicescape confuses and disorientates: form, representation, and facilitation

The question that this section of the analysis seeks to address is how particular characteristics of the call centre servicescape are implicated in navigation activity and confusion. We will argue that it is the particular form and leanness of the IVR servicescape, which lacking a spatial representation, makes it a poor facilitator of supporting

effective navigation through a process. Table 1 provides a summary of the key points of the analysis.

Table 1: Analysing Navigation in Conventional, e-, & Aural Servicescapes

Type & Nature of Servicescape	Complexity	Layout	Signage	Orientation & Navigation
Conventional (e.g. Airport) Physical (with visual & aural aspects)	Rich (saturated) 	Organisation of the service process is embedded / reflected in physical aspects of the built environment. The layout and functionality is spatial in nature.	Physical (wall, stairs, corridor, queue, barrier – restricts movement but also directs it) Visual (often connected to physical aspects so supportive and reinforces effective navigation and movement) Aural (announcements giving direct instructions or supporting information)	<i>Perspective</i> can likely see a large part of the servicescape to get an overall sense of how it is organised and its scope <i>Movement</i> easy to move except where physical restrictions exist <i>Pacing</i> varies
E- / Virtual- (e.g. Website) Mainly Visual (with aural aspects)		Organisation (or lack) of the service process is embedded / reflected within the information and visual content on pages and sections, and their configuration. The layout and functionality is spatial in nature.	Visual (buttons in web browser, sections and links on website) Aural (voice prompts or video)	<i>Perspective</i> often helped by 'about this website' page, can open multiple tabs or pages simultaneously <i>Movement</i> relatively easy, back and forward on web browser <i>Pacing</i> high ability to control where connection speed and website reliability is high
Aural (e.g. IVR system) Aural (no physical or visual aspects)		Organisation of service is constituted aurally and by the number and arrangement of recorded voice options. While embedded within the design of the IVR system, layout is not represented spatially because no physical or visual elements exist.	Aural (recorded voice prompts, automated sounds such as beeps)	<i>Perspective</i> no overall view provided, information revealed in a sequence and then disappears before the next stage <i>Movement</i> restricted <i>Pacing</i> little control - going to one service area usually involves going into a queue before 'arriving, timing of voice recorded information and prompts is predetermined

The absence of physical and visual manifestations of the spatial representation of layout and functionality

It was argued that because the IVR system was a self-service setting involving significant time pressure, that the layout and functionality of the servicescape would be imperative for helping the customer carry out the effective routing of their call to the correct team. Crucially, the IVR system and voice-to-voice encounters are essentially 'stripped' of both physical and visual forms of layout and functionality, which means there is no spatial representation of them available. The very concept of layout implies a spatial dimension, and therefore a taken-for-granted assumption of Bitner's (1992) original servicescape perspective is that the organisation of the service process is embedded within the physical design of the built environment. For example, in a high street bank or a hospital, the organisation (or alternatively lack of or even disorganisation) of the service process is intrinsically

embedded within the design and layout of the servicescape. Similarly, on a website, the visual representation of information implicitly reflects the organisation of it as a facilitating servicescape. The IVR system and voice-to-voice encounters of the call centre servicescape force us to reconsider this assumption, because not involving physical or visual elements, it cannot offer a spatial representation of layout / functionality or embed the organisation of the service process within its design. Identifying the absence of physical and visual elements in the call centre servicescape logically leads us to the observation that it is constituted only in aural terms. The key differences between the nature and representation of layout in conventional, e- and aural servicescapes are summarised in the third column in Table 1.

The aural-Servicescape: lean in form and functionality

Not being physically immersed within the servicescape helps us to understand the aural servicescape as lean - being stripped of the usual visual and physical features of conventional or e-servicescapes. The latter are saturated with visual and physical features that can act as rich cues and clues to aid customer with orientation, navigation, and purposeful movement through the service process. This is reflected in the second column of Table 1, which organizes the three forms a servicescape may take on a continuum from saturated to stripped. It is important to note that this does not reflect Bitner's (1992) classification of the level of complexity (from complex to lean) but rather the opportunities for providing cues and clues to customers through physical, visual and aural means. The general principle is that there is progressively less scope for richness moving from a conventional, to an e- and then to an aural servicescape.

The absence of a saturated (physical / visual) servicescape does not mean that the customer is not emotionally or cognitively immersed within it. Given the apparent experience of navigation and movement through a technological system, we must consider how the layout and functional aspect of the servicescape is constituted in an aural form. The layout of the IVR system is complimented with signage. Two aspects closely resemble layout, firstly the number of options available, and secondly the arrangement of these options into different tiers of the menu provided. Tiers refer to the organisation of the numbered options into different levels, so that choosing from the first level of initial options is followed by a second or third level of options. Signs in the IVR system are represented by the recorded voice instructions that describe different options available - "if you're calling about.....press 1, if you're calling about...press 2, .. etc". Signage is also represented by other options, such as the ability to listen again - "press X to here the options again" - and the facility to move back to the previous tier within the menu - "to return to the previous menu press X". Together, the organisation of the menu (layout) and the voice-prompts and associated options (sigs) constitute the IVR servicescape.

We can conclude that even when taking an aural form that the organisation of the service process is implicitly embedding within the design of the servicescape. However, lacking a visual / physical representation of this organisation and functionality in spatial terms, in the aural servicescape the richness of available information is substantially reduced where short segments of recorded and automated speech replace pictures, posters, message-boards, other written information, visual symbols, walkways, bays, counters, etc. This is reflected in the fourth column in Table 1, which indicates the increasing richness of available signage as one moves from the aural

servicescape, to the e-servicescape involving visual / aural signs, and finally to conventional servicescapes where it is possible to saturate the environment with physical, visual and aural signage. Below, we identify three aspects of effective orientation and navigation - perspective, movement and pacing - and offer a preliminary examination of how the aural form of the lean IVR servicescape is implicated in supporting them relative to conventional and e-servicescapes.

Navigation in servicescapes: Spatial Organisation and its relation to perspective, movement, and pacing

To understand how the constitution of layout / signs in a physical, visual, or aural form is implicated in the process of orientation and navigation, we propose that it is useful to analyse the latter in terms of three more specific areas of activity: perspective; movement; and pacing. *Perspective* reflects the extent to which the customer is able to see the entirety of the servicescape and thus gain a sense of how it is organised and appreciate its scope and key features. In instances where customers are able to view the servicescape without restrictions, they are able to get a sense of perspective of it, which in turn is likely to aid positioning and orientation. How the servicescape is revealed to the customer - either fully or in stages or a sequence - will also affect the perspective a customer is able to obtain, and impact upon customers ability to orientate and navigate the servicescape. *Movement* concerns the ease at which customers are able to move through the servicescape. This includes how easy it is to change direction or to turn around, and the general sense of freedom or alternatively restrictions upon moving within and through the servicescape. It is likely that customers will be more comfortable in instances where they have a higher degree of control in how they move within a servicescape. The first two aspects are related because the former aspect of perspective may aid purposeful and effective movement. Lastly, *pacing* refers to the degree of control a customer has upon the speed at which they move through the servicescape. Again, it is likely that gaining perspective and making purposeful movement is likely to be more effective in instances where customers control the pace at which they orientate and navigate the servicescape.

The final column in Table 1 provides a summary of key differences between conventional, e- and aural servicescapes in relation to perspective, movement and pacing. The general theme is that in the aural servicescape of the IVR system, the customer is less able to gain perspective, has their movement restricted, and has little control over the pacing through the service process. In terms of perspective, customers are unable to gain an overall sense of how the IVR system is organised because of no spatial representation offered in a visual or physical form. Furthermore, the organisation of the servicescape is revealed in stages, but crucially, no permanent representation is offered as information disappears as the next recorded voice fragment is delivered, meaning that the customer is forced to retain any information for perspective through memory. Customer movement is also restricted and they have a lack of control over pacing. In conventional / e-servicescape, customers can look around, consider where to go next, turn around physically or hit the back button on a browser, or even open multiple tabs or windows to simultaneously consider different areas of a website in parallel. In contrast, in the IVR system the only customer control over pacing comes from being able to choose an option to hear the other options again. They literally cannot pause for thought to take in the information within the servicescape. With regard to restrictions on movement, customers cannot simply 'turn around' within the IVR system. They cannot look forward to what the next tier of the

menu offers to take a look at whether it is relevant or not, or look back to reconsider previous information in light of new insights into the service process. The form and leanness of the aural IVR servicescape therefore undermines the ability of the customer to gain a perspective, and restricts their movement and control over pacing, which collectively hinders orientation and navigation through the technological system, and therefore their ability to correctly self-route their call.

4.4 Consequences of Problematic Servicescape Use: Impact upon the Call Centre Service System

The customer contact approach (Chase, 1978, 1981; Chase & Tansik, 1983) argues that because of the unpredictable nature of customers actions and intentions they represent a source of ‘input uncertainty’ which may undermine the potential of a service system to operate efficiently. Input uncertainty may involve incomplete information about the arrival time of inputs or incomplete knowledge of how to perform tasks to deal with the input (Slocum & Sims, 1980; Brass, 1985). For example, call centres have to forecast highly unpredictable demand patterns (when calls arrive) and attempt to match this with the capacity of available resources (CSA). In contrast, the subject of this section - the effects of incorrectly routed calls (where calls arrive) - involves the second type of input uncertainty.

The customer contact approach proposes that tasks / activities that require the presence of the customer should be dealt with by the front-office, and those that do not should be handled by the back-office. By applying the concept of ‘decoupling’, the front-office focuses upon direct contact with customers while the back-office can work at a constant rate and operate efficiently (Chase, 1978; 1981; Chase & Tansik, 1983), so that the “technical core” of organisational processes is sealed off from input uncertainty arising from the environment (Thompson, 1967). This logic is reflected in a cost leadership strategy, which utilizes high decoupling with the objective of increasing operational efficiency:

“costs are reduced by segregating complex, multi-task jobs into many simpler, standardized jobs, using specialisation of labor and technology to reduce labor costs and centralizing for scale economies” (Metters & Vargas, 2000: 672)

However, this type of service system is likely to encounter problems in instances where flexibility is necessary to offer customized services, and service quality may also be undermined by conflicting objectives or perspectives between front- and back-office staff. Thirdly, decoupling and specialization are likely to increase the speed at which individual tasks are performed, but the overall process speed may be greater because:

“a process that is composed of many tasks and the waiting times and hand-offs between tasks, and hand-offs between processes are negatively affected by de-coupling” (Metters & Vargas, 2000: 673).

The activity of hand-offs raises the question of potential connections and coordination between the front and back office. Larsson & Bowen (1989) shows that different types of interdependence patterns - pooled, sequential or

reciprocal (Thompson, 1967) - can be used to characterize the relations between front and back-office activities within a service system. Briefly, pooled interdependence reflects a lack of actual dependence, because while the overall performance of the organization is reliant upon the activities of different groups, there is usually little direct interaction between them. The classic example of sequential interdependence is on a production line, where each successive step is dependent upon the completion of the former one. Lastly, reciprocal interdependence patterns involve more complex relations, where the very nature of processes and their ordering depends upon feedback from different groups of parts within the workflow itself, which may also shift over time. Larsson & Bowen (1989) match input uncertainty with appropriate interdependence patterns - more customized service offerings are likely to be associated with greater input uncertainty suggesting the existence of more complex interdependence patterns within the service system, whereas a service system adopting a cost leadership strategy would likely exhibit more simple interdependence patterns. The following analysis examines the Telecentre service system using the concepts of input uncertainty, front and back-office decoupling, and interdependence patterns to understand the impact of incorrectly routed calls upon the efficiency of operations.

The Call Centre Service System: Decoupled Front-Office Teams

The conventional organisation and decoupling of the front-office and back-office was reconfigured in the Telecentre service system. The front-office dominated as most teams were staffed by CSA who were in almost continuous contact with customers through the live calls which they dealt with. A number of teams in *Provision* conducted some back-office work, but this was the exception to the more common responsibility of facing and responding to live customer calls. One reason for the dominance of front-office activity was that many service tasks previously requiring documentation, signatures, and response by conventional mail, had been replaced by the ability to conduct the majority of transactions and requests on the computer system during the live conversation with the customer. A second reason leading to the prominence of the front-office was that many processes that might have been defined as back-office work were conducted automatically by robots, which reflects a non-human actant in the service process (Nyberg, 2009). In Telecentre this included the mailing of bills, promotional correspondence and equipment, the remote addition or modification of calling features for customers, and the manipulation of their line status.

The logic of decoupling did however apply to Telecentre, yet it was manifest in a different form because it was not front / back-office operations that were the target of decoupling, rather *a high degree of decoupling existed within the front-office*. This involved the standardisation of workflows within a highly specialised division of labour, which has been coined as representing the 'fragmentation of service provision' (Miozzo & Ramirez, 2003). The creation of numerous customer-facing teams decouples work processes by dividing and isolating each team to focus on their own specific 'workflow' - "a structured set of tasks (work) leading to a specific output oriented towards a specific market" (Frenkel et al., 1999: 36). In theory, CSA in each team are sealed off from the uncertain demand of other customer problems, which could disrupt the pace of their work and their ability to efficiently deal with the input, because the IVR system correctly routes calls to each workflow. However, the previous servicescape analysis convincingly demonstrated that in practice, this assumption does not hold.

How Incorrect Inputs Reconfigure Interdependence Patterns

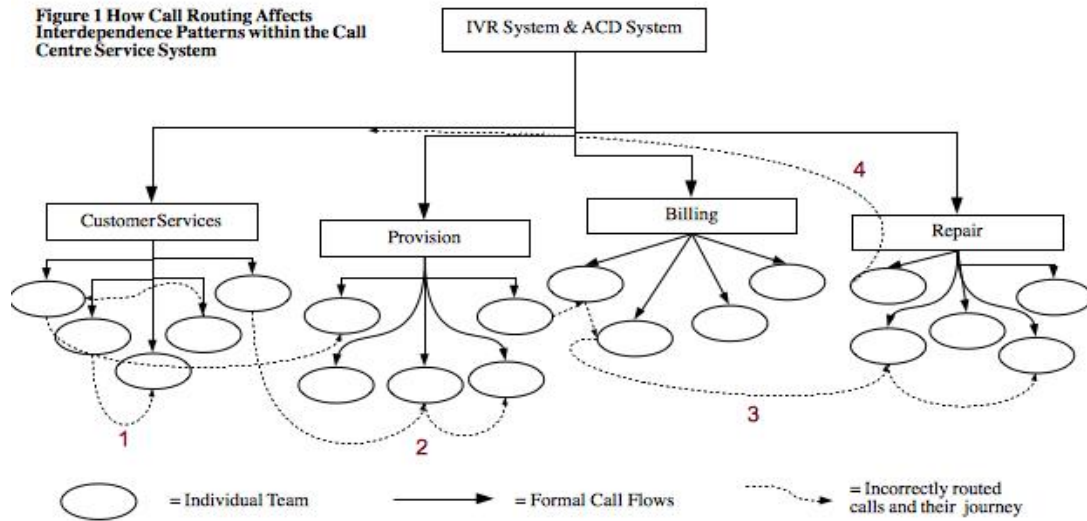
The planned or formal representation of the service system involved pooled interdependence patterns because although the overall ability of Telecentre to deliver service is dependent upon *Customer Services, Provision, Billing, and Repair* - and their constituent sub-teams - the service process is designed so that there should not be much need for direct interaction between them. Interdependences are pooled within teams as CSA are dependent upon each others actions to effectively resolve customer enquiries in a timely and efficient manner to reduce customer complaints and reduce the waiting time of customers by working collectively to reduce the call queue. Their activities and actions are pooled to provide effective service to a given range of customer enquiries and problems within their workflow. The standardisation of workflows within a highly specialised division of labour is therefore associated with little planned interaction between different workflows, so the focus is upon efficiency gains through the rationalisation of work and service tasks.

This formal representation promises a rather straightforward and problem free performance of service provision, which is disconnected from the actual flow, movement, and nature of live calls experienced by customers (and CSA). The efficiency and effectiveness of the decoupled front-office with pooled interdependences is threatened as the assumption regarding effective call routing through the IVR system breaks down based upon problematic servicescape use. This results in input uncertainty. Indeed, one could construe incorrectly routed calls not just as representing input uncertainty but more precisely as representing *incorrect inputs* into the service system.

Incorrect inputs create a shift in the operating dynamic of the call centre service system as sequential interdependence patterns between individual teams emerge within the highly decoupled front-office. Figure 1 provides some real examples of the journey of incorrectly routed calls through the service system. Solid lines with arrows indicate effectively routed calls flowing from the IVR system into the correct teams, which are associated with pooled interdependence patterns. Dashed lines represent incorrectly routed calls and their movement between teams based upon the referral or transfer of the call, which enacts sequential interdependence patterns because the actions of an individual CSA in one team directly impacts upon other teams in instances where the call is incorrectly redirected.

The emergence of sequential interdependence patterns within the highly decoupled front-office results in problems with overall process speed, quality of service, and flexibility associated with such arrangements (Metters & Vargas, 2000). Firstly, as shown through the servicescape analysis, the quality of service experienced by customers is affected as they are “passed from pillar to post” resulting in anger, astonishment, disbelief and even despair. In terms of flexibility, the highly decoupled front-office is based upon the rationalisation of

Figure 1 How Call Routing Affects Interdependence Patterns within the Call Centre Service System



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scenarios,
not
designed

to encounter unfamiliar or changing service requests. Finally, the overall process speed suffered. As shown in Figure 1, examples 2, 3, and 4, all involve multiple transfers and therefore the work efforts of three or more CSA before the call is finally resolved. Note also that in example 4 the CSA puts the customer back into the IVR system to self-route their call for a second time, which again results in a further transfer. So while the standard quantitative measure of call handling time (CHT) records these *individual* interactions as falling within an acceptable range, this ignores the reality that the overall customer encounter may involve a number of calls which are measured separately.

To summarise, this counterpart analysis offers an investigation into the operational effects of the servicescape upon a service system, because rather than just showing how a servicescape facilitates or hinders customer actions, it goes further by asking with what consequences and implications for the efficiency of the service process.

5. Conclusion

The main contribution of this paper has been to extend the application of the servicescape framework to the domain of call centre service provision. Intuitively, customers are not “immersed in the servicescape” (Whiting & Donthu, 2005: 235). But the servicescape perspective offers a more informed theorization of confusion experienced by customers in relation to the features of a technologically mediated part of the service process. While previous research has examined auditory stimuli such as music and noises as they relate to ambient conditions (Morin et al., 2007; Oakes and North, 2008), we have shown that they may also form the entirety of servicescape, and critically an aural representation of layout and signage. In relation to aesthetic and functional aspects (Baker, 1987), in the absence of visual or physical elements that usually constitute layout and signage, the aural call centre servicescape plays a facilitating role. However, our argument is that lacking a spatial representation of the servicescape, either in a conventional physical form or a visual virtual form, the aural servicescape is generally less effective at supporting the activities of gaining a perspective, movement and pacing that embody orientation and navigation processes.

A second objective has been to offer a modest contribution to interdisciplinary research on service that demonstrates the insightfulness, and indeed perhaps the necessity, of approaching and examining empirical data on

service management problems with conceptual ideas from the marketing and operations management fields. We acknowledge the crucial problem of unpredictable call arrival and research on capacity management that seeks to address it, yet have instead focused upon an analysis of call routing - or where calls arrive - from a theoretical framework that originated in the marketing field. We also provided an accompanying analysis of the operational implications for servicescape use by taking the output of problematic servicescape use as the input into the service system - highlighting that problematic voice-to-voice encounters are often a result of incorrect inputs into a highly decoupled front-office that is well suited to deal with correctly routed calls that fall within formal workflows, but poorly equipped to effectively respond to sequential interdependences that emerge. While we acknowledge the importance of CSA demonstrating adaptiveness and authority in order to satisfy customers (Burgers et al 2000) during the voice-to-voice encounter, the operations focused customer contact approach reveals restrictions embedded within the design of the service system that may undermine the ability of the CSA, however well intentioned, to act appropriately to ensure a quality service experience.

Because this paper has been exploratory in nature, it has a number of limitations. Firstly, as identified in the methodology section, the researcher was unable to interact directly with customers. Future research could combine observation of the virtual service encounter through listening to calls and conduct follow-up telephone interviews with customers to discuss their experience in more detail and allow them to reflect upon and explain their use of the IVR system. This would enable more empirical validation of the ideas regarding the spatial experience of an aural servicescape and related notions of orientation and navigation. A second limitation is that while employees offered their own personal estimates, problems with incorrectly routed calls and subsequent problems with redirecting of customers to the appropriate team were not formally quantified. CSA, coaches and team managers gave eye-catching estimates that 10-30% of all calls involved transfers. Observation of live call handling across the four functions corroborated that these figures were valid. However, a follow-up study could adopt a more quantitative emphasis that sought to quantify the impact of problematic call routing upon the internal operations of a call centre, and glean further data upon the average overall process speed associated with incorrectly routed calls. Furthermore, it could attempt to examine to what extent customer confusion with the IVR system is implicated in the frequency of abandonment and 'retrials' (Aksin et al., 2007), where customers hang up and call again later.

Regarding service system design, we must refrain from seeing the IVR system as simply an operations tool used to enable the call routing process. This approach is in danger of reducing a potentially complex phenomena of navigating a virtual aural servicescape to a simple activity where customers press options on their telephone keypad. Thus, IVR systems should be designed with clarity and simplicity in mind. One simple yet possibly highly effective recommendation is to provide customers with an accompanying visual representation of the menu structure, different options, and overall organisation of the IVR system. This could be made available for viewing on the company website, and on printed / digital promotional material or bills sent to customers. It would help to reintroduce visuality into the servicescape and prepare customers with an awareness of the different options, the responsibilities of individual service areas, and therefore how these relate to their own personal enquiry, before actually beginning the voice-to-technology interaction.

One final implication arising from the servicescape and service system analysis concerns propositions

about the relationship between the two. Our analysis suggests interconnectedness between the design and effectiveness of the servicescape, and the design and organisation of the wider service system and its capacity to provide efficient and effective service. In this respect we can propose that the facilitating role of servicescapes will be more important in highly decoupled service systems because of the danger of potential input uncertainty and therefore the possible emergence of sequential interdependencies. Interestingly, a further observation that can be made in this respect is that the problematic use of the IVR system by customers would be of little consequence *if* the front office was not so rigidly decoupled, and similarly, the highly specialised division of work and service would be to a large extent effective *if* there were no problems with customers use of the IVR system. There is further scope for future research to investigate the relationship between servicescape design and service system design in more detail. This is especially needed in technologically mediated service systems, because while the presence of call distribution and routing systems may imply that such processes are automated, humans use of them therefore often involves complex forms of activity.

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Exploring the Potential of Social Networking Websites for Effective Viral Marketing in Mauritius: Customers' Perspectives

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Abstract

Introduction - The communication climate has been significantly transformed with the advent of social networking websites and the web is now positioned as a social communication platform. Similarly, social media presents diverse opportunities for new forms of communication and commerce between marketers and consumers in the context of Mauritius. Therefore, exploring the potential of social networking websites for effective viral marketing is crucial.

Purpose - The paper explores the broad factors which have encouraged customers to participate in social network websites. It also investigates the determining constructs for promoting effective viral marketing through social networking media. The study also assesses the influence of peer pressure through social networking media on viral marketing in Mauritius. The aim of this research work is to explore the potential of social networking media for effective viral marketing in Mauritius.

Design/Methodology/Approach – The study surveys social network users in Mauritius. An original questionnaire was used for this research and was developed as a result of detailed information gathered from relevant literature review. Empirical data was processed whereby both descriptive and inferential analysis have been done. The items in the scale were developed using a five point likert scale ranging from Strongly Agree to Strongly Disagree.

The targeted population of the study consisted of social networking users and owing to the need

for a relatively large sample size while at the same time keeping the research costs down, the sample size of this study amounted to 200 social networking users through convenience sampling technique. The response rate for the present study was 75 % which amounted to 150 social networking users in Mauritius.

Findings – The present research work has outlined the underlying reasons for participation in social networking websites. It is interesting to note that the majority of social networking users participate in networking sites to chat with friends and relatives. It can also be observed that social media marketing has greater significance compared to traditional marketing in terms of prompt feedback and reviews from social networks and social media marketing being more appealing than traditional media marketing. Moreover, empirical findings have demonstrated some important constructs that social networking users have considered to promote effective viral marketing. It has been found that '*Peer Pressure*', '*Speed*', '*Sharing of Information*' and '*Critical Mass*' are significant predictors that can influence viral marketing through social networking media in Mauritius.

Practical Implications - This study would help marketers to optimise on social networking media and implement innovative strategies to encourage users to engage in greater word of mouse marketing in an online context. The various implications of these findings are fully discussed and the various constructs for enhancing viral marketing need to be carefully analysed within the rapidly evolving online communication climate.

Originality/Value - The popularity of social media in the 21st century has been meteoric and has infiltrated people's everyday lives and in turn, visiting social networking sites is now very popular in Mauritius. The aim of this paper is to explore the potential of social networking media for promoting effective viral marketing in Mauritius. Promoting viral marketing through social networking sites represents the next e-business frontier for various enterprises in Mauritius. Both public and private institutions should capitalise on social networking media in order to disseminate information more rapidly.

Keywords: *Social Networking Media, Viral Marketing, Customers Perspective, Mauritius.*

1.0 Introduction

Marketing has experienced several challenges which include fragmentation of markets, the fast dynamics of the distribution channels, declining response rates of the communication campaigns and the powerful urge to improve marketing effectiveness (Sheth and Sisodia, 2002; Tsay and Agrawal, 2004; Chu *et al.*, 2007; Ansari *et al.*, 2000). The intensity and frequency of interactions among consumers and organizations have increased in recent years with technological advancement (Kraut *et al.*, 2006). As pointed out by Abedniya and Mahmoudi (2010), the Internet and World Wide Web have become two key components in today's technology based organisations and businesses.

The existence of social media also offers advanced relationships and targets opportunities for marketers in consumer markets (Morris and Ogan, 1996; Drury, 2008; Bhagat *et al.*, 2009; Mangold and Faulds, 2009). Weber (2009) has argued that the role of marketing has changed, and social web is promoting a great deal of change in the communication climate. Indeed, many researchers have argued that the traditional tools of marketing are now regarded as outdated (White 1981; Burt, 1988; Oosterwijk and Loeffen, 2005; Porter and Golan, 2006). Likewise, the explosion of media choice has undermined mass marketing model (Kaplan and Haelein, 2010) and new marketing is creating an online platform of true interactivity in the social web context as outlined by various authors (Weber, 2009; Palmer and Koenig-Lewis, 2009; Liftshitz, 2010). In addition, marketers are challenged with identifying influential individuals in social networks and connecting with them in ways that can further encourage viral marketing content movement (Wei *et al.*, 2010; Abedniya and Mahmoudi, 2010; Levine and Young, 2010).

In a similar vein, the rise in social networking media has urged marketers to form reciprocal relationships with their customers (Levine and Young, 2010) and engage in dialogical communication (Tredinnick, 2006; Odden, 2009; Maymann, 2008). Yet, some companies are experiencing social media phobias and are feeling highly anxious about the loss of control over the marketplace (Maymann, 2008; Gibbson and Jagger, 2009). However, marketing professionals cannot ignore the dynamism of social networking websites (Wei *et al.*, 2010) and thus, companies need to re-evaluate their business strategies by incorporating social media in the postmodern and turbulent online environment (Christensen *et al.*, 2008; Wei *et al.*, 2010). Germany has witnessed an impressive increase in user subscriptions since its launch in 2005 with more than 3 million members (Bolotaeva and Cata, 2010). Social networking is rapidly expanding with 11 percent increase of people visiting social networking sites between 2007 and 2008, with 79.5 million people, representing 41% of the U.S. Internet user population visiting the sites in 2008 (Williamson, 2008).

Similarly, this online social technology has significantly altered social interaction and information distribution in Mauritius. Many persons have already joined social networks such

as Facebook, Hi5; YouTube, and they are increasingly spending a great deal of time on these online social platforms. Various business enterprises have also capitalised on social networking websites to communicate with existing and prospective customers. In this respect, in today's highly informative and interactive business environment, it is crucial to explore the potential of social networking media to promote effective viral marketing. Social networking websites have grown exponentially and various social networking sites are being currently available on the web.

Several research works have explored the concept of social networking media and viral marketing in developed countries (Williamson, 2008; Woerndl *et al.*, 2008; Weber, 2009). Social media presents potentially seductive opportunities for new forms of communication and commerce between marketers and consumers (Carlota *et al.*, 2010; Miller and Lammas, 2010). Likewise, visiting social sites is now the fourth most popular online interactivity with two-thirds of global internet population visiting social networks (Burmester and Covey, 2009). Indeed, social media marketing and viral marketing have been over-researched as separate concepts in the field of marketing. No doubt, considerable literature on social network marketing and viral marketing is available worldwide, but there has been little empirical research study on the potential of social media marketing for effective viral marketing in the context of developing countries. Hence, this study aims to fill the gap in the existing body of literature pertaining to social media marketing to diffuse viral marketing by choosing Mauritius as a case study. Thus, the results of this study will give a new impetus to the findings of previous studies on social media marketing and viral marketing in Mauritius.

1.1 Objectives of the Study

The primary objective of the research is to explore the potential of social media marketing to diffuse effective viral marketing in Mauritius. The main objectives of the study are outlined below:

- To explore the broad factors which have encouraged customers to participate in social networking websites

- To investigate the determining constructs for promoting effective viral marketing through social media marketing.
- To assess the influence of peer pressure through social media on viral marketing in Mauritius

1.2 Literature Review

1.2.1 The Virtual Environment with Social Media Marketing and Viral Marketing

Brand awareness, communication and the balance of power has shifted from the company to the consumer through the rebirth of word of mouth marketing (Datta *et al.*, 2005) through new media formats (Ferguson, 2008; Whitney, 2010). It has become imperative for companies desiring long term profitability, increased sales and enhanced customer loyalty to embrace the new media technologies that are changing the way communication and information sharing is occurring in various companies (Clifford-Marsh, 2009) due to the fact that customers are more empowered (Barnes, 2008). Marketers have long used Word of Mouth (WOM) marketing to influence consumer buying decisions in the physical world (Watts *et al.*, 2007; Readon, 2009; Whitney, 2010). WOM marketing in this virtual world has a new name, called Viral Marketing (Ferguson, 2008). There are now hundreds of millions (Bloch, 2010) of people using Social Media making conversations, posting their feelings and opinions and influencing others with their ideas and experiences. However, the virtual nature of this social conversation presents unique challenges for viral marketers (Clifford-Marsh, 2009).

The revolutionary transformation towards modern technology and social networking on the World Wide Web has become an integral part of a large number of people's lives (Hine, 2005). Social networks are websites which allow users to communicate, share knowledge about similar interests, discuss favourite topics, review and rate products and services (Abedniya and Mahmoudi, 2010). These websites have become a powerful source in shaping public opinions on virtually every aspect of commerce (Kaplan and Haenlein, 2010). Moreover, the increase of blogs, wiki pages, podcasts, forums, social networks like Facebook, MySpace and Twitter have made social media become one of the most exciting topics to talk (Porter and Goloan, 2006). The core of social media can be found from creating World Wide Web, which initial idea was to exchange information between users (Spencer, 2010). Halligan and Shah, (2010) have stated that social media is about online interactions whereby friends and family can connect with each

other even in geographically long distances (Warkentin, 2008; Qualman, 2011)

Viral marketing is marketer-originated WOM communication over the Internet (Helm, 2000). The reference mechanism in viral marketing is similar to traditional WOM but its special characteristics are speed and the extent of spreading online messages (Turban, 2002). The main goal is to get users to spread a marketer's message to their friends by using their own networks and to get a large audience for the message (Warkentin, 2008). Viral marketing messages usually consist of text and pictures so that they can catch the attention of consumers with visual appearance (Pani and Sharma, 2011) and along with YouTube; viral videos have also become very popular. However, users do not spread the marketer's message onwards if they do not get any benefit, or if the content of the message is not interesting enough (Turban *et al.*, 2002; Lindgreen and Vanhamme, 2005). On the other hand, De Bruyn and Lilien (2008) found that in viral marketing campaigns, close relationships between the sender and the receiver of the message can capture recipients attention and create awareness, but they do not influence the later stages of the decision-making process (Harold, 2007). Viral marketing does not have a straightforward effect on sales despite the fact that it can increase attention on the product (Keulenaer, 2007). However, it seems that networks of friends are better suited for viral marketing campaigns, since referral mechanisms require close relationships (Lindgreen and Vanhame, 2005).

1.2.2 The Social Media Environment and Viral Marketing in the 21st century

The term social media refers to the use of web-based and mobile technologies to turn communication into interactive dialogue (Van der *et al.*, 2010) and the real power of people can be noticed in the new revolutionized media channel (Williams *et al.*, 2008). According to Mayfield (2008), social media is best understood as a group of new kinds of online media, which share most or all of these characteristics which include participation and engagement, openness, conversation, community and connectedness. Social media is an umbrella for a wide range of technologies such as social networking sites, blogs, micro-blogging sites, podcasts, wikis and video and photo sharing sites (Zarella, 2010). It has significant implications for marketing as it has dramatically disrupted the power between companies and their consumers (Li and Bernoff, 2008; Scott, 2010), causing a surge in online consumer activity (Porterfield, 2010). Ample evidence suggests that postmodern customers continue to avoid traditional forms of 'push' advertising, as they grow increasingly cynical

and less attentive (Scott, 2007; Jaokar *et al.*, 2009).

Moreover, the advent of social media has made marketers life a lot more challenging (Stroud, 2008). It can be argued that it has become much harder to capture and sustain consumers' attention (Hermeking, 2006; Mitchell, 2008; Simmons, 2008). Social media provides an opportunity to connect with the consumers and understand their specific needs (Hall and Rosenberg, 2009). Social media marketing provides unique opportunity to the marketers to create 'energized differentiation' (Eikermann *et al.*, 2007). However, Leskovec *et al.* (2007) affirmed that viral marketing exploits existing social networks by encouraging customers to share product information with their friends. Viral marketing is a diffusion of information about the product and its adoption over the social networks (Helm, 2000; Scott, 2010). Moreover, marketers believe that members of social sites who share information with other members and friends are best target for participation in viral marketing (Fang *et al.* 2009). Their involvement in these social sites allows marketers to spread more the viral content because they naturally want to share information to other members (Rothaermel and Sugiyama, 2001; Leskovec *et al.*, 2007, Weinberg, 2010) and send interesting content to friends (Datta *et al.* 2005; Abedniya and Mahmoudi, 2010).

1.2.3 The Contribution of Social Media Marketing for Viral Marketing

After the emergence of the Internet, marketers tend to look at social media phenomenon to increase awareness about their services and products (Ochman, 2009). Porter and Golan (2006) have suggested that viral contents such as jokes, pictures, games and videos through the Internet, often distributed through independent third-part sites, are usually personal and more credible than traditional advertising (Hawkins *et al.*, 1999). Despite the increasing shift of advertising spending to viral marketing (Knight, 2007), the critical factors for viral marketing effectiveness remain largely unknown to both marketing academics and practitioners (Godes and Mayzlin, 2004). With the rapid increase in social networking websites, viral marketing could encourage consumers to spread their message (Helm, 2000; Smith, 2009) and in turn, encourage their friends to diffuse forward these message in a large chain reaction of consumer awareness (Porter, 2004). Furthermore, viral marketing is also stealth marketing (Needham, 2008), encouraging customers to feel they just happened to hear about the product or service rather than feeling directly marketed (Xu *et al.*, 2008). There are significant benefits to be gained from viral marketing capabilities in terms of increasing customer awareness of products and services

(Hemeking, 2006; Shih *et al*, 2009). E-WOM is extremely influential because most people trust other people's recommendations; instead of traditional advertisements (Sylvain and Jacques, 2004; Weinberg and Davis, 2005). WOM is considered as the most powerful form of marketing (Godin, 2010) and it naturally takes shape when consumers really enjoy a product/service that makes them happy and in turn compels them to share their experience with others (Hintika, 2007).

Viral marketing, also known as word-of-mouth (WOM) or "buzz marketing", is the tactic of creating a process where interested people can market to each other (Subramahi and Rajagopalan, 2003; Watts and Dodds, 2007; Vollmer and Precourt, 2008). In this age of user-generated media, social media is not merely a marketing channel; but it also facilitates WOM (Domingos, 2010). Social media marketing presents communications and sales opportunities for marketers, yet, it is associated with lack of control of various marketing messages (Vollmer and Precourt, 2008). Before constructing social media strategies, marketers must know how to engage consumers to promote products to specific communities in a credible, controlled and cost effective way (Kaikati and Kaikati, 2004; Bampo *et al.*, 2008). Viral approaches have numerous advantages over traditional mass media. For example, there is a natural selection process embedded in the way the message is propagated and this reduces redundancy in the sense that communication is more targeted (Bampo *et al.*, 2008). Viral communication also affords the marketer a greater delivery medium that is more intimate and personalized (Vara, 2006), thereby, increasing the likelihood of reaching "hard-to-get" audience members (Bampo *et al.*, 2008; Stewart, 2008).

Viral marketing campaign is a lower-cost option compared to mass media marketing (Watts and Perreti, 2007; Gilbert, 2008; Li, 2009) and it also allows marketers to target specific customers (Harrison and Barthel, 2009). It appears to be quite a straight forward option for the organisations and marketers to adopt viral marketing strategies; however, the outcome of viral marketing is hard to predict (Watts and Perreti, 2007). Mass marketing, on the other hand, has a far wider reach and marketers can get predictable returns from such campaigns (Joel, 2007). Marketers should carefully consider viral marketing campaigns since they can become unmanageable (Weinberg and Davis, 2005). This can be a major problem for marketers, especially if the campaign does not have the desired outcome (Scott, 2007). Bowman and Narayandas (2001) found that self-reported loyal customers were more likely to talk to others

about the products when they were dissatisfied, but, interestingly, they were not more likely to talk to others when they were satisfied. Hence, marketers need to carefully monitor the early stages of a viral marketing campaign when they may have some control and there is an opportunity to take corrective measures (Lent, 2010). The low cost of social media marketing and the potential to reach and influence millions of people through personal recommendation seems to be a very lucrative option for marketers (Li, 2009). However, if not managed properly, such campaigns also have the potential to get diluted very quickly and thus, become uncontrollable and uncontrollable for marketers (Azua, 2010).

The above literature review has provided an insightful review on social media marketing. The potential of social media marketing to diffuse effective viral marketing has been fully discussed in the light of the changing online communication climate.

1.3 Research Methodology

In line with this study's main objective of exploring the potential of social media for effective viral marketing in Mauritius, an online survey questionnaire comprising of several sections was developed. The various sections of the online questionnaire relates to the adoption of social media, the overall significance of social media compared to traditional media, contributing factors to promote viral marketing and future trends in social media and viral marketing in Mauritius and the last part of the online questionnaire has focused on the demographic characteristics of respondents. In this study, respondents' perceptions on social media strategies and viral marketing were measured on a five-point Likert Scale (1 = Strongly Agree to 5 = Strongly Disagree) and the range of responses for the likeliness to click on advertisements links on social networking sites was never, occasionally, rarely, often and always (1 = Always to 5 = Never). Statistical techniques were used to process the data using descriptive and correlation analysis with the statistical programme SPSS 16.

Prior to data collection for the social media and viral marketing survey, a pilot test was conducted to ensure comprehensiveness, clarity and reliability of the questionnaire. The pretesting of the questionnaire was done among 10 customers randomly chosen, resulting in some minor modifications of the wordings of some survey items on future trends in social media and viral marketing. Internal consistency and reliability of the scale was measured by the use of Cronbach's Alpha (Hair *et al.*, 2000).

1.3.1 Sampling plan

The targeted population of the study consisted of social networking users who are between 18 – 40 Years in Mauritius. The focus was on adult persons because there is greater potential to use social networking sites among this specific age group. The target population sampled was the users of social networking websites of Mauritius and owing to the need for a relatively large sample size while at the same time keeping the research costs down, the sample size of this study amounted to 200 social networking users through judgemental sampling technique. The response rate for the present online study was 75 % which amounted to 150 social networking users in Mauritius.

1.3.2 Internal Consistency of the Questionnaire

The Cronbach's Alpha overall value for the entire questionnaire was 0.687 and such a high figure indicates that the questionnaire is a good indicator of what the researcher wants to investigate. According to Hair *et al.* (1995), a coefficient of less than 0.6 indicates marginal to low internal consistency and a value of 0.60 or more indicates satisfactory internal consistency reliability (Churchill, 1979).

1.3.3 Testable Hypotheses of the Study

1.3.3.1 Influence of Critical Mass on Viral Marketing Diffusion

The main goal of viral marketing is to get users to spread a marketer's message to their friends by using their own networks and to get a large audience as possible for the message (Warkentin and Aaron, 2008). The Internet, with the help of instant messaging and social networking sites, has hyper accelerated the rate at which people talk to each other and has greatly expanded the range of topics they discuss and how they discuss them (Abedniya and Mahmoudi, 2010). Viral messages can reach and potentially influence many receivers, and are usually perceived by mass consumers to be more reliable and credible than firm initiated ones, since senders of viral are mostly independent of the market (Brown *et al.*, 2007). With the increasing growth of online participation, consumers exert greater influence over the products and brands considered for purchase (Reigner, 2007; Van Slyke *et al.*, 2007; Lou *et al.*, 2005). Hence, the first hypothesis of the study is listed below:

H₁ Perceived critical mass has a significant positive effect on viral marketing diffusion in Mauritius.

1.3.3.2 Influence of Peer Pressure on Viral Marketing Diffusion

With increased social networking, viral marketing could encourage consumers to spread their message and entertaining media to their friends and also, in turn, encourage their friends to diffuse forward these messages in a largely chain reaction of consumer awareness (Xu *et al.*, 2008; Jason and Dempsey, 2010; Cheema and Kaikati, 2010). Likewise, Wortman (2008) holds that a consumer's purchasing decisions are influenced by recommendations and referrals from his family, friends and colleagues. Moreover, when it comes to making decisions, people have always been influenced by their peers, group leaders and other influential people in society whose opinions they value (De Bruyn and Lilien, 2008; Sterne, 2010). Many members typically join the social network website such as Facebook because a friend invites them to join (Boyd and Ellison, 2007). Constantinides and Fountain (2008) argued that in social web era, consumer preferences and decisions are based on new inputs provided by parties beyond the control of online marketers such as peer reviews, referrals, blogs, tagging, social networks and online forums. Hence, the second hypothesis of the study is listed below:

H₂ The degree of peer pressure has a significant positive effect on viral marketing diffusion in Mauritius.

1.3.3.3 Trust and Its Impact on Viral Marketing

Trust depends upon the personal trust relationship present between people sharing recommendations (Moorman and Rust, 1999, Keller, 2007, Eccleston and Griseri, 2008). If the consumers think that the comments are posted by high-credibility individuals, they will then have a higher perception of the usefulness of the comment (Augusto de Matos and Rossi, 2008; Cheung *et al.*, 2009). Eccleston and Griseri (2008) found that trust is an ongoing concern since friends and relatives are still the most trusted sources of information. Marketers believe that members of social sites who share information with other members and friends are best target for participation in viral marketing (Jason and Dempsey, 2010). Online opinions concerning personal product experience are often judged as trustworthy, because people acknowledge that the information comes from fellow consumers, perceived as having little vested interest in the product, nor any intention to manipulate the reader (Bickart *et al.*, 2001; Kiecker and Cowles, 2001, Datta *et al.*, 2005). Hence, the third hypothesis of the study is listed below:

H₃ Perceived trust has a significant positive effect on viral marketing diffusion in Mauritius.

1.4 Empirical Findings

1.4.1 Part A: Demographic Profile of Respondents

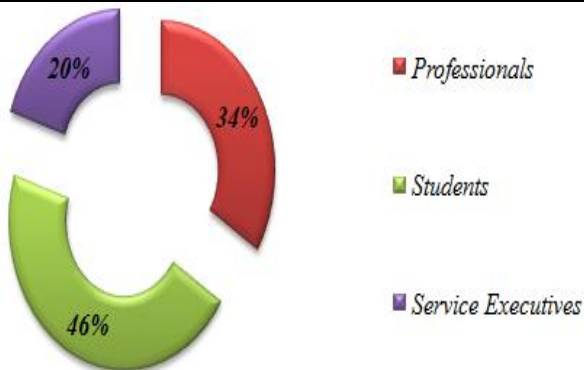


Figure 1.0 Occupational Classification

In terms of occupational classification, 34% of respondents representing the majority were Professionals, followed by Students (46%), Public Service Executives (20%).

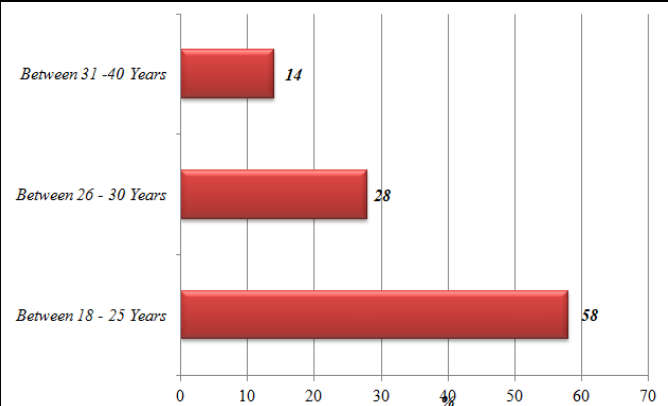


Figure 1.1 Age Classification

As regards to the age classification of respondents, 58% were between 18 - 25 Years, followed by 28% between 26 – 30 Years and 14% between 31 – 40 Years.

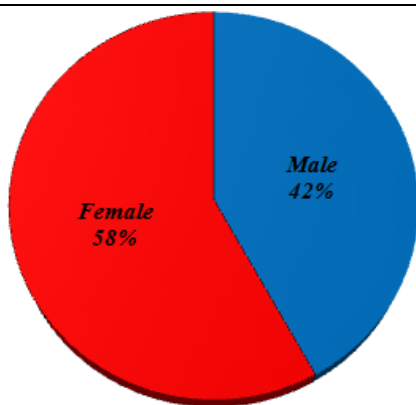


Figure 1.2 Gender

From a gender perspective, 58% which represent the majority are female and 42% are male.

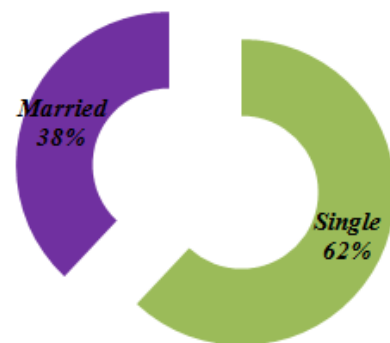


Figure 1.3 Marital Status

In terms of marital status, 62% of respondents were single and 38% of respondents were married.

1.4.2 Part B: Empirical Survey Findings

Customers' Preference for Advertising Media in Mauritius

Empirical findings have shown that ‘*Television*’ was rated as the most preferred advertising media whilst ‘*Internet*’ was ranked the second most preferred advertising media option in Mauritius as shown in Table 1.0 below. The research findings contradicts the views of various researchers who have affirmed that postmodern customers continue to avoid traditional forms of ‘push’ advertising, as they grow increasingly cynical and less attentive (Scott, 2007; Jaokar *et al.*, 2009).

Customers’ Preference for Advertising Media	Ranking In Order of Preference
Television	1 st
Internet	2 nd
Newspapers	3 rd
Radio	4 th
Brochures and Magazines	5 th

Table 1.0- Customers’ Preference for Advertising Media

Customers Opinions on Social Networking Websites

‘Facebook’ is the most preferred social networking website, followed by ‘Twitter’ among the social media users in Mauritius. Likewise, Facebook is defining an age of non-intrusive marketing as pointed out by Safko (2010). In this respect, various companies can capitalize on the potential of Facebook in Mauritius. The survey findings have also depicted that 39% of respondents spend 2 -3 Hours on social network websites daily, followed by 29% of respondents spend 1- 2 Hours, whilst 17% of respondents spend Less than 1 Hour on social networking sites as shown in Table 1.1. As stated by Lindergreen *et al.* (2008), the Internet with the help of instant messaging and social networking sites, has hyper-accelerated the rate at which people talk to each other and has greatly expanded the range of topics they discuss and how they discuss them.

Ranking of Social Networking Websites		Number of Hours Spent on SNS	
Social Networking Websites	Ranking In Order of Preference	No. of Hours Spent on Social Networking Sites	% of Respondents
Facebook	1 st	Less than 1 Hour	17 %
Twitter	2 nd	1 – 2 Hours	29 %
Youtube	3 rd	2 – 3 Hours	39 %
Myspace	4 th	3 – 4 Hours	7 %
Flickr	5 th	More than 4 Hours	8 %

Table 1.1- Ranking of Social Networking Sites and Number of Hours Spent on SNS

The survey findings have also shown that 50.7 % of respondents representing the majority, have between 100 – 200 friends in their social network profile and 21.3 % of respondents have more than 200 friends in their social network profile as depicted in Figure 1.0. Therefore, it can be implied that most respondents have quite a large number of friends in their social network profile.

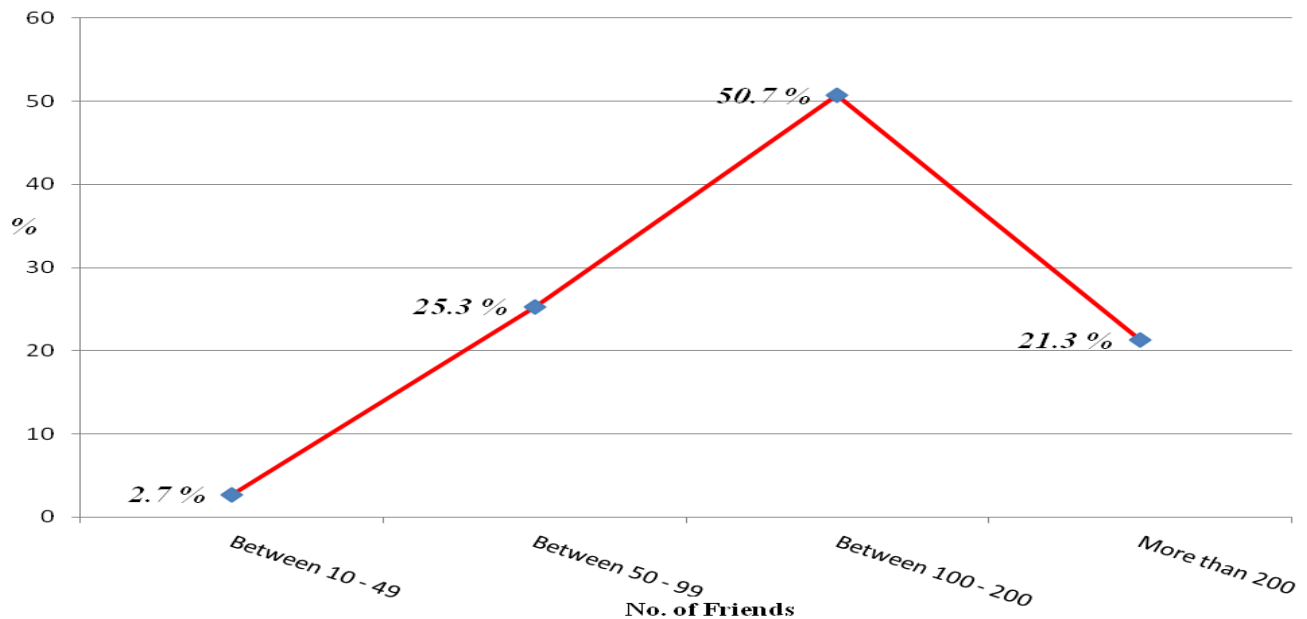


Figure 1.0 - Number of Friends in Social Networking Profile

Reasons for Using Social Networking Sites

Empirical findings have also shown that respondents have quite neutral views on the adoption of social networking sites to add music (*Mean* = 2.97) and share video (*Mean* = 2.91). Survey findings further demonstrate that respondents are on social networking sites to chat with friends and relatives (*Mean* = 1.93). It can thus be deduced that there is a new trend for online socialization emerging among social networking users in Mauritius. Hence, there is a potential for companies to capitalize on social networking sites to promote viral marketing as suggested by Smith (2009) and Helm (2000), viral marketing could encourage consumers to spread their message and entertaining media to their friends and also in turn encourage their friends to diffuse forward these messages (Porter, 2004). Indeed, it should be also noted that ‘*Joining groups of interest*’ was not the main purpose of using social networking sites (*Mean* = 3.27).

Reasons for adopting Social Networking Websites	Mean	Std. Deviation
To meet new people	2.71	1.211
To find old friends	2.43	1.026
To chat with friends and relatives	1.93	0.895
To join groups of interest	3.27	0.969
Use for blogging	2.93	0.981
Use to share pictures	2.41	1.037
Use to share videos	2.91	1.045
Use to add music	2.97	0.965

Table 1.2 - Reasons for Using Social Networking Sites

Significance of Social Media Marketing over Traditional Media Marketing

Empirical survey findings have also shown that all the respondents have noticed an advertising link on the social networking sites due to the fact that social media marketing is more appealing than traditional media marketing. It can also be deduced that 23% of respondents always click on the advertising links, followed by 38% of respondents who often click on the advertising link and 20% of the respondents rarely click on the advertising links, whilst 19% of respondents representing the minority occasionally click on the advertising links when they are in social networking sites as shown in Figure 1.1 below.

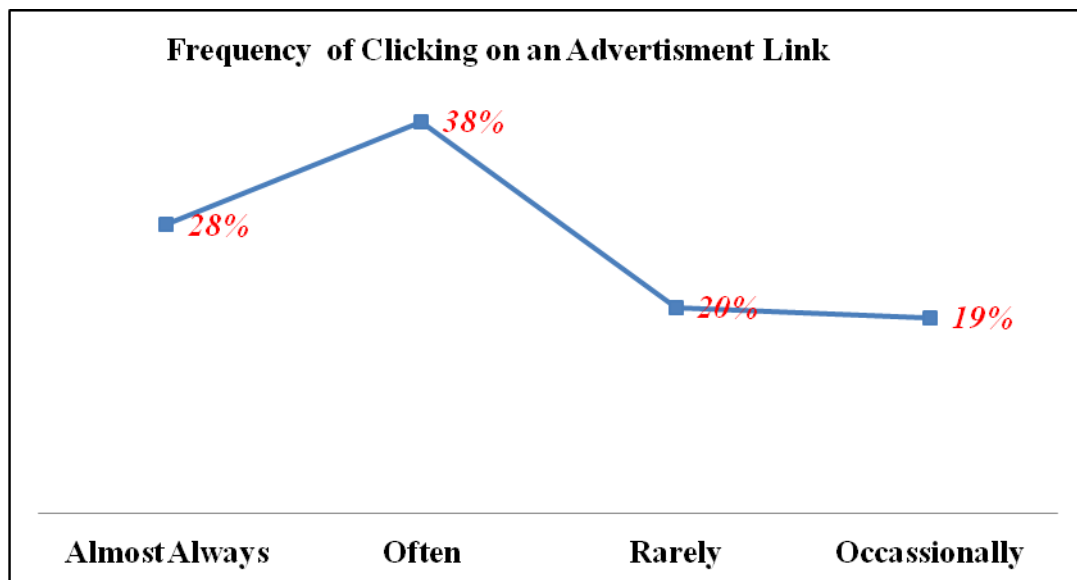


Figure 1.1: Frequency of Clicking on an Advertisement Link on SNS

Factors Influencing Social Networking Marketing and Reasons for Clicking on Advertisement Link

Survey findings have depicted that '*Peer Pressure*' (*Mean* = 1.99), '*Speed*' (*Mean* = 2.29), '*Sharing of Information*' (*Mean* = 2.29) and '*Critical Mass*' (*Mean* = 2.19) are the contributing factors that can influence social media networking in Mauritius as shown in Table 1.3.

Factors Influencing Viral Diffusion on SNS	Mean	Std. Deviation
Critical Mass	2.19	0.880
Speed	2.29	0.938
Trust and Credibility	2.91	0.929
Personal Choice	2.46	0.791
Information Sharing	2.29	0.832
Playfulness	2.79	1.168
Peer Pressure	1.99	1.105
Ease of Use	2.55	0.909

Table 1.3 – Factors Influencing Viral Diffusion on SNS

Survey results have also depicted that social networking users are not interested in advertising because of celebrities (*Mean* = 3.24). Indeed, they will be more likely to click on an advertisement referred by a member of their social network due to the fact that they trust the friend referral (*Mean* = 2.10) as clearly illustrated in Table 1.4. It is also crucial to note that celebrities usually have most number of followers on social networks, but they do not necessarily influence their followers' buying decisions (Gupta, 2011).

Main Reasons for Clicking on Advertisement Links	Mean	Std. Deviation
It is interesting and relevant to what I want	2.66	0.975
There is a hint of promotion in advertisement links.	2.92	0.807
I am interested by an advertisement by a celebrity	3.24	0.808
I trust a friend referral for advertisement links.	2.10	0.849

Table 1.4 - Reasons for Adoption of Social Networking Sites

Determining Constructs Affecting Consumers' Purchasing Decisions

The survey revealed that price is the first factor that affects the purchase decisions of consumers.

It is also observed that friends' referral is at the second determining construct impacting on consumers' purchasing decisions in Mauritius, followed by family members as clearly shown in Table 1.5. As pointed out by Weinberg and Davis (2005), many customers trust other people's recommendations instead of advertisements. Therefore, it can be implied that customers are very much likely to seek advice from friends and family members before their purchasing decision processes.

Factors impacting on Customers Purchasing Decisions	Ranking In Order of Preference
Price	1 st
Friends	2 nd
Family Members	3 rd
Quality of the Products	4 th
Creative and Original Advertisements	5 th
Positive Testimonials in Advertisements	6 th

Table 1.5 - Factors impacting on Customers Purchasing Decisions

1.4.3 Hypothesis Testing

1.4.3.1 Hypothesis Testing 1

Influence of Critical Mass on Viral Marketing Diffusion

H₁ Perceived critical mass has a significant positive effect on viral marketing diffusion in Mauritius.

The present survey findings demonstrate that critical mass has a positive effect on viral marketing diffusion in viral marketing in Mauritius ($r = 0.122$; $p < 0.01$). Therefore, it can be further deduced that critical mass will promote greater diffusion in viral marketing. Indeed, the more the users participate in social networking sites, the more likely will be their willingness to promote viral marketing. Likewise, various researchers has depicted, consumers can exert greater influence over the products and brands considered for purchase with the increasing growth of online participation (Brown *et al.*, 2007; Reigner, 2007; Warkentin, 2008). Hence, *H₁* should be accepted.

1.4.3.2 Hypothesis Testing 2

Influence of Peer Pressure on Viral Marketing

H₂ The degree of peer pressure has a significant positive effect on viral marketing diffusion in

Mauritius.

Empirical results have depicted that there is a quite weak positive relationship between the influence of peer pressure and diffusion of viral marketing content ($r = 0.131$; $p < 0.01$). In this respect, it can be further implied that the greater the participation of users in social networking sites through the influence of peer pressure, the more they will be willing to engage in viral marketing. In a similar vein, Wortman (2008) affirms that consumers' purchasing decisions are influenced by recommendations and referrals from his family, friends, and colleagues and as pointed out by Boyd and Ellison (2007), many members typically join the social network website such as Facebook because a friend invites them to join. Hence, **H_2** should be accepted.

1.4.3.3 Hypothesis Testing 3

Trust and Its Impact on Viral Marketing

***H_3** Perceived trust has a significant positive effect on viral marketing diffusion in Mauritius.*

The present survey findings have also demonstrated a weak but positive relationship between trust and its overall impact on viral marketing diffusion ($r = 0.109$; $p < 0.01$). Thus, it can be deduced that online trust is an important consideration for promoting viral marketing on social media sites in Mauritius. Similarly, as clearly stated by Augusto de Matos and Rossi (2008) and Cheung *et al.* (2008), if the consumers think that the comments are posted by credible individuals, they will then have a higher perception of the usefulness of the comment and various researchers have pointed out that online opinions are often judged as trustworthy, because people acknowledge that the information comes from trusted consumers (Bickart *et al.*, 2001; Kiecker and Cowles, 2001, Datta *et al.*, 2005). Hence, **H_3** should be accepted.

1.5 Managerial Implications and Recommendations

The paper has highlighted the potential of social media marketing to promote effective viral marketing in Mauritius. The paper has further demonstrated that there are various factors for influencing viral marketing diffusion on social networking sites. Some major implications

concerning the potential of social media for effective viral marketing diffusion can be drawn from the findings of the present research. Business executives and marketers should capitalize on social media marketing in order to promote effective viral marketing in Mauritius since visiting social sites is now the fourth most popular online activity with two thirds of the global Internet population visiting social networks as stated by Burmaster and Covey (2009). Likewise, empirical findings of the present study have revealed '*Internet*' was ranked the second most preferred advertising media option in Mauritius. Therefore, marketers can emphasize on the potential of the Internet to communicate with customers and as pointed out by Lindergreen *et al.* (2008), the Internet with the help of instant messaging and social networking sites, has hyper accelerated the rate at which people talk to each other and has greatly expanded the range of topics they discuss. Hence, it can be further implied that social media marketing represents a challenging opportunity for marketers for diffusion of viral marketing content in Mauritius.

Another significant implication of the study relates to 'Facebook' as being the most preferred social networking website, followed by 'Twitter' among the social media users in Mauritius. Therefore, marketers should ensure an online presence on these social networking sites such as Facebook and Twitter and in turn, they should promote their new product and service offerings on these social platforms as empirical evidence have demonstrated that 39% of respondents spend 2 -3 Hours on social network websites daily, followed by 29% of respondents who spend 1- 2 Hours on social networking sites on a daily basis. In this respect, marketers should further ensure that customers are empowered with strategic information on social networking sites, thereby, enhancing product awareness on social media platforms. Moreover, the survey findings have also depicted that 50.7 % of respondents representing the majority, have between 100 – 200 friends in their social network profile and 21.3 % of respondents have more than 200 friends in their social network profile. Survey results have further demonstrated that critical mass has a positive effect on the rapid diffusion in viral marketing in Mauritius ($r = 0.122$; $p < 0.01$). In this respect, marketers should further explore the potential of social networking sites for effective viral marketing in Mauritius since the social media users are regularly communicating with friends and relatives on SNS.

Hence, it can be also inferred that there is probability for diffusing viral marketing content since results of the study also outlined that 23% of respondents always click on the advertising links,

followed by 38% of respondents who often click on the advertising link and 20% of the respondents rarely click on the advertising links when they are in social networking sites. In this respect, marketers should fully exploit social media marketing strategies as social networking users are willing to click on advertising links while they are on social media sites. The advertising links should have a distinctive appeal to customers and at the same time, marketers should ensure positive customer interest so as to diffuse the content to their social networking friends. Similarly, a viral advertising campaign will have a better chance of being forwarded by consumers if it connects with their personal interests. Moreover, a viral campaign on mobiles will be more successful if the mobile marketer assures consumers that their friends or relatives will be interested and will benefit if they send them promotions. Therefore, marketing practitioners should understand the mindset of prospective consumers and their friends and relatives in a constructive manner. In this respect, it is advisable to mine consumer data collected from social networking web sites for more effective viral marketing campaigns in the future.

Survey findings have further demonstrated that respondents are on social networking sites to chat with friends and relatives (*Mean = 1.93*). It can be deduced that there is a new trend for online socialization emerging among social networking users in Mauritius. Therefore, customers are in a better online position to share the '*word*' of various companies to their respective friends and family members. Business executives should not only rely on static websites for securing an online presence among customers. Empirical findings have depicted that '*Peer Pressure*' (*Mean = 1.99*), '*Speed*' (*Mean = 2.29*), '*Sharing of Information*' (*Mean = 2.29*) and '*Critical Mass*' (*Mean = 2.19*) are the factors that can influence social media networking and viral diffusion in Mauritius. Hence, marketers should take into consideration these four determining factors while they are working on their viral marketing campaign. Similarly, users will be more likely to click on an advertisement referred by a member of their social network due to the fact that they trust the friend referral (*Mean = 2.10*). In this respect, trust in an online social context is another important construct for the diffusion of viral marketing content in Mauritius. Thus, viral marketers should ensure that credible information is provided in viral marketing campaigns and in turn, advertising links should be credible with factual information provided to social media users.

This study also confirms a positive relationship between trust and viral marketing diffusion ($r = 0.109$; $p < 0.01$). Therefore, marketers should further engage customers in promoting effective viral marketing by securing more trust-based relationships in social networking platforms. In addition, marketers should cultivate emotional social customer relationships with social networking users. Customers can further participate by voting on their favourite ideas or innovations and greater incentives such as e-coupons and free e-vouchers can be provided to social networking users for promoting online messages to their friends. Hence, both private and public companies should adopt social media marketing as a strategic business imperative due to the fact that viral marketing works because friends are better at marketing than any database as clearly outlined by Bulkeley (2002). Similarly, it has also been observed that friends' referral is the second determining factor impacting on consumers' purchasing decisions in Mauritius, followed by family members.

Empirical results have also depicted that there is a positive relationship between the influence of peer pressure and diffusion of viral marketing content ($r = 0.131$; $p < 0.01$). In a similar vein, Eccleston and Griseri (2008) have affirmed that trust is an ongoing concern since friends and relatives are still the most trusted sources of information. In this respect, marketers should promote credible messages in their viral marketing campaigns in order to secure trust-based relationships and connections on social networking sites. Another major implication of the study pertains to negative word of mouth associated with social media marketing. If a product or service has not been well designed, social media users will engage in negative referral of the products and services, thereby, affecting adversely the image and reputation of the company. The negative word of mouth can be very destructive for advertising as the information is spread exponentially over social networking sites at a faster pace. Hence, marketers should further ensure greater trust and credibility in all the advertising messages on social media sites.

1.6 Conclusion and Directions for Future Research

There is a powerful urge for companies to embrace social media marketing for effective viral marketing. Far from having reached its pinnacle, social media marketing and viral marketing have still a long road to travel in both research and practice. The present study has highlighted the potential of social media marketing for effective viral marketing among social networking users in Mauritius. There is equally strong empirical evidence in the study concerning

favourable perceptions towards social networking media. Yet, it has been found that there are various determining constructs for promoting effective viral diffusion in the context of Mauritius. It is highly recommended that both private and public companies capitalize on effective social media marketing in order to engage greater diffusion of viral content. Greater incentives should be provided to social networking users to spread the online word on social networking sites. Marketers should develop social commerce campaigns that target a specific customer need with time-sensitive offers or discounts that motivate customers to act. Marketing practitioners should also ensure that content is fresh and relevant for people to engage and keep coming back on social networking sites. Social network users should be offered with various incentives for sharing content with friends to capitalize on the viral benefits on social networking platforms in order to create a wonderful social media experience. The research results will also form useful and practical tools for the policy makers who are responsible for developing and implementing viral marketing campaigns in Mauritius.

1.6.1 Limitations of the Research

The present study has analyzed the potential of social media marketing on effective viral marketing in Mauritius. The study had some potential limitations as focus was only on perceptions of social networking users in Mauritius and the underlying perceptions of business executives and marketers on social media marketing and viral marketing strategies have not yet been tapped. The findings need to be further validated as the empirical results have provided a broad investigation on the effectiveness of social media marketing for effective viral marketing diffusion. Specific constructs and predictors for promoting viral marketing on social networking sites have not been predetermined and thus, the research has some conceptual limitations in the arena of social media marketing and viral marketing diffusion.

1.6.2 Future Research

In this respect, further research is clearly needed in order to enhance the understanding of social media marketing and viral marketing in Mauritius. Research should extend to business executives and managers in order to allow a comparative analysis of the potential of social media marketing on viral marketing in Mauritius. Future qualitative studies could focus on specific social media sites such as Facebook and Twitter to deepen social networking users' understanding and their level of engagement on diffuse viral marketing content in Mauritius.

Moreover, supplementary qualitative research in terms of focus group discussions with social networking users can provide additional evidence to support the existing findings relating to their viral attitudes and intentions on social networking sites. Furthermore, specific determinants such as provision of electronic incentives, e-trust and social customer relationships could be further explored and the relationship intensity of each construct to enhance the viral attitudes on social users can be established and validated by a conceptual model.

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A Research on Innovation Models and Evolution Process of Product and Service

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Abstract: This article tries to explore the internal logic and development process within product

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innovation and service innovation. In the past, product innovation was mainly in the expansion of product line and product upgrading, and service innovation was mainly in the expansion of service content and the optimization of service process. With the help of the internet, both product innovation and service innovation embody interdependence and mutual insertion. Taking iPhone for example, its products and services are well integrated with the help of the music and application software services supplied by iTunes and App store, making it a classic case of product servitization. The Android operating system developed by Google is another case. With a great deal of application software based on this system integrating many brand products, it becomes a classic case of service productization. This article adopts the method of multiple cases analysis to discover and verify the evolution logic and interaction mechanism of product and service in the innovation process by case study on product innovation and service innovation as well as the interaction between them, and tries to grasp the developing orientation of product and service innovation in future so as to provide certain theoretical instruction and tendency guidance for the innovation activity of enterprises.

Key words: product innovation, service innovation, product servitization, service productization, evolution logic, interaction mechanism

The concept of innovation has become one of the most important contemporary theories which closely integrate science, technology and economy after continuous enrichment and development since its birth in the early 20th century. According to the definition of Schumpeter J.A. (1912), innovation means introducing an unprecedented “new combination” of production elements into the production system. This new combination includes: (1) introducing new product; (2) introducing new technology; (3) developing new market; (4) controlling new supply sources of raw materials; (5) realizing new organization of industry. In recent decades, on one hand, the constant changes of the operation and management environment make new requirements on product and service innovation, which highlights the roles of product and service innovation on improving the competitiveness of enterprises; on the other hand, the swift development of science and technology not only shortens the life cycle of the products but also lays a solid foundation for the innovation of product and service.

The traditional innovation model of product and service are mostly reflected in the expansion and optimization of the product or service themselves, but under the background of

rapid development in science and technology nowadays, especially the popularization and application of the internet, new changes occur to the internal logic and development process of product innovation and service innovation. Enterprises no longer rely on one dimension extension of product or service, instead, they choose multi-dimensional angle of view, which expands people's understanding on the relationship between service and product to a great extent.

Based on the analysis of multiple cases, this article believes that the development logic indicated in Fig. 1 exists in the product and service innovation process:

	Product	Service
Product	$P + P$ $P \times P$	$S + P$ $S \times P$
Service	$P + S$ $P \times S$	$S + S$ $S \times S$

Fig. 1 Product/Service Innovation Process

The product innovation under traditional thought is the P+P model, and the strategy of enterprise diversification lies in developing new product business units to expand market space. With the same logic, service suppliers adopt the S+S strategy to develop new service to meet the market demand on a larger base. Along with the increasingly fierce competition in the product market and the improvement of the service industry in the economy, service innovation becomes more and more important. Some manufactures start to provide service with additional value except focusing on the product so as to obtain the leapfrog development, i.e. choosing the P+S model. In the meantime, many service suppliers enter the manufacturing industry after accumulating capital, fully understanding the market information and possessing certain customers and other core resources. Manufacturing products with independent brands becomes a normal orientation for the strategic upgrading of service enterprises. This model is indicated as S+P.

Besides the mutual penetration in the fields of service and product on business extension model, there are also phenomena of interdependence and mutual insertion between product and service in the innovation process. That is to say, new product or service is not a simple increase of the quantity, but a logic connection with the previous product or service, and the synergistic

effect of $1+1>2$ can be produced between them. These phenomena occur most frequently in technology enterprises. The logic and mechanism of each model will be elaborated one by one in this article by analyzing individual cases.

I. The PP Models

1. The P+P Model

Product is an important part of market offering. Marketing mix plan starts from forming an offering which can bring value for target customers, meet their demands, and become the foundation of the profitable relation between the companies and the customers. However, along with the changes on consumer preferences, technology and competition situation, present products cannot meet the survival and especially development need of enterprises, so it requires enterprises to keep developing new products to extend and expand their product line. Developing new products is conducive to improve enterprises' market competitiveness, to solidify and expand the market share and improve their market status, to develop new operation scope to lower the risks and strengthen their corporate brands.

The fast-moving consumer goods (FMCG) industry is the optimal representative of practicing the P+P model. The product varieties of P&G, ranging from shampoo, soap, bath foam to toothbrush and toothpaste, almost cover all personal daily hygiene products. P&G also possesses cosmetics, shaver, and even foods. The sustaining product innovation ensures P&G not only economic benefit but also a powerful and creative brand image. The same experience also happens to other FMCG enterprises, such as Unilever, Mars, Master Kong, Uni-president, and Wahaha.

2. The P×P Model

Another model of product innovation is mainly based on the information technology. The new products from this type of innovation are not independent from the original products, and the synergistic effect is generated from information sharing or other forms between them, which play the role of interdependence and mutual promotion. Thus it enhances the market attractiveness of the original products and expands the market share; meantime, the new product also develop new profit growth points for enterprises.

Almost all the serial products of SONY, ranging from camera, video camera, cell phone,

laptop, MP4 to games devices, can realize information transfer with the memory stick produced on its own. All types of products do not exist separately, but reach unified effect with the help of the memory stick media when playing different functional attributes. In turn, the exclusive effect generated from the specificity of the memory stick increases the transfer cost of the consumers, which makes the products of SONY form its own independent and complete digital life circle.

The P×P model gives good inspiration to the producers in information industry: the new products may share information with the original products by certain media when they are developed, or the producers may improve the compatibility, intercommunity, sharability of the new and original products by other ways to increase User Stickiness.

II. The PS Models

The primary goal of many manufacturing enterprises is to produce the products that can meet the potential demands of the users. Along with the increasingly fierce competition, industry segmentation and technology development, and product homogenization in the manufacturing industry, the ever successful measures such as low cost and price war start to become out of use. The endless price war gives the overall profit of the industry to the buyers. As the overall profit of the manufacturing industry declines, the manufacturers start to focus on service, thus a new manufacturing model of “centering on product, making profit on service” becomes increasingly explicit.

The servitization of products, or even manufacturing enterprises, has multiple meanings under the present business environment of fierce competition. First, the traditional differentiation strategy of products could be modified by combining the product and service to improve the sales profit. Second, the enterprises start to gain profits not only from product sales, instead they could enter the service industry related to the products to change the one dimension development model and realize the diversification of profit output so as to reduce the huge risk implied in the single profit structure. Third, different from the previous model of only relying on product sales, by providing product-related services to the consumers, the enterprises can accurately grasp customers’ feedback of new demands on the offering, which is advantageous to intensify the interaction between the manufacturers and the consumers, improve the consumers’ loyalty, and intensify the market appeal.

1. The P+S Model

The “4S” (Sale, Spare part, Service, Survey) shop of automobile manufacturers is the representative of this model. The manufacturers, including TOYOTA, Volkswagen and GM, not only provide good quality products, but also give unified training to the service personnel, design unified shops and provide all types of services such as repair, maintenance, spare parts changing etc. in the “4S” shops.

As the long-term leader in the computer industry, IBM has conducted business cut and shrinkage on many products except keeping the market share on high-end servers in recent years. It distributes more resources to service supply and technology R&D, which makes it the globally largest company in information technology and business solution and enables the old manufacturing enterprise full of energy in the market.

In China, the most persuasive case of the P+S model is Haier, the leader in the home appliance industry. By virtue of differentiated “star service system” built by all-round and heart-to-heart “zero distance” service, Haier keeps far ahead in the market.

As Chinese shortage economy changes to surplus economy, the choosing space of the consumers becomes larger, and the enterprises will encounter huge competitive pressure if they only rely on product sales. “Value-added service” not only improves the brand image but also enables the enterprises to find new profit points on the value chain so as to comprehensively enhance their competitiveness.

2. The P×S Model

The P+S model, in which service is added in addition to the product, aims at bringing satisfaction to the consumers by service so as to promote the sales of the product, while the P×S model aims at integrating products and services and building favorable platform with good quality products so as to make consumers experience unique services. Quality services can fully develop the feature of the products, and the value of the products provided to the consumers can be more humanized and oriented to the demand of the customers by service provision. The enterprises carry out the product servitization to form a complete industrial ecosystem which can increase the consumer stickiness and transfer cost so as to develop a large number of loyal customers in constant product and service upgrading.

Apple Inc. is a good case for explaining the P×S model. Apple Inc. constantly upgraded its

products in its early age with many products which was beyond the expectation of the consumers at that time. In the end, it made the consumers aware of its strong R&D ability, however, not with strong profitability. Until the birth of iTunes along with iPod, the express music service supplied by iTunes enabled iPod to truly realize enrichment and individuation, which made Apple took a leading position in the industry. Afterwards, iPhone was attached with App store by which Apple redefines cell phone. The application program service perfectly stimulates the function of cell phone, and a great number of good quality App store software make the users strongly dependent on iPhone, which leaves other competitors far behind in the market.

Recently the popular M1 cell phone in China also adopted a similar strategy. With high-performance hardware product terminal and MIUI, a secondly developed Android operating system and communication application service, M1 caused a great shock in the Chinese cell phone market. Though its success still needs to be further verified by the market, this model gave great expectation to the market.

The innovative business model of product servitization provides new thoughts and practical frame for manufacturing enterprises and enables them to integrate hard management and soft management, bringing unique added value to consumers.

III. The SP Models

1. The S+P Model

The S+P Model means the service enterprises make profit from product sales or selling products in the process of providing service. Circulation enterprises, such as SUNING Appliances, Walmart and Watson etc., typically adopt the S+P business model.

The transformation of physical bookstore also explains this model. Before the internet and new media influence the book retail model like today, bookstore is a very important way for consumers to acquire knowledge. At that time the bookstores mostly provided only books. Nowadays the survival space for traditional bookstores becomes smaller and the situation becomes increasingly severe. Many remaining bookstores start to transform by adding new product category. For instance, Librairie Avant-Garde in Nanjing sales decoration, cards, coffee and tea besides books, which enhances the average profit level and at the same time makes this bookstore become a multifaceted spiritual home.

2. The S×P Model

From the changes occurred in the increasingly mature service market, we can see that service productization has become a tendency.

There are plenty of cases of service productization in the IT industry. Taking Google's Android operating system for example, thanks to its openness, Android attracts a large number of developers around the world to develop application programs on this platform, creating a service system which can meet the demands of all kinds of consumer groups. Google also opens this ecosystem to IT equipment manufacturers. Except for a few manufacturers like Apple and Nokia who still use their own independent operating systems, the number of the IT terminals equipped with Android operating system increased exponentially in a short time. The mutual promotion between service and product will intensify the tendency.

After providing the sales service of e-books besides physical books, the online retailer giant Amazon also provides the market with an e-book reader called Kindle on which users can download e-books not only from amazon.com. With its long term planning in the e-book field, Amazon controls the commanding heights of the e-book market, attracts numerous consumers to purchase Kindle reader to obtain good reading experience of e-books, and further promotes the explosive growth of its e-book sales through the bundle sales of Kindle reader.

Just like product servitization, service productization builds a seemingly open closed-loop ecosystem which enables the dominating enterprises to enjoy the cake jointly created by all stakeholders including consumers, competitors and suppliers.

IV. The SS Models

1. The S+S Model

Under the guidance of overall strategy and innovation strategy, the service enterprises will provide different new services ranging from style change to brand new service offering according to the change of the market demands or under the push of other environmental elements, which forms added value of current services.

Service is a process in nature and has features such as “intangibility”, “simultaneity of production and consumption”, “fugitiveness” and “non-storability”. Therefore, service innovation has unique nature difference from product innovation. Lin Lei (2007) believes that service innovation includes the following characteristics: (1) The connotation of service

innovation is much richer than that of manufacturing innovation and quite different from manufacturing innovation in forms and details; (2) Service innovation process, in which the customers will actively participate, is a more complicated process than technology innovation; (3) Service innovation process includes considerably rich interaction including internal and external interaction; (4) The production mode of new services has diversity; (5) The development cycle is short and there is no special R&D department.

As a most basic service extension and expansion model, the S+S model includes fundamental service innovation, i.e. introducing new service type, and gradual service innovation, i.e. innovation in service mode, content and style.

Circulation enterprises provide the customers with consultation, design, delivery, installment and after-sale service by building sales network so that the customers can conveniently obtain the products they want. For providing the above services on a higher level, these circulation enterprises build efficient information system, logistics and distribution system and other support facilities. For instance, SUNING Appliances manages the large information database for communication between the company and the customers by its strong call center so as to better complete the service function based on product sales.

Expanding the survival space of service enterprises, the S+S model is the most direct logic for the enterprises in this field. This model is the most appropriate one especially when the small and medium enterprises have no resources to reach the stage of service productization.

2. The S×S Model

Similar to the P×P model, the S×S model aims at integrating the new services with original services to produce the synergistic effect. The occurrence of new services causes great change of function and attribute of the original services, which not only expands the users but also provides more strategic development space to enterprises.

The S×S model adopted by Public Comment Network (www.dianping.com), which has recently been a hot topic in China, deserves to be mentioned. Since 2003, Public Comment Network has been engaged in the services on urban life and consumption guidance. A great number of third party independent comment information are produced through UGC, building an interactive platform of complete shop information, preferential consumption information and release of consumption comments. Along with the emergence of smart phone, Public Comment

Network provides mobile client terminals and introduces LBS technology so as to present the original service information more perfectly. Meantime, it makes the users have stronger desire of use through the “sign in” function. In addition, the launch of group purchase service pushes this website to a higher level. It can not only provide one-stop accurate marketing solutions for small and medium shops, but also integrate the group purchase model with the user comment model so as to generate interactive function. It is under heated discussion nowadays whether Public Comment Network will become another giant enterprise with the capital of ten billion Yuan.

The tycoons of the internet enterprises use this S×S model more freely. Taking Google for instance, in the past it only provided information search service, but now Google’s service has extended to calendar, map, news, discussion, and email etc. which are based on information search. All theses services can be mutually shared on the basis of internet. The users can use computers, smart phones or internet terminals to apply these functions very conveniently to solve many problems in daily work and life so as to effectively improve the life quality.

The S×S model not only expands the market due to the new services, but also intensifies the market penetration of the original services. It is an innovation path which deserves many service enterprises to use for reference.

V. Conclusions and Suggestions

From the analysis on the above cases, we can have a clear view of the business innovation models built by integrating service and product. But what truly counts is not just knowing “where we are now”, the more important thing is knowing “where we would be tomorrow”. With the two coordinates of “today” and “tomorrow”, enterprises will be more confident in the path connecting the two points.

This article believes that the future tendency of enterprises’ development strategy can be indicated in Fig. 2:

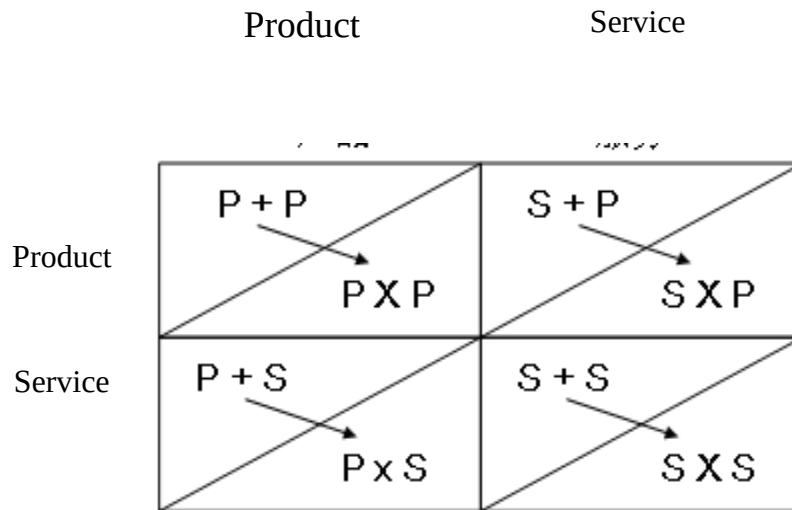


Fig. 2 Evolution Process of Product/Service Innovation

First, as the “shortage economy” changes to the “surplus economy” in China and the entrepreneurs gradually get proficient in modern marketing knowledge, the simple extension of product and service cannot meet the demand of the customers on integration and value added solution. Interactive models must be an orientation, i.e. the top left corner of each matrix will evolve to the bottom right corner of each matrix so that the enterprises can fully make use of the limited resources to reach multiplying benefit surrounding the core competitiveness.

One of the key strategic resources for this evolution is the internet! For both product and service, the “+” referred to in this article, i.e. the relation of “adding”, means the new product/service added to the original product/service in the innovation process only have an additional or extensional relation with the original product/service. While based on the internet, the new product/service added to the original product/service in the innovation process have not only an additional or extensional relation with the original product/service, but an interactive “ $\times$ ” relation mentioned in this article, i.e. the relation of “multiplying”. From “adding” to “multiplying”, or from “additional” to “interactive”, this is the essence of the evolution being researched in this article.

Second, two points deserve to be paid attention to based on this research:

(1) The interactive model between product and product ($P \times P$) will evolve to the interactive model between product and service ($P \times S$). As the imitative ability on products among enterprises becomes stronger and products become more and more homogenized, it is increasingly difficult for enterprises to win by economy of scale and economy of scope, and competition by tangible

products only is not enough to differentiate the enterprises significantly. The powerful function of the intangible competition mode of “value-added service” is extensively verified in business practice. The enhancement of service consciousness, the improvement of service level, the enrichment of service content, and the diversification of service mode strongly push forward the manufacturing enterprises to step on to a new phase.

(2) The interactive model between service and service ($S \times S$) will evolve to the interactive model of service and product ($S \times P$). Since in the service industry, there are not much company which is providing pure service. From pure tangible product to pure intangible service, it is a continuum. For service companies, by interacting the physical parts with the invisible parts of their offering, they are applying $S \times P$,

The internet industry becomes the most important representative of this model. Nowadays we can see many internet enterprises engaged in service innovation provide numerous good quality services in a short time and deliver the services to the customer by all kinds of terminal equipments. Under the traditional model, these terminal equipments are supplied by third party manufacturers. As the service suppliers and the product suppliers cannot reach complete matching and connection after all, these channels (or suppliers) will restrain the service enterprises to provide maximum value to target customers. Therefore, when the internet service enterprises are aware of the consumption demand changes, they can change the product media forms to adapt to these changes. Developing the products and building unique terminal channel, matching their own services with products on a higher level, building an ecosystem to provide all-round solution to the customers – the above measures will greatly increase the transfer cost of customers so as to win more loyal customer groups as shown in Fig. 3:

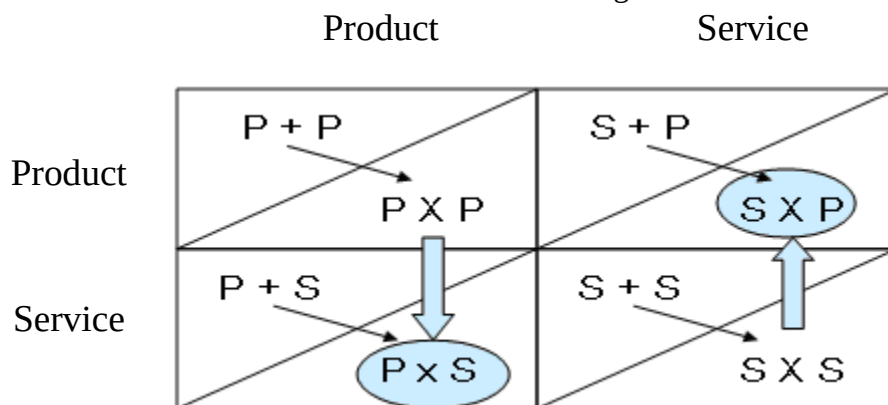


Fig 3: Evolution Process and Interactive Models of Product/Service Innovation

Finally, the S × P model and the P × S model will co-exist in the overall market in future. We are looking forward to such a market in which products and services will not be separated any longer, the growth of enterprises will not depend on the logic of simple expansion, extensive resources competition will no longer exist among enterprises, and the customers will truly enjoy appropriate, individualized and one-stop-solution consumption experience.

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Study of the impact of paid referral reward programs on referral intention —a case of online group shopping

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Abstract

The paid referral reward programs, which means that the group shopping website provide rewards to existing customers to encourage them to make recommendations to others, are useful for the promotion of website. As prevalent WOM management tools, they get close attention for practitioners and theorists. The existing researches tend to check the effect of them and their referral likelihood.

The purpose of this study is to explore how paid referral reward programs and tie strength influence customers' referral likelihood. The contents consist of the mediating effect of the perceived social risk, the moderating effect of tie strength and the regulatory focus.

This study reviews and summarizes the relative theories of paid referral reward programs, perceived social risk, regulatory focus and so on. With the experimental methods of psychology, this study gets the 2*2*2*2*2 between subjects experimental design. By the method of ANOVA and regression analysis, we draw the main research conclusion as follows:

1. The perceived social risk has a mediate effect on the tie strength between reward amount, reward types, reward distribution, quantitative restrictions and customers' referral likelihood. There is a trust mechanism between strong ties, so existing customers' perceived social risks are lower, and their referral intentions are higher.

2. When reward intensity is greater, the perceived social risk is higher. With more rewards, they cancel each other, and lead to unobvious effects.

3. The moderating effect of regulatory focus has three aspects: Tie strength's effect toward referral intention, reward distribution's effect toward referral intention, and reward types' effect toward referral intention. Findings indicate that a promotion-focused giver intend to select cash, reward giver and recipient. Besides, a promotion-focused giver is sensitive to positive outcomes, so he is willing to referral WOM toward strong ties.

The conclusions of this study have theoretical contribution in online paid referral reward programs research, and also have practical meanings for the WOM referrals management of online group shopping website and others.

KEY WORDS: group shopping website; paid referral reward programs; perceived social risk; regulatory focus

1 Introduction

Network group purchase is a rise in the 2010 C2B e-commerce model, refers to the consumers through the Internet Group buy the same price discounts, as an effective website promotion strategy, paid referral reward programs have also been more and more widely applied. In essence, paid referral reward programs is a reputation management tool (Wang Xiaoyu,2010),

is the enterprise obtaining new customers common marketing scheme (Philipp Schmitt,2007). The program facilitates enterprise award original customer, build the customer base, so compared with the traditional marketing tools, more targeted. Especially in e-commerce, the rapid development of information technology has provided more media and space to spread word-of-mouth. In terms of Network group purchase, most group shopping websites introduced various types of referral reward programs to acquire new customers.

Although the scholars has researched the material reward, reward object, the amount of material reward allocation, the relationship strength between presenters and recommended, brand strength, however, the exited research of paid referral reward programs study mainly from the perspective of material reward, brand strength, the strength of external relationships , rarely from the perceived social risk intrinsic factors, Also studied rarely on recommend the personality traits as a starting point

Based on this, this article looks the group shopping website paid referral reward programs as the research object. On the theoretical and practical basis of referral reward programs and regulatory focus, further study on intermediary effect of perceived social risk and intermediary effect of adjusting focus tendency of consumers. The conclusions of the study on the online paid referral reward program theory development has certain contribution, at the same time, provides better practical value for the group purchase website electronic commerce development.

2 Literature review and comment

2.1 Group network's paid referral reward program

The group purchase website paid referral reward program is defined as a network management tool. It is primarily through instant communication tools (MSN, QQ), Email and other Internet media, transfer group purchase sites for word-of-mouth to provide unique URL link, along with a positive word-of-mouth reputation information website, recipient received through the URL link to register as a group purchase network member and consumer, group purchase site will give reputation spread at the same time also gives the recipient, or certain incentives. Although the group purchase website paid referral reward program is a network

management tool, but its transmission characteristics are between the traditional word-of-mouth and Internet word of mouth.

2.2 Paid referral reward programs and recommendation intention

Paid referral reward programs as a reputation management tool, in the real goods and services industries have achieved extensive application. Specifically, it is refers to the enterprise through various forms of incentives to encourage existing customers recommend new customers marketing scheme (Helm& Schlei 1998; Ennew, Banerjee&Li2000; Wirtz&Chew 2002), is the traditional word-of-mouth is outspread with development, to the enterprise performance has significant positive effect on (Ryu&Feick,2007), many scholars paid recommended reward plan than other marketing tools have better target and cost effectiveness (Mummert,2000).

On paid referral reward programs research results according to the different starting points, can be divided into two types, namely, from the view of enterprise and consumer perspective : A Perspective of enterprises as the starting point: Helm& Schlei (1998) found that, relative to the intangible encouragement, tangible rewards on Recommender recommendation have greater incentive effect; Biyalogorsky, Gerstner& Libai (2000) found, price discount and paid referral reward programs can encourage consumers to other people recommend products / services related to positive information, but two kinds of marketing tools the different scopes of application, when the recommender please thresholds are higher when paid referral reward programs, more practical. Kornish &Li (2010) the information asymmetry theory into the study, based on the recommendation of themselves than the nominees have sufficient information for this hypothesis premise, analyzed how to set the referral reward program content to enhance consumer recommendation.

To the consumer perspective as the starting point: Wirtz & Chew (2002) by means of empirical research, explores the material reward in stimulating consumer intention to recommend the effect, and also discussed its and satisfaction variable interactions. Research shows, satisfied customers are not necessarily actively spread business related information, but give a certain reward, recommendation will be significantly improved. Ryu&Feick (2007) will be the first brand strength, presenters and recommended the relationship between intensity into the model, found the brand strength and the strength of ties on Recommender recommendation moderating

effect on brand, weak and weak relationship between consumer recommendation will be relatively higher.

In china the research of the paid referral reward programs is later than foreign, its research content mainly in foreign countries on the basis of research results to be extended. Overall, in paid referral reward programs on the basis of further introduction, product involvement, media, consumer individual characteristic variables, on the paid referral reward programs referral intention research has made the further theoretical contribution.

Zhou Su hong (2009) introduced product involvement and communication medium two adjustment factors, through the empirical analysis verifies the two control factors on consumers' intention to recommend has regulation function after she researched the effect of promotion strength and material reward allocation on consumers' intention to recommend, through the empirical analysis verifies the two control factors on consumers' intention to recommend has regulation function. Wang ru yi (2010) studied the reward object types on consumers' intention to recommend effects, and explored the relationship between strength and brand strength of the regulation effects, and social costs and benefits of recommendation intention. The results of the study confirm the relationship between strength and brand strength regulating effect and social costs and benefits of the indirect effect.

2.3 Consumer's Perceived social risk

Perceived social risk refers to the consumer because of unpredictable result arising from an uncertain feeling. The concept of Perceived social risks is introduced to the marketing field by Raymond Bauer in 1960. After a few years, the research results that have combined perceived social risk and marketing have emerged.

Raymond Bauer reported consumer's all behavior will have its own unforeseen consequences, but some of these consequences are likely to be unpleasant, so in this sense, consumer behavior related to risk. He stressed the importance of perceived social risks include two important connotation: the decision outcome uncertainty, namely consumer to something subjective probability; the error decisions severity of consequences, namely after the event, the seriousness of the results.

At present there is no uniform opinion about the consumers' perceived social risk connotation in academic circles, and scholars have proposed different theories to explain the

connotation feature of social risk perception, including two factor model, multivariate model, intrinsic - extrinsic risk model and comprehensive perception of social risk model.

2.4 Individual regulatory focus tendency

2001 Aaker by exploring the relationship between individual regulatory focus and the persuasive of advertising information, introduced individual regulatory focus theory to the field of marketing. From 2004 it began to be widespread concern in the marketing academic, research results have emerged. Higgins (1997) by introducing enterprising-aversion theory, revised and improved the consumer pleasure principle in a certain degree, and then proposed regulatory focus theory. regulatory focus theory is based on Higgins (1987) argues that the self-discrepancy theory. According to the self-discrepancy theory, self can be divided into three dimensions: reality self, should self and ideal self, individual in the process of pursuit ideal self and should self, exists two species different of expectations ultimate state, namely ideal ultimate state and responsibility ultimate state, ideal ultimate state representative strongly ideal, puts more concern on ideal self and is more sensitive whether the results state that can be realized smoothly of self ideal, wishes, and vision. Ultimate State responsibility represents a strong sense of responsibility, to give more attention to self, on their own responsibility, whether the obligation of result of the good performance of state-sensitive.

The domestic scholars mainly draw lessons from the foreign research results, and on this basis to deepening. Zhang Li, Zheng yu huang, Wu chuan (2010) examines the consumer's regulatory focus on brand extension mechanism. Empirical study shows that, for promoting regulating focusing property of the consumers in the evaluation of brand extension, focusing on thinking of the match degree between parent brand and product, therefore they are more preference for the higher match degree of sub-brand; for avoiding regulating focusing property of consumers in the evaluation of brand extension, focusing on thinking of parent brand quality, therefore they are more preference mother brand of high quality brand extension. Peng lu lu, Sun lu ping (2010) explored the effect of the " price" and " discount" two kinds of different promotional information framework on consumer perceived price, perceived value, purchase intentions and other aspects. The empirical research shows that, when sales promotion greatly, "depreciate" in the consumer's goal is to " save more" more efficient " discount"; in the consumer's goal " to spend less time more effective ". When the promotional amplitude is relatively small, the promotion and consumer expectations have no interaction. However, direct

manipulation of consumers" promotion focus" or" prevention focus" does not seem to be of two kinds of promotion effect.

3 Research model and hypotheses

3.1 Research model

Based on the literature review and summary, this paper explores the group shopping website paid referral reward programs key content of recommender recommendation mechanism. First of all, the author researches paid referral reward programs key content(reward type, reward strength, reward object, recommended limit) and the directly influence of strength of relationship on referral intention, and then studies the mediator effects of the perceived social risk in paid referral reward program key content and strength of relationship on referral intention; finally studies the mediator effects of the individual regulatory focus tendency types in paid referral reward program content and strength of relationship on referral intention. The theory model of this paper as shown in **figure 3.1**:

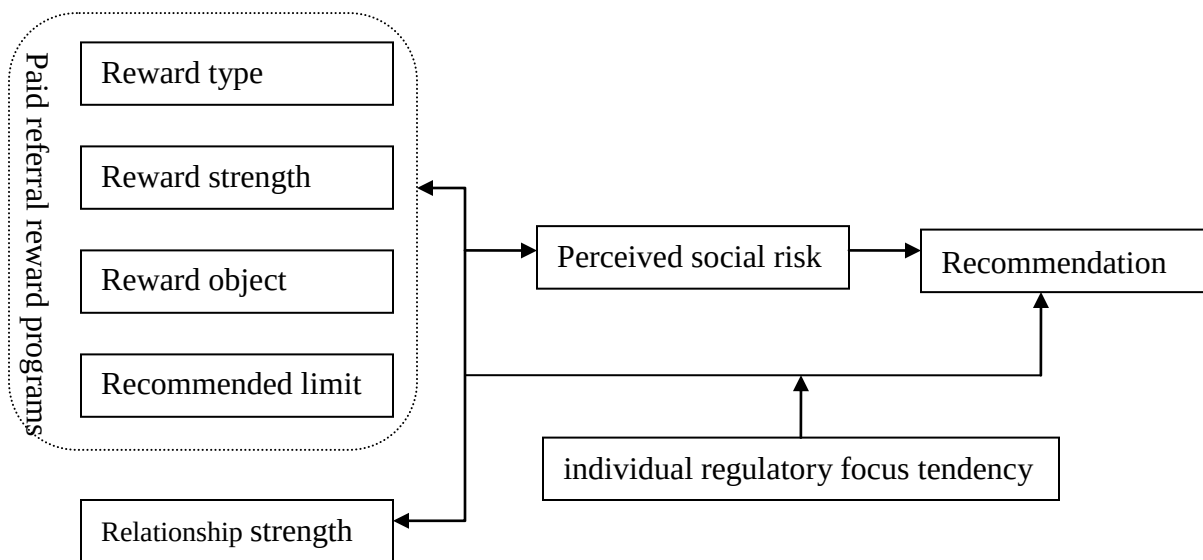


Figure 3.1 online paid referral reward programs on recommendation model

3.2 Research hypothesis

According to attribution theory (Heider.F,1958), cash as a reward may mean that recommendation is based on some ulterior motive, presenters tend to put their own recommended actions to interest drive, if being recommended know (the open of group shopping website referral reward programs made recommended worry more), nominees may feel recommended overestimate on money (Tuk et al,2009). In this case, perceived social risk of recommender increases, he is easier worry that nominees will feel he is for the interest drive and recommend business reputation information, will think he is not honest, and even a "sell nominees.", which would lead to himself in society" interpersonal crisis". Thereby he reduces the recommendation. Therefore, this paper makes the following assumptions:

H1a: Reward types have significant effect on consumer's recommendation, compared with cash reward, real reward will improve the recommendation of recommender.

H1b: Reward types through perceived social risk affect recommender recommendation, and compared with real reward cash reward will increase perceived social risk.

According to the self perception theory (Bem,1972), the interest drive generated from paid referral reward programs makes recommendation self awareness and maintain self-image is not consistent. That is, the greater the amount of reward the higher recommendation of recommenders. Therefore, this paper makes the following assumptions:

H2: Reward strength has significant effect on recommendation of recommender, the greater of the strength, the higher recommendation.

The reality of the Internet makes word-of-mouth to an anonymous, non face-to-face communication form, low cost to express his real opinion (Harrison Walker,2001). Therefore, when consumers face group shopping website paid referral reward programs rather than entity company," egoism" may drive more obvious effect than" altruistic" motivation. However, as mentioned above, group shopping website paid referral reward programs while belonging to the network communication tools, but it still has the traditional WOM communication characteristics. Based on the above viewpoints, this paper makes the following assumptions:

H3a:Reward object has significant effect on recommendation, relatively speaking, at the same time rewarding presenters and nominees will improve the recommendation.

H3b:Reward object through the perception of social risk to affect recommender recommendation, relatively speaking, at the same time rewarding presenters and nominees will reduce the perception of social risk.

In the network paid referral reward programs, put a limitation on the number of recommended friend will make consumers perceive a scarce, and the scarce can make consumer generate privileged association, strengthen consumer perceived value of product or service (Snyder,1992). In addition, the recommended limit can effectively reduce the presenter" egoism" motivated perception, will make recommenders more likely to perceive their recommendation is based on the" altruistic" motivation of social behavior, to avoid the " interpersonal crisis". Therefore, this paper makes the following assumptions:

H4a: Recommended quantitative limiting will have a significant effect on recommendation, relatively speaking, only allow to recommend a friend would lift consumers' intention to recommend.

H4b: Recommend quantitative limiting through perceived social risk to affect recommender recommendation, relatively speaking, only allow to recommend a friend will reduce the perception of social risk.

When the relationship strength is high, recommended actions tend to be more social normative category, recommender " altruistic" motivation drive effect will be more intense, when the relationship strength is weak, recommended actions tend to trade the standard category, recommender "self-interest" motivation drive effect more strongly. This paper makes the following assumptions:

H5a: The relationship strength between presenter and nominees has significant effect on recommendation, relatively speaking, strong relationship will improve the recommender recommendation.

H5b: The relationship strength between presenter and nominees through perceived social risk to influence consumer' recommendation, relatively speaking, strong relationship will reduce the recommender perceived social risk.

According to the of individual regulatory focus tendency theory, different types of consumers, the behavioral characteristics of the differences will lead to different referral reward program content reflects the different social risk perception, which further led to the different recommendation. Accordingly, the author makes the following assumptions:

H6a: when individual regulatory focus types are different, relatively speaking, promotion focus consumers prefer to recommend a close friend.

H6b: when individual regulatory focus types are different, relatively speaking, promotion focus consumers more willing to choose the same reward recommendation and recommended.

H6c: when individual regulatory focus types are different, relatively speaking, promotion focus consumers more willing to choose the cash reward.

4 Research design

4.1 Questionnaire design

The subjects were perceived social risk and individual regulatory focus tendency type measurement. Two variables is measured on the basis of the previous research further revision completed, perceived social risk measurement is the main reference Vincent-Wayne Mitchell (1999) measure, through the "recommended after successful I will get...", others will think I was to get the reward to recommend", "recommend successful I will also get... Others may feel that I am selfish," two indicators to measure. Individual regulatory focus tendency types of measurement mainly refer to the Bernhard Fellner (2007) and others developed regulatory focus questionnaire, combining with Wen he gen, Zhu ye li research results.

4.2 Data collection

Since the experimental method is the experimental groups, Relative to the set of experiments, experimental biggest shortcoming is the result of the group vulnerable to the effect of individual difference of the subjects.

Therefore, this article research object needs to have higher homogeneity. College students groups in demographic characteristics with high homogeneity, can effectively limit the experimental process the influence of demographic variables. In addition, as a college student, has some certain contact with them, in the time and costs are very limited circumstances, to college students as the object of the research has high feasibility, to ensure the smooth completion of the experiment.

The present investigation issued a total of electronic version and printed 434 copies of the questionnaires, reclaim effective questionnaire 412, the main reasons of the invalid questionnaire to delete include: (1) the answer is not complete, some testing items not in; (2) the answer is obvious logic error. In the final of the 386 valid questionnaires, the male 59.6%, female 40.4%,

and T test results show that subjects of both sexes in the recommendation was no significant difference ($F = 0.00$, $P = 1$)

5 Data analysis

5.1 Data analysis of reliability and validity

In this study, the formal research acquired sample data quality assessment is mainly by means of reliability and validity. First through factor analysis to the data schema validity analysis, object of analysis included perceived social risk, promotion focus, prevention focus three variables, and then the three variable reliability test.

The test results showed that the sample data through reliability and validity testing, perceived social risk for $\alpha = 0.916$, promotion focus $\alpha = 0.735$, a = 0.784, defensive focus. The other three variables data KMO value is 0.782, and Barry Lee Teuk sphere test significance probability is 0, rotated factor loading table display data by difference validity and convergent validity inspection.

5.2 Hypothesis testing

5.2.1 The direct effect between paid referral reward program content and the relationship strength

First, we test experiment design, different levels between recommendation mean as affected by different factors are significant. Call the SPSS Univariate software function module is analyzed the result shows that, in addition to reward strength, relationship strength, reward types, reward object, recommend quantitative limiting four factors on the recommendation of the recommendation intention have significant effects (F statistics significance probability are zero). While the F statistics significance probability of H2 is 0.084. Through group factors effect test verified the relationship strength, reward types, reward object, recommend quantitative limiting the four factors of different levels on the recommendation intention have significant difference. Suppose H1a, H3a, H4a, H5a has been partially supported. H2 was rejected.

Between group factors effect test can only be proved the four factors excepted reward strength of different levels of consumers recommend intention exists significant difference, Still

can not answer the specific extent of the difference of the variables of different levels recommended by the willingness to recommend. This paper by means of comparison process, analysis of the four factors the influence of different level difference degree. (As Table 5-1)

Table 5-1: Dependent Variable

		Mean	Std. Error	95% Confidence Interval	
				Lower Bound	Lower Bound
Reward types	C1（Cash reward）	3.791	0.132	3.529	4.054
	C2（real reward ）	5.186	0.128	4.931	5.440
Reward objects	D1（just reward recommender）	4.113	0.133	3.850	4.377
	D2（reward recommender and nominees）	4.863	0.128	4.610	5.117
Recommend quantitative limitation	E1（only one friend recommended）	4.834	0.129	4.577	5.090
	E2（recommended any friends）	4.143	0.131	3.884	4.403
Relationship strength	A1（close relationship）	5.239	0.132	4.977	5.501
	A2（common relationship）	3.738	0.128	3.484	3.992

Comparison shows that, when the reward type is objects, the recommend intention of recommender is relatively high. Therefore, H1a fully support. While at the same time award presenter and nominees, recommended the recommendation degree is opposite higher. Therefore, H3a fully support. When the recommended amount is limited, the recommend intention of recommender is relatively high. Therefore, H4a fully support. When the relationship between presenters and nominees is close, the recommend intention of recommender is relatively high. Therefore, H5a fully support.

5.2.2 The mediating effect of perceived social risk

Take relationship strength as the independent variable, a linear regression on consumers ' intention to recommend .Taking into account the relationship strength is categorical variables, In this study, the independent variables before fitting the regression model first dummy variable conversion, set the " close" = 1," common" = 0. Variable transformation, the use of software SPSS model, Correction coefficient of determination is 0.278, demonstrates the relationship

strength of recommendation 27.8% of variation in interpretation. Relationship strength coefficient is 1.545, and passed the test of significance. Take Relationship strength as the independent variable, consumers' perceived social risks as dependent variable, to fit a linear regression equation, result shows that relationship strength explains consumer perception social risk variation of 59.5 %, regression coefficient is - 2.635, and pass the significance test. Which indicates that the higher relationship strength, the lower the perceived social risk. Take consumers' perceived social risk as independent variables, consumer recommendation intention as dependent variable, to fit a linear regression equation, result shows perceived social risk explain consumer intention to recommend 21.8% variant, perceived social risk of regression coefficient is - 0.402, and pass the significant test, indicates that perceived social risk and recommendation intention negatively correlated, along with the increase of perceived social risk, the recommendation will reduce. Take relationship strength, perceived social risk as independent variables, recommendation intention as dependent variables, to fit two element linear regression equation. The results show that, perceived social risk and relationship strength explain consumer intention to recommend a variability of 20.1%, two independent variables of regression coefficient through the significant test. These results show that, relationship strength through the perceived social risk and relationship strength explain consumer intention to recommend social risk to affect consumer recommendation ,further the stronger the strength is, the smaller perceived social risk is ,then the greater recommendation intension is. Suppose H5b be fully support.

Then Study the effect of reward object, reward types, recommend quantitative limiting three variables respectively on recommendation intention, perceived social risk intermediary effect, research method is as above, use SPSS software to undertake regression model fitting, the results are summarized in table 5-2.

Table 5-2: The intermediary effect result of perceived social risk

Regression coefficient	Independent variable on Recommendation	Independent variable on perceived social risk	Perceived social risk on recommendation	Perceived social risk * Independent variable On Recommendation intension

Independent variable \	intension		intension	Perceived social risk	Independent variable
Reward types	1.844 (P=0)	-0.904 (P=0.01)	-0.402 (P=0)	-0.26 (P=0.01)	1.609 (P=0)
Reward object	1.182 (P=0)	-0.707 (P=0.04)	-0.402 (P=0)	-0.310 (P=0)	0.67 (P=0.019)
Recommendation quantitative limited	1.365 (P=0)	-0.781 (P=0.021)	-0.402 (P=0)	-0.358 (P=0)	1.292 (P=0)

Reward type is a class variable, the dummy variable conversion rule is: "cash reward" = 0, "real reward" = 1. Reward object virtual variable transformation rule is: "just reward recommendation" = 0, "award reward recommender and nominees" = 1. Recommend quantitative limiting virtual variable transformation rule is: "only recommend a friend" = 1, "recommended no limit on the number of friends" = 0. we can get conclusion: reward types through perceived social risk to affect recommendation intension, and the real reward makes recommender feel perceived social risk smaller. Suppose H1b be fully support. Reward object is mediated through perceived social risk to affect consumer recommendation, and at the same time awarding presenter and nominees will reduce the perception of social risk. Suppose H3b be fully support. Recommend quantitative limit through perceived social risk to affect consumer recommendation intension, the recommend quantitative limit will reduce the degree of perceived social risk. Suppose H4b be fully support.

5.2.3 The moderating effect of individual regulatory focus tendency

(1) The moderating effect of individual regulatory focus tendency and relationship strength on recommendation intention

As the independent variable—reward object and variable—relationship strength both are class variables, this study use variance analytic method analysis independent variable and adjustment variable alternately average value difference whether has the statistical significance. SPSS software output shown in Figure 5-1.

The group factor effect examination result shows that, the individual regulatory focus tendency and relationship strength alternately a interaction through the F-test ($F=24.22$, $P=0$). At the same time, through the dependent variable edge mean value demonstrated the chart may see,

the individual regulatory focus tendency and relationship strength existence remarkable interaction, when individual is promotion focusing type, the possibility to recommend to the close friend is higher than that to common friend. On the contrary, the possibility of defense-oriented individual to recommend to close friend is relatively low, assuming H6a is fully supported.

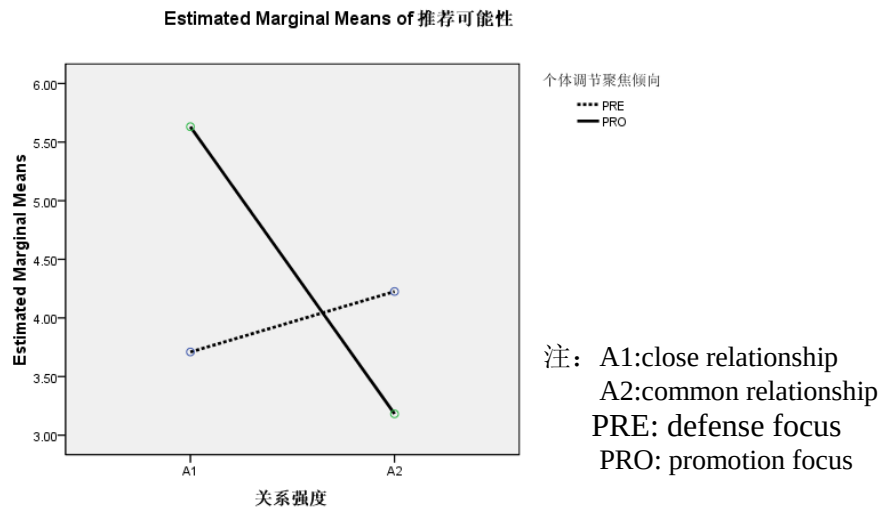


Figure 5-1: individual regulatory focus tendency and the relationship strength of recommendation intention interaction

(2) The moderating effect of individual regulatory focus tendency and reward object type on recommend intention

Individual regulatory focus tendency and reward type interaction detection results are shown in figure 5-4. The Interactive items of moderating variables and independent variable interaction effect F statistic value is 16.741($P = 0$).

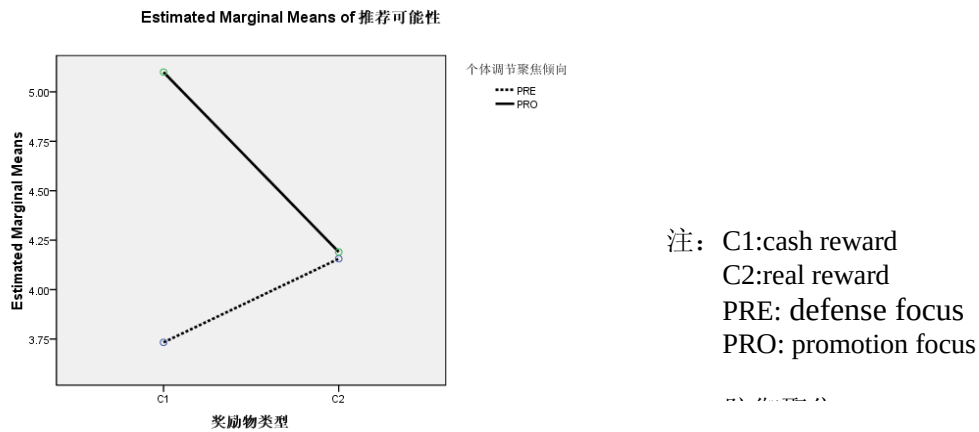


Figure 5-2: individual regulatory focus tendency and reward types on the recommendation of interaction

According to the group factor effect analysis results and the dependent variable edge average display figure, can be drawn: H6b is fully support.

(3)The moderating effect of individual regulatory focus tendency and reward object on recommend intention

Still used in the above analysis methods, focusing on the individual adjustment tendencies and reward object interaction effects were detected between-group factor effect analysis showed that the interaction effect of two variables f test (34.394, $p = 0$). Mean effect diagram (specifically, see Figure 5-3), the two straight lines appear to intersect, can also prove that the two variables interact significantly, and at the same time can be seen to promote focused types of consumers face while rewarding both sides the edge of the dependent variable paid Recommended Award Scheme, the willingness to recommend.

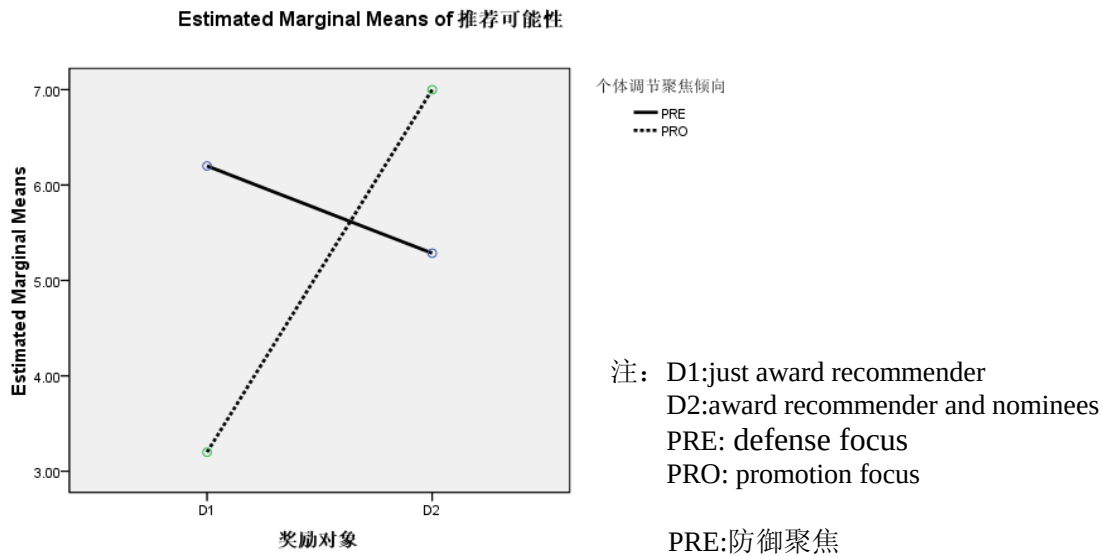


Figure 5-3: individual regulatory focus tendency and reward object on the recommendation of interaction

Effects of comprehensive group factors of test results and the dependent variable edge average display map, can be derived, assuming H6c fully support.

6 Conclusion and suggestions

6.1 The mediating effect of perceived social risk

Empirical study shows that, reward types have directly effect on consumers' intention to recommend, at the same time, reward types also by perceived social risk influence the recommendation. In addition, group shopping website paid referral reward program is open, be recommended once registered as a member of the website, very likely knows reward plan and reward types, so in this case, the perceived social risk of recommender is greater, which lead to the recommendation is lower. The empirical analysis results prove the above proposed assumption, namely both award presenters and nominees has high recommendation. This study tested the recommended limit have significant positive impact of recommendation intention. The internal mechanism is the consumers' unique need psychological and rebellion: scarcity means competition, out of the ordinary. In addition, cash rewards of group shopping website is different with traditional paid referral reward programs cash rewards, group shopping website cash reward is returned to the consumer virtual account, and the accounts of the cash only be allowed to use in the group shopping website, which greatly limits the cash room to use. In strong relationship,

trust has the possibility of larger, and trust mechanism force stronger, recommender tend to be recommended to improve people's impression of us, the "altruistic" motivation is more obvious. As a result of that relationship strength in reward object on recommendation effect arising in regulation, namely strong relationship are more willing to reward both at the same time.

6.2 Recommendation strength and recommendation intention

On the effect of recommendation strength on recommend intention, the research conclusion with the Ryu&Feick (2007), Wang Xiaoyu (2010) is Consistent. Namely it has not significant effect on recommend intention. Why t his research introduce recommendation strength in to the model mainly because that paid referral reward programs benefit actuation characteristics make recommendation self image and self perception differences, recommenders need to be large enough to offset the difference of bonus. In addition, group shopping website paid rewards program belongs to the network of word-of-mouth communication, has spread fast and non face-to-face communication characteristic, a certain extent reduces the recommended cost.

Through the data analysis, the author thinks, recommendation strength on recommend intention intrinsic influence mechanism needs to consider from two respects: "get" and "lost." The bigger recommendation strength is, the more consumers get, perhaps this is greater than the perception of self and the self image of the difference degree, and has a positive effect on intention to recommend. But when the reward strength is bigger ,the recommended behavior "hasten benefit" motivation will be more obvious, recommender will be more worried about nominees will think he is based on the interests of the driver and is recommended, and that his behavior is "egoism" behavior, is not to improve the relationship between them, more than the "altruistic" behavior. Thus, efforts to reward increased consumers' perceived social risk.

As mentioned above, recommendation strength affects the intrinsic mechanism is the "get" and "lost" game, and the effect of "get" and "missing" on the recommendation is opposite, two opposite effects cancel each other, thereby causing the recommendation strength had no significant effect on recommendation.

6.3 The moderating effect of individual regulatory focus tendency

This research through the empirical analysis, test the effects of the individual regulatory focus tendency and relationship strength, reward object and reward types on the intention to

recommend.

In a strong relationship, recommended values more is recommended to his own view, pay more attention to the relationship between two people, worry more about the relationship between two people are "hurt". While the defense focus types of individuals are more willing to recommend the general relationship between friends, but focused on promoting individual strong relationship relatively stronger willingness recommendation.

Above, emphasize and reward recommendation and recommended not only can effectively reduce the perception of social risk, can also be used to improve relationships with others. Of course, if recommended awards matter not satisfied or to be recommended group purchase sites are not satisfied, will influence the presenter view. But the promotion focus types of individual in the decision or action, more active, more positive outcomes, when something and coexistence, promotion focus individual value the "profit" occurred. Therefore, promotion focus types of individuals more willing to award presenters and recommended.

Compared with real reward, cash reward has high perceived social risk, and cash rewards are often represented by a "secret" motivation in the presence of. Defense focus type of individual and promotion focus types of individuals as compared to, tend to avoid risks, to negative results appear more sensitive, but when negative results occur, tend to exhibit anxiety. Therefore, relatively speaking, promotion focus types of entities are more willing to accept cash rewards.

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An Empirical Study on the Effects of Corporate Brand on Product Evaluations: The Moderating Role of Consumer-Company Identification

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Abstract Corporate branding is the most important strategy that influences customer perceptions and product evaluations, although some conditions and boundaries exist when corporate brands

effect customers' evaluation of products, and previous research lays more emphasis on companies and products with regard to these kinds of conditions. Based on previous important findings on corporate brand research and social identity theory, this study identifies "consumer-company identification" (C-C identification) as a factor that moderates the effects of corporate brand on product evaluation from the customer's point of view. By testing samples of college students, this article aims to reveal the fundamentals behind the marketing phenomena of "love me, love my dog" and "A fire on the city gate brings disaster to the fish in the moat". This research finds that C-C identification exerts a significant moderating effect on the relationship between corporate brand and product evaluation, and the findings yield some important implications for improving product evaluation in the Chinese market.

Key Words: Corporate Brand, Product Evaluation, Consumer-Company identification, Social Identification

The company is probably the most important lever for consumers to create secondary brand associations (Keller, 2003). One bold innovation and breakthrough in brand practices is to use strong secondary brand associations to create strong, positive and unique brand images (Lu Taihong, etc., 2009). Branding has become an important strategy which influences consumers' perceptions and product choices. Indeed, branding is an important source of brand equity. Brands can create rich associations, including product attributes and benefits, consumer's attitudes, interpersonal relations, corporate strategies and corporate reputation, etc. (Keller, 2008). A positive brand image also helps to cultivate employee loyalty, attract high-quality personnel, establish good relations with investors and influence public opinion (Keller and Aaker, 1992). Thus, in theory, a strong brand can help consumers develop a positive product evaluation and bring about higher levels of purchase intention.

However, in 2008, the "Vanke's donation event" and "Force-out Wang Laoji" deviated from the expectations of branding theory.. The Vanke and JDB Groups did not undergo any changes. Although the former was a strongly branded national real estate company and the latter was only a regional rookie (many consumers didn't even know Wang Laoji was part of JDB), because of different corporate behaviors, consumers dramatically changed their perceptions, evaluations and purchase intentions of the two products. These changes can be called "adverse impacts" from one perspective and "Love me, love my dog" from another. The phenomenon further reflects the complexity of product choice: Why can't a strong brand always maintain a good product evaluation? It also indicates that there exist some certain conditions and boundaries around the manner in which corporate brand effects consumer product evaluation. This not only causes consternation among marketing practitioners, it also provides opportunities for reflection in marketing theory and research.

Theory driven research on brand effects on product evaluation ranges from the initial study on the relations between corporate brand and product evaluation (Brown and Dacin, 1997; Keller and Aaker, 1992) to studies that refined and deepened our understanding of the functional conditions and boundaries (Brown, 1998; Berens, Riel and Bruggen, 2005; Biehal and Sheinin, 2007). These achievements have groundbreaking research value. However, scholars mainly concentrate on company factors (diversification, brand strategy and positioning strategy, etc.) and product factors (product type, product differentiation and product combination status, etc.).

There is no research on the consumer's recognition and impact on the company from the perspective of consumers. The absence of such research not only ignores the most important marketing factors—customer factors in practice, but also cannot explain the phenomenon of "Vanke's contribution " and " Force-out Wang Laoji". In fact, many western marketing scholars have found that customers are more willing to buy goods produced by the companies that have a strong sense of identity to consumers and more loyalty to these companies (Bhattacharya, Rao and Glynn, 1995), and customer identification has a positive effect on the spreading of public praise (Bhattacharya and Sen, 2003). Therefore, the degree of customer's identification is likely to be an important factor in understanding the "Vanke's contribution-Force-out Wang Laoji" marketing phenomenon.

Therefore, this study develops an important definition: customer - company(C-C) identification, which has cross-disciplinary foundations social psychology, organizational behavior and marketing. We introduce this concept to help explicate the relationship between brand and product evaluation and identify the regulated(moderating?) effect of customer identification based on achievements in social identity theory (Brewer, 1991; Tajfel and Turner, 1985) and empirical findings in organizational identification research (Bergami and Bagozzi, 2000; Dutton, 1994). Introducing customer identification between brand and product evaluation and then verifying its effect will not only broaden the applied range of social identity theory. It will also increase knowledge of factors that moderate the relationship between brand and product evaluation.

1 Theoretical Background

1.1 Corporate brand

The meaning of a corporate brand is composed of consumers' overall perceptions. Marketing literature has successively defined such concepts as corporate identity, corporate image and corporate association to describe consumer perception. Dacin and Brown (2002) have specifically published papers to point out that corporate brand has two core concepts: corporate image and corporate association. Based on the consumer perception perspective, this study defines the expression of corporate brand as corporate image and corporate associations. These in turn describe consumer attitudes, emotions and cognition. The definition of corporate brand includes the whole meaning of corporate recognition, corporate image and corporate association. In this article, the empirical operationalization of the corporate brand conceptualization is based on this definition.

Corporate image has been abundantly researched in western marketing literatures. Easton (1966) pointed out that the corporate image was the consumer collective impression of companies. These impressions come from personal contact, hearsay, mass media communication and the psychological tendencies that companies stimulated. Enis(1967) thought that the corporate image was the sum of personal perception of the corporation and the consumer's relationship to it. Enis (1967) believed corporate image existed at a high level of abstraction and simplification in order to facilitate thought. Based on an application of passive cognition concepts to the current market situation, scholars added consumers' active will into corporate image later. In 1982, Pharoah noted that corporate image is the customer expectation, attitude and feeling about companies. In 1991, Barich and Kotler argued that corporate image is an individual or group belief, attitude and the total impression. Although the descriptions of corporate image are diverse, their contents have several points in common: (1) the corporate image exists in consumers' minds, which cannot be decided and controlled by companies or

administrators; (2) for specific companies, different perspectives will form different images (for example, for companies such as Microsoft, financial analysts and marketing experts have different feelings about corporate image) [this point is very vague. What exactly are you trying to say?]; (3) psychological academic terms have been mainstream elements in the definition of corporate image, such those that emphasize the company's image as "perception" (Spector, 1961; Carlson, 1963; Gronroos, 1984; etc.), a mental "picture" or the company "portrait" (Bristol, 1960; Britt, 1971; Hardy, 1970), or the company's "association and meaning" (Martineau, 1958). Thus, corporate image was originally derived from marketing practices, but ultimately exists in the consumer's individual beliefs, perceptions and attitudes.

Brown and Dacin (1997) pointed out that the conception of corporate association stems from the perspective of integration, which is the customer perception of a particular company's all relevant information including feelings (such as mood and emotions), evaluation (specific cognition or emotional attachment) and association models (e.g. stereotypes).[the word etc is being overused here.] The concept emphasizes that corporate association is a core part of the corporate brand. Corporate association describes the consumer individual's ideals and feelings about companies, and is an important marketing concept based on psychology's "Associative Network Memory Model". Brown deepened the meaning of corporate association in 1998, suggesting that corporate association was an "integrated" term containing "corporate image", "company reputation" and "corporate identity" and included all kinds of cognition about the company's information such as beliefs, emotions, feelings, and evaluation. It can be seen that the main body of corporate associations are all stakeholders and there is a greater association range.

To measure corporate brand and explore its composition and dimensions is important to increase the depth of research on brand themes. Brown and Dacin (1997) conducted empirical research using quantitative methods and suggested that the brand consisted of two dimensions: corporate ability and corporate social responsibility. Corporate ability mainly means professional standards of production and providing service, such as technological innovation, production and manufacturing ability. Corporate social responsibility consists of morality and a sense of responsibility when companies face major social problems. It manifests in supporting charitable causes, paying attention to lawful rights and interests, protecting the environment and constructing communities. In 2004, Gürhan-Canli and Batra pointed out that innovation, integrity and social responsibility were the three important dimensions of corporate brand. Innovation is an important association that influences customer evaluation (Brown and Dacin, 1997; Keller, 2003), and on the basis of the existing corporate associations, only innovative associations can affect the customers' judgment on brand extension fit and quality (Keller and Aaker, 1997). [I think this overweights innovation.] The integrity association can help companies to create brand loyalty, resolve crises, and obtain friendly treatment by relevant regulatory departments (such as government, industry associations, etc.) and media (Keller, 2003). Corporate social responsibility is an important part of the overall brand image. Sen and Bhattacharya's research (2001) showed consumers paid close attention to corporate attitudes and behaviors about social responsibility. Moreover, from the perspective of corporate reputation, Fombrun, Gardberg and Barnett (2000) proposed six dimensions of brand, namely emotional attraction, products and services, vision and leadership, financial performance, social responsibility and working conditions. It can be seen the six dimensions reflect and measure the company's internal staff, external stakeholders, competitive environment and organizational environment. Although Fombrun (2000) did not directly raise the capacity dimension, the companies' vision and leadership, financial performance, products and services are important indications of companies' abilities and overall

strength; when integrated, the work environment and social responsibility measures capture the dimensions of corporate social responsibility. Therefore, the essence of the six dimensions still largely reflects the two major dimensions: corporate ability and corporate social responsibility.

It is clear from the discussion above that corporate ability and corporate social responsibility are the two important dimensions of corporate brand. Since Brown and Dacin (1997) proposed these two dimensions through an empirical study, they have been repeatedly verified and have remained stable in subsequent studies (Sen and Bhattacharya, 2001; Gürhan-Canli and Batra, 2004; Berens, Riel and Bruggen, 2005; Biehal and Sheinin, 2007). They provide an important theoretical basis for marketing practice. Therefore, in defining the integral concept of brand, this article will use the two dimensions of corporate ability and corporate social responsibility and will operationalize this definition empirically.

1.2 Effects of Corporate Brand on Product Evaluation

As customers cannot evaluate the specific attributes of products before purchase and consumption, the corporate brand and its association have an important effect on consumer perception of product attributes (Wansink, 1989; Brown, 1994, etc.) This is particularly obvious for new products or search products (Darby and Karni, 1973; Nelson, 1974). Hoeffler and Keller (2003) argued that the product consisted of a series of tangible and intangible attributes and benefits to meet consumer demand. Thus, when consumer perceptions of product attributes and interests are different, consumer evaluations and responses will be different. For this reason many multinational companies have invested large amounts in the company's advertising budget each year. Companies employing this strategy include IBM, Microsoft, and BMW among others. These companies hope to create (or maintain) a strong corporate brand (Keller and Aaker, 1992). A positive and active brand image can bring many benefits to the company. Benefits are mainly reflected in two aspects. One is via indirect interest (an internal aspect). A good brand will help boost employees' morale, build loyalty, attract high-quality personnel and create a good financial environment. The other aspect is direct interest (external aspect). A positive brand image will affect consumers' attitudes, evaluations and purchase behavior, improving the efficiency of the company's marketing and strategic competitive advantage. Thus, empirical research on how brand influences consumers' attitudes and reactions has often been of scholarly concern..

The theoretical study of brand effects on product evaluation mainly fits one of two patterns: one is to regard the various types of consumer perception and opinions as "an integrated body", which is based on a holistic perspective that studies the relationship between brand and product evaluation; the other one is studies the relationship between different types of brand associations (dimensions) and product evaluation. There is new research development in the second pattern, which involves a focus on the boundary conditions under which brand effects customer evaluation. Regarding the company as a whole and studying the relationship between corporate brand and product evaluation was more abundant in the literature in the early 90s. For example, Goldberg and Hartwick (1990) studied the company reputation's effect on product advertising from the perspective of advertisement dissemination. The result showed that if the company has a good reputation, consumers are more likely to believe in the product attributes that ads emphasize. Through research on crisis management under the condition of damaged products, Siomkos and Kurzbard (1994) found that a good reputation could reduce consumers' perceived risks of the product. Further, even if the company appears the crisis of damaged product, there would have no greater negative impact on consumers' future purchase intention, and good reputation can reduce such adverse effects.[This last sentence makes no sense. Even if the

company what? The company 'appearing' makes no sense as an extreme statement, particularly in the context of the sentence introducing Siomkos and Kurzbard's research.] Therefore, from the perspective of strategic management, scholars believe that the corporate brand is "reputation capital". The capital will not only bring benefits in assets; it will be effective in building entry barriers in the market. Thus it will function as a mechanism to discourage competitors and bring a premium price to the company.

Paying attention to how the different dimensions of brand have different effects on product evaluation is an important qualitative breakthrough in marketing research. Brown and Dacin (1997) first found that different dimensions of brand have different functional mechanisms and effects on product evaluation. Associations with company ability affect product evaluation through the perception of specific products' attributes and the overall evaluation of companies, while the associations of corporate social responsibility influence product evaluation simply through the overall evaluation of companies. In other words, consumers' associations about the company ability may not only directly affect the product evaluation, they may also influence product evaluation by influencing consumers' overall company assessments. The associations about corporate social responsibility mainly affect consumers' perception of the whole company. Further, Brown and Dacin's (1997) study revealed that corporate ability had greater influence on consumer evaluations of products compared to corporate social responsibility. Consumers' associations about corporate ability may help the company to introduce new products. Associations about corporate social responsibility mainly increase the consumer's preference and trust of companies, but do not significantly promote the sale of new products. Sen and Bhattacharya (2001) further studied the conditions under which the dimension of social responsibility affected consumer evaluation and purchase intention. Depending on the degree of consumers' sense of the corporation's social responsibility, behavior and ability, Sen and Bhattacharya (2001) divided consumers into two groups: high CSR-CA beliefs and low CSR-CA beliefs. Their research shows when consumers purchase low-quality products, the high CSR-CA beliefs group tends to buy products from companies who are socially responsible. In addition, consumer support for corporate social responsibility moderates the relationship between purchase intention and product quality. By introducing perceived consumer risk as a variable, Gürhan-Canli and Batra (2004) studied how the three dimensions (innovation, reliability of companies' brands and corporate social responsibility) related to product evaluation. They found that when consumers had greater risk perception of the failure of the products or services, they were more inclined to seek diagnostic information on the company's brands. The results show that when the product has a higher risk (such as medicine, science and technology products etc.), companies should be dedicated to the construction of brand innovation and reliability and this will be more conducive for consumer to have positive product evaluation and willingness to purchase.

1.3 Consumer-Company Identification

The concept of identification emerged in the disciplines of social psychology and organizational behavior. Identification, researchers argued could meet the individual needs of social identity and have a positive effect on members' and the community's loyalty (Mael and Ashforth, 1992). Social identity theory argues people will use their own or others' group membership to build their own or others' identity. Zhao Zhiyu, Wen Jing and Tan Jianbong (2005) divided the psychological motivations for social identity into three categories: (1) increasing self-esteem; (2) reducing insecurity; (3) meeting the needs of a sense of belonging and individuality .

Identity theory has not only been widely used and developed in the fields of social psychology (Mael and Ashforth, 1992) and organizational behavior (Dutton, Dukerich and Harquail, 1994; Bergami and Bagozzi, 2000), but has also gained attention in the field of marketing (c.f.. Bhattacharya, Rao and Glynn, 1995; Bhattacharya and Sen, 2003). [Refrain from overusing 'etc.']. In the face of competition, companies compete to give brands a unique identity in order to obtain sustainable competitive advantage. One of important strategy is to develop strong customer identification with the brand and company (Nandan, 2005). Customer identification with a particular company or brand will make them different from other consumers (Kim, Han and Park, 2001). Customer identification develops across three stages——categorization, identification and comparison. In addition, customer identification can lead to higher brand loyalty and public praise.

Bhattacharya and Sen (2003) defined customer identification as a deep, committed, meaningful psychological relationship that marketers unceasingly explore and establish with consumers. It can allow consumers to recognize a particular company, or make consumers have a sense of belonging to a particular company. Consumers form the relationship with the company on the basis of identification, and identification will help customers to meet self-definitional needs. Bhattacharya and Sen (2003) thought that the formation of customer identification is a selective, and willed action to make consumers satisfied or dissatisfied with the company's behavior.

Since customer identification was introduced into marketing research as a core concept, the antecedent variables and the results of customer identification have been the focus of attention. Albert and Whetten (1985) thought one of the causes of customer identification was the customers' good sense of the company's unique and lasting nature. When customers believe a particular company has unique characteristics (such as culture, strategy, structure), the customer will think it is worthy of recognition and may think it is attractive. Ahearne, Bhattacharya, and Gruen (2005) thought that another factor affecting customer identification was the company's construed external image, which was based on the consumer's personal experience or perception of the company's organizational culture and overall image. The external image mainly contains customer's perceptions and beliefs about how others evaluate the company. When the customer feels the external image is attractive (such as a unique characteristic of the company that is not only positive, but has also received the attention of other groups), customer identification will be increased.

People are always trying to obtain and maintain a positive social identity by setting up a certain relationship with companies who win respect of society, because such companies can provide certain social opportunities for the individual (Brown, SG, 1969), and enhance the individual's social reputation (Ashforth and Mael, 1989; Cheney, 1983). The study of organizational identity shows that people become organizational-based social categories through self-categorization, and this may have many positive results (Bagozzi and Bergami, 2002; Mael and Ashforth, 1992; Scott and Lane, 2000; etc.). It is because of identification that people become more psychologically attached to and care for an organization, encouraging members towards the realization of organizational goals; making more voluntary efforts for the organization and actively to cooperating with other members of the organization. Thus, Bhattacharya and Sen (2003) pointed out that the results of customer identification included: 1) greater customer loyalty, 2) more willingness to propagandize for the company, 3) greater flexibility in reaction to negative information about the company.

The literature review above demonstrates that that the standard research on the

relationship between corporate brand effects and customer product evaluation still deploys company factors (variety, brand strategy and positioning strategy) and product factors (product type, product differentiation and product portfolio status) as the major concepts in marketing. The literature review also demonstrates that these adjustment factors are unable to theoretically explain the marketing phenomena of Vanke "donations door" and Wong Lo Kat "block face". [Avoid writing 6 line sentences in 9 point font. The result is generally incomprehensible. An additional problem of incomprehensibility stems from the fact that you do not explain any of these phenomena you reference. Do you really believe everyone in the field of marketing will be familiar with them? You have never to this point explained the Vanke phenomenon or this Wong Lo Kat phenomenon. Such a lack of explanation is sure to antagonize reviewers and result in rejection by peer review. Finally, because you have not explained what these phenomena are, the reader is in no position to evaluate your claim that existing research and variables cannot explain the phenomena. The claim thus begs the question.] Therefore, this research develops a concept which belongs to social psychology in order to study the moderating effect of customer identification on the relationship between the company brand and product evaluation.

1.4 Research Hypothesis

Belch and Belch (1987) found that value system and behavior congruity between the company and the customers would significantly affect the customer's buying behavior. Bhattacharya, Rao and Glynn (1995) were inspired subsequently by related research in organization identity research (Dutton, Dukerich and Harquail, 1994) and applied the identification phenomenon to customers and studied the antecedent variables and the results of customer identification. They found that strong customer identification could bring a lasting competitive advantage. Bhattacharya and Sen (2003), Ahearne, Bhattacharya and Gruen (2005) and Kim, Han and Park (2001) conducted empirical studies about identification in the marketing field and found that the results of customer identification included: customers were more loyal to the company, more willing to promote for the company, more actively recommended the company to new customers, had more flexibility in response to negative information about the companies. [This section (above) either belongs in the literature review or should be eliminated. It is not a statement of your research hypothesis. Since it has already been stated in the literature review, I think it should be eliminated.]

According to social identity theory, when individuals are aware that they belong to a particular social group, they will recognize the emotional significance and value of being members of the group (Tajfel, 1978). Therefore, the individual always strives for positive social identity, and this positive social identity is received via the comparison of internal groups and external groups. Once the individual establishes a social identity through the qualification of group members, they will improve in self-esteem, have reduced insecurity, and have their needs for a sense of belonging and individuality met (Zhaozhi Yu, Wen Jing and Tan Kim Bong, 2005). Cognitive psychology considers schema as an important way to organize information, which helps people understand and interpret the world. Taylor and Crocker (1984) thought that various schemas existing in people's minds mainly consisted of schema, self-schema, role schema and the schema of social events. People always attempt to explain new information with the existing schema in mind. The schema will affect people's perception of information, memory, reasoning and behavior. Mandler (1982) believed that congruity among different levels of schema would affect people's evaluation and response. In other words, schemas tend to be the same or schema congruity will lead to a positive response, because with the premise that other conditions are the same, people tend to like the things that are predictable and meet their expectations. [This all

belongs in the lit review, if anywhere.]

Meyers-Levy and Tybout (1989) further found that schema congruity was an important theoretical basis for consumers to evaluate products; schema congruity between product and their respective categories would affect consumer's handling of information and evaluation judgments. By applying schema congruity theory to the degree of the consumer's perceived congruity between self-identity and corporate identity, it can be deduced that if consumer perception between consumer self-identity and corporate identity is highly congruent, it will have a positive effect on evaluation of the company and its products. If, on the other hand, consumer perception is that consumer self-identity and corporate identity are not congruent, it will have a negative effect on the evaluation of the company and its products. The essence of customer identification is customers' extent of identification with a specific corporation. This consists in perceived congruity between customer self-identity and corporate identity. Greater overlap will result in a higher degree of customer approval. In other words, the customer's degree of identification will effect customer evaluation of products according to schema consistency theory.

According to the definition of a moderating variable (Baron and Kenny, 1984), if the relationship of the variable Y and variable X is a function of the variable M, M is a moderating variable. Thus, we propose the general research hypothesis: **customer identification moderates the relationship between the corporate brand and product evaluation**. Practically this implies:

H1: *Even when the corporate brand is strong, if the customer identification is low, the customer evaluation of the product will be low;*

H2: *Even if the corporate brand is weak, if the customer identification is high, the customer evaluation will remain high.*

In fact, there are two corollaries of this study's assumptions, namely:

H3: *Under the condition of strong brand, customer identification is high and more favorable product evaluations are obtained;*

H4: *Under the condition of weak brand, customer identification is low and less favorable product evaluations are obtained.*

In this study, the company's brand will be measured on an integer scale to test whether customer identification acts as a moderator. This study will use the two structural dimensions of corporate brand, (corporate ability and corporate social responsibility) to operationalize our definition of brand.

2 Research Design

2.1 Experimental Design

To test the hypothesis, this study uses a randomized 2×2 experimental design. The two factors are: corporate brand (strong vs. weak) and consumer-company identification (high vs. low). Subjects (how many?) were randomly divided into four groups. They participated in handling four different levels of the two factors, namely strong brand and high customer identification (T1 group), strong brand and low customer identification (T2 group), weak brand and high customer identification (T3 group), weak brand and low customer identification (T4 group).

Operational definitions. To control the levels of corporate brand and customer identification, this study employs the method Gurhan-Canli and Batra (2004) used. Burhan-Canli and Batra (2004) controlled the levels of corporate brand according to the ranking in the consuming electronic industry by "Forbes". That is in a strong (weak) brand experimental

condition, the company is ranked at the forefront (back) in an investigation about reputation by "Forbes". After reading the company rankings listed in "Forbes", the subjects scored their perception of corporate brand with a Likert 7 point scale. In the manipulation check, from the experimental results by analysis of variance, it was found that manipulating level of corporate brand was very successful: only a main effect was found ($F(1,103) = 7.63, p < .01$). The average scores of subjects' perception of the strong and weak brands respectively were 6.19 (strong) and 5.27 (weak).

Experimental materials contained two parts. The first was an article which simulated a monograph in the "21st Century Business Herald", for manipulating the different levels of two factors: corporate brand and customer recognition. Specifically the first part of the article launched a claim that a "Six Best Brand Building Award" campaign would be jointly held by the "21 Century Business Herald", internationally famous brand consultancy—Interbrand, and assisted by Peking University Brilliance Management Institute, Tsinghua University, College of Management National Sun Yat-Sen University, Business School of Nankai University and other leading academic institutions, and the brand list was published in the article to manipulate the corporate brand strength. [I can't understand the previous sentence. It is 6 lines long. Make it shorter.]The second part cited the survey report about C-C identification published in "Consumer Voice" to control the level of customer recognition. Because the study used a 2×2 randomized experimental design there were four different versions of the experimental materials. The second part of the stimulus material was to introduce the companies' products. Subjects evaluated the products according to the materials and answer measurement items.

2.2 Experimental Procedure

Before the formal experiment, a total of 21 students (11male; 20.02 average age) of the Sun Yat-Sen University took part in the pre-test, which was in order to further confirm whether the experimental materials met the requirements; i.e. whether the manipulations of corporate brand and customer identification were appropriate. To avoid the influence and discrepancy of subjects' brand knowledge, we built a fictitious "Hua Sheng" as a corporate brand which produced student backpacks. In the pre-test, we found that the recognition rate of "Washington" as a bag corporate brand was 92.4%, and because the number of backpack brands is small, in the pre-test, subjects filled in familiar brands of backpacks, in addition to Addidas and Nike, there were almost no other brands. Therefore, the subjects thought the fictitious brand and products materials had a certain degree of authenticity, which indicated they could be used as experimental materials. In addition, in pre-testing the different levels of perception of the two experimental factors with a 7 point Likert scale, it was found that subjects' cognition of the two levels of customer identification were significantly different ($M = 6.77$ vs. $M = 2.05, t(20) = 18.01, p < .01$), the perception of customer identification was also significantly different ($M = 6.29$ vs. $M = 3.25, t(20) = 8.32, p < .01$). Therefore, the pre-test results show that it is suitable to hold a formal experimental study of student groups with the experimental materials.

Based on the pre-test, we conducted a formal experiment. The first part of the experimental stimulus materials was an article which simulated a monograph in the "21st Century Business Herald", to manipulate the different levels of two factors: corporate brand and customer recognition. The second part was to introduce the company's products. Subjects evaluated the products according to the materials and answered measurement items. 125 students of Sun Yat-Sen University's participated in the experiment (including 66 boys and 59 girls with an average age of 20.09). Students who participated in this experiment could get 20 yuan incentive and the entire experiment lasted about 25 minutes with pen and paper. We randomly divided the

subjects into four groups (to ensure at least 30 people in each group). First the experimenter explained the purpose and mission of the experiment to all subjects. When the experiment began, each group received an article purportedly from the "21st Century Business Herald". All subjects were required to read the article carefully. Then subjects answered the items related to product evaluation. No subject suspected the article's authenticity in the experiment and they all considered the experimental material was a copy from the "21st Century Business Herald". After completing of the main part of the formal experiment, subjects finished the manipulation check items of the experimental factors. Finally, they filled out personal information and the experiment was over.

2.3 Variable Measurement

The measurement of product evaluation is from Petrosius and Monroe's scale (1987). Product evaluation includes product attitude and purchase intention. The scale has three sub-items to measure the product attitude, namely product quality (4 test items), product attractiveness (3 test items) and reliability (2 measurement items); the scale has three sub-items on measuring purchase intention. The test scale of dependent variables in this study is specifically shown in Table 1. Participants were asked to test the above items according to their true thoughts and scores with a 7 point Likert scale. "1" stands for "totally disagree", "7" stands for "completely agree."

Table 1

Product Attitude	Purchase Intention
Product Quality • I think the product is very good. • I think the product quality is very good. • Compare to the same kind product, I think the product quality is better. • I think the product can bring many advantages to customers. Product Attraction • I think the product is attractive. • I think the product suits my taste. • I think the product will delight me. Product Credibility • I think the product is reliable. • I think I can use the product without worry	• If I intend to buy backpack, I will choose the product. • I will buy the product. • If my friends intend to buy backpack, I will recommend the product.

In addition, we designed manipulation check items (a 7 point Likert Scale) to test subjects' conception of the corporate brand and customer identification. The two items that tested whether the manipulation of corporate brand was successful are: "I think Hua Sheng is a very strong brand," "Hua Sheng must be a well-known brand." The two items that tested whether the manipulation of customer identification was successful are: "I think that the degree of brand

identification for Hua Sheng is higher compared to the industry's average level" and "I identify with Hua Sheng and feel myself belonging to the big family of Hua Sheng brand. "

3 Results

3.1 Sample distribution and scale reliability analysis

Before dealing with the data, we found that 6 questionnaires were incompletely filled out in the experiment and these questionnaires were invalid. Therefore, there were 119 ultimately valid questionnaires (of which 64 were boys, 55 girls and the average age was 20.08) in the data analysis. The specific distribution was: the T1 group had 31 copies (strong corporate brand and high customer identification), the T2 group had 29 copies (strong brand, and low customer identification), the T3 group had 30 copies (weak brand and high customer recognition) and the T4 group had 29 copies (weak and low customer brand recognition). See table 2.

Table 2 Sample distributing

C-C Identification	Corporate Brand	
	High	Low
High	31	30
Low	29	29

As the dependent variables were measured using the often referenced scale in Petroschius and Monroe's study (1987), the correlation among test items was high and the scores can be averaged in theory. Moreover,, according to the Chronbach's α values shown in Table 3, the items composing the dependent variable in this experiment can be averaged. Therefore, we conducted analysis of variance analysis of the customer-product evaluation based on the average scores of product attitude (9 test items) and purchase intention (3 test items), then validated the relevant assumptions. All Chronbach's α coefficients above 0.8 in table 3, which indicated a good reliability level.

Table 3 Chronbach's α Values

Scale Name	Number of Items	Chronbach's α
Product Quality	4	0.93
Product Attraction	3	0.90
Product Credibility	2	0.88
Product Attitude	9	0.96
Purchase Intention	3	0.90

3.2 Manipulation Checks

First, we tested the manipulation of corporate brand strength. Through analysis of variance of the average score of the two items ($r = .80$), we can see subjects' cognitions about the two levels of brand are significantly different, $F(1,117) = 743.604$, $P < 0.001$. The average score of recognition of the strong brand ($M = 4.64$) was significantly higher than that of the weak brand

(M = 1.84). This shows that the manipulation of corporate brand was successful. Similarly, the scores of the two test items about customer identification were averaged ($r = .76$). Analysis of variance showed that subjects' cognitions of the two levels of customer identification were significantly different, $F(1,117) = 476.592$, $P < 0.001$. The average score of recognition on the high customer identification (M = 4.51) was significantly higher than that of the low (M = 2.09). This shows that the manipulation of customer identification was successful.

3.3 Results

To verify the respective main effects and interactions between corporate brand and customer identification, we analyzed product attitude and purchase intention as the dependent variables in a two-way between-subjects ANOVA on corporate brand and customer identification. Mean values and variances are in table 4.

Table 4

Corporate brand	High C-C Identification		Low C-C Identification	
	High	Low	High	Low
Product Attitude	5.02 (0.33)	4.41 (0.34)	2.96 (0.44)	1.84 (0.31)
Purchase Intention	4.86 (0.43)	4.69 (0.35)	3.01 (0.45)	1.83 (0.46)

Table 5 is the result of a two-way between-subjects ANOVA on corporate brand and customer identification, which used product attitude as the dependent variable. It can be seen the subjects showed a significant main effect for the corporate brand and customer-product attitudes, the F statistics were respectively: $F(1,115) = 169.373$ and $F(1,115) = 1228.902$, both significant at $p < .001$. Further, the interactive effects of corporate brand and customer identification are significantly for product attitudes, $F(1,115) = 15.127$, $p < .001$. That is to say the corporate brand's effect on the product evaluation is moderated by the customer identification.

Table 5

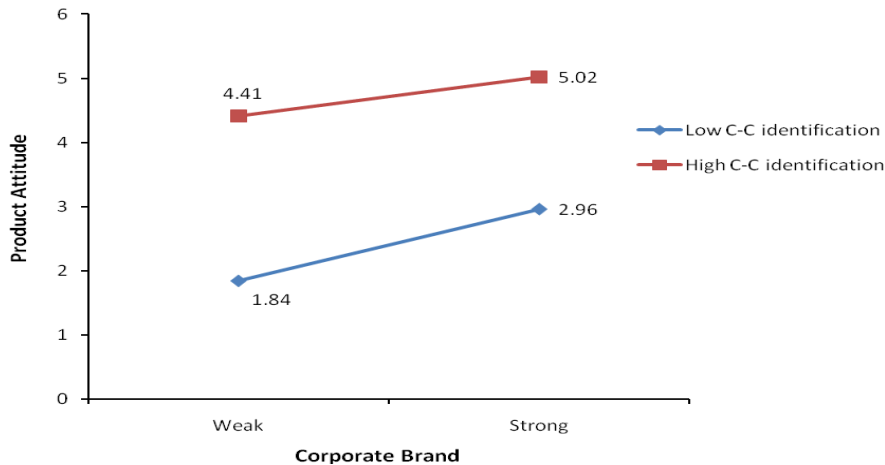
Sources	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	184.442 (a)	3	61.481	472.130	.000
intercept	1505.777	1	1505.777	11563.366	.000
Corporate Brand	22.056	1	22.056	169.373	.000
Customer Identification	160.027	1	160.027	1228.902	.000
Corporate brand * C-C Identification	1.970	1	1.970	15.127	.000
Error	14.975	115	.130		
Summation	1733.388	119			
Revise Summation	199.417	118			

a $R^2 = .925$ (adjusted $R^2 = .923$)

In order to visually display customer identification's moderation of the relationship between corporate brand and product attitude, we will use a figure to explain the data in table 4 (Figure 1). It can be seen clearly from figure 1 that in the condition of high customer identification, no matter whether the corporate brand is strong or weak, the average scores about product attitude evaluation were significantly higher than that of low customer identification.

Figure 1

Moderating effect of C-C identification between product attitude and corporate brand



Analysis of variance analysis showed a significant main effect of customer identification on product evaluation, $F(1,117) = 486.120$, $p < .001$, and the average scores of high customer identification's product attitude ($M = 4.72$) were significantly higher than that of low customer identification ($M = 2.40$). Thus, even if the corporate brand was strong, if the subjects' identification was low, the subjects' evaluation of the product was low ($M = 2.96$). Further, even if the corporate brand was weak, if the subjects' identification was high, the subjects' evaluation remained high ($M = 4.41$). Therefore, this confirmed the authenticity of hypotheses H1 and H2 in the product evaluation. Of course, in the condition of high customer identification, when the company had a strong brand, the subjects had high product evaluations ($M = 5.02$); on the other hand, when the customer identification was low and the company's brand was also weak, the subject evaluation of the product was also low ($M = 1.84$), which proved hypotheses H3 and H4 about product attitude.

To regard purchase intention as the dependent variable to have Table 6 shows a two-way between-subjects ANOVA on corporate brand and customer identification with purchase intention as the dependent variable. The subjects showed a significant main effect of corporate brand and customer identification on purchase intention, the F statistics were respectively: $F(1,115) = 76.109$ and $F(1,115) = 919.287$, both significant at $p < .001$. In addition, the interaction effect of corporate brand and customer identification on purchase intention was significant, $F(1,115) = 42.488$, $p < .001$. Thus the corporate brand's effect on the subjects' purchase intention was related to the level of customer identification. Figure 2 reflects corporate brand and customer identification's effect on purchase intention. From Figure 2, we can clearly see that in the condition of high customer identification, regardless of whether the brand is either strong or weak, the average scores on purchase intention are significantly higher than that of low customer

identification.

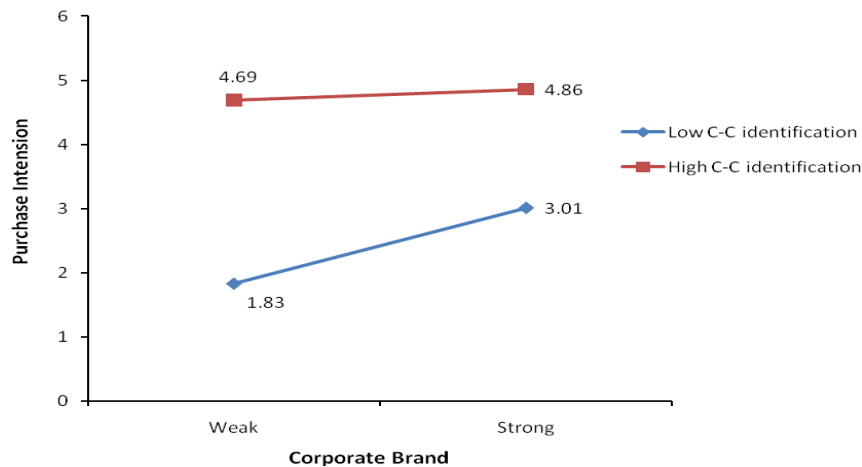
Table 6

Sources	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected Model	185.859 (a)	3	61.953	345.441	.000
Intercept	1538.530	1	1538.530	8578.611	.000
Corporate Brand	13.650	1	13.650	76.109	.000
Customer Identification	164.869	1	164.869	919.287	.000
Corporate brand * C-C Identification	7.620	1	7.620	42.488	.000
Error	20.625	115	.179		
Summation	1772.333	119			
Revise Summation	206.484	118			

a $R^2=.900$ (adjusted $R^2=.898$)

Figure 2

Moderating effect of C-C identification between purchase intention and corporate brand



Further, regarding purchase intention as the dependent variable and the degree of customer identification as the independent variable, analysis of variance showed a significant main effect of customer identification, $F(1,117) = 466.598$, $p < .001$. The average scores of high customer identification's purchase intention ($M = 4.78$) were significantly higher than that of low customer identification ($M = 2.42$). Therefore, from table 4 we can see that with respect to purchase intention, even if the corporate brand was strong, if the subjects' identification was low, the subjects' evaluation of the product was low ($M = 3.01$). On the other hand, even if the corporate brand was weak, if the subjects' identification was high, the subjects' evaluation remained high (M

= 4.69). This supports hypotheses H1 and H2 about purchase intention. Of course, under the condition of high customer identification, if the company had a strong brand, the subjects had high purchase intention (M = 4.86). On the other hand, when the customer identification was low, if the company's brand was also weak, the subject evaluation to the product attitude was also low (M = 1.83), which supported hypotheses H3 and H4 about purchase intention.

Synthesizing the results, for both the evaluation of product attitude and the purchase intention, the corporate brand's effect on the subjects' evaluation was subject to the degree of customer identification. [I don't think you've shown this. You've shown a main effect, not an interaction.] Thus, according to the definition of regulated variables (James and Brett, 1984), [First, you don't have James and Brett in your reference list. Secondly, I think this discussion will go much better if you use Baron and Kenny (1986) which is much more well known and has been cited more than 15,000 times.] the customer identification is the regulatory factor in the relationship between brand and product evaluation. In other words, there is a regulatory effect of customer identification between the company's brand and product evaluation, which confirms this study's main hypothesis.

4 Discussions and Conclusion

Brand's effect and mechanism in customer-product evaluation has been sufficiently studied by many scholars, and many theories have emerged. Fiske and Neuberg (1990), from the perspective of matching theory, thought that the matching extent between products and brand would form a specific corporate schema in the customers' brain, which affected customers' judgment and evaluation to the product category. [Don't introduce new literature in the discussion section. This should be in the literature review.] From the perspective of halo effect, Han et al (1989) thought that customer's evaluation of the company and products will transfer impact through the halo effect, to form the interaction. In fact, scholars' studies on the causal mechanism between corporate brand and product evaluation answered the conditions and boundaries when corporate brand affects customer's evaluation of products. Therefore, the marketing factors (such as corporate brand strategy, product features, etc.) has received attention and been studied as a regulated variable (eg, Berens, Riel and Bruggen, 2007), which has driven the studies on the boundaries under which the corporate brand affects product evaluation. However, these adjustment factors cannot explain the phenomena of "adverse impacts" (such as "Vanne" events—still haven't explained what that is) in strong brand companies, that is to say for some strong (weak) brands, without any changes in brand strategy or product characteristics, the customer evaluation has been abnormal and volatile. Since social identity theory (Brewer, 1991; Tajfel and Turner, 1985) has been studied in the fields of organizational behavior and acquired a broad development (Bergami and Bagozzi, 2000; Dutton, 1994), marketing scholars (eg. Bhattacharya, Rao and Glynn, 1995; Bhattacharya and Sen, 2003) have studied the connotation of the customer identification, the antecedent variables and the results, thus enriching the application and development of the identification theory. Our results show that C-C identification exerts significant m (mediating?) effect between corporate brand and product evaluation, which indicates that customer identification to a company will significantly affect the customer's product attitudes and purchase behavior.

The results can be explained using social identity theory, schema congruity theory and brand value perception theory. Tajfel (1982) proposed that the social identity consisted in social categories, social comparison and positive distinction three basic courses. Group classification and comparison are important means to distinguish group members and obtain recognition.

Through the three courses, individuals acquire positive self-esteem and self-expression. Applying the logic to the situation of consumer behavior, in order to obtain recognition of social reference groups, customers need to classify and compare the companies based on "screening" and choose a company or a industry which can realize self- enhancement. Thus giving themselves the company's "tag", then attaching the positive stereotype of the company to their own lives (such as the emphasis on environmental protection and the common good, etc.). Therefore, from the perspective of social identity, C-C identification is an important factor in the process of product evaluation to affect the customer's product evaluation and purchase intention. Berger and Heath (2007) also studied consumers' product choice from the identity-signaling perspective and found that customers often choose the product that could effectively express and communicate their ideal identity in order to differentiate themselves. This is consistent with the conclusions of our study, namely the degree of identification to is the important mechanism affecting the consumers' product choice and self-expression.

Schema congruity is also an important theory in explaining customer product evaluation. In the premise of the same conditions, people tend to prefer the things that are in line with expectations and can be predicted. In other words, schemas tend to be the same or schema congruity will lead to a positive response (Mandler, 1982). Therefore, when consumers perceive that the value of the company philosophy and their own value system tend to the same or consistent, namely there is large overlap between personal characteristics and company characteristics (high customer identification), customer will form a good attitude and positive response to the company. In the "halo effect", customers' positive sense of the company would transfer to the company's products or services, thus forming a positive customer product evaluations and higher purchase intentions, resulting in phenomenon of "Love me, love my dog". On the contrary, it will also explain the situation of "adverse impacts". Meyers-Levy and Tybout (1989) also found that schema congruity was an important theory for customers to evaluate products, the level of consistency between the product and its category affect the consumer's information processing, judgment and evaluation.

Finally, when consumers pursue the effectiveness of brands' perceived value, the symbolic value is an important part which cannot be ignored. Perceived value of the brand is consumers' comprehensive evaluation of the products' functional benefits and emotional benefits (Park, Bernard and Deborah, 1986; Keller, 2001). Functional value is dependent on the physical properties of products, emphasizing the brand's functional performance and problem-solving skills, and whether it can meet consumer physiological and safety needs. Symbolic value is a non-physical product attributes involving users' overall image and reflecting the potential social identity, self-expression, communication and self-esteem needs. It is an overt value that is recognized by others. In a empirical study of consumer-brand-loyalty's driven discrepancy in different region in China, YU Chunling et al (2005) found that in the highly urbanized areas: Beijing, Shanghai, Guangdong, Jiangsu, and Zhejiang, symbolic or experience value is a major factor in driving consumer-brand loyalty. Therefore, when consumers evaluate the product beyond its functional properties, whether consumers agree with the companies is the important factor affecting consumer evaluation and purchase intention.

The results of this study have important theoretical significance. First, it has empirically studied the regulation effect (you need to clarify from the start what this is. Mediating or moderating? Refer to Baron and Kenny, 1986.) of customer identification between the corporate brand and product evaluation. It has expanded and deepened knowledge about boundary conditions on corporate brand effects on customer's evaluation. This is because the study

introduced an important concept: customer-company identification. Second, it has broadened the field of the social identity theory. Based on experience summed up by predecessors (Bhattacharya and Sen, 2003; Ahearne, Bhattacharya, and Gruen, 2005; Kim, Han and Park, 2001; etc.), this study further promote the relevant research about customer identification, and has not only strengthened its position in marketing, but also broadened its application in social identity theory.

The study results also have a directive function for marketing practices. First, it explains the typical phenomenon "Love me, love my dog" and "adverse impacts" in marketing practice. This allows marketers to recognize that a strong corporate brand is important, but does not fully guarantee a good product evaluation from customers. Therefore, in marketing practice, in addition to creating strong brand, the more important thing is to emphasize on cultivating customer identification, construct more of a "common" value concept with consumers. For example, by building a brand community, on the one hand to truly understand the consumer, on the other hand to form interaction between companies and customers resulting in greater customer identification and cultivating customer loyalty. Secondly, under certain conditions, to cultivate customer identification is more valuable than to create brands, particularly in terms of reaching the immediate goals of the company. The study shows that even if the corporate brand is weak, if the customer identification is high, the company may have high customer evaluation and purchase intension. To create a corporate brand is a long-term undertaking which needs a lot of resources, therefore in the long-term strategic planning of creating brands, the company should pay attention to the cultivation of customer recognition. In this regard, the experience and practice of some foreign companies are worth of learning, such as Body Shop, Harley - Davidson (Harley-Davidson) and so on. These companies were unknown when they were founded. However, via unremitting efforts to build customer identification, now they not only have strong brands, but also obtain higher customer identification.

5 Limitations and the Future Research

Although this article obtains relatively satisfactory results and achieves the expected research purpose, because of certain limitations, in the future there is scope for further research on this topic. The first limitation is the fictitious branding. From the perspective of theoretical study, a fictitious brand can avoid the influence and interference caused by uncontrollable factors such as existing brand knowledge and experience (Boush and Loken, 1991; Brown and Dacin, 1997), and filtrate experiment "noise ". However, in order to further promote the conclusions of the study, it is necessary to study real brands. The second limitation involves testing the discrepancy between industries and categories. In order to match well with the subjects of this research, we chose backpacks as an the experimental product that college students were familiar with and often purchased. However, there are large differences in real consumption situations of different sectors and different categories. This difference means that the involvement of customers in buying decisions is different, and this will lead to essential differences in consumers' behavior patterns. The third problem is the sample representativeness. In theory, an experimental sample should be representative of the population (Liu Jun, 2008). However, in practical studies, due to various resource constraints, especially for the consumer behavior research, it is difficult to completely avoid differences caused by the sample. Therefore, in future studies, we also need to obtain representative samples to test the reliability of conclusions.

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Corporate Service Branding Development: A Conceptual Framework

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Structured Abstract:

Purpose – The purpose of this paper is to propose a framework for developing a corporate brand in the services sector, which also enables the stakeholders to share and enjoy this value between themselves.

Design/methodology/approach – The starting point is that brands exist across all industries. The framework created includes a conceptual foundation from the literatures for better understanding the process of developing a corporate brand in the services sector. This framework is created conceptually and based on observation in an emerging market environment.

Findings – The central problem addressed within this research focuses upon a determination of the antecedents of successful corporate service branding. The findings are likely to suggest a potential model of corporate service branding for emerging markets.

Originality/value – Traditionally, the development of branding over the past is characterized by layers of added value built around the core functionality of the product to create and maintain its characteristic. Recently, branding has moved beyond a principal concern of products. The focus has been shifted to organizations as a total package of branding itself. Indeed branding management study has been dominated significantly within products and Western cultural context. Consequently, little is understood at this point on how the definition, measurement, and specific framework of strategic service branding can be influenced by emerging market environment setting which probably influenced by culture and distinctive environment in services sector. This paper is addressing the gaps in the literature by developing hypothesis and proposing a framework for developing a corporate brand in the services sector.

Keywords: Branding, Services Marketing, Service Dominant Logic, Corporate Management

INTRODUCTION

Over the last fifty years, tens of thousands of studies on brands have been published (Berthon et al., 2011). However, the concept of branding still continues to demonstrate a strong positive presence to be discussed anywhere. Brand exists across all industries, ranging from product branding to services branding. The development of branding over the past three decades is characterized by layers of added value built around the core functionality of the product to create and maintain its characteristic (Knox & Bickerton, 2003).

The existence of brand in the services industry is acknowledged. However, there has been a proclivity to rely on branding models that were developed for product-based commodity. One has to understand unique characteristic of service in order to develop a suitable branding model for service-based commodity. Possibly this has become the contributing factors to the relatively low number of valuable services brands in the market. Hitherto, there are few valuable services brands which are only 28 service related brand out of 100 brand names listed at best global brand ranking for 2010 and most of the service brand are from financial service sector (www.interbrand.com).

People buy a product, because they have idea of what to expect, especially those derived from the marketing effort (Gregory, 2004). Nevertheless, a brand cannot stand by itself. Before the point of purchase, the companies sell their promise. At the point of purchase, customers will eventually find out more about the product or service for instance its quality standard. At this point, quality and performance contribute to success or failure of the company (Kotler et al, 2005). Therefore, for a brand to go strong and capturing a sound market share, it needs much more than a marketing gimmick. It needs strategic branding in the corporate level.

The aim of this study is to propose a framework for developing a corporate brand in the services sector. The central problem addressed within this research focuses upon a determination of the antecedents of successful corporate service branding. Additionally, this study tries to find the interaction and influence of culture in the development process of Corporate Service Branding.

LITERATURE REVIEW

What We Know About Service

Product itself is defined by marketing scientist and practitioners as “anything that can be offered to a market for attention, acquisition, use or consumption that might satisfy a want or need” (Kotler et al, 2007, p.386) while service is defined as “any activity or benefit that one party can offer to another that is essentially intangible and does not result in the ownership of anything” (Kotler et al, 2007, pp.396). In this book, it is suggested that a product should be viewed in three levels: core product, actual product and augmented product. Core product is defined as what the buyer is really buying. For example, customers who purchase a book are buying more than just a book, they are purchasing knowledge. Actual product is defined as the product itself; it could be tangible or intangible. Intangible product is what known generally as service. However, literature suggests that service has much more characteristics. Intangibility, inseparability, variability or heterogeneity, and perishability play a central theme in describing the essence of a service (Kotler et al, 2007). Therefore, this definition effectively addresses core characteristics of services marketing. Subsequent paragraphs will explain the gist of each characteristic of service.

As discussed briefly in previous paragraph, the fundamental difference between goods and services is intangibility (Lovelock, Patterson and Walker, 2001; Shostack 1977). Service cannot be seen, felt, tasted or touched in the same manner as (manufactured) goods. Shostack (1977) proposed that the greater the prevalence of intangible elements within a service product the greater would be the divergence from traditional product marketing approaches.

The next characteristic is inseparability which describes the concurrent production and consumption of it. In other words, service cannot be separated from its producer unlike manufactured goods. Vargo & Lusch (2004a) argued that the customers are involved in creating value through service experiences and relationships. This logic makes customers as active recipients rather than passive recipients of marketing action. This suggested that producer and consumers are co-creators in service. This logic also alters common supply chain, with seller and producer being the same entity. However, it is arguable that advances in information technology could have diminished the impact of this particular service characteristics for instance mobile internet technologies take apart the premise that the consumer must be physically present to consume a service. Still, due to this inseparability characteristic, it could be impossible for consumers to evaluate many services, like hotels, until they have experienced it themselves.

As service cannot be separated from its producer, service also bound to have variation. In this logic, it is predicted that service providers would have difficulty to provide a consistent performance due to the profound reliance upon human being within both production and service delivery (Calisir, 2007). Lovelock, Patterson and Walker (2001) argues that since service has variability as one of its characteristics due to consumers' involvement in the service and people as part of product, it is difficult to maintain standard. Therefore, this could be hard to maintain competitive differentiation. However, in terms of competition in the service whereby many offering similar products and companies can now copy the products from each others quite easily, it is the consumers' contacts employees who will make the difference which is supported by de Chernatony and Segal-Horn (2003) when they stated that "products are easily copied by competitors; service is not" (p.1096) because in service "customers are buying either an experience or a performance" (Lovelock, Patterson & Walker, 2001, p.4). Lovelock, Patterson and Walker (2001) proposed some guideline is managing effective service by recruiting right employees, training the employee, educating customers, educating employees, efficient first nice second and evaluating regularly.

Concurrent production and consumption together with the intangibility nature of service, it bound to be perishable, which means service cannot be inventoried as stock and must be consumed in that instant. In most organization providing services such as hotels, restaurants or airlines, unconsumed rooms or seats during un-peak period could not be kept for future usage. Therefore, this particular characteristic could have the biggest influence in the promotion and distribution strategy. This tension between goods and services dominant marketing is examines further, resulting in the important introduction of service-dominant logic

Modern economies today are increasingly dependent on services because the service sector is able to absorb more employment compare to manufacturing sector which depends more to

modern machineries. Even, in practice, nowadays the sale of goods (physical products) is accompanied by some extend of service; whether high, low or medium contact (Lovelock, Patterson & Walker, 2001). Service is also seen as a competitive advantage to manufactured goods providers (augmented product). As service has become more and more important in economy, the discussion on service branding has become important too.

What We Know About Corporate Branding

Traditionally, the development of branding over the past is characterized by layers of added value built around the core functionality of the product to create and maintain its characteristic. Recently, branding has moved beyond a principal concern of products. The focus has been shifted to organizations as a total package of branding itself. Keller and Richey (2006) state that the success of a 21st century business will be defined as much by who it is and what it does. Therefore, it is important to emphasize corporate identity and personality. Corporate identity and personality start with the employees who bring these identity and personality to life. The employees' conducts determine who a company is. Therefore, branding in its contemporary understanding is about the creation and development of a specific identity (either for a company, product, commodity, group or person).

As identity, branding has a huge influence in the whole business. Therefore, rather than being seen as part of the strategy, branding has received a lot of attention as the driving strategy in the corporation. Many scholars have also drawn on the differences between brands and corporate brands. In recent years, a growing body of publications about corporate branding (Balmer, 2001; Balmer & Greyser, 2002; de Chernatony, 1999; Harris and de Chernatony, 2001; Hatch and Schultz, 2003; Keller & Richey, 2006; King, 1991; Knox & Bickerton, 2003) has emerged, based on the conceptual underpinnings of classical brand management literature (Aaker, 2010; Keller & Richey, 2006).

Corporate branding is the management of the corporate brand. It is a process that includes goal-oriented planning, coordination and control of all activities of the corporate brand. Corporate branding aims to establish a favourable disposition towards the organization by its various stakeholders. Unlike product branding, corporate branding focuses not only on the consumer, but also on all relevant stakeholders of a corporation (Fiedler & Kirchgeorg, 2007; Hatch & Schultz, 2003). Balmer and Greyser (2002) also explained that corporate branding is derived from an organization's identity and encapsulated in a branding position statement which outlined the tangible and intangible attributes of the brand. From the perspective of the corporation, it is important to understand who the stakeholders are (Gylling & Lindberg-Repo, 2006) and also who you are (corporate identity) to attract the right stakeholders. Knox and Bickerton (2003) gave holistic definition for the corporate brand as "A corporate brand is the visual, verbal and behavioural expression of an organization's unique business model" (p.1013).

Indeed branding management study has been dominated significantly not only within products but also within Western cultural context (Balmer & Thompson, 2009; Devlin, 2003). Consequently, little is understood at this point on how the definition, measurement, and specific framework of strategic service branding can be influenced by emerging market environment setting which probably influenced by culture and distinctive environment in services sector.

The Use of the Service Concept in Corporate Branding

To contribute to services branding knowledge, de Chernatony and Segal-Horn (2003) undertook a review of the services management and services branding literature and hypothesized a model of services branding. They conducted in-depth interviews with 28 leading-edge consultants based in London who have undertaken various consultancy projects either in advertising, design, marketing/management, brand, market research or management journalist. The respondents specialized in advising national and international clients on branding issues. Although by focusing on the consultants may enable to tap to their intellectual capital that allow the researchers to have access in their rich knowledge of successful services branding principles, it is possible that some might hold back information due to their commitment to their clients. The report consisted of the findings derived from the consultants' perceptions of specific criteria that contribute to a successful services brand. The three most frequently mentioned criteria for succeeding with services brands were having a focused position, consistency and value as concur with Brodie, Whittome and Brush (2009).

Brodie, Glynn and Little (2006) explore the case for integrating branding into the service-dominant logic. They argue that service brand, in its role as an asset, is a fundamental concept within the service-dominant logic. Consequently, if the service-dominant logic is to be relevant to marketing practice then more attention should be given to its role. However, to do this well, they propose that further attention should be given to integrate marketplace equity theory to provide better understanding about the nature of intangible assets which may include networks, customers and brands, and how these marketing assets and associated processes lead to the co-creation of market value. From their case, it is important to understand the application of branding in the services sector which differs from manufacturing sector.

Balmer and Thompson (2009) in their study on Hilton Corporate brand suggested that strong and favourable corporate brands can be critically important strategic assets and the key benefits relate to:

- a. Differentiation.
- b. Attracting loyalty from customers
- c. Appealing to would be/current employees, i.e. 'the employee brand' and other stakeholders
- d. Generating higher income via higher room fees, occupancy rates and return on investment
- e. Attracting investors as well as securing contracts and franchise arrangements
- f. Commanding meaningful financial leverage/goodwill from franchise arrangements or when acquired by another entity

Having discussed the definition, characteristic and benefits of corporate branding, it is obvious that corporate branding must engage all stakeholders; external and internal. Davies and Chun (2002) measure that as employee perceptions (referred to as identity) and customer perceptions (referred to as image). They found that gaps do exist between the (internal) identity and the (external) image of an organization but the nature of such gaps differs among different stakeholder (in this case customers and employees).

PROPOSED METHODOLOGY

For this type of study, qualitative approach is seen as more appropriate as there is a need to explore determination of the antecedents of successful corporate service branding and to find the influence of elements of culture on the development of the model. These gaps will only be explored using open ended questions.

The term ‘qualitative’ is used to “describe research method and techniques which use, and give rise to, qualitative rather than quantitative information” (Veal, 2006 p.193). In general, this approach tends to collect richer data from relatively few cases rather than just collect limited information from larger number of cases. An important philosophical perspective in the analysis of qualitative data is the concept of grounded theory introduced by Glaser and Strauss. It is argued that qualitative research could be used for theory construction. Grounded theory is concerned with the generation of theory from the study as the opposite of traditional research that test existing theory. Two main camps of grounded theory method are from Strauss and Corbin (Mills, Bonner & Francis, 2006) and Glaser (2002).

Case studies have been shown to be an effective research strategy through their ability to generate descriptive data, test and generate theory (Eisenhardt, 1989). The richness of data that can be gathered from taking a restricted approach to data collection, such as that offered with a case based research strategy, would seem to be an appropriate strategy to approach the theory building objectives of this research. Case studies are clearly differentiated from other research strategies through their focus upon understanding the focus phenomena within a single setting. This is distinct from an experimental approach whereby every attempt is made to separate the focus research phenomena from other environmental stimuli.

While the breadth of the research agenda meant that there was a large population of possible cases where the researcher could investigate the relationship between culture and corporate service branding, a local corporation is selected due to both its logistical accessibility and cohesiveness as a cultural cohort. This corporation is fall under category of hotel sector. Vadi and Meri (2005) stated that hotel industry is one of the interesting contexts to conduct culture study since the representatives of the communication sphere have the experience to solve in their everyday activity the situations where cultural differences play an important role. Case selection in this study can therefore be classified primarily as a convenience sample (Patton, 2002). Interviews with 10 decision makers (managers) related to branding in the corporation will be conducted to produce the themes. The data obtained from grounded approaches are from interview. Therefore, it will be analysed by using content analysis. Themes are identified and coded into clusters (Miles & Huberman, 1994). Based on the themes, a questionnaire will be developed and distributed among frequent users of hotel products.

CONCLUSION AND EXPECTED OUTCOME

In conclusion, the essence of a theory of corporate service branding is the development of a ‘new’ marketing thinking that integrates more factors with marketing. The adoption of cultural context and distinct service-based industry has implications for the reorientation of marketing education and challenges the relevance of the current marketing texts. As the field work has not been completed, the researchers are only able to provide expected outcome. The outcome of the study provides a potential model of corporate service branding for emerging markets which includes a comprehensives factors to be considered for a service company operating in Eastern

cultural context to develop its branding model.

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The Effects of Firm Characteristics on Consumers' Risk Perceptions and Responses for a Credence Service

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Abstract: Marketers are interested in understanding what causes individuals to perceive risks when they purchase goods and services so that they can develop relevant strategies to reduce those risks and increase purchase probabilities. In particular, perceived risk for credence services remains high even after service delivery. Therefore, it is crucial to understand the underlying mechanism of post-purchase risk as the cognitive processes involved are different from those in pre-purchase risk evaluation. The present research aims to systematically examine the roles of four firm-level characteristics—company reputation, perceived service quality, perceived price and country image on consumers' post-purchase risk perceptions (psychological, social, performance, and financial risks) for a credence service, and their subsequent effects on word-of-mouth communication and switching intention.

We conducted surveys on actual consumers who had purchased personal life insurance within the past year in two cities in China. Our trained interviewers approached potential respondents in the central business districts of both cities. The final sample size was 309 respondents. To test the proposed hypotheses, we employ structural equation modeling with the

maximum likelihood estimation method.

We summarize our research findings as follows. First, company reputation plays an important role in reducing post-purchase psychological, social, performance, and financial risk perceptions. Consistent with the literature, we confirm that perceived price has a positive effect on risk perceptions. Country image is a significant antecedent of social and psychological risks. However, service quality does not affect perceived risk. We attribute this to the fact that insurance is a service with high credence characteristics, for which the quality is hard to judge even after purchase. Second, psychological and social risks exert positive influence on consumers' word-of-mouth, while performance risk negatively affects consumers' word-of-mouth and positively affects switching intention. In the presence of high psychological and social risks, consumers want to obtain the approval of others and enhance their own self-image, and tend to spread positive word-of-mouth. The surprising finding is that financial risk affects neither word-of-mouth nor switching intention. A potential explanation may be that the close social network in Chinese society serves as a "cushion" that would support its members when they meet with financial difficulties. Finally, psychological, social, performance, and financial risks partially mediate the relationships between these firm-level antecedents and customer responses.

These results make significant contributions to the services marketing literature. Our research provides a systematic examination of the determinants and consequences of post-purchase perceived risk for a high-risk and high-involvement credence service purchase situation. Another strength of our model is that we explicitly measure four types of post-purchase perceived risk—psychological, social, performance, and financial risks. Beyond the theoretical contribution, these findings have important implications for companies in the insurance industry. Service providers must convince customers of their abilities to deliver the service well and promptly, as well as their commitment to protect the interests of the customers. Manipulating an appropriate level of social or psychological risk can help to enhance positive word-of-mouth.

Key Words Perceived Risk, Credence Service, Word-of-mouth, Switching Intention

INTRODUCTION

One of the major factors that influences consumer choice behavior is perceived risk (Conchar *et al.*, 2004; Grewal *et al.*, 1994; Stone and Gronhaug, 1993). Marketers are interested

in understanding what causes individuals to perceive risks when they purchase goods and services so that they can develop relevant strategies to reduce those risks and increase purchase probabilities. In this regard, previous research tends to examine the effects of prepurchase risk perceptions on consumer buying behavior for tangible goods (e.g., Sweeney *et al.*, 1999). Compared to products, the role of perceived risk is more salient for services due to greater intangibility (Boshoff, 2002; Cunningham *et al.*, 2005; Laroche *et al.*, 2004; Murray and Schlacter, 1990; Parasuraman *et al.*, 1988; Vöckner and Hofmann, 2007).

In particular, perceived risk for credence services remains high even after service delivery, as consumers are not confident of their abilities to evaluate the quality of the service (Crosby *et al.*, 1990). Therefore, it is crucial to understand the underlying mechanism of post-purchase risk as the cognitive processes involved are different from those in prepurchase risk evaluation (Gardial *et al.*, 1994; Grewal *et al.*, 1994; Grewal *et al.*, 2007). However, previous research has not systematically investigated the antecedents and consequences of post-purchase perceived risk for credence services. The present research aims to fill this void in the literature. We model the antecedents of post-purchase risk perceptions in terms of company-level factors, and examine their effects on customer word-of-mouth communication and switching intention.

In addition, it has been noted that perceived risk as well as responses to risk differ across cultures (Keh and Sun, 2008). However, research on perceived risk has been conducted predominantly in Western countries, and there is a paucity of research examining perceived risk in emerging markets. Given the significant socioeconomic, demographic, and cultural differences between the Western world and emerging markets, it is “less than obvious that our established theories and empirical generalizations are applicable to [emerging] markets” (Burgess and Steenkamp, 2006, p. 338). Accordingly, China as the world’s largest and fastest-growing emerging market provides an attractive setting to investigate perceived risk.

The present research contributes to the literature in three ways. First, we examine the roles of company-level factors on post-purchase risk perceptions, and their subsequent effects on word-of-mouth communication and switching intention. Second, even though perceived risk is a multidimensional construct, past research tends to operationalize it narrowly as either performance or financial risk (e.g., Kleijnen *et al.*, 2007). We overcome this limitation by examining four dimensions of perceived risk—psychological, social, performance, and financial risks. Finally, our empirical setting in China enables us to better understand consumer behavior

in the fastest-growing and largest emerging market.

RESEARCH FRAMEWORK AND HYPOTHESES

Our research framework linking the antecedents and consequences of post-purchase risk perceptions is shown in Figure 1. We model the antecedents of perceived risk using company-level factors. Two key outcomes of perceived risk are word-of-mouth communication and switching intention.

[Insert Figure 1 about here]

Perceived Risk

The concept of perceived risk has come through infancy to adulthood and established a strong research tradition in the marketing arena (Stone and Gronhaug, 1993). Consistent with previous research, we define post-purchase risk as the probability and seriousness of an uncertain outcome after purchase (Stone and Gronhaug, 1993; Grewal *et al.*, 2007). In this sense, it is different from prepurchase risk, which is about the uncertainty prior to purchase. We examine four dimensions of post-purchase risk—social, psychological, financial, and performance risks (Keh and Sun, 2008; Laroche *et al.*, 2004). Specifically, social risk is defined as a loss such that the choice may result in embarrassment and loss of self-esteem before family or friends (Murray and Schlacter, 1990). Psychological risk is the harm to the consumer ego that a poor choice produces; it is also a potential loss of self-image or self-concept (Murray and Schlacter, 1990). Financial risk is defined as a net financial loss to a customer, including the possibility of suffering a financial loss due to hidden costs, maintenance costs, or lack of warranty (Sweeney *et al.*, 1999). Performance risk is the loss incurred when the service does not perform as expected (Sweeney *et al.*, 1999). The inseparability characteristic of services implies that the consumer is present and personally involved during service production and consumption. As a result, the personal involvement with the service causes the social and psychological loss to be more salient for services than for goods (Laroche *et al.*, 2004; Murray and Schlacter, 1990), especially for credence services.

Firm-Level Characteristics and Perceived Risk

We consider three firm-level characteristics: company reputation, perceived service quality, and perceived price. The literature suggests that consumers use signals or extrinsic cues (such as advertising and brand name or reputation) to infer product quality and refine their choices (Teas and Agarwal, 2000). Brown and Dacin (1997) demonstrate that what consumers

know about a company can influence their beliefs and attitudes toward new products from the company. If the credence service provider has a good reputation, consumers are likely to perceive it as having the ability to deliver the service well, and this may reduce their post-purchase perceived financial and performance risks. Higher company reputation tends to result in favorable word-of-mouth, and consumers will have more confidence in their choice. They are also more assured that others will agree with their choice and this will lower social and psychological risks. Consequently, as an extrinsic cue, a service provider's positive reputation should lower consumers' post-purchase psychological, social, performance, and financial risks.

A high level of perceived product quality may serve to mitigate the risk that accompanies the uncertainty of whether a product will satisfactorily perform its intended function (Shimp and Bearden, 1982). Sweeney, Soutar, and Johnson (1999) reveal the negative influence of retail service quality (functional quality and technical quality) on consumer prepurchase performance/financial risk perceptions. Along this line, we contend that if the service provider can deliver high quality service, the level of perceived intangibility and outcome uncertainty will be decreased, thereby lowering post-purchase performance and financial risks. Besides, superior service quality can build good and close relationship with customers, thus leading to lowered post-purchase psychological and social risk perceptions.

There is extensive research on how perceived price influences perceived risk, particularly for products. For example, Grewal, Gotlieb, and Marmorstein (1994) maintain that price is an inherent component of perceived financial risk. Similarly, Sweeney, Soutar, and Johnson (1999) suggest that monetary price is likely to trigger greater levels of financial uncertainty. Völckner and Hofmann (2007) propose that as the price level increases, the risk associated with an incorrect choice increases. However, there is little in the literature on how perceived price affects post-purchase risk perception for services. We posit that consumers who pay a higher price for a service are more likely to perceive greater losses when failure occurs. As the price level increases, the risk of an incorrect choice will rise accordingly. Therefore, perceived price is positively related to the four dimensions of post-purchase risk.

The general consensus emerging from the country of origin research is that consumers use country-of-origin information to evaluate products (Han, 1989; Hong and Wyer, 1990). A country's name triggers feelings that may be transferred to the evaluation of product. It is a critical information cue, which plays a major role in having the product accepted in different

world markets (Samli, 1995). Empirical evidence also suggests that when consumers are not familiar with the products, they rely more on country-of-origin information to make the final decision (Agarwal and Teas, 2001). The major characteristic of credence service is that consumers are hard to evaluate the service quality even after the consumption, as they are not confident of their abilities to judge the goodness the services. Under such circumstances, it is plausible to hypothesize that country image will influence consumer perceived risk. The more favorable country image, the less perceived risk.

H1: Company reputation is negatively related to (a) psychological risk, (b) social risk, (c) performance risk and (d) financial risk.

H2: Perceived service quality is negatively related to (a) psychological risk, (b) social risk, (c) performance risk and (d) financial risk.

H3: Perceived price is positively related to (a) psychological risk, (b) social risk, (c) performance risk and (d) financial risk.

H4: Country image is negatively related to (a) psychological risk, (b) social risk, (c) performance risk and (d) financial risk.

Perceived Risk and Customer Responses

Two widely-examined response variables are word-of-mouth communication and switching intention (e.g., Grewal *et al.*, 2007; Lin and Fang, 2006). Post-purchase perceived risk is a judgment that is likely to affect decisions (Grewal *et al.*, 2007), and is also expected to strongly relate to word-of-mouth and switching intention. We propose that social and psychological risks are positively related to word-of-mouth and negatively affect switching intention for three reasons. First, face consciousness for Chinese consumers implies that as social and psychological risks increase, they may be eager to gain the approval of other people around them. They want to show that their decisions are right so as to protect their self-image. As such, consumers with high post-purchase psychological and social risk perceptions are more satisfied, demonstrate low switching intention, and tend to spread more favorable word-of-mouth. Second, when the credence service in question has high psychological or social risk, consumers will be eager to seek positive recognition from others. Therefore, they may try to reduce risk by sharing their experience of the service and encouraging others to buy the service (Keh and Sun, 2008; Lin and Fang, 2006). These two kinds of post-purchase risks will gradually decrease as the number of users increases. In order to persuade others to purchase the service, they need to show

repeat purchase intentions and spread positive words regarding the service. Finally, Liu, Furrer, and Sudharshan (2001) find that when customers from low individualistic cultures experience poor service quality, they tend not to spread negative word-of-mouth and exhibit lower intentions to switch to another service provider.

Rust *et al.* (1999) suggest that uncertainty (risk) negatively affects consumer post-purchase evaluations. Similarly, Chaudhuri (1997) finds a strong relationship between risk perceptions and negative emotion. Sweeney, Soutar, and Johnson (1999) show that performance and financial risks have a direct, negative effect on perceived value. By extension, it is reasonable to posit that performance and financial risks will also exert positive (negative) influence on customer switching intention (word-of-mouth). More recently, Grewal *et al.* (2007) show that the post-purchase risk associated with a service has a negative impact on repeat behavior intentions. Accordingly, the high financial or performance risk of the credence service means that there is a high probability of financial loss or uncertainty regarding its performance. If consumers are uncertain if their own service brand preferences will meet other people's expectations, they may communicate less about their own choices, and are more likely to switch to other service providers. Therefore, we hypothesize that:

H5: Word-of-mouth is positively influenced by (a) psychological risk and (b) social risk, and negatively influenced by (c) performance risk and (d) financial risk.

H6: Switching intention is negatively influenced by (a) psychological risk and (b) social risk, and positively influenced by (c) performance risk and (d) financial risk.

METHOD

Survey Design

The insurance industry is our research context for two reasons. First, insurance represents a highly intangible service with credence properties, which are difficult to determine even after purchase (Crosby *et al.*, 1990). Therefore, the post-purchase perceived risk for insurance is relatively high. Second, the outlook for China's insurance industry is encouraging. In 2006, the Chinese insurance market grew 14.4% to RMB564.1 billion, developing even faster than the country's GDP. In 2007, China had 79 insurance companies, 48 were domestically funded and the remainder was foreign-controlled or joint ventures. Almost half of these companies had been established in the past five years, following China's entry into the World Trade Organization. Some analysts forecast the insurance sector to grow by about 20% in 2007 and 2008 (Zhang and

Soon, 2007). Thus the insurance market in China makes a relevant and appealing research setting.

We conducted surveys in two cities, Beijing and Kunming. Data were collected from adult consumers who have purchased personal health insurance within the past year. Our trained interviewers approached potential respondents in the central business districts of both cities, and they were first asked if they had previously purchased health insurance. Respondents who answered affirmatively were asked to complete a brief survey in return for a small token of appreciation. Upon survey completion, participants were debriefed and thanked for their cooperation. They were also assured of complete confidentiality. On average, each questionnaire was completed in about 20 minutes.

The final sample size was 309 respondents. Forty-one percent of the respondents were male; 91% of them were between the ages of 20 and 40; and about 88% had earned a bachelor's degree or above. The respondents' occupations also varied widely. In order to ensure that the respondents were representative of the insurance customers in China, we consulted two insurance industry insiders, who affirmed the appropriateness of our sample.

Measurement

We first generated an item pool for each construct, and used previous research as the basis for developing the measurement items. We then assessed the face or content validity of the measurement scales. The initial survey instrument was drafted in English and then translated into Chinese. We used back-translation to ensure linguistic and conceptual equivalence between the two versions. Subsequently, the Chinese questionnaires were forwarded to 40 consumers who had purchased insurance policies for pretesting. We conducted an exploratory factor analysis of their responses and examined the coefficient alphas. We discarded 10 items based on the item-to-total correlations and factor loadings, using a cutoff value of .4 for both. Based on the pretest, the questionnaire was further revised and finalized.

All measurement items had 5-point scales (1-strongly disagree, 5-strongly agree). Respondents first responded to a series of questions that measure company reputation (Weiss *et al.*, 1999), perceived price (Sweeney *et al.*, 1999), perceived service quality (Parasuraman *et al.*, 1988), country image (Maheswaran, 1994), psychological, social, performance, and financial risks (Stone and Gronhaug, 1993; Sweeney *et al.*, 1999), switching intention (Bansal *et al.*, 2004), and word-of-mouth (Maxham and Netemeyer, 2002) (see the Appendix for details).

RESULTS

Analysis of the Measurement Model

In order to test our proposed framework, we followed Anderson and Gerbing's (1988) two-step approach in structural equation modeling, for which the estimation of a confirmatory measurement model must precede the simultaneous estimation of structural models. Therefore, we assessed the convergent and discriminant validity of the focal constructs by estimating a 10-factor confirmatory measurement model. All 10 constructs were latent variables, and all items loaded only onto their latent constructs. The model provided a satisfactory fit to the data ($\chi^2(417) = 712.97, p < .001, \chi^2/df = 1.710, CFI = .988, TLI = .984, IFI = .988, RFI = .963, NFI = .971, RMSEA = .048$), indicating unidimensionality of these measures (Anderson and Gerbing, 1988). Furthermore, all the factor loadings were significant and the reliability for all the measurements met or exceeded the .60 benchmark (Bagozzi and Yi, 1988). Thus, the measures demonstrated adequate convergent validity and reliability. Discriminant validity was assessed using two CFA models involving all possible pairs of constructs (45 tests). Each pair of constructs was first freely estimated and then constrained to unity. The chi-square values for the unconstrained models, which allowed each pair of constructs to covary freely, were all significantly lower than those of the constrained models, which constrained the estimated correlation for each pair of estimated constructs to one. Thus, the discriminant validity received adequate support (Anderson and Gerbing, 1988).

We used Harmon's one-factor test to assess whether a single latent factor would account for all the manifest variables. This would indicate whether common method variance posed a serious threat to the interpretation of the findings in this study (Ramani and Kumar, 2008). We conducted a chi-square difference test between the single-factor model and the hypothesized 10-factor model to assess the impact of common method variance. A significant difference between the chi-square values of the two models indicated that the fit in the one-dimensional model was significantly worse than in the measurement model ($\Delta \chi^2 = 3216.068, \Delta df = 45, p < .001$). This provided evidence that common method variance was not an issue in the measurement model.

We concluded that the measurement model possessed good overall fit with the data, in which the constructs exhibited both convergent and discriminant validity, and that common

method bias did not pose a serious threat to the interpretation of the results.

Results for the Hypothesized Relationships

To test the proposed hypotheses, we employ structural equation modeling with the maximum likelihood estimation method. The results of the overall models exhibit good levels of fit: $\chi^2(414) = 828.518, p < .001, \chi^2/df = 2.00, CFI = .983, TLI = .978, IFI = .983, RFI = .957, NFI = .966, RMSEA = .057$. All fit indices for our structural model achieve or exceed the usually recommended threshold values.

We test a total of six hypotheses, and the results appear in Table 1. The majority of our hypotheses is verified, except for the perceived service quality and post-purchase risk relationships, country image and financial/performance risk relationships, psychological/social risk and switching intention relationships, as well as financial risk and word-of-mouth/switching intention relationships. For the firm-level antecedents, we find that company reputation has a negative effect on psychological risk ($\beta = -.668, p < .05$), social risk ($\beta = -.812, p < .01$), performance risk ($\beta = -.802, p < .01$), and financial risk ($\beta = -.459, p < .05$), providing support for H1. In contrast, perceived price has positive effects on psychological risk ($\beta = .954, p < .001$), social risk ($\beta = 1.000, p < .001$), performance risk ($\beta = .952, p < .001$), and financial risk ($\beta = .693, p < .001$), thus supporting H3. These findings empirically confirm that both company reputation and perceived price can influence post-purchase psychological, social, performance, and financial risks. Higher company reputation reduces risk perceptions. However, if the insurance company charges a high price, risk perceptions will increase. The effects of service quality on the four types of risk are not significant, and H2 is not supported. This may be due to the credence characteristic of the insurance industry, whereby consumers have difficulty in assessing service quality. From Table 1, we can see that country image only has a negative effect on psychological ($\beta = -.395, p < 0.10$) and social risks ($\beta = -.419, p < 0.10$), which provides support for H4a and H4b. As such, consumers may rely on other firm characteristics to reduce their risk perception, such as perceived price and corporate reputation.

[Insert Table 1 about here]

The next set of hypotheses relates to the effects of psychological, social, performance, and financial risks on word of mouth and switching intention. We find that both psychological and social risks positively influence word of mouth (psychological: $\beta = .393, p < .02$; social: β

= .595, $p < .001$), supporting H5a and H5b. In the presence of high psychological and social risks, consumers want to obtain the approval of others and enhance their own self-image, and tend to spread positive word-of-mouth. The negative effect of performance risk on word-of-mouth ($\beta = -1.110$, $p < .001$) is in accordance with H5c. The direct effects of psychological and social risks on switching intention were insignificant. Thus, H6a and H6b are not supported. In other words, even though social or psychological risks induce positive word-of-mouth communications, they do not significantly predict switching intention. However, performance risk has a positive effect on switching intention ($\beta = .449$, $p < .001$), supporting H6c. The surprising finding is that financial risk affects neither word-of-mouth nor switching intention. A potential explanation may be that the close social network in Chinese society serves as a “cushion” that would support its members when they meet with financial trouble (Hsee and Weber, 1999). This cushion hypothesis can explain why financial risk does not significantly predict consumer responses.

Testing the Mediating Roles of Perceived Risk

To determine the mediating effects of the four types of post-purchase risks in the proposed framework, we examine whether the direct effects from firm-level antecedents to word-of-mouth and switching intention are more dominant than the indirect effects through the post-purchase risks. For the direct effects, we added a direct path from each antecedent to each customer response one at a time and compare the chi-square difference (one d.f.) from the conceptual model in Figure 1 (Bagozzi and Yi, 1988). Chi-square difference tests show that, in general, the addition of a direct path does not improve the fit significantly (except for three cases: between company reputation and word-of-mouth, between perceived service quality and word-of-mouth, and between perceived price and word-of-mouth). In addition, we also compare the magnitude of the direct and indirect effects when the direct path is included in the model. The results show that the indirect effects through psychological, social, performance, and financial risks are more dominant than the direct effects in explaining the total effects from the antecedents to word-of-mouth and switching intention. Therefore, psychological, social, performance, and financial risks partially mediate the relationships between the antecedents and customer responses.

DISCUSSION AND IMPLICATIONS

The results make new contributions to the service marketing literature. Our model

integrates four types of company-level antecedents into one theoretical framework. The key consequences studied are word-of-mouth and switching intention. Therefore, our research provides a systematic examination of the determinants and consequences of post-purchase perceived risk for a credence service. Another strength of our model is that we explicitly measure four types of post-purchase perceived risk—psychological, social, performance, and financial risks. Prior research has examined only performance/financial risk for products. In addition, our results indicate that the indirect effects through the four types of risks are more dominant than the direct effects of the antecedents on customer responses. In terms of the study location, China has the fastest-growing and potentially largest insurance market in the world. Due to the different cultural values between China and Western countries, our research provides useful empirical evidence on Chinese consumer behavior.

For the firm-level factors, we find that both company reputation and perceived price are important antecedents of post-purchase risk. Country image is a significant antecedent of social and psychological risks. However, service quality does not affect perceived risk. We attribute this to the fact that insurance is a service with high credence characteristics, for which the quality is hard to judge even after purchase. In addition, the competition between insurance companies in China is rather intense, resulting in improved service quality. Consumers often have difficulty differentiating the service quality of one firm from its competitors'. This is confirmed by our sample; when asked to evaluate the service quality of their chosen insurance company, nearly 80% of the respondents rated "hard to say" or even higher ratings (i.e., better than expected, much better than expected). As such, consumers need to find other ways to mitigate perceived risk.

These findings have important implications for managers. Due to the high intangibility of and difficulty in evaluating credence services, they should highlight the role of extrinsic cues such as enhancing company reputation and reducing price perceptions to lower perceived risk. As price reduction is sometimes infeasible, building high company reputation is therefore imperative to lowering the post-purchase risk for credence services. While we did not find service quality to have a significant influence on perceived risk in the insurance industry for reasons previously mentioned, we caution managers not to neglect service quality. We believe that service quality must be sufficiently high before the other factors can take effect.

We find that in China, performance risk negatively (positively) affects customer

word-of-mouth (switching intention). As such, managers should strive to decrease consumer perceptions of performance risk for the credence service. They must convince customers of their abilities to deliver the service effectively, as well as their commitment to protect the interests of the customers. For example, insurance companies may consider providing service guarantees to reduce post-purchase risk. Interestingly, manipulating an appropriate level of social or psychological risk can help enhance positive word-of-mouth. Along this line, we observe that the advertising of insurance companies in China often emphasizes concepts such as “peace of mind” and “let your family know you’re taking care of them.” Differing from the risk literature, our findings also indicate that financial risk does not significantly lower word-of-mouth or increase switching intention. The reason lies in the differences in cultural values and social structures between western and eastern countries. Compared with Westerners, more Chinese live in extended families and have close contact with a large number of relatives and friends. Once they are in need, the Chinese can turn to this social network for material and financial assistance. As a consequence, the Chinese perceive the financial uncertainty of the service as potentially being less severe to them.

Our results also have practical suggestions for employee training because of the interaction between service employees and consumers. Firms selling services should provide extensive training to their front-line employees to handle risk perceptions. They should be equipped with tactics that can help reduce the various components of perceived risk. The goal is to make consumers more informed, and subsequently reduce post-purchase perceived risk.

CONCLUSION

We summarize our research findings as follows. Firstly, company reputation plays an important role in reducing post-purchase psychological, social, performance, and financial risk perceptions. Consistent with the literature, we confirm that perceived price has a positive effect on risk perception. Country image is a significant antecedent of social and psychological risks. Secondly, psychological and social risks exert positive influence on customer word-of-mouth, while performance risk negatively affects customer word-of-mouth and positively affects switching intention. Finally, psychological, social, performance, and financial risks partially mediate the relationships between the firm-level antecedents and customer responses.

We acknowledge several limitations of our research. First, our research was conducted in

only two large Chinese cities. Given the potential differences in the cultural systems and market conditions, it is likely that customers of insurance companies in mature markets would respond differently. Whether our results can be generalized to other countries warrants further investigation. In addition, we studied only the insurance industry. Further research in other service industries such as health services, restaurants, hotels, and airlines is necessary to ascertain the robustness of our results. Finally, we relied on cross-sectional data in our study, and in order to validate the causal mechanisms here, we need to have longitudinal data.

This research extends the understanding of post-purchase perceived risk by using multiple dimensions for risk. In our attempt to develop a parsimonious model that identifies the clear effects on post-purchase perceived risk, we did not include other potential antecedent variables. Future work can incorporate the roles of consumer perceived control or physical environment in the model. Doing so will further enhance our understanding of risk perceptions and their effects on consumption behavior.

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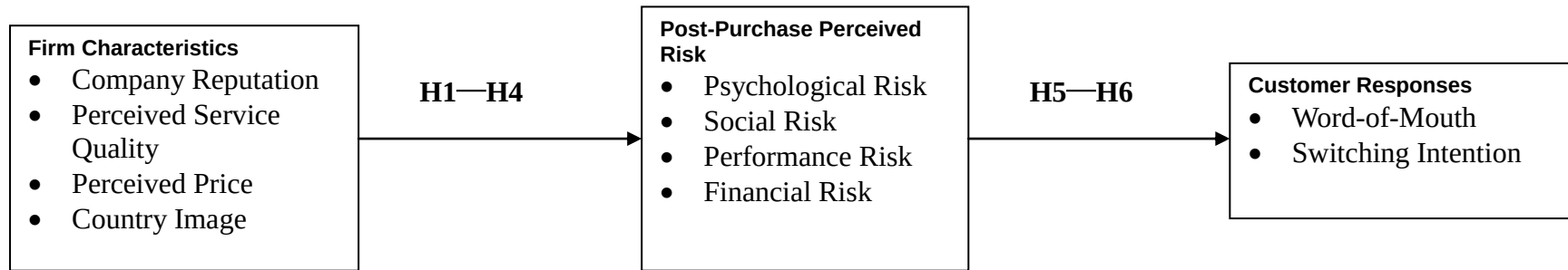
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Table 1. Standardized Structural Equation Parameter Estimates (t-value)

Endogenous Variables	Psychological Risk	Social Risk	Performance Risk	Financial Risk	Word-of-Mouth	Switching Intention
Independent Variables						
Company Reputation	-.668* (-2.568)	-.812** (-2.943)	-.802** (-2.983)	-.459* (-2.213)	—	—
Service Quality	.167 NS (.387)	.294 NS (1.385)	-.184 NS (-.896)	-.179 NS (1.1159)	—	—
Perceived Price	.954*** (4.302)	1.000*** (4.318)	.952*** (4.151)	.693*** (4.098)	—	—
Country Image	-.395* (1.762)	-.419* (1.770)	.195NS (.859)	.166 NS (.929)	—	—
Psychological Risk	—	—	—	—	.393* (2.461)	-.098 NS (-.701)
Social Risk	—	—	—	—	.595* (3.226)	.156 NS (1.025)
Performance Risk	—	—	—	—	-1.110*** (-6.965)	.449*** (3.470)
Financial Risk	—	—	—	—	.054 NS (.633)	-.045NS (-.464)
Goodness-of-fit: $\chi^2(414) = 828.518$, $p < .001$, $\chi^2/df = 2.00$, CFI = .983, TLI = .978, IFI = .983, RFI = .957, NFI = .966, RMSEA = .057						

NS non significant, * $p < .10$, ** $p < .01$, *** $p < .001$

Figure 1. The Conceptual Framework



APPENDIX

Constructs and Items	Standardized Factor Loading

Measurement Model: $\chi^2(417) = 712.97, p < .001, \chi^2/df = 1.710, CFI$

$= .988, TLI = .984, IFI = .988, RFI = .963, NFI = .971, RMSEA = .048$

Psychological Risk (Reliability = .89)

• The thought of purchasing this insurance makes me feel psychologically uncomfortable.	.884
• The thought of purchasing this insurance gives me a feeling of unwanted anxiety.	.871
• The thought of purchasing this insurance causes me to experience unnecessary tension.	.826
• I would worry a lot when buying this insurance.	.677

Social Risk (Reliability = .80)

• My friends and coworkers' opinions about my buying the insurance would cause me to feel concern.	.604
• The thought of buying this insurance causes me concern because some friends would not think of good of me.	.743
• My purchase of this insurance would cause me to be thought of as being foolish by some people whose opinions I value.	.879

Performance Risk (Reliability = .76)

- There is a high chance that there will be something wrong with this insurance product or that it will not deliver as promised. .698
- This insurance product is extremely risky in terms of how it would perform. .881

Financial Risk (Reliability = .81)

- There is a high chance that I will stand to lose money either because this insurance product will not be used at all or costs more than it should to maintain it. .825
- This insurance product is extremely risky in terms of its long-term costs. .821
- The purchase of this insurance will lead to a loss of convenience for me because I would have to waste a lot of time and effort purchasing and claiming it. .684

Perceived Price (Reliability = .60)

- Considering the price of the insurance, would you say the price is very low or very high compared to an insurance product with similar features? (1–very low, 5–very high) .573
- Considering insurance from another company with similar features available, how would you rate the insurance you purchased? (1–least expensive, 5–most expensive) .728

Company Reputation (Reliability = .86)

- This insurance company is highly regarded. .755
- This insurance company is professional. .828
- This insurance company is successful. .817
- This insurance company is well-established. .746

Perceived Service Quality (Reliability = .87)

- How is the appearance of the physical facilities of the insurance firm in keeping with the insurance service? .672
- How dependable is the insurance company? .765
- How accurately does the insurance company keep the records? .772
- How prompt is service from employees of the insurance firm that you received? .762
- How much individual attention does the insurance company give you? .800

Country Image (Reliability = .87)

- The insurance in X are of better quality. .879
- The insurance company in X is of high reputation. .914
- The insurance company in X is more trustworthy. .830

Word-of-Mouth (Reliability = .91)

- It is highly likely that I will spread positive word-of-mouth of the insurance company. .758

- I will recommend the insurance company to those who seek my advice about such matters. .868
- I will encourage friends and relatives to do business with the insurance company. .863
- I will say positive things about the insurance company to other people. .883

Switching Intention (Reliability = .79)

- How likely would you switch from the existing insurance company to a new insurance company within the next two years? (1–highly unlikely, 5–highly likely) .782
- What is the probability of you switching from the existing insurance company to a new insurance company within the next two years? (1–highly improbable, 5–highly probable) .833

An empirical examination of the concept of online trust and its post-effects on tourist behaviour

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Abstract:

Purpose – The importance of retaining tourists to a particular destination , ensuring repeat visitation and minimising churn remains at the top of the agendas of any policy maker in the face of new challenges. Despite the predicted ever-increasing use of Internet in the tourism and hospitality industry, the concept of online trust and its post-effects on tourist behaviour such as loyalty intentions have been given lip service. The study reported here, investigated the influence of online trust related variables in sustaining destination loyalty with the aim of identifying possible predictors of tourists loyalty

intentions.

Design/methodology/approach – Triangulation research methodologies have been used for this study. A total of 163 visitors (tourists) from ten different countries completed a face-to-face administered questionnaire in five selected locations (Airport, North, South, East, West and Centre). The hypotheses were tested using regression analysis and analysis of variance. Stratified sampling was used to increase the study validity.

Findings – Integrity and predictability were found to be good predictors of tourist attitudinal loyalty intentions whereas ability and predictability were found to be good predictors of tourist behavioural loyalty intentions whereas . ANOVA revealed that the attitudinal and behavioural loyalty intentions do vary significantly across the tourists of the ten different countries.

Originality/value – To the author's best knowledge, the post effects of online trust on tourist behaviour has never been empirically tested. This study aims to fill this important research gap.

Keywords: Online trust, destination loyalty, repeat visitation, benevolence

INTRODUCTION

For centuries people have met in physical locations to engage in transactions to exchange goods and services for other goods and services or currency (Ellison and Ellison, 2005). In the last decennia, the evolution and diffusion of Information Technology (IT) in general (Kambil and Van Heck, 1998) and the Internet in particular (L.H. Lee et al., 2006) have given rise to so-called *electronic marketplaces*. On the Internet, people do not meet in person or use the same form of interaction that they use in offline contexts. Instead, individuals meet virtually and their interaction is mediated by information systems (Pavlou, 2003; Gefen et al., 2003; Jøsang et al., 2007). The Internet has been considered “a good fit” for travel-related information search and purchase (Connolly, Olsen, & Moore, 1998) because travel is an information-based product and the Internet is full of information. The success of some online travel agencies such as Expedia, Travelocity, and Orbitz, along with the increasing percentage of on-line travel sales, has proved the insightfulness of this view. As predicted by Jupiter Research (CNET news.com, 2005), by 2009 online travel sales will account for approximately 33% of the total travel market, a 70% increase over 2004. However, trust in an online relationship between consumers and Internet service providers is an area of increasing importance given that consumers are currently contending with privacy, security and tangibility issues whenever they undertake an online purchase. The reluctance of some consumers to purchase from websites largely stems from their doubts and concerns, which can be categorized into four areas: (a) the legitimacy and authentication of a website, (b) product quality, (c) system security and information privacy, and (d) postpurchase service. These doubts and concerns have resulted in low levels of consumer trust in websites, a fact confirmed by large research companies such as Forrester and Jupiter as well as consumer protection

organizations such as WebWatch using longitudinal studies. Despite these discrepancies, researchers and marketers agree that online travel bookings will be taking off within 5 years (K.S Fam et al., 2004). But despite this phenomenal growth and the spectacular predictions of future prosperity for the online travel industry, practitioners have encountered problems and challenges, including how to win consumer trust. Understanding and addressing what are the consumers' online purchase concerns can dispel these anxieties and encourage them to make the "purchase click".

THE RESEARCH CONTEXT

Online trust and influence on destination loyalty

Many studies have discussed online trust in various contexts to-date. However, the relationship between online trust related variables and destination loyalty has not been explored although the interrelationship between them is obvious and retaining tourists to a particular destination is becoming tougher and tougher for various obvious reasons. It is not unknown that whenever someone decides to go for holidays/vacations, he is in a state of "unknown" characterized by little or no prior knowledge of the chosen destination unless he has already visited the destination in the past or has prior knowledge through referrals. In this context, during the past years, the Internet has been an invaluable source of information search. In many instances, information obtained online may be the only information used to take the final decisions or to proceed with the booking. The booking is confirmed highly on the basis of information obtained online, resulting in online trust. In fact, it took years to build and secure online trust. Previous studies confirm that online trust has been restored on the demand side, however, it seems overtime due to manipulated websites – (Note - images and visuals affect customers' decisions), the physical delivery of the service is not always without surprises and shocks leading to frustration and dissatisfied customers and this may affect long term loyalty. Problems associated with the supply side certainly affect the restored online trust's images. In fact, online trust-related factors may influence future tourists' behaviour on their choice of tourist destinations via travel sites and exploring the effect of online trust on tourism destination loyalty context is the main purpose of this paper.

LITERATURE REVIEW

Online trust - Numerous Internet companies and providers are unsure of how to encourage consumers to trust their sites, and ultimately how to increase visitor and purchase numbers. For instance, consumers have been encouraged to use online bookings (Ayano, 1997; Scarcini, 1997) and also as amenity to guestrooms (Shundigg, 1997; Wolchuk, 1997). The rationale behind studying the issue of trust is that the relationship between accommodation service providers and consumers is haunted by threats to consumer privacy and security. Consumers are reluctant to purchase from a marketing medium, which is surrounded by issues of safety concerns (K.S. Fam et al., 2004). Trust is obviously important in the relationship development process, but remains a difficult concept to define (K.S Fam et al., 2004) In an attempt of defining trust a number of definitions have been derived. Moorman (1999, p. 15) defined trust as "A willingness to rely on an exchange partner in whom one has confidence". According to Anderson and Weitz (1989, p. 12), trust is "one party believes that its needs will be fulfilled in the future by actions the other party takes". Other authors such as Schurr and Ozanne (1995, p. 11) refer trust to "The belief that a party's word or promise is reliable and a party will fulfil its obligation in an exchange relationship". From the above definitions, K.S. Fam et al. (2004) asserted that one can theorize that "Trust" is a dynamic process. Trust can only be built over a certain period of time and it usually contributes to customer satisfaction over and beyond the effects

of the economic outcomes of the relationship. Online trust has been defined as (1) a state of mind, consisting of one or more beliefs, expectations or feelings of confidence (e.g., Gefen *et al.*, 2003; Malhotra *et al.*, 2004; Pavlou and Gefen, 2004; K.J. Stewart, 2003), (2) a willingness to depend (e.g., Koufaris and Hampton-Sosa, 2004; Van der Heijden *et al.*, 2003), or (3) a combination of these elements (e.g., Jøsang *et al.*, 2007; McKnight *et al.*, 2002b; Ratnasingam, 2005). Bart *et al.* (2005) emphasized that “online trust includes consumer perceptions of how the site would deliver on expectations, how believable the site's information is, and how much confidence the site commands.” In essence, trust is developed when consumers form positive impressions of an electronic merchant's site, and are willing to accept vulnerability. In practice, advertisers also recognized the critical issue of vulnerability and some defined trust as “not being afraid when you are vulnerable.” (Saint Paul Insurance 2000). In the traditional sense, trust often connotes credibility, integrity, reliability, confidence and benevolence. Gefen (2002) found that trust in the online market encompasses three specific beliefs — integrity, ability/competence, and benevolence. Doney and Cannon (1997) included the concept of reputation as part of the definition of trustworthiness since reputation usually suggests competence and integrity. Cheskin (1999), who have completed a study in the area of online trust, concludes that, trustworthiness is a result of experience over time. According to Cheskin (1999), trust deepens or retreats on experience. The trusting process begins when an individual perceives indications (forms) that suggest a firm may be worthy of trust. The formal claims to trustworthiness become strengthened over time and are eventually transformed into “character traits,” such as dependability, reliability and honesty (Cheskin, 1999). Although not all academics have agreed on the meaning of online trust, it has been most commonly seen as a state of mind (Meents, 2009). Trust is so important to relational exchange that Galletto (1999, p.19) postulates it to be “the cornerstone of the strategic partnership”. This is because relationships characterized by trust are so highly valued that parties will desire to commit themselves to such relationships. Indeed because commitment entails vulnerability, parties will seek only trustworthy partners (Galletto, 1999). Social exchange theory explains this causal relationship through the principle of generalized reciprocity, which holds that “mistrust breeds mistrust and as such would also serve to decrease commitment in the relationship and shift the transaction to one of more direct term exchanges” (McDonald, 1999, p.34). Hence, Achrol (1991) proposes that trust is a major determinant of relationship commitment. The development of trust is appropriately regarded as the fundamental solution to increasing the percentage of actual purchase transactions and information exchange online (Cheskin, 1999). According to Galletto (1999), building customers' confidence by letting them know how a business protects their privacy is the key to forming a trusting relationship. Galletto (1999) illustrates the principal that many businesses and corporations are relatively new to the online environment and are still grappling with the issue of privacy and the business applications that are associated with it. Irrespective of their interpretation of the phenomenon, researchers have agreed that trust is of tremendous importance in online exchanges in general and in online transactions in particular. Trust plays a role when an individual depends on others who may behave unfavourably and thus harm his interests. The risks that flow from such potential unfavourable behaviour can lead to very complex interaction-related decisions. Trust, however, is one of the most efficient and effective methods that individuals can use to reduce this complexity (Meents, 2009). According to G.L. Urban *et al.*, (2009, the site affects trust which in turn modifies customer buying actions that lead to firm sales and profit success. Customers learn from their buying experience and product use. These experiences shape trust and their response to the site as well as generating word of mouth communication through social networks. Researchers have found in their studies that trust is an enabler that influences consumers' behaviour, such as the decision to buy or engage online with an electronic merchant or website and its online community. Researchers demonstrated through empirical studies that trust affects purchase intentions (Jarvenpaa, Tractinsky, and Vitale 2000; Schlosser, White, and Lloyd 2005; Shankar, Urban, and Sultan 2002; Yoon 2002). McKnight, Choudhury, and Kacmar (2000) conceptualized a trust-building model in which they demonstrated that consumers' trust resulted in their willingness to follow advice, share information, and make a purchase. This research identified vendor reputation, website quality and structural

assurance of the website as antecedents that build consumers' trust in the electronic merchant. Bart et al. (2005) furthered extant research and found that trust is a mediating construct between antecedents such as website and consumer characteristics and consequences such as behavioural intent. Recent work by Buttner and Goritz (2008) on pharmaceutical products reinforces previous research to show that trust mediates perceived risk and intent to buy. Seven generic trust factors were forwarded by Lendrevie and Levy (1999) which provide a suitable platform for studying the determinants of online trust. The generic trust factors are calculation, predictability intentionality, capability, transference, tangibilization and interactivity. In fact, the first five factors were developed by Doney, Cannon, and Mullen (1998). As per Lendrevie and Levy (1999), a Web site should have these features to enhance trust development. For the calculation factor, the Web site should feature formal guarantees of service and/or products, refund policy and availability of the service/product at the time of booking. For the predictability factor, this includes brand reputation, brand credibility and evidence of past services with online transactions. In the case of intentionality, the site should include policy statement and reassurance of respect for privacy, while detailed information on operations and certification should be included in the capability factor. For the transference factor, the Web site should highlight any support from a well-known brand, security label and testimonials from past users. For the remaining two trust factors, Lendrevie and Levy (1999) suggest the Web site for tangibilization should be easy to navigate, has more visual imagery rather than written information, and is fast and accurate in application, while for the interactivity factor, the Web site should be able to provide information relating to comments and feedback from the company, ability to contact the service provider or other users of the site, ability to join the club, and confirmation of orders. The benefits of narrowing the "trust gap" between what the consumers want from a Web site and what the service providers think the consumers want helps to a large extent in building enduring online trust

Brand and destination loyalty - Brand loyalty is the deeply held commitment to re-buy or re-patronize a preferred product or service consistently in the future, despite situational influences and marketing efforts that cause switching behavior. Loyal customers to a brand consider it as their first choice and do not switch to other brands and are less affected by price competition (Mark et al, 2007). Loyalty develops via brand usage and in contrast to brand awareness or perceived quality, brand loyalty only exists if people have already bought and consumed a product (Baldauf et al, 2003). Brand loyalty is often characterized by a favorable attitude toward a brand and repeated purchases of the same brand over time (Urde, 1994)

Brand loyalty may develop basing on past experience and prior interaction because its development is portrayed most often as an individual's experiential process of learning over time. As an experience attribute, it is influenced by the consumer's evaluation of any direct (e.g. trial, usage) and indirect contact (e.g. advertising, word of mouth) with the brand (Keller, 1993). Therefore, companies have to consider the idea of winning consumers' trust and loyalty in order to build a relationship, which is a key marketing strategy. Consequently, brand loyalty is a key characteristic of brands with high equity (Baldauf et al, 2003).

Creating and sustaining customer loyalty especially in the retail industry and also in hotel and restaurant services, is recognised as an essential strategy for increasing the profitability of an organization (e.g. Chen & Gursoy 2001). However, this strategy has not been extensively examined in terms of improving visitation levels and repeat visitation to a tourist destination (Mattila 2001). According to Pritchard, Havitz and Howard (1999) being able to build loyalty in consumers is a key factor in acquiring market share and sustaining a competitive advantage. Customer loyalty often leads to higher profitability and a more stable customer base; therefore, having loyal customers is considered a significant asset to an organisation (Tsaur, Chiu & Chung-Huei 2002). A number of studies have examined loyalty in the hospitality, leisure and

tourism industries, they have been mainly in the context of loyalty to service providers, in particular hotels and restaurants (Mattila 2001), recreation agencies (Iwasaki & Havitz 2004), sporting and entertainment destinations (Park & Kim 2000) and overseas travellers' choice of destination, (Chen & Gursory 2001). Loyalty in the literature has been measured mainly on behavioural and attitudinal dimensions (Chen & Gursory 2001; Oppermann 2000). behavioural measures seem to be the most commonly used method. Behavioural measures of loyalty are operationalized through consumption based measures such as frequency and intensity of purchase, and repetitious purchase behaviour (Bowen & Chen 2001) In tourism research; intention to continue buy, intention to buy more, respondent intent to return, repeat visitation, willingness to perform marketing activities in terms of making positive recommendation of the site/destination or product/service to others are indicators of loyalty (Bowen & Chen 2001; Chen & Gursory 2001; Oppermann 2000). Repeat purchases or recommendations to other people are most usually referred to as consumer loyalty in the marketing literature. The concept and degree of loyalty is one of the critical indicators used to measure the success of marketing strategy (Flavian, Martinez, & Polo, 2001). Similarly, travel destinations can be considered as products and tourists may revisit or recommend travel destinations to other potential tourists such as friends or relatives. However, the study of the usefulness of the concept of loyalty and its applications to tourism products or services has been limited, even though loyalty has been thought of as one of the major driving forces in the competitive market (Dimanche & Havitz, 1994). In the last decade, tourism or leisure researchers have incorporated the concept of consumer loyalty into tourism products, destinations, or leisure/recreation activities (Backman & Crompton, 1991; Baloglu, 2001). Generally, loyalty has been measured in one of the following ways: (1) the behavioral approach, (2) the attitudinal approach, and (3) the composite approach (Jacoby & Chestnut, 1978). The behavioral approach is related to consumers' brand loyalty and has been operationally characterized as sequence purchase, proportion of patronage, or probability of purchase. It has been debated that the measurement of this approach lacks a conceptual standpoint, and produces only the static outcome of a dynamic process (Dick & Basu, 1994). This loyalty measurement does not attempt to explain the factors that affect customer loyalty. Namely, tourist loyalty to the products or destinations may not be enough to explain why and how they are willing to revisit or recommend these to other potential tourists. In the attitudinal approach, based on consumer brand preferences or intention to buy, consumer loyalty is an attempt on the part of consumers to go beyond overt behavior and express their loyalty in terms of psychological commitment or statement of preference. Tourists may have a favorable attitude toward a particular product or destination, and express their intention to purchase the product or visit the destination. Thus, loyalty measures consumers' strength of affection toward a brand or product, as well as explains an additional portion of unexplained variance that behavioral approaches do not address (Backman & Crompton, 1991).

OBJECTIVES AND HYPOTHESES

The major aim of the present work aims to study the interrelationships between online trust related factors and destination loyalty. Specifically, following were the objectives of the study:

- To study the main effects of the four components of online trust (ability, benevolence, integrity and predictability) and destination loyalty

Based on the study objectives, following null hypotheses were framed to test the relationship between the four components of online trust and destination loyalty

H1a: *There is no significant positive effect of ability component of online trust and attitudinal destination loyalty*

H1b: *There is no significant positive effect of benevolence component of online trust and attitudinal destination loyalty*

H1c: *There is no significant positive effect of integrity component of online trust and attitudinal destination*

loyalty

H1d: There is no significant positive effect of predictability component of online trust and attitudinal destination loyalty

H2a: There is no significant positive effect of ability component of online trust and behavioural destination loyalty

H2b: There is no significant positive effect of benevolence component of online trust and behavioural destination loyalty

H2c: There is no significant positive effect of integrity component of online trust and behavioural destination loyalty

H2d: There is no significant positive effect of predictability component of online trust and behavioural destination loyalty

Model development

The following conceptual framework is proposed. The model resulted from thorough review of literature. For instance, G.L. Urban *et al.* (2009), asserted that online trust is a process. Similarly, Cheskin (1999), who have completed a study in the area of online trust, concludes that, trustworthiness is a result of experience over time. According to Cheskin (1999), trust deepens or retreats on experience. K.S. Fam *et al.* (2004) asserted that one can theorize that “Trust” is a dynamic process. Trust can only be built over a certain period of time and it usually contributes to customer satisfaction over and beyond the effects of the economic outcomes of the relationship.

In parallel, a number of theoretical works was consulted in structuring the model and specifications of its various concepts. A model linking the four online trust related factors namely ability, benevolence, integrity and predictability to attitudinal and behavioural tourism destination loyalty has been developed. The model examined the main effects of each of the four independent variables on attitudinal and behavioural tourism destination loyalty.

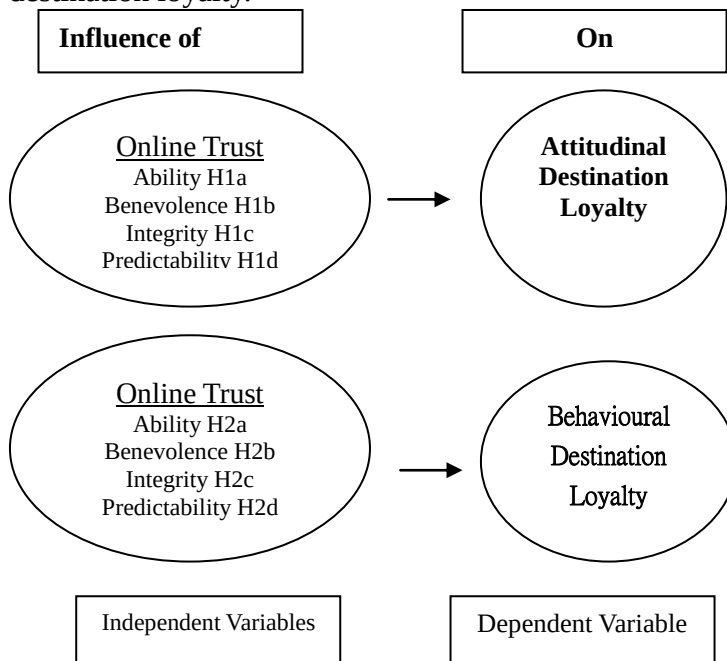


Figure 1: Model illustrating the hypothesized influence of the four online trust related factors on attitudinal and behavioural destination loyalty

The conceptual model incorporates six variables: the four components of online trust and the two components of brand loyalty. The independent variables are online trust related factors and the dependent

variables are the two components of brand loyalty. This model is differentiated from extant online trust models, conceptual or empirical in the sense that the model conceptualization is guided by process thinking of consumer decision making from customers' overall evaluation of trust from online transaction to loyalty intentions. It also highlights the strategic importance of online trust. Instead of treating online transaction as a marketing tool or tactic (distribution channel), this model promotes online trust as strategic concept and highlights that it should be examined and practiced as such.

METHODOLOGY

A Research design

Previous literature on the relationship of online trust and destination loyalty is very limited. Therefore, only little 'benchmark research' was available (c.f. Albarran 2006). In order to gain new insights, a *descriptive* and *exploratory* research strategy was chosen. The exploration started with general investigations and proceeded to more specific (as cited in Hanna-Kaisa Ellonen, 2007). The principle of triangulation was, thus, applied in this study. The topic was explored through comprehensive review of the relevant online trust literature and primary data was collected through a structured questionnaire for hypothesis testing.

B Data sources and Sample characteristics

Data Sources - The primary data was collected via face-to-face interview. As the target of this study is tourists, questionnaires were based on clear and easy to read purpose. English was used for easy understanding. The case study analysis took the case of a Small Island State - Mauritius. According to Yin (2003), the objective of a case study is to understand a phenomenon in its natural context. Eriksson & Koistinen (2005) emphasize the importance of describing and understanding the context, as it makes the case understandable and partly explains it.

Sample characteristics - Hair *et al.*, (1995) contended that, for samples in excess of 200 to 300 respondents, "the researcher should examine all significance due to the increased statistical power from the sample size" (Hair *et al.*, 1995, p.22). Hoetter (1983) defined the critical size of a sample to be approximately 200.

The proportions of men and women were specified to approximately match the contribution of each gender, according to a report conducted by CSO in Mauritius. Specifically, **69** percent were women and **31** percent were men. The respondents were aged 18 to 70 years, and the mean age was 36 years.

The sample element was divided using a mix of probability and non-probability sampling. Judgmental sampling was used to decide on the sample size. Then, stratified sampling was used for obvious reasons. Following Hair *et al.*, 1995, the sample size of 200 tourists was considered to be reasonable for the survey. **Table 1** was used as the sample frame.

	Country of residence	Jan-Mar 2010	Jan-Mar 2011
1	France	85,039	92,097
2	Reunion Island.	33,394	36,707
3	UK	22,251	19,189
4	Italy	21,170	17,933
5	South Africa	17,592	17,684
6	Germany	14,934	14,640

7	India	8,173	10,904
8	Switzerland	4,730	6,517
9	Russian Fed.	1,950	4,292
10	Austria	3,437	3,337

Table 1 tourist arrivals to Mauritius from different destinations in 2010/2011

Source: Central Statistical Office (2011), Mauritius

Given the stratified design, sample frames containing a complete and updated list of visitors was required to draw the sample for the surveys. However, due to unavailability of such detailed information, arrival statistics obtained from the Central Statistical Office (CSO) in Mauritius will be used to define the sampling elements under each strata as follows:

Table 2 illustrates the sample size.

Country of residence	Sample Size (Unit)
France	78
Reunion Island.	38
UK	19
Italy	14
South Africa	14
Germany	12
India	9
Switzerland	7
Russian Fed.	5
Austria	4

Table 2 Sample Size

C Research instrument and scales used

The questionnaire contains five sections, where each section represents the measurement of individual variables. The first section is about the ability component of online trust; the second section is about the benevolence; the third section is about the integrity; and the fourth section is predictability. The fifth section is about destination loyalty. Same survey questions, as used by Bütner & Göritz (2008) were used for the online trust constructs with minor modifications. Again, for destination loyalty, the scale is adopted from Quester and Lim (2003).

For each of the four components (ability, benevolence, integrity and predictability) of the online trust constructs, three-item scales are used for measuring and nine item scales are used for measuring attitudinal and behavioural loyalty respectively.

All the variable constructs are measured on a seven-point Likert scale ranging from 1 = strongly disagree to 7 = strongly agree.

Table 1 show the variable constructs and their reliability analysis. Favourable results in terms of coefficient alpha are observed from the reliability analysis of the scales used. All the values meet the recommended

value of 0.7 (Nunnally & Bernstein, 1995). The Cronbach's alpha for ability, benevolence, integrity, predictability, attitudinal and behavioural loyalty scales were 0.95, 0.893 and 0.875 respectively.

Variables	Cronbach Alpha
Ability	0.95 (Adapted from Büttner & Göritz, 2008)
Benevolence	
Integrity	
Predictability	
Attitudinal brand loyalty	0.893 (Adapted from Quester and Lim (2003))
Behavioural brand loyalty	0.875 (Adapted from Quester and Lim (2003))

Table 3 Variable constructs and their reliability

D Pretest

There were three (3) pretests in the process of developing the constructs. Firstly, the instrument was pretested by administering the questionnaire to ten (10) local and foreign marketing and tourism experts to check the content validity of the proposed construct and the adapted brand related constructs. Their constructive comments were taken into consideration when improving the wording of the various items as well as to add or leave out some of the items. Extra care (e.g. on wordings) was needed to ensure that the respondents were qualified or informed enough to answer. The face or content validity check was also done on a convenience sample of more than 15 final year bachelor degree students (major in tourism). The questionnaires, aimed at seeking their perceptions of whether each statement described the respective factors or dimensions of the measure were administered to the students in classes. After the initial pretests, the wording and validity of the items were further improved. Then, the instrument was ready for another pretest on a broader base of 30 tourists who were conveniently sampled before the large-scale distributions and launching. This pretest on a broader base was intended to further improve the wording (e.g. positively and negatively phrased statements), reliability (especially on internal consistency) as well as to explore the probable factors of the proposed construct. This pretest also indicated that all the negatively phrased statements were not reliable and some difficult and confusing words were replaced. Further probing indicated that the respondents were uneasy, disturbed, and confused with the negatively phrased items. Then, all the related items were then re-phrased positively in the final questionnaire. Besides, the wordings of numerous items were also further improved. As a result of the feedback received from the pretesting, the phrasing of some items was clarified in order to increase the validity of the survey instrument. (Marianne Horppu *et al.*, 2008)

E Data Collection

The study will be conducted at five different locations: at Plaisance Airport and four sea resorts mainly in the Northern, Eastern, Western and Southern part of Mauritius. Although the tourists are all attending the same destination, they may have quite different experiences of it. To participate in the survey, respondents will be approached randomly on beaches, and around shopping malls. Participants were responsive and

willing to participate and refusal rates were predominantly low. Out of the 200 interviewed, 163 usable questionnaires were obtained.

FINDINGS

In order to test the identified hypotheses and examine the relative importance of four independent variables in predicting of attitudinal and behavioural loyalty, regression analysis was used (Brand *et al.*, 1997). Linear regression models was used to test the hypotheses concerning the linkage between online trust related factors and loyalty intentions as done in some previous studies to identify the relationship between the dependent variable and set of independent variables. However, care was taken to ensure that the error term in a regression equation would not be heteroscedastic and would be normally distributed if the dependent variable were discrete (Chan, 1991). Thus, coefficient estimates was efficient, the conventional measure of goodness-of-fit, R², meaningful, estimated standard errors consistent, and the usual statistical test of significance appropriate (Nerlove and Press, 1973).

Table 4 provides information about the effects of individual predictor variables.

Independent Variables	Beta - Values	t Values	P Values	Hypothesis Testing
Ability	-0.092	-1.532	0.136	H1a is NOT supported
Benevolence	-0.102	-1.675	0.094	H1b is NOT supported
Integrity	0.388	5.583	0.000	H1c is supported
Predictability	0.567	8.868	0.000	H1d is supported
Ability	0.237	3.782	0.002	H1a is supported
Benevolence	-0.173	-2.879	0.089	H1b is NOT supported
Integrity	0.177	7.925	0.076	H1c is NOT supported
Predictability	0.531	7.925	0.000	H1d is supported

Table 4 Beta coefficients

As mentioned earlier, to get an accurate picture, the standardized coefficients, or *Beta coefficients* was examined. It can be seen that even when the four variables are expressed in the same scale, *the integrity and predictability components* – are the best predictors of attitudinal *loyalty intentions*. On the other hand, *the ability and predictability components* appear to be good predictors of behavioural loyalty. In addition to the coefficients, Table 4 also provides a significance test for each of the independent variables in the model. This test is presented as a *t* statistic.

Last but not least, from the ANOVA test, the F (obtained) is 3.060 and 2.767 which exceeds the F-critical of 2.60 for this test when using an alpha of .05. Correspondingly, the observed p-value of .000 is well below the chosen alpha of .05. By either standard, we can conclude that the attitudinal and behavioural loyalty intentions do vary significantly across the tourists of the ten different countries.

MANAGERIAL IMPLICATIONS

From the research findings and multivariate analyses highlighted in **Table 4** .above, it was found that *the integrity and predictability components* – are the best predictors of attitudinal *loyalty intentions*. On the other hand, *the ability and predictability components* appear to be good predictors of behavioural loyalty. The findings generate important insights for decision and policy makers. Practitioners must help relieve the doubts and concerns that prohibit online users from making purchasing commitments online to enhance integrity and predictability components. The implications can include behaviours such as manners, professionalism and sensitivity. Both consumers and firms understand that these forms are designed to represent trustworthiness. The formal claims to trustworthiness become strengthened over time and are eventually transformed into “character traits,” such as dependability, reliability and honesty (Cheskin, 1999).The anticipated strength of the Calculation trust communication factors including guarantees, refunds and time are all areas in which providers can increase trust on their site. Service providers are able to increase trust with consumers through the inclusion of the Calculation trust factors. This can be done by introducing either a logo or written information which offers a guarantee to consumers that if they changed their mind about the product. There is an avenue for them to cancel, say, even on the day to taking up residence. With regards to the predictability trust communicative factors, if accommodation service providers are to increase trust on their site, they should display on their Web sites their experience in handling electronic transactions, make aware to potential customers about the number of visitors to their Web sites. Of course, these activities can be carried out either through the existing Web sites or through general advertising/ promotion activities. Capability includes two individual trust communication factors, which lead to indicate the level of trust between consumers and providers online. In terms of accommodation service providers, customers found offering information on how their site operates and providing confirmation of Internet online purchasing, as important criteria. Visual imagery on a site is viewed by both consumers and providers of relatively little importance in developing trust. However, one should not discount the importance of pictures. This is especially important if the accommodation service providers are selling the environmental (e.g. scenery) rather than the functional aspects of the motel/hotel services. The Internet typically lacks effective formal control mechanisms (Antony et al., 2006;). Basically, both guarantees and contracts are often absent in online transactions or hard to enforce and it is more difficult to monitor the other party (Ba and Pavlou, 2002; Gefen et al., 2003;). Moreover, although there have been some initiatives to establish best practices and norms to govern online economic exchanges, there is still no internationally accepted regulation to which Internet vendors should comply (Ba and Pavlou, 2002; Gefen et al., 2003). Although privacy and security remain important drivers of online trust, other variables are now equally, or more important. Bart et al. (2005) found that brand was an important conveyor of trust. Branded products with strong brand equity enjoy an immediate trust gain when in an online environment. Consumers have indicated that a recognized brand and a security label are increasingly important in encouraging purchase online and therefore trust. Testimonials displayed on a site for consumers to read the views of those who have previously visited the site and their experiences should be posted on the Web site to erase any negatives which a consumer might form from browsing the Web site. Online peer and editorial recommendations empower consumers to make decisions based on availability of online information. Smith, Menon, and Sivakumar (2005) revealed that online peer recommendation is an invaluable resource for consumers and that many consumers use peer recommendations to make purchasing decisions. We can infer that the provision of reviews builds confidence in the consumer's mind and subsequently enables him/her to make a purchase. In this environment, transparency and advocacy are strategic dimensions that are reflected in visual communication, advice, information content, and eventually, trust. Last but not least, online trust is a process. While the specific site design for an online visit is important, it should be realized that it is rare that trust is built during one online session. Usually, trust is developed over a process of repeated visits to a site as a user gains experience and believes that his/her expectations are met during the visits. (.G.L. Urban

et al., 2009)

STUDY LIMITATIONS AND SCOPES FOR FUTURE RESEARCH

A lot of literature is available to explain predictors of destination. However, this study mainly focuses the influence of online trust related factors. Significant percentage of variance in destination loyalty remains unexplained, inducing the need for further research in the area. The study has investigated only some variables in contrast to the use of large number of variables to better explain the underlying patterns of destination loyalty. Hence, other independent variables may be considered to improve the explaining power.

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Can Customer Relationship Management (CRM) lead to customer loyalty in retail settings? - An empirical investigation

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Abstract

Purpose – To apply the principle of customer relationship management (CRM) for best practice in the retail sector.

Introduction- Nowadays, customers represent a moving target and even market leaders can be expelled quickly from their leading positions. These changes have reinforced the adoption of more customer-oriented perspectives. Customer Relationship Management (CRM) is increasingly found at the top of corporate agendas and is seen as a major element of corporate strategy since new technologies and processes now enable companies to target chosen market segments, micro-segments or individual customers more precisely.

Leading retailers recognise that they must go beyond their historical product-focused operations and become more customer focused if they are to be successful. The really customer focused retailers uses customer behaviour and attitudinal information to make decisions in everything from store assortments and space allocation to pricing, promotions, store layout, service strategies, sales support, and replenishment practices. (Freeland, 2002, pg.304)

Design/methodology/approach – The findings of an extensive review of the literature provide the foundations for a general CRM paradigm, which is applied to specification, development and implementation of CRM in the retail business.

Data for the research were collected in individual interviews with 100 customers of a specific retail organisation. Although there are numerous methods of sampling designs available in descriptive research, the two stage cluster sampling method was adopted..

Then a subset of units was selected randomly from each cluster so as to ensure a representative proportion

of customers To ensure reliability, the questionnaire was validated as per the Cronbach alpha test and the result obtained was very favourable being 0.855 as compared to the boundary line which is a value of 0.7

Findings and Recommendations:. The study was made to understand the link between the different aspects of CRM and how it has an impact on the relationship in a retail setting. The characteristics of CRM covered were customer centric, satisfaction, trust, employee behaviour, loyalty and trust.

Findings revealed that employees are capable of influencing the customers' relationship which is seen as the source of customer satisfaction. To achieve a high level of customer trust, sound trading practices are crucial over the company's length of operation and such barriers can hinder a sound relationship.

Research limitations/implications –. The paper considers shortcomings of CRM implementation and proposes avenues for further research. The most important limitation of the study was that the CRM was tested only from the customer perspective and not from that of the employees.

The present study also has implications for future research. First, further studies could be undertaken to examine the journey, starting at the moment of purpose till the assistance required from the technical team at the after sales, since few researchers addressed the CRM concept in the consumer electronics sector. Secondly, although all relevant aspects of CRM were covered by carefully examining the CRM literature, there may be specific aspects of CRM that may have been overlooked or that may become relevant as new trends in managing customer relationships emerge and evolve.

Practical implications – A shortage of practically grounded templates for the design and implementation of CRM programmes has left marketing managers struggling to apply the widely advocated principle to their own situations. By adding empirical evidence to prescriptions for best practice, this paper begins the process of bridging that gap between theory and practice. CRM promised to help managers better understand customers, however that strategy remained narrowly focused.

Originality/value – The study findings reported here will therefore be of definite interest and potential value to managers responsible for developing market intelligence into formal plans for a CRM strategy, beyond the specific context of retail services.

Article Type: Conceptual paper

Keyword(s):

Relationship marketing; retail sector, employee commitment, complaint handling procedures, customer loyalty, customer experience

1.0 Introduction

Nowadays, customers represent a moving target and even market leaders can be expelled quickly from their leading positions. These changes have reinforced the adoption of more customer-oriented perspectives. Customer Relationship Management (CRM) is increasingly found at the top of corporate agendas and is seen as a major element of corporate strategy since new technologies and processes now enable companies to target chosen market segments, micro-segments or individual customers more precisely. Companies are realising that the magical recipes for achieving success in such a competitive environment are to focus on maintaining relationship with customers leading to customer loyalty and retention. In fact customer relationship management involves organising activities around the sole customer which can ensure differentiation at each point of sales by creating a unique customer experience to customer. Today, companies recognise that customers are the “raison d’être” of a business and its success depends on excellently managing relationships with them. Currently, customer relationship management has become a strategic imperative which can assist companies in moving closer to their customers rather than simply order taking and selling. The future of retail is once again the customer, and retailers have become acutely aware of the value and importance of CRM systems in building satisfaction and loyalty. The most critical CRM components for retail success in the years 2010 onwards : management of customer data, multichannel sales and marketing, social networking tools, handling trust, effective complaint handling and brand advocacy.

Leading retailers recognise that they must go beyond their historical product-focused operations and become more customer focused if they are to be successful. The really customer focused retailers uses customer behaviour and attitudinal information to make decisions in everything from store assortments and space allocation to pricing, promotions, store layout, service strategies, sales support, and replenishment practices. (Freeland, 2002, pg.304)

The present study focuses on the retail sector of Mauritius and studies the case of J.M Goupille & Co. Ltd (founded in 1930) and which has become increasingly aware of the value and importance of CRM systems in building satisfaction and loyalty in the retail sector of Mauritius. J.M Goupille & Co. Ltd. is one of the main players in the wholesale and retail business dealing the import and distribution of electronic products and home appliances of well-known international brands such as Samsung, Panasonic, Black & Decker, Elba and Zanussi in Mauritius. Over time, it has gained high recognition for its dedication to the notion of quality and service.

The Mauritius “Wholesale and Retail” business is one sector of the economy which had an average annual growth rate of 5% from 2006 to 2008, but in 2009 it dropped to 1.3%¹. In view of this, companies operating in this sector will have to develop new means of building their competitive advantage or simply a question

of survival. The key to do this is through effective customer relationships with the adoption of Customer Relationship Management. Few companies have adopted this practice as it demands a complete remodeling of business practices.

After Parliament of Mauritius voted the Competition Act (2007), the retail business was liberalised, hence that anyone can sell a product provided it has the necessary permits. Consequently, customers started having a wider choice when doing their purchase. At the same time with intensification in competition it led to a fierce battle to either to out beat rivals or simply survive. The research problem is linked with JMG, which faces constant competitors' pressures trying to pull away its customers. Henceforth, JMG has to rely on its ability maintain a good understanding with customers to retain its customers. This study is being done to assess how JMG as a leading retailer in Mauritius is presently managing its relationships with its customers and highlights the success of their implementation of the CRM practices.

2.0 Objectives of the study

The prime purpose of this project is to discover how and to what extent CRM is practiced at JMG. The main objectives of the study are defined as follows:

- To identify customers' perceptions of customer service at JMG
- To assess the retail company's ability to provide a positive customer experience for its customers
- To evaluate the existing sales approach designed to enhance the level of customer loyalty
- To assess the customer complaint handling procedures of the retail company

3.0 Literature review

3.1 Influences that led to the development of relationship marketing

In its earliest guises, relationship marketing focused on the development and cultivation of long-term profitable and mutual relationships between an organisation and a defined customer group. This concept quickly extended to incorporate internal marketing in acknowledgement that the successful management of external relationships was largely dependent on the alignment of supporting internal relationship (Christopher *et al.*, 1991). Proponents of Relationship Marketing, such as Buttle (1996), Peppers and Rogers (1995), and Bitner (1995) identified various factors that contributed to its development and growth in

importance.

Marketing, customer service and quality formed the three pillars (Figure 1) of the relationship marketing concept, which represents a reliable and attractive view of ideas generally accepted as fundamental to marketing. The three pillars must be exploited to achieve total customer satisfaction and long term relationships (Christopher *et al.*, 1991, pg.4).

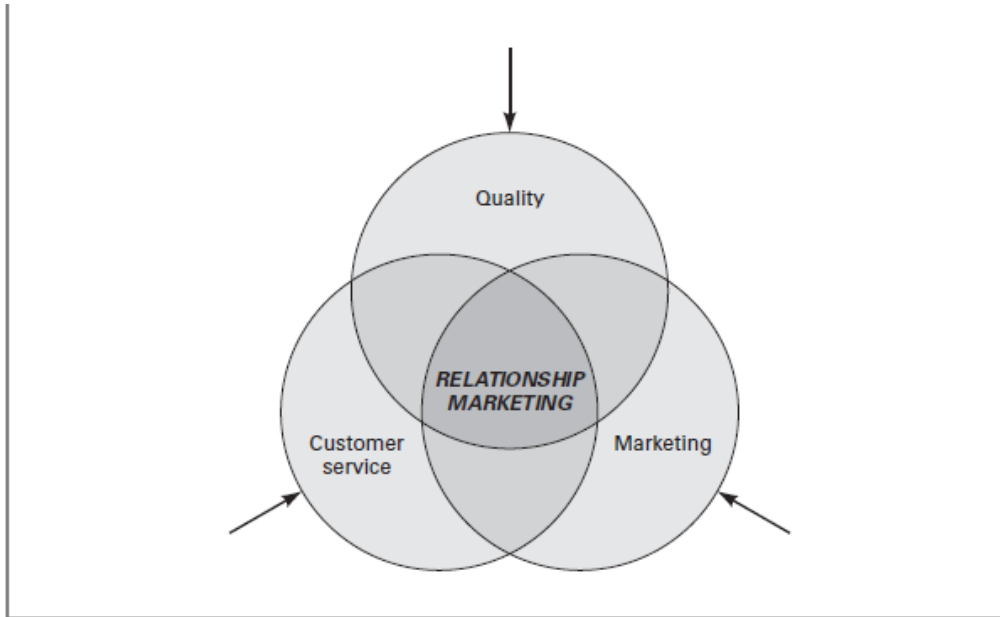


Figure 1 - The relationship marketing orientation: bringing together customer Service, Quality and Marketing

Source: Christopher *et al.* (1991) – Relationship Marketing, pg.4

3.2 CRM as Strategy for the Retail Industry

CRM symbolises the key business strategy that will determine successful enterprises in the 21st century. More and more, relationship quality is developing as a strategy for retaining customers in a highly competitive environment (Meng and Elliot, 2008). Being dependent on repeat business from customers, most retailers have unavoidably been committed to sustaining customer loyalty and cultivating continuing relationships with customers (Gable *et al.*, 2008), principally with low switching costs and high comparison shopping behaviour.

3.3 CRM Usage in the retail industry

The future of retail is once again the customer, and retailers have become acutely aware of the value of

CRM systems in building satisfaction and loyalty. The most critical CRM components for retail success in 2010⁴: management of customer data, multichannel sales and marketing, social networking tools and brand advocacy.

Leading retailers recognise that they must go beyond their historical product-focused operations and become more customer focused if they are to be successful. The really customer focused retailers uses customer behaviour and attitudinal information to make decisions in everything from store assortments and space allocation to pricing, promotions, store layout, service strategies, sales support, and replenishment practices. (Freeland, 2002, pg.304)

3.4 Determinants for the building of long term relationships

The latitude of CRM is very wide and includes different aspects like customer satisfaction, service quality, relationship quality, trust, loyalty, commitment, customer retention etc. According to Levitt (1986) consumers are interested in the total buying experience not just the core product. Customer satisfaction is linked with increased customer loyalty, less customer complaints (Fornell, 1992) and shareholder value (Anderson *et al.*, 2005). In the current epoch of hyper rivalry, marketers are forced to be more focused with customer retention and loyalty.

The different components that lead to establish long term relationships with customers in the customer market environment of the retail business will be explored.

3.5 Importance of Employees in managing relationships

Relationship alignment can only come from people in an organisation as only they understand the aims set and standard required. Nevertheless, people within an organisation can affect different relationships with customers (O'Toole, 2001). Gummesson (1999) suggests that all employees are capable of influencing customer relationships which ultimately determine how successful the organisation is in the long-term. Moreover, for employees to be able to efficiently respond to customer needs, the management shall ensure that they have proper human resource management policies and practices (Conduit and Mavondo, 2001; Ruekert, 1992).

According to Crosby *et al.* (1990), relationship quality is enhanced if front liners are perceived to be competent. Customers' perceptions of interaction quality are dependent on the attitude, hospitality (Goodwin and Smith, 1990), and expertise Smith (1998) of frontline service personnel. Moreover, training must be offered to employees (Chen *et al.*, 2004), so that can complement the skills they are lacking therefore trained

employees will better satisfy the needs of the customers (Rowden and Conine, 2005). O'Reilly and Chatman (1986) using Kelman's (1958) research as foundation, identify that employee commitment is the psychological bond linking the customer and an organisation.

In a retail setting, the interaction between customers and salespersons constitutes a unique and important dimension of performance. Such interaction could have a strong impact on retail customer loyalty (Darian *et al.*, 2001). Gomez *et al.* (2004) research work found that the interaction between customer satisfaction and sales service quality are asymmetric.

3.6 Effective Customer complaints handling

Understanding complaining behaviour is an imperative area of inquiry. An effective complaint management process can be an important tool for organisations to obtain customer feedback. Such criticism may be very beneficial in making company improvements that increase customer satisfaction, then loyalty, and finally profit (Powers and Bendall-Lyon, 2002). Brown *et al.*, 1996; McCollough *et al.*, (2000); Priluck and Lala (2009) and Vos *et al.*, (2008), stated that in general companies should learn from complaints.

Dissatisfied customers could significantly harm a retailer's reputation by engaging in undesirable word-of-mouth communication, particularly in today's online instant and far-reaching environment (Bolting, 1989). Research advocates that consumers may be even more concerned with gaining a fair and serious practical treatment than with obtaining a specific result of the complaint process (Lind and Tyler, 1988; Greenberg, 1990). A company with a dissatisfied client can opt for a compensation policy (de Ruyter and Brack, 1993; Hui and Au, 2001), it serve a double purpose, first, compensate those consumers for the real loss experienced by the consumer and second, serve to re-establish the potential decrease in confidence.

3.7 Importance of Trust

Trust in a retailer's reliability applies as the degree to which the customer have faith in that he or she can bank on the retailer's assortment knowledge, and that the retailer will achieve its role excellently and consistently (Doney and Cannon, 1997; Ganesan, 1994; Kumar *et al.*, 1995). Interactions that lack the components of trust and commitment do not progress into relationships. The higher the level of trust means a higher the degree of relationship success (Mohr and Spekman, 1994).

In the retail environment trust is the "*consumer's confidence in a retailer's reliability and integrity*" (De Wulf *et al.*, 2001, pg.36) which indirectly undertakes that one can have trust in organisations or firms

(Doney and Cannon, 1997; Gummesson, 1999).

3.8 Customer Loyalty

Bove and Johnson (2000) claimed that, “*customer loyalty is a primary goal for most businesses today*”. Uncles *et al.* (2003, pg.295) described the notion of customer loyalty as something that consumers may pledge a steady attachment to a brand, service, store, product or activity. Loyalty is important, as retaining a customer is more cost-effective than winning a new one since; costs of serving existing customer are less, faithful customers are less price sensitive, and faithful customers spend extra with the business (Dowling and Uncles, 1997; Noon *et al.*, 2003; 1991). Moreover, it is determined by a blend of repeat purchase level and level of attachment (Dick and Basu, 1994).

Customer loyalty is a key mediating variable in explaining customer retention (Pritchard and Howard, 1997) and it concerns with the possibility of a customer returning, making business referrals, providing strong word-of-mouth, as well as providing references and publicity (Bowen and Shoemaker, 1998). Despite the fact that eventually it is behavioural loyalty that engenders organisational performance (Bloemer *et al.*, 1999; Kumar and Shah, 2004), one needs to consider the underlying customer attitudinal aspect in repeat customer behaviour which is reflected in the emotional and psychological attachment in loyalty (Bowen and Chen, 2001).

4.0 Methodology used

Exploratory research was initially chosen as it provided new insights about the challenges of CRM implementation in the retail sector of Mauritius. Data for the research were collected in individual interviews with 100 customers of a specific retail organisation. Although there are numerous methods of sampling designs available in descriptive research, the two stage cluster sampling method was adopted. With this technique, the entire population of interest was divided into groups; the groups being those retail outlets from where the customers purchased their consumer electronic products.

Then a subset of units was selected randomly from each cluster so as to ensure a representative proportion of customers. To ensure reliability, the questionnaire was validated as per the Cronbach alpha test and the result obtained was very favourable being 0.855 as compared to the boundary line which is a value of 0.7

4.1 Structure of questionnaire

The questionnaire was designed on the information acquired from the exploratory research and divided into eight sections, Section A to G for the subject study embracing insights and assessment about current CRM practices and lastly Section H for demographic profile. Furthermore, to promote response percentage,

participants were reassured about anonymity and confidentiality through the same letter.

4.2 Statistical tests used

Descriptive statistics were used to define the data in a study, this process mainly include frequencies, mean and standard deviation. Frequencies were mainly used in dichotomous, multiple choice, rating scale and open ended questions, whereas mean and standard deviation were used for likert scale type questions. Together with graphics analysis, they form the basis of virtually every quantitative analysis of data. Inferential analysis such as paired t-tests and correlation co-efficients were used to test the focal hypotheses that were framed based on aims of the study.

4.3 Hypothesis development

Based on the literature review, a number of hypotheses were formulated for the purpose of this study.

4.3.1 Customer Experience at various touch points at JMG

A customer's experience is the individual view of the service process and dealings and involvement through different touch points, (Csikszentmihalyi, 2000; Ding *et al.*, 2010; Johnston and Clark, 2008; Meyer, 2007; Pullman and Gross, 2004; Shaw and Ivens, 2002). With a customer centric approach, clients are expecting to be treated equally at all touch points. Owing to the inherent variation of service delivery, it is expected that service failures will occur. Therefore, the following hypothesis has been designed:

H_0 : There is no significant difference in the level of service offered at the time of purchase and after the purchase (post-purchase)

H_1 : There is a significant difference in the level of service offered at the time of purchase and after the purchase (post-purchase)

4.3.2 Customer Satisfaction and customer loyalty at JMG

Customer satisfaction has traditionally been regarded as an essential element of long-term consumer behaviour (Oliver, 1980; Yi, 1990). Fornell (1992) claims that high customer satisfaction will result in improved loyalty for the firm and that customers will be less susceptible to advances from competition. Anderson and Fornell (1994) point out that customer loyalty is determined to a large extent by customer satisfaction. However, the ability of customer satisfaction scores to expect such loyalty has not been

adequately established (Higgins, 1997). Hence, the following hypothesis was formulated:

H₀: There is no significant relationship between customer satisfaction and customer loyalty at JMG retail

H₁: There is a significant relationship between customer satisfaction and customer loyalty at JMG retail

4.3.3 Overall service level at JMG and likelihood of recommendation

Zeithaml *et al.* (1996) advocate that a customer's relationship with a company is reinforced when that customer makes a favourable valuation about the company's service quality and decline when a customer makes negative valuations about the company's service quality. Danaher and Rust (1994) and Dabholkar *et al.* (1996) argue that that service quality is linked with likelihood of recommending a product or service. Therefore, it is posited that:

H₀: There is no significant association between the level of overall service quality and the likelihood of recommendation at JMG retail company

H₁: There is a significant association between the level of overall service quality and the likelihood of recommendation of JMG retail company

4.3.4 Customer trust and link with JMG

In the retail environment trust is the “*consumer's confidence in a retailer's reliability and integrity*” (De Wulf *et al.*, 2001:36. Trust in organisations comes from customers' positive experiences (Berry, 2000; Gronroos, 2007) that induce them to continue with the relationship (Berry, 2000; Foster and Cadogan, 2000). Trust is something that slowly accumulates between the parties as the relationship gradually develops and matures. Based upon this assumption, the fourth hypothesis is developed as follows:

H₀ There is no significant relationship between the level of trust of customers and the number of years of dealing with the retail company

H₁ There is a significant relationship between the level of trust of customers and number of years of dealing with the retail company

5.0 Empirical Findings

Part A

5.1 Demographic profile of respondents

5.1.1 Age Group

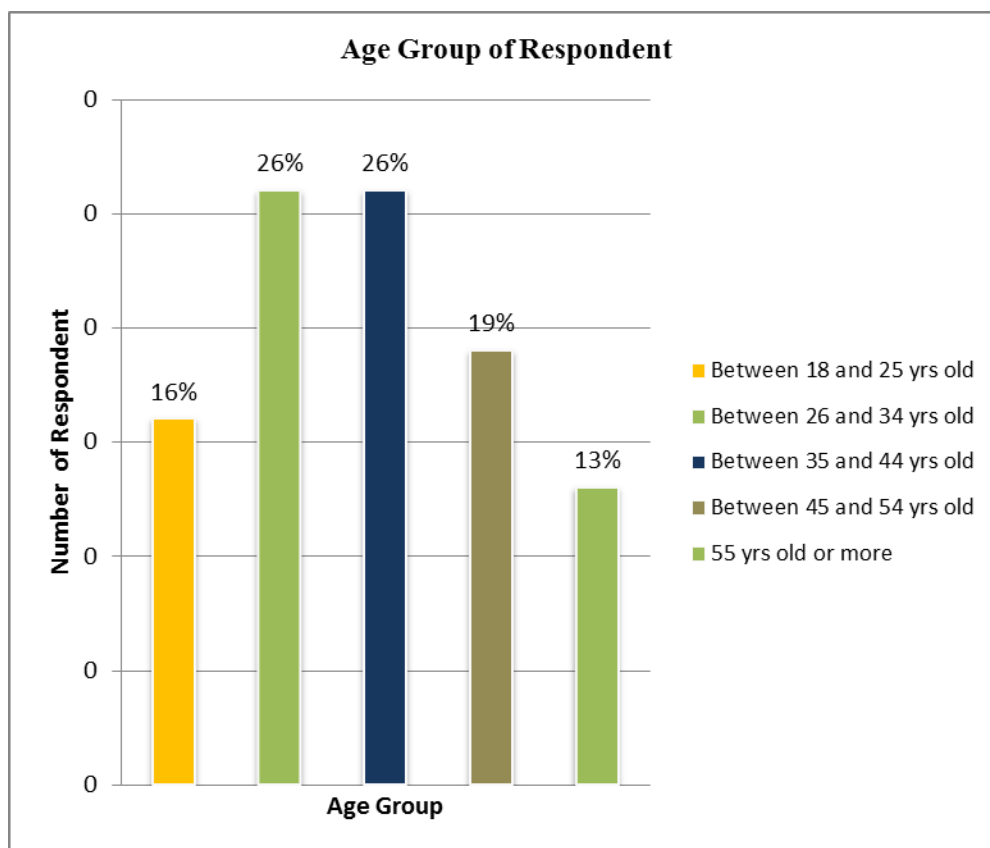


Figure 2 - Age Group

Out of the 100 respondents, 16% are between 18 years and 25 years, 26% of them are between 26 years and 34 years, same for those between 35 years and 44 years, 19% are between 45 years and 54 years, and finally 13% are above 55 years old.

5.1.2 Gender

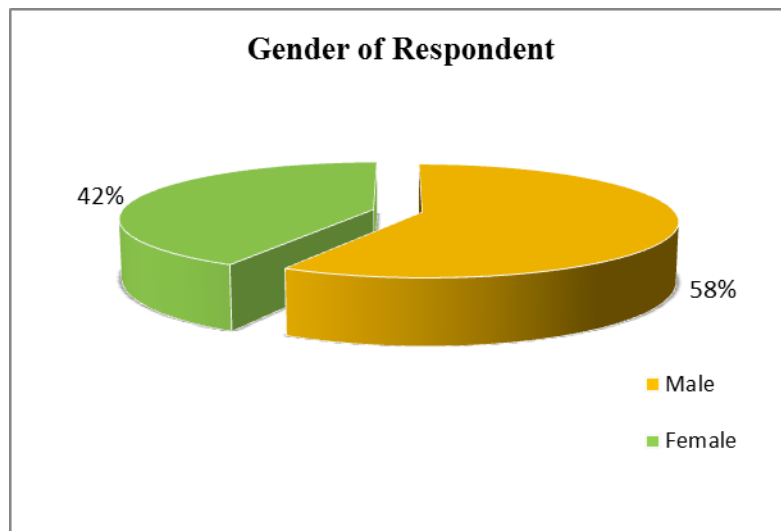


Figure 3 – Gender

Concerning the gender, the response rate from male was 58% as compared to female with 42%.

5.1.3 Occupational Group

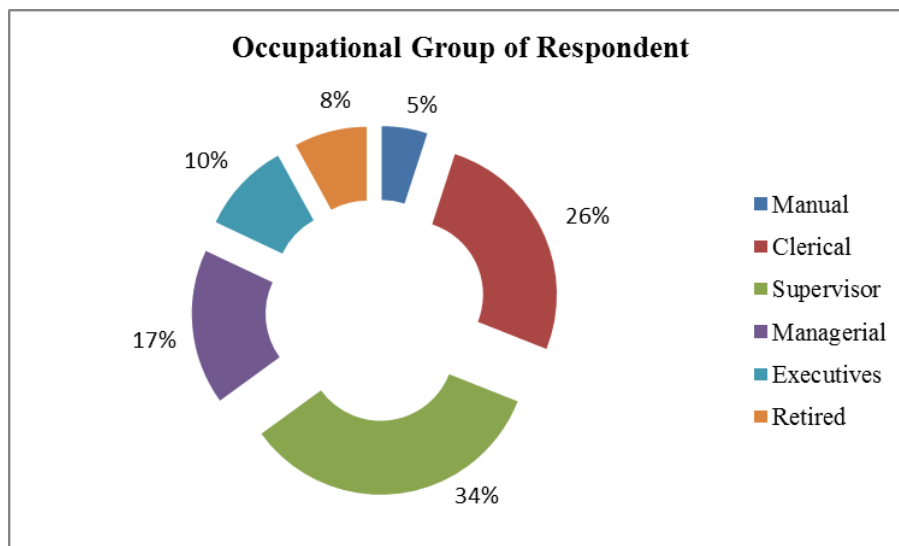


Figure 4 - Occupational Group

For the occupational group, 34% of them constituted of 'supervisors', followed by clericals with 26% and 'managerial group' with 17%. As for the remaining 23%, it was split amongst 'executives' 10%, 'retired' 8% and finally 'manual' workers 5%.

5.1.4 Income Level

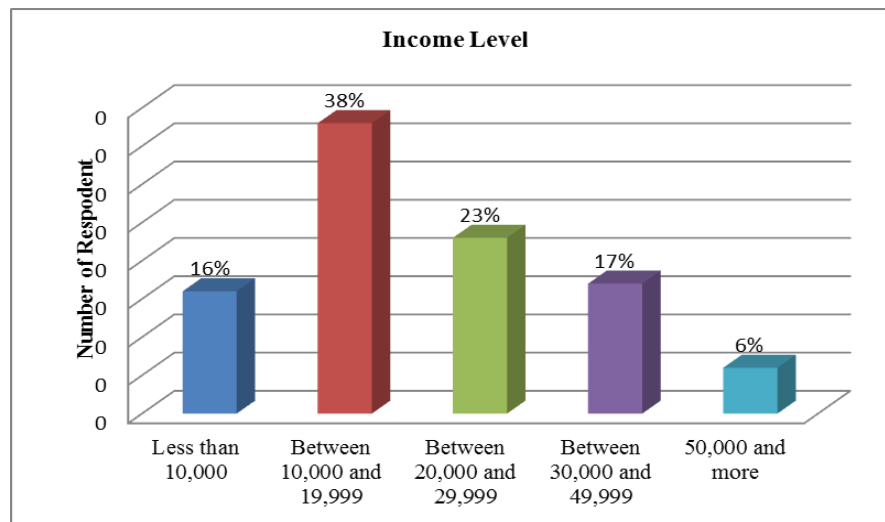


Figure 5 - Income Level

In terms of income, 38% of respondents earned between Rs 10,000 and Rs 19,999 followed by 23% who earned between Rs 20,000 to Rs 29,999. 17% of the sample earned between Rs 30,000 and Rs 49,999 and 6% of the respondents earned 50,000 and above.

Part B - Global view about CRM

5.2.1 Awareness of CRM

Determinants in the CRM in the retail sector

Respondents were required to rate 18 statements, related to purchasing determinants in the retail sector, constructed on a Likert scale; for analysis purposes the statements were rearranged under common bases.

1. Customer centric attitude

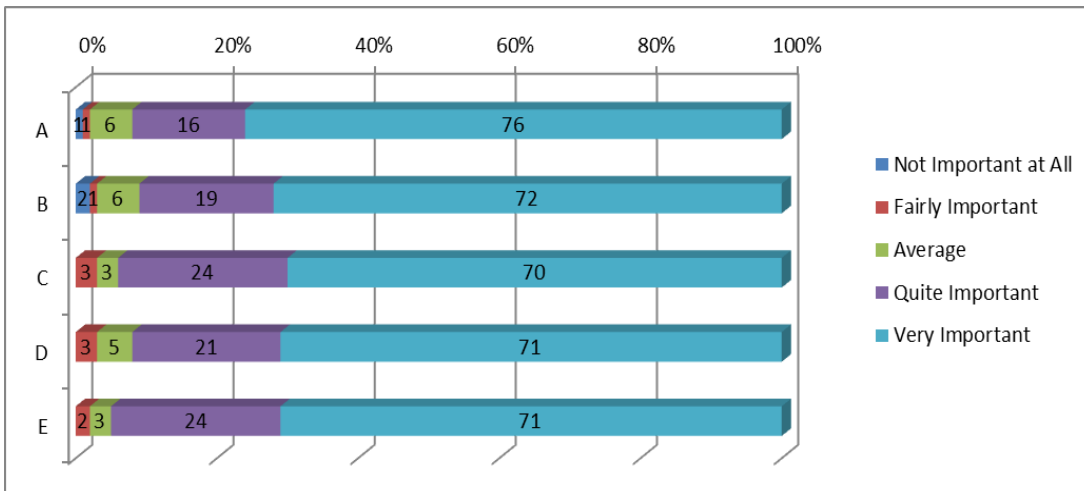


Figure 6 - Customer centric dimensions

A	Excellent customer service attitude
B	Ability of the firm to maintain a relationship with the customer
C	Ability to satisfy the needs of customers more effectively and efficiently
D	Customers are being valued as the heart of the business
E	Company's experience, competence and reputation in that sector

As per Faulkner (2003), an organisation adopting a customer centric approach means it is doing business the right way. Zeithaml *et al.*, (1996) stated that customer's relationship with a firm is largely dependent on service quality. At the same time it avoids organisation being overtaken by competitors. The study shows the respondents shared same view, since at least 70% of them rated the customer centric dimensions associated as "Very Important". Moreover, they consider that excellent customer service attitude should prime in an organisation as 76% attributed a score of "Very Important".

2. Customer service

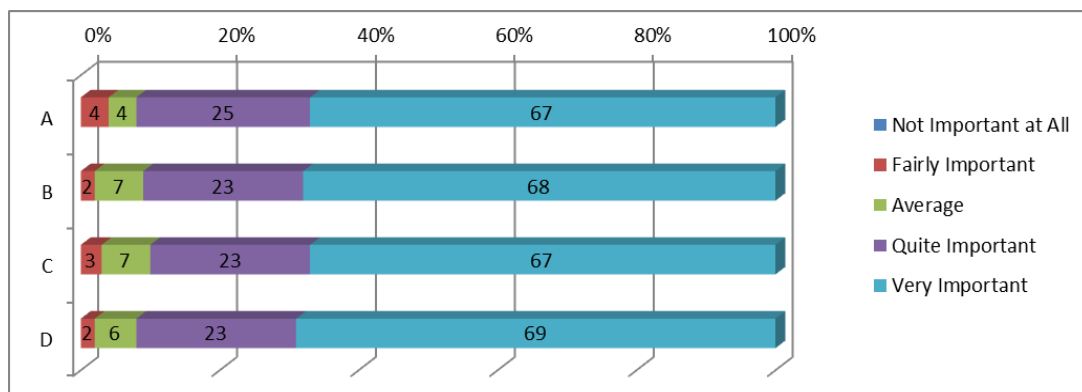


Figure 7 - Customer service dimensions

A	Company's personnel ability to fulfill customers' needs
B	Attitude, behaviour and expertise of front liners
C	Personnel that inspires trust
D	Personnel are geared towards customer satisfaction

Chen (2000) stated that service personnel are a major determinant in customer service quality. They play a key role in fulfilling customer needs and ensuring customer satisfaction. Respondents believe that in retail environment the employees play a vital role. More than 67% of the respondents rated the dimensions as being “Very Important”. Most essential is, having personnel geared towards customer satisfaction with a score of 69% “Very Important”.

3. Customer Complaint Management Process

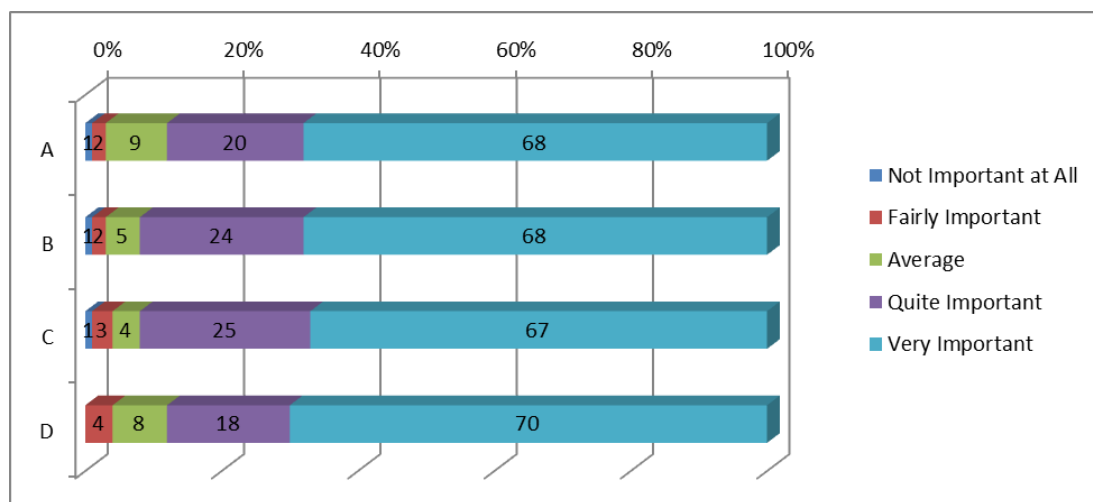


Figure 2 - Customer complaint dimensions

A	Customer complaint process is well defined
B	Ability to get feedback with a time frame for issues addressed
C	Ability to solve the problem for a dissatisfied customer
D	After sales service as a factor when considering a purchase

Research advocates that consumers may be even more concerned with gaining a fair and serious practical treatment than with obtaining a specific result of the complaint process (Lind and Tyler, 1988; Greenberg, 1990). Respondents believe that proper customer complaint management prevent customers from switching to another retailer. In the retail sector, after sales service is the dimension rated as “Very Important” by 70% of the respondents as risk of breakdown or technical assistance required may happen.

4. Trust

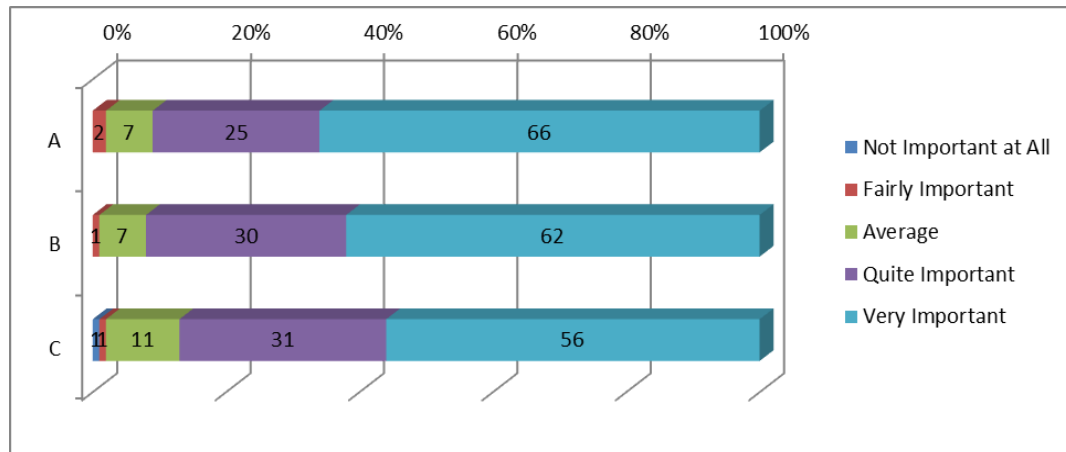


Figure 9 - Trust dimensions

A	Confidence in a company reliability and integrity
B	Interaction between customer and retailer are present
C	Commitment on behalf of the retailer to develop a relationship

According to Mohr and Spekman (2004), trust means a high degree of relationship success that leads to more commitment on behalf of customers. In the study, 91% of the respondents believe that reliability and integrity of a company in the retail sector are important in the wake of cut throat competition in the retail sector.

5.2.2 Customer Retention

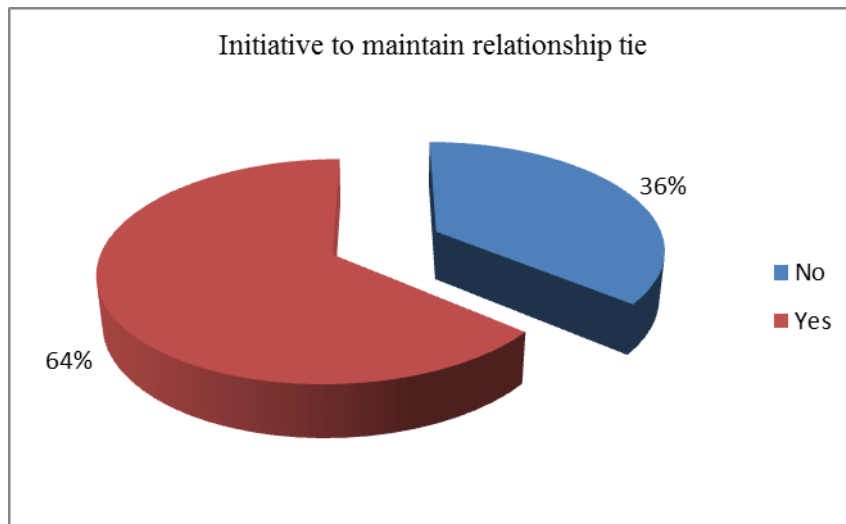


Figure 10 - Customer retention

64% of the respondents believe that JMG maintains a bond through customer satisfaction, providing better value, or development of improved or expanded services. As stated in research work of Reichheld (1996) customer retention rate is an important metric in CRM. Nevertheless, 36% believe that JMG is not investing enough in loyalty programs so as to retain customers in future.

		Number of years dealing with JMG				Total
		0-1 year	2-5 years	6-10 years	Above 10 years	
Initiative to maintain relationship the	No	0%	19%	7%	10%	36%
	Yes	13%	22%	10%	19%	64%
Total		13%	41%	17%	29%	100%

Table 1 - Retention*Years dealing with JMG

5.3 Part C-Hypothesis testing

5.3.1 Customer experience at different touch point at JMG

H_0 : There is no significant difference in the level of service offered at the time of purchase and after the purchase (post-purchase)

H₁: There is a significant difference in the level of service offered at the time of purchase and after the purchase (post-purchase)

		Mean	N	Std. Deviation	Std. Error Mean
Pair 1	Service Level Index at purchase	2.7201	77	.77456	.08827
	Service Level Index after purchase(after sales)	2.0056	77	.82374	.09387

Table 2 - Mean of Service Level at purchase and after purchase (after sales)

		Paired Differences					t	df	Sig. (2-tailed)
		Mean	Std. Deviation	Error Mean	95% Confidence				
					Lower	Upper			
Pair 1	Service Level Index at purchase - Service Level Index after purchase(after sales)	.71449	.86255	.09830	.51872	.91027	7.269	76	.000

Table 3- Paired Sample Test for Service Level Inded at and after purchase

Tables 2 and 3 show the output of the Paired Sample t-test. It can be observed that at purchase the service mean score is higher. Moreover, this test also gives a significant value (p-value) of 0.000. Since $p = 0.000 < 5\%$, the H_0 is rejected whereas the alternative H_1 is accepted. This indicates a variation in the services provided by JMG at those two different touch points. Applying the framework of Kalakota *et al.* (2000), where they stated that CRM comprises three phases namely acquiring, enhancing, and retaining, at JMG it is not following that process. Respondents note that acquiring stage is dealt perfectly as the salesperson has ability to meet their needs and expectations leading to customer satisfaction. However, at the enhancing stage the interaction was not convincing since the same level of service for post purchase (technical assistance/support services). According to literature, CRM is about managing customer life cycle through all points of customer contacts ensuring that every interaction leads to a value addition in the relationship.

5.3.2 Customer satisfaction and customer loyalty at JMG

Customer satisfaction has traditionally been regarded as an essential element of long-term consumer

behaviour (Oliver, 1980; Yi, 1990). Fornell (1992) claims that high customer satisfaction will result in improved loyalty for the firm and that customers will be less susceptible to advances from competition. Anderson and Fornell (1994) point out that customer loyalty is determined to a large extent by customer satisfaction. However, the ability of customer satisfaction scores to expect such loyalty has not been adequately established (Higgins, 1997). Hence, the following hypothesis was formulated:

H₀: There is no significant relationship between customer satisfaction and customer loyalty at JMG retail

H₁: There is a significant relationship between customer satisfaction and customer loyalty at JMG retail

		Customer Satisfaction Index	Customer Loyalty Index
Customer Satisfaction Index	Pearson Correlation	1	.279**
	Sig. (2-tailed)		.005
	N	100	100
Customer Loyalty Index	Pearson Correlation	.279**	1
	Sig. (2-tailed)	.005	
	N	100	100
**. Correlation is significant at the 0.01 level (2-tailed).			

Table 4 - Degree of correlation between customer satisfaction and customer loyalty

Table 4 reports the correlation coefficient between customer satisfaction and customer loyalty at JMG. This coefficient (r-value) of 0.279 is statistically significant at the .01 level (2-tailed). Moreover, since the p-value (0.005) is less than 5% (0.05), this implies that the probability an association occurring does exist; therefore the null hypothesis (H₀) is rejected. This result is in accordance of the conceptual paper of Dick and Basu (1994), whereby they pointed out that positive attitude is an antecedent of customer satisfaction and provide the grounding to loyalty. As per this study, satisfaction comes mainly from the relationships and ties with the personnel and reliability of product/services with 96%.

5.3 3 Overall service level at JMG and likelihood of recommendation

H₀: There is no significant association between the level of overall service quality and the likelihood of recommendation at JMG retail company

H₁: There is a significant association between the level of overall service quality and the likelihood of

recommendation of JMG retail company

		Would you recommend the product/services of JMG to your family and friends?		Total
		No (%)	Yes (%)	
Overall Level of Service	Very Poor	0	0	0
	Poor	0	4	4
	Satisfactory	3	19	22
	Good	3	48	51
	Excellent	0	23	23
Total		6	94	100

Table 5 1 - Cross tabulation between overall service level offered by JMG*Likelihood to recommend JMG

Result from Table 5 has led to the testing of the degree of significance between the two variables.

	Value	df	Asymp. Sig. (2-sided)
Pearson Chi-Square	3.999 ^a	3	.262

Table 6 - Degree of significance between overall level of service and Likelihood of recommendation

Table 6 shows that the asymptotic significance (2 sided) for Pearson Chi-square is .262. Since this is greater than 5% ($p=0.05$), H_0 is accepted. The customers regardless of the quality of service being offered are likely to recommend JMG to family and friends. This result is conflicting to the literature of Danaher and Rust (1994) and Dabholkar *et al.* (1996) who suggest that service quality is associated with likelihood of recommending a product or service. At JMG it is rather the reliability and credibility of products and commitment to do business again that are the likely causes of referrals.

5.3.4 Customer trust and link with JMG

H_0 There is no significant relationship between the level of trust of customers and the number of years of dealing with the retail company

H_1 There is a significant relationship between the level of trust of customers and number of years of dealing with the retail company

	For how long have you been dealing with JMG	Respondent (%)	Mean Rank
Overall Trust	0-1 year	13	49.88
	2-5 years	41	53.40
	6-10 years	17	48.29
	Above 10 years	29	47.97
	Total	100	

Table 7- Mean Rank Table

Test Statistics ^{a,b}					
	Overall Trust				
Chi-Square	.885				
df	3				
Asymp. Sig.	.829				
a. Kruskal Wallis Test					
b. Grouping Variable: For how long have you been dealing with JMG					

Table 8 - Kruskal Wallis Table

Table 8 shows the test statistics and its associated degree of freedom and the significance level. The probability of the Kruskal-Wallis statistic is 0.829, which is greater than the level of significance of 0.05, thus H_0 is accepted. Therefore it means that there is no difference of means for the number of years dealing with JMG for product and services purchases/required and the trust level of relationships with the company. However according to literature, trust is something that slowly accumulates between the parties as the relationship gradually develops and matures. There is a need for JMG to focus upon customers' welfare if they are to gain customers confidence in future

6.0 Managerial implications of the study and Recommendations

It can be seen from the findings that it is imperative for the retail sector to provide superior solutions to customers whilst making optimal use of unexploited resources and capabilities or shifting of resources. CRM accountability should not be shouldered by one single department in an organization. Instead it must be practiced across the organisation at all levels with every individual, since performance of one level has an influence on the next level. The management of employees with proper human resource management policies and practices is central to enhance employees' abilities to efficiently respond to customer needs

(Conduit and Mavondo, 2001; Ruekert, 1992). With the skills and knowledge acquired, employees will grow and be able to face effectively the challenges posed by sophisticated customers.

The retail sector will also need to craft strategies to deliver superior services. Customer service policies and optimum use of human and physical resources will help to bridge the gap and eliminating the symptoms of service failure over time. Retail organizations must develop a quality service scorecard that will fit what the customers define as quality. As per Storbacka *et al.* (1994), enhanced service quality develops into customer satisfaction, while the latter leads to a stronger customer relationship. This scorecard should contain components such as ability to fulfill customer needs, expertise of front liners, trust and customer satisfaction. Furthermore the setting up of a helpdesk which will operate through hotline will not only provide support to the front line staff but will also act as primary contact for customers since they can provide information on deliveries, returns, technical aspect and even work progress.

Findings of the present research has emphasized upon the importance of collecting the customers' feedback after any service is performed. As per Powers and Bendall-Lyon (2002), feedback may be very useful in making company improvements that increase customer satisfaction, then loyalty, and finally profit. Feedback can be collected through the customer care helpdesk or feedback/suggestion forms available at all touch points. It will provide an opportunity to customer spelling out their problems. Consequently, that process will lead to an increase in trust level between customers and the retail organizations.

7.0 Conclusions

The present research focuses on the impact of CRM on customer loyalty in the retail sector. Findings revealed that employees are capable of influencing the customers' relationship as argued by Crosby *et al.*, (1990. Literature from (Csikszentmihalyi, 2000; Ding *et al.*, 2010; Johnston and Clark, 2008; Meyer, 2007; Pullman and Gross, 2004; Shaw and Ivens, 2002) mention that service process and dealings associated shape a customer's experience and bonding with the organisations is seen to be stronger at the moment of purchase. Customer Experience Management is the next set providing a powerful framework for handling the total customer experience step-by-step in a strategic and creative way (Schmitt, 2003, pg.25). CEM is a truly customer-focused management concept. It also takes an integrative approach to the organisation, looking internally as well as externally. In order to create a delightful customer experience, employees need to have the right experience they work for. The study findings reported here will therefore be of definite interest and potential value to managers responsible for developing market intelligence into formal plans for a CRM strategy, beyond the specific context of retail services.

7.1 Limitations of study

Several limitations can be accredited in this study. The most important limitation is that the CRM was tested only from the customer perspective and not from that of employees. Since they could have expressed their thoughts about the why in variations in the service offered. Generalising from the present findings should therefore be undertaken with caution. Nevertheless, the results recorded here do provide some important reflection at operation level in the retail industry.

7.2 Directions for Future Research

The present study also has implications for future research. First, further studies could be undertaken to examine the journey, starting at the moment of purpose till the assistance required from the technical team at the after sales, since few researchers adventured them in the consumer electronics sector. Secondly, although all relevant aspects of CRM were covered by carefully examining the CRM literature, there may be specific aspects of CRM that may have been overlooked or that may become relevant as new trends in managing customer relationships emerge and evolve. Such alterations and reforms could necessitate the inclusion of new items, or the deletion of original items; such as impact of internet of traditional means of purchase. Finally, the present study focused only on the relationship between retail customers and service personnel. Other results might be obtained from a consideration of other relationships, such as those that prevail in a B2B context.

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Influence of personality traits on relationship outcomes

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Structured Abstract:

Purpose – The purpose of this article is to empirically examine the influence of consumer personality traits on relationship outcomes.

Design/methodology/approach – Online responses from service firms were used to assess the antecedent influence of consumer personality traits (need for social affiliation, customer relationship proneness, and need for variety) on relationship outcomes (customer trust, satisfaction, loyalty).

Findings – Need for social affiliation is a strong determinant of consumer relationship proneness and trust. Consumer relationship proneness has directly positive impact on trust and satisfaction. Both these two personality elements indirectly influence customers' loyalty to service firms. Also, the results confirm the trust-satisfaction-loyalty paradigm in service context.

Research limitations/implications – Because this paper found that personality traits influence relationship outcomes in service contexts, it is important for relationship marketing to take the factors which can distinguish different individuals into consideration. An opportunity for future research could examine the different impact of personality on relationship outcomes between different service categories based on Bowen's typology.

Practical implications – Identifying consumers with high level of need for social affiliation and relationship proneness would be helpful for service firms. Encouraging employees to keep contact and establish friendship with these customers can achieve a competitive advantage for companies. Managers need to seek a greater understanding of individual consumer differences in order to better manage customer relationship.

Originality/value – The paper is the first to report a direct association between customer need for social affiliation and trust. It is also the first to find the direct influence of consumer relationship proneness on satisfaction.

Keywords:

Need for need for social affiliation; customer relationship proneness; need for variety; trust; satisfaction; loyalty; service marketing; relationship marketing

Introduction

In the service marketing literature, the importance of developing and maintaining enduring relationships with customers is generally accepted. Researchers have discussed antecedent variables of relationship marketing outcomes (e.g., customer trust, satisfaction, loyalty) from different perspectives. The businesses-related variables include firm reputation, employees' attitude and behavior, marketing tactics, store image, and attractiveness of alternatives. The customer-related factors include perceived relational benefits, customer's emotion, expectation, and length of the customer-service provider relationship.

While several efforts have been made to explain antecedent variables of strong relationship outcomes, relatively few attempts have been aimed at measuring the impact of consumer different personality. Since literature suggests that it need to examine more individual-level variables in affecting the relationship outcomes companies strive to achieve (Bendapudi and Berry, 1997; Odekerken-Schroder et al., 2003).

MaAdams (1996) suggests that personality traits, which deal with temporally and situationally invariant personal characteristics (i.e., dispositions), distinguish different individuals and lead to consistencies in behavior across situations

and over time. Reynolds and Beatty (1999) demonstrate that personal characteristics motivate consumers to maintain relationships. Gwinner et al. (1998) suggest that the success of relationship marketing activities depend in part upon individual consumer traits and preferences.

The service industries are associated with direct personal contact, so we believe that in service context, relationship outcomes are influenced by individual factors, such as personality, temperament and other internal factors. Whether the customers' personalities influence their perception and behavior in the process of contact with service employees? What specific psychological traits have such effects? What is the mechanism of these effects? There is little empirical research in relationship marketing considering from this perspective. This paper aims to explore the effect of customers' personality traits on their trust-satisfaction-loyalty paradigm towards firms in service context based on previous research findings.

In an attempt to address the aforementioned issues surrounding personality traits' influence on relationship outcomes, this paper proposes to:

- review pertinent relationship marketing literature related to personality traits (social affiliation, need for variety, variety seeking) and relationship outcomes (trust, satisfaction, loyalty) in order to develop a conceptual model based on several hypotheses;
- assess the impact of personality traits on relationship outcomes, and verify the trust-satisfaction-loyalty paradigm in service context;
- discuss the results and limitations of the study, as well as the management applications and directions for future research.

Literature review and hypotheses development

Personality in consumer behavior

Personality research in the consumer context has been in the doldrums for a very long time. Kassarian and Sheffet (1991) suggest that personality traits are based on inner psychological characteristics that exert relatively universal effects on attitude and behavior, fairly independent of the environmental situation. More specifically, Sheth et al. (1999) indicate that personality types differ in their loyalty to stores and that some personalities focus more on seeking relationships with sellers. However, few empirical researches have investigated the role of personality in affecting relationship outcomes. Hombury and Giering (2001) criticize the fact that the existing literature on this subject has mainly confined itself to a theoretical discussion, with there being little empirical evidence available. With the same opinions, Baumgartner (2002) points that in the first 27 volumes of the *Journal of Consumer Research* (up to March 2001), only 71 articles are listed under the headings of individual differences, personality, and self-concept.

Relationship marketing success may depend not only on its strategy or implementation but also on the preferences of the individual customer (McAdams, 1996). McAdams (1996) suggests that personality psychology should study the person in terms of a three-tiered framework involving three separate but overlapping levels of analysis: personality traits, personal concerns, and life story. Stemming from this framework, Baumgartner and Steenkamp (2002) propose the foundations for the development of a personology of the consumer, in which people are seen as dispositional, goal-string and narrative entities engaged in consumption in the broadest sense.

Agree with these authors, we consider that individuals' personality traits are related to their after-buying behavior as a consumer, and have directly impact on relationship outcomes in services context. In the conceptual model, we distinguish two core elements. The first element represents three aspects of relationship outcomes, consumer trust, satisfaction and loyalty to service companies. The second one refers to need for social affiliation, consumer relationship proneness and need for variety, reflecting parts of consumers' personality traits. And we construct the conceptual model and propose related assumptions as Fig. 1.

Trust

Drawing from Morgan and Hunt's (1994) study, trust is defined as a customer's confidence in the exchange partner's reliability and integrity. It is not only a key mediating variable in relational exchanges, but also an important result of good relational interactions. It has been linked to numerous important outcomes, such as increased cooperation, reduced conflict.

Our study examines consumers' trust in organization, captured the consumer confidence in quality and reliability of the service offered. The sense of trust and safety make customers believe that they will be treated right. Gwinner et al. (1998) suggest that the psychological benefit of confidence and trust to be more important than special treatment or social benefits in consumer relationship with service firms. Greater levels of trust in service interaction will result in lower anxiety concerning the transaction and thus greater satisfaction (Hennig-Thurau et al. 2002).

Satisfaction

Satisfaction has been considered as a central concept in the marketing literature. It is an immediate antecedent to customer loyalty. For service companies, customer loyalty can increase shareholder value and asset efficiency. Thus achieving high levels of customer satisfaction has become a major goal of marketing activities.

Different types of satisfaction have been identified. A typical aspect of service satisfaction is the process definition. It emphasizes the expectancy disconfirmation paradigm. According to this paradigm, consumers form expectations to which they compare the service performance. Their expectations are confirmed when product or service perceptions exactly meet expectations. Disconfirmation will be the result of a discrepancy between expectations and perceptions. Positive disconfirmation occurs when product performance exceeds prior expectations and negative disconfirmation occurs when expectations exceed performance. Confirmation and positive disconfirmation will be likely to result in satisfaction, whereas negative disconfirmation leads to dissatisfaction (Oliver 1996).

In relationship marketing research, satisfaction, and trust are treated as interrelated rather than independent.

Loyalty

Customer loyalty is regarded as an essential asset in service industries in both marketing theory and practice. Early definitions of customer loyalty were solely behavioral. Today customer loyalty is viewed as comprising both behavioral and attitudinal components. It refers to recommending the providers to other customers, making positive word-of-mouth communications, staying in the relationship, and remaining the first choice when there have alternative offers from a competitor.

In the services marketing literature, the focus has largely been on the influence of satisfaction on customer loyalty. The positive association between customer satisfaction and loyalty is generally acknowledged. Customer satisfaction has been voted as the number one driver of customer loyalty (Bloemer and Ruyter, 1999), so we posit that:

H1: Trust is directly and positively related to customer satisfaction.

H2: Customer satisfaction is directly and positively related to Customer loyalty.

Need for Social affiliation

In line with literature, we define the need for social affiliation as “a consumer’s personality trait representing the tendency to affiliate with others and to prefer being with others to remaining alone” (Cheek and Buss, 1981). Another explanation of this concept is “a preference to be with other people and to engage in relationships” (Bloemer et al., 2003). People with a high need for social affiliation don not look for social rewards, but are rather intrinsically valuing the relationships with other people (Carver and Scheier, 1992).

From a commercial friendship perspective, the concept of need for social affiliation refers to sociability (Price and Arnould, 1999). Price and Arnould (1999) regard sociability as one of factors potentially contributing to the formation of commercial friendships in services setting. The social affiliation can easily be fulfilled in services where there is a high degree of personal contact. And the people-based service delivery process enables customers to have encounters with the service provider as well as with other customers. In such circumstances, consumers may be motivated to maintain relationships with providers because of social factors such as social support and assistance to consumers.

Based on the review of literature and research results, we propose that customers with high social affiliation are sensitive to perceive the confidence of the service provider, that is to say, they will more easily trust in the service providers. This may due to the fact that their inherent need to interact with other people may make them more easily establish friendship with others, and then their anxiety about the service provided will decrease. According to this view, we formulate the following hypotheses:

H3: Need for social affiliation is directly and positively related to the customers’ trust to service providers.

Consumer Relationship Proneness

As a personality trait, consumer relationship proneness reflects a consumer’s relatively stable and conscious tendency to engage in relationships with sellers of a particular product category (De Wulf et al., 2001). It has been investigated in a variety of contexts (Bloemer et al., 2003; Odekerken-Schröder et al., 2003; Vazquez-Carrasco and Foxall, 2006a; Parish and Holloway, 2010).

In service setting, there always accompany with personal contact between service providers and customers, including regular communication, self-disclosure, exchange opinions, and cooperation during service process. Therefore the service

context provides a suitable and open environment for people who are relationship prone and want to engage in relationships with service provider (Bloemer et al., 2003). The customer-firm exchange is more relational, based on such contact, conversations, emotions, etc. (Parish and Holloway, 2010). So we believe it is appropriate to explore the relationship proneness in service encounter.

In recent empirical study, consumer relationship proneness has been showed a direct effect on commitment (Bloemer et al., 2003; Odekerken-Schröder et al., 2003). Parish and Holloway (2010) report a direct association between consumer relationship proneness and trust for the first time. Odekerken-Schröder et al. (2003) found that this personality trait has direct impact on relationship satisfaction in retail context. And in banking setting, employee relationship proneness is a strong trigger factor of creating employee loyalty (Bloemer and Odekerken-Schröder, 2006). Similarly, Vazquez-Carrasco and Foxall (2006a) demonstrate that CRP is positively related to intention to remain in a business relationship. In line with these outcomes, we formulate the following hypotheses:

H4: Consumer relationship proneness is directly and positively related to trust.

H5: Consumer relationship proneness is directly and positively related to satisfaction.

H6: Consumer relationship proneness is directly and positively related to loyalty.

As to the need for social affiliation, some authors indicate that it may lead customers to greater relationship proneness (Bloemer et al., 2003; Vazquez-Carrasco and Foxall, 2006a). So, we propose that:

H7: Need for social affiliation is directly and positively related to consumer relationship proneness.

Need for variety

The need for variety is one of the most addressed psychological traits in the marketing literature. The basic concept has been dubbed by researchers the “variety drive.” It is that under certain conditions everyone has a need for variety in his daily lives. Another generally accepted conceptual treatment of this need is that every organism has a preference for a certain level of stimulation which can be called “optimum stimulation level” (Zuckerman, 1994). If the level of stimulation at a given moment falls below the level, the person will seek additional variety from the environment in order to increase stimulation. On the other hand, when the stimulation level is above this optimum level, the person will try to reduce it.

The “need for variety” can help to explain differences between consumers in relation to their different behaviors including, for example, brand switching. When customers seek variety, they have wants and needs that cannot be filled best by a single brand, but by a purchase history involving consistent switching among brands. Thus, customers seek variety in product choices in order to avoid feelings of monotony and boredom (Menon and Kahn, 1995). In relationship marketing, researchers has found that the psychological trait “need for variety” is one important moderators of the satisfaction-loyalty link (Hombury and Giering, 2001), and it positively affects customers’ perception of the existence of switching barriers (Vázquez-Carrasco and Foxall, 2006b). Thus, consumers with high need for variety may be fastidious. They will perceive their relationship with service providers not all satisfactory, and will have lower intention to stay in the relationship. So, according to these ideas, we propose that:

H8: Need for variety is directly and negatively related to customer satisfaction.

H9: Need for variety is directly and negatively related to customer loyalty.

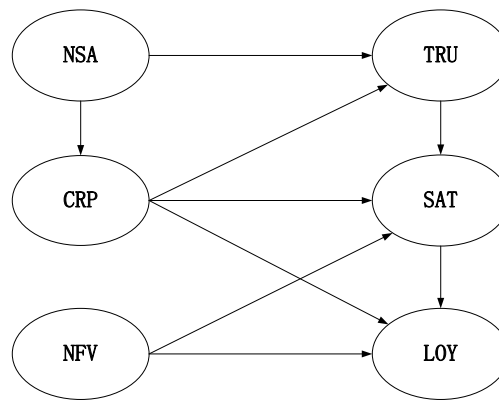


Figure 1. Conceptual model

Note: NSA, CRP, NFV, TRU, SAT, LOY refer to “need for social affiliation”, “consumer relationship proneness”, “need for variety”, “Trust” “Satisfaction”, “Loyalty” respectively.

Empirical researches

Measurement

The measurement instrument was based on various valid and reliable scales. Social affiliation was measured using 5 items from Bloemer et al. (2003) and Odekerken-Schröder et al. (2003) with minor modification. Need for variety was measured with a 4-item instrument choosing from Vázquez-Carrasco and Foxall (2006a). Relationship proneness was measured with 3 items being validated and tested by Odekerken-Schröder et al. (2003). Trust was measured by 5 items from Hennig-Thurau et al. (2002). Service satisfaction was operationalized with 4 items, choosing from Gremler and Gwinner (2000) with changes to suit for our study. Customer Loyalty included attitude and behavior intentions, with 4 items from Zeithaml et al. (1996). All items were assessed on 7-point scale ranging from 1(completely disagree) to 7(completely agree). Finally the structure consists of 25 items.

Sample

We collected data using online surveys. The questionnaire uploaded contained two parts. Firstly, the respondents were asked whether they always enjoy service at certain companies. If their answers were positive, they were required to choose or write out the category of the service firm. After that, two questions were provided: how long did these respondents keep relationship with their most familiar service providers and how many times per year did they consume. Then, the 25 measurement items were listed for respondents to fill out. A total of 302 questionnaires were completed. Finally, our study obtained a valid sample of 239 respondents, representing a rate of 79.1% for valid responses. For the valid sample, approximately 56.5% was female. More than 80% respondents chose restaurant or hairdresser service as their long-time relationship providers.

Measurement model

Reliability analysis of the scales yielded favorable results. The Cronbach alphas of each dimension exceeded the threshold value with all above 0.8 (see Table 1). Bartlett’s Test of Sphericity(sig=0.000) confirmed the data were possible to perform a factor analysis. The Kaiser-Meyer-Olkin (KMO) measures of sampling adequacy (score 0.922) indicated a practical level of common variance and therefore factoring was appropriate.

In order to assess measurement validity, confirmatory factor analyses were run with LISREL 8.7. Convergent validity was supported by an acceptable overall model fit. All factor loadings were greater than 0.5, and the AVE value for all the constructs were greater than the reference value of 0.5 (see Table 1). To assess the discriminate validity, we compared the square root of the AVE measurements with the correlations between the constructs. The former exceeded the later, which confirmed discriminant validity (see Table 2).

Structural model

The hypothesized relationships in the model were tested using structural equation modeling with LIREL 8.7. The global goodness-of-fit statistics indicated the structural model represented the data well ($\chi^2=565.48$, $df=265$, $RMSEA=0.069$, $NNFI=0.97$, $CFI=0.98$, $GFI=0.84$). Then we examine the path coefficients of structural model.

As shown in Table 3, accord with service literature, the direct effect of trust on satisfaction and the positive impact of satisfaction on customer loyalty were significant (H1, H2 were supported). Need for social affiliation was, for the first time, founded to be associated with consumer trust. It is also positively related with customer relationship proneness (H3, H7 were confirmed). And customer relationship proneness had directly relationship with customer trust and satisfaction (H4, H5 were supported). But the path from relationship proneness to customer loyalty was denied. The negative influence of need for variety on relationship outcomes were neither significant (H6, H8 and H9 were rejected). Although need for social affiliation and consumer relationship proneness had no direct effects on loyalty, our study found significant indirect influence from this two traits to loyalty, in which trust and satisfaction acted mediating variables (see Table 4).

Table 1. Measurement model

Construct	Cronbach α	Composite Reliability (ρ_c)	Average extracted (AVE)	variance
NSA	0.86	0.87	0.57	
CRP	0.80	0.85	0.66	
NFV	0.83	0.83	0.56	
TRU	0.92	0.92	0.71	
SAT	0.92	0.92	0.75	
LOY	0.92	0.92	0.75	

Table 2. Discriminant Validity

	TRU	SAT	LOY	NFSA	CRP	NFV
TRU	0.84					
SAT	0.83	0.87				
LOY	0.78	0.85	0.86			
NSA	0.56	0.57	0.52	0.76		
CRP	0.40	0.47	0.45	0.53	0.81	
NFV	0.17	0.23	0.23	0.42	0.31	0.75

Note: The diagonal elements show the square root of the average variance extracted (AVE) of each construct; the other figures correspond to the correlations between the constructs.

Table 3. Results of the structural model

Path	Effect	Coefficients	T value	Results
H1: TRU→SAT	positive	0.78	11.63***	supported
H2: SAT→LOY	positive	0.9	13.86***	supported
H3: NSA→TRU	positive	0.48	6.04***	supported
H4: CRP→TRU	positive	0.14	1.98*	supported
H5: CRP→SAT	positive	0.15	3.01**	supported
H6: CRP→LOY	positive	0.02	0.37	rejected
H7: NSA→CRP	positive	0.53	7.8***	supported
H8: NFV→SAT	negative	0.05	1.01	rejected
H9: NFV→LOY	negative	0.02	0.6	rejected

*p<0.05, **p<0.01, ***p<0.001

Table 4. Totle effet on loyalty

Path	Direct effects	Indirect effects	Total effects
NSA→LOY	–	0.47	0.47***
CRP→LOY	–	0.25	0.25***
NFV→LOY	0.02	0.07	0.07

*p<0.05, **p<0.01, ***p<0.001

Discussion and conclusion

Research implications

Previous research has neglected the issue of personality traits as the antecedent influencing factors of relationship outcomes. With the causal analysis, significant influences were found from the perspective of personal characteristics to relationship outcomes in service context. Customers' personality directly and positive effected their attitude and behavior, especially in the circumstances where personal contact is more prevalent. This means that personality traits should be taken into consideration in future research about relationship marketing.

Our results confirm the trust-satisfaction-loyalty link in service marketing. And for the first time, the directly positive impact of customer relationship proneness to satisfaction and need for social affiliation to trust are verified. Because trust, and satisfaction are considered important predictors of customer loyalty, the above two individual characteristics will indirectly lead to customers' retain.

Managerial implications

The findings of this paper can direct the marketing strategies for service enterprises. Customers who have high social affiliation are the most important customer capital for service providers. In order to keep these existing customers and to satisfy their need for social affiliation, the managers should encourage employees to keep contact and establish friendship with customers, and in the service process, increase communication with customers. This kind of social bond is particularly useful as a differentiation strategy because they would be difficult for other competitors to replicate. There are several strategies aimed at developing "commercial friendship", such as using customers' names, asking them for a recent journey, remembering their birthday and

giving extra service on anniversary. In fact, by fostering and managing customer-provider interaction, a firm may achieve a competitive advantage. And for administering the human resource, it is commendable to contract employees who like interacting with customers and desire to establish relationships with customers.

Empirical results show that consumer relationship proneness is linked to trust, satisfaction and impact loyalty indirectly. That is to say, customers who are more psychologically prone to engage in relationship will have a higher likelihood of becoming "salspeople" and a higher intention to stay in the relationship. Identifying customers who exhibit high levels of this trait would be helpful, because these people is most likely to be potential loyalty customers, and worthy to be retained. A further consideration is that, since need for social affiliation leads to high level of relationship proneness, identifying those customers with a high need for social affiliation equals to gaining knowledge about those customers with high relationship proneness.

Future research

We recognize this research has certain limitations and opportunities for future investigation. First, according to Bowen's (1990) taxonomy, three service firm classification include (a) those services directed at people and characterized by high customer contact with individually customized service solutions (e.g., financial consulting, medical care, travel agency, and hair care services); (b) services directed at an individual's property, in which moderate to low customer contact is the norm and the service can be customized only slightly (e.g., shoe repair, retail banking, pest control, and pool maintenance); and (c) services typically directed at people that provide standardized service solutions and have moderate customer contact (e.g., airlines, movie theaters, cafeterias, and grocery stores). Whether there exist different impacts of our proposed construct due to different service categories? Further discuss can select three service providers as different types of enterprise representatives to test our model. Second, our data focus on the online survey. Offline respondents will be an executable way to gain the additional research samples. Third, we have not found any direct correlation between need for variety and relationship outcomes. There possibly exist several moderator variables between the two factors above, that is to say, need for variety may have indirect impact on relationship outcomes via some moderators. Finally, how would be the influence in our model if including other psychological trait as a predictor of consumer attitude and behavior? This limitation opens an attractive area for both literature and practice on the relationship between psychology and marketing.

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How does customer participation impact service performance? A perspective of task performer

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Abstract: Does customer participation have a negative impact on service performance? Extant literature offers little clear and consistent explanation. In this article, we first address how customer participation impacts service performance from the perspective of customer's role as a task performer. Basing on role stress theory, we carry out empirical research and find that as the width and depth of customer participation increase, customer's role stress (role ambiguity, role conflict) increases. Thus, customer's perceived service quality increases, but customer creativity increases. We also find that employees' service models (efficiency service models and win-win service models) can moderate the relationship between customer role stress and service performance.

Keywords: customer participation, service performance, role ambiguity, role conflict, customer creativity

As is often the case, customers participate in the service process. Customers become involved with the service process to a greater degree from showing up at service sites and providing basic information, to sharing and exchanging information with service providers, to becoming the main force in the service production. However, here comes the question: does customer participation negatively or positively impact service performance? Enterprises that hope to improve service performance through higher customer participation should figure out this question before making relevant decisions.

Extant research has not yielded consistent and clear findings about the effect of customer participation on service performance. Earlier customer participation literature theoretically suggests that customer participation could enhance service productivity and customer satisfaction. Later empirical research proves that customer participation indeed contributes to customer satisfaction (Dong, Evans, and Zou, 2008), new product innovation (Fang, 2008) and employee service performance (Chan, Yim

and Lam, 2010). However, some researchers propose that customer participation negatively impact service performance. Some empirical research finds that customer participation leads to greater employee role stress (Hsieh and Yen, 2004), impacts customers' external attribution (Yen, Gwinner and Su, 2004), and thus negatively impacts service performance.

Before addressing how customer participation will impact service performance, we need to thoroughly analyze the internal mechanism of how interactive characteristics of customer participation will impact service performance. Although interaction does impact service performance (Hausman, 2004), rare literature explores the mechanism of the impact. Based on role stress theory, this study builds a conceptual framework to interpret the interaction will make customers perceive role stress which will impact service performance.

The remainder of this paper is structured as follows. We first figure out three interactive characteristics of customer participation and review the theoretical backgrounds of role stress theory. We next present a conceptual model and discuss the antecedents and consequences of customer role stress.

Interactive characteristics in customer participation

Social interaction has been defined as the degree to which individuals depends on others' choices in order to obtain gains from behaviors (Brock&Durlauf, 2001). Any social interaction consist three aspects: channel, content, and impact (Godes et al., 2005). From a broader perspective, interaction in customer participation falls into the category of social interaction. Specifically, interaction in customer participation can be viewed as a kind of social interaction in a particular service context. Based on the three aspects of social interaction and relevant service literature, this study recognizes three interactive characteristics of customer participation: interdepartmental encounter, interpersonal interaction, and task interdependence.

Interdepartmental encounter. We defined interdepartmental encounter as the extent to which customers need to interact with employees from different departments in the whole service process. The concept reflects a characteristic of encounter channel in social interaction. Interdepartmental connectedness, the multi-channels in encounters of social interaction within the organization, has been examined in existing organizational behavior research and works as an important interactive characteristic that determines whether work can go smoothly. It refers to the extent to which an employee from one department connect with employees from other departments (Jaworski&Kohli, 1993). To be specific, this kind of connectedness reflects whether individuals from different apartments are accessible or have a lot of unofficial communication chances, and whether managers encourage the communication among different departments.

Interpersonal Interaction. Many services, especially pure services such as consultation and education, involve a lot of person to person interaction and matched interaction between employees and customers plays a key role in customers' overall satisfaction with the service (Solomon et al., 1985). Interpersonal interaction can be viewed as the content characteristic of a single interactivity. We define interpersonal interaction as the amount of human contact (such as trust, consideration, communication, politeness, and smile) in the whole interaction process.

Task Interdependence. In the service encounters, task interdependence refers to the extent to which customers depend on service employees in order to efficiently fulfill service goals. In frontline service encounters, the customer alone cannot predict the quality of outcomes with knowledge of only his/her behaviors (Solomon, et al, 1985). Specifically, the interaction goals are fulfilled through a process of mutual adaptation and the service outcome depends on the degree to which the dyadic behaviors jointly facilitate or hinder the customer's goal attainment. In other words, employees and customers are task interdependent. In different service programs, the processes and outcomes of activities and tasks performed by customers depend on service employees' efforts to a different level. Therefore, task interdependence is regarded as the third interactive characteristic of customer participation.

Role Stress Theory

Role stress theory proposes that in the process of receiving role expectations sent by organizations, role stress occurs when individuals assume that they cannot well perceive and accomplish role expectations. Role stress can be divided into two subtypes: role ambiguity and role conflict.

Role ambiguity refers to the degree to which a person is "uncertain about others' expectations with respect to the job, the best ways to fulfill known role expectations, and the consequences of different aspects of role performance (Behrman and Perreault, 1984)". In other words, if customers are uncertain about what they should do and how to do it, or role relevant information that customers have is inadequate to fulfill service tasks, customers perceive role ambiguity.

The second type of role stress, role conflict, refers to the incompatibility or inconsistency among role relevant expectations (Miles and Perreault, 1976; Singh, Goolsby and Rhoads, 1994). In the service participation, customers perceive role conflict if they assume that they and service organizations have different expectations of their roles and that they receive inconsistency role expectations sent by service organizations.

Interpersonal interaction and customer role ambiguity

From the functional perspective, a higher level of interpersonal interactivity offers customers an opportunity to clarify customers' role responsibilities. As the interaction becomes more functional, customers can know their responsibilities clearer and are more likely to feel that they can fulfill role demands. Therefore, we propose that a higher level of interpersonal interactivity can help decrease customer role ambiguity.

From the social perspective, a higher level of interpersonal interactivity helps clarify customers' roles. Reis et al.(2011) suggest that interaction will make interactive dyads familiar and comfort and that familiar dyads can better offer related encouragement, support, and feedbacks. Homburg, Wieseke and Bornemann (2009) indicate that the more service employees are familiar with customers, the more accurately employees can identify customers' needs. Therefore, customers can clarify their own needs, responsibilities, and the consequences of behaviors related to the service. Hence, we propose that,

P1: Interpersonal interaction is negatively related to customer role ambiguity.

Interdepartmental encounter and customer role ambiguity

A higher level of interdepartmental encounter indicates that customers need to interact with employees from more departments. The quality of interpersonal interaction with service employees is a key factor that influences customers' satisfaction with the service(Bitner, Booms, & Mohr, 1994). Interaction with employees from different departments can impact customer role ambiguity in the following aspects.

First, as customers need to interact with different service employees in different service processes, they are undertaking new tasks constantly and ought to well know their own tasks when dealing with employees. The higher the level of interdepartmental encounter, the more complicated the service experience could be. The complication requires customers to spare more cognitive efforts to clarify their responsibilities and behaviors.

Besides, the properties of service provided in different service processes can be different. Some employees provide core services and some secondary services. As the number of service processes increases, customers need to spent more time with employees that provide secondary services and interact with more departments within limited time. Therefore, customers disperse their resource investments and spend less time and energy on core service interaction. In other words, customer need to accomplish more complicated matters within the same time so that customers have difficulty understanding their own responsibilities and how to fulfill those duties.

P2: Interdepartmental encounter is positively related to customer role ambiguity.

Task interdependence and customer role ambiguity

Customers' behaviors are interdependent with employees' behaviors. However, customers can not always well predict employees' reaction to their behaviors and employees' reactions may be different from what customers expect of. Also, as the appropriateness of customers' behaviors depends on employees' reaction(Ma & Dube, 2011), customers can not well predict the appropriateness of their own behaviors. Individuals who find the consequences of their behaviors unpredictable will experience more role ambiguity than those with more predictable behavioral consequences(Pearce, 1981). Finally, because a higher level of task interdependence means customers need to undertake more tasks, customers may not always have sufficient resources to tackle all tasks and are not sure about how to perform the assigned tasks. Therefore, we expect the following:

P3: Task interdependence is positively related to customer role ambiguity.

Interpersonal interaction and customer role conflict

Interpersonal interaction requires customers to make cognitive and behavioral efforts. Interactive dyads should offer relevant and concrete responses. Surprenant and Solomon (1987) suggest that politeness, communication, and understanding be regarded as three key factors in interaction. Accordingly, the smooth interaction requires dyads to communicate politely and offer effectively responses. Judging from the functional content of interaction, a higher level of interpersonal interaction indicates that customers have more chances to communicate with service employees and then state their perceptions of role conflict. Employees can explain customers' role responsibilities timely and get customer role conflict decreased.

Judging from the social content of interaction, a higher level of interpersonal interaction will make customers feel comfortable and respected. Customers in a pleasant mood may be more likely to comply with or accept employees' recommendation, even though employees expect too much of customers. For example, patients who regard the interaction with doctors more personal are more satisfied with doctors and more willing to comply with doctors' recommendation (Hausman, 2004). Furthermore, Ferguson, Paulin and Bergeron(2010) assert that good patient-doctor interaction can make patients more likely to recommend the hospital to others. Hence, it is hypothesized that:

P4: Interpersonal interaction is negatively related to customer role conflict.

Interdepartmental encounter and customer role conflict

While customers need to interact with employees from different departments, those employees require customers to fulfill different role demands. On the one hand, the more departments customers need to contact, the more requirements from different employees are likely to be conflicting. On the other hand, even if those expectations are inherently compatible, they may not be understood accurately. The complexity of understanding different expectations may make customers feel that they are not able to accomplish those roles. Thus, experienced role expectations and expected role expectations are conflicting. It is hypothesized that:

P5: Interdepartmental encounter is positively related to customer role conflict.

Task interdependence and customer role conflict

Task interdependence requires customers to coordinate their behaviors with employees'. It is found that well matched communicating styles or complementary behaviors facilitate the whole encounter process(Ma & Dube, 2011). A higher level of task interdependence demands more coordination efforts and more matched behaviors. The more tasks customers and employees need to perform together, the more different opinions regarding how to perform the tasks they are likely to have. Besides, if

customers assume that they have to invest more efforts than expected in the service process, they also experience role conflict.

P6: Task interdependence is positively related to customer role conflict.

The moderating effect of market maven

Market maven was first proposed by Feick and Price (1987) and refers to individuals who are familiar with many service experiences, products, shopping sites and so on. Those individuals will initiatively communicate with other consumers and answers other customers' questions regarding market information.

Customers who have a higher level of market maven have more chances and willingness to communicate with others. They also have extensive product knowledge, seek information from various sources. Thus, they are more likely to have smoother communication with service employees and have greater ability to handle information from various sources and then better understand their roles. But customers who have a higher level of market maven have a higher level of self-esteem and are willing to exert their influence though offering advice to others. Task interdependence renders the consequences of customers' behaviors unpredictable and uncontrollable. Lack of control over the service process will lead to more role ambiguity (Hartline & Ferrell, 1996).

P7: As customers have a higher level of market maven, interpersonal interaction has a greater negative impact on role ambiguity.

P8: As customers have a higher level of market maven, interdepartmental encounter has a less positive impact on role ambiguity.

P9: As customers have a higher level of market maven, task interdependence has a greater positive impact on role ambiguity.

Behaviorally speaking, customers with a higher level of market maven will be more willing to talk about information related to themselves and thus have better communication skills than those with a lower level of market maven. As mentioned above, for customers with a higher level of market maven, a higher level of self esteem and confidence is not compatible with task interdependence. As task interdependence indicates that the final service outcome depends on employees' reaction, the loss of control contradicts such customers' expected role demands. Therefore, experienced control is less than expected control and role conflict occurs. But customers with a lower level of market maven will not be influenced by such strong demands for control. Therefore, we expect the following:

P10: As customers have a higher level of market maven, interpersonal interaction has a less negative impact on role conflict.

P11: As customers have a higher level of market maven, interdepartmental encounter has a less negative impact on role conflict.

P12: As customers have a higher level of market maven, task interdependence has a greater negative impact on role conflict.

Discussion

The current results theoretically contribute to the current literature in three important ways. First, our work is the first to investigate the relationship between customer participation and service performance from the viewpoint of role stress theory. Although customer participation may bring benefits to customers, it may also impact the final service performance (the service quality mentioned in this article) role clarity and the consistency of role expectations. Therefore, our findings are consistent with the view that customer participation is a doubled sword (Chan, Yim, & Lam, 2010).

Second, our work provides the first evidence of the important finding that role ambiguity perceived by customers can directly impact perceived service quality and that stress coping strategies adopted by customers can moderate the impact of role stress on perceived service quality, thus expanding the field of application for role theory. Previous research asserts that customer participation may contribute to employee role stress (eg. Hsieh, Yen, & Chin, 2004; Chan, Yim, & Lam, 2010). They point out that customer participation may lead to less role clarity perceived by employees, inter-role or intra-role conflict and thus may impact different measurement indexes of job performance to a different degree. At the same time, customers who can be regarded as "temporary employees" in some service contexts (Namasivayam, 2003) may also experience role stress, which impacts perceived service performance. Therefore, our research not only explores whether role stress theory is applicable to customer participation research, but also recognizes the boundary condition where role stress impact perceived service performance.

Third, based on service interaction and social interaction theory, this article recognizes three distinctively interactive characteristics of customer participation: interpersonal interaction, interdepartmental encounter, and task interdependence. This work also proposes the different impacts of three interactive characteristics on role ambiguity and role conflict, and examines how customer characteristics moderate those impacts.

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The Study on the Relationship of Team Boundary Management, Cohesion and Effectiveness

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Abstract — There are limitations of studies on team building from different perspectives. The conclusions of relations between the internal processes, boundary-spanning activities, cohesion and effectiveness are contradictory in those studies. A survey was used to collect relevant data for study of these issues. Path analyses were conducted for hypothesis testing. There are some conclusions as follow: First, inward-facing boundary management has a significant effect on outward-facing boundary management, which means the mutual supportive and synergic relation between them. Second, inward-facing boundary management has a significant effect on cohesion and effectiveness, and the mediating roles of team cohesion to the relationship between inward-facing boundary management and team effectiveness are supported. Third, the assumption on relationships between outward-facing boundary management, cohesion and effectiveness is supported partially.

Keywords-team boundary management; cohesion; effectiveness

Introduction

Changing of organizations makes team as the basic unit of organizational activities, but not all organizations use team achieve good results. In survey, we found: people often recognize a group with the friendly relations between people working together as a team; and there are limitations of studies of team building from different perspectives. The conclusions of relations between the internal processes, boundary-spanning activities, cohesion and effectiveness are contradictory in those studies. Limitations of studies from inward-facing perspective are its focusing internal group processes wholly [1], the researchers from inward-facing perspective suggest that factors of internal group processes increase cohesion and team effectiveness. The researcher [2] from outward-facing perspective turns the focus on interactions of team with its environment, and suggests that boundary-spanning activities are correlated with performance

positively and cohesion negatively highly, there are no significant relationships of internal team processes, cohesion, and performance [3]. Apparently, the researchers from outward-facing perspective ignore integration and coordination of internal and external activities within team. The two interesting results lead to our thinking of the issues of team-building from perspective of boundary management.

Cohesion come into being by members of team identify with the shared values, norms, and common goal to increasing the sense of identifying and belonging of members. However, the identification with team not only enhances the cohesion but also forms social and psychological boundaries of the team, and impact team effectiveness profoundly. This paper focuses on boundary management to clarify the relationship between inward-facing and outward-facing boundary management, and the impact of boundary management on team cohesion and effectiveness.

Theoretical model and assumptions

Boundary and Boundary management

1. Boundary

According to previous researcher, systems or organizational boundaries can be defined as domains of interactions of a system or organization with its environment, in which it engages in conscious activities, in order to provide for its survival and development [4]. Boundaries not only contain the meaning of "stopping this", but also "beginning this". In other words, boundary not only defines the difference between things and its field by some kind of property, but also is the basis points of external (internal) expansion of such property [5].

2. Outward-facing and Inward-facing Boundary Management

Boundary Management (BM) is an important task of organization management. Ancona & Caldwell's [6] research shows that the teams engaging in ambassador, tasks coordinator, scout and the combination of these outward-facing strategies are more successful, the teams only focusing guard strategies are rarely successful. Yan & Louis [4], Faraj & Yan [7] suggest that boundary management includes boundary buffering, spanning and reinforcement. We defined boundary management as "the process which organizational entities coordinate the activities of establishing, maintaining boundaries, and manage the activities of exchanging with its environment in order to facilitate achieving organizational goals."

According to the meaning of "beginning this", outward-facing boundary management (OBM) is defined as the process and methods identifying key external republic and managing teams which interact with their environments in order to facilitate achieving team goals, includes boundary buffering, spanning. Boundary spanning (BS) refers to actions a focal team undertakes to reach out into its environment to obtain important resources and support. Boundary buffering (BB) refers to actions and entity closes itself off from exposure to the environment. An entity buffers to protect itself against uncertainties and disturbances from without, thereby enhancing the possibility of rational action within [7]. These activities may contribute to the team to deal with external actors to gain critical resources, may also be destructive forces of team. According to the meaning of "stopping this", inward-facing boundary management (IBM) is defined as the process and methods which coordinate the activities of setting, maintaining boundaries, improving members' identification and attention to team in order to facilitate achieving team goals, including boundary reinforcement (BR). Boundary reinforcement encompasses the ways in which a team internally sets and reclaims its boundaries by increasing member awareness of boundaries and sharpening team identity [7].

Outward-facing and inward-forcing boundary management may compete against each other for seeking more of the limited team resources [8] so that the two activities conflict and related with each other negatively. Moreover, relation between outward-facing and inward-facing boundary management may be mutual supportive and synergic [4] [8]. Teams not only deal with external environment but also create clear identity in order to effective boundary management, which may be a delicate balance. Teams strive for information and resources for its survival, which are integrated into internal process and allocated reasonably by inward-forcing boundary management. Therefore, the strategies giving consideration to things outside and inside team can achieve goals of team, team must pay close attention to inward-facing and outward-facing boundary management impacting on team performance together, and strive to balance the amount of times and resources spending on them. On the basis of the above discussion, we propose the following hypothesis:

Hypothesis 1: Inward-facing boundary management is positively associated with Outward-facing boundary management.

Hypothesis 1.1: Boundary reinforcement is positively associated with Boundary spanning.

Hypothesis 1.2: Boundary reinforcement is positively associated with Boundary buffering.

Hypothesis 1.3: Boundary buffering is positively associated with Boundary spanning.

Impacting of boundary management on effectiveness

Team effectiveness includes performance outcomes and attitude outcomes [17]. Team performance (TP) is defined as a goal-oriented behavior that teams achieve task [18]. Team effectiveness, such as performance, cooperational satisfaction and team commitment are paid attention by researchers increasingly. Team commitment (TCom) is defined as a kind of mentality of associating members with team, which is formed by members' sentimental affiliation with team leading to members like to stay at team to achieve its goals, and regard paying additional efforts as duties [9]. Tjosvold [10] defined cooperation satisfaction (Tsatsat) as the sense of interaction and the degree of optimism about successful cooperation among members in the future. In the present study, we investigate boundary management, cohesion, and team effectiveness.

1. Inward-facing boundary management and effectiveness

Team comprised the members from different "thought world" significantly tend to be non-team activities, naturally. Therefore, team engage in not only buffering the pressure on the team from the external environment, but also reinforcing boundary, increasing the awareness boundaries of members, and shaping team identity[4], maintenance of group power and group legitimacy, creating a unique sense of identifying with team.

Attracting and focusing is an important way of boundary reinforcement [4]. Teams establish their common vision, values and challenging goals by Boundary reinforcement to focus energy on team task, improve the performance and satisfaction. Another important way of boundary reinforcement is creating a clear identity. The conducts of members with identity are guided by their values, beliefs and norms, and these values, beliefs and norms were implicit in the team identity. Group identity and commitment impact on group satisfaction, group out-role behavior, and group climate positively together. On the basis of the above discussion, we propose the following hypothesis:

Hypothesis 2: Boundary reinforcement is positively associated with performance.

Hypothesis 2.1: Boundary reinforcement is positively associated with team commitment.

Hypothesis 2.2: Boundary reinforcement is positively associated with cooperation satisfaction.

2. Outward-facing boundary management and effectiveness

Outward-facing boundary management strives for the information and other resources of team required for survival and development, against the interference and pressure on the team from environment, administrative and other departments of organization, and create a safe, relaxed workplace for team members. Outward-facing boundary management brings new ideas and methods to teams, improves the level of cooperation of teams, and makes team members feel senses of belonging and commitment. Therefore, we propose the following hypothesis:

Hypothesis 3: Outward-facing boundary management is positively associated with effectiveness.

Boundary spanning is related to team performance, commitment and cooperation satisfaction in several ways. First, team members contact with senior management to understand the senior management's expectations on performance and other key information, and reward the members who exhibit appropriate behavior. Second, through boundary spanning, teams compared themselves with other teams, which make team members recognize and evaluate their team. The common sense of Members' fortune to promotes cooperation motivation. Third, boundary spanning builds goodwill and networks of relationship among stakeholders. Fourth, boundary spanning helps to improve working method and conditions of team, and helps to enhance team trust, team commitment and cooperation satisfaction. Therefore, we propose the following hypothesis:

Hypothesis 3.1: Boundary spanning is positively associated with team performance.

Hypothesis 3.2: Boundary spanning is positively associated with team commitment.

Hypothesis 3.3: Boundary spanning is positively associated with cooperation satisfaction.

Spanning is a strategy of engagement. However buffering is a strategy of disengagement. In buffering, an entity closes itself off from exposure to the environment. An entity buffers to protect itself against uncertainties and disturbances from without, thereby creating safe and relaxed climate for team members at workplace, thereby promoting team performance, commitment and cooperation satisfaction.

Knowledge workers are simultaneously involved in multiple teams. The functioning of "sentries and guards" [6] are a means of limiting interaction and avoiding releasing information. Although sentries and guards were perceived negatively

by external stakeholders, these activities were positively received by team members. In summary, buffering strengthens the team's boundaries against external interference and creates a protected internal climate for the members, thereby contributing to team performance, commitment and cooperation satisfaction.

Hypothesis 3.4: Boundary buffering is positively associated with team performance.

Hypothesis 3.5: Boundary buffering is positively associated with team commitment.

Hypothesis 3.6: Boundary buffering is positively associated with cooperation satisfaction.

The cohesion's mediating effect on the relationship between boundary management and effectiveness

1. The influence of Inward-facing boundary management on cohesion

Cohesion is often defined as “a dynamic process that is reflected in the tendency for a group to stick together and remain united in the pursuit of its instrumental objectives and/or for the satisfaction of members' affective needs” [11]. Boundary reinforcement provide a psychological basis of forming cohesiveness for members, bond members into team without uncorrelated status, set the boundary between team and its environment. Empirical research shows that team cohesion is positively associated with group membership boundary, members' obedience and loyalty. In addition, the team has many unique means of consolidating boundary, such as designing specific symbols and language, describing vision, celebrate specific ceremonies, though which, reinforcement help team members enhance team cohesion[12].

Hypothesis 4: Boundary reinforcement is positively associated with team cohesion.

Team cohesion includes two dimensions: task cohesion and social cohesion [11], task cohesion (TC) emphasizes team goal cohering team members though task or goal, commitment. Social cohesion (SC) focus on interpersonal attraction, interpersonal relationship is its key variable. Goal setting are an important way of attracting and focusing [4], the teams with goals is more cohesive than the team without goals. Team goal-oriented values contribute to task cohesion and social cohesion in the process achieving tasks. Therefore, we propose the following assumptions:

Hypothesis 4.1: Boundary reinforcement is positively associated with task cohesion.

Boundary reinforcement enhances identifying members with relationships and values, which is important to cohesion formatted. Anderson argues that goal-definition dominates in the goal-oriented team; however, interpersonal-oriented values may play a decisive role in the social, emotional team. The members' identification with the relationship impacting social cohesion may enhance members' identification with each other, the same time, team members spend much time on working together, inevitably, which leads to identify other members' personality, thereby enhancing attractions among members.

Hypothesis 4.2: Boundary reinforcement is positively associated with social cohesion.

2. The influence of outword-facing boundary management on cohesion

A large number of studies suggest that external activities often weaken team cohesion. But Ancona and Caldwell [3] suggest that, although cohesion of team focusing on ambassadorial and task-coordinator activities is lower in the early stages of task, cohesion of the group with higher levels of ambassadorial activity is higher than the group with lower level of ambassadorial activity. The above analysis shows is complexity of relationship between external activities and cohesion. Therefore, we suggest the following hypothesis:

Hypothesis 5: Outword-facing boundary management is positively associated with cohesion.

Spanning bring different ideas and values into groups. Ancona [6] argue that cohesion of team with higher levels of ambassadorial activities is higher, and task-coordinator activities always critical factor of succeeded, which show that boundary spanning is importance of forming task cohesion. A Large number of studies note the findings external activities reduce team cohesion because these studies focus on social cohesion [13]. Teams are excluded and reduced initiative by Over-emphasis on social cohesion. Therefore, Spanning may damage social cohesion.

Hypothesis 5.1: Spanning is positively associated with task cohesion.

Hypothesis 5.2: Spanning is negatively associated with social cohesion.

An entity buffers to protect not only core technology but also team process against uncertainties and disturbances from administrative, cultural, and political areas. Therefore, Buffering creates safe and relaxed climate for team members' communicating, cooperating, and coordinating, which helps group focusing energies and resources on tasks, and then increases task cohesion, moreover, raises the level of trust and the way of communication among members, thereby

enhances social cohesion.

Hypothesis 5.3: Buffering is positively associated with task cohesion.

Hypothesis 5.4: Buffering is positively associated with social cohesion.

3. The influence of cohesion on effectiveness

Some studies show that group cohesion is positively associated with satisfaction. Researchers found that team cohesion promote communicating ability of member. Meta-analysis conducted by Mullen and Copper [13], Beal et al. [12] note that the main components of cohesion were positively associated with different performance areas respectively. Although Mullen et al. argue that the relationship between cohesion and effectiveness may be circular; most researchers argue that cohesion is positively associated with effectiveness.

Hypothesis 6: Cohesion is positively associated with team effectiveness.

Teams emphasizing task-oriented benefit from fostering and tolerating diversity of members, adhere to the team's task under pressure, and show a high degree of spirit of commitment and cooperation. Thus, we suggest the following hypothesis:

Hypothesis 6.1: task cohesion is positively associated with team performance.

Hypothesis 6.2: task cohesion is positively associated with team commitment.

Hypothesis 6.3: task cohesion is positively associated with cooperation satisfaction.

Mullen and Copper [13] actually used task performance as outcome variable in their studies, and interpersonal attraction, group pride was significantly associated with the team attitude. Enhancing social cohesion leads to the higher level commitment to task and more frequent interaction among members, and helps to the team commitment and cooperation satisfaction.

Hypothesis 6.4: social cohesion is positively associated with team performance.

Hypothesis 6.5: social cohesion is positively associated with team commitment.

Hypothesis 6.6: social cohesion is positively associated with cooperation satisfaction.

4. The cohesion's mediating effect on the relations between boundary management and team attitudes

Cohesion is considered as mediators by Mathieu et al. [14], and the study on R&D team shows that cohesion mediates the relationship between communication inside and outside team and innovation performance. Boundary reinforcement merges the behaviors and minds of members into one, and improve team attitude through enhancing team cohesion. Boundary spanning contributes to the confidence and task cohesion of the members by gaining information and resources from environment, but may undermine social cohesion. Buffer activity creates a safe and relaxed climate for team members at workplace, and then enhances team cohesion, thereby improving team attitudes. Therefore, we propose the following assumptions:

Hypothesis 7: Team cohesion mediates the relationship between boundary management and team effectiveness.

Research Methods

Sample

The Measures of variables used in this study come from western studies, so a pretest was conducted before the formal study. We used the standard way of double-blind translation to ensure the meaning of the Chinese version is the same as English version. The group comprising organization and management experts and team members discussed to determine the appropriate words in Chinese cultural situation. 6 items with negative statements in the cohesion scale revised to positive statements. Finally, reliability and validity of Measures were tested with 119 samples in formal test.

Measures

Team boundary management. Boundary management was measured using the 12-items adapted from Faraj and Yan [7]. Three dimensions made up boundary management: reinforcement, spanning, and buffering.

Team Cohesion. Cohesion was measured using the 8-items adapted from Carless and DePaola [15]. Measurements of task cohesion and social cohesion are composed of four items separately.

Effectiveness. The operational definitions of effectiveness include performance, team commitment and cooperation satisfaction. Team Performance was measured using the 5-items adapted from Tjosvold [10]. Team commitment was measured using the 8-items adapted from Carless et al. [15], Bishop and Scott [9], and cooperation satisfaction was measured using the 3-items adapted from Tjosvold [10].

The items of the scale were rated on a 5-point Likert-type scale, ranging from strongly disagree (1) to strongly agree (5). The scale has been shown to be adequate validity by CFA.

Results

Aggregation

Because our model focuses on the team level, we had to aggregate individual responses to the team level. To prove the rationality of aggregation, we calculated R_{wg} value [16]. The results showed that R_{wg} 's values of the variables aggregated at level of team were above 0.85. The amount of team with R_{wg} 's values above 0.7 is in the range from 98.32% to 100%, therefore aggregating individual responses to the team level exists rationality. To ensure the internal consistency of measurement, we calculated Cronbach's α value of all variables at individual and team level. Cronbach's α values of variables at individual is in the range from 0.78 to 0.94, Cronbach's α value of variables at group is in the range from 0.811 to 0.926. Accordingly, in this study, data are aggregated from individual to team level. The means, standard deviations, and intercorrelations for the variables are reported in Table 1.

TABLE I. TABLE 1 MEANS, STANDARD DEVIATIONS, RELIABILITIES, AND CORRELATIONS AMONG VARIABLES (N=119)

Vari	M	SD	1	2	3	4	5	6	7	8
1.BR	3.716	0.419	(0.859)							
2.BB	3.502	0.423	0.761**	(0.811)						
3.BS	3.307	0.424	0.625**	0.726**	(0.823)					
4.TC	3.995	0.433	0.654**	0.597**	0.518**	(0.878)				
5.SC	3.683	0.526	0.558**	0.485**	0.443**	0.614**	(0.891)			
6.TP	3.848	0.438	0.684**	0.654**	0.505**	0.720**	0.524**	(0.926)		
7.Tcom	3.753	0.379	0.607**	0.547**	0.515**	0.729**	0.660**	0.621**	(0.916)	
8.Tsati	4.220	0.421	0.510**	0.400**	0.279**	0.689**	0.510**	0.592**	.689**	(0.923)

Note 1: + p <0.1, * p <0.05, ** p <0.01, *** p <0.001

Note 2: Cronbach's α value are in the diagonal components of the table

Hypothesis testing

Hypotheses are tested by the path analysis technique of structural equation that through the way of backward selection by AMOS17.0. The revised model is obtained finally after the path which is not significant in results of initial path analysis was removed gradually. The results of test show that the revised model is acceptable. In the fit indices of the model, X^2/df ($X^2/df = 0.989$) is less than 3, RMSEA (RMSEA=0.000) is less than 0.08, GFI (GFI=0.978), NFI (NFI=0.984), IFI (IFI=1.000), and CFI (CFI=1.000) are higher than 0.95. The analysis above shows that the fitness of the revised Model is satisfactory. The results of path analysis of conceptual model are shown in Figure 1.

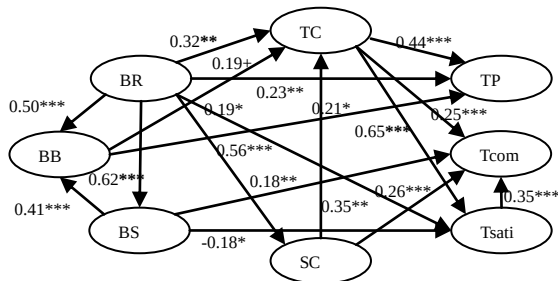


Figure 1. The path analysis of boundary management model

First, hypothesis 1.1 ($\beta = 0.505$, $p < 0.000$), hypothesis 1.2 ($\beta = 0.625$, $p < 0.000$) and hypothesis 1.3 ($\beta = 0.41$, $p < 0.000$) supported indicated a positive relationship between inward-facing and outward-facing boundary management. The results indicated that the two types of activities were supported and complemented mutually, thereby maintaining synergy between

them.

Second, Boundary reinforcement was found to be positively linked to team performance ($\beta=0.235$, $p < 0.014$), and cooperation satisfaction ($\beta=0.193$, $p < 0.005$). This adds further support for Hypothesis 2.

Third, Boundary spanning exhibited significant effects related to team commitment ($\beta=0.183$, $p=0.005$), Boundary spanning exhibited significant effects related to performance ($\beta=0.214$, $p=0.018$), thus supported Hypotheses 3 partially. However, spanning is negative related to cooperation satisfaction ($\beta = -0.181$, $p < 0.005$).

Fourth, Boundary reinforcement exhibited significant effects related to task cohesion ($\beta=0.322$, $p < 0.002$) and social cohesion ($\beta=0.558$, $p < 0.000$), respectively, thus supporting Hypotheses 4.1, Hypotheses 4.2, and Hypotheses 4.

Fifth, Boundary buffering exhibited significant effects related to task cohesion ($\beta=0.186$, $p < 0.05$), thus supporting Hypotheses 5.3, however, the relationships between spanning and cohesion, buffering and social cohesion are not significant, so Hypotheses 5 was supported partially.

Sixth, task cohesion exhibited significant effects related to team performance ($\beta=0.439$, $p < 0.000$), and commitment ($\beta=0.247$, $p < 0.005$) and cooperation satisfaction ($\beta=0.651$, $p < 0.000$), thus supporting Hypotheses 6.1, 6.2 and 6.3, social cohesion is positive related to team commitment ($\beta=0.262$, $p < 0.000$), thus supporting hypotheses 6.3, thus Hypotheses 6 is supported partially.

Finally, the analysis above shown that task cohesion mediates the relationship between inward-facing, outward-facing boundary management and team effectiveness, Social cohesion mediates the relationship between inward-facing boundary management and team effectiveness, therefore, the cohesion's mediating effect on the relations between boundary management and team effectiveness is supported partially, thus supported Hypotheses 7.

Discussion and Conclusions

The synergy between inward-facing and outward-facing boundary management

The positive relationship between inward-facing and outward-facing boundary management show Yan & Louis [4] and Choi's [8] views of the synergy between inward-facing and outward-facing boundary management. Through outward-facing boundary management, teams obtain resources and information for survival and development, and moreover, through inward-facing boundary management, team integrates systemic resources to achieve team goals. For this purpose, teams have to engage in boundary management, maintain a dynamic balance between dealing with external environment and creating team identity.

Boundary management exhibited significant effects related to effectiveness

Contrast to Ancona & Caldwell's [2] findings, our findings indicated that inward-facing boundary management is positively associated with performance. Similar to Yan and Louis' [4] findings, inward-facing boundary management help to improve team commitment and cooperation satisfaction. This result emphasizes the importance of inward-facing boundary management.

Logically, spanning strives for information and other sources of survival and development of team, and buffering could create safe and relaxed work environment for members, and are conducive to team performance, commitment, and cooperation satisfaction. But the findings in this study are inconsistent with logic and common sense, spanning improve team commitment significantly, is negatively associated with cooperation satisfaction, and has no effect on team performance. The possible reason is that the effects of outward-facing boundary management on effectiveness may be impact by environmental factors, such as uncertainty, resource scarcity [7], team's developed stage [8], communicating climate and ways, exhibit effects with such moderators together. Faraj and Yan [7] suggest that Spanning has no direct effect on team performance but is negatively linked to team performance under conditions of resource scarcity. This suggests that in an environment where resources are relatively abundant, performance is enhanced through spanning. However, in resource-poor environments, additional boundary spanning may actually hinder performance. These results are at odds with Ancona and Caldwell's [3] interview-based findings regarding the efficacy of spanning-type efforts by ambassadors and scouts among new product development teams. Spanning may be highly sensitive to the organizational context in which the team is found.

More importantly, power distances and tendencies avoiding uncertainty is greater in the organizations in Chinese cultures have greater, in such cultures, organizations do not encourage team members engaging in spanning and buffering which engaged by team chiefs. The effects of outward-facing boundary management were not perceived clearly by team members

in bad atmosphere and ways of communication, therefore beneficial effects of buffering on attitude, and spanning on cohesion were not shown. The results indicated difference of mentality between closed and open system. Boundary spanning may not be considered to be important to any team member in a closed system. However, when environmental factors, such as scarcity of resources are considered as an important factor, spanning becomes critical impacts on emergency states, such as cohesion, psychological safety, positively.

Cohesion is mediator of relationships between boundary management and effectiveness

Boundary management is a new area in organizational researches, Similar to Faraj and Yan's [7] findings, our findings shown that, though task cohesion, boundary reinforcement and buffering help to improve team effectiveness, though social cohesion, reinforcement impact on team commitment. This result indicated that secure resources obtained by outward-facing boundary management have to be integrated into internal processes to improve the viability of the team, which showed the importance of reinforcement and cohesion.

However, the mediating effects of social cohesion on the relationship between outward-facing boundary management and team effectiveness are not supported. The reasons of the results may include two aspects: First, social cohesion impact effectiveness indirectly through other emergency states (such as trust, psychological safety) or team performance to prove the existence and value of its own. Second, it is the complexity of the relationship between social cohesion and task cohesion. Meta-analysis conducted by Muller et al. [13] showed that the factors impacting on effectiveness is primarily task cohesion, social cohesion is no significant related to performance. Extreme social cohesion causes boundary un-penetrated, therefore impact on performance negatively. The findings in this study showed that social cohesion is positive related to task cohesion ($\beta = 0.346$, $p < 0.000$), and impact on team performance, commitment and cooperation satisfaction through task cohesion. This conclusion supported the views of Muller et al. [13], and the views of the dynamic of cohesion.

Contributions and limitation.

Contributions to theory are as follow: studies of boundary management were conducted at the team level in this paper, help to grasp the law of team running accurately, not only provides empirical support for the previous theory[3] [4], and show mediating effects of cohesion on relationship between boundary management and team attitudes which adds an mediator to the theoretical framework proposed by Choi [8], strengthen the explanatory power of boundary management theory, and enriched the research literature in organization theory.

The team managers' were enlightened by this study as follow: First, outward-facing boundary management is critical factor of obtaining resources and support to achieve team goals. Second, inward-facing boundary management establishes foundation of integrating resources and also foundation of enhancing cohesion so as to operate team effectively. Third, according to the thinks of dynamic balance of team boundary management, teams have to manage boundary continually to maintain synergies of inward- and outward-boundary management.

There are several limitations to this study, which should be noted to help future researchers. First, the present study was conducted in a relatively homogeneous environment. The results of testing by cross-sectional data are not enough for supporting the causal relationship between variables. In addition, the present study only tested the relationship of boundary management, cohesion and team attitudes, not other important factors related to team process. Therefore, future research could benefit from the collection of both quantitative and qualitative measures of the relationship of boundary management, internal group process and effectiveness.

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USING SERVICE DESIGN PROCESS AND METHODS FOR SERVICE DESIGN CURRICULUM DEVELOPMENT

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Abstract

As the share of services in the gross economic product is around 60–70%, business start-ups and new jobs can almost exclusively be found in the tertiary sector. Along with such rapid developments, new economic challenges have appeared – the need to develop and to teach how to develop new services (Mager 2011). This brings to focus service management, service development and more recently service design.

Service design (SD) integrates management, marketing, research and design. It acts as an interface and connects organisations and clients in a new way (Moritz 2011). Within SD, service interfaces are designed for intangible products that are, from the customer’s point of view, useful, profitable and desirable, while they are effective, efficient and different for the provider. Service designers visualize, formulate and choreograph solutions that are not yet available. They watch and interpret needs and behaviours and transform them into potential future services. In the process, exploring, generating and evaluating approaches are used similarly and a redesign of existing services is just as much a challenge as the development of new innovative services (Erlhoff et al. 2008). SD is a new, developing, not yet extensively researched field: the SD step-by-step process has been proposed e.g. by Hollins (1991, 2002), Hollins, Shinkins (2006), Mager (2009), Moritz (2009), and each step relates to a set of methods/tools (see e.g. Moritz 2009, Stickdorn, Schneider 2010).

Academic curriculum development has usually been analysed within service management and/or development framework. Originality and uniqueness of this currently planned paper stems from using SD process and methodology as bases. SD has rarely, if ever, been used in academic research context.

Aim: to determine the challenges and strength of using SD process and methods in

academic curriculum development in order to improve the curriculum development process currently applied.

Target audience: curriculum developers, academic staff, SD practitioners, researchers and students.

Methodology:

- Overview of SD curricula in Europe (internet research)
- Overview of 2 service design master level curricula of the University of Tartu
- Analyses of the curriculum development process used at the University of Tartu (based on 2 cases: master level curricula):
 - internal documentation analyses,
 - interviews with academic staff and practitioners who were involved with curriculum development process,
 - questionnaire based research and interviews with current students and graduates.

Introduction

As the share of services in the gross domestic product is about 60–70%, business start-ups and new jobs can almost exclusively be found in the tertiary sector. Along with such rapid developments, new economic challenges have appeared – the need to develop and to teach how to develop new services. This brings to focus service management, service development and more recently service design.

Service design (SD) addresses the functionality and form of services from the perspective of the user. It aims to ensure that service interfaces are useful, usable and desirable from the client's point of view, and effective, efficient and distinctive from the supplier's point of view. SD stands in the tradition of product and interface design, enabling the transfer of proven analytical and creative design methods to the world of service provision. In particular, it is closely related to the dimensions of interaction and experience design that originated in interface design. (Miettinen, Koivisto 2009) SD could obviously benefit curriculum development research but has not been used so far as methodological grounds in academic research. Academic curriculum development has usually been analysed within service management and/or development frameworks. This article aims at filling that gap by advancing curriculum development theory by showing how SD could be used in this field. The aim of this article is to determine the challenges and strength of using the SD process and methods in academic curriculum development in order to improve the curriculum development process currently applied.

Theoretical background: curriculum development in theory and service design process

In higher education, students are increasingly being viewed as clients to whom educational services and job credentialing are provided. In developing the competencies of students, higher education has increasingly shifted toward a student-centered or student-focused model of teaching/learning and away from a teacher-centered or teacher-focused model (McCuddy and Pirie 2007; Morse 2007). Collaborative problem solving (including curriculum development) traditionally involves academic administrators, faculty and various external constituencies but more recently has increasingly involved students as well (Popham, 2007). Who to involve and which steps are used in curriculum development process may differ greatly depending on governmental educational policy documents and the specific organisational culture of an academic institution. In addition, major influencers of university curriculum development are technological development, industrial environment, university structure, teaching material (Bruun, Nielsen 2010).

SD differs from service development (usually used as the underlying model in curriculum development) by the depth of changes intended: SD aims at a radical (not incremental) change of how service is provided, leading to the next crucial difference – user/client experience research in detail, starting from defining the problem that the service solves for the client. SD approach is holistic (it looks at systems and subsystems of relationships and interaction and takes the context into consideration, being aware that services are living systems), interdisciplinary, uses co-creation based methods, involves thinking and working visually, radical, inspiring (Miettinen, Koivisto 2009). SD process usually involves four (Stickdorn, Schneider 2010; Mager 2011), six (Moritz 2005), seven (Huertas-Garcia, Consolación-Segura 2009) or even up to fifteen (Scheuing, Johnson 1989) steps/phases. Analysing them has led us to the conclusion that the approaches vary only by the depth of SD phase description but are essentially the same, thus the 4 step model is used in this article.

Methodology

Curriculum development process was analysed based on two master level curricula taught at the University of Tartu, Pärnu College – Service Design and Management curriculum (language of instruction: Estonian) and Wellness and Spa Service Design and Management (language of instruction: English). The steps taken and methods used in the research process:

- internal documentation analyses (curriculum development process descriptions),
- 4 interviews (1h each) with academic staff and practitioners who were involved in curriculum development process (questions regarding curriculum development process were asked based on four SD process steps – see Table 1),
- 2 focus group interviews with graduates of the master curricula (4 graduates in each group representing one master programme). Questions used were developed using mainly 2 models – customer journey and cause diagramme. Both authors have experience in leading the development process of the curricula analysed in this article.

Results and Discussion

Pärnu College is a regional college of Tartu University. It was established in 1996 and specialises in teaching different business related curricula. All the curricula taught were diploma or BA level in 2007, when the master level curriculum development process started. As the birth rate of the Estonian population had declined over the past decades it was decided that Pärnu College would have two options how to handle the problems related with the demographic decline that would eventually affect college student admission. The first solution would be to develop international curricula taught (in English, in order to attract students from abroad) and secondly, to develop master level curricula (in Estonian, in order to bring back graduates of current diploma and BA curricula as well as to attract graduates from other universities and regions of Estonia).

Curriculum development team was set up representing academic staff from all academic departments and started work in September 2007. Problems started when initial team members could not attend meetings regularly and departments were represented by different academics at the meetings – this slowed down group processes as new members were not informed or disagreed with previous decisions. After analysing different trends and curricula taught at master level in Estonia and abroad (and visiting several service design teaching universities in Europe) it was decided that a curriculum should concentrate on teaching service design on master level. After 6 months of work, the project team was split into two sub-teams as a result of a dispute – some members felt that the curriculum should be developed concentrating on tourism industry specifics (as Pärnu is a well-known summer resort) and others felt that industry specific approach is too narrow (not attractive for many graduates) and should concentrate on teaching service design as a methodology (regardless of industry specifics). Conflicts and disagreements brought the discussion to a new broader subject – mission and vision of the Pärnu College and its strategic outlook in general. It became obvious that there is no agreement among the staff regarding the strategic orientation and vision on the organisational level. In hindsight, a fortunate side of the process is that instead of one, two master level curricula were developed and a strategic management analysis process was initiated. Overview of the two master's curricula can be found on the web site of the University of Tartu, Pärnu College: www.pc.ut.ee.

Curriculum development process and methods used in both curriculum development subgroups are outlined in Table 1. Exploration phase aiming at finding a good topic and testing the demand took up proportionally most of the development project time (8–10 months). The methods used were rather conventional and also suggested in SD theory – internet research, interviewing and questionnaire based research. Some additional methods that would have been useful in order to get a better insight of future clients (students) could have been stakeholder map and offering map. Although main stakeholders were interviewed, their systematic graphic representation could have revealed some additional ones to involve in the development process. Offering map is a

SD tool used to analyse value created in the process of a service offer – it can be a useful tool for analysing service from marketing communication and demand perspectives.

Table 1. Curriculum development process and methods.

SD process phases (Stickdorn, Schneider 2010)	Methods/activities used in curriculum development*		Usefulness in curriculum development process
Exploration: external environment and trends	Trend analysis		Very useful – for curriculum topic ideas
	Internet research: SD and tourism curricula in Estonia and Europe		Very useful – competition analysis
	Interviews with SD academics		Very useful – insights into why and how to teach the topic at BA/MA level
	Interviews with practitioners of service industry		Relatively useful – each industry believes itself to be most important, requiring development
	Questionnaire based research among last year BA students of the Pärnu College		Very useful – establishing interest in studying at MA level and testing ideas of topics
			Not useful – for curriculum topic ideas
Creation: content and processes	Interviews with practitioners of service industry		Very useful – curriculum name revision and keywords ideas
	Interviews with international SD academics		Very useful – feedback on modules and courses content
	Customer journey (2 year period)		Very useful – gives a broad overview of the full process
Reflection: improvement of content and processes	Prototypes testing		Very useful – full module of SD courses within one MBA programme revealed the need to add practical training and use more hands-on training methods
	Interviews with practitioners of service industry		Very useful – feedback on modules and courses content
	Testing of single courses		Relatively useful – good for marketing purposes, gives insight into teaching abilities of new lecturers
Implementation**: resources and marketing	Resources analysis		Very useful – financial and human resources needs become evident
	Negotiations with academics		Very useful – course content development
	Customer journey	Time horizon: 1 year, 1 teaching session, 1 day	Very useful – detailed and specific insights into teaching and support activities.
		Time horizon: 2 years	Relatively useless – very general feedback
	Cause diagramme		Very useful – for marketing purposes
	Observation during courses in classroom		Very useful – problematic details of

		environment and teaching process become evident
	Training of non-academic staff	Relatively useful – English language courses need to take place on a regular basis in order to have a long-lasting effect

* - descriptions of all SD methods/tools discussed in this article can be found at: <http://www.servicedesigntools.org/repository>

** - although in theory this phase represents activities before launch of the service, it currently includes curriculum development activities during and after the first admission of students in 2009.

In the creation phase, customer journey and service blueprint as the two most commonly used SD tools were not used in writing. Customer journey was used as a mental model and discussed in the project team but not outlined as a map. In this second phase of curriculum development, the project leader worked mostly with already gathered data and mostly individually – other project team members and external advisors were used more as second opinion providers. Compared to the exploration phase, this step could have involved more future students and group work as co-creation philosophy. One potentially useful tool missed in this phase is creation of personas and character profiles. These tools enable to get insights into the lifestyle, needs and decision-making processes of typical clients. One of the reasons these tools were not used was that one of the curricula was method-centred. Now it has been developed with three industry specific specialisations, which enables to use these tools more meaningfully (e.g. sports manager or social services developer in public sector as a persona).

In reflection phase some courses were tested on students but from the point of curriculum development it did not provide many insights as curriculum is more about the structure of course modules and overall experience that involves not only single courses but in addition practical training, visits to companies, etc. But open lectures for future students and practitioners from industry were useful as a marketing tool. Testing a full module of SD courses as a specialisation of MBA curriculum proved to be much more insightful than testing separate courses – practical training of how/when to use specific SD tools and use of more hands-on training methods were required by students. In addition to service prototyping, another SD tool called “mood boards” could be used in order to improve the overall experience of students. This tool (e.g. using photos, video clips, etc. made by students) allows curriculum developers to distance themselves from the everyday work environment and see the service experience from student perspective.

Resources analysis for staff planning and cost analyses as well as negotiations with academic staff for course content development are rather typical but still necessary and useful methods for curriculum development. Underused but very useful tools are also focus groups of academics – discussing e.g. modules content and course content overlapping issues, and service blueprint – a highly effective tool in the implementation

phase (non-academics who have no or little training and understanding of customer service get a broader understanding of the full service experienced by students). In addition it enables to look systematically for core service development ideas by adding additional services, e.g. not only lending but also selling of books, different tuition payment schemes for students, etc. Service blueprint could and should be used in the curriculum creation phase. Group sketching is another tool that could be used during focus group discussions alongside service blueprint, in order to list most important aspects of e.g. an ideal teaching session.

Although many tools can be used in all SD phases, some of them are probably less appropriate for academic environment, e.g. it might be challenging to use role playing, tomorrow's headlines or any other more creative and/or drawing based tool with academics who are used to more traditional research methods and see little value in (more) creative approaches or consider them inappropriate for academic environment. Developing university or curriculum specific tools on one's own can be also an option to be explored – design games as a tool provide an opportunity to develop a SD tool that suits all specific needs of the current service development project.

Conclusions

Any service development process should start from analysing the strategic perspective and plans of the organisation that are based on external environment analyses. If service development project team members have a different or even conflicting understanding of long term development plans on the organisational level, conflicts during the service development project are very likely. In that respect the service development project leader has the most important role as a vision communicator, conflict resolver and also project team builder. If it is an interdepartmental service design project, the rule should be set right from the beginning that team members representing each department should not change as it makes group processes slower and updating new members can become too time-consuming.

Service design process (four phases) is an appropriate basis for a curriculum development project analysis, although it was not intentionally used in case of the two master curricula analysed in this paper. Some SD methods tend to be more suitable for curriculum development and others (e.g. role playing, mood boards, etc.) are likely to encounter resistance from the academic staff as they may be seen inappropriate for the academic environment. Several SD methods discussed are suitable for several SD process phases (e.g. service blueprint). Although several SD methods were used during the master curricula development analysed, co-creation (with potential students) is a relatively unused field yet: especially in the form of focus groups using a specific SD tool in addition. Questionnaire based surveys and individual interviewing were used but these methods have their limitations. E.g. questionnaires concentrate usually on past experience and give little insight into emotional background of the experience or insights into

thinking and decision-making during the service experience (learning process). More qualitative methods (giving deeper insights) should be used in the future and many SD tools are aiming at that.

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Does the Effect of Country of Origin Exist in Service Product? —Research on Country of Service Origin and it's Impact on Consumer Service Evaluation

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Abstract: There are much studies on country-of-origin, but the research about country of service origin is scarce. On the ground of service market opening and service economy swiftly developing, country of service origin need further discuss. To banking as the background, this article learns about the effect of country of origin exist in service industry and researches the moderating effect of service features, such as intangibility and interactivity, on this effect. Compare with negative country of service origin, positive country of service origin can increases consumer perceived quality. Intangibility can intensifies the effect of country of service origin and interactivity can weakens this effect.

Keywords: Country of service origin, Intangibility, Interactivity, Perceived service quality

. Introduction

International service transaction has become the focus of global business due to the development of service economy as well as the process of globalization, Chinese service' is growingly dominant as a new option for national strategic reformation. From the consumers' point of view, however, Chinese service is facing the same dilemma as made-in-China products. The image of Chinese service is more or less related to piracy, honesty issue and low-end. It is seen as low quality, insecure and at low price. As a consequence, Chinese firms are only capable of occupying the low-end position of the international service supply chain. Much difficulty awaits in the process of globalization for the Chinese firms in service business. We cannot help but wonder, why is this so?

As early as the 1960s, country of origin has been categorized by scholars as well as strategic decision makers of national and business level (Papadopoulos, Heslop, & Group, 2000) as an important cue for customer evaluation (Min Han, 1989). The majority of literature focuses on the country of origin effect in product level due to the fact that the early transaction between firms were largely product based. Prior studies suggested the 'made in' effect as a cue for product evaluation (Verlegh & Steenkamp, 1999). Scholars believe that customers may have a better country of origin perception towards countries of higher economic level, such perception in turn affects their evaluation towards the products. However, there is limited number of studies on the country of origin of service (Nijssen & Herk, 2009). Service differs from product in numerous ways, the existing literature on country of origin is far from sufficient in explaining the phenomenon taking place in the realm of service.

Based on the analysis of current existing literature on country of origin effect, and service characteristics, this paper looks into the influence of service COO on consumer evaluation.

2. Literature Review

2.1. Country of Origin

Historically, country of origin refers to the country where the product is made. It is defined as product derived image, reputation or stereotype perceived by consumer or entrepreneur (Nagashima, 1970). Consumers form general opinion about products made in certain countries based on the countries' economical and social development level, or its capability in production and marketing (Roth & Romeo, 1992). The country of origin effect can be divided into two dimensions: the main effect, which explains the better perceived quality of products made in more developed countries (Nagashima, 1970); the moderating effect of the main effect. There are largely 4 types of moderating variables, they are: consumer motive (Prendergast, Tsang, & Chan, 2010), consumer ability (d'Astous et al., 2008), product feature and culture related consumer characteristics (Cleveland, Laroche, & Papadopoulos, 2009).

2.2. Country of Service Origin and Country of Service Origin Effect

Country of service origin refers to consumer perceived image derived from the service level related to one country or the capability of firms of that country to provide satisfying service experience. Country of service origin effect refers to the impact a countries' image may affect consumers' evaluation of the service. Most of the study lies in the fields of cross-country marketing and culture studies. The country of origin of the service may affect evaluation to a greater extent comparing to that on goods. It over weights the influence of brand, and comes next to price. In addition, studies cover the moderating role of variables such as consumer familiarity, type of service and brand awareness on country of service origin effect.

Few researches studied the country of service origin. This concept is used as a peripheral construct and has only been slightly mentioned. It has not been studied thoroughly, and the results are highly questionable.

2.2. Perceived service quality

Perceived service quality refers to the consumers' overall evaluation towards the firms' service advantages. It is a judgment made according to the gap between consumers' perceived gain and expectation. As an external cue, country of service origin tempers the consumers' expectation, and in turn influences the perceived service quality. Due to the difference between service and goods, evaluation on service concerns not only the outcome quality and the interaction quality, but also other intricate elements.

3. Research Hypothesis

3.1. Country of service origin and perceived service quality

Despite the fact that few paper studies the link between country of service origin and perceived service quality, there are some related studies in the field of cross-country service. Studies on banking and air company suggest that the level of economical development of one country may strengthen the link between country service origin and consumers' service evaluation. Consumers demonstrate higher purchase intention towards services from more developed countries. Researches on retailing demonstrate that consumers believe Germany provides the better goods and service, while Mexico provides service and goods at lower price. Consumers perceive service and goods from less developed countries as of higher risk. Due to the experience based nature of service, consumers always find themselves lacking internal cues for quality evaluation, and thus rely more on external cues such as country of service origin. We therefore suggest the following hypothesis:

H1 Comparing to services from less developed countries, services from more developed countries are perceived of higher quality.

3.2. Service characteristics, country of service origin and perceived service quality

As an external cue, service is intangible and therefore represents the exchange of its search property and trust property. As the intangibility increases, the service is increasingly search required. Trust property becomes more important. Consumers' quality judgment rely more on country of service origin. From the perceived risk perspective, intangibility makes consumers' quality related evaluation more difficult, and the sense of perceived risk increases. Comparing to service of high perceived risk, country of service origin has a less dominant effect on service of low perceived risk. The level of effect of country or service origin changes according to the intangibility of service.

From the perspective of interaction, the effect of country of service origin is highly related to the level of interaction of the service. Country of origin is a stereotype form by the consumer towards certain country. High level of interaction allows consumers to have more opportunity to know about the country, and thus form a more objective view of the country image. It weakens the bias towards certain country. During the exchange, where information is shared by provider and consumer, consumers are more likely to make judgment towards the service quality based on the conversation, attitude and

practice level of the service provider. It becomes less likely for consumers to use country of service origin as a cue for evaluation. Therefore, hypotheses are made as follow:

H2 The level of intangibility of the service strengthens the link between country of service origin and perceived service quality.

H3 The level of interaction of the service weakens the link between country of service origin and perceived service quality.

4. Experiment

4.1. Pre-test

The experiment is performed in the context of banking service. It is because: 1. Banks are highly involved in cross-country exchange; and 2. banking service is common in everyday life, the test subject know it well. The researches adopt survey as a means for revealing the difference of countries in term of perceived quality. To avoid ethnocentrism, no Chinese banks are involved in the research. SERVQUAL is adopted in order to calculate consumers' perceive service quality. The research adopts 7 gauge questionnaires. There are 201 participants who have completed the survey, among which 189 surveys are valid. Overall perceived service quality is calculated based on the mean value of each question.

Table 1 Difference in Perceived Service Quality

		Intangibility (Transaction)	Interaction (Personal Investment)
	H i g h	You have reached ACL bank to make a transaction to another company. The hall is well decorated. The instruction for various services is clear and thorough. You spend a short while studying the instruction, and go for the window. All procedures are guided. After the procedure, you are told that the company has received the money. You obtain complete feedback.	Due to stock market recession, you decided to move your money to the personal investment of ACL. You have reached ACL according to the appointment. You are lead into the investment department by the hall manager. Through your talk with the financial manager, you obtained the required information. Your financial manager gave you useful advice on the investment. After the procedure, the bank staff gave you documents on financial investment.
	L o w	You log in the ACL website using your username and password. The website is well designed. It includes categories for various services. In the level 2 category you find the B2B services. Through referring to the help document, installing the software and inputting necessary information, you are told that the transaction is successful.	Due to recession of stock market, you intent to move your money to ACL financial investment program. You arrive at ACL self-service, and refer to the introduction for financial programs, which explains the rate of return, and investment cycle. You input desired rate of return and investment sum, the computer performs interactively, and eventually provides you with advices. Related documents are posted to your email address.

Country	US	Canada	France	Switzerland	Korea	Thai	Service Qulaity
US	0.00						5.49
Canada	6.88*	0.00					4.96
France	6.12*	1.49	0.00				5.08
Switzerland	1.95	5.73*	5.11*	0.00			5.36
Korea	21.25*	12.34*	16.00*	20.77*	0.00		3.99
Thai	25.82*	14.00*	15.76*	19.01*	2.47*	0.00	3.79

Significance ≤ 0.05 indicated with*

According to the result, service from US is perceived to be top in quality, while service from Thai is perceived as the lowest. Considering the relative high score of Switzerland, and its positive perception in China in term of financial service, Switzerland is chosen as sample for the experiment together with Thai.

Test subject is required to read through the context description. 5 point score board is used to compare the difference between the 2 groups. Before the subjects are exposed to the authentic environment, financial news piece and news reports are presented to the subject in order to increase the authenticity of the context. The news describes the process of a foreign bank entering China, its service range, as well as business status.

Table 2 Experiment Context

4.2.Experiment 1

4.2.1. *Experiment design and test subject.* The experiment adopts 2 (country of service origin: Switzerland, Thai) $\times$ 2 (intangibility: high, low). 95 MBA students from Hubei and Hunai volunteered in the experiment. The test subjects are divided into 4 groups randomly. The test subjects are first provided with news regarding a foreign bank's development in China. Following that, they are exposed to a transaction context. The source of service is controlled with Switzerland and Thai. The two descriptions are identical except the name of the country. The brand of the bank is imagined ACL. Intangibility is controlled using physical and psychological elements, including description of hall arrangement and service procedure.

4.2.2. *Control test.* Through pre-test, we discover that Switzerland and Thai have comparatively high reliability. Intangibility is examined using McDougall, G.H.G. and D.W. Snetsinger's (1990) 5 entries. The result indicates the test subjects have significant difference in intangibility ($M_{\text{high}}=3.74 > M_{\text{low}}=2.91, t=4.33, p<0.05$). The test subjects need to be tested for familiarity of the brand, for the research context is the virtual brand ACL. 92.3% of the participants claim they have never heard of it. There is no significant difference in knowledge ($M_s=3.48 < M_t=3.56, t=0.59, p=0.85$) or perceived risk ($M_s=2.58 < M_t=3.06, t=3.17, p=0.87$) between both countries.

4.2.3. *Result.* Through two-factor variance analysis of country of service origin and intangibility of service, the main effect of country of service origin is proved to be significant ($F(1,87)=29.5, p<0.05$). Thus H1 is supported. The cross effect of country of service origin and intangibility towards perceived service quality is significant ($F(1,87)=4.01, p<0.05$), indicating that in circumstance of high intangibility, link between country of service origin and perceived service quality is stronger than that of low intangibility. The experiment result supports the prior studies which suggest that consumers may have high view about service from more developed countries. It also reveals the existence of country of origin effect in service.

4.3.Experiment 2

The purpose of experiment 2 is to reveal the moderation effect of interactiveness in country of service origin effect, and examine the effect of intangibility and interactiveness on country of origin effect.

4.3.1. *Experiment design and test subject.* The experiment adopts 2 (country of service origin) $\times$ 2 (intangibility: high, low) $\times$ 2(interactiveness: high, low) design. The dependent variable is perceived service quality. 192 MBA students from 2 universities in Hubei and Hunan Province voluntarily participated in the research. They are randomly divided into 8 groups. The experiment manipulation and situation is similar to Experiment 1. It mainly concerns the information exchange and co-operation that take place between service provider and consumer.

4.3.2. *Control test.* Similar to Experiment 1, the result indicates that there is significant difference between 2 groups in terms of interactiveness and intangibility ($M_{\text{high}}=3.38 > M_{\text{low}}=3.06, t=3.68, p<0.05; M_{\text{high}}=3.45 > M_{\text{low}}=2.79, t=7.00, p<0.05$). Test subjects are examined in term of brand familiarity. 91.6% of participants claim they have never heard about ACL. There is no significant difference in terms of consumer knowledge ($M_s=2.41 > M_t=2.15, t=3.06, p=0.48$) or consumer perceived risk ($M_s=2.90 < M_t=3.20, t=3.95, p=0.43$).

4.3.3. *Result.* Through two factor variance analysis, the results show that the main effect of country of service origin is significant ($F(1,182)=20.7, p<0.05$). Thus H1 is supported. The cross effect of country of service origin and intangibility towards perceived service quality, as indicated in table 2, is significant ($F(1,182)=4.12, p<0.05$). H2 is therefore supported. The cross effect of country of service origin and interactiveness towards perceived quality is significant ($F(1,182)=12.99, p<0.05$). H3 is therefore supported. In circumstances where interactiveness is high, the link between country of service origin and perceived quality is weakened. While in circumstances where interactiveness is low, the link is strengthened.

4.Conclusion and Discussion

The country of service origin can affect consumers' evaluation towards service. The country of origin effect is found to be true in service. The intangibility and interactiveness of service have significant moderating effect on country of service origin. The major theoretical contribution of this research lies in expanding the territory of COO studies to a broader sense.

Managerial implications: country of service origin need to be considered as an important cue for

consumer evaluation. Intangibility and interactiveness, however, can be used as tools to manipulate perceived quality. Companies may gain higher consumer perceived quality through better procedure design, and adopt more intense interaction with consumers.

The limitation of this research is 2 fold. First, Though the researcher has considered the validity issue, it is far from being perfect. Second, according to the result, the cross effect of intangibility, interactiveness and country of service origin towards perceived service quality is significant. There are several possibilities for future research: 1. Multiple contexts and sample groups therefore need to be introduced; 2. Conceptualizing the concept provides the basis on which future research can be conducted.

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QFD Approach for Evaluating and Improving Environmentally Conscious Service Strategies

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Abstract

Purpose

Increasing awareness of the need for sustainability has generated environmental friendly strategies both in manufacturing and service industries. On the one hand, sustainable manufacturing strategies such as recycle, reuse, and recovery tend to shift manufacturing activities to service activities. This study introduces Quality Function Deployment (QFD) approach for evaluating strategies of environmental conscious service.

Methodology

The QFD was modified to take the aspect of environmental impact, customer satisfaction, and cost into account. An application of the proposed approach is

demonstrated through a case study of a restaurant.

Findings

QFD transforms user demands into design quality and ultimately to specific elements of the manufacturing process. There have been literatures focusing on the development of Eco-QFD, that is a modified QFD by considering environmental aspect. This study is to modify QFD by considering not only cost and environmental aspects but also customer satisfaction. The modified QFD is called Environmentally Conscious Service QFD (ECS-QFD). It extends the scope of QFD that is normally applied in manufacturing, and combines QFD, Service Productivity Index, and Eco-efficiency to evaluate customer satisfaction, environmental impact, and costs in the environmentally conscious service. Besides evaluating alternative strategies to satisfy consumer needs, ECS-QFD can be used to improve strategies in order to continuously improve the productivity of the service provider.

Research limitations/implications –

The proposed method is demonstrated by applying it in a restaurant. However, the case only described the implementation of the method to evaluate alternative strategies. The demonstration can be extended to multi-period case to describe the usefulness of the ECS-QFD to improve environmentally friendly service. With regard to the environmental impact considered in this study, the application of ECS-QFD shall be supported with environmental data which is usually not easy to obtain.

Originality/value

This study is to modify QFD by considering not only cost and environmental aspects but also customer satisfaction. Environmental impact per unit cost is measured using eco-efficiency. In addition, a service productivity index is used to measure the productivity of the service provided.

Keywords: environmentally conscious service, QFD, service productivity, eco-efficiency

EXTENDED ABSTRACT

The importance of customer service as a strategic issue has driven both service companies and product manufacturers into services. This movement, which is called as “servitization”, is happening dramatically in almost all industries on a global scale (Vandermerwe, 1988). Services usually are intangible while products generally are concrete. As a consequence, service often is inseparably connected to goods in turn. However, in manufacturing industries there has been a paradigm shift from the separated consideration of products and services to a new product understanding consisting of integrated products and services creates innovation potential to increase the sustainable competitiveness (Meier *et al.*, 2010). Product/service-systems (PSS) are in effect an approach to designing integrated products and services with a focus on both customer and product life cycle activities (Tan *et al.*, 2010). Unlike PSS, this paper deals with an integrated product and service where service is dominating (IPSSs). Restaurant can be the example of this IPSSs. Goods, in essence this, is the food. Services are the services around the food.

Increasing awareness of the need for sustainability makes service providers more responsible to enhance their products and services more environmentally conscious. In

attempt to this, service providers need to translate customer requirements into the appropriate technical and service requirements for each stage of development process with the object of not only to maximizing economic benefits but also minimizing environmental impacts. Quality function deployment (QFD) methodology can be a viable tool for the purpose.

QFD was originally developed in 1972 in Japan. QFD aims to translate customer requirements into engineering characteristics, process specifications, and production requirements in sequence. The QFD literature is vast. A literature review with comprehensive coverage of QFD historical, conceptual, methodological and practical aspects can be seen in Chan and Wu (2002). Manufacturing is an earlier area of QFD applications. It is quite natural to use QFD in the field such as product development, strategic and business planning, and engineering. QFD has also been introduced to the service sector such as government, banking and accounting, transportation, health care, education and research. Apart from these, some studies have proposed Eco-QFD approaches for environmentally conscious manufacturing by integrating life cycle assessment (LCA) and life cycle costing (LCC) into QFD (Zhang *et al.*, 1999); for environmental improvement analysis of selected techniques (Halog *et al.*, 2001); to develop a sustainable fishing fleet by combining environmental issues with stakeholder requirements (Utne, 2009); for ensuring sustainable product design (Vinodh and Rathod, 2010); to analyze environmental production requirements using QFD and analytic network process (ANP) (Lin *et al.*, 2010); and for environmental performance evaluation in offshore oil and gas operations (Yang *et al.*, 2011). A QFDE for service organization was developed by De Camillis *et al.* (2005). It translated service quality measurements of the stakeholders into measurable service quality attributes, which can be distinguished in traditional and environmental voices. However, the authors focused mainly on the engineering or technical oriented design process and do not detail how the approach may be deployed for an integrated product and service development which stem from production process and service activities. Therefore, the aim of this paper is to propose a QFD approach to improve environmentally conscious production and services by taking technical and services action into account.

The proposed approach extends the work of De Camillis *et al.* (2005) and Yang, *et al.* (2011). It is based on the translation of HOQ principles from product development field to environmentally conscious IPSs. While the traditional HOQ correlates customer requirements (“whats”) with engineering characteristics of new product under development (“hows”), in our approach customer service requirements in terms of product, service, and environmental performances (“whats”) are crossed over with viable strategic actions, either technical (such as the adoption of a more performing technology), services, and environmental, that could be undertaken by the firm’s top management to improve environmentally conscious product and service (“hows”). Hence, the QFD was modified to take the aspect of environmental impact, customer satisfaction, and cost into account.

The proposed approach consists of five major steps: (1) describing product, service, and, environmental requirements; (2) determining favourable outcomes corresponding to the requirements; (3) identifying required activities or issues to achieve the outcomes; (4)

searching for proper measures of the activities or issues; and (5) generating a list of key indicators. Based on these steps, a quality function deployment (QFD) approach is developed to design improvement proposal and evaluate environmentally conscious IPSs. Using the proposed approach decision makers can easily evaluate strategies to satisfy consumer needs, customer satisfaction, environmental impact, and costs in the IPSs in order to continuously improve the sustainable productivity of the service provider.

An application of the proposed approach will be demonstrated through a case study of a sea food restaurant in Indonesia. The result shows that QFD can be extended by accommodating service and environmental aspects to improve and evaluate strategies of an environmentally conscious IPSs.

Keywords: environmental conscious, environmental performance, integrated product and service, QFD

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Investigating satisfaction with MRT services: A SEM approach at Dubai metro

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Abstract

Customer Satisfaction is a major indicator for business performance and it has been described as the key global construct for predicting customer behavior (Garbarino & Johnson, 1999), with various studies confirming its role as a key determinant of customer loyalty (e.g. Sivadas & Baker-Prewitt, 2000; Kandampully & Suhartanto, 2000; and Zins, 2001). In a dynamic business environment, customers thus expect their precise needs to be effectively met.

In a modern and cosmopolitan city like Dubai, this is particularly true for metro transportation. The metro plays an important and environmental friendly role in efficiently and effectively supporting the transportation needs of inhabitants and visitors to Dubai. Although anecdotal evidence of metro services and press reports are positive, it is nonetheless important to continuously track the satisfaction and changing needs of customers within a continuous improvement philosophy. Consequently, the objective of the study is to use a SEM methodology to determine the factors that drive overall satisfaction of metro passengers, thereby filling in a gap in the literature. Few studies, if any, have modeled satisfaction with metro services using the perspective of S-D logic.

Based on a literature review and in-depth interviews with 20 metro passengers, a structural model is designed, and measures for the study constructs are scientifically developed. Service Quality (e.g. Sivadas and Baker Prewitt, 2000; and Zins, 2001); Value (e.g. Mc Dougall and Levesque, 2000; Patterson and Spreng, 1997); Image/Reputation (e.g. Helgesen and Nasset, 2007; LeBlanc& Nguyen, 1997); and Value co-creation (Vargo and Lusch, 2008) are hypothesized to influence satisfaction. Data from a survey of 516 metro is used to empirically test the structural model. The results demonstrate that all 4 hypothesized variables significantly influence satisfaction with the model accounting for

over 60 per cent of the variance in satisfaction. Combined with a multivariate analysis of data across demographics, a number of recommendations are made to improve further the satisfaction of metro customers.

Purpose

The objective of this study is to develop and empirically test a consumer behavior model in MRT services.

Design/methodology/approach

A conceptual model of customer loyalty involving marketing constructs such as quality, value, and reputation as independent variables is tested through multivariate regression analysis using data collected from a sample of 512 MRT passengers.

Findings:

Value, reputation, and quality, are confirmed as determinants of loyalty, with the model explaining 60 % of the variance in the dependent variable. Value is found to be the major predictor of loyalty followed by reputation.

Research Implications/ Implications

The findings highlight the importance of Value in MRT services, while the lower effect of quality implies that although passengers want quality, they also consider its cost to them. The study also emphasizes the important role that reputation plays in services that are visible.

Practical Implications

Delivering value does not necessarily imply having a reduced cost strategy, and various suggestions are made to help management motivate the use of metro services. Reputation development also supports sustained use of MRT services.

Originality/Value:

The study represents one of the few instances where customer behavior has been quantitatively investigated in MRT services. The stage of economic development of Dubai and the multi-ethnic profile of its residents would make the study findings applicable to MRT services in other global cities.

Keywords:

Customer loyalty, service quality, value, reputation, MRT service.

Introduction

The world population crossed 7 billion inhabitants in November 2011, with over 50.5 per cent residing in urban areas (UN, 2010). This mass urbanization has created a need for transport of passengers for work and leisure purposes. In fact, the need for mass public transport has grown at a faster rate than economic growth and reduction of pollution intensity in cities across the world (Goldman and Gorham, 2006). Yigitcanlar et al. (2008) identify the problems confronting passenger transport as: sustainability of fossil fuel; atmospheric pollution; traffic congestion; accidents and fatalities; and land use planning.

Such a situation has brought the need for sustainable transport to the agenda of policy makers in cities across the world (Yigitcanlar et al, 2008; Hayashi et al, 2004). The European Commission identified the need to develop transport policies that foster clean, safe and efficient travel throughout Europe (CEC, 2001). Similarly, Asian countries face transport-related environmental problems linked to their reliance on buses, leading some of its cities to introduce mass rapid transit systems (Hayashi et al., 2004), following in the footsteps of major global cities that have adopted rail-based schemes as the backbone of their public transport for efficiency and environmental benefits (Foulcare et al., 2003).

However, Mass Rapid Transit (MRT) involves a major capital investment, and few global metro schemes generate adequate revenues to break even, so that public authorities are inevitably involved in financing such projects (Foulcare, et al. 2003). For financial viability, it is therefore imperative to motivate passenger use of such services. However, many private vehicle users are unlikely to find public transport attractive, as they are come from high-income groups and value the comfort and convenience of private transport (Foulcare, et al. 2003). In addition to economic benefits, MRT services also contribute to environmental and health benefits, as they reduce traffic congestion and associated environmental and noise pollution. The dilemma facing authorities is therefore how to motivate the adoption and continued use of the service by broad segments of passengers. Given the importance of mass public transport services in modern cities, it may seem surprising that limited academic research attention has been devoted to assess the

determinants of consumer behavior in MRT services, although satisfaction surveys are commonly used in industry (e.g. US metro survey available at <http://www.mta.info/about/>).

The objective of this study is therefore to develop and empirically test a model of consumer loyalty in MRT services. Dubai metro is selected as the context of the study. Given the economic development of Dubai, and the multi-ethnic profile of its inhabitants, the findings of the study would be generalizable to other global cities that have introduced MRT services. The study will contribute to the sparse related marketing literature and support organizations offering MRT services in motivating the use of their service, so as to recoup their investments, while the related local communities will reap environmental and health benefits.

Literature Review

MRT Services

Few studies have investigated consumer behavior in MRT, with Gebauer (2010) who investigated value co-creation in Swiss railways, and Edvardsson et al. (2011) who explored service exchange and value co-creation in Singapore bus travel, being notable exceptions. The Dubai metro, which is the context of the present study, is the longest driverless urban metro system in the world, earning it a place in the Guinness Book of World records (Gulf News, 2012). The metro includes two distinct lines, and connects to the major urban agglomerations and shopping malls of the city. The metro service has been growing in popularity, conveying an estimated 1.8 million passengers in October 2009, steadily increasing to 5.5 million passengers in October 2011 (Dubai Metro, 2012).

Customer Loyalty

Customer loyalty is the outcome variable of the study model and it has been defined as a customer's intention or predisposition to purchase from the same firm again (Edvardsson et al., 2000). The motivation for understanding and improving loyalty is supported by empirically validated relations between customer loyalty and profitability (Turel and Serenko, 2006; and Oliver, 1997). In addition to its contribution to the profit stream of a firm, loyal customers act as prescribers, spreading positive word-of-mouth (Reichheld and Teal, 1996). With the objective of model parsimony, we will next discuss three identified

key antecedents of loyalty: service quality (e.g. Mc Dougall and Levesque, 2000); value (e.g. Cronin et al., 2000), and reputation (e.g. Sohail & Sheik, 2004).

Service Quality

Service quality is proposed as a cognitive evaluation of the service experience (Cronin et al., 2000), and the construct has been conceptualised through the disconfirmation paradigm. This paradigm was used to develop SERVQUAL scale (Parsuraman, Zeithaml, and Berry, 1988), which measures the difference between perceptions and expectations of customers across five service quality dimensions, while other scholars have proposed an alternative perception only one-dimensional scale (Cronin and Taylor, 1992). Importantly, service quality is now recognized as a key expectation of customers, which businesses must strive to meet or exceed. For example, it is the stated objective of the RTA to provide a quality service of the highest standard to all Dubai metro passengers (RTA, 2012).

Perceived Value

Perceived value has been considered as a trade-off of total benefits received relative to total costs or “sacrifices” (Mc Dougall and Levesque, 2000; and Sweeney, 1994). It has been argued that shortcomings in service quality may be offset by perceived reductions in “sacrifices”, so that customers receiving less than expected quality may still be satisfied (Patterson and Spreng, 1997). However, while passengers in public transport have traditionally been considered as passive consumers (Lovelock et al., 1987), the emerging Service-Dominant logic literature, focuses on operant resources, with customers considered as active participants in relational exchanges and as co-producers of value (Vargo and Lusch, 2008). The engagement of passengers in public-transport is considered to be a major driving force behind consumer behavior and decision making (Vargo and Lusch, 2008).

Reputation

The reputation of an organization has been defined as “observers’ collective judgments of a corporation based on assessments of the financial, social, and environmental impacts attributed to the corporation over time” (Barnett et al. 2006, p. 34), and various scholars have recognized its critical role in marketing (e.g. Chun, 2005). A related concept to reputation is image that has been found to influence consumer behavior (e.g. Sohail &

Shaik, 2004). However, some scholars argue that reputation is a deeper and more durable concept than image, which can be altered relatively quickly compared to reputation (e.g. Markwick and Fill, 1997). However, despite its recognized importance, academic reputation studies are scarce, and tend to concentrate on theoretical reasoning, thereby lacking empirical research designs (Jarvinen and Suomi, 2011).

Development of Hypotheses

The outcome variable of the model is customer loyalty. Service quality has often been considered as an antecedent to loyalty (Mc Dougall and Levesque, 2000; and Butcher, et al, 2001). We therefore propose the following hypothesis:

H1a: Service quality is positively associated with passenger loyalty.

Value has often been hypothesized to be a driver of loyalty (e.g. Mc Dougall and Levesque, 2000; Butcher et al, 2001; Cronin et al., 2000), and proposed to be the core purpose and central process of economic exchange (Vargo et al., 2008). Hence:

H2a: Perceived value is positively associated with passenger loyalty.

For passengers to use the metro instead of alternative modes of transport (e.g. bus, private cars or taxi, etc.), we argue that, in addition to quality and value, the reputation associated with the metro would influence their loyalty. In fact, a customer would not wish to patronize a service that does not have a good reputation, as this would affect his/her self-image (e.g. Kwak, & Kang, 2009). In fact, image and reputation development are prominent in the marketing strategies of firms and various scholars have empirically demonstrated the impact of image/reputation on customer loyalty (e.g. Helgesen and Nasset, 2007; and Kadampully, and Suhartanto, 2000). We therefore propose that reputation associated with the metro affects passenger satisfaction.

H3a: Reputation is positively associated with passenger loyalty.

These hypotheses may be represented by the model below:

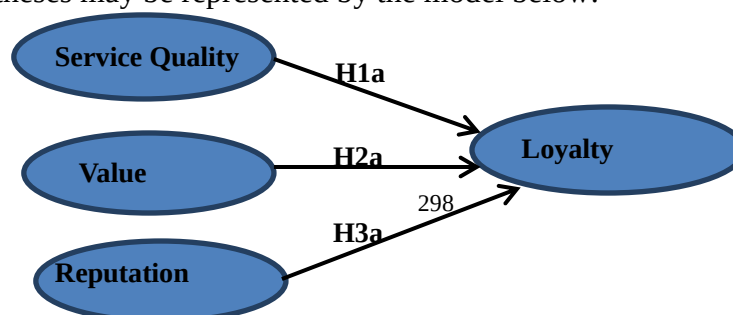


Figure 1: Conceptual model and hypotheses

Methodology

Sample Design

In order to create a sample representative of the users of Dubai metro, experts in Dubai metro services were consulted. In consideration that the profile of users embarking or disembarking at different stations would vary in relation to the locality and attractions in the surroundings of the stations, interviews were carried out at 11 selected stations on both metro lines.

Questionnaire Design

To develop measures for the four study constructs, a pool of items was constituted privileging existing validated measures from an intensive Literature Review. In order to supplement and contextualize this pool of items, 20 interviews were conducted with passengers at 4 different metro stations. The draft questionnaire was then drafted, with all items measured on a 7-point Likert scale, and was then pilot tested with 8 passengers for refinement of terminology. The questionnaire included 33 items as follows: Loyalty (5 items); value (7); service quality (17); and reputation (4). As per common practice, an overall measure of each study construct was also included in the questionnaire (e.g. “Overall, how would you rate the value you receive from Dubai metro”) to help in item purification. This process yielded the final draft of the questionnaire that was then purified using prescribed procedures (e.g. Churchill, 1979).

Data Collection

Personal interview was selected as data collection method, and 520 passengers entering or exiting the selected stations were interviewed, out of which 512 represented usable responses. After completion of the survey, the questionnaires were cleaned and coded, before data entry and analysis using SPSS version 19.

Purification of questionnaire

The items reflecting the four study constructs were purified using item-to-total correlations, and correlation with the overall measure of the construct, and items with loadings of over 0.7 on their associated construct were retained (Fornell et al, 1982). The retained 15 items were then tested for reliability using cronbach alpha. The situation is summarized in table 1 below.

Construct	# Items Initial	# Items Final	Cronbach alpha	Concurrent validity:	Construct validity:
Loyalty	5	5	0.91	0.606	0.657
Quality	17	3	0.81	0.535	0.657
Value	7	4	0.80	0.492	0.702
Reputation	4	3	0.82	0.584	0.704

Table 1: Summary characteristics for scale constructs

(* - all correlations are significant at 1 percent levels with $p < 0.000$)

Cronbach alphas well above the cut off limit of 0.70 (Nunnally, 1988, p. 96) indicated excellent reliabilities. In addition, a scale must demonstrate validity, defined as the extent to which differences in the observed scores reflect true differences among objects on the characteristics being measured (Malhotra, 2004, p 269). Face validity, representing how well the scale items capture the measurement task (Malhotra, 2004), has been built into the scales by using items from validated existing scales and by discussing with industry experts. Concurrent validity refers to the degree of correspondence between a measure and a criterion variable that exists at the same time as the measure (Bollen, 1989, p. 186). Concurrent validity was demonstrated by correlating the composite score of a specific construct scale with its overall measure. Construct validity refers to the degree to which a measure relates to other observed variables in a way that is consistent with theoretically derived predictions (Bollen, 1989, p. 188). It was captured by the correlation of the

composite score of a construct scale with a related measure. The three independent variables (quality, value, and reputation) were correlated with loyalty, which was posited as their outcome. From Table 1 above, the high values of the Pearson correlation coefficients and their significance at 1 percent levels confirm both concurrent and construct validity for the 4 scale items. The retained items are:

Customer Loyalty

- 1.I intend to continue to use Dubai metro (DM hereafter) in future
- 2.If I have the opportunity, I intend to increase the use of DM in future
- 3.I say positive things about DM
- 4.I recommend DM to my friends
- 5.As far as possible, I consider DM as my first choice for travel

Value

- 1.DM provides a convenient means of transportation to me
- 2.DM enables me to reach different parts of the city in a convenient way
- 3.I play an active role in my travel by using self-service equipment at DM stations
- 4.I have good interactions with DM staff

Quality

- 1.I find that DM has excellent stations
- 2.The physical appearance of DM and its infrastructure is visually appealing
- 3.I like the ambience at DM

Reputation

- 1.DM has a good reputation
- 2.The image associated with DM is positive
- 3.DM represents a smart way to travel

Data Analysis and Discussion

Descriptive analysis

The demographic characteristics of the sample indicated the profile of the users of Dubai metro. In terms of age, metro passengers represented different age groups, skewed towards younger passengers, with nearly 84 % below 40 years old (see table 2 below).

	Frequency	Percent
16-20	33	6.5
21-30	242	47.3
31-40	154	30.1
41-60	70	13.7
>60	13	2.5
Total	512	100

Table 2: Age Distribution

In terms of gender, female passengers (42.7%) were fewer than male passengers, while the sample comprised approximately equal proportions of married (50.3%) and singles (49.7). The respondents came from a wide range of occupations, with well over 65% holding administrative positions and above, as shown in table 3 below. Although only 7.6 percent of respondents comprised of students, this figure is expected to rise with the planned extension of the Green line to Academic city (Gulf News, 2012).

	Frequency	Percent
Manual	31	6.1
Skilled Labour	45	8.8
Clerical	18	3.5
Administrative/Managerial/Directors	336	65.6
Student	39	7.6
Others	43	8.4
Total	511	100

Table 3: Type of occupation

Dubai is a cosmopolitan city, and this was reflected in the profile of the respondents as shown in table 4, with Europeans (28.8 %) constituting the most common users of the metro, followed by Asians (25.8%), and Other Arabs (24.5 %). The large expatriate proportion among Dubai residents may have contributed to the fact that Emiratis and nationals from other neighboring GCC countries together comprised only 11 percent of

passengers.

	Frequency	Percent
Emiratis	27	5.3
Other GCC Nationals	29	5.7
Other Arabs	125	24.4
Asians	132	25.8
Europeans	148	28.8
Others	51	10.0
Total	511	100

Table 4: Nationality of respondents

Another pertinent finding was that 77.0 % of passengers reported having used metros in other countries. These respondents were asked to compare Dubai metro to their prior experience overseas. Their assessment was very favorable to Dubai metro, as illustrated in table 5, with over 91 % of respondents (rating 1, 2 or 3/ 7 points) considering Dubai metro service to be better than the metro they have used overseas. This is a most encouraging feedback to metro management, which would contribute to its reputation.

	Frequency	Percent
1=Strongly Disagree; 2 and 3	363	91.7
7=Strongly Agree, 6, 5 and 4	33	8.3
Total	396	100

Table 5: Dubai Metro worse than other metros abroad

As may be expected from the feedback in table 6, the mean ratings of the respondents on the 4 study variables were generally quite high, at well above 6.0 on a 7-point scale (see table 7). This is a very positive signal to metro management on the success of their operations, although it does not preclude continuous efforts as customer needs are known to be dynamic.

	Average Quality Score	Average Value score	Average Reputation score	Average Loyalty score
Mean	6.205	6.005	6.216	6.254
Std. Deviation	.9871	1.100	1.0236	1.082

Table 6: Mean and standard deviation of study constructs

Further analysis was undertaken to determine differences in the ratings of the study variables across certain demographic variables. An ANOVA test showed that there were significant differences in the ratings of the study variables (loyalty; value; quality; and reputation), across marital status ($p > 0.05$), with married respondents consistently reporting higher ratings. This is an interesting finding, and needs to be investigated further to determine the cause of this variation.

A similar approach was used to test whether there were differences between younger respondents (16-30 years), mature respondents (31-60 years), and seniors (>60 years), and it was observed that the younger respondents had significantly lower ratings for two of the six study variables (quality with $p = 0.047$; and reputation with $p = 0.029$). This implies that metro management must relatively focus more attention on these perceptions of its younger passengers.

Testing of study hypotheses

In order to test the study hypotheses, a multivariate linear regression model was formulated as below:

$$\text{Satisfaction} = f(\text{Service Quality; Value; Reputation})$$

The model was tested using SPSS 19.0 by the Enter method, and the findings are reported below:

	Stand. Beta	t	Sig	VIF	Durbin- Watson	F value	Adj. R²
(Constant)		3.917	.000		1.982	250.843 (p=0.000)	0.595
Service Quality	.186	4.770	.007	1.921			
Value	.368	8.897	.000	2.159			
Reputation	.316	7.042	.000	2.531			

Table 7: Summary of Regression results

An F value=250.8, significant at 1 percent level (p=0.000) confirmed the overall significance of the three regressors (quality, value and reputation), which was further validated by the significant value of the individual beta coefficients associated with the respective regressors, all significant at 1 percent level (see table 7). The R-squared value is encouraging with nearly 60 percent of the variance in loyalty explained by the model, despite its parsimony. The maximum value of 2.53 for the collinearity statistic of Variance Inflation Factor (VIF) was below the commonly used cut-off point of 10 (Belsley et al, 1980), confirming the absence of multicollinearity in the data. The Durbin-Watson coefficient was high at 1.982 and confirmed that the error terms were not correlated. The implications from these findings are discussed in the next section.

Implications

Theoretical Implications

Service quality, value and reputation have been determined to exert a significant influence on passenger loyalty. Therefore, hypotheses H1a, H2a, H3a cannot be rejected. Determinants of loyalty, identified in preceding studies as quality and value (e.g. McDougall and Levesque, 2000; and Butcher, et al, 2001), and reputation (Helgesen and Nasset, 2007; Sohail and Shaikh, 2004), are therefore confirmed in the Dubai metro service. It is noteworthy that in the present study, value was measured based on its conceptualization in the Service-Dominant logic literature, which supports the engagement of customers in value co-creation.

The findings demonstrated that value ($\beta=0.368$) had the highest influence on loyalty followed by reputation ($\beta=0.316$), both having substantially higher effects on the construct than service quality ($\beta=0.207$). The relative magnitudes of the regression coefficients, particularly the lower coefficient for quality, may appear somewhat surprising as quality is often emphasized during service delivery. However, this finding may be explained by the fact that passengers weigh the quality received against the additional cost of added quality to them. This is supported by the fact that value, which incorporates the cost dimension, has a stronger effect on loyalty than quality. Finally, the study highlights the important role that reputation plays in services that are visible, and hence likely to affect a customer's self-image (e.g. Kwak, & Kang, 2009). The development of reputation thus becomes an important consideration that requires further investigation in MRT service.

Managerial Implications

Metro management must focus on delivering value, as it plays a key role in influencing loyalty. Delivering value should not necessarily imply adopting a low cost strategy, as it is possible to give passengers a better service experience (by reducing non-monetary costs such as time, effort, convenience, etc.) without reducing cost, which would then enhance benefits received and hence value perceived. In this regard, metro management must constantly obtain feedback from its customers and attempt to meet their expectations, to enhance their satisfaction. For example in the present study, certain passengers willingly contributed some valuable suggestions:

- One respondent requested metro management to educate metro users “*not to block the train exit as this is very dangerous and annoying also*” and to “*prepare for exiting from the train in advance and not at the time of a stop*”.
- Another respondent requested for more benches on platforms, as well as more litter bins.
- Another respondent requested for the metro timing to be extended for the benefit of mall staff who finish late.

- A lady passenger requested for elevators to be installed at Dubai Internet City station as it was difficult for handicapped passengers and for pregnant women to use escalators.
- Finally, a respondent stated “*Why there are no any signs at the way to walk from the metro station to Dubai Mall?*”

The impeccable state of the physical Dubai metro infrastructure and its service offer support its image and reputation. This is confirmed by the overwhelming majority of passengers who have used metro services overseas, and who rate Dubai metro as a better service. In a perspective of continuous improvement, the PR campaign of Public Transport Day, as currently undertaken is a good approach and this may be enhanced in future, as it builds reputation. Currently, 28.1 % of the metro users reported owning a car. Targeted advertisement campaigns to car owners, emphasizing the environmental benefits of the metro, as well as its stress free riding experience, would encourage even more passengers to swap their cars for the metro. There is an opportunity to engage car owners in a long-term relationship by proposing monthly passes for first class travel to them. This service may be leveraged through value added services such as provision of reserved car parking spaces at the park and ride stations, and incorporating coffee dispensers and magazines in the first class compartment. Qualitative research may be used to determine other services that may be offered to these passengers to define a win-win partnership. With more executives encouraged to use the service, the process would enhance the reputation of the metro, and, this may have a multiplier effect on other segments of passengers as well (e.g. tourists, visitors, business people, etc.).

Limitations and future Research

Although this research was carefully designed, inevitably there were some limitations: For safety reasons we could not secure permission to conduct the survey inside the trains, which would have provided a more relaxed atmosphere for the interviews, enabling a better quality of data collection. Although a probabilistic methodology was not strictly possible for practical reasons, we believe that the approach used in designing our sampling frame yielded a sample of respondents that was representative of the population of metro users.

Since very few academic studies have investigated consumer behavior in public transport services, there are various future research directions. Although the present study has been conducted in the specific context of Dubai, the cosmopolitan nature of the city lead us to suggest that many of the findings could be generalizable to other similar multi ethnic cities. The study may thus be replicated in other cities to determine whether the study findings are confirmed. Finally, it would be pertinent to use qualitative techniques to determine the lower mean values of study constructs among younger passengers and singles, so as to increase their loyalty.

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How Could the Control Mechanisms Affect Client Satisfaction in Offshore Outsourcing Project? An Empirical Study from Vendor's Perspective

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Abstract: Although the outsourcing service market is expanding rapidly in recent years, its client satisfaction is disproportionally low because the performances of many projects are not as successful as expected. As an important predictor of performance, control mechanism can also contribute to client satisfaction. However, most of existing literatures focus on controls from the client side, including outcome control and process control, while ignoring the controls executed by the vendor. In fact, due to the geographic distance and communication overhead in offshore outsourcing, clients may mainly rely on outcome control and vendors' self-control, which can similarly be classified as outcome control and process control. They may also send out representatives to vendors' sites as a control mode. To further explore the relationship between control mechanisms and client satisfaction, this paper examines the control mechanism from both sides of the outsourcing relationship and addresses the mediating role played by project performance. Based on a sample of 235 outsourcing projects implemented by Chinese vendors, it finds that the positive effects of client's outcome control and client's liaison on client satisfaction are fully mediated by project performance; while the vendor's outcome control and process control have both direct and indirect effects on client satisfaction. Meanwhile, the vendor's controls are more helpful to the project performance than the client's controls. These findings imply that client's controls as participation has no effect on improving their own satisfaction unless the project performance is good; but the vendor's efforts in controlling the project do matter because the client will appreciate that apart from caring about the project performance. For those vendors who want to stand out from the increasingly competitive service outsourcing market had better become more self-disciplined to make their clients more satisfied. And clients can encourage their service providers to carry out more outcome and process control on the project to get a better performance, rather than imposing more controls themselves.

1. Introduction

Offshore outsourcing developed rapidly in recent years. According to the survey data from Garter and IDC, from 2005 to 2009, the annual growth rate of this industry exceeded 8%, and the total market amount approached 830 billion dollars at the end of 2009. Driven by such huge market opportunity, many developing countries invest heavily in their infrastructure, education and services to attract outsourcers, leading to mounting competition for service providers (ORN Service Provider Survey Report, 2009). In order to sustain the challenge and maintain customers, they must strive hard to achieve client satisfaction, which is unfortunately low. The overall level of satisfaction with outsourcing is reported to remain below 50% (Kang et al., 2011; Luo, 2010).

Against the backdrop mentioned above, how to improve the client satisfaction concerns both sides of the offshore outsourcing arrangement to a large extent. However, scholars paid more attention to the outsourcing decision, strategy, risk, and governance (Lacity, Khan and Willcocks, 2009), while seldom explored the way to enhance client satisfaction. Although they have identified several factors that determine project

performance, their relationship with client satisfaction is yet to be addressed. Among these factors, control mechanism is often attached to importance, because appropriate controls can effectively reconcile the interests of stakeholders and ensure the project to progress along the predefined plan (Tiwana, 2009). But compared with control portfolios in projects and the antecedents of control modes, the effect of the controls on project performance has not gained sufficient attention (Gopal and Gosain, 2009), much less their influence on client satisfaction. Furthermore, most of existing literatures focused on control from the client side and overlooked the control executed by the vendor. The possible differing effects of controls from both sides on project performance and client satisfaction are still unknown.

In order to partly fulfill these gaps, we developed a theoretical model linking the controls of both sides with client satisfaction via project performance on the basis of control theory.

2. Background Theory and Hypotheses

Our research model is grounded in organizational control theory, which suggests that two primary types of organizational control include formal control and informal control (Jaworski, 1988; Kirsch et al., 2002). Formal control mechanisms can take two forms: (a) outcome control (or results-driven control), in which controller specifies the desired outcome and rewards controllee based on the observed outputs without regard how they are fulfilled and (b) process control (or behavior/action-based control), which means controller explicitly prescribes methods, rules and procedures for the controllee to follow, and decides rewards on the basis of controllee's behavior adherence to such rules and procedures.

Extending this literature to the offshore outsourcing domain requires cognizance of the existence of two interfaces—one between the client(controller) and the vendor(controllee) and the other between the vendor manager(controller) and the vendor team(controllee)(Gopal and Gosain, 2009). The latter one was often ignored and the studies that incorporate controls in these two interfaces simultaneously are still lacked. In fact, to protect its own reputation or the collaboration relationship, the vendor may practice self control engaging in behaviors consistent with the best interests of the client. And given the geographic distance and communication overhead in offshore outsourcing, it's not convenient for clients to implement process control as they do in the onshore or inner-organization project. They may mainly rely on outcome control and vendor's self-control (Harmancioglu, 2009)., and at best send representatives to the vendors' sites to monitor the projects progresses. Therefore, we classify the vendor control as process control and outcome control, and divide the client control into outcome control and client representative in this paper. The research questions are (1) what are the respective impacts of controls from client and vendor on client satisfaction? (2) What are the roles played by project performance in their relationships? (3) The control from which side contributes more to the project performance, the client or the service supplier? Keeping these questions in mind, we propose five hypotheses.

H1a: Having client representative in the vendor's site will be associated with higher levels of client satisfaction.

H1b: Project performance will mediate the relationship between client representative

and client satisfaction.

H2a: Higher levels of outcome control of client will be associated with higher levels of client satisfaction.

H2b: Project performance will mediate the relationship between outcome control of client and client satisfaction.

H3a: Higher levels of outcome control of vendor will be associated with higher levels of client satisfaction.

H3b: Project performance will mediate the relationship between outcome control of vendor and client satisfaction.

H4a: Higher levels of process control of vendor will be associated with higher levels of client satisfaction.

H4b: Project performance will mediate the relationship between process control of vendor and client satisfaction.

H5: Controls of vendor have greater impacts on project performance than controls of client do.

3. Methodology and Results

The hypotheses were tested using data collected through a field study of 235 offshore outsourced projects accomplished by Chinese vendors in Xi'an, Suzhou and Dalian. These cities are three out of China's twenty service outsourcing demonstration cities, which means good representativeness. The results of hierarchical multivariate regression are shown in Table 1.

Table 1: Hypotheses testing: hierarchical multivariate regression (N = 235)

	Project performance				Client satisfaction	
	Model1	Model2	Model3	Model4	Model1	Model2
Control variable						
Team member	.064	.035	.042	.026	-.012	-.024
Knowledge level	-.014	.007	-.005	.002	-.030	-.031
Task complexity	-.279***	-.232***	-.223***	-.210***	-.113**	-.014
Information sharing	.390***	.183**	.134**	.076	.237***	.201**
Competitive threat	-.014	-.057	-.010	-.039	.036	.054
Independent variable						
Client representative		.100*		.098*	.052	.005
Outcome control (client)		.358***		.192**	.167**	.076

Process control (vendor)			.131**	.102*	.167**	.119**
Outcome control (vendor)			.381***	.306***	.248***	.103*
<u>Project performance</u>						<u>.474***</u>
Model F	17.102***	18.397***	21.354***	18.448***	21.984***	33.201***
R ²	.256	.342	.378	.402	.447	.579
ΔR ²		.086	.122	.060/.024		.132

*p < 0.1, **p < 0.05; ***p < 0.001

From Table1, we can see that the outcome control of client, the process control of vendor, and the outcome control of vendor are all positively related to client satisfaction, so the H2a, H3a and H4a are supported. Since the relationship between client representative and client satisfaction is not significant, the H1a is not supported. And we follow the method recommended by Zhao, Lynch and Chen (2010) to test the indirect effects. The results show that project performance mediates all the relationships between four independent variables and client satisfaction, so H1b, H2b, H3b and H4b get support. Finally, as shown in the Model2, Model3 and Model4, the R² change caused by vendor controls are larger than that led by client controls, supporting the H5.

4. Discussion and Contribution

This paper finds that the positive effects of client's outcome control and client representative on client satisfaction are fully mediated by project performance; while the vendor's outcome control and process control have both direct and indirect effects on client satisfaction. Meanwhile, the vendor's controls are more helpful to the project performance than the client's controls. These findings imply that client's controls as participation has no effect on improving their own satisfaction unless the project performance is good; but the vendor's efforts in controlling the project do matter because the client will appreciate that apart from caring about the project performance. For those vendors who want to stand out from the increasingly competitive service outsourcing market had better become more self-disciplined to make their clients more satisfied. And clients can encourage their service providers to carry out more outcome and process control on the project to get a better performance, rather than imposing more controls themselves.

Our work in this research makes contribution in several ways. First, we discuss the unaddressed relationship between control mechanism and client satisfaction, and unlike prior researches that usually treated project performance as dependent variable, explore the mediating role of performance. Relating findings will shed light on the outcome of outsourcing control from the service angle. Second, we examine the effects of client control more accurately from the vendor's side, different from the bulk of current researches that measure control by asking clients. Just as Tiwana and Keil (2007) pointed out, it is not the extent to which control is attempted but rather the extent to which it is realized that impacts project development outcomes. These results will enrich our understanding of client control.

Last, the previously ignored vendor control is also included in the model. We reveal its association with project performance and compare its relative importance with that of client control. Thus we extend the control research in offshore outsourcing area by providing a bilateral perspective to investigate the control mechanism. Taken together, these results may inspire both sides in the outsourcing alliance to arrange an optimal control mechanism, with which the vendor can gain as much client satisfaction as possible while client can get better project performance as wanted.

The Impact of Task Uncertainties on Offshore Outsourcing Performance: The Moderating Role of Internal and external ties

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Structured Abstract:

Purpose: Task Uncertainties have negative impact on offshore outsourcing performance. The purpose of this paper is to explore how internal and external ties moderate this relationship and which internal and external tie are more effective in coping with uncertainties.

Design/methodology/approach: This paper investigates 235 offshore outsourcing projects in China. We use multi-item scales to operationalize variables and hierarchical regression analysis to test our hypotheses.

Findings: The paper indicates that task uncertainties (Task volatility and task complexity) have negative effect on offshore outsourcing performance and external ties (coordination and information sharing) and internal ties (team learning and relational strength) are

conductive to coping with uncertainties.

Practical implications: This paper tells vendors what to do with outsourcing project uncertainty. It provides advice on how to reduce outsourcing risk and improve outsourcing performance.

Keywords: Offshore Outsourcing; Vendor; external ties; internal ties; Task Uncertainty

Extended Abstract

Research background

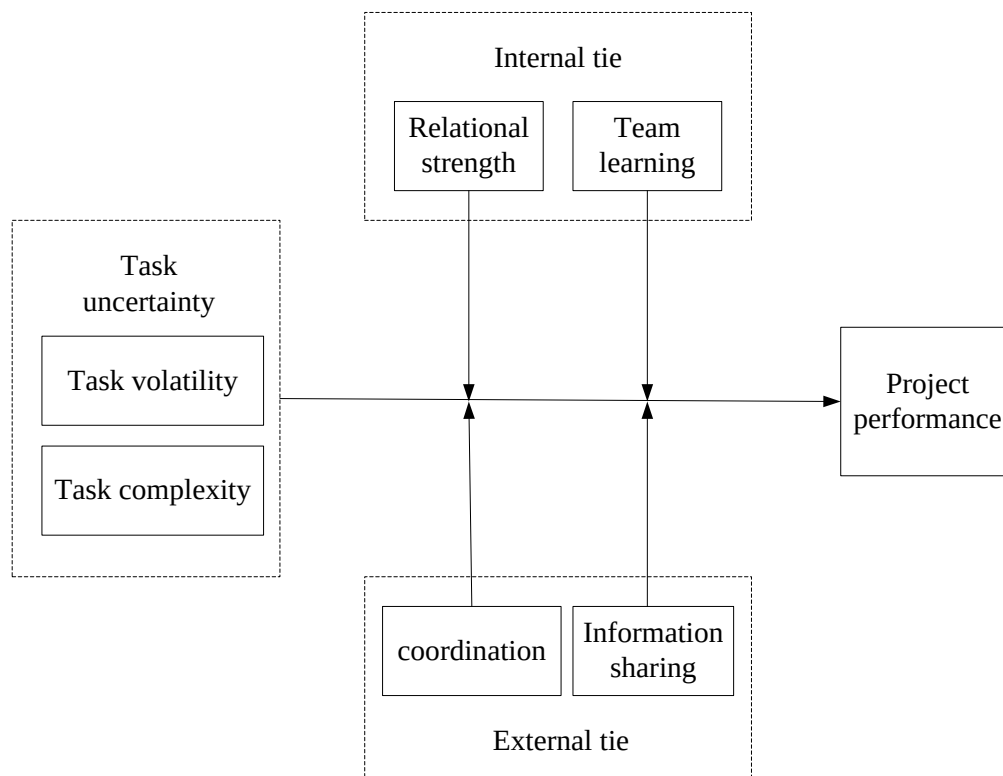
Driven by cost reduction, focusing on core capabilities, access to expertise or skills, improving business or process performance and other factors (Lacity et al.2009), firms in developed countries are more and more inclined to offshore some or all the components of a service to vendors in developing countries. United Nations Conference on Trade and Development (UNCTAD) holds that offshore outsourcing has become the main engine of global transnational direct investment. According to UNCTAD, the scale of global service outsourcing industry reached \$ 1.2 trillion in 2010 and the global outsourcing market will grow at an annual rate of 30-40% in the next few years.

What factors are possible to affect offshore outsourcing project performance has attracted increasing scholarly attention in recent years. Existing empirical researches investigated this issue mainly in such respects as organizational controls, internal resources, partnership quality, relational factors, cultural differences, etc(Gopal and Gosain 2009; Mao et al. 2008; Lahiri and Kedia 2009; Rai et al. 2009). However, little work has explicitly explored the effect of task characteristics on offshore outsourcing project performance. Offshoring environment is a dynamic and complex environment. To be specific, the initially specified project requirements may shift as markets evolve and client business needs change (Tiwana and Bush 2007) and business processes and IT may be unstable in the short term. Meanwhile, outsourcing task itself may be too difficult to successfully execute. All these factors may lead to task uncertainty (task volatility and task complexity), which is an important task feature of offshore outsourcing. Our study is guided by the following research questions: (1) how task uncertainties directly impact project performance in

offshore outsourcing? (2) What is the relationship between task uncertainties and project performance when vendors enhance internal and external interaction?

Theoretical background, research model and hypothesis

To address above questions, we put forward our research hypotheses based on information processing theory (IPT). According to IPT, uncertainty and equivocality are considered to be two factors that influence information processing in organizations. One of the most important reasons for organizations to process information is to reduce uncertainty. Galbraith (1973) maintained that task variety would be associated with information requirements. Furthermore, in order to reduce uncertainties, organizations should design acceptable mechanisms and structures to enhance their information processing capacity. So, we investigate the relationship between task uncertainties and project performance. Meanwhile, we explore how internal and external ties moderate this relationship. Based on IPT, we put forward our research model,



Hypothesis1 In the context of offshore outsourcing, task volatility is negatively related to project performance.

Hypothesis2 In the context of offshore outsourcing, task complexity is negatively related

to project performance.

Hypothesis3 Relational strength positively moderates the relationship between task volatility and project performance.

Hypothesis4 Relational strength positively moderates the relationship between task complexity and project performance.

Hypothesis5 Team learning positively moderates the relationship between task volatility and project performance.

Hypothesis6 Team learning positively moderates the relationship between task complexity and project performance.

Hypothesis7 Coordination positively moderates the relationship between task volatility and project performance.

Hypothesis8 Coordination positively moderates the relationship between task complexity and project performance.

Hypothesis9 Information sharing positively moderates the relationship between task volatility and project performance.

Hypothesis10 Information sharing positively moderates the relationship between task complexity and project performance.

Research results and findings

	Model 1	Model2	Model3	Model 4
Control variable				
contract term	-.163**	-.232***	-.161**	-.150**
contract value	.234***	.179**	.109*	.124**
Prior cooperation	.206***	.139**	.142**	.186**
Competitive vendors	-.162**	-.191**	-.090	-.139**
Number of employees	-.147**	-.103	-.100	.159**
Independent variable				
Task volatility		-.229***	-.122**	-.166**
Task complexity		-.322***	-.297***	-.420***
Information sharing			.148***	.259***
Coordination			.144**	.112
Relational strength			.244***	.265***
Team learning			.202**	.154*

TVXIS				.251***
TVXCO				-.113
TVXRS				-.059
TVXTL				.241***
TCXIS				.165
TCXCO				.391***
TCXRS				-.068
TCXTL				.213***
Model F	1.884**	2.545**	3.047***	1.850**
R ²	0.164	0.308	0.495	0.592
ΔR ²		0.144	0.187	0.097

Research contributions

Our study makes several contributions to the literature on offshore outsourcing. First, based on offshore outsourcing scenarios, we divided task uncertainty into endogenous uncertainty and exogenous uncertainty, which will enrich our insights of task uncertainty of offshore outsourcing. Endogenous uncertainty means the difficulty and complexity of task itself. We call this uncertainty as task complexity. Exogenous uncertainty refers to the uncertainty caused by updating of information technology, fluctuation of client requirements, and improvement of business process etc al. we named this uncertainty as task volatility.

Second, this article makes clear the effects of task uncertainty on project performance. Our work not only helps us deeply understand some task characteristics related antecedents of offshore outsourcing project performance but also creates a new direction of research concerning outsourcing success.

Third, by including internal and external interactions as moderators, this study investigates the role that these two types of interactions plays in altering potentially negative relationship between task uncertainties and project performance. So our research provides a theoretical guidance to cope with offshore outsourcing risks caused by task uncertainties.

The Impact of the Fit/Misfit between Task Uncertainty and Vendor's

Control on Offshore Outsourcing Performance in China: The Moderating Role of Client Liaison

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Purpose: The purpose of this paper is to investigate whether there are ideal configurations (fit) between vendor's control modes and task uncertainties that facilitate offshore outsourcing performance, and whether the existence of client liaison would moderate the effects of fit/misfit on offshore outsourcing performance.

Design/methodology/approach: A sample of 235 diversified offshore outsourcing projects in China is used. Multi-item scales are used to operationalize most variables. Hierarchical regression analysis is used to test eight hypotheses.

Findings: This paper suggests that to facilitate offshore outsourcing performance, vendors should choose process (outcome) control when task volatility (complexity) is high (fit). On the contrary, outcome (process) control would deteriorate offshore outsourcing performance when task volatility (complexity) is high (misfit). Moreover, client liaison could enhance the positive effect of fit; while partly aggravate the negative effect of misfit on offshore outsourcing performance.

Practical implications: This paper provides vendors a clear guidance on how to select control modes to best mitigate the disadvantage of task uncertainty. It also provides a better understanding of client liaison's pros and cons and thus helps outsourcing parties collaborate in a more proper way.

Originality/value: This paper contributes to outsourcing literature by indicating which control mode is best under different task uncertainties from vendor's perspective, and the synergies of client liaison on offshore outsourcing performance. The sample is collected in China, an emerging offshore outsourcing destination yet lack of research concern. All these address some research shortcomings.

Keywords: Offshore Outsourcing; Vendor; Fit; Task Uncertainty; Control

Article Classification: Research paper

1. Introduction

Over the past few years, offshore outsourcing is burgeoning in global service markets ([Offshoring Research Network, 2009](#)). However, half of the offshore outsourcing arrangements fail to gain expected financial benefits ([Aron and Singh, 2005](#); [Weidenbaum, 2005](#)), and offshore outsourcing performance is thus becoming an important issue needs to be addressed.

Previous studies have indicated several antecedents to offshore outsourcing performance. Among them, controls and task characteristics are considered as two critical determinants of offshore outsourcing project performance (e.g. [Tiwana, 2008](#); [Tiwana and Keil, 2009](#); [Gopal and Gosain, 2010](#)): controls work as effective instruments for clients enhancing their vendors' compliance ([Kern and Willcocks, 2000](#)) and facilitating vendors combining separate members/processes into a coherent whole ([Walz et al., 1993](#)); whereas the idiosyncratic task characteristics (i.e. uncertainty, novelty, core competency relatedness) prompt vendors to integrate multiple departments or functional areas during the offshore outsourcing projects ([Rustagi et al., 2008](#); [Mani et al., 2010](#); [Narayanan et al., 2011](#)).

Despite these exposures on the impact of controls and task characteristics on offshore outsourcing performance, several critical issues are still left to be settled: *First*, with the

rising task uncertainty becomes an important trend in offshore outsourcing markets (IAOP, 2009) and hinders offshore outsourcing performance to a large degree (Rai et al., 2009; Narayanan et al., 2011), it is appealed for studies addressing how vendors overcome task uncertainty's negative effect via effective controls. Although Rustagi et al (2008) suggest vendors to increase amounts of formal control to deal with task uncertainty, what is the best suitable vendor's control modes fit with different types of task uncertainty is still ambiguous. *Second*, compared with studies focusing on how clients execute control over offshore outsourcing projects to enhance offshore outsourcing performance (i.e. Choudhury and Sabherwal, 2003; Tiwana, 2008; Tiwana and Keil, 2009), what are the vendor's suitable controls for promoting offshore outsourcing project's performance are still limited (Li et al., 2008; Gopal and Gosain, 2010). In virtue of their executor roles during the implementation of offshore outsourcing projects, vendors often proactively exercise their controls such as establishing and checking project schedules, guiding participants' behaviors, as well as evaluating intermediate and overall outcomes (Tiwana and Keil, 2009; Gopal and Gosain, 2010). All of them would largely influence offshore outsourcing performance. Therefore, Gopal and Gosain (2010) appeal scholars to shed more light on vendor's control. *Third*, since boundary spanner's activities between client and vendor become prevalent in offshore outsourcing arrangements (Levina and Vaast, 2005, 2008; Levina and Kane, 2009; Gopal and Gosain, 2010), research on the impact of client liaison on offshore outsourcing performance is rather scarce. Under outsourcing practices process, client liaison may act multiple roles including communicator, knowledge broker, monitor and controller (Brown and Sambamurthy, 1999; Kirsch et al., 2002). Yet sometimes these roles may come into conflict (Levina and Vaast, 2005). Therefore, more systematic research should be made on the effect of client liaison under different conditions. *Finally*, while China has made enormous growth in global vendor market and mounts vigorous challenge to India's cutting edge in this industry (Offshoring Research Network, 2009), only few research pays close attention on offshore outsourcing practice in China (Li et al., 2008, 2010). This imbalance would probably cause global client's lacking of knowledge about local vendors' project control preference and practices in China, which not only impede their outsourcing engagement in China, but also hamper their strategic distributions among China, India and other emerging economics.

This paper tries to narrow these gaps. Anchoring on information processing theory, we build an integrated research model to investigate: ***RQ1. How different configurations between vendor's control modes and task uncertainty forms would impact on offshore outsourcing project's performance?*** ***RQ2. How the existence of client liaison would impact on the relationship between configurations and offshore outsourcing project's performance?*** Specifically, we use two types of control mode (process control, outcome control) and two dimensions of task uncertainty (task volatility, task complexity) to constitute a 2×2 configuration matrix. For RQ1, we argue that each control mode fits with one dimension of task uncertainty but misfits with the other, and only the fit configuration would benefit to offshore outsourcing project's performance. For RQ2, we argue that client liaison could moderate the relationship between "task uncertainty–vendor's control" configurations and offshore outsourcing project's performance. Moreover, this moderating

effect is different in each configuration. We further test our research model using survey data collected from 235 diversified offshore outsourcing projects in China.

We contribute to the existing offshore outsourcing literature by integrating task characteristics and two interfaces (vendor and project teams, client and vendor) of outsourcing management together to explore their synergies on offshore outsourcing performance. Compared with the former view that both vendor's process and outcome control over project teams could enhance offshore outsourcing project's performance (Gopal and Gosain, 2010), we move a step further to argue that these control modes are not always effective, and their effects on offshore outsourcing project's performance should depend on other factors including task uncertainty and client liaison. In practical, our findings provide vendors in China a clear guidance on how to select their control modes to best mitigate the disadvantage of task uncertainty and prompt project performance. Moreover, our findings provide vendors and clients a better understanding of client liaison's pros and cons under different situations, which helps them to collaborate in a more appropriate way during the implementation of offshore outsourcing projects.

2. Theoretical Backgrounds and Hypotheses

Information processing theory argues that organizations can be characterized as information processing networks with idiosyncratic information processing requirements (Tushman and Nadler, 1978). It is thus pivotal for a firm to achieve its expected performances by matching its information processing capabilities with its information processing requirements (Galbraith, 1973; Tushman and Nadler, 1978; Egelhoff, 1982). In another word, a firm should develop its right information processing capabilities to facilitate its gathering, interpreting and disseminating of the right amounts and types of information (Tushman and Nadler, 1978; Keller, 1994). Otherwise, reduced performance will ensue as a result of capabilities inadequacy or redundant (Tushman and Nadler, 1978; Daft and Lengel, 1986).

Information processing requirements depend on uncertainties a firm facing with in its daily operations and decisions. Task uncertainty is a predominant phenomenon when a specific task is being executed (Tushman and Nadler, 1978). They can be classified into task volatility and task complexity, on the basis of their different sources. Task volatility refers to those externally induced changes of a task and thus obscure for a firm to anticipate and plan for (Aldrich, 1972; Dess and Beard, 1984), while task complexity refers to those internally induced changes or inherent natures of a task (Van de Ven et al., 1976; Bensaou and Venkatraman, 1996). As the amount of task uncertainties increase, the information processing requirements of a firm will increase as well (Tushman and Nadler, 1978). Specifically, different types of task uncertainties would appeal for different information processing requirements (Daft and Lengel, 1986). In response, a firm should develop a variety of differentiated information processing capabilities.

Information processing capabilities of a firm can be obtained from a large set of structural variables including formalization, lateral and vertical communication, degree of participation, and control mechanisms (Comstock and Scott, 1977; Galbraith, 1973). Control mechanisms are addressed as key contributors to a firm's information processing

capabilities (Tushman and Nadler, 1978). The more elaborately and comprehensively they are exercised within a firm, the better the firm would be in dealing with task uncertainty (Tushman and Nadler, 1978; Cheon et al., 1995; Kern and Willcocks., 2000). Typically, control mechanisms can be classified into formal and informal control modes (Kirsch, 1996). Research in offshore outsourcing literature argues that, the vendor often put “a greater reliance on formal controls (Choudhury and Sabherwal, 2003: 294)”, which involve process control and outcome control. In process control, the vendor regulates team members’ methods to achieve expected goals by explicitly articulate rules and procedures for task execution, and reward them based on their obedience to such rules and procedures (Kirsch, 1996; Choudhury and Sabherwal, 2003). While in outcome control, the vendor pre-specifies the project’s desired objectives and evaluation criteria, regardless of which specific rules and procedures team members followed for achieving these objectives (Kirsch, 1996; Tiwana, 2008). Particularly, different control mechanisms/modes would provide different information processing capabilities (Daft and Lengel, 1986).

In addition, client liaison could also serve as a unique coordination and control mechanism between client and vendor in offshore outsourcing practices (Beugré and Acar, 2008). Client liaison is known as a designated boundary spanner from the client side. He/she works onshore with vendor teams during the project implementation process (Marchington and Vincent, 2004). Through frequent communication and knowledge transfer between client and vendor and proactive involvement in the project management (Poston et al., 2010), client liaison facilitates the vendor’s understanding of client’s business needs and specifications, dissolves unforeseen problems and disputes, guides team member’s actions, and ensures the project is in the right track (Kirsch et al., 2002; Ang and Inkpen, 2008). These boundary spanning activities could influence vendor’s information processing capabilities either (Carlile, 2002; Ranganathan and Balaji, 2007), besides its own control modes.

In conclusion, task uncertainty, vendor’s control and client liaison work as a whole in influencing on offshore outsourcing project’s performance, and their synergies are in accordance with the principles of Information Processing Theory. As shown in Figure 1, our research framework holds that: First, the four configurations between task uncertainty and vendor’s control may be either fit or misfit to the vendor, and thus could enhance or weaken offshore outsourcing project’s performance. Second, these impacts could be moderated by the existence of client liaison, considering his/her influence on vendor’s information processing capabilities.

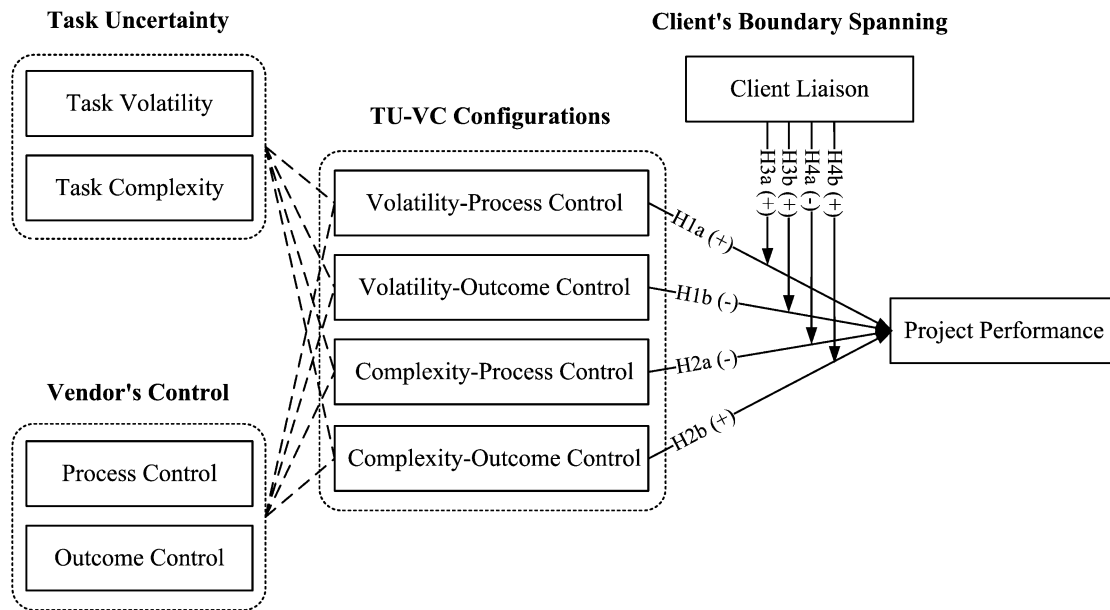


Fig. 1 Research Model

Configurations between Task Volatility and Vendor's Control Modes

In these two configurations, we argue that process control is fit in dealing with task volatility because process control enables the vendor to instantly detect inconsistencies between the changing task environment and team member's way of working, and thus enables the project team to be quickly adapted to the changes. On contrary, outcome control is misfit because it is difficult for the vendor to set stable targets, and team member's reluctance to be flexible and make necessary adaptations for doing so might lower their performances on outcome metrics, under task volatility.

H1a. In offshore outsourcing, the task volatility–process control configuration is fit for the vendor, and thus enhances its offshore outsourcing project's performance (Supported).

H1b. In offshore outsourcing, the task volatility–outcome control configuration is misfit for the vendor, and thus weakens its offshore outsourcing project's performance (Supported).

Configurations between Task Complexity and Vendor's Control Modes

In these two configurations, we argue that process control is misfit in dealing with task complexity because it is difficult to fix the detailed schedules and specified steps required in process control before the execution of a complex task; and process control constrains team member's decision rights for executing a complex task. On contrary, outcome control is fit because most complex offshore outsourcing projects have stable and measurable goals; and outcome control activates team member's autonomy and intelligence in executing a complex task.

H2a. In offshore outsourcing, the task complexity–process control configuration is misfit for the vendor, and thus weakens its offshore outsourcing project's performance (Supported).

H2b. In offshore outsourcing, the task complexity–outcome control configuration is fit for the vendor, and thus enhances its offshore outsourcing project's performance

(Supported).

The Moderating Effect of Client Liaison

We argue that since a client liaison often play multiple roles (i.e. communicator, knowledge broker, monitor, and controller) in his/her daily contacts between client and vendor, these roles would complement or hinder the effects of vendor's control mode under different configurations between task uncertainty and vendor's control.

H3a. In offshore outsourcing, client liaison can enhance the positive relationship between the task volatility–process control configuration and offshore outsourcing project's performance (Supported).

H3b. In offshore outsourcing, client liaison can mitigate the negative relationship between the task volatility–outcome control configuration and offshore outsourcing project's performance (Not supported).

H4a. In offshore outsourcing, client liaison can enhance the negative relationship between the task complexity–process control configuration and offshore outsourcing project's performance (Supported).

H4b. In offshore outsourcing, client liaison can enhance the positive relationship between the task complexity–outcome control configuration and offshore outsourcing project's performance (Supported).

3. Methodology

Our survey was conducted in three cities in China, including Xi'an, Suzhou and Dalian. They are located in central-west, southeast and northeast of China respectively, which cover a vast area of China. And all of them are "Service Outsourcing Demonstration City" authorized by *Ministry of Commerce of China*, and thus are in accordance with our research context.

We follow three steps to conduct our survey: First, we perform a pilot study in 8 offshore outsourcing vendors in Xi'an. Second, we build a list of offshore outsourcing vendors, with the help of *Xi'an Software Park*, *China-Singapore Suzhou Industrial Park*, and *Dalian Software Park*. And then contact each vendor on the list by telephone/Email to ask for their support. Third, for those vendors agreed to participate, we send them questionnaires personally. After removing invalid questionnaires, 235 offshore outsourcing projects in 132 vendors were left to form our research sample.

We use hierarchical regression analysis to test our hypothesis. Before that, all the necessary tests (i.e. common method bias, credibility, validity, multicollinearity, etc) are well performed.

4. Results

Table 1 Results of the Hierarchical Regression Analysis

	Model 1	Model 2	Model 3	Model 4	Model 5	Model 6
Project Size	-0.078 (0.057)	-0.100* (0.056)	-0.069 (0.055)	-0.088† (0.054)	-0.090† (0.053)	-0.110* (0.053)
Prior Interaction	-0.128*	-0.095†	-0.110*	0.048	0.063	0.084†

	(0.057)	(0.057)	(0.055)	(0.054)	(0.054)	(0.054)
Asset Specificity	0.082	0.145**	-0.011	0.117*	0.133**	0.139**
	(0.057)	(0.060)	(0.060)	(0.058)	(0.057)	(0.057)
Team Collaboration	0.492***	0.407***	0.331***	0.258***	0.228***	0.246***
	(0.057)	(0.059)	(0.063)	(0.063)	(0.062)	(0.063)
Task Volatility		-0.198***		-0.159***	-0.108†	-0.109†
		(0.057)		(0.056)	(0.058)	(0.058)
Task Complexity		-0.165***		-0.203***	-0.227***	-0.229***
		(0.062)		(0.057)	(0.057)	(0.058)
Process Control			0.247***	0.235***	0.233***	0.221***
			(0.064)	(0.064)	(0.065)	(0.064)
Outcome Control			0.159**	0.169***	0.153**	0.150**
			(0.063)	(0.060)	(0.059)	(0.061)
Client Liaison			0.069	0.049	0.038	0.007
			(0.055)	(0.054)	(0.053)	(0.065)
Fit 1 (TV-PC)					0.176***	0.155*
					(0.066)	(0.066)
Fit 2 (TC-OC)					0.177***	0.295***
					(0.059)	(0.066)
Misfit 1 (TV-OC)					-0.194***	-0.196***
					(0.062)	(0.061)
Misfit 2 (TC-PC)					-0.116**	-0.120**
					(0.057)	(0.056)
Fit 1 × Client Liaison						0.130**
						(0.065)
Fit 2 × Client Liaison						0.217***
						(0.068)
Misfit 1 × Client Liaison						-0.030
						(0.065)
Misfit 2 × Client Liaison						-0.139**
						(0.059)
Model F	9.124***	7.095***	8.178***	6.900***	5.821***	4.350***
R ²	0.267	0.327	0.342	0.392	0.442	0.488
ΔR ²		0.060	0.015	0.050	0.050	0.046
Hierarchical F		10.106***	5.261*	9.210***	4.914***	4.858***

Dependent Variable: Project Performance

Significance: ***=0.001; **=0.01; *=0.05; †=0.1

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Implementation of *Kaizen* as a Competitive Advantage in Food

Industry

(Case of Menu Improvement in Western Fast Food Restaurant In Indonesia)

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Abstract

Purpose – To provide an analysis of *kaizen* implementation to improve variety of menu based on consumer behavior. Identify the improvement of western fast-food restaurant's menu in Indonesia.

Methodology/approach – The comparative case study approach was adopted in this research.

Findings – This paper provide an analysis how Customer behavior influenced western fast-food company to makes continuous improvement which called *Kaizen*. By this research found that several western fast-food company already concern about the important of variety of menu and always try improving their menu based on consumer behavior analysis, what they like or dislike, how they behave on the restaurant, or what type of menu the usually bought. So that they can analyze what menu that would become western fast-food restaurant customer's favorite and give competitive advantage to compete in western fast-food market industry in Indonesia.

Limitations – This research only analyze the *kaizen* concept on improvement in the variety of menu product, many other improvement can be deeply explore on this field. For further research *kaizen* could implement on any business function in the culinary Industry.

Originality/Value – From this research can found that *kaizen* are important as competitive advantage for business industry. The paper makes a contribution to the deeper understanding about the use of *kaizen* on western fast-food industry, the important of improving the menu from learned by consumer behavior to gain customer satisfaction and compete on the market.

Keyword – Continuous Improvement, Consumer Behavior, Competitive Advantage,

Western Fast-food Restaurant.

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Introduction

For the recent years in Indonesia, western fast-foods are growth rapidly in several big Cities in Indonesia. This phenomena caused by urban civilization sought western fast-food restaurant as a common choice for eat outside house, this come from several reason such as relative low cost, easy to find and taste universal so almost everyone can eat the food. Recorded visitors that came to fast-food restaurant in Indonesia are students, employees, and family group, include all age groups. Increased number of fast food restaurants also due to a shift in the function not only as a fast-food restaurant but also as a family restaurant. That a large market for this industry, and can be predicted that this market will continue increase. Several fast-food restaurants are compete to

fulfill customer need and compete to be a market leader. From this phenomena we can concluded that fast-food restaurant in Indonesia always need to improve their performance to win this very tight competition. They cannot only improve once but they must do continuous improvement. In Japan continuous improvement called *kaizen*.

Continuous improvement (CI) “*kaizen*” is a company-wide process of focused and continuous incremental innovation (Bessant et al., 1994). *Kaizen* more generally as a culture of sustained improvement targeting the elimination of waste in all systems and processes of an organization. It involves everyone working together to make improvements without necessarily making huge capital investments (Bhuiyan & Baghel, 2005). *Kaizen* can occur through evolutionary improvement, in which case improvements are incremental, or through radical changes that take place as a result of an innovative idea or new technology, improvement achieved through the use of a number of tools and techniques dedicated to searching for sources of problems, waste, and variation, and finding ways to minimize them.

Several implications that may emerge concerning continuous improvement are :

First, *kaizen* has a role to play in maximizing the likelihood of success in more capital-intensive radical improvement, through work simplification before implementing new technology. Second, analysis of work processes, work simplification and performance monitoring, such as application of problem solving tools to quality improvement (ex: control charts or fishbone diagrams). Third, ideally *kaizen* is linked with corporate values and strategy in several ways, for example localized optimizations program so that difficult for competitors to duplicate. In this way CI can serve as a strategic weapon for achieving unique and sustainable competitive advantage. Fourth, activities in human resource management can be success by using *kaizen* program, ex: Training, developing, employee assessment system, compensation system etc. Fifth, the design and execution of the *kaizen* program is also likely to influence customer satisfaction (Jha & Nouri : 1996).

This paper describe about how western fast-food restaurant used concept of *kaizen* to gain customer satisfaction by learning of their behavior. Consumer behavior can influenced by demography, geography, and psychographic. From the others sources consumer behavior also influenced by social factor, personal factors, psychological factor, and cultural factor

(Schiffman, Kanuk (2004, p. 8). This paper describes and analyze continuous improvement that has been doing in some western fast-food restaurant in Indonesia, by focus is analyzing continuous improvement in western fast-food restaurant's menu to fulfill customer satisfaction.

Body of Concept

Kaizen

During the late 1800s and early 1900s, much attention was given to scientific management; this involved developing methods to help managers analyze and solve production problems using scientific methods based on tightly controlled time-trials to achieve proper piece rates and labor standards. The US government then set up the "Training Within Industry" service during the Second World War to enhance the industrial output on a national scale. This included job method training, a program designed to educate supervisors on the importance and techniques of Continuous Improvement methods. This program was later introduced in Japan by management experts like Deming, Juran, and Gilbreth, and by the US forces present there after the end of the Second World War (Robinson, 1990). Continuous improvement (CI) is a philosophy that Deming described simply as consisting of "Improvement initiatives that increase successes and reduce failures" (Juergensen, 2000). CI methodologies have developed based on a basic concept of quality or process improvement, or both, in order to reduce waste, simplify the production line and improve quality. (Bhuiyan & Baghel : 2005).

Continuous improvement (*CI*) "*kaizen*" is a company-wide process of focused and continuous incremental innovation (Bessant et al., 1994). *Kaizen* more generally as a culture of sustained improvement targeting the elimination of waste in all systems and processes of an organization , It involves everyone working together to make improvements without necessarily making huge capital investments (Bhuiyan & Baghel, 2005). (Womack and Jones, 1996; Toyota, 2001; Emiliani et al., 2003) "Continuous, incremental improvement of an activity to eliminate waste, unevenness, and unreasonableness (called *muda*, *mura*, and *muri* in Japanese) and create more value". *Kaizen* (Imai,1986), a Japanese word that means: "change for the better," and is typically interpreted as "continuous improvement." The phrase "change for the better" implies any change that results in

improvement, which could be related to quality or other factors that customers judge to be of value and satisfaction, ease of use, on-time delivery, durability, low cost, etc. (Zimmerman, 1991).

Imai (1986) proposes that there exist at least three types of *kaizen*: management-, group-, and individual-oriented *kaizen*. Management-oriented *kaizen* is considered to be the most important one as it focuses on the company strategy and involves everyone in the company. Group-oriented *kaizen* is best represented by quality circles, which require employees to form a team or a circle with the goal of finding and solving problems. Individual-oriented *kaizen* is derived from the concept of bottom-up design, in which the worker makes a recommendation to the problem faced. This has been very successful in the Japanese industry since it is the worker who is on the shop floor and typically knows the best solution to an existing problem. In manufacturing, these activities primarily involve simplification of production processes, chiefly through the elimination of waste. In service industries and the public sector, the focus is on simplification and improved customer service to gain customer satisfaction.

Technique that mostly use for implement *kaizen* is 5S application. 5S developed the original concept of 5S in the early 1980s as a result of the work in Toyota Motor Company (Osada : 1991). 5S is the acronym for five Japanese words *seiri* (organization), *seiton* (neatness), *seiso* (cleanliness), *seiketsu* (Standardization), and *shitsuke* (Discipline) (Hirano : 1995). 5S represent the basic pillars of *kaizen*, implementing 5S represents the starting point of any continuous improvement efforts (Ho and Cicmil, 1996; Imai, 1997; Liker, 2004; Imai, 2006), because the 5S are the basic “blocks” to create improvement habits in employees (Sua´rez-Barraza and Ramis-Pujol, 2005). Beside that other famous tools in *kaizen* introduced by Edward Deming called P-D-C-A (planning, do, check, action) known as Deming cycle. This cycle are important to do because after plan, do then we must evaluate the result to make another improvement that’s why in called continuous improvement or in Japanese “*kaizen*” means Change better.

Anders Berger
Continuous improvement and
kaizen: standardization and
organizational designs

Integrated Manufacturing
Systems
8/2 [1997] 110-117

Table I

Kaizen principles, management concepts and practical features

Core principles	Management improvement concepts	Practical outcomes
Process orientation	Process control through process support and evaluation	Training the workforce in simple methods and use existing skills and experience Efforts are emphasized and encouraged while results are rewarded
Small step improvement	Extensive use of standards (SOPs) as the base for improvement Separate the task of improving and the task of maintaining standards	Discipline required to maintain standards Focus on improving own work standards using a common problem-solving format – PDCA
People orientation	Active management support and involvement "Mandatory volunteerism", i.e. management policy to join but contributions based on volunteerism	Broad participation using permanent or temporary groups for problem solving in parallel structures (QCCs and teams) Individual suggestion systems for training and motivation

The Different Between *Kaizen* and Innovation

Kaizen is the antithesis of innovation. Innovation, which is implemented by abrupt changes, and *kaizen* which is a gradual process. The *kaizen* philosophy is to be better suited to a slowly growing economy while innovation is better suited to a fast-growing economy. *Kaizen* means small improvements made as a result of continuing effort. Innovation involves a drastic improvement as a result of a large investment in new equipment or technology. (Wittenberg, G : 1994.).

<i>Kaizen</i> is about: • teamwork; • generalist-orientation; • attention to detail; • people; • open and shared information; • building on existing technology; • comprehensive feedback	<i>Innovation</i> is about: • individualism; • specialist-orientation; • attention to great leaps; • technology; • closed and proprietary information; • seeking new technology; • limited feedback.
(Stapley, Tony : 1996)	

Consumer Behavior

Predicting how attitudes affect consumer behavior is the most important concern for most people interested in consumer behavior (Petty et al., 1991). Various situational and dispositional factors

enhance the consistency of attitudes with behavior and researchers have found that attitudes are more predictive of behavior in certain situations (Evans et al., 1996; Njite and Parsa, 2005; Shim and Drake, 1990; Shim et al., 2001).

Alderson (1965, p. 144) differentiated between “consumer behavior” and “consumer buying,” a distinction even modern consumer behaviorists do not always recognize. In other words, he differentiated purchasing from consuming. Engel et al. (1968, p. 6), the first full-length textbook on consumer buying, acknowledged Alderson’s contribution: The difference between consuming and buying is further clarified by Wore Alderson who correctly recognized that much of what is called the study of consumer behavior is in reality not the study of consumption but of consumer buying. The term “consumer behavior” can be an ambiguous expression. Eventually marketing will have to look beyond consumer purchase to the stream of activities in which goods are consumed in order to achieve a more fundamental understanding of consumption requirements. The purchasing act, and that act alone, was considered evidence of how consumers behaved in the marketplace. “the consumer purchasing agent enters the market to replenish or extend the assortment of goods needed to support expected pattern of future behavior” (Alderson, 1965, p. 144).

The consumer was presented not as an object to be studied but as a member of society affecting the overall economy. Anderson adds that a consumer is not only a buyer but is involved in aesthetics, fantasies, variety seeking, hedonism, daydreaming, creativity, emotion, play, artistic expression, and so forth. Moreover, even as a buyer, the consumer does not always consume what is bought. A consumer assumes many roles during consumption itself, as well as prior to consumption, and even after consumption. This process view of the consumer as not just a buyer in the marketplace enriches our understanding of the entire consumption process. It takes into account that a consumer can behave differently depending of the role assumed, whether that behavior is pre- or post-purchase. (Tamilia, D Robets : 2007)

Understanding of Western Fast-Food Customer’s Behaviors in Indonesia

Variety of products both goods and services are offered in various brands by the company.

Today has increased the willingness of consumers to try the product for a variety of brands. One of these products is fast food. The diversity of the current fast food has also made consumers have a desire to try.

Currently in Indonesia has found many western fast foods such as McDonalds, KFC, Burger King, Pizza Hut, etc.

Fast foods products are categorized as consumer goods, the demand of this product come from children, adolescents, and adults, because fast food is easily purchased and have lots of options. Fast-food purchase decisions are influenced by the availability of a wide range of food options (menu) and an interesting way of presentation.

Marketers need to be understood consumer behavior before their plan was developed. Consumer market always moving in a dynamic while the company should be able to adjust the demands of the consumers' needs. The success of marketing activities is largely determined by the ability of the products to meet what consumers want and need. Therefore, in marketing, the products are produced and analyzed to know why someone buys the product and what is consumer expected by bought the product.

Indonesia has a different consumer behavior than other countries in buying fast food. Consumer Behavior by Schiffman, Kanuk (2004, p. 8) is shown the behavior of consumers in the quest for the purchase, use, evaluation, and replacement of products and services are expected to satisfy consumer needs. This behavior is influenced by:

Social Factor

a. Group

Attitudes and behaviors are influenced by many small groups. Group where the person is having a direct effect called membership groups. Membership consist of two groups, covering primary groups (family, friends, neighbors, and coworkers) and the secondary group which are more formal and have a little routine interaction (religious groups, professional associations and trade unions). (Kotler, Bowen, Makens, 2003,pp. 203-204).

In Indonesia, the influence of this factor is significant. These phenomena clearly seen in McDonald which is seems very common to see the group of students who are doing their assignment together. In this case McDonald smartly enough to see this as the opportunities by launched menu *Goceng*. This menu rate 5,000 IDR, this range can be reach by them. This strategy also followed by KFC which launched the similar product. Others fast food companies have to see the opportunity by analyzed the Indonesian consumer behavior.

b. Family Influence

Families provide a great influence in buying behaviors. Market participants have examined the role and influence of husbands, wives, and children in the purchase of different products and services. Children as an example, give a great influence in decision involving the fast food restaurant.. (Kotler, Bowen,Makens, 2003, p.204).

It draws in Indonesia, the fast food restaurant become the family restaurant. It became the place where parents took their children to have some meals. This made children tend to prefer restaurant that they parents always take them. The fast food company should see this phenomenon to improve their menu. Some of fast food company has already had menu for kids.

c. Roles and Status

Someone has some groups such as families, associations, organizations. A role consists of activities that are expected on a person to be in accordance with those around them. Each role carries a status reflecting the general award given by the community (Kotler, Armstrong, 2006, p.135).

Fast food restaurant is included one of the product which every roles and status can buy and come. One thing which is interesting that fast food restaurant now starts to have breakfast menu. One of the trigger is shifted of mothers' role. Now days many housewives prefer to work or become career women, so in the morning they don't have much time to cook for their children. So with this breakfast menu must be very helpful for them.

Personal Factors

a. Economic Situation

Economic situation will affect the choice of products. The economic situation greatly affected a

person's product selection and purchasing decision on a particular product (Kotler, Armstrong 2006, p.137). One of example is what has done by Pizza Hut, they have various choice of pizza and provide pizza with lower price. They hope every people can eat pizza which is perceived as an expensive meal. Domino Pizza provide lower price pizza with make different topping.

b. Lifestyle

The pattern of someone's life is expressed in activities, interest, and opinions. The people who come from the same cultural, social class and job might have a different style. (Kotler, Armstrong, 2006, p.138)

Indonesian people like hang out in a group, they like togetherness, for this case to provide snack menu like cookies, coffee, ice cream and others is important. This menu is suitable for the students who come after school and want to go with their friends. McDonalds and KFC already had café which provide various drink and cookies, for workers it's suitable when they wait for traffic after work. Another interesting thing is what McDonald do by make shorter the name of their menu. They know Indonesian people like a short word, that's why exist the name of PAHE (Paket Hemat), Buryam (Bubur Ayam) and PANAS (Paket Nasi). It's proven that customer like it.

c. Personality and Self Concept

Personality is a unique characteristic of the psychology that leads to stability and continues response to the person's environment (Kotler, Armstrong, 2006, p.140). Each person has a complex self image, and behavior tend to be consistent with the self concept (Kotler, Bowen, Makens, 2003, p.212).

Burger King is new fast food restaurant in Indonesia. Some people come there just only for make a good image or prestige, because Burger King only exists in big city.

d. Age and Life Cycle Stage

People change the goods and services purchased along with the life cycle. Taste of food, clothes, furniture, and recreation is often associated with age, purchasing is also shaped by

family life cycle. Important factors associated with age are often considered by market participants. This may be due to the large difference image between those who determine the marketing strategy and the people who buy a product or service. (Kotler, Bowen, Makens, 2003, pp.205-206).

As already mentioned, fast food restaurant in Indonesia has already become family restaurant, because they bring whole family. That's why fast food restaurant have to provide meals for children, adult, even old man. The fast food already provided a package for family which is cheaper. Some of fast food restaurant have play arena for the children, that's make customer who bring their children stay longer.

e. Occupation

The work affects a person's goods and services purchased (Kotler, Bowen, Makens, 2003, p.27).

Delivery service is one of the services which is helpful when the workers don't have time to go out for buying their meals. For executives businessman may be they will chose restaurant with full services to get their lunch, but the workers can choose the nearby restaurant with fast service.

Psychological Factor

a. Motivation

The urgent need direct a person to seek satisfaction of needs. Human needs arranged according to a hierarchy, from mostvurgent to least urgent (psychological needs, safety, social, self-esteem, self-actualizing). When the most urgent needs had been satisfied, the requirement ceases to be a motivator, and that person will try to satisfy the next most important needs. (Kotler, Bowen, Makens, 2003, p.214). When people feel hungry they have to choose where they have to buy some meals. The fast food restaurant must know what consumer want. They have to improve they menu to satisfy the customer want.

b. Perception

Perception is the process which a person chooses, organize, and interpret information to form which have meaningful picture. People can have different perception of the same stimuli.

(Kotler, Bowen, Makens, 2003, p.215)

Western fast food in Indonesia provides rice, which in their origin country they do not. It's because the western fast food know the habit of Indonesian, if they didn't provide rice the customer won't like it.

c. Learning

Learning is a process, which is always evolving and changing as a result of new information received (can be obtained from reading, discussion, observation, thinking) or from of actual experience, both received the latest information and personal experience to act as a feedback for the individual and provides the basis for future behavior in similar situations (Schiffman, Kanuk, 2004, p.207). Indonesian people chose fast food restaurant as a learning result. They compare where is the best fast food restaurant which is the most suitable with them. Indonesian people like to go to fast food restaurant with their family, friends or relatives, it's very rare to see Indonesian customer go alone. So it's better for fast food restaurant to have package menu which is cheaper.

d. Beliefs and Attitude

Beliefs are ideas that a person believes something. Beliefs can be based on indigenous knowledge, opinion, and faith (Kotler, Armstrong, 2006, p.144). While attitudes are evaluated, feel like or not, and the trend is relatively consistent from person to an object or idea.

Indonesian tend to like the new thing. When Domino Pizza opened, many people have a queue to get the pizza. But they are decrease by time goes on. This phenomenon make fast food restaurant must to create new things to survive. Just what exactly do by KFC, they provide new drink menu with the sources which already exist, but it is something new for customer. The same thing do by Pizza Hut, they always create new topping for their pizza.

Cultural Factor

Basic values, perception, desire, and behaviors that a person learned through family and other important institution (Kotler, Armstrong, 2006, p.129). The most basic determinant of a person's

desires and behaviors. Culture, compromising basic values, perception, desires, and behavior learned by person constantly in an environment. (Kotler, Bowen, Makens, 2003,pp.201-202).

a. Subculture

A group of people who share a common value system based on life experiences and circumstances, such as nationality, religion, and region ((Kotler, Armstrong, 2006, p.130). Although consumers in different countries have something in common, value attitudes, and behavior often differ dramatically. (Kotler, Bowen,Makens, 2003, p.202). Indonesian people eat rice, for lunch and dinner, so western fast food in Indonesia must provide it. Most of Indonesian people are Muslim, they cannot eat pork, so western fast food in Indonesia must not use it. One example was done by McDonalds was McRendang, small improvement of menu which added spicy flavor in the meat. McDonald knows that Indonesian people like spicy taste. Some western fast food learn about what Muslim people fasting ritual, so they open at 3 o'clock AM to provide sahur menu and tajil in the noon.

b. Social Class

Group of individual based on the same value, interest, and behavior. Social groups are not only determined by one factor such as income, but it is determined also by the employment, education, wealth, and others (Kotler, Armstrong, 2006, p.132).

The Growth of Western Fast-food Restaurant in Indonesia

NO	Western fast-food Restaurant	Start in Indonesia	Numbers of outlets in 2011
1	Mc Donald's	23 February 1991 Sarinah, Jakarta	>300 outlets
2	KFC	October 1979 at Melawai Street, Jakarta	>300 outlets
3	A&W	1985 Jakarta	±207 Outlets
4	Texas Chicken	April 1984 At Pasar Baru Area, Jakarta	±150 Outlets

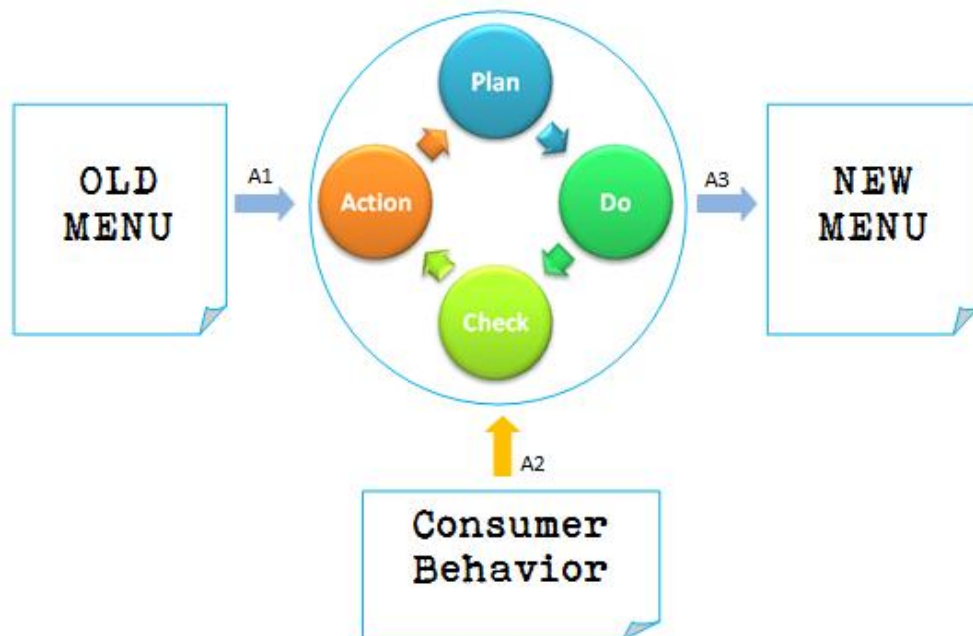
5	Wendy's	28 December 1991 At Plaza 89 Kuningan – Jakarta	>10 outlets
6	CFC	1983 Jakarta	±178 Outlets
7	Pizza HUT	1984 At Djakarta Theatre Building	±200 Outlets in 22 Provinces
8	Domino Pizza	28 August 2008 Jakarta	±24 Outlets
9	Burger King	2007 Jakarta and Bali	±21 Outlets

Segmenting and Targeting Western Fast-Food in Indonesia

Segmenting:	Demography - Age : Above 6 years - Gender : Male and female - Job : Student, Housewife, Employee, Entrepreneur - Outcome Level : Any Geography - Location : Cities in Indonesia Psychograph and Behavior : - Busy people - Hang out people - Value oriented people - Healthy people - Family - Traveller
Targeting:	Demography - Age : above 12 years - Gender : Male and female - Job : Student, Housewife, Employees, Entrepreneurs - Outcome Level : Above Rp.500.000/month Geography - Location : big cities in Indonesia

	Psychograph and Behavior : - Busy people - Hang out people - Value oriented people - Family - Traveller

Framework



A1 : The Connection describe how old menu at western fast-food restaurant improve using **P-D-C-A** cycle.

A2 : The **P-D-C-A** cycle react and influenced by Consumer behavior of western fast-food restaurant's consumer.

A3 : After analyzing consumer behavior in the **P-D-C-A** cycle concept, the result might be new menu which adjust with consumer attitude and consumer appetite in Indonesia.

Conclusion

As we know that companies must be able to catch their customer's needs and wants, so the companies need to know their consumer's behavior. One western fast food company that has been success is KFC. They can quickly understand what the customer like and dislike, they always improve their menu following customer need and want, that's we called Kaizen, and this bring KFC and McD as the top brand for Western Fast Food, this step also follow by others western fast-food company such as Pizza Hut, Texas, A&W, Wendy's, etc. Fast-food's customers want their food and drinks comes quickly, so they must be able to serve foods and drinks as soon as their customers ordered it. To give those services, they need to cook foods and keep them as the inventory, to make sure that their customers don't need to wait so long to get their food.

Even though customers have their own favourite foods or drinks, especially KFC has wide range of customer segmentation and each customer doesn't always ordered the same menu, because sometimes they want to try different menu. To handle this situation, KFC must has a wide range of menu to make sure that customers still come to eat and drinks there. Too little variation of menu could make customers come to another places because they'll feel bored with menu at KFC. This is the key why KFC need to always improve their menu, and continuous improvement "*kaizen*" is one of the best concepts to make KFC keep creative and built new way of thinking to improve the menu, make it as competitive advantage and increase company performance.

Furthermore, if a customer is already be a loyal customer, they'll always try to choose that place if they want to eat or just hang out. The customer doesn't always want to eat the main course, but sometimes they just want to eat something like cookies or cake, so western fast-food restaurant must also have a menu for side dishes like ice cream, waffle, or anything else. Many people go hang-out between lunch and dinner time, this phenomenon need to study by western fast-food company to make a benefit for them because they still could sell their side dishes foods outside the lunch and dinner time.

For now several western fast-food company such as KFC and McD already concern about the important of variety of menu and always tried to improve their menu based on

consumer behavior analysis, what they like or dislike, how they behave on the restaurant, or what type of menu they usually bought. So that they can analyze what menu that would become customer's favorite and give them competitive advantage to compete in western fast-food market industry.

Kaizen is the concept that has universal meaning and can implement in a lot of business function. For example in KFC itself, concept of *kaizen* can be used for better improvement both in tangible improvement or intangible improvement such as in service process to customer, employee SOP (standard operating process), cook process, taste improvement, delivery process, remuneration system, franchise system, supply chain system, quality control system and in tangible improvement such as physical building improvement, physical equipment improvement, facility improvement (kids playground, computer for internet, toilet, sink etc) and many other improvement for further research can be deeply explore on this field.

Continuous improvement concept will make company sustainable facing all environment changes and gain competitive advantage without always do investment on large amount. The *kaizen* process resulted in rapid improvement, without creating undesirable trade-offs that may negatively impact other stakeholders, such as customer, supplier, franchisee, franchisor, or employee. *Kaizen* must be repeated at regular intervals, using data from relevant sources to guide improvement activities. By company objectives will achieve more effectively and efficient. This small improvement that KFC do should follow by another Western Fast-Food by knowing and understanding customer wants.

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SERVICE BUSINESS AT THE BASE OF THE PYRAMID:

-----a bibliographic investigation into the development, and future directions of the
research domain

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Abstract

Since the seminal work on the bottom (base) of the pyramid (Prahalad and Hammanod, 2002; Hart and Christensen, 2002), the topic has become an important research area. Scholarly articles concerning innovations at the base of the pyramid (BOP) are still rare, but the publication rate has been increasing to about an average of 40 scholarly articles per year.

From the intensity of research efforts, one might assume that there exists a common understanding of the BOP market. In research practice, the topic still varies in conceptualizations and interpretations of the BOP. While the variation in understanding provides a fertile ground for the vitality of the BOP research, it has also created confusion over viability of the topic. Karnani (2007, p. 90) even doubts the existence of the research and describes it as “a mirage of marketing to poor people”. A lack of clarity can impede progress on the theoretical front, and prevent empirical work from cumulating.

Our study uses a co-citation analysis to explore the structure of the BOP research. We retrieved all papers from the Scopus research database with titles, abstracts, or keywords containing the expressions “*Innovation at the base (or bottom) of the pyramid*”. We also tracked the citations of the two seminal articles (Prahalad and Hammond (2002) and Hart and Christensen (2002)).

This yielded a set of 196 contributions, which were published in a variety of research areas. This indicates that the BOP topic is beginning to diffuse from the management into fields such as engineering and information & communication technologies, business ethics and social responsibilities and other areas. Within the management area, general management dominates the contributions (46% of articles). Marketing counts for 17%, international management for 24%, innovation & technology management for 7%, entrepreneurship for 5% and service management only for 1%. The latter is surprising, because businesses at the BOP are mostly service activities. Articles in service research journals (Journal of Service Research, Journal of Service Management, Managing Service Quality, Service Industry Journal) seem to have neglected the topic.

After describing the current status of publications, we derived the intellectual core of the topic. We selected 40 articles, which account for 89.1% of the total number of citations garnered by the entire set of the 196 articles.

The co-citation analysis of the selected articles revealed four sub-topics of the BOP research. The sub-topic can be named (i) motivation, (ii) emerging market, (iii) relationship to management issues, and (iv) corporate responsibility.

Group 1 (motivation) comprises what appears to be the motivational foundation for innovation at the base of the pyramid. It contains the greatest number of papers in our panel. This factor includes those papers most identified with the concept of motivation and best-practices for innovation at the base of the pyramid. Group 2 (emerging market) bridges the research on emerging markets with the BOP discussion. Group 3 (BOP relationship to management issues) seems best characterized in terms of the connections between BOP and a key set of management research including marketing, distribution, and innovation. Group 4 (corporate responsibility) constitutes only a minor part of the research on consisting of only two articles.

Based on this analysis, we highlight its current state of development, and describe future directions for service research at BOP.

Extended Abstract

1 Introduction

Since the seminal work on the *fortune at the bottom of the pyramid* (Prahalad and Hammanod, 2002; Hart and Christensen, 2002), the topic has become an important research area. The

phrase 'base bottom or base of the pyramid' (BoP) refers to the billions of people living within the poverty line of about \$2 per day (Prahalad, 2004; Hammanod et al., 2007). Scholarly articles concerning innovations at the base of the pyramid (BoP) are still rare, but the publication rate has been increasing steadily to about an average of 40 scholarly articles per year. There has been also a sharp rise in working papers, workshops, and conference sessions throughout the world on this topic.

Overall, at least four main bodies of knowledge can be identified regarding BoP literature. One set of initiatives could be related with those macro-economic and statistical contributions emphasizing the existence, evolution and importance of a huge segment of society living within the poverty line. Official reports from international bodies such as OECD, the UN, The World Bank, Inter-American Development Bank, among others, illustrate these initial contributions.

A second group could be considered with some key authors who have appeared discussing the importance and role of BoP societies under different perspectives. Hernando de Soto has written extensively about the informal economy in Peru and other emerging societies. He has identified some key underlying poverty factors and emphasized the need of new economic rules so BoP societies could participate under better and fair conditions (de Soto, 2000). Mohamad Yunus, awarded Peace Nobel Prize 2006² for the creation of Grameen Bank in Bangladesh (Yunus, Moingeon and Lehmann-Ortega, 2010) is another good example. He has proposed the need to work on the creation of social businesses to alleviate poverty, rather than to increase wealth of rich organizations in traditional ways. Thus, this group can be related with those peculiar characteristics of these segments of society in the developing world, their limitations shaped by current regulations and conditions in the formal economic system and different ways for them to be able to get out of poverty.

On the other hand, a third set of contributions could be associated with authors like Prahalad (2004), who has put forward the notion that there is a fortune at the base of the pyramid, and that this could be the opportunity for multinational organizations to put in practice their so-called

corporate social responsibility, by doing business at the BoP in emerging countries, with the allegedly objective of alleviating poverty at the same time that profits could be also created for such firms. While initially this posture gained adepts and interest increased, some others have manifested their concerns about it and criticized the business intentions behind many of these initiatives (London and Hart, 2010). Others, however, have written a number of successful case studies regarding socially responsible organizations, including NGO's, documenting very good initiatives which have contributed to improve BOP social conditions in different environments. Projects and cases regarding health, food, water, transport, roads, education, microfinance, communications, etc., can be extensively found within this cluster.

A fourth, the smallest of all groups is that one containing those initial efforts to identify and understand the managerial aspects that could be found at BoP initiatives. How creativity and innovation are taking place in BoP organizations?. What can we learn from them, and not only benefit from? Which are those particular issues which make service management different at the base of the pyramid? Some extraordinary examples, now documented and studied even in business schools around the world, are starting to appear to learn about BoP service management, mainly through innovation. The case of Bandawallas in Mumbai, India, for instance, is a good example of this. In this respect, few authors have started to emphasize the importance to increase our understanding and learning about how the management of service activities at the base of the pyramid and even more to start developing academic curricula to study this phenomenon further (e.g., Reynoso, 2004; 2010; 2011; Gummerus et al. 2012).

Within service management literature, BoP research has been almost absent. The main Service research international conferences, such as Frontiers in Services (originated in the US), QUIS (created in Sweden), La Londe (founded in France) and SERVSIG (multinational by nature, started by our late colleague Liam Glynn from Ireland and Ray Fisk from the US), had during their initial years mainly contributions from anglo-saxon authors, therefore, BoP research subjects were not part of their agendas. Interestingly enough, perhaps the first conference presentation that could be traced back is that of *"The Evolution of Services Management in*

Developing Countries: Insights from Latin America”, presented during an AMA Conference in Dublin, Ireland (Reynoso, 1997). The author’s arguments and criticisms presented at this conference were very well received by some leading service researchers, resulting in a later article publication in what was the first special issue ever dedicated to advances on service management research in Latin America (IJSIM, Volume 10, Number 5, 1999). A revised version of this journal article was then published as a reading on the Service Marketing Lovelock’s book (Lovelock, 2001). In retrospective, these could be considered the first attempts to call the attention to the international service research community during the 1990’s about the existence and importance of service management happening at the BoP in emerging regions. In the following years we started to witness an increment of service conference presentations from other emerging economies and regions, including Eastern European countries, Peru, Brazil, India and more extensively today, China and other Asian countries. Happily, thanks to the initiative of professor Jay Kandampully, a new service research conference exists today dedicated to promote and disseminate service research and education in developing countries. The *International Research Symposium in Service Management (IRSSM)* has been organized in Sri Lanka in 2010, Indonesia in 2011 and this year in China.

It is important to notice though, that a good number of other contributions have existed outside the service research literature in languages both in English and in other languages, perhaps even before the BoP topic started to be addressed in international service conferences. These are difficult to trace down and many of them could be included in conference proceedings, readings and book chapters as well as case studies in textbooks, rather than in journals. Authors such as Guillermo D’ Andrea from Argentina, has published extensively in Spanish successful cases studies regarding BoP service business activities from South American countries like Peru and Argentina (cite examples – Trome; Magazine Luiza; Minka), some of which are now translated into English (D’Andrea, 2011; D’Andrea and Mamone, 2011; D’Andrea and Silva, 2011).

From the intensity of research efforts, one might assume that there exists a common

understanding of the BoP market. In research practice, the topic still evolves in conceptualizations and interpretations of the BoP. For example, Karnani (2007, p. 90) jeopardized the existence of a fortune at the *base of the pyramid* and describes it as “a mirage of marketing to poor people”. The author suggests that BoP should not focus on the poor as consumers rather than to view the poor as producers. When variation in understanding provides a fertile ground for the vitality of the BoP research, it has also created confusion over viability of the topic. A lack of clarity can impede progress on the theoretical front, and prevent empirical work from cumulating.

Our study reviews the existing literature on the BoP. We contribute to a better understanding of the BoP in two different ways. First, we provide a descriptive analysis of the existing published contributions. The descriptive analysis includes an assessment of the ration between empirical and conceptual papers, nature of empirical evidences (countries, products and services, BoP segments, and so on) as well as the research methodology. Second, we use a co-citation analysis to explore the structure of the BOP research. Based on the assumption that citation counts are valid measure of prominence and influence, we identify the intellectual core of research on the innovation at the BoP.

In the next section, we discuss the BoP topic in more detail. In section 3, we describe the research methodology for the descriptive analysis and the co-citation analysis. Section 4 highlights the results of both analyses. Finally, we discuss the impact of our research and define future research directions.

2 Background on innovation at the base of the pyramid

BoP represents the low-income socio-economic segment in developing countries. Low-income is typically defined by a particular income line, which is close to general definition of poverty line. It means that the global population is divided into segments based on purchasing power parity (PPP). BoP authors have articulated different PPP line. The line ranges from \$1500 to \$2000 per annum (about \$ 4 to \$6) to 1\$ or 2 \$ per day (London et al., 2010). The World Resource Institute used \$3260 in 2005.

Besides the income level, researchers agree that BoP lives primarily in the informal sector. The BoP is not protected by established institutional rules found in the formal economy (Feige, 1990; de Soto, 2000). A key challenge for innovating at the BoP is the informal nature of the market environment (London and Hart, 2004). The literature about innovation at the BoP combines two domains, namely business strategy and poverty alleviation (London, Anupindi, and Sheth, 2010). Business strategy and poverty alleviation have been for a long time studied in isolation. Business strategy research represents a market-base approach. Research on poverty alleviation concentrates on ways for the development to reducing poverty. Typical examples are donor programs, philanthropic efforts, voluntary investments of financial and/or technical resources and so on. As a growing number of private sector and socially-oriented organizations views the poor's unmet needs as untapped market opportunities, the business strategy (market-based approaches) is increasingly recognized as a potential contribution to reduce poverty.

The combination of business strategy and poverty alleviation departs from viewing this socio-economic segment as primarily aid recipients served by the development community. Emphasizing innovation at the base of the pyramid considers the BoP vibrant, albeit informal, or extralegal market segment (London and Hart, 2004; Simanis and Hart, 2006).

Research on business strategy has been initially focused on how to sell goods to the BoP socio-economic segment. Most contributions more or less focused on the market opportunity perspective. The emphasis was on innovation "at" the base of the pyramid. BoP socio-economic segment was addressed as potential consumers (Prahalad, 2004). Karnani (2007, p. 90) jeopardized the existence of a fortune at the *base of the pyramid* if this socio-economic segment is addressed only as consumers. The author argues that BoP should not focus on the poor as consumers rather than to view the poor as producers. Similarly, London et al. (2010) distinguishes into BoP as consumer and BoP as producers.

By approaching the BoP as consumers and producers, innovations could radically improve the lives of billions of people. Necessary innovations can be either driven by multinational enterprises (MNEs) or local business venture. A typical illustration of a MNE driving innovations at the BoP is Unilever's strategic initiative to penetrate the Indian BoP market (London and Hart,

2004). MNEs can succeed in the BoP market if they consider following three key aspects: (i) collaborating with non-traditional partners, (ii) co-inventing customer solutions, and (iii) building local capacity. Collaborating with non-traditional means that MNEs instead of relying on their local subsidiaries and familiar partners, should open up to a diverse set of corporate and non-corporate partners. Specifically, non-corporate or non-profit partners bring in expertise on social infrastructure and can enhance the local legitimacy. In terms of co-inventing customer solutions, MNEs should encourage strong modifications in their products and services addressing the BoP market. In order to understand, which modifications are essential and which not, MNEs should apply a set of methods accelerating user innovations. It is also beneficial to let product and service innovations to co-evolve with the design of the business model. Furthermore, instead of emphasizing value proposition in terms of product, MNEs should focus value propositions in terms of value-in-use. Another critical factor for MNEs is the establishment of local entrepreneurs, which become a vital part in MNEs value creation.

Lately, research has gone beyond MNEs. Indigenous companies such as local entrepreneurs, community-driven enterprises, or entrepreneurial-oriented NGOs can establish business ventures that create mutual value with the BoP (Prahalad, 2004; London and Hart, 2004). If indigenous companies are able to meet local needs of the BoP and can improve their economic performance, mutual value could be created between the indigenous companies and the BoP. While there is a variety of indigenous companies and own a substantial amount of assets, indigenous companies face productivity and transactional constraints. Productivity constraints refers to inability to access raw material, financial, and production resources. Transactional constraints covers ability to access the marketplace, assert market power, and obtain secure and consistent transactions. These constraints can create a vicious cycle, with low value capture preventing these companies from increasing the mutual value creation.

2 Research methodology

The research on the BoP has created a number of articles over the last decade. To analyze the increasing number of articles, we applied following procedure: (i) publication retrieval from the Scopus research database, (ii) descriptive analysis of key issues among the retrieved articles, and (iii) co-citation analysis.

First, we retrieved all papers from the Scopus research database with titles, abstracts, or keywords containing the expressions “*Innovation at the base or bottom of the pyramid*”. We also tracked the citations of the two seminal articles (Prahalad and Hammond (2002) and Hart and Christensen (2002). We realize that under this mechanism, contributions, including some of the initial ones made, such as in conference proceedings, readings and book chapters and case studies, both in English and in other languages, mentioned earlier, are left out the list of articles identified.

This yielded a set of 196 contributions, which were published in a variety of research areas. This indicates that the BoP topic is beginning to diffuse from the management field into fields such as engineering and information & communication technologies, business ethics and social responsibilities and other areas.

After describing the current status of publications, we derived the intellectual core of the topic. Among these 196 articles, we selected articles, which received a number of citations greater than the average number for citations (more than 10 citations). This threshold is relatively low compared to last practices. In line with Stefano et al.’s (2010) argumentation, we consider this lower threshold as being more objective due to including also recent publications with lower citation rates. Applying this threshold led to the identification of a core set of the 40 most influential contributions. The 40 articles were published in 14 different journals. The articles account for 89.1% of the total number of citations garnered by the entire set of the 196 journal articles. The complete list of this “Intellectual Core of Innovation at the Base of the Pyramid” is shown in Table 1.

Insert Table 1 around here

Third, co-citation analysis of documents is used to reveal a field’s underlying structure. Co-citations describe degrees of relatedness among the articles defining its intellectual core. It is a method for ascertaining the subject similarity between articles, based on the assumption that articles, which are often cited together, cover similar topics (White and Griffith, 1981). The more often articles are cited together, the stronger the relationship and the more likely they

belong to the same research direction (Crane, 1972).

Based on the co-citation frequencies, we compiled raw co-citation matrix. This is a square matrix, with rows and columns representing the articles in the set and cells representing the number of times each pair of documents has been cited together. Afterwards, this matrix is converted into a matrix of Pearson's correlation coefficients. Correlation coefficients represent a measure of similarity between two works. They are preferable to co-citation frequencies, since they make it possible to standardize the data and reduce the number of zeros, thus providing a better basis for subsequent statistical analyses (Rowlands, 1999). The last steps of co-citation analysis involve applying various multivariate techniques to analyze the data, and interpreting the findings.

3 Results

Descriptive analysis

The BoP topic is beginning to diffuse from the management into fields such as engineering and information & communication technologies, business ethics, social responsibilities and other areas. General management research counts for 57% of the existing contributions. Business ethics covers 13%. Engineering / Information and communication technologies cover 9% of the articles. Finally, there is a diverse set of other research fields, which are also using the BoP concept (21%).

Within the management area, general management dominates the contributions (46% of articles). Marketing counts for 17%, international management for 24%, innovation & technology management for 7%, entrepreneurship for 5% and service management only for 1%. The latter is surprising, because businesses at the BoP are mostly service activities. While there is a variety of journals, which publish articles on the BoP topic, articles in service research journals (Journal of Service Research, Journal of Service Management, Managing Service Quality, Service Industry Journal) seem to have neglected the topic. Journals, which steadily publish articles on the topic include the Journal of Business Ethics (13 articles), California Management Review (9 articles), and Journal of International Business Studies (5 articles). The BoP has also reached out into the highly-ranked journals such as Journal of Marketing (1

article), *Administrative Science Quarterly* (1 article), and *Academy of Management Review* (1 article).

The analysis of the type of papers shows a relatively high share of empirical papers. About 46% of the papers are empirical driven. 43% of the papers are purely conceptual. The remaining 11% of the papers are conceptual with some empirical evidences. However, the number of empirical papers does not suggest that there is strong empirical evidence on how companies can succeed in the BoP market. On the contrary, our analysis suggests that most empirical papers cover side aspects of the BoP discussion. For example, Treviño and Mixon (2002) investigate how strategic factors affect foreign direct investment decisions by multi-national enterprises in Latin America. The BoP market is only mentioned as a potential future area for foreign direct investments of MNEs. This is just one example of how the high number of empirical papers does not suggest that there is a high number of empirical examples. Looking into the real empirical evidences leads to very few contributions (see Table 2). Thus, despite the broad field for empirical research, the empirical examples of successful BoP businesses are very rare.

Insert Table 2 around here

Co-Citation analysis

The co-citation analysis of the selected articles revealed four sub-topics of the BOP research. The sub-topics can be named (i) strategic innovation with the BoP, (ii) BoP and corporate social responsibility, (iii) sustainable value, and (iv) relationships to other business topics. The sub-topic on strategic innovation covers research on activities of MNEs in emerging market as well as different ways of innovating with the BoP. The sub-topic on strategic innovation includes 16 papers, which is the highest number of papers. The second group includes papers, which discuss the BoP market from the perspective of corporate social responsibilities. This group includes nine papers. The last group comprises a variety of topics and includes 12 articles.

4 Conclusion

The BoP proposition has been presented by business strategists in the early 2000s. The authors have argued that, by traditionally focusing on serving the well-off at the top of the economic pyramid, companies have been blind to the vast possibilities for win-win business

opportunities in the markets of low-income people (Prahalad, 2004; Prahalad and Hammond, 2002). Numerous case studies inspired the discussion, but the empirical results discussed in the existing literature reflect still more anecdotal evidences than substantial empirical examples. Specifically, long-term studies and comprehensive data collections are missing. Future research should strengthen the support for the way that innovative entrepreneurial solutions can create value for both the poor and the involved companies (Prahalad, 2005; World Business Council for Sustainable Development, 2004). The four groups results from the co-citation analysis suggest that an increasing number of academics are realizing the potential of this new approach, but the discussion taking place is strongly multidisciplinary.

Furthermore, there is a great potential opportunity to learn from those organizations and activities which are happening everyday within the base of the pyramid in different countries from a variety of cultures in Asia, Latin America, Africa and Eastern Europe, in the way they are designing, operating, organizing and managing services.

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Tables

Author(s)	Title	Year	Journal	Number of citations
Margolis, J.D., Walsh, J.P.	Misery Loves Companies: Rethinking Social Initiatives by Business	2003	Administrative Science Quarterly 48 (2), pp. 268-305	409
Wright, M., Filatotchev, I., Hoskisson, R.E., Peng, M.W.	Strategy research in emerging economies: Challenging the conventional wisdom	2005	Journal of Management Studies 42 (1), pp. 1-33	248
Garriga, E., Melé, D.	Corporate social responsibility theories: Mapping the territory	2004	Journal of Business Ethics 53 (1-2), pp. 51-71	173
Chin, C.D., Linder, V., Sia, S.K.	Lab-on-a-chip devices for global health: Past studies and future opportunities	2007	Lab on a Chip - Miniaturisation for Chemistry and Biology 7 (1), pp. 41-57	168
Prahalad, C.K., Hammond, A.	Serving the world's poor, profitably	2002	Harvard Business Review 80 (9), pp. 48	156
Peng, M.W., Wang, D.Y.L., Jiang, Y.	An institution-based view of international business strategy: A focus on emerging economies	2008	Journal of International Business Studies 39 (5), pp. 920-936	127
London, T., Hart, S.L.	Reinventing strategies for emerging markets: Beyond the transnational model	2004	Journal of International Business Studies 35 (5), pp. 350-370	106
Hart, S.L., Milstein, M.B., Caggiano, J.	Creating sustainable value	2003	Academy of Management Executive 17 (2), pp. 56-69	92
Karnani, A.	The mirage of marketing to the bottom of the pyramid: How the private sector can help alleviate poverty	2007	California Management Review 49 (4), pp. 90-111	60
Burgess, S.M., Steenkamp, J.-B.E.M.	Marketing renaissance: How research in emerging markets advances marketing science and practice	2006	International Journal of Research in Marketing 23 (4), pp. 337-356	59
Hart, S.L., Christensen, S.	The great leap: Driving	2002	MIT Sloan	55

C.M.	innovation from the base of the pyramid		Management Review 44 (1), pp. 51-56	
Adler, N.J.	The arts & leadership: Now that we can do anything, what will we do?	2006	Academy of Management Learning and Education 5 (4), pp. 486-499	45
Ricart, J.E., Enright, M.J., Ghemawat, P., Hart, S.L., Khanna, T.	New frontiers in international strategy	2004	Journal of International Business Studies 35 (3), pp. 175-200	44
Frisby, W.	The good, the bad, and the ugly: Critical sport management research	2005	Journal of Sport Management 19 (1), pp. 1-12	42
Seelos, C., Mair, J.	Profitable business models and market creation in the context of deep poverty: A strategic view	2007	Academy of Management Perspectives 21 (4), pp. 49-63	36
Cuervo-Cazurra, A., Genc, M.	Transforming disadvantages into advantages: Developing-country MNEs in the least developed countries	2008	Journal of International Business Studies 39 (6), pp. 957-979	35
Prahalad, C.K.	The blinders of dominant logic	2004	Long Range Planning 37 (2), pp. 171-179	34
Jenkins, R.	Globalization, Corporate Social Responsibility and poverty	2005	International Affairs 81 (3), pp. 525-540+i-ii	30
Li, D., Eden, L., Hitt, M.A., Ireland, R.D.	Friends, acquaintances, or strangers? Partner selection in R&D alliances	2008	Academy of Management Journal 51 (2), pp. 315-334	30
Michel, S., Brown, S.W., Gallan, A.S.	An expanded and strategic view of discontinuous innovations: Deploying a service-dominant logic	2008	Journal of the Academy of Marketing Science 36 (1), pp. 54-66	27
Mirvis, P., Googins, B.	Stages of corporate citizenship	2006	California Management Review 48 (2), pp. 104-126+4	24
Cuervo-Cazurra, A.	The multinationalization of developing country MNEs: The case of multilatinas	2008	Journal of International Management 14 (2), pp. 138-154	23

Michel, S., Brown, S.W., Gallan, A.S.	Service-logic innovations: How to innovate customers, not products	2008	California Management Review 50 (3), pp. 49-65	22
Newell, P., Frynas, J.G.	Beyond CSR? Business, poverty and social justice: An introduction	2007	Third World Quarterly 28 (4), pp. 669-681	22
Werther Jr., W.B., Chandler, D.	Strategic corporate social responsibility as global brand insurance	2005	Business Horizons 48 (4), pp. 317-324	22
Bansal, P., Gao, J.	Building the future by looking to the past: Examining research published on organizations and environment	2006	Organization and Environment 19 (4), pp. 458-478	20
Treviño, L.J., Mixon Jr., F.G.	Strategic factors affecting foreign direct investment decisions by multi-national enterprises in Latin America	2004	Journal of World Business 39 (3), pp. 233-243	19
Neven, D., Reardon, T., Chege, J., Wang, H.	Supermarkets and consumers in Africa: The case of Nairobi, Kenya	2006	Journal of International Food and Agribusiness Marketing 18 (1-2), pp. 103-123	18
Vachani, S., Smith, N.C.	Socially responsible distribution: Distribution strategies for reaching the bottom of the pyramid	2008	California Management Review 50 (2), pp. 52-84	17
Spencer, J.W.	The impact of multinational enterprise strategy on indigenous enterprises: Horizontal spillovers and crowding out in developing countries	2008	Academy of Management Review 33 (2), pp. 341-361	16
Casadesus-Masanell, R., Ricart, J.E.	From strategy to business models and onto tactics	2010	Long Range Planning 43 (2-3), pp. 195-215	15
James, J.	From origins to implications: Key aspects in the debate over the digital divide	2007	Journal of Information Technology 22 (3), pp. 284-295	15
Vilanova, M., Lozano, J.M., Arenas, D.	Exploring the nature of the relationship between CSR and competitiveness	2009	Journal of Business Ethics 87 (SUPPL. 1), pp. 57-69	14

Kirchgeorg, M., Winn, M.I.	Sustainability marketing for the poorest of the poor	2006	Business Strategy and the Environment 15 (3), pp. 171-184	12
Witkowski, T.H.	Antiglobal challenges to marketing in developing countries: Exploring the ideological divide	2005	Journal of Public Policy and Marketing 24 (1), pp. 7-23	12
Halme, M., Laurila, J.	Philanthropy, integration or innovation? Exploring the financial and societal outcomes of different types of corporate responsibility	2009	Journal of Business Ethics 84 (3), pp. 325-339	11
Peng, M.W., Pleggenkuhle-Miles, E.G.	Current debates in global strategy	2009	International Journal of Management Reviews 11 (1), pp. 51-68	11
Vachani, S., Craig Smith, N.	Socially responsible pricing: Lessons from the pricing of AIDS drugs in developing countries	2004	California Management Review 47 (1), pp. 117-144+5	11
Cohen, B., Smith, B., Mitchell, R.	Toward a sustainable conceptualization of dependent variables in entrepreneurship research	2008	Business Strategy and the Environment 17 (2), pp. 107-119	10
Copestake, J.	Mainstreaming Microfinance: Social Performance Management or Mission Drift?	2007	World Development 35 (10), pp. 1721-1738	10
Frynas, J.G.	Corporate social responsibility and international development: Critical assessment	2008	Corporate Governance 16 (4), pp. 274-281	10
Ilahiane, H., Sherry, J.	Joutia: Street vendor entrepreneurship and the informal economy of information and communication technologies in Morocco	2008	Journal of North African Studies 13 (2), pp. 243-255	10

Table 1: Intellectual core of the BoP literature.

Author(s)	Case studies	Data collection	Time frame
Schuster & Holtbrügge (2011)	3 case studies (Allianz, Unilever, Vodafone)	Secondary data (e.g. reports, articles) Primary data (18 phone interviews)	Estimated to be five to
London et al. (2010)	64 business ventures based	Secondary data Productivity constraints Transaction constraints	Snapshot
Sanchez & Ricart (2010)	7 in-depth cases (Star, Amanco Guatemala, Hindustan Unilever Ltd., Nike, CEMEX, Tetra Pak, Philips India)	1 to 13 personal interviews Field trips 1 to 2 phone interviews Presentations & further secondary data	Estimated to be about 2 to 4 years
Seelos, C., Mair, J. (2007)	3 case studies (Grameen Phone and Telenor, Map Agro and Waste Concern, Aurolap and Aravind)	Information from interviews and secondary data	Snapshot (about one year)
Vachani, S., Smith, N.C. (2008)	Three case studies (ITC limited e-Chopal, Gyan Shala, and Departments of Posts)	Data were gathered through 20 in-depth interviews with rural entrepreneurs, slum dwellers, managers, bureaucrats, and NGO officials	Snapshot (about one year)
Letelier, M.F., Flores, F., Spinosa, C. (2003)	Three case studies (Grameen Bank, CEMEX, and Fleet's First Community Bank)	Not available	Not available
Kuriyan, R., Ray, I., Toyama, K. (2008)	One case (Akshaya project, a franchise of computer-service kiosks in Kerala)	141 open-ended interviews with participant observation	Retrospective
Garrette, B., Karnani, A. (2010)	Three case studies (Essilor and Vision Correction, P&G and Clean Drinking Water, and Grameen-Danone and Child Nutrition)	Data from published sources and private conversations with senior executives from the companies.	Not available
Thieme, T., Dekoszmovszky, J. (2010)	One case on sanitation services in Nairobi	Interviews with different stakeholders	2 to 3 years
Prahalad & Hart (2002)	4 Main case studies (Unilever, Nirma, Grameen, Solar Light Fund, Body Shop)	Interviews and conferences	Estimated to be 2 to 4 years

Table 2: Empirical evidences.

Analysis of Operating Room Utilization

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Abstract.

Purpose – This paper seeks to analyze deeper the utilization in the Operating Room at one of hospital in Bandung Indonesia.

Design/Methodology/Approach – Simple statistical approach is adopted to study the current condition in the Operating Room and Monte Carlo simulation is used to describe the maximum utilization that operating room could achieve. Literature study that has been conducted was used as a reference to explain about utilization.

Findings – There are misguided understanding about utilization terms in this hospital, it will lead the hospital far from their goal for improvement. The initial analysis of operating room utilization find that there are many underutilized room because of higher time slack compared with utilization in rooms. Monte Carlo analysis help this operating room to provide an overview about their performance.

Research Limitation – This study only saw the current condition with simple statistical approach in limited factors, it would be better if we can include another factors for details. Our Monte Carlo simulation only provide the ideal factors of operating room with less consideration of cancellation factors or staffs factors.

Practical Implication – With the depth understanding of utilization in operating room, staffs will be able to explain their current condition and doing many improvements into their processes. This initial step will lead to the transformation in their process.

Originality/value – This paper provide useful insight to both hospital staffs and researcher to bring transformation in operating room policies.

Keywords – Operating Room, efficiency, utilization, Patient satisfaction.

Article classification – Research Paper

Introduction

Service is positioned at the center of economic activities in any society. One significant segment of the service sector is health care industry. Health care service is a patient-oriented service that requires continues interaction with customers(Li et al, 2002: 389). Surgery is one of the most important functions in hospitals and it generates revenue and admissions to hospitals. The operating cost of a surgery department is the one of the largest hospital cost category, approximately one-third of the total cost (Daiki Mean, 2010:642)

Operating Room performace often described as utilization which means optimum

utilization that may achieved will result in more efficient operating rooms (Erdogan and Denton:2009, Dexter and Traub:2002). One of the hospital in Bandung deals with this issue. As a teaching hospital, made their requirement to be the best hospital in West Java is more difficult to be achieved.

In Indonesia, especially in this Bandung hospital sought that they are not concerned with the service level in their operating room. Evidenced by our interview that the hospital have long waiting list for surgery yet its utilization is still in low level. Even the patients have to wait more than a month to be scheduled in surgery activity. This opposite condition between utilization level and patient waiting time become the evidence that operating room in this hospital must be analyzed.

In general, Hospital Operating room was designed with 3 types of surgery activity:

1. Elective surgery

Elective surgery represent the surgery was well planned. (Cardoen, et.al: 922) The patients of this surgery may need recovery in the hospital for some time. They cannot go home directly after surgery finished.

2. Emergencies (24-hours) surgery

Emergencies surgery means that surgery has to be performed as soon as possible because of emergencies situation (Cardoen, et.al: 922).

3. One-day surgery

One-day surgery means that patient came at surgery time, pre-operation preparation has been done at home. And after surgery finished, they can go home at the moment.

Hospital management technique for operating room must be evaluated, where their basic understanding about the utilization terms is relatively different with the official definition of the utilization. In their perspective, utilization described by the amount of surgery activities that have been done in each day and each room. Meanwhile, the authentic terms of utilization is the sum of time it takes to perform each surgical procedure plus the total turnover time divided by the time available (Tyler, et.al:2003). Therefore, this study has the importance to reveal and expose deeper about the utilization. This study will also use montecarlo simulation to provide an overview to the hospital about their maximum utilization that can be achieved.

Healthcare Management

Hospitality provides a commitment to meeting guests' needs as the primary focus in commercial operations through a host and guest relationship. The host and guest relationship is further characterized by hospitableness typically extended by the host to the guests then reciprocated by the guest to the host. Hospitableness includes a welcoming attitude and environment. These two, backed by genuine company actions, go beyond excellent service to create unforgettable experiences. Viewed from this lens, an organization wide philosophy of hospitality is applicable to, and can help improve exchanges for any business. A hospital setting where the patient is a sick

guest provides an extreme example of the host/guest exchange. Many hospitals have integrated programs that have enhanced patient stays by adapting strategies used in the hospitality industry. These programs are directed at enhancing the process and people interactions across the patient experience (i.e. resemble the functional quality aspects of service) (Severt, et al: 2007). Hospitality itself means the service based industry. Based on Richard Teare (1996), hospitality industry developed four frameworks in their business execution:

1. Business Performance
2. Customer and service improvement
3. Operations and the curriculum
4. Strategy and development

Health care is normally defined as the management or treatment of any health problem through the services that might be offered by medical, nursing, dental, or any other related service. When we talk about the care of health, we are talking of all goods and services that are produced to improve on our health. They may be curative, preventative or even palliative solutions. A system of health care is one that is organized to give health services to a population or a group of people. (Wanjuku:2009)

The managerial aspect of providing health services to patients in hospitals is becoming increasingly important. Hospitals want to reduce costs and improve their financial assets, on the one hand, while they want to maximize the level of patient satisfaction, on the other hand. One unit that is of particular interest is the operating theater. Since this facility is the hospital's largest cost and revenue center (Cardoenet all, 2009: 921)

Until now research on operations strategy in Indonesian state-owned hospitals has not been well developed, especially when it relates operations strategy to the current health service condition. Most of the operations-oriented studies focus narrowly on issues of hospital cost containment, capacity planning, or personnel scheduling. (Li et al, 2002: 390)

Health care management has evolved into a dynamic and complex field. This diverse industry is always changing due to scientific discoveries that bring significant contributions to improve the health standards of our communities. The changes have moved on to determine new ways about how and where health care is provided.

Li et al (2002: 402) found that the obvious differences in previous hospital research and current hospital practice in managing demand is that previous research tends to focus on a reactive approach to manage demand through internal improvement of facility utilization and better scheduling policies.

Integration in Healthcare Management

Healthcare operations encompass a much broader range of decisions than those currently found in the literature, and are a significant factor in health care strategic planning and management. Research on operations strategy in the service sector is relatively new, and it has yet to greatly influence hospital strategic planning.

A collaborative effort by physicians, nurses, dietitians, pharmacists and others was determined to be vital for the success of the effort. Four components were identified as necessary to achieve the goal: (1) a standard set of physician orders; (2) a multi-disciplinary plan of care outlined in daily increments; (3) specifically identified clinical and patient/family teaching outcomes to be achieved by time of discharge; and (4) detailed descriptions defining the specific standard of care and related clinical rationale. (Butler et al, 1996: 138)

Given the constraints of location and size, hospitals have forged partnerships with physicians and other hospitals. Most physicians are not hospital employees, but are granted privileges to practice health service in hospitals. What physicians do or do not do, and what they say or do not say can affect all hospital decisions, including the decisions to diversify into new services and new markets. Therefore, forging partnerships with physicians can enlarge service scope and ensure a service volume for a hospital. This volume will affect intermediate decisions such as demand management and workforce management, and will indirectly affect cost performance. (Li et al, 2002: 402)

Integrated Healthcare Management is the systematic application of processes and shared information to optimize the coordination of benefits and care for the healthcare consumer. Integration of healthcare management not only observes the relationship between customer (patients) and hospitals but also the inter-relationship between departments in the healthcare systems. This integrated management will support the effectiveness and efficiency of hospital. Hospital strategic planning can be performed at the corporate level by examining the hospital "system" which would include hospitals, HMOs, walk-in clinics, and other health-oriented businesses (Butler et al, 1996). The integrative model and feedback of strategic level of hospital can be demonstrated in fig 1.

[Figure 1. Integrative model and feedback of strategic level of hospital]

Operating Room Management

Caring for patients in traditionally designed, large teaching hospitals is often frustrating. Attempts at decreasing internal costs and inpatient length of stay are universally undertaken in order to address dwindling reimbursement, and patient care becomes more specialized and fractionated. These attempts have proven to be myopic, at best, and injurious to patient care and professional job satisfaction, at worst. Nowhere in the hospital is this drive for cost containment and increased patient volume more evident than in the operating theatre. Long-term improvements must embrace radical reduction of OR costs and increased operative patient throughput, (i.e. per 8 h day; per fiscal year) by re-engineering the processes of operative patient care. During the re-engineering processes, teaching hospitals must also preserve the mission of resident education. In the end, the

ultimate goal of safe and high-quality patient care must not be compromised.(Giroto et al, 2010: 359)

Two major patient classes are considered in the literature on operating room planning and scheduling, namely elective and non-elective patients. The former class represents patients for whom the surgery can be well planned in advance, whereas the latter class groups patients for whom a surgery is unexpected and hence needs to be performed urgently.

Bowers and Mould group orthopaedic urgencies into trauma sessions and use Monte-Carlo simulation to determine which session length balances the amount of session overruns with an acceptable utilization rate. They furthermore provide both a discrete-event simulation model and an analytical approximation to explore the effects of including elective patients in the trauma session.

Managing the operating theater, however, is hard due to the conflicting priorities and the preferences of its stakeholders, but also due to the scarcity of costly resources. Moreover, health managers have to anticipate the increasing demand for surgical services caused by the aging population. These factors clearly stress the need for efficiency and necessitate the development of adequate planning and scheduling procedures. (Cardoen et al, 2009: 921)

Based on Weinbroum,et al (2002), the frequent changes in resources, objectives, and methods of health provision in contemporary medical systems necessitate repeated assessment of all its aspects. The dictate to economize and the reality of reduced investment oblige hospitals, regardless of their economic autonomy, to provide the best possible and competitive health care services with increased efficiency. The operating room was not used for the given patient for a period equivalent to 5 working days every month, and this amount of time could be reduced. They also found that most lost time was due to the unavailability of a room or staff, but this could not be easily remedied, and that inaccurate surgical time predictions potentially increased subefficiency by another quarter.

Sarah westbury et al (2009) have conducted research and find that that describing demand for surgery in terms of time required to complete the operations booked (rather than in terms of simply the number of patients booked) helps tailor the capacity (itself expressed as time available). they also found that estimates for the times needed to complete common operations do not vary significantly between staff groups (or with theatre logs), or between the two very different hospitals we studied. Finally, the use of the time data to plan lists as a whole is helpful in generating efficient surgical performance.

Accurate scheduling of operation, matching needs with availability of room and staff, and efficient utilisation of the surgical unit can provide appropriate and accessible service to patient with limited resources (Weinbroum, et.al:2002). The process for scheduling surgeries may differ from one hospital to another. One common system is *block-booking*. In this system, the OR was allocated specifically and uninterrupted. OR are reserved for individual surgeons or surgical specialties. Another system is *non-blocked* or *open-booking*. In this systems surgeons submit requests for OR time. Surgeries are scheduled on a first come-first serve basis. In both block-booking and open-booking systems a detailed schedule of surgeries is generated which includes surgery-to-OR assignments and estimated start times. (Erdogan and Denton, 2009)

Research result from Dexter et al (2003) obtained that OR efficiency is only slightly less when the service whose time is released is the service that has the most allocated but unscheduled (i.e., unfilled) OR time at the moment the new case is scheduled. In contrast, compromising by releasing the OR time of a service other than the one with the most allocated but unscheduled OR time markedly reduces OR efficiency. OR managers can use these results when releasing allocated OR time. At many surgical suites, surgeons and patients choose the day of surgery, cases are not turned away, and staffing is adjusted to maximize OR efficiency. Previously, they showed that if a service has filled its allocated OR time, OR efficiency is enhanced by scheduling, if possible, extra cases into the regularly scheduled OR time of a different service that has underutilized OR time. In this study showed that the service whose OR time is released can be the service with the largest difference between allocated and scheduled OR time at the moment when the new case is scheduled.

Another research was conducted by Mark Van Houdenhoven et al (2007:707-714) result that lowering organizational barriers and applying mathematical algorithms can yield a 4.5% point increase in OR utilization (95% confidence interval 4.0%–5.0%). This is obtained by reducing the total required OR time. Efficient OR departments can further improve their efficiency. The paper shows that a radical cultural change that comprises the use of mathematical algorithms and lowering organizational barriers improves OR utilization. The study showed how to improve OR efficiency by combining advanced mathematical and financial techniques with the lowering of organizational barriers.

As challenges for health OR we have pointed at more involvement of OR researchers at the stages of identifying consumer requirements, and developing a new service, stronger collaboration with public health clinicians and epidemiologists in the stage of forecasting demand and with economists in the stage of securing resources. Other areas of challenge are developing better criteria for measuring performance (e.g. waiting times) and more realistic and robust targets for healthcare performance (e.g. occupancy levels and stochastic variation). Healthcare organisations are in transition from a supply-orientation to a demand driven organisation. This offers many opportunities for health OR. The key challenges facing healthcare providers in future years are perhaps more organisational and logistical than medical and scientific advances. How can these complex healthcare organizations manage themselves, and deliver care efficiently and effectively to an ageing and ever more demanding population, with limited budgets, advancing medical technology and increased expectations is a Grand Challenge indeed and a key role for OR. (Braissfold, and Vissers, 2010: 234)

Monte Carlo Simulation

Simulation is a tool in which a mathematical model is built to act like a target system in certain important respect (Dexter et al, 1999). The concept of Monte Carlo simulation is based on generation of multiple trials to determine the expected value of a random variable (projectsmart.co.uk). In Monte Carlo simulation, it is assumed that behavior of one or more factor can be represented by a probability distribution (Dexter and Macario, 1999)

Methodology

To conduct this research, we followed a few steps i.e.: problem definition, literature review, methodology, result, and discussion. The first step that we performed was field observation to find the problem definition, the field observation was held from July to November 2011 at one of hospital in Bandung. After defined the problem definition, literature study was carried out to build theoretical framework in operating room and operating room utilization. The next step was doing the research, for doing research we collect the data from the hospital and after that, we performed analysis for existing performance processes and their current method of scheduling. The detail explanation of research methodology will be discussed later.

[Figure 2. Research Steps]

Data Collection

The study was conducted in one of hospital in Bandung and focused on elective rooms which consist of nine rooms. These rooms are specific for each department. There are:

1. Orthopaedic Surgery,
2. Digestive surgery
3. Plastic surgery
4. Obstetrics and gynaecology surgery
5. Oral surgery
6. Pediatric surgery
7. Neurosurgery
8. Oncology
9. Thorax surgery
10. Urology surgery
11. Vascular surgery
12. Ear Nose Throat (ENT) surgery

It will use all the elective cases performed at surgical suites among September 2011 and November 2011 that contains 1215 data. The study period excludes weekend and holidays. Official operating rooms work hour is from 8.00 am – 17.00 pm.

Data used are scheduled surgery and surgery duration. Surgery duration was defined as the time from when the doctors starting the surgery until they finished, and patient move to post anesthesia care unit (PACU). Initial planning of this operating room is three scheduled surgeries per day in each room. Scheduled surgery data was used to see the difference of the scheduled surgery and the realization.

Existing Performance Analysis

Existing performance analysis allows us to find out existing condition in the operating

room. This will provide information on an existing method of scheduling and planning of hospital effectiveness.

Number of scheduled surgery (i) will be used as a standard to achieve. Then the hospital define some measurement such as percentage of Actual surgery (ii); percentage of emergencies cases (iii); percentage of surgery cancellation = (iv); switching room = (v) as follows:

- 错误！未找到引用源。 (1)
- 错误！未找到引用源。 (2)
- 错误！未找到引用源。 (3)
- 错误！未找到引用源。 (4)
- 错误！未找到引用源。 (5)

Block Planned Analysis

This hospital applied block-booking concept, where each room is allocated for specific surgery planning. The schedules can be seen in table 1.

[Table 1. Block-booking aloocation in Hospital]

Block planned analysis will perform in operating room to find the existing condition in this operating room. We will calculate the overall utilization and each room utilization and then comparing the result. We expect to see the time slack in the operating room to analyze how well the current planning of them. The time slack that found will describe the efficiency of hospital itself. Time slack is unused OR time that have an opportunity to be optimized.

- 错误！未找到引用源。 (6)

Result

To describeth the existing performance of operating rooms, we calculate some measures by equation (1) to (5). The result shows surgery activity profile as seen in table 2. Definition of actual surgery is the number of surgery that successfully held, while emergencies cases added are the number of surgery which is not scheduled but has to be conducted due to patient emergency condition. Surgery cancellation is surgery that is not successfully held because of many reasons, one of them is patient condition did not meet requirement before surgery. Switching room term is surgery which has not followed the initial room schedule. Number of completed surgery is surgeries which successfully held according to initial planning.

[Table 2. Surgery activity Profile]

Overall result of surgery activity are: average percentage actual surgery from September 2011 to November 2011 is 88%, where average percentage of cancellation rate is 13%, and the emergencies cases added is 1%. Average percentage of switching room is 4%, and average completed scheduled surgery is 95%.

In block planned analysis, time available in operating rooms is 8 hours and we only sought the performance in November 2011 which has 419 surgery. Using equation (6), we got the result for each room utilization, this result described in table 3. Time slack of each room is calculated with 100% utilization as reference and it shows in table 4.

[Table 3. Utilization (%)]

[Table 4. Time slack of each room]

Block-planned analysis using Monte Carlo Simulation

Monte Carlo simulation is used because we intended to give the particular attention of the process happened in each room. The simulation is divided into three steps: pre-surgery, surgery, and post-surgery, we performed each simulation based on the time in each process. This simulation result average time per patient and flow time of surgery process. This simulation run into 1000 runs each. These simulations will highlight rooms 305, 306, 310, and 313. The result can be seen in fig. 3-10.

[Figure 3. Average time per patient in room 305]

[Figure 4. Flow time in room 305]

Average time per patient room 305 will be convergent at value 154 minutes, and flow time at value 312 minutes. Utilization obtained from simulation is 99,7%.

[Figure 5. Average time per patient in room 306]

[Figure 6. Flow time in room 306]

Average time per patient room 306 will be convergent at value 186 minutes, and flow time at value 372 minutes. Utilization obtained from simulation is 99,9%.

[Figure 7. Average time per patientin room 310]

[Figure 8. Flow time in room 310]

Average time per patientin room 310 will be convergent at value 150 minutes, and flow time at value 309 minutes. Utilization obtained from simulation is 99,6%.

[Figure 9. Average time per patientin room 313]

[Figure 10. Flow time in room 313]

Average time per patient room 313 will be convergent at value 388 minutes, and flow time at value 785 minutes. Utilization obtained from simulation is 99,9%.

Discussion

This operating room performed in average percentage of actual surgery was 88%. This result proven that this operating room can be improved. As we can see in surgery activity profile where their cancellation rate was 13%, but the add-on cases was only 1%. This high value of cancellation rate is high enough that affect their performance, but it needs further analysis to prove since this analysis did not provide the cancellation rate as one of the factor that affect their performance. From the add-on cases result, we can conclude that this hospital mostly apply the block-booking method. In some special cases, they can move to another room as we can see in the rate of switching room. Furthermore, this hospital is well enough in their determination of block-booking method. We cannot say that block booking method is the best method nor the open booking method. Because both of these systems have advantages and disadvantages. In open-booking systems, surgeries are scheduled on short notice and uncertain demand gives rise to variable OR utilization rates. Block-booking often overcome this disadvantage by allocating blocks of OR time to surgical specialties based on historical utilization rates. However, it does not allow blocked OR time to be used for other specialties or surgeons, which can result in unused OR time. Many hospitals use combination of open-booking and block-booking systems to overcome the disadvantages. ((Erdogan and Denton, 2009)

Moreover, this hospital did not give more attention in their efficient use of the operating room. Proved with their utilization in all rooms are unable to reach higher than 85%, where the optimal consideration of utilization is 97% (Weinbroum,et.al:2003). This number is sufficiently far from optimal utilization, it shows that they have a lot of unused time in their operating room. As the

problem stated before, many patients take a long time to be scheduled in surgery activity that they do not need to as if the hospital can improve their service, they can get more patient to match the demand.

The hospital also needs an improvement to raise their utilization. The aim of this improvement itself is to increase their efficiency which results in their ability to generate revenue for hospital. The highest utilization is from room 310 and 313. Room 310 is scheduled to oral, oncology, and orthopedic and 313 is scheduled for neuro surgery. From the calculation, neuro surgery acquires a lot of time to be done.

This simulation run over 1000 each and reaches its convergence value over 100 iterations. We can see from the chart figure 3 to 10 where the value has reach its convergence. From the simulation, it proved that room 313 spend more time in surgery process, its flow time result is the longest over all room with 785 in average. From this simulation, we can give an overview to the hospital about their maximum utilization in each room that they can achieve. It will be the reference for the hospital if they want to improve their services and processes. Yet our Monte Carlo simulation only simulates the ideal condition where the cancellation not occurs, naturally in the real situation many cancellations may occur.

Our study can reveal the actual current condition in this hospital where utilization is not their main consideration. The hospital should consider in relation to their improvement since they are facing a lot of competitor these days. They should realize that they have a lot of weaknesses that needs to be recovered. The real definition of utilization must be changed because it is official measurement of their performance. How can they make a benchmarking, for example, if they don't have a similar meaning about the measurement?

Conclusions

Operating Room is one of the important facilities of the hospital. One third of hospital revenue comes from surgery. Because of that, the efficiency of operating room is very important to become their consideration. Especially in Indonesia, where efficiency is not main consideration of hospital, this situation has been changed by the time competition of hospital is relatively high. Many researches have been conducted to increase operating room efficiency but those researches mostly done in foreign country. Operating room analysis in is a new issue to discuss and our Monte Carlo analysis can describe the maximum performance of the hospital and become their reference to improve the service level of their operating room

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Intermediary services online: Customer experience as a mediator to brand image and loyalty

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Abstract

Over the past decade technology has dramatically changed the customer interface in services. Employees have been removed from service encounters and customers interact with a system to perform service work themselves (Bolton & Saxena-Iyer 2009; Meuter et al. 2000). Scholars call for research that investigates this changed customer experience (Ostrom et al. 2010), question whether customers always view it positively (Lings et al. 2004; Reinders et al. 2008) and seek to understand the long-term loyalty implications (Bolton & Saxena-Iyer 2009). They note that brand equity can play an important role in the success of an organisation but that little empirical research has been conducted to examine the impact of customer experience on brand equity (Biedenbach and Marell, 2010). Hence, we are interested in testing customers' responses to their virtual experiences and brands (brand image and loyalty) when intermediary online technologies replace service employees.

To test customer responses, we used a cross-sectional field study via an online survey (n = 520) executed by a national panel in Australia. Two brands (WebJet and Wotif) consistent with the self-directive classification of Cho and Menor (2010) were investigated with respect to online purchasing of reservations and bookings for travel or accommodation. Only those familiar with both test brands completed the questionnaire. Three major

constructs were measured and, wherever possible, items for scales were drawn from the literature: customer experience, where we expected four dimensions including the online service interface, social environment and customer voice, emotional responses and satisfaction (partly covered by Kim et al. 2011); brand image (Padgett and Allen 1997) and brand loyalty in services (Zeithaml et al 1996). Exploratory and confirmatory factor analyses have been used to refine the scales and the structural model tested using Amos 19.

Key findings are that only two dimensions of customer experience were identified: virtual environment and satisfaction. These two dimensions demonstrate different effects with respect to brand image and loyalty. Customer experience acts as a mediator to brand image for both the virtual environment and satisfaction, but brand image does not mediate the relationship between customer experience and loyalty. Rather, consistent with other studies in service management, satisfaction demonstrates a direct path to loyalty. Multi-group analysis was performed to test whether there was a significant difference in the structural weights within the model between the two brands, WebJet and Wotif. At $p > 0.05$, the paths remain consistent between the two brands, meaning that the model appears to apply to bookings for travel and accommodation. Overall, our findings emphasise the role of customer experience in building the brand image of intermediary services and highlight the differences due to the virtual environment and customer attitudes.

The paper will present and interpret the findings, discuss managerial implications, and conclude with potential future research in a global context.

Key words: online customer experience, service interface, brand image, brand loyalty, empirical study, Australia

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Extended abstract

Introduction

Technology has dramatically changed the customer interface in services. Employees have been removed from service encounters and customers interact with a system to perform service work themselves (Bolton & Saxena-Iyer 2009; Meuter et al. 2000). Scholars call for research that investigates this changed customer experience (Ostrom et al. 2010), question whether customers always view it positively (Lings et al. 2004; Reinders et al. 2008) and seek to understand the long-term loyalty implications (Bolton & Saxena-Iyer 2009). They note that brand equity can play an important role in the success of an organisation but that little empirical research has been conducted to examine the impact of customer experience on brand equity (Biedenbach and Marell, 2010). Hence, this study aims to test customers' responses to their virtual experiences and brands when intermediary online technologies replace service employees.

Customer experience (CE) is defined as the internal and subjective response customers have to any contact with a company (Meyer and Schwager 2007, p2). In the context of product use, researchers have long recognised that experience can influence consumer attitudes and behaviours but less attention has been given to understanding the impact of customer experience in services (Biedenbach and Marell, 2010). In the online context, CE is a function of the characteristics of the service interface (technology and firm support), interactions with others and/or the ability to use reliable sources, achievement of desired outcome, and feelings of affect and satisfaction. Hence, in measuring CE, we seek attitudinal responses to the service situation (satisfaction with the experience and the virtual environment), that is, we focus not on the technology per se, but how the technology interface facilitates the overall customer experience.

This project investigates customer experience with respect to specific service brands. Service branding has received much less attention than goods branding although it is acknowledged as important and related to customer attitudes and retention (Berry, 2003; Brodie et al. 2006; Ostrom et al. 2010). Further, scholars note that brand equity can play an important role in the success of an organisation but that little empirical research has been conducted to examine the impact of customer experience on brand equity (Biedenbach and Marell, 2010). Brand equity comprises four dimensions: brand awareness, brand associations, perceived quality and brand loyalty (Aaker, 1991). The proposed research will focus on the latter three dimensions (as known service brands will be used) examining both brand image (associations and perceived quality) and brand loyalty (the likelihood that the customer will remain a user of the brand, and also provide positive recommendations to others).

The hypotheses guiding the study are:

- H1 Consumer experience will be positively related to online service brand image
- H2 Consumer experience will be positively related to online service brand loyalty
- H3 Online service brand image will be positively related to online service brand loyalty
- H4 Online service brand image will partially mediate the relationship between consumer experience and online service brand loyalty

Methodology

We focus on the brand associated with a website that replaces an interaction with a service employee (eg Webjet), rather than the actual provider of a specific service (eg airlines such as Qantas or Jetstar). Such intermediary websites are becoming more common in pure services but the implications of their use are relatively unexplored.

To test customer responses, we used a cross-sectional field study via an online survey ($n = 520$) executed by a national panel in Australia. Two intermediary service brands (WebJet and Wotif) consistent with the self-directive classification of Cho and Menor (2010) were investigated with respect to online purchasing of reservations and bookings for travel or accommodation. Respondents were restricted to adults (more than 18 years) who had used the two selected online travel sites within the previous year. The sample represented males and females evenly ($\approx 50\%$ each), the age category 25 – 34 years was dominant (27%) and most participants had qualifications beyond high school ($\approx 70\%$).

Three major constructs were measured and, wherever possible, items for scales were drawn from the literature: customer experience (satisfaction and the virtual environment) (partly from by Kim et al. 2011); brand image (Padgett and Allen 1997) and brand loyalty in services (Zeithaml et al 1996). Exploratory and confirmatory factor analyses were used to refine the scales and the structural model tested using Amos 19. Multi-group analysis was performed to identify whether the hypothesised structural model provided an adequate fit across both online travel brands.

Results

We consider the two dimensions of CE (satisfaction and virtual environment) separately. Table 1 shows details of the path analysis and Figure 1 provides a visual summary of the model. Satisfaction with the experience was found to have a significant positive influence on both brand image ($p < 0.01$) and brand loyalty ($p < 0.01$) for both online travel brands (supporting H1). However, the virtual environment was found to have a significant influence on brand image only for online travel brand 2, and H2 is partially supported. Similarly, a significant relationship between brand image and brand loyalty was not found for both online travel brands (online travel brand 1 only) (H3 only partially supported) and consequently H4 is also only partially supported.

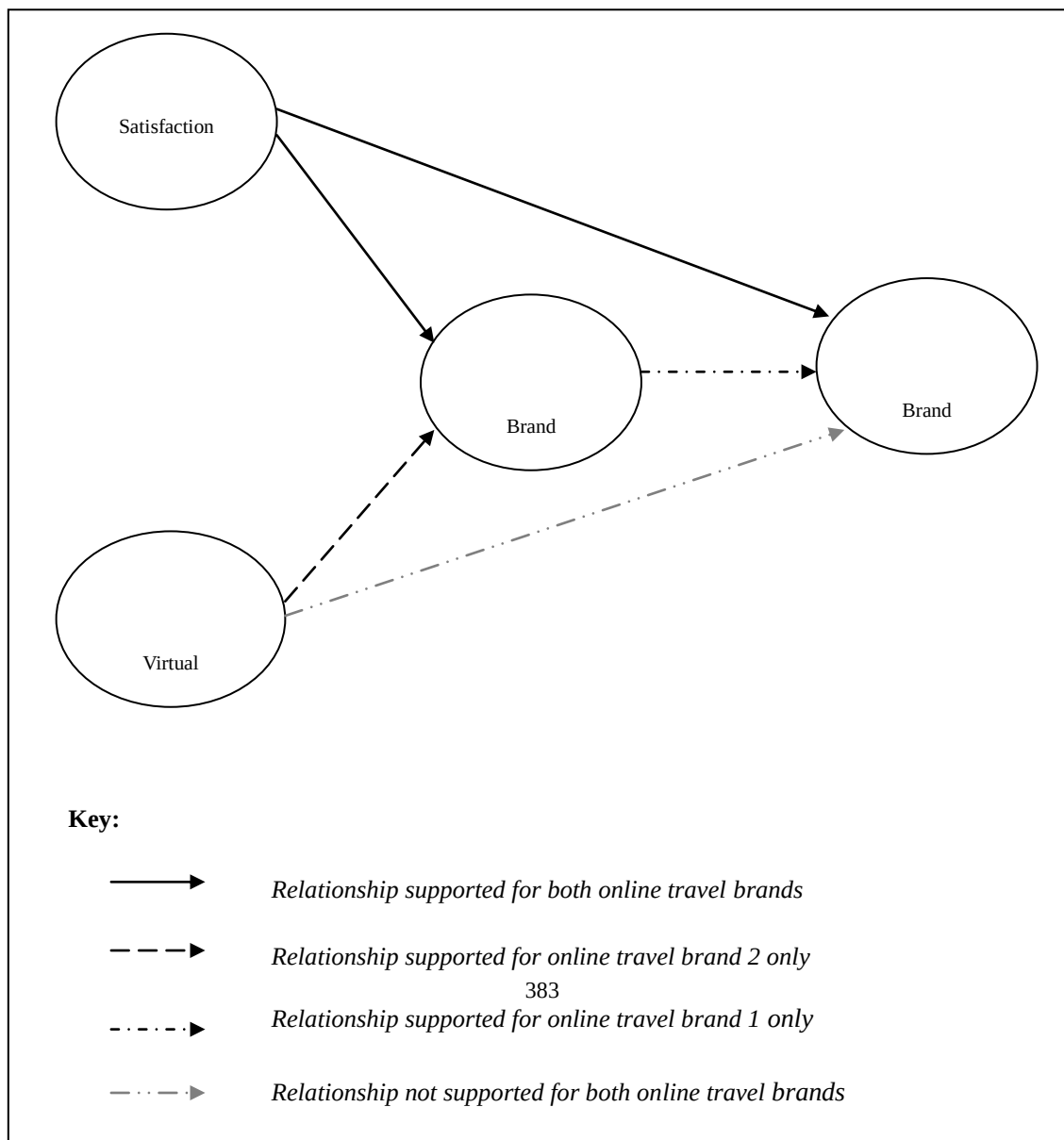
Table 1: Maximum Likelihood Estimates for Structural Model

Hypothesis	Relationship	Travel Brand 1 (WebJet)		Travel Brand 2 (Wotif)	
		Standardized Estimate	<i>t</i> -value	Standardized Estimate	<i>t</i> -value

H1a	Satisfaction → Brand Image	0.60**	6.62	0.39**	3.94
H1b	Virtual Environment → Brand Image	-0.07	-0.78	0.32**	3.20
H2a	Satisfaction → Brand Loyalty	0.86**	10.82	0.92**	10.72
H2b	Virtual Environment → Brand Loyalty	-0.08	-1.17	-0.03	-0.38
H3	Brand Image → Brand Loyalty	0.10*	2.33	0.01	0.304

A multi-group analysis was undertaken to examine whether frequency of use moderated the relationships hypothesised. The measure of frequency was dichotomised (median split) to represent ‘frequent’ (n = 205) and ‘infrequent’ (n = 294) ‘users’ of one online travel brand and overall, fit indices indicated that an acceptable model fit was achieved ($\chi^2_{(213)} = 386.42$, $p < 0.01$, [$\chi^2/df = 1.81$]; NNFI = 0.962, CFI = 0.969; RMSEA = 0.041; SRMR = 0.052). Hence, we conclude that frequency of use does not moderate the hypothesised relationships. Specific results for frequent and infrequent users are similar to those in Table 1 with one exception, as follows. Brand image is positively linked to brand loyalty only for frequent users.

Figure 1: Structural model showing major findings



Conclusion

This study demonstrates that the effects of consumer experience when using online intermediaries for travel and accommodation involves two dimensions: satisfaction and the virtual environment. The satisfaction dimension provides strong and consistent direct effects to both online service brand image and online service brand loyalty. However, brand image mediates the relationship to brand loyalty in only one case, suggesting that the service image of an intermediary may not be a reliable predictor and contributor to service loyalty. Similarly, the dimension of online customer experience, virtual environment, did not lead to service loyalty for either brand and provided inconsistent results to brand image. Hence, this element of experience appears less likely to be an important aspect of building loyalty via intermediaries. We propose that successful online providers all meet minimum standards in their virtual space and this 'product' aspect is easier to imitate and maintain, when compared to the service aspects inherent in satisfaction with the experience. Overall, our study highlights the on-going contribution of satisfaction, as well as challenging assumptions about service brands in the context of online intermediaries. The presentation will further interpret the findings, discuss managerial implications, and conclude with potential future research.

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Effective service recovery as predictors of service trust, service loyalty and intention to recommend

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Abstract:

Purpose: Given the specific characteristics of services namely intangibility, inseparability, heterogeneity

and perishability, it is not unknown that providing customers with a first time, error free service is extremely difficult. It is, however, also a fact that competition is growing at an exponential rate and customers are gaining more power for many obvious reasons, for example, more consumer laws, consumerism movements and increased access to information. In the light of the new environment, service companies are constantly looking for means to absorb the ever-increasing competitive shocks, reduce switching behaviours and churn rates. In this context, the purpose of this paper is to investigate the influence of service recovery on service trust, service loyalty and word of mouth intentions and in a similar vein, the influence of service trust, service loyalty on word of mouth intentions.

Design/methodology/approach: Triangulation research methodologies have been used for the study at hand. The problem was explored, the relevant literature was reviewed and descriptive research was used to empirically test the hypotheses. A total of 109 respondents from different age groups and locations completed a face-to-face administered questionnaire. Stratified sampling was employed to increase the study's validity.

Findings – Service recovery (0.691) and (0.533) is an excellent predictor of service trust and service loyalty. Similarly, service trust (0.471) and (.201) is a very good predictor of word of mouth intentions and service loyalty. It was also found that service trust, service loyalty and word of mouth intentions do vary significantly across the different age groups.

Originality/value – To the author's best knowledge, there has been no apparent effort to empirically test the influence of service recovery on service trust, service loyalty and word of mouth intentions.

Keywords: Service recovery, switching behaviours, churn, service failure

INTRODUCTION

Basically, it is not a secret that the service industry is globally becoming more and more important and the fact that competition is growing at an exponential rate and customers are gaining more power for many obvious reasons, for example, more consumer laws, consumerism movements and increased access to information give service organizations no option than to enhance the service trust and loyalty by continuously reducing the service errors to ensure survival and sustainable growth. However, it is extremely difficult to provide customers with a reliable, first-time, error-free service because services are intangible, perishable, heterogeneous, consumed and produced at the same time (Bitner *et al.*, 1994, p. 95, Collie *et al.*, 2000; Fisk *et al.*, 1993; Hart *et al.*, 1990).;) These unavoidable product and service failures may imperil the goal of enhancing trust and customer loyalty. In fact, the inability to get service delivery right the first time is thought to lead significant losses to the organization in terms of lower loyalty, less repurchase intentions and significantly higher switch and external response intentions than those with resolved problems. Therefore, many service providers endeavour at 'doing the service very right the second time' (Berry and Parasuraman, 1991, p34). It was rightly argued that firms with the ability to react to service failures effectively and implement some form of service recovery will be in a much better position to retain profitable customers (Michel and Meuter, 2008). As a matter of fact, customers' voiced complaints offer service providers opportunity to rectify the problem and positively

influence subsequent consumer behaviour (Blodgett *et al.*, 1997; Colgate and Norris, 2001). It is, however, also In the light of the new environment, service companies are constantly looking for means to absorb the ever-increasing competitive shocks, reduce switching behaviours and churn rates. In this context, the purpose of this paper is to investigate the influence of service recovery on service trust, service loyalty and word of mouth intentions and in a similar vein, the influence of service trust, service loyalty on word of mouth intentions.

THE RESEARCH CONTEXT

The power of service recovery in the new environment

Service encounters may give rise to two outcomes namely satisfaction with the service offered or inevitable service failures. This fact exists since the very date, the first service encounter occurred. In the past, optimal customer satisfaction was not always a top priority of service organizations following a service delivery. However, with the recent wind of change, companies have started facing stiff and ever-increasing competitive pressures. Today, the choice of customers has widened and more than ever customers are less likely of forgiving of failures. Hirschman (1970) emphasized that in competitive markets it is not necessary that buyers will voice their complaints because they can easily exit and go elsewhere. This sector is characterized by both high customer turnover and high customer acquisition costs (Bolton, 1998). It is widely known that it costs much more to acquire new customers than to retain existing ones (Fornell and Wernerfelt, 1987; Kotler *et al.*, 2003; Spreng *et al.*, 1995).

These important messages have been continually repeated by service management gurus since 1980's. The war against reduction of churn rates is not new but the difference is that the intensity has changed.

In 2012, things have evolved further, the position of customers have been reaffirmed. Customers were and should be the prime focus of any business organization. Some organisations fail to realize that they are jeopardizing their existence by being insensitive to customers' request for fairness and justice. When customers encounter a service failure, they can choose one of the two alternatives either to complain and/or give the service provider an opportunity to correct the problem or not to complain at all (Colgate and Norris, 2001). According to Dube and Maute (1996) all of the dissatisfied customers do not complain, some of those dissatisfied customers just move away without complaining. Only 5% to 10% of the dissatisfied customers complain. Imagining an organization without any customer even for a few seconds is like thinking of the world without any human being.

Service recovery appears to be a relevant concept in the service industry, as it will help companies to enhance service trust, build and maintain service loyalty, and promote positive word of mouth by understanding and solving their complaints with justice at the right time.

LITERATURE REVIEW

In day to day service operations, all service firms experience instances where the customer is not satisfied with either the service outcome, the service process, or both (Zhu, Sivakumar, & Parasuraman, 2004). Customer defections (Hart, Heskett, & Sasser, 1990; Reichheld, 1990), negative word of mouth campaigns (Wirtz 2000), and/or a loss of market share are the results of these service failures (Kelley, Hoffman, & Davis, 1993; Kelley & Davis, 1994). *Service failure* has been defined by many researchers. A service failure is any situation where something goes wrong, irrespective of responsibility (Palmer *et al.*, 2003). In 2001, in one of this work, Maxham defined it as “any service-related mishaps or problems (real and/or perceived) that occur during a consumer’s experience with the firm”. Basically, service failure arises when the service delivery performance does not meet a customer’s expectations (Kelley and Davis, 1994; Kelley *et al.*, 1993; Oliver, 1997). However, customers are more forgiving if they perceive that the firm had little control over the occurrence of the failure (Maxham and Netemeyer, 2002). Conversely, customers are less forgiving when they feel that the failure was reasonably foreseeable and should have been prevented (Folkes, 1984).

To fight the damaging effects of failure, many service organizations actively try to correct their mistakes, be it real or perceived, in hopes of minimizing negative customer evaluations and defections, thus, have recourse to service recovery strategies (Grönroos, 1990).

The subject of service recovery has gained much interest and attention in recent years. Following the ever-increasing competitive pressures in many service industries and declining perceptions of customer service (Andreassen, 2001, Kelley *et al.*, 1993, Maxham, 2001, Maxham and Netemeyer, 2002, Maxham and Netemeyer, 2002, Maxham and Netemeyer, 2003, McCollough *et al.*, 2000, McCollough and Bharadwaj, 1992, Smith *et al.*, 1999, Swanson and Kelley, 2001, Tax *et al.*, 1998). It was found that appropriate service recovery efforts may restore a dissatisfied customer to a state of satisfaction (Bitner *et al.*, 1990). Few researchers have argued that the best strategy is to fail-safe the original service delivery, but it is nearly impossible to eliminate all failures (Michel and Meuter, 2008).

Service recovery can be defined as the service provider’s action when something goes wrong (Grönroos, 1988). It also is described as actions that service providers take in response to service defections or failures in service delivery to return aggrieved customers to a state of satisfaction by addressing customers’ problems (Grönroos, 1988; McCollough and Bharadwaj, 1992; Zemke and Bell, 1990). Service recovery embraces a much broader set of activities than complaint management, which focuses on customer complaints triggered by service failures (Smith *et al.*, 1999). It refers to the actions a supplier takes in order to seek out dissatisfaction (Johnston, 1995) and as a response to poor service quality, i.e. service failure (Grönroos, 1988; Hart, Heskett, & Sasser, 1990). Service recovery is characterized as “the actions of a service provider to mitigate and repair the damage to a customer that results from the providers’ failure to deliver a service as designed” (Hoffman and Kelley, 2000). It aims not only to resolve the problems in order to minimize negative outcomes and retain customers (Miller, Craighead & Karwan, 2000; Smith & Bolton, 1998; Smith, Bolton & Wagner, 1999) but also to “seek out and deal with service failures” (Johnston, 1994, p. 422). After all, a good recovery, as well as reducing customers’ negative emotions, also tries to increase the positive ones (Gustafsson, in press). Over time, the definition has evolved and in 1999, Smith, Bolton and Wagner presented service recovery as “a ‘bundle of resources’ that an organization can employ in response to a failure.” Service recovery basically addresses the firm’s ability to react immediately to a failed service encounter, pleasing the customer before he or she finds it necessary to complain (Michel and Meuter, 2008). In fact, many

customers dissatisfied with a service encounter are reluctant to complain (Andreasen and Best, 1977, Singh, 1990) and proactive service recovery efforts are the most effective way to minimize negative outcomes of a service failure (Lewis, 1996) and avoid switching behaviours.

Basically, attention on service recovery has risen because bad and poor service experiences often lead to customer switching (Keaveney, 1995), which in turn leads to lost customer lifetime value (Rust *et al.*, 2000). Also, one negative service encounter or service has the potential to lower consumers' overall satisfaction permanently (Hocutt *et al.*, 2006). Thus, meeting customers' demand for value and quality service and, in turn, satisfying customers are vital for continued existence of a business (Hoffman *et al.*, 1995; Sundaram *et al.*, 1997).

Moreover, leading scholars have pointed out that customer evaluations of service encounters are important elements of customer satisfaction and long-term loyalty, and had identified service recovery as one of the most important future research topics for services marketing academicians since 15 years already (Fisk, Brown and Bitner 1993). Following this research directive and a substantial amount of •lip service• given in the business press to the importance of service recovery and the dramatic effect that service failures and failed recoveries can have on a firm's ability to satisfy and keep customers, empirical studies have addressed the influence of service failure/recovery encounters on customer evaluations (Keaveney 1995).

The benefits of favorable recovery are numerous. It positively influences customer satisfaction (Smith *et al.*, 1999; Zeithaml *et al.*, 1996), word-of-mouth behavior (Maxham, 2001; Oliver and Swan, 1989; Susskind, 2002; Swanson and Kelley, 2001), customer loyalty (Bejou and Palmer, 1998; Keaveney, 1995; Maxham, 2001; Maxham and Netemeyer, 2002b), and eventually, customer profitability (Hart *et al.*, 1990; Hogan *et al.*, 2003; Johnston, 2001a; Rust *et al.*, 2004; Sandelands, 1994). Studies have provided empirical supports for the proposition that complaint handling and service recovery are closely tied with both service trust and commitment (Kelly and Davis, 1994; Tax *et al.*, 1998). It affords the opportunity to retain potentially dissatisfied customers while enabling organizational learning and reducing the likelihood of future mistakes (Tax & Brown, 1998). It is argued that effective service recovery increases not only overall satisfaction, but also positive word of mouth (Spreng *et al.*, 1995, Swanson and Kelley, 2001). Several studies confirms this namely, one study shows strong links between satisfaction with complaint handling and word-of-mouth behaviour (Oliver and Swan, 1989) whereby successfully recovered customers recommend the company to others or “demonstrate a strong propensity to share positive information about the experience” (Swanson and Kelley, 2001). In Maxham's (2001) study, a *very good* service recovery, compared with a *good* recovery, had a stronger impact on word of mouth than on satisfaction or repurchase intention.

The idea of a *service recovery paradox* was developed by Etzel and Silverman (1981) more than 20 years ago. According to McCollough and Bharadwaj (1992) it refers to situations in which the satisfaction, word-of-mouth intentions, and repurchase rates of recovered customers exceed those of customers who have not encountered any problems with the initial service. The recovery paradox theory contends that an effective recovery cannot only maintain customer satisfaction, but also propel it to a higher level. A widely cited work supporting the service recovery paradox is the article by Hart *et al.*, (1990) in the Harvard Business Review, which is titled “The profitable art of service recovery: how the best companies turn complaining customers into loyal ones”. Many researches support the notion that a company's initiatives following a service failure not only can return customer satisfaction to par, but can also move satisfaction above its pre-failure level. Some researchers (e.g. Smith and Bolton, 1998; Spreng

et al., 1995; Tax *et al.*, 1998) support the notion of a “recovery paradox”, which states that the occurrence of a failure may, if the recovery is highly effective, offer an opportunity to acquire higher satisfaction ratings from customers than if the failure had never happened. That is, a strong service recovery initiative is highly correlated with both customer satisfaction and the customer’s propensity to spread positive word of mouth (Berry, 1995). Six studies indicated that the service recovery paradox is a real phenomenon (Bolton and Drew, 1992, Boshoff, 1997, Hocutt *et al.*, 2006, Hocutt *et al.*, 1997, Maxham and Netemeyer, 2002, McCollough, 2000, Smith and Bolton, 1998) and the overriding conclusion that was drawn from Magnini *et al.*, (2007)’s study is that the recovery paradox is indeed a valid theory,

OBJECTIVES AND HYPOTHESES

The major aim of the present work aims to study the interrelationships between service recovery, service trust, service loyalty, intention to recommend and sustainable growth. Specifically, following were the objectives of the study:

- 1) To study the main effects of service recovery, service trust and service loyalty on intention to recommend
- 2) To study the main effects of service trust on service loyalty

Based on the study objectives, following null hypotheses were framed to test the relationship between service recovery, service trust, service loyalty and word of mouth intentions.

H1a: There is no significant positive effect of service recovery on service trust.

H1b: There is no significant positive effect of service recovery on service loyalty.

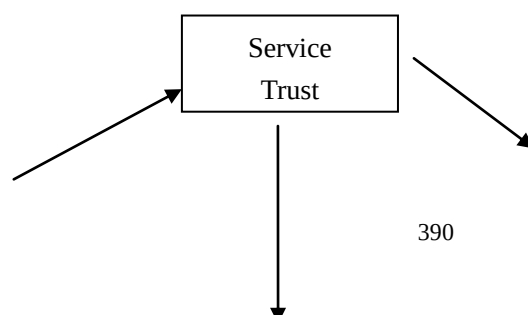
H1c: There is no significant positive effect of service recovery on word of mouth intentions

H2a: There is no significant positive effect of service trust on word of mouth intentions

H2b: There is no significant positive effect of service loyalty on word of mouth intentions

H3: There is no significant positive effect of service trust on service loyalty.

The following conceptual framework (Figure 1) was then proposed. The model resulted from thorough review of literature. Among others, Etzel and Silverman (1981) stated that “it may be those who experience the gracious and efficient handling of a complaint who become a company’s best customer.” In a similar vein, a number of studies have shown that satisfaction with the service recovery directly affects a customer’s intention to repurchase and to recommend the service provider (Lewis & McCann, 2004; Maxham, 2001). It was also found that the relationships constitute the vital reasons why providers pay so much attention to service recovery because in financial terms loyal customers can increase profits (Jacob, 1994; Mittal & Lassar, 1988; Peters, 1988; Reichheld & Sasser, 1990) including through their recommendation of the service to others (Cranage, 2004). In parallel, a number of theoretical works was consulted in structuring the model and specifications of its various concepts.



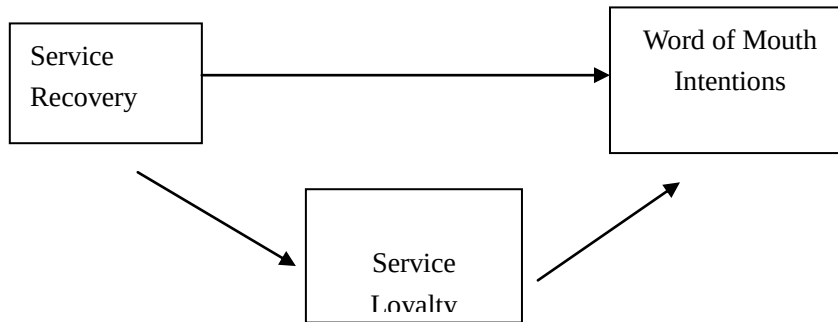


Figure 1: Conceptual Framework

The conceptual model incorporates four variables: service recovery, service trust, service loyalty, word of mouth intentions. Depending on the different interrelationships, the independent variables are service recovery, service trust, service loyalty and word of mouth intentions and the dependent variables are service trust, service loyalty and word of mouth intentions. It is argued that successful recovery will lead to both improved trust and enhanced loyalty, this will, in turn, give rise to word of mouth intentions. It should be noted that improved trust can further enhance loyalty and improved service trust and enhanced loyalty will influence word of mouth intentions positively.

This model is differentiated from extant service recovery models, conceptual or empirical in the sense that the model conceptualization is guided by process thinking of consumer decision making from customers' overall satisfaction from service recovery to intention to recommend. It also highlights the strategic importance of service recovery. Instead of treating service recovery as a marketing tool or tactic, this model promotes service recovery as strategic concept and highlights that it should be examined and practiced as such.

RESEARCH DESIGN AND METHODOLOGY

A Research Design

Triangulation research methodology has been used for the study. A mix of exploratory and descriptive researches was used. The topic was explored through comprehensive review of the relevant service recovery literature and primary data was collected through a structured questionnaire for hypothesis testing.

B Data sources and Sampling characteristics

The data was collected from customers buying services from organisations across different sectors. The customers were chosen from sectors whereby the risk of service failures is high. A total of 159 respondents were contacted for the study. Stratified sampling was used. Of the 159 respondents contacted, 47% were male and 53% were female. 73% of the respondents were of the 20-46 years age range. 66% of the respondents were from urban regions. The respondents completed a face to face administered structured questionnaire. Based on responses received, 109 were found to be useful for further analysis.

C Research instrument and scales used

The questionnaire contains four sections, where each section represents the measurement of individual variables. The first section is about the service recovery; the second section is about the service trust; the third section is about the service loyalty; and the fourth section is word of mouth intentions. Same survey questions, as used by Morgan and Hunt (2004) were used for the service trust construct with minor modifications. Similarly same survey questions, as used by Maxham & Netemeyer (2002) were used for the service recovery and word of mouth intentions constructs with minor modifications. Again, for service loyalty, the scale is adopted from Quester and Lim (2003))

Three-item scale is used for measuring service recovery and four-item and nine item scales are used for measuring service trust and loyalty respectively.

All the variable constructs are measured on a seven-point Likert scale ranging from 1 = strongly disagree to 7 = strongly agree.

Table 1 show the variable constructs and their reliability analysis. Favorable results in terms of coefficient alpha are observed from the reliability analysis of the scales used. All the values meet the recommended value of 0.7 (Nunnally & Bernstein, 1995). The Cronbach's alpha for service recovery, service trust, service loyalty, and word of mouth intentions scales were 0.940, 0.970, 0.893 and .970 respectively.

Variables	Cronbach Alpha
Service recovery	0.940 Adapted from Maxham & Netemeyer (2002a) & Brown et al. (1996)
Service trust	0.970 (Adapted from Morgan & Hunt (1994))
Service loyalty	0.893 (Adapted from Quester and Lim (2003))
Word of Mouth Intentions	(0.970) (Adapted from Maxham & Netemeyer) (2002)

Table I. Variable constructs and their reliability

Several verifications were done to ensure that the questionnaire was measuring what it was supposed to measure. The questionnaire items measured the cognitive, affective and conative perceptions of customers to establish construct validity. The evaluative statements/items were taken from literature review and the questionnaire items directly relate to the research objectives, hence, content validity was established. The independent and dependent variables highly correlate, thereby establishing criterion validity. Last but not least, the use of triangulation research methodologies enhanced the study's validity. The high Cronbach alpha scores confirmed the reliability and validity elements. Again, respondents

were customers purchasing across different sectors; hence, it enhances external validity (Last, 2001).

A pretest was carried out in order to detect any necessary changes in the wording of the questionnaire. The research instrument was pre-tested on selected customers. The pre-test was used to assess issues such as face validity, statement clarity and precision, response format, sensitivity of questions, and questionnaire layout and length. The questionnaire was refined based on the respondents' comments and the final questionnaire was printed.

Findings

To determine the effect of the independent variables on the dependent variable, bivariate analyses were first reported and then, multivariate analysis was reported. Multiple regression analysis was employed to more thoroughly test the first five hypotheses. The rationale behind this was to investigate about the predictors of the dependent variable (Hem *et al.*, 2003).

Table 2 shows positive relationships between the dependent variables, service trust, service loyalty and word of mouth intentions, and independent variable, service recovery. supporting **H1a, H1b and H1b**. We, therefore, reject the null hypothesis H_0 ($P\text{-value} < 0.05$). There is a statistically significant linear relationship between the independent variables and the dependent variable. Table 2 gives the correlations between variables – service trust, service loyalty and word of mouth intentions supporting **H2a and H2b**. We, therefore, reject the null hypothesis H_0 ($P\text{-value} < 0.05$) and conclude that there is a statistically significant linear relationship between the independent variables and the dependent variable. It also shows positive relationships between the dependent variable, service loyalty and the independent variable service trust, supporting **H3**. We, therefore, reject the null hypothesis H_0 ($P\text{-value} < 0.05$) and conclude that there is a statistically significant linear relationship between the independent and the dependent variable.

It can be observed that some of the correlations between the variables are quite strong.

	Service loyalty	Service trust	Service recovery
Service trust			.618**
Service loyalty		.448**	.473**
Word of mouth intentions	.221*	.721**	.172*

Table II - Correlations between the variables

To more thoroughly test the above six hypotheses, the author employed multiple regression analysis as suggested by Hem *et al.* (2003). The findings for this analysis are shown **Tables III**.

Independent Variables	Beta - Values	P- Values	t value	Hypothesis Testing
Service Recovery	.691	.000	7.413	H1a is supported
Service Recovery	.533	.002	7.918	H1a is supported

Service Recovery	.165	.064	-1.485	H1c is Not supported
Service Trust	.471	.009	5.569	H2a is supported
Service Loyalty	-.092	0.135	-1.502	H2b is Not supported
Service Trust	.201	.022	3.782	H3 is supported

a. Dependent variable: Service trust, service loyalty and word of mouth intentions

b Dependent variable: Word of mouth intentions

c Dependent variable: Service loyalty

Table III: Beta coefficients

To get a more accurate picture, the standardized coefficients, or *Beta coefficients* was examined. It can be seen that service recovery (0.691) and (0.533) is an excellent predictor of service trust and service loyalty. Similarly, service trust (0.471) and (.201) is a very good predictor of word of mouth intentions and service loyalty.

Last but not least, from the ANOVA test, the F(obtained) is 3.260, 2.995 and 3.185 which exceeds the F-critical of 2.60 for this test when using an alpha of .05. Correspondingly, the observed p-value of .000 is well below the chosen alpha of .05. By either standard, we can conclude that the service trust, service loyalty and word of mouth intentions really do vary significantly across the different age groups.

Managerial implications

From the research findings and multivariate analyses highlighted in **Table III** above, it was found that it can be seen that service recovery (0.691) and (0.533) is an excellent predictor of service trust and service loyalty. Similarly, service trust (0.471) and (.201) is a very good predictor of word of mouth intentions and service loyalty. The findings generate important insights for marketing managers. The present study showed that service recovery, service trust affect service loyalty and word of mouth intentions. It is recommended, therefore, that marketers should further promote service recovery and enhance service trust. Promoting service recovery will enhance service trust and service loyalty. Similarly, enhancing service trust will increase service loyalty and word of mouth intentions. This study proposes a model which furthers the importance of service recovery

Thus, comprehensive service recovery programmes can be formulated to address service failures both effectively and efficiently. These programmes should take into account differences in type of complaint and type of customer. Service managers should regularly apply the instrument (RECOVSTAT) developed by Boshoff (1999) that captures six dimensions of service recovery, namely:

- Communication which relates: the manner in which service employees address the customer lodging a complaint (Sparks, 1995).
- Empowerment relates the authority of employees to act, as well as the resources to which they have access and the decisions they are permitted to make (Hart, Heskett and Sasser, 1990).

- Feedback relates to the situation in which, once a problem is registered, it provides information about the problem and what is being done to resolve it.
- Atonement refers apologies made for any inconvenience incurred because of the service failure (Zemke and Bell, 1990), and ensuring that the complaining customer is not 'out of pocket'
- Clear explanation of the reason of the occurrence of the service problem in a clear and concise manner (Conlon and Murray, 1996).
- Tangibles refers to the appearance of the employees and communication tools, the equipment used, and the physical environment (cf. Johnston, 1995).

It is worth pointing out that organizations require proper infrastructures to address service recovery and that research is needed to better understand the multidimensional complexity of the "complaint handling" process. Also, because past problems are discovered to moderate the "paradox", companies should keep customer databases with proper records of past problems. Databases provide the opportunity to track and monitor the customer service failure history. This will help to avoid a situation where customer encounters a second failure scenario.

Companies, willing to build the capability of recovering from service problems, should measure the cost of effective recovery, break customer silence and listen closely for complaints, anticipate needs for recovery, act fast, train employees, empower the front liners and close the customer feedback loop (Hart *et al.*, 1990). Companies should also actively encourage complaining behaviour (Halstead *et al.*, 1993) by offering incentives such as money-back guarantees and other substantial benefits for those who complain. In a similar vein, studies have provided empirical evidence that perceived fairness of tangible outcomes (e.g., discounts, free meals, and store credit) has positive effect on recovery evaluation (Boshoff, 1997; Goodwin and Ross, 1992; Hoffman *et al.*, 1995; Smith *et al.*, 1999).

Also, front-line service providers must adopt a changed and improved attitude toward customer complaints if they are reminded by management that most service failures go unreported. Several studies have also shown that only a minority of dissatisfied customers actually complain (Agbonifoh & Edoreh, 1986; Andreasen *et al.*, 1977; Harari, 1992) mainly because of the emotional stress that such a move produces (Gustafsson, in press). In the same flow, since most complaints go unreported, the service provider should steer clear from resource allocation decisions that can be perceived as a failure by many customers. For example, before decreasing the quality of airline toiletry items, customer-focused research must be conducted to determine which amenities customers are most willing to pay for and which they are willing to do without. The training of employees should also be of top priority. For example, organisations could train their employees in the LEARN process (listen, empathize, apologize, react, notify) (Magnini and Ford, 2004). The failure redress procedures of a service firm can serve as a powerful tool in increasing customer loyalty. If well-managed to the extent that the competition cannot easily copy them, then it was argued that a firm's failure recovery may constitute a distinctive competency (Magnini *et al.*, 2007). It was also observed that a customer is more forgiving when s/he deduces the cause of the failure to be outside the firm's realm of control (Maxham and Netemeyer, 2002), frontliners should be trained to manage customer perceptions in the event of a service failure. Moreover, a customer is more likely to have a postfailure satisfaction increase if the stability of the failure is perceived as low, service personnel should actively manage these perceptions as well. For example,

service frontliners should be trained to build a customer's confidence in the redress process by exuding a feeling of competence and by engaging in dialogue with the customer that instills confidence to ensure that the problem is unlikely to reoccur. In this dialogue, the service employee should explain to the customer the steps that establishment is taking so that the problem will not transpire again (Magnini *et al.*, 2007).

It is also very important to note that if the loss experienced by the customer as a result of the failure is too great, no reasonable apology or redress can create a recovery paradox. For example, generous offerings cannot recoup failed business opportunities or missed one-time-only social events McCollough *et al.*, (2000). Last but not least, firms in the service industry could follow the service recovery measures (benchmarks) of many large-scale companies. These measures include among others establishing service standards, instructing the customers about how to complain about technical support and application, increasing the firms' capacity to recognize bad services, encouraging the customers to appeal to the companies in order to upgrade the service quality and reducing the bad services (Tax *et al.*, 1998)

Limitations and scopes for future research

A lot of literature is available to explain predictors of service trust, service loyalty and word of mouth intentions. However, this study mainly focuses the influence of service recovery. Significant percentage of variance in service trust, service loyalty and word of mouth intentions remains unexplained, inducing the need for further research in the area. The study has investigated only some variables in contrast to the use of large number of variables to better explain the underlying patterns of service trust, service loyalty and word of mouth intentions. Hence, other independent variables may be considered to improve the explaining power.

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Investigating the Interactive Effects of Customers' Self-Regulatory

Focus and Service Recovery Efforts on Customer Satisfaction

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Abstract

This article examines how customers' self-regulatory focus interacts with outcome-related service recovery efforts to influence customer satisfaction. By differentiating

outcome-related recovery efforts as approaching benefits versus avoiding losses, the authors employ regulatory fit theory to investigate the effects of the interaction between these efforts and customers' self-regulatory focus on recovery satisfaction. The results show that a proper fit between customers' self-regulatory focus and recovery efforts results in greater recovery satisfaction. Specifically, when perceiving outcome-related recovery efforts as approaching benefits, customers with a "promotion focus" are more satisfied; conversely, when perceiving outcome-related recovery efforts as avoiding losses, "prevention-focused" customers express greater satisfaction. These effects are only partially mediated by distributive justice, indicating the important role of customers' chronic self-regulatory focus in affecting satisfaction with recovery efforts. As such, this focus should be considered more than a perceived justice mechanism in research and practice.

Keywords: service recovery; self-regulatory focus; recovery satisfaction; perceived justice

Service failures inevitably occur, and though companies must deal with these failures and the accompanying complaints, previous research has acknowledged the difficulty in restoring customer satisfaction after a service failure. For example, Hart, Heskett, and Sasser (1990) reveal that 40% to 50% of all service recovery efforts fail. In approximately 20% of service failures, firms make no efforts to deliver service recovery (Kelley, Hoffman, and Davis 1993). Research further indicates that customers' dissatisfaction with service recovery has increased over time (Grainer 2003). Thus, it is important for firms to understand how to deal effectively with both service failure and customers' responses to service recovery.

Previous studies have focused on how service failures and service recovery strategies influence customer satisfaction and customers' willingness to continue doing business with the firm (e.g., Andreassen 2001; Hess, Ganesan, and Klein 2003; McCollough, Berry, and Yadav 2000). Previous research has also shown that effective recovery from service failures improves customer satisfaction, customer loyalty, and a company's reputation in the marketplace (Fornell and Wernerfelt 1987; Kelley, Hoffman, and Davis 1993). Furthermore, researchers have paid substantial attention to *perceived*

justice, or the evaluative judgment about the appropriateness of a person's treatment by others (Furby 1986), to understand how service recovery affects customers' evaluations of the firm (e.g., Blodgett, Granbois, and Walters 1993; Hui, Au, and Zhao 2007; McColl-Kennedy and Sparks 2003). Empirical studies consistently find that perceived justice (i.e., procedural, distributive, and interactional justice) positively affects customer perceptions of service recovery, postrecovery satisfaction, and word of mouth (Blodgett, Hill, and Tax 1997; Chebat and Slusarczyk 2005; Smith, Bolton, and Wagner 1999). As such, research considers perceived justice a dominant factor that determines customers' recovery satisfaction.

Perceived justice reflects the fit between the severity of a service failure and the recovery effort and helps restore customer satisfaction. We argue that customers' satisfaction with service recovery is based not only on a fairness comparison between the failure magnitude and the recovery effort but also on the fit between the recovery outcome and customers' goal pursuits. Recovery efforts (also termed "recovery attributes") can be differentiated as either process related or outcome related. Recovery efforts represent the means for customers to recover their goals. Given the same magnitude of service failure, different outcome-related recovery efforts (e.g., monetary compensation vs. a free seat upgrade for a flight delay) could result in different evaluations because of customers' heterogeneity in goal pursuits. Thus, investigating the relationship among recovery efforts, customers' goal pursuits, and recovery satisfaction is important to better understand the role of recovery programs and customers' heterogeneity in maintaining customer relationship.

The purpose of this article is to examine the following question: Do different outcome-related recovery efforts interact with customers' goal-pursuit systems to affect their evaluations of service recovery? Furthermore, does the perceived justice mechanism in service recovery explain these interaction effects? We consider companies' recovery efforts a means for customers to pursue their goals of service recovery. On the basis of regulatory fit theory (Higgins 2000), we propose that outcome-related recovery efforts (the means to pursue a goal) interact with customers' self-regulatory focus to influence service recovery satisfaction. Specifically, we classify outcome-related recovery efforts into two

categories—approaching benefits versus avoiding losses—depending on the type of compensation the service firm provides. Regulatory focus is a psychological characteristic that reflects consumers’ heterogeneity in preferences, goals, and pursuit of goals and can be differentiated as either *prevention* or *promotion* focused. According to regulatory fit theory, self-regulatory focus determines how people pursue a goal and influences their personal performance toward and evaluation of an outcome (Higgins 2000). Customers with a different regulatory focus will prefer different recovery outcomes, resulting in variance in recovery evaluation. Our empirical research demonstrates that promotion-focused customers are more satisfied with outcome-related recovery efforts perceived as approaching benefits (e.g., providing gifts or more service for free), while prevention-focused customers prefer recovery efforts perceived as avoiding losses (e.g., providing monetary compensation or refunds).

Theory Development

Self-Regulatory Focus

Self-regulation refers to the process by which people strive to align their actions with appropriate goals or standards. Goals are broadly defined as “representational structures that guide the system in its pursuit of a reference or end state” (Markman and Brendl 2000, p. 98). When the end state is positive and desirable, customers have an “approach goal”; when the end state is negative and undesirable, customers have an “avoidance goal” (Higgins 1987). Furthermore, research on self-regulatory focus distinguishes two strategies to achieve these goals. People can achieve a desired end state associated with an approach goal by maximizing the existence of positive outcomes or minimizing the presence of negative outcomes (promotion-focused means). For example, when buying tickets for a concert, many people arrive early and stand in line to increase their chances of getting a ticket. Similarly, people can avoid an undesired end state associated with an avoidance goal by minimizing the existence of or maximizing the absence of negative outcomes (prevention-focused means). For example, to avoid being late for class, students tend not to take courses that start before 9:00 A.M. These strategy

distinctions are important because they indicate that goals can be distinguished not only in terms of the desirability of the end state but also in terms of the strategies people adopt to achieve these end states.

Research has long recognized that people approach pleasure and avoid pain (Bettman, Luce, and Payne 1998). Higgins (1997, 1998) argues that important differences exist in the strategies consumers employ to do so and identifies promotion focus and prevention focus as the two distinct hedonic self-regulatory systems that influence customer decision making and behavior. Promotion-focused people tend to prioritize growth and development needs, which increases the importance of obtaining positive outcomes. Prevention-focused people tend to prioritize security needs, which increases the importance of avoiding negative outcomes. Aaker and Lee (2001) argue that these two foci mediate the effects of goals associated with approach and avoidance needs on persuasion. Louro, Pieters, and Zeelenberg (2005) demonstrate that prevention-focused customers are less likely to “buy again” than those who prioritize a promotion focus.

Regulatory fit is a source of value that can affect traditional outcome values. As such regulatory fit is the match between a person’s self-regulatory focus and the goals he or she pursues or the strategy he or she employs to pursue goals. Empirical research has found that regulatory fit results in positive effects on task performance, evaluation of outcomes, and persuasion of information (e.g., Avnet and Higgins 2003; Camacho, Higgins, and Luger 2003; Cesario, Grand, and Higgins 2004; Higgins, Kruglanski, and Pierro 2003).

Service Recovery

Gronroos (1988) defines service recovery as actions an organization takes in response to a service failure. Extant literature supports the contention that service recovery efforts improve overall satisfaction (Smith and Bolton 1998), transactional satisfaction (Smith, Bolton, and Wagner 1999), intention to repurchase from a service provider (Maxham and Netemeyer 2002), and the size of the repurchase (Gilly and Gelb 1982; Kelley, Hoffman, and Davis 1993). In this study, we focus on customers’ satisfaction with service recovery and explore how their self-regulatory focus interacts with recovery efforts.

The main theme in the service recovery literature asserts that the key to optimizing service recovery is to match recovery efforts to the type of service failure, which is reflected in the perceived justice mechanism. The matching principle helps maximize customer satisfaction (Smith, Bolton, and Wagner 1999) and minimize service recovery costs (Zhu, Sivakumar, and Parasuraman 2004). Perceived justice is based on the theory of resource exchange, which assumes that customers always prefer to receive compensation “in kind” for service failures (Foa and Foa 1974; Foa et al. 1993). For example, for customers who are treated impolitely, the service provider should offer an apology; for customers who did not receive the service they expected, the service provider should provide compensation.

Service recovery originated as a one-dimensional construct; however, over time it has evolved into a multidimensional construct with many characteristics (Smith, Bolton, and Wagner 1999) and thus can be achieved through a variety of methods (Brown, Cowles, and Tuten 1996). Davidow (2003) identifies the various components of an effective service recovery strategy, including timeliness, facilitation, redress, apology, credibility, and attentiveness. These attributes can be classified into two categories: process related and outcome related. Process attributes, such as apology, interaction process, politeness, and timeline, influence customers’ perceived procedural and interactional justice, while outcome attributes, such as manners and the magnitude of redress, affect distributive justice. Several studies have rated the effectiveness of these two recovery efforts differently. For example, prior research has found that an apology, an attribute related to recovery process and interaction, increases customer satisfaction (Smith and Bolton 2002), while other studies have found that an apology has only limited effectiveness (De Ruyter and Wetzels 2000; Goodwin and Ross 1992). Tax, Brown, and Chandrashekar (1998) find that the quality of the relationship between the customer and the service provider during the recovery process affects customer satisfaction more than the type of compensation provided in recovery. Conversely, Smith, Bolton, and Wagner (1999) conclude that the type of compensation (outcome) is more important in improving customer satisfaction than the quality of the interaction (process). A possible explanation for the discrepancy in the

effectiveness of the various service recovery approaches lies in the heterogeneity of customers when interpreting and psychologically processing the service failure and the subsequent service recovery efforts (De Ruyter and Wetzels 2000; Smith and Bolton 2002). Thus, the current study aims to examine the differences in customers' satisfaction with outcome-related recovery attributes based on their goal-pursuit perspectives.

Recovery Efforts from a Self-Regulatory Focus Perspective

Customers prefer outcome-related efforts that are consistent with their self-regulatory systems. We conceptualize outcome-related recovery efforts, which customers view as strategies or means to pursuing goals, as two distinct categories. First, with approaching-benefits recovery efforts, customers aim to gain extra compensation, such as coupons or gifts, to make them feel they are better off than before the service failure. Second, with avoiding-losses recovery efforts, customers accept recovery efforts, such as discounts, refunds, and repairs, to make them feel they have not lost because of the service failure. This classification system focuses on the outcome-related attributes of recovery and does not include process-related attributes.

Effects of the interaction between self-regulatory focus and recovery efforts on customer satisfaction. Self-regulatory focus and specific variables during goal attainment generate values that influence people's attitudes and behavior (Higgins 2002). First, value is generated from self-regulatory focus–relevant outcomes. Specifically, promotion-focused people tend to treat promotion-relevant outcomes/attributes (e.g., multiple functions of a product) as more important than prevention-related outcomes/attributes (e.g., warranty), and the reverse occurs for prevention-focused people. Second, value can be improved through the use of proper means. Proper means occur when the means of pursuing a goal are in harmony with established rules and normative principles. An example is the kind of value that comes from appropriately justifying a decision (Tversky and Shafir 1992), in which the decision seems fair and becomes more acceptable. Third, value can be derived from means suitable to self-regulatory focus. Crowe and Higgins (1997) and Higgins (1997, 1998) find that the means for goal attainment can be differentiated on the basis of the two self-regulatory systems. People experience a regulatory fit when they use means to pursue a

goal that match their self-regulatory focus; in turn, this regulatory fit increases the value of what they are doing (Higgins 2000). Higgins, Kruglanski, and Pierro (2003) show that the value experienced from regulatory fit can transfer to a subsequent evaluation of an object independent of positive mood, perceived effectiveness, and perceived efficiency. Prior research has also shown that *feeling right*, a status generated from regulatory fit, transfers monetary evaluations of a chosen object to moral evaluations of a conflict resolution (Avnet and Higgins 2003; Camacho, Higgins, and Luger 2003; Higgins, Kruglanski, and Pierro 2003). These effects are important to examine customers' evaluations of recovery efforts.

When customers encounter service recovery, they pursue a specific goal in the recovery process. Obtaining recovery is the end state customers want to have, and outcome-related recovery efforts are the means or strategies they use to obtain that goal. Customers' self-regulatory focus interacts with recovery efforts to influence their behavior and evaluations of the recovery efforts. This is especially true when customers experience a regulatory fit between their self-regulatory focus and the firm's outcome-related recovery efforts. When a failure of service has occurred, recovery efforts may be delivered, and customers will perceive these efforts favorably depending on whether they are consistent with their self-regulatory focus. Outcome-related recovery efforts constitute approaching benefits if they provide extra *gains* in the form of coupons and gifts. These efforts are preferred by promotion-focused customers. Conversely, recovery efforts that reduce customer costs and losses through offered discounts, repairs, and improved processes constitute avoiding losses, which prevention-focused customers prefer. Thus, we hypothesize the following.

Hypothesis 1: A fit between the outcome-related recovery effort and the customer's self-regulatory focus results in recovery satisfaction. Specifically, with approaching-benefits recovery efforts, promotion-focused customers are more satisfied, while prevention-focused customer are more satisfied with avoiding-losses recovery efforts.

Interaction between self-regulatory focus and recovery efforts on perceived justice.

Marketing literature has applied justice theory in the areas of service failure and customer complaint behavior (e.g., Bitner, Booms, and Tetreault 1990; Goodwin and Ross 1989; Oliver and Swan 1989). Justice is often categorized as one of three types: (1) *distributive*, (2) *procedural*, and (3) *interactional*. In a consumer complaint context, distributive justice refers to resource allocation and the outcomes of exchange (Deutsch 1975; e.g., refunds, rebates). Procedural justice involves procedures used to reach an outcome of an exchange (Lind and Tyler 1988). Finally, Bies and Moag (1986) conceive of interactional justice as whether customers are treated politely by service providers.

Distributive justice is based on social exchange theory and “perceived equity.” For example, Adams (1963) obtained an equity score by asking respondents to assess the fairness of an exchange by comparing their inputs with outcomes. An exchange is judged as fair when an equity score is proportional to the scores of other referents (Deutsch 1975). Tax, Brown, and Chandrashekar (1998) find that distributive justice affects customer satisfaction with complaint handling procedures. Of the three dimensions of perceived justice, distributive justice focuses on the fairness of the recovery effort outcome; the other two deal with the quality and fairness of the recovery process.

If the fit between service failure and recovery efforts, reflected in the perceived justice mechanism, is a dominant mediator that determines customer satisfaction with the recovery, we can reasonably predict that the interaction between customers’ self-regulatory focus and outcome-related recovery efforts will influence their distributive justice directly. As such, this should affect customers’ satisfaction with recovery.

Hypothesis 2: Distributive justice mediates the effects of the interaction between self-regulatory focus and outcome-related recovery efforts on customer satisfaction. Specifically, when recovery efforts match customers’ self-regulatory focus, distributive justice will be greater than when the efforts do not match, which in turn will directly influence their recovery satisfaction.

Regulatory fit theory also suggests that customers want to feel right and thus are more satisfied when they perceive the recovery efforts as consistent with their

self-regulatory focus. Outcome-related recovery efforts should cause customers to feel right. However, these effects can be independent of the customers' positive mood, perceived effectiveness, and perceived efficiency (Higgins, Kruglanski, and Pierro 2003). That is, in some cases, customers can feel that something is right without feeling that it is fair. For example, when a flight is delayed, a customer may be offered 20,000 miles, and though he or she might perceive the recovery as fair, it might not be what he or she wants or needs. As such, the customer might not feel that the offer is "right" and will be less satisfied. Alternatively, a gold-member customer may be offered a first-class upgrade rather than miles. This customer might not perceive this effort relative to his or her loss as fair but might still feel that the effort is "right" and in line with his or her preferences. Such effort will likely result in greater satisfaction. Thus, we provide an alternative hypothesis:

Hypothesis 2_{alt}: Distributive justice does not mediate the effects of the interaction between self-regulatory focus and recovery efforts on customer satisfaction. Specifically, when recovery efforts match customers' self-regulatory focus, both the interaction and distributive justice will directly influence their recovery satisfaction.

We provide our conceptual framework in Figure 1.

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 Insert Figure 1 Here
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Methodology

Pilot Study

We conducted a pilot study to classify customers' perceptions of outcome-related recovery efforts into two categories: approaching benefits and avoiding losses. We developed a scenario regarding a service failure in the airline industry. Respondents read that a person is taking a flight but encounters a three-hour delayed departure. The airline's recovery efforts include (1) arranging for customers to take another flight as soon as possible, (2) refunding customers 20% of the cost of their ticket, (3) offering customers a

upgrade from economy to business class, and (4) awarding extra miles to customers' frequent-flier programs.

Respondents rated all four recovery efforts, on a scale from 1 (*strongly disagree*) to 5 (*strongly agree*), on whether "this action reduced the costs you should have paid" or "this action gave you more benefits." Respondents reported that they perceived the refund as an avoiding-losses strategy ($p < .001$), and they perceived the seat upgrade as an approaching-benefits strategy ($p < .001$). The other two items were not significantly different on these rating. Thus, we included refund and seat upgrade as the two outcome-related recovery efforts in the study.

Pretest

To develop a scale of customers' self-regulatory focus, we conducted a pretest to purify the measurement instrument. We incorporate two versions of the regulatory focus questionnaire (RFQ) that Higgins et al. (2001) and Lockwood, Jordan, and Kunda (2002) developed. The literature reports that Higgins et al.'s RFQ has unsatisfied reliability (e.g., Cronbach's $\alpha < .50$; Wang et al. 2005), and we obtained a similar result of reliability in the pretest. Thus, we tested Lockwood, Jordan, and Kunda's version of the RFQ. For the items we originally developed from the student sample, we revised the wording in the scale to be more generalized. The adapted scale includes eight items, four for the promotion focus and four for the prevention focus. All items on the questionnaire were rated on a seven-point Likert scale, from 1 (*not at all true of me*) to 7 (*very true of me*). We recruited 50 respondents and asked them to rate the scale. The reliability coefficient for the promotion subscale is .70 and .65 for the prevention subscale, suggesting an acceptable level based on DeVellis's (1991) scaling criteria.

Research Design

We employed a quasi experiment to test the model. We developed a scenario in which a flight is delayed, followed by a recovery effort. We manipulated the severity of the service failure (a three-hour delay vs. a six-hour delay) and the outcome-related recovery efforts (a refund vs. an upgrade) and differentiated the questionnaires with four different scenarios. Respondents read one of the scenarios and rated their feelings about and

evaluations of the recovery efforts. The measured constructs include recovery satisfaction, distributive justice, interactional justice, procedural justice, service failure severity, and past service experience. We tested the RFQ either before or after (randomly assigned and later examined to prevent ordering effects) respondents answered the questions related to the service failure and recovery. The questionnaire also included demographic information.

Data Collection

Respondents were intercepted at an international airport. The interviewers distributed 400 questionnaires (100 for each scenario) to travelers who were waiting to board their flights. The final sample (60.64% male) included 341 valid questionnaires. There were no centralized trends in the demographic statistics.

Results

Measurement Validation

We performed a confirmatory factor analysis (CFA) to assess the measurement model, including an examination of construct reliability and convergent and discriminant validity. Because recovery strategy and failure severity are the variables manipulated, we did not included them in the CFA. Rather, the analysis includes self-regulatory focus, distributive justice, international justice, procedural justice, and recovery satisfaction. We identified the standardized factor loadings, R-square, and the corresponding *t*-statistics for all items. Table 1 presents the model fit indexes and the coefficient alphas for all factors. The CFA model shows good model fit with the data ($\chi^2 = 293.364$, $df = 155$; normed fit index = .900; incremental fit index = .950; comparative fit index = .949; root mean square error of approximation = .051), and the results suggest convergent and discriminant validity.

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Insert Table 1 Here
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Manipulation Check

We compared the manipulation on service failure magnitude and outcome-related

recovery efforts across scenarios. To check the manipulation on failure magnitude, we asked respondents to rate the item “if you encountered this problem in real life, do you think it is a severe failure or not?” The differences between the two scenarios are consistent with our prediction and marginally significant ($p < .05$). To check the manipulation on outcome-related recovery efforts, in each scenario we asked the respondents to rate two items: “the problem handling reduces my losses” and “the problem handling lets me gain benefits.” Consistent with the pretest, in the “refund” scenario, respondents rated the former significantly higher than the latter ($p < .00$); in the “upgrade” scenario, the pattern was reversed ($p < .00$).

Hypothesis Testing

We included self-regulatory focus (SRF) as a category variable depending on whether the factor score of the promotion focus was higher than that of the prevention focus (SRF = 1) or not (SRF = 0). We conducted a multivariate analysis of covariance (MANCOVA) to test the hypotheses.

The effects of the interaction between self-regulatory focus and outcome-related recovery efforts on recovery satisfaction. The MANCOVA included self-regulatory focus (SRF: 1 = promotion focused; 0 = prevention focused), outcome-related recovery effort (ORE: 1 = upgrade; 0 = refund), and failure magnitude (FM: 1 = six-hour delay; 0 = three-hour delay) as the factors affecting recovery satisfaction, while controlling for demographic variables and experience (see Table 2). The three components of perceived justice were also included in the MANCOVA.

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Insert Table 2 Here

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The results show that the interaction between self-regulatory focus and outcome-related recovery efforts (SRF × ORE) significantly influenced recovery satisfaction ($F = 15.91, p < .001$), in support of Hypothesis 1. For service recovery efforts perceived as avoiding losses, customers who prioritized “prevention” were more satisfied than their promotion-focused counterparts. These results are reversed for service recovery efforts perceived as approaching benefits. For the perceived justice manipulation, although

distributive justice ($F = 115.15, p < .001$), interactional justice ($F = 13.78, p < .001$), and procedural justice ($F = 5.71, p < .05$) all significantly influenced recovery satisfaction, the interaction effects between SRF and ORE were not fully mediated by perceived justice.

The effects of the interaction between self-regulatory focus and outcome-related recovery efforts on the perception of distributive justice. We conducted a MANCOVA on distributive justice, with SRF, ORE, and FM as the three categorical factors, as well as other covariates (see Table 3). Consistent with Hypothesis 2a, the interaction between self-regulatory focus and outcome-related recovery efforts ($SRF \times ORE$) did not significantly influence distributive justice ($F = .87, p = .35$). The results show that the interaction effects between SRF and ORE did not affect distributive justice but did affect recovery satisfaction. These findings suggest that in addition to the fit between recovery efforts and service failure, regulatory fit (the sense of “feeling right” about recovery efforts) also influences customers’ evaluations of service recovery efforts, independent of the effects of distributive justice. We conducted an additional MANCOVA, with interactional justice and procedural justice as the dependent variables. The results are consistent with what we expected: The interaction between SRF and ORE did not significantly affect either one ($F = .11, p = .74$; $F = 3.06, p = .08$).

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Insert Table 3 Here

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Framework Testing

We employed hierarchical regression to test the framework and comprehensive path among the constructs. We included SRF as a continuous variable in the regression model; it equals the promotion score minus the prevention score. The results show that the effects of SRF, ORE, and FM on recovery satisfaction were not significant (see Model 1 in Table 4). When we consider the interaction effects, the explanatory power of the linear model increased significantly (see Model 2: $\Delta F = 5.37, p < .001$). Although the main effects of SRF in Model 2 were only partially significant ($p < .05$), the interaction between SRF and ORE affected recovery satisfaction ($\beta = 1.04, p < .001$). These results are consistent with Hypothesis 1. When ORE was a seat upgrade (perceived as approaching benefits),

promotion-focused customers expressed more satisfaction with recovery efforts than their prevention-focused counterparts. Conversely, when ORE was a refund (perceived as avoiding losses), prevention-focused customers were more satisfied than their promotion-focused counterparts. When Model 3 adds distributive justice to the regression model, the explanatory power increases dramatically ($\Delta F = 305.15, p < .001$). The effects of the interaction between SRF and ORE on customer satisfaction were still significant ($\beta = .59, p < .01$), but the coefficient decreased to a certain degree (compared with $\beta = 1.04, p < .01$ in Model 2). Furthermore, the results of Model 5 and Model 6 show the effects of the interaction between SRF and ORE on distributive justice. Different from the results of the MANCOVA, the interaction between SRF and ORE partially and significantly affected customers' perceptions of distributive justice ($\beta = 0.71, p < .05$). These findings demonstrate a partial mediating role of distributive justice between regulatory fit and recovery satisfaction. Therefore, Hypothesis 2_{alt} is partially supported. The effects of the interaction between SRF and ORE are not fully mediated by distributive justice or perceived justice in general. Although the perceived justice mechanism is a dominant factor in explaining the effects of recovery efforts (reflected in its explanatory power: $\text{adj } R^2 = .56$), the fit between customers' self-regulatory focus and outcome-related recovery efforts should also be considered.

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Insert Table 4 Here

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Discussion

The purpose of this article was to examine whether customers' self-regulatory focus influences their evaluations of and satisfaction with recovery efforts from a goal-pursuit perspective. We proposed hypotheses pertaining to how the interaction between customers' self-regulatory focus and outcome-related recovery efforts affects their levels of satisfaction and whether these effects are related to perceived justice. As Hypothesis 1 predicted, the interaction between self-regulatory focus and outcome-related recovery

efforts significantly influenced customers' recovery satisfaction. In partial support of Hypothesis 2_{alt}, the fit between self-regulatory focus and outcome-related recovery efforts partially affected distributive justice, though both directly influenced customers' satisfaction with recovery.

This study contributes to the literature in two ways. First, the study bridges the gap between regulatory fit theory in goal research and customer satisfaction in service recovery research. We propose and test a framework to explain customers' heterogeneity in evaluating service recovery based on their individual goal pursuits. Second, we provide a new mechanism to understand customers' evaluations of service recovery. The dominant logic in the service recovery literature focuses on the match between the recovery efforts and the service failure, highlighting the importance of perceived justice. The more severe the service failure, the greater are the recovery efforts required to satisfy customers. However, we show that there is another mechanism, not explained by perceived justice, that influences the fit between customers' self-regulatory focus and outcome-related recovery efforts and thus their service recovery satisfaction. Customers with a prevention focus prefer recovery strategy/efforts that avoid losses, while promotion-focused customers prefer recovery efforts that offer approaching benefits.

This study provides evidence that customers' goal pursuits influence their recovery evaluations. The recovery outcome customers use as a means to reach a recovery goal interacts with their goal-pursuit system, which can be chronic or induced by the situation at hand (Aaker and Lee 2006). This article focuses on the influence of customers' chronic self-regulatory system on service recovery effectiveness. It is possible that service failure and recovery efforts as a situation trigger a specific self-regulatory focus in consumers' minds, but these are not related to chronic ones. Further research could explore whether service recovery situations stimulate customers' situational self-regulatory focus, though the interaction effects between self-regulatory focus and recovery efforts on satisfaction should also follow the framework we propose and test herein.

This study also shows that perceived justice does not fully mediate the influence of regulatory fit on recovery satisfaction. The perceived justice mechanism necessitates that

the service provider deliver recovery efforts quickly, considerately, and equitably. The results demonstrate the power of perceived justice in affecting recovery satisfaction (Adj R^2 change equals 0.60 in Model 4 compared with 0.12 in Model 2; see Table 4). However, neither distributed justice nor interactional and procedural justice could explain why customers with different self-regulatory focuses evaluated the same recovery efforts differently. The effects of the interaction between self-regulatory focus and outcome-related recovery efforts are still significant, even though they are partially mediated by distributive justice (the coefficient of interaction effects changes from Model 2 to Model 3; see Table 4). Feeling right does not necessarily mean feeling fair. Both types of feelings influence customers' evaluations of service recovery. Thus, further research should consider not only fairness but also rightness issues to improve service recovery performance.

The results show that of the three components of perceived justice, distributive justice is the more influential factor affecting customers' recovery satisfaction (see Table 4). That is, customers' satisfaction is affected more by how service providers redress the failure than by how service providers interact with customers or how quickly service provider deal with service failure. These findings support conclusions in the literature (e.g., Smith, Bolton, and Wagner 1999) that compensation is more important than interaction processes. However, they conflict with findings that procedural justice affects customers' satisfaction most influentially (Maxham and Netemeyer 2002; Varela-Neira, Vazquez-Casielles, and Iglesias-Arguelles 2008). A possible reason for this is that we focus on satisfaction with service recovery, whereas Maxham and Netemeyer (2002) examine the effects on overall satisfaction. Procedural and interactional justice could be more important to overall satisfaction, but distributive justice is influential in satisfaction recovery.

The main effects of the outcome-related recovery efforts we study herein—approaching benefits and avoiding losses—vary across scenarios. In the low-failure-magnitude scenario, customers were aggregately more satisfied with the recovery effort of the upgraded seat; in the high-failure-magnitude scenario, they expressed more satisfaction with the refund. These findings are consistent with the role of perceived justice in determining recovery satisfaction. The more severe the service failure, the more

customers will prefer monetary compensation because it makes them feel that things are fair.

The results provide more insights to understand the effects of emotion in service recovery. Prior research focusing on negative emotion resulting from service failure has found that it indirectly influences recovery satisfaction through perceived justice (Varela-Neira, Vazquez-Casielles, and Iglesias-Arguelles 2008). Smith and Bolton (2002) demonstrate the pure moderating effects of negative emotion generated by service failure on perceived justice and service encounter satisfaction, but these effects vary across industries. Other studies show that emotion generated by recovery efforts mediates the effects of perceived justice on postcomplaint behavior (Schoefer and Diamantopoulos 2008; Schoefer and Ennew 2005), but these studies examine emotions as either a pure moderator or a pure mediator. The effects of regulatory fit on recovery satisfaction should not be explained from an emotion perspective. First, the effects of “feeling right” on people’s behavior and evaluations are independent of positive mood (Higgins, Kruglanski, and Pierro 2003). Second, our research provides evidence that regulatory fit influences recovery satisfaction directly, rather than fully through perceived justice.

Managerial Implications

Firms should strive to match recovery efforts with failure scenarios and failure magnitudes. Equally important, recovery efforts should match individual customers’ goal-pursuit preferences (e.g., self-regulatory focus). Firms should familiarize themselves with customers’ preferences and character traits and potentially customize efforts accordingly. Doing so would help managers design more flexible recovery programs to ensure that every customer benefits from a recovery response that he or she prefers. In addition, managers need to understand service failure and recovery from the customer’s point of view. This article emphasizes that customers and service providers often view the same service failure differently. Customers with a promotion focus prefer different recovery efforts with those with a prevention focus.

Limitations and Further Research

This article also has limitations that could lead to further research. First, the

outcome-related recovery efforts we discuss herein are not exclusive, though they should benefit firms' recovery designs. In addition, we could not assign several process-related recovery attributes to either category. For example, it is difficult to consider apology, one type of recovery effort, either an approaching-benefits or an avoiding-losses strategy. Thus, further research is necessary to classify other types of recovery attributes according to customers' goal-pursuit systems. Second, the failure scenario included only a single service industry, which limits the generalizability of the findings. Other industries and customers' responses to different recovery efforts deserve further examination. Third, in terms of the study's design, we did not include the interaction between customers and service providers because of our focal goal of the research. Although we tested whether respondents perceived the scenario as real or not, including the interaction process between customers and service providers would benefit external validity.

Several directions for future study exist. Comparing customers' chronic self-regulatory focus across cultures could provide a better understanding of consumers' preferences related to their cultural background after encountering service failures. The effects of self-regulatory focus on customer participation in the recovery process also calls for further research. For example, service-dominant logic (Vargo and Lusch 2004) views customers as coproducers or value cocreators, and thus the service recovery process could become a part of value cocreation as well. As a result, customers' self-regulatory focus could influence their roles and behaviors in cocreation. Furthermore, research should verify our theory in more service industries and with other service recovery scenarios and/or real-life cases. A more generalized framework would help both practitioners and scholars better understand the effects of service recovery on customer satisfaction.

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Table 1

Measurement Model

<i>Construct/Item</i>	<i>Standardized Loading</i>	<i>R²</i>	<i>t-Value</i>	<i>Reliability α</i>
Promotion Focus				.731
<i>General Speaking, I am focused on achieving positive outcomes in my life.</i>	.635	.403		
<i>I see myself as someone who is primarily striving to reach my "ideal self."</i>	.601	.361	7.866***	
<i>I typically focus on the success I hope to achieve in the future.</i>	.676	.457	3.337***	
<i>I frequently imagine how I will achieve my hopes and aspirations.</i>	.626	.392	8.369***	
Prevention Focus				.651
<i>I often think about the person I am afraid I might become in the future.</i>	.714	.510		
<i>I am anxious that I will fall short of my responsibilities and obligations.</i>	.590	.348	7.111***	
<i>I am more oriented toward preventing losses than I am toward achieving gains.</i>	.589	.347	5.266***	
<i>I often imagine myself experiencing bad things that I fear might happen to me.</i>	.765	.585	7.318***	
Interactional Justice				.795
<i>The employees put the proper effort into resolving my problem.</i>	.835	.697		
<i>The employees gave me the courtesy I was due.</i>	.721	.520	13.458***	
<i>The employees were appropriately concerned about my problem.</i>	.720	.518	12.867***	
Procedural Justice				.701
<i>The length of time taken to resolve my problem was very soon.</i>	.677	.458		
<i>The air company showed adequate flexibility in dealing with my problem.</i>	.696	.484	10.748***	
Distributive Justice				.876
<i>The outcome I received was right.</i>	.826	.682		
<i>In resolving the problem, the air company gave me what I needed.</i>	.778	.605	15.941***	
<i>The outcome I received was fair.</i>	.830	.689	17.185***	
<i>I got what I deserved.</i>	.769	.591	15.361***	

Recovery Satisfaction				.843
<i>To this problem handling, I am satisfied with the company's service.</i>	.833	.694		
<i>In my opinion, I am satisfied with the company's handling of the problem.</i>	.894	.799	19.040***	
<i>Are you satisfied with the company's performance in the problem handling?</i>	.679	.461	13.338***	
Model Fit Indexes				
χ^2 ($df = 155$, $p = .000$)	293.364			
Normed fit index	.900			
Incremental fit index	.950			
Comparative fit index	.949			
Root mean square error of approximation	.051			

*** $p < .001$.

Table 2

MANCOVA on Recovery Satisfaction

Dependent Variable: Recovery Satisfaction					
Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected model	384.12	15	25.61	31.42	0.00
Intercept	8.60	1	8.60	10.55	0.00
Gender	1.72	1	1.72	2.11	0.15
Education	4.07	1	4.07	5.00	0.03
Age	0.82	1	0.82	1.00	0.32
Income	0.59	1	0.59	0.72	0.40
Experience	0.67	1	0.67	0.83	0.36
DJ	96.23	1	96.23	118.06	0.00
IJ	10.10	1	10.10	12.39	0.00
PrJ	4.89	1	4.89	5.99	0.02
SRF	0.09	1	0.09	0.11	0.75
ORE	1.55	1	1.55	1.90	0.17
FM	0.46	1	0.46	0.57	0.45
SRF × ORE	12.82	1	12.82	15.72	0.00
SRF × FM	0.04	1	0.04	0.05	0.83
ORE × FM	3.38	1	3.38	4.14	0.04
SRF × ORE × FM	0.35	1	0.35	0.43	0.51
Error	233.94	287	0.82		
Total	6098.62	303			
Corrected total	618.06	302			
$R^2 = .621$ (Adjusted $R^2 = .602$)					

Note: DJ = distributive justice; IJ = interactional justice; PrJ = procedural justice; SRF = self-regulatory focus; ORE = outcome-related recovery efforts; and FM = failure magnitude.

Table 3

MANCOVA on Distributive Justice

Dependent Variable: Distributive Justice					
Source	Type III Sum of Squares	df	Mean Square	F	Sig.
Corrected model	137.64	12	11.47	5.34	0.00
Intercept	395.10	1	395.10	183.77	0.00
Gender	26.40	1	26.40	12.28	0.01
Education	19.01	1	19.01	8.84	0.03
Age	2.02	1	2.02	0.94	0.33
Income	0.43	1	0.43	0.20	0.66
Experience	16.70	1	16.70	7.77	0.01
SRF	0.44	1	0.44	0.20	0.65
ORE	1.00	1	1.00	0.47	0.50
FM	0.93	1	0.93	0.43	0.51
SRF × ORE	1.86	1	1.86	0.87	0.35
SRF × FM	1.80	1	1.80	0.84	0.36
ORE × FM	5.43	1	5.43	2.52	0.11
SRF × ORE × FM	4.34	1	4.34	2.02	0.16
Error	638.56	297	2.15		
Total	6277.98	310			
Corrected Total	776.21	309			
$R^2 = .177$ (Adjusted $R^2 = .144$)					

Note: DJ = distributive justice; IJ = interactional justice; PrJ = procedural justice; SRF = self-regulatory focus; ORE = outcome-related recovery efforts; and FM = failure magnitude.

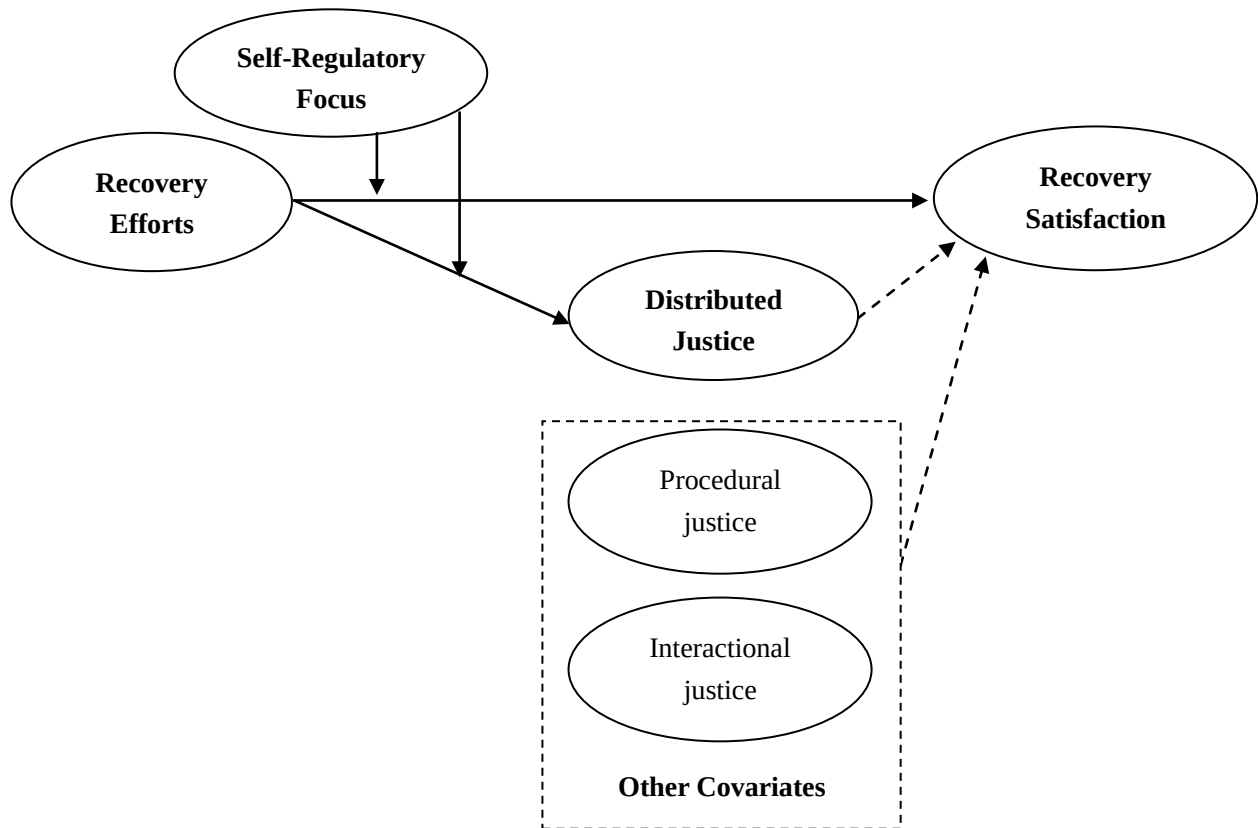
Table 4

Hierarchical Regression on Recovery Satisfaction and Distributive Justice

	<i>Model 1</i>	<i>Model 2</i>	<i>Model 3</i>	<i>Model 4</i>	<i>Model 5</i>	<i>Model 6</i>
Dependent Variable	Satisfaction	Satisfaction	Satisfaction	Satisfaction	Distributive Justice	Distributive Justice
(Constant)	5.81***	5.48***	1.09*	1.62***	6.84***	6.63***
Gender	-0.26	-0.26	0.15	0.16	-0.62***	-0.62***
Education	-0.21*	-0.13	0.08	0.08	-0.35***	-0.29**
Age	0.08	0.08	0.04	0.04	0.05	0.05
Income	-0.10	-0.08	-0.07	-0.04	-0.04	-0.02
Experience	-0.09	-0.12	0.14	0.15	-0.36**	-0.39**
DJ			0.66***	0.51***		
IJ				0.22***		
PrJ				0.21**		
SRF	-0.04	-0.15*	-0.05	-0.05	-0.09	-0.15*
ORE	0.19	-0.33	0.25	-0.31	0.23	-0.13
FM	-0.07	-0.06	-0.03	-0.02	-0.07	-0.06
SRF × ORE		1.04***	0.59**	0.56**		0.71*
SRF × FM		0.12	0.09	0.06		0.00
ORE × FM		-0.54	-0.30	-0.26		-0.37
Adjusted R ²	.05	.12	.56	0.60	.14	.15

Note: DJ = distributive justice; IJ = interactional justice; PrJ = procedural justice; SRF = self-regulatory focus; ORE = outcome-related recovery efforts; and FM = failure magnitude. *** $p < .001$; ** $p < .01$; * $p < .05$.

Figure 1
The Conceptual Framework



A Study on Application of Quality Tools and Techniques in Hospital: Case Study in Bandung City

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Abstract - Healthcare institution is one of the institutions that mostly need quality in service. By improving the quality of service to its patients, a hospital would likely gain more trust from the patients, and moreover, would also get more patients' satisfaction. To find out the level of quality that has been done in hospitals, a study of the use of quality tools and techniques to manage the operations of the healthcare institutions is needed. The purpose of this study is to map the Use of Quality Tools and Techniques in healthcare institutions. We assume that if the hospitals are using the quality tools and techniques, then the effectiveness and efficiency of the hospital will be improved. Questionnaires were spread to all general hospitals in Bandung city, and responses were received from managements, doctors, nurses, and staffs of seven hospitals. The questionnaire consists of four parts: the usage of the quality tools and techniques in the hospitals, the example of the usage of those quality tools and techniques, the respondents' perception about how useful the quality tools and techniques would be, and the reason why the hospital didn't use the quality tool and techniques. This research found that although the respondents thought that the quality tools and techniques are useful, but the use of the quality tools and techniques are very seldom. Three quality tools and techniques that are most widely used in the hospitals are brainstorming, process mapping, and 5-S. Some reasons why the quality tools and techniques are not commonly used are because they don't have time to do the processes needed, they don't know how to use the quality tools and techniques, and the measurements are not possible to do. Comparing the use of these quality tools and techniques in hospitals in other countries, we can conclude that actually the use of quality tools and techniques can give huge positive impacts to the hospitals. There are still a lot of room for improvement in Bandung hospitals.

Keywords: hospital, quality tools and techniques, Bandung

Understanding Satisfying Service Encounters in Retail Banking –

A Dyadic Perspective

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Abstract: Previous research shows that it is the behaviours and attitudes of customer contact employees during interpersonal service encounters which primarily determine the customers' perceptions of service quality and that can positively or negatively influence the service experience. It is therefore important that companies focus their resources on ensuring that such service encounters are delivered in a reliable and consistent manner. Interpersonal service situations offer an opportunity to manage quality and establish what kind of service delivery is satisfactory.

However, service quality has predominately been conceptualised from the service receiver's perspective. Therefore, the service provider's perspective and the role of employees in the creation of quality have often been neglected. Surprisingly, only a few attempts have been made to investigate both perspectives in the service encounter. The aim of this research is therefore to expand understanding of satisfying interpersonal service encounters by comparing customer and employee perspectives. A dyadic approach not only fits the nature of the service encounter but will also reveal whether customer expectations differ from what contact employees believe customers desire from the service encounter. Gained insights could then lead to a greater understanding of the service encounter as revealed discrepancies in perceptions will not only increase employees' and management awareness, but also provide companies with implications for training and recruitment of frontline employees. The few existing dyadic studies already indicate gaps between customers' and employees' perceptions of good service quality and what constitutes a satisfying service encounter. Similarly, according to a Bain & Company survey with 362 leading firms from multiple geographical locations, 80 % believed they delivered a 'superior experience' to their

customers. In contrast, customers rated only 8% of companies as truly delivering a superior experience. It was therefore decided to conduct an exploratory study in an established service industry (retail banking) to investigate this interesting phenomenon further.

The study employs a qualitative research methodology and 40 laddering interviews were conducted (20 bank employees and 20 customers of this bank). The findings present customers' desired attributes and behaviours of customer contact employees, as identified by both parties. The findings show that both customers and frontline employees have a very complex view of a satisfying service encounter. The major contribution of this research study lies in its dyadic approach and by providing a deeper insight into the differing customer and employee perceptions. Findings from this study can be used by employees and management in order to improve the service experience in service industries, and particularly in retail banking. The revealed discrepancies in perceptions will not only increase employees' and management awareness, but also provide companies with implications for training and recruitment of frontline employees to ensure that contact employees can manage their behaviour appropriately to match their customers' underlying expectations. Another strong contribution of this paper is the finding that all the identified concepts from the laddering interviews that are shown in the hierarchical value maps must not be seen in strict isolation, as in previous research, but have to be understood as a network of interrelated concepts.

Conceptualization and application of value-configuration spaces in a complex service system

Comparative study of Public Transport Services in industrialized and newly-industrialized countries

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ABSTRACT

To really fulfill the ambitious goals for a sustainable public transit, innovations should aim on innovating value-configuration spaces through re-inventing the way value is created between service providers and customers. Solving the upcoming traffic challenges in urban regions, research can either focus on advancing single provision of public transit services, or it could use the perspective of value-configuration spaces. Value-configuration spaces consist of value creation and value networks. We applied the perspective of value-configuration spaces to multiple urban regions based on sustainability cases. Our findings replicate theoretical contributions of elements for conceptualizing value networks and value co-creation. Theoretical extensions refer to the value-configuration spaces for public transit services in urban regions, which seem to evolve through five distinct stages: (1) establishment of reliability of single transportation modes, (2) integration of different transit modes, (3) regional integration, (4) service extension, and (5) individual mobility. These five stages are relatively stable across the investigated cities.

Keywords: Value configuration spaces; service systems; value creation; public transit services; service-dominant logic;

INTRODUCTION

Public transportation represents a complex service system, which is based on “value-co-production” configuration. Value-co-production configuration involves “...people, technology, other internal and external service systems, and shared information” (Spohrer et al., 2007, p. 2). To fulfil the goals of a sustainable Public transit, innovations should focus the way value is created. The value configuration space (Gebauer et al., 2010; Johnson et al., 2010) is conceptualized consisting of two parties (“customer” and “provider”), who are both resource integrators and beneficiaries in the value configuration space. Both are involved in actor networks (or service systems). Service systems are related to value networks where the value

creation relies on resource integration across a value network consisting of providers, network partners, and customers (Vargo and Lusch, 2008; Edvardsson, et al., 2010). The networks form service systems that survive, adapt, and evolve through exchange and application of resources.

The aim of this paper is to apply the conceptualization of value-configuration spaces to understand the context of public transit services in a complex service system through different public transit cases. Public transit services in the urban regions of developed countries (Zurich in Switzerland, Hamburg in Germany, and Stockholm in Sweden) and newly-industrialized countries (Cape Town in South Africa, Jakarta in Indonesia, Bogota in Colombia and Guangzhou in China). Despite the importance of sustainable public transit services, existing research does not fully explore how complex service systems drive innovation and value-configuration-spaces; to achieving more sustainable public transit services as a key issue. We are looking for innovative ways to combine service systems and value-configuration spaces; such research in fact substantiates the existing value-configuration-space. The variation in maturity of these different cases allows us to develop a process model of value configuration spaces that assesses social force.

To further embrace these ideas, this paper lays the foundation for enriching the logic of sustainability and value-configuration spaces theories. The remainder of the article is organized as follows. The next section presents our conceptual framework. This consists of sub-sections on sustainability and innovation, value creation, value configuration spaces, and the value network. The article continues by applying these four key concepts to our empirical setting based on multiple public transit service networks in Europe. The article concludes with a summary of the main contributions and limitations of the study and directions for future research.

CONCEPTUAL FRAMEWORK

Value creation, value networks, and value-configuration-space

The literature increasingly devotes attention to value-configuration spaces, which

lays the foundation for co-creation of value (Vargo and Lusch 2008), and each value configuration is distinctive in accordance with its own value-creation logic for transforming resources into products and services. Value-network logic links these value configurations in a network relationship that enhances resource integration among various social and economic actors, thus increasing the potential for synergistic value co-creation (Vargo and Lusch 2008). Consequently, value-configuration spaces combine two important elements, namely, value creation and value network. Arguably, the value configuration space consists of two parties (the “customer” and the “provider”), who are both resource integrators and beneficiaries in the value configuration space (Edvardsson *et al.* 2011). Both parties are involved in networks of actors (or service systems) contributing to the value configuration spaces.

According to service science literature, ‘service systems’ constitute value co-creation configuration of firms, institutions, and customers (Maglio and Spohrer 2008). Value networks form service systems that “survive, adapt, and evolve through exchange and application of resources” (Vargo *et al.* 2008, p. 146). The network is the basic locus of innovation and the principal unit of analysis in business and marketing (Vargo *et al.*, 2008). In the value network, value is co-created by different actors, and each actor contributes to the overall offering (Vargo and Lusch, 2011). Membership in a value network offers collective benefits that surpass those available to an individual entity because the synergistic application of specialized competencies in the value-creation process leads to increased efficiency (Möller and Svahn 2003).

Value creation emphasizes value-in-use instead of value-in-exchange. Value is an exchange of goods and money (Vargo *et al.* 2008). Value-in-exchange distinguishes between producers and consumers. Value creation results from a series of activities performed by the firm. Value-in-use suggests that the roles of producers and consumers are not distinct. Value is always jointly and reciprocally co-created. It results not from a series of activities, but rather from interactions among service providers and beneficiaries. These interactions require integration of resources and application of competences (Edvardsson *et al.* 2011; Vargo and Lusch 2004).

Grönroos (2008) describes value-in-use from a supplier perspective in terms of a

value facilitation and value fulfillment model. As a value facilitator, the service provider provides customers with a foundation for their value creation in the form of resources and beneficiaries. In terms of value fulfillment, the service provider acts as a value co-creator by engaging directly with customers during their value-generating processes.

Conceptualization, value-configuration space in a complex service system

Our research framework benefits from the theoretical contributions to sustainability, value creation, value network, and value-configuration spaces. In order to conceptualize value-configuration spaces, we rely on previously applied elements of value creation and value network. Value creation relies on five elements (Gebauer *et al.* 2010, Prahalad 2004): (i) customer engagement. (ii) self-service, (iii) customer experience, (iv) problem-solving and (v) co-designing.

- i. Customer engagement refers to providers seeking to persuade customers through advertising and promotions that involve and activate the recipients of the promotional message (Prahalad 2004).
- ii. Self-services (e.g. internet, mobile phones, computer terminals, or ticketing machines) enable customers to order, buy, and exchange resources without any direct interaction with the employees of the provider (Meuter *et al.* 2000).
- iii. Customer experience means that services can create memorable experiences and events for customers (Prahalad 2004).
- iv. Problem-solving is related to the literature on service recovery, which is related to co-repairing value (i.e., service recovery) (Andreassen 1999).
- v. Co-designing occurs when the customer works collaboratively with the service provider to create a new service or product that is appropriate to the customer's needs and wishes (Prahalad 2004).

The conceptualization of value networks draws on four elements (i) the value activities of the business networks, (ii) the goal of the network and the focal (or hub) firm of the network, (iii) the structure of the networks along its vertical and horizontal dimension, and (iv) the capabilities of the actors (Möller *et al.* 2005).

- i. Value creation activities are related to the five elements contributing to value creation (customer engagement, self-service, customer experience, problem-solving, and co-designing). These five elements bridge the value creation and value network.
- ii. The goal of the network and the focal (or hub) firm of the network capture the actual value proposition offered by the network actors
- iii. The vertical dimension describes the network structures according to network actors positioned upstream and downstream in a specific value chain. The horizontal dimension captures network actors and activities across multiple value chains.
- iv. Capabilities refer to network actors' capacity to deploy their resources to achieve a desired end (Amit and Schoemaker 1993). Capabilities are twofold: operational and dynamic. Operational capabilities enable companies to earn a living under the conditions of a specific business environment (Winter, 2003). By encapsulating the evolutionary nature of resources (Eisenhardt and Martin 2000), dynamic capabilities enable companies to respond to changes in the business environment (Teece 2007).

Research Method

Against this background, those elements describing the value creation and value network set the reference points for developing a process-model for innovating value-configuration spaces. Our empirical setting includes Stockholm in Sweden, Freiburg in Germany, and the Zurich Region in Switzerland. These urban regions have achieved different degrees of maturity in innovating value-configuration spaces and sustainability.

Consistent with grounded theory development, we aim at developing a process model of value-configuration spaces (value creation and value network) integrated with sustainability based on the attempts of public transit service providers to increase use of public transit services. The data were obtained between 2007 and 2011. Our sampling of urban regions and public transit service providers was discriminate. We sampled cases of public transit operators until recurring patterns on the process model of value-configuration spaces (value creation and value network) emerged (Strauss &

Corbin, 1990). Following Bowen's (2008) argument that it is insufficient to state that sampling was concluded once saturation was reached, we employ the following guidelines. The emerging process-model was considered saturated because it was upheld in all case studies; this was confirmed by interviewee feedback on the analyzed data and made sense on the basis of prior research (Bowen, 2008). More specifically, differences in maturity mean that regions vary in the way they address value creation elements (e.g. customer engagement; self-service; customer experience; problem-solving; and co-designing), value network elements (the goal of the network, structure of the networks along its vertical and horizontal dimension, value activities of the business networks, and the capabilities of the actors) and concerns related to business, operations and encounter. Variations in maturity allow us to develop a process model of value configuration spaces.

A qualitative, longitudinal study was used to explore the value network and value-configuration space in these urban regions. The data were collected from primary and secondary sources. Primary data include interviews and workshops with key executives from the public transit operators. The interviews lasted between 90 and 120 minutes and were guided by a semi-structured interview protocol, which allowed going beyond the boundaries of the predefined interview contents. Follow-up questions consistent with the narrative approach were further used to explore the interviewee contents (Mishler 1986). Systematic notes were taken during the interviews, and transcripts were completed shortly after the interviews. The transcribed interviews were combined with secondary data such as annual reports, official public transit developing programs, and letters to stakeholders.

The various data were combined into case studies on network formation for each urban region. The case studies were organized by chronological description of the value network formations around public transit services. Assessing the value creation and value network elements conceptualized in the research framework substantiated the chronological description. Tables and illustrations were developed to track triggers,

goals, and actions for distinct stages in value network formation. The obtained data were analyzed through a within and cross-case analysis (Eisenhardt, 1989).

4. A process-model for innovating value-configuration spaces

Consistent across all case studies, innovating value-configuration spaces occurs through five stages, namely, (1) ‘establishing the reliability of single transportation modes’, (2) ‘integration of the modes of transport’, (3) ‘regional integration’, (4) ‘service extension’, and (5) ‘individual mobility’. This process model is also important to assess the service systems and strategies:

1. The first stage aims at establishing the reliability of single transportation modes. Reliability includes punctuality, travel comfort, and equally important safety issues related to the use of public transit services.
2. The second stage entails the integration of the various means of transportation—such as trains, buses, ferries, inter-urban trains, and trams by coordinating timetables, destinations, and pricing systems. These changes ensured enhanced connections for commuters among the different modes of transportation. For example, trains leave regularly every half hour, and these departures are synchronized with buses and other trains.
3. The third stage involves regional integration, sought to integrate the level of urban, local to the regional level, including city busses, regional trains, or international high-speed trains connecting major cities.
4. The fourth stage refers to the extension of services by embedding transportation services into a wide range of value-added services in order to create comprehensive customer experiences for socializing, shopping, and entertainment.
5. The fifth stage changes the traditional public-transport focus on collective mobility towards a view to enhancing individual mobility. This included the provision of ‘park & rail’ services, car and bicycle hire, and mobility services.

Of course, these stages overlap and public transit operators might still proceed to

a further stage by simultaneously optimizing previous stages. The next six sub-sections discuss each stage in detail. However, space considerations do not permit us to fully describe all elements of value creation and value network. Instead, we concentrate on a summary of each stage. Empirical evidence from our cases is used to substantiate the summaries.

4.1. Establishment of reliability of single transportation modes

The process-model on innovating value-configuration spaces starts with establishing basic issues such as punctuality, travel comfort, and equally important safety issues and sustainability related to the use of public transit services. Value creation related to customer engagement refers to an open dialogue on safety issues. In addition, self-service elements such as pre-paid boarding together with improved customer experiences through multiple stopping bays, secure, weather-protected bus stations, and aesthetically pleasing bus station designs and eco- friendly infrastructures are emphasized. Similar empirical evidence was found across the other urban regions.

In the case of ZVV, integration of the modes of transportation has been successful in terms of coordinating timetables, destinations, and pricing systems. In the case of Guangzhou the construction of tunnel connecting the BRT to the Metro, which the BRT system starts to integrate the rest of the public transport network. This has ensured the convenience and enhancement of connections for commuters and clearly indicated a willingness by the public transit actors to provide customers with punctual, comfortable and safe public transit that support their daily needs. Support for the establishment of a reliable public transit service by political authorities has further increased the reliability of the public transit system. The City of Cape Town Integrated Rapid Transit (IRT) system is a bold initiative to transform the public transport sector by dramatically improving the customer's experience. An integrated public transit operator functions as the focal hub firm, whereas other public transit operators participate in the network by planning services, tactical marketing, and transport

provision. In the case of SL, the establishment is related to also cope-up with increased demands as the city grows faster by around 30,000 people every year, related to fast growing cities in the newly- industrialized countries. The core efforts of the SL are to contribute to both reliable and enjoyable traveling experience and infrastructure development.

4.2. Integration of transportation modes

The awareness that optimizing of a single transportation mode has reached a certain level of maturity triggers integration of transport modes. Passengers' mobility needs affect all modes of transportation and are beyond the scope of single bus runs and trains. Integration aims at breaking with isolated pricing and scheduling of each transportation mode. Representatives of RVF in Freiburg point out that if passengers want to go from rural areas to the city of Freiburg, they had to buy a ticket for each transport mode. "MyCiTi" in Cape Town is working to create Integrated Rapid Transit (IRT) systems, which integrates all of the current transport modes into a *coherent system for creating value to the customers*. The vision of "MyCiTi" is to transform the City's current road based public transport system through inter alia the provision of BRT services, operating service contracts, institutional reform and the transformation of the existing public transport industry. This will also include the integration of para-transit services to provide customers with wider and safer services and drive in the social context. Value creation around integration of transportation means a focus on engaging customers through marketing environmental friendliness. Self-services occur for buying tickets & travel cards, which are related to pricing & ticketing innovations. These innovations motivate passengers to buy travel cards instead of single tickets. Customers are intensively involved in launching pricing & ticketing innovations. Problems arising in the service provision are solved by customers and public transit operators. The network providing these types of value creation opportunities aims to move from isolated to integrated pricing & scheduling of public transportation modes. An integrated public transit operator functions as the focal hub firm, whereas further

public transit operators participate in the network by planning services, tactical marketing, and transport provision. The network formation starts with the political authorities sensing the opportunities emerging from integrating transportation means. Political authorities and integrated public transit service providers see that scope of the value network is adequate, and the integrated public transit service provider starts to reconfigures capabilities and responsibilities in the network. Political authorities set fundamental principles governing public transit service provision, whereas the integrated public transit service providers conduct the strategic marketing, transport planning, and financing. Furthermore, transport operators conduct planning services, tactical marketing, and transport provision, or concentrate purely on transport provision.

Actions to integrate the transport modes refer to launching ticket and pricing innovations such as the ZVV's "one single ticket campaign" or RVF's "environmental card". Further actions include setting-up a new organizational approach for the public transit network. In the Zurich Region, 171 municipalities and the cantonal government agreed on fundamental principles governing development, services, and fares. These institutions established the ZVV as a transport council and management unit responsible for strategic marketing of public transit services, transport planning, and financing. In general, these actions result in the formation of integrated public transport operators, which in turn setup partnering concepts with other public transport operators. The partnering concepts include modifications in the responsibility across the level of public authorities and all public transport operators. An adequate modification of responsibilities leads to the situation where political authorities concentrate on the fundamental principles governing public transit service provision. Integrated public transit services develop capabilities for strategic marketing, transport planning, and financing. Advanced transport operators conduct planning services, tactical marketing, and transport provision, whereas pure transport operators' focus on the provision of transit services.

4.3. Regional integration

Value creation in the stage of regional integration shares similarities in customer engagement, self-services, and problem solving with integration of public transport modes. Pricing & ticketing innovations for regional travel cards enhance customer experience. In order to achieve a sufficient fit of pricing & ticketing innovations with customer requirements, customers participate intensively in understanding regional traffic flows. Thus, the value network aims at covering one region with sophisticated public transit services. Similar to the integration of transportation modes, the integrated public transit service provider still functions as the focal hub firm, and further regional public transit operators participate in the network. The formation of the value network starts as the political authorities becoming aware of synergies in coordinating public transit services in a specific region. It continues as the political authorities recognize that the regional scope of public transit services is adequate and ends with reconfiguring capabilities and responsibilities in the regional network. The operational capabilities for utilizing regional integration are similar to those of the integration of transport modes.

Regional integration is triggered through the awareness that mobility needs affect urban and rural areas. In the case of the RVF in Freiburg, it was recognized that commuters often start their daily journey in rural areas and expect timely connections towards the city of Freiburg. Regional trains connecting minor cities with the city of Freiburg seem the best way to meet these expectations. Cross-country busses connect minor cities and rural areas. Stations at minor cities function through coordinated timetables where train departures and arrivals are synchronized. To achieve this, small transit operators should be embedded in the network. For these small operators, the former mentioned definition of mechanisms for sharing the incomes and revenues represents a key action for building trust and commitment and for setting-up an adequate partnering concept. Train and bus stations in the minor cities serve as a hub for accessing rural areas and for combining transport modes. The synchronized hubs

lay the foundation for optimizing transit corridors and alleviating bottlenecks across all areas.

4.4. Service extension

Value creation in the stage of service extension departs from marketing environmental friendliness towards dialogue on risks involved in transit services. Self-services occur around buying, paying, and using public transit services. The customer experience includes the provision of supplementary services, which result from involving customers in the creation of ideas for memorable events for passengers around terms such as ‘shoppertainment’ and ‘entertailing’. Public transit service providers also take an active role in solving problems arising in the service provision. Similar to the former two networks, integrated public transit service providers are the focal firm. However, the network structure is extended to include auxiliary service providers offering supplementary services. Integrated public transit service providers orchestrate the value contribution of these network actors. Operational capabilities for utilizing the value network refer to the design, market, and deliver supplementary services.

The third stage of service extension is triggered by the awareness that public transit can also serve as a platform for addressing other customer needs. In the region of Zurich, the ZVV in cooperation with the Swiss federal railway operator (SBB) recognized that the importance of stations as centers offering a comprehensive range of services is constantly increasing. The stations must continue to develop if they are to cater for growing numbers of commuters, people travelling for leisure or business and their changing, constantly raising expectations. Depending on the number of passengers, the stations are being developed toward major rail-cities or “stations plus”. A “station plus” is a shopping centre including a limited range of services such as shopping and retailing with a separate rail link, whereas the rail-cities cover approximately 300 service providers. Furthermore, each “normal” station is equipped

with a kiosk to provide newspapers, foods, and beverages.

The service extension aims at extending the breadth of services beyond the scope of transit services by providing customer experiences around shopping, entertaining, & retailing. Specific actions refer to innovation of supplementary services and defining a station concept with a dedicated breath of supplementary services. These actions also require partnering concepts with auxiliary service providers.

4.5. Individual mobility

This stage is similar in customer engagement, self-service, and problem-solving. Customer experience is extended to enable mobility by combining individual and public transit services. To do so, customers are becoming increasingly involved in finding and utilizing synergies between individual mobility and public transit services. The goal of the network is to enable seamless living through combining individual mobility and public transit services. The integrated public transit service providers still functions as the focal hub firm. The network structure is broadened up to include auxiliary individual mobility service providers. The network is formed by mobilizing and orchestrating providers of individual mobility to contribute to the goal of the network. Capabilities for utilizing the network include designing, marketing, and delivering services for enhancing individual mobility.

Individual mobility is triggered by the awareness that individual mobility should be an integral part of public transit services. The SL in Stockholm, for instance is working in creating integrated public transit network to cope up with the fast growing population. In order to create unique value, beside the main network of city tunnel the city trams are back to make the individual mobility as easier and sustainable as possible. The RVF in Freiburg, for example, argued that every individual mode of mobility (e.g., feet, bikes, motor bikes, or cars) as well as public transit services has a unique value. The question is rather to balance and prioritize the value contribution of individual modes of mobility and public transit services. Thus, both the SL and RVF's

idea is that all modes of transport (individual and public) are important and they have to be optimized according to their advantages and disadvantages. Transit modes (bus, tram, train, but also bicycles and feet) have priority due to environmental reasons, but car traffic is still essential for the functions of the city and rural areas. Restrictions related to car parking are typical illustrations. SL argues that customers have to get effective and sustainable mobility from day one, in order the city to grow. RVF argued that car parking has two different aspects. There should be a few expensive parking areas for commuters inside the city of Freiburg. But there should be sufficient reasonably priced parking areas close to the public transit network. Furthermore, people living in Freiburg should easy park their cars outside the city center, so that people do not have to use their cars.

Thus, stage five requires the creation of solutions in the urban planning and traffic development processes for combining individual mobility and public transit services. Urban planning and traffic development processes define priorities among individual mobility and public transit services. The priorities set a framework for innovating services combining individual mobility and public transit services. In the case of Hamburg, the framework led to innovations such as “Bike+Ride, Park+Ride, and Shuttle-Service”. To utilize these services, partnering concepts with providers of individual mobility should be implemented.

5. DISCUSSIONS AND CONCLUSION

S-D logic has a perspective of societal value creation that social and economic actors are resource integrators, which is a non-normative assertion (Vargo and Lusch, 2008). It represents a shift from static to dynamic resources with a stakeholder rather than customer-centric perspective (Sebhatu, 2010; Edvardsson and Enquist, 2009). This way of thinking has to be part of creating a value network as a strategy for engaging with local stakeholders (Hart, 2007) that provides input for dealing with integration of sustainability in infrastructural changes. It is also about how to explore the impact of S-D logic on issues such as contractual governance and performance

measurement in governing a value network for public service (Enquist et al., 2011) in a social context. Contracts can be used to change the dynamics of the delivery, bringing in complex issues such as customer involvement, with both customer and firm focused on value co-creation and co-production, rather than each party's contractual obligation (Ng et. al., 2009).

The conceptualization of value creation through the five elements (customer engagement, self-services, customer experience, problem solving and co-designing) as well as value networks through the four elements (network goal, focal firm of the network, value creation activities, and capabilities) leads to a valid conceptualization of value-configuration spaces, which can be used for further research. Future qualitative research to describe value configuration in accordance with its own value-creation logics of transforming resources into products and services could draw on our comprehensive conceptualization. All these elements around value creation and value network are an integral part of value-configuration spaces. By describing the value network and value creation, the value configuration can be described to be distinctive in accordance with its own value-creation logic of transforming resources into products and services. Deepening the understanding of value creation and value network in the context of value-configuration space offers a guideline for describing the resource integration.

Besides these theoretical implications, our findings offer also recommendations for executives planning public transit services for urban regions. The concept of value-configuration spaces and its rationale for value creation and value network has been beneficial for the usage of public transit services. Urban regions should recognize that all five elements for value creation and four elements for value networks represent practical and effective means for changing value-configuration spaces in order to enhance the commuting, business, and leisure travel experience.

The findings of the study suggest that public-transport providers should increasingly open up their value creation processes to include the active participation

of customers. Furthermore, public-transport providers should increasingly open up their network to include further transport operators as well as auxiliary service providers around supplementary services and services enhancing individual mobility.

The study has certain acknowledged limitations. Literature suggests that value-configuration-spaces (value creation and value network) are highly embedded in social forces (e.g., signification, legitimization and dominance). Social forces can present important rigidities or drivers for value networks and value creation (Edvardsson et al. 2011). A comprehensive understanding of the latter two seems only possible if service research broadens up its perspective on the social context of value-in-use. However, social forces are beyond the scope of our study. We suggest that future research should extend our findings and include social forces into the context of public transit service providers modifying value-configuration spaces.

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Responsible Tourism in Rural Area in Malaysia: An integrated Approach

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Structured Abstract

Purpose: There has been a significant increase in the demand for travelling to cultural and nature-based destinations. Malaysia incorporates a blend of natural, cultural,

man-made attractions with multi-racial, multi-ethnic and multi-religion communities which attract both domestic and international tourists. Increasingly, international tourists coming to Malaysia have been found to be interested in seeing indigenous people in their natural environment as opposed to being involved in a captive or programmed environment (Ramachandran, 2009). With this increased visitation, culturally sensitive and fragile communities and regions are proposed to become vulnerable to change.

The diverse impact of tourism upon the social fabric, cultural context and natural environment has stimulated a desire to maximise the positive and minimise the negative effects (Juan Gabriel, Linda and Michela, 2011; Ward and Berno, 2011; Deery, Jago and Fredline, 2012). The concept of Responsible Tourism promotes the conservation of fragile environments through the sustainable use and involvement of local communities in decision making (Spenceley, et al., 2002). Moreover, this concept attempts to balance the maximisation of the tourist experiences with simultaneously increasing socio-economic benefits and improving natural resource management. Since there is an absence of understanding of who exactly is the responsible tourist, as a major component of this management strategy, and what would influence and restrict them from behaving responsibly, it is crucial to fill this gap. This research outlines a conceptual model which is the first stage of an extended research program.

Design/methodology/approach: To conduct this research, a multi-phase and mixed method research design will be employed. The first phase will consist of semi-structured interviews with key stakeholders (i.e. the private sector, the public sector, the voluntary sector, the host community, and the tourist) to identify their perception of what defines responsible tourist with the focus on environmental, social and cultural sustainability. Additionally, the influential factors as well as constraining ones would be categorized. The second phase entails a survey based on the items identified from the previous phase on the basis of Ajzen's Theory of Planned Behaviour (Ajzen, 1985), to find out the size of the potential market for responsible tourists.

Expected findings: This study will contribute to the growing body of sustainable tourism research by investigating both the demand and supply side of Responsible Tourism in Malaysia. From the demand-side, the quantification of prospective tourists who fall into the classification of pro-responsible behavior; i.e. environmental, social, and cultural responsible, will be identified. From the supply side, the perception of destination agents who provide the necessary infrastructure for responsible tourism will be examined.

Originality/value: This study addresses the gap through conceptually modelling the various means of describing who a responsible tourist is and the internal and external influences upon their tourist behaviours.

Keywords: Responsible Tourism, Responsible Tourist, Tourist Behaviour, Sustainable Development

1. Introduction

Tourism as a worldwide economic activity, is one of the largest industries that contribute trillions of dollars annually to the global economy, creates jobs and wealth, generates exports, boosts taxes and stimulates capital investment (World Travel and Tourism Council, 2011). Nowadays, there are very few people who have neither contributed to the growth of travel & tourism through their spending, nor felt the impacts of others' expenditure.

During the past decade, there has been a significant increase in the demand for travelling to cultural and nature-based destinations (Eagles, McCool & Haynes, 2002). Increasingly, international tourists coming to Malaysia have been found to be interested in seeing indigenous people in their natural environment as opposed to being involved in a captive or programmed environment (Ramachandran, 2009). With this increased visitation, culturally sensitive and fragile communities and regions are proposed to become vulnerable to change (Deery, Jago & Fredline, 2012; Juan Gabriel, Linda & Michela, 2011). Therefore, it is crucial to follow a sustainable path which contributes to the protection of natural areas and conservation of cultural and social heritage of the host community. This cannot be accomplished without raising the awareness and improving the support from all the stakeholders.

The tourism industry has several key role players such as the public sector, private sector, voluntary organizations, and the host communities who will benefit from the activities of this industry (McAreevey & McDonagh, 2011; Stanford, 2006). To achieve any progress in the sustainable development of rural areas, a positive attitude of the key role players mentioned above toward implementing any strategy is essential. Additionally, the responsible tourism approach has been suggested as one of the best solutions to the lack of progress observed in sustainable tourism development (Spenceley, *et al.*, 2002).

This research represents the first stage of an extended research program which aims to identify the perception of tourism industry stakeholders in respect to what constitutes responsible tourism practices in Malaysia. Furthermore, it is intended to investigate the barrier as well as antecedent factors for responsible tourism practices.

2. Literature Review

The diverse impact of tourism upon the social fabric, cultural context and natural environment has stimulated a desire to maximise the positive and minimise the negative effects of the tourism industry (Deery, *et al.*, 2012; Juan Gabriel, *et al.*, 2011; Ward & Berno, 2011). The concept of responsible tourism promotes the conservation of fragile environments through the sustainable use and involvement of local communities in decision making (Spenceley, *et al.*, 2002). Moreover, this concept attempts to balance the maximisation of the tourist experiences with simultaneously increasing socio-economic benefits and improving natural resource management (Spenceley, 2008).

South Africa has taken a leading role in both understanding and implementing sustainable tourism (Booyens, 2010; Department of environmental affairs and tourism (DEAT), 1996; Frey & George, 2010; Goodwin, Spenceley & Maynard, 2007; Merwe & Wöcke, 2007; Spenceley, *et al.*, 2002). For instance, with the intensified debate on sustainable development, the South African Government published an extensive report exploring the development and promotion of tourism within South Africa (Department of environmental affairs and tourism (DEAT), 1996). A key finding was that Responsible Tourism is considered a necessity rather than a luxury. Since then, the Responsible Tourism Manual for South Africa (RTMSA) (Spenceley, *et al.*, 2002) and the Responsible Tourism Guidelines (Department of environmental affairs and tourism (DEAT), 2003) were developed in which responsible tourism was defined as having the following characteristics:

- ✓ “minimises negative economic, environmental, and social impacts;
- ✓ generates greater economic benefits for local people and enhances the well-being of host communities, improves working conditions and access to the industry;
- ✓ involves local people in decisions that affect their lives and life chances;
- ✓ makes positive contributions to the conservation of natural and cultural heritage, to the maintenance of the world`s diversity;

- ✓ provides more enjoyable experiences for tourists through more meaningful connections with local people, and a greater understanding of local culture, social and environmental issues;
- ✓ provides access for physically challenged people; and
- ✓ is culturally sensitive, engenders respect between tourist and hosts, and builds local pride and confidence” (Goodwin & Venu, 2008, p. 3)

In addition to the characteristics of Responsible Tourism mentioned above, the purpose of responsible tourism approach is that the benefits of tourism be fairly accessed and distributed. This was also emphasized by the 2nd international conference on Responsible Tourism in Destinations which was organized by Kerala Tourism and the ICRT in 2008, India. Furthermore, this conference highlighted the necessity of increasing government and private sector commitment to responsible tourism implementation, to provide effective systems for impact assessment, and to address responsible tourism in a strategic rather than moralistic manner (Frey & George, 2010). With the increased attention as well as research in the field of responsible management, sustainable tourism development and related topics, this question has been asked repeatedly that “to what extent the declarations and guidelines of responsible tourism have been adopted by tourism industry and have resulted in revision of management practices?(Department of environmental affairs and tourism (DEAT), 2003; Frey & George, 2010; George & Frey, 2010; Goodwin & Francis, 2003)” Findings of the study by Frey & George (2010) suggest that businesses are not investing time and money to have a modification in their managerial practices despite general positive attitude towards responsible tourism management. This is a common phenomenon in emerging markets and developing countries, such as Malaysia, where resource constraints impact negatively the relationship between what the tourism businesses actually do and would like to do.

Malaysia, known as one of the best ecotourism destinations (Tourism Malaysia Corporate Website, 2008), has a target to achieve 36 million tourist arrivals and

RM168 billion in tourism receipt by 2020(Tourism Malaysia, 2010). It is crucial to understand the impact of these plans on destinations, especially on rural areas. Furthermore, ecotourism must be with the corrective attitude to provide benefits beyond the pockets of shareholders and to advance the community life (Choi & Sirakaya, 2006; Singh, Slotkin & Vamosi, 2007). Therefore, perception and the right attitude of managers and business owners towards responsible tourism practices could end in businesses taking the lead, investing time and resources to protect the environment and to live in harmony with the local communities they are operating in. By implementing responsible tourism practices, tourism enterprises will:

- ✓ save money by reducing operating costs and increase economic stability
- ✓ increase their attractiveness to customers and support the long-term appeal of a destination
- ✓ improve business relationship
- ✓ monitor, assess and demonstrate impacts of tourism development
- ✓ achieve commercial and ethical advantage (Department of environmental affairs and tourism (DEAT), 2003; Goodwin & Francis, 2003; Spenceley, *et al.*, 2002).

Hence, the objectives of this research are as follows:

- ✓ to identify the perception of responsible tourism among different stakeholders in rural areas in Malaysia;
- ✓ to investigate the influential factors to adopt responsible tourism practices;
- ✓ to find out the constraining factors which prohibits different stakeholders from applying responsible tourism management.

3. Conceptual Model

Singhapakdi, Vitell, Rallapalli & Kraft (1996) suggest that adaption of responsible and ethical management practices requires a profound understanding of the corporate social responsibility. Moreover, Frey & George (2010) believe that attitude and intention are

two influencers on behaviour and impact management style. Therefore, the conceptual model of this study is generated as shown below:

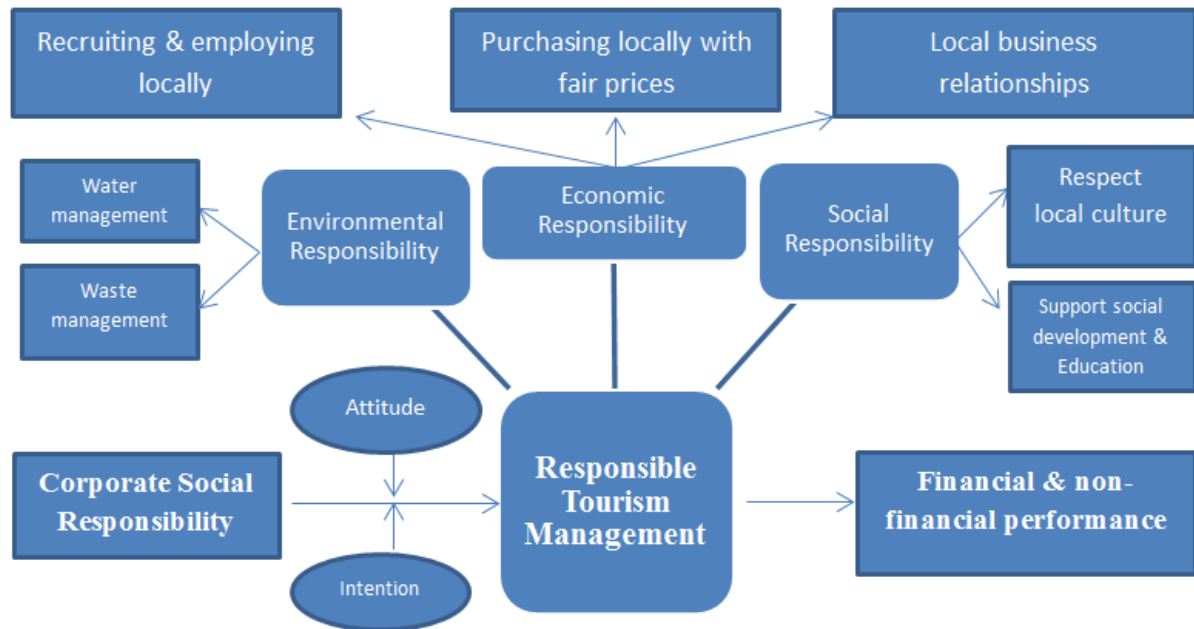


Fig1. Conceptual framework of the effect of managerial perception on RTM adaptation

4. Methodology

The nature of this study is qualitative with an exploratory and descriptive phase of the research design. The methodological approach is interpretivist approach as suggested by Carson, Gilmore, Perry & Gronhaug (2001) which allows the focus of the research to be on understanding what is happening in a given context. Semi-structured interviews with key stakeholders (i.e. the private sector, the public sector, the voluntary sector and the host community) will be conducted to identify their perception of what defines responsible tourism with the focus on environmental, social and cultural sustainability. Additionally, the influential factors as well as constraining ones to adopt responsible tourism practices would be categorized.

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Title: An explanation of how and why customer orientation influences customer's evaluation of interaction quality

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Abstract

Purpose – The purpose of this paper is to propose and examine a comprehensive model explaining why and how employee-level customer orientation influences the customer experience in a service setting.

Design/methodology/approach – Given the dyadic nature of the study, a two-way sample design was applied which integrated employee responses to customer responses. A total of 186 employees and 1117 customers participated in the study. The data was aggregated at the employee level of analysis.

Findings - The study found that job satisfaction and employee commitment mediate the relationship between employee-level CO and customer's perception of interaction quality. Additionally, interaction quality is showed to be positively related to customer satisfaction.

Research limitations/implications - Although the design of the research utilized data from both customer and employee from several restaurant outlets in the USA, all the restaurants belonged to one chain (one culture), and thus it may be difficult to generalize the results.

Originality/value –This study extends the CO theory by explaining how and why CO affects customer's perceptions from an organizational behavior perspective, with job satisfaction and organizational commitment as mediators. This is important as few efforts have been made to explain the effect of CO on customer experiences through mediating mechanisms, but from a marketing perspective. Practically, this study highlights the important role that human resources management may have from the interactive marketing perspective.

Keywords – employee customer orientation, job satisfaction, employee commitment, customer's perception of interaction quality, customer satisfaction.

Paper type – research paper

1. Introduction

The marketing concept has been defined as “a philosophy of business management, based upon a company-wide acceptance of the need for customer orientation,...” (McNamara, 1972, p. 51). Since customer orientation (CO) serves as a foundational element of the marketing concept

(Jaworski & Kohli, 1993) its implementation in service organizations is accomplished through customer-oriented employees and their interactions with customers (Donavan, Brown, & Mowen, 2004). With the growth of competition in the service economy along with the more recent global crises, CO and the delivery of better service quality to consumers becomes ever more important (Kelley, 1992). Given the intangible and interactive nature of services, customers' evaluation of service quality is often based on the attitudes and behaviors of employees (Hennig-Thurau, 2004; Teng & Barrows, 2009). Consequently, the service-worker's level of CO plays an important factor on performance outcomes and firm's success (Bitner, Booms, & Tetreault, 1990; Bove & Johnson, 2000; Bowen & Schneider, 1985; Brown, Mowen, Donovan, & Licata, 2002; Donovan & Hocutt, 2001). That is, as employees play an integral role in the service delivery, those with higher levels of CO will develop more positive interactions with customers; thus influencing consumer's perception of service quality delivered by the employee, and satisfaction levels.

Although theory and some empirical research (e.g. Brady & Cronin, 2001; Dean, 2002; Donovan & Hocutt, 2001; Hennig-Thurau, 2004; Rafaeli, Ziklik, & Doucet, 2008; Susskind, Kacmar, & Borchgrevnik, 2007) support the relationship between CO and perceived performance, much of this research assumed a direct effect, thus failing to explicate how and why CO is related to customer's perception of service quality and customer satisfaction. For example, the study of Susskind et al. (2007) found that CO accounted for roughly one-third of the variance in guest satisfaction; thus two-thirds of the variance remains unexplained through their model. The authors suggested that the influence of other variables may help explain the linkages proposed in their model. Therefore, the first objective of this paper is to answer the fundamental question of why and how individual CO relates to the customer experience. In this paper, customer experience is defined as to the employee-customer interaction quality (a major component of service quality) and customer satisfaction (CS). Specifically, we tested the influence of service-worker CO levels on customer's perception of interaction quality (IQ) directly and through two intermediate mechanisms. These mechanisms include employee's job satisfaction and organizational commitment which we describe in more detail below. By focusing on job satisfaction and employee commitment as intervening mechanisms linking service-worker's CO to service quality (SQ), we hope to contribute to the emerging CO literature by more fully explaining how and why employee's level of CO enhance the customer experience.

The second objective of this study is to propose a different research design to investigate the linkages suggested in the research model. A majority of previous studies that examined the impact of CO on customer's experience used a one-sample research design. That is, only an employee or customer sample was applied in similar research (for an exception see Susskind, et al., 2007). By employing a two-sample research design with employee and customer data, we respond to the reported limitations in Dean (2002, 2007); Donovan (2001); Hennig-Thurau (2004), all of whom suggested the use of data from both customers and employees in future research that attempts to establish the CO-perceived performance linkage. Therefore, the methodological contribution of this research should provide further insights in the relationship between CO and customer's responses to dining experiences as well as reduce the common-method bias that is present in previous studies.

2. Conceptual Development

2.1 Customer Orientation

Strong and Harris (2004) suggested that the concept of CO was developed first in the work of Levitt (1960). Since CO serves as a foundational component of the marketing theory and practice (Jaworski & Kohli, 1993), its concept has been widely studied over the past years. Despite the efforts of academics and practitioners to further the CO theory, the different conceptualizations and approaches (Chao, Fu, & Lu, 2007; Deshpande, Farley, & Webster, 1993; Donovan et al., 2004; Narver & Slater, 1990; Saura, Contr ́ Taulet, & Vel ́zquez, 2005; Webster, 1998) to study the subject has led to a rather confusing concept. For example, CO has been conceptualized at the organizational level of analysis as well as at the individual level. At the organizational level, CO is mainly drawn from *market orientation* (MO) research which fundamentally tries to study the extent to which an organization is market-oriented. This research stream is similar to *service orientation* theory at the organizational level. According to Homburg et al. (2002), scholars used organizational culture, structure, and climate theory to explain the extent to which a firm is service oriented.

Since the implementation of the marketing concept in service organizations is achieved through service employees and their interactions with customers (Donovan et al., 2004), researchers have suggested that CO is an individual-level construct that plays a significant role in determining a

service organization's ability to be market-oriented (Brown et al., 2002). Thus, the focus of this line of research is on the extent to which service workers are customer-oriented. Moreover, individual-level CO is represented by two standpoints; a) CO as a behavioral concept and b) CO as a surface level personality trait. The behavioral perspective is supported by the work of Saxe and Weitz (1982) who developed a two-dimensional SOCO scale (selling-orientation, customer-orientation). Similarly, Hennig-Thurau and Thurau (2003) looked at *customer orientation of service employees* (COSE) as a three-dimensional behavioral construct (customer-oriented skills; motivation to serve customers; self-perceived decision making authority). Building on his previous work, Hennig-Thurau (2004) proposed a new COSE construct based on 4 dimensions (technical skills, social skills, motivation, self-perceived decision making authority).

Contrary to scholars who view CO as a behavioral concept, there are those who conceptualized and measured CO as a personality variable. Brown et al. (2002) defined CO as “an individual tendency or predisposition to meet customer needs in an on-the-job context”, and conceptualized it as two-dimensional construct composed of: 1) the needs dimension representing the employee's will to fulfill the customer's needs, and 2) the enjoyment dimension, a representation of the service-worker enjoyment in providing service to customers. Brown and colleagues found that deeper personality traits influence employee CO (a surface-level personality trait) which in turn influences service performance. According to the proposition of Mowen (2000), surface traits are enduring dispositions (e.g. CO) to act in context-specific situations such as the interaction between service workers and customers. These findings are in line with previous suggestions (Bowers, 1973; Magnusson & Endler, 1977) that behavior is a function of both person (e.g. personality) and environment (e.g. job characteristics); thus, customer-oriented behaviors are based on the characteristics of the person and the job. Based on the work of Brown and his colleagues, Donovan et al. (2004) developed a four-dimensional measurement of CO namely (a) need to pamper the customer, (b) need to read the customer's needs, (c) need for personal relationship, and (d) need to deliver the service required. The idea of conceptualizing employee CO as a personality variable is also in line with *service orientation* research at the individual level; treated as a personality measure whereby certain people show higher levels of service orientation than others (e.g. Cran, 1994; Hogan, Hogan, & Busch, 1984). Besides the multiple definitions and conceptualization of CO, this concept has construct equivalence with that of *service orientation*

(Teng & Barrows, 2009) and other similar concepts such as *guest orientation* as proposed by Susskind et al. (2007). Furthermore, some researchers have used the two concepts of CO and *service orientation* interchangeably (Cran, 1994; Lytle & Timmerman, 2006). Moreover, the idea of CO has also been interwoven with that of *market orientation* in many other studies (e.g. Brady & Cronin, 2001; Deshpande & Farley, 1999; Deshpande, Farley, & Webster, 1993; Hartline, Maxham, & McKee, 2000; Nwankwo, 1995; Shapiro, 1998; Webster, 1998) and *guest orientation* (Susskind et al., 2007).

In the present study, CO is viewed as a surface-trait personality variable that refers to the individual's dispositions or tendencies to meet customer needs in an on-the-job context. Specifically, the four-dimensional conceptualization of CO from Donavan et al. (2004) is adopted. This research proposes that CO enhances service performance as perceived by the customer because employees who show higher levels of CO will be more satisfied and committed towards their jobs which in turn will result in better employee-customer interactions and this will lead to customer satisfaction.

2.2 Customer Orientation and Interaction Quality

Because services are essentially intangible and characterized by inseparability (Bateson, 1989; Brady & Cronin, 2001; Lovelock, 1981) and interactivity (Hennig-Thurau, 2004) customers will consume and evaluate the output of the service process in the presence of the service employee (Teng & Barrows, 2009). Therefore, SQ is an important decision-making criterion for service consumers (Joseph, Brady, & Hult, 2000), and the interaction between the employee and customer becomes a crucial element in determining customer's service quality perceptions. Brady and Cronin (2001) identified that employee's attitude (e.g. willingness to serve), behavior (e.g. helpfulness), and expertise (e.g. product and service knowledge) are three key attributes determining customer perceptions of IQ. Although some debate still exists regarding the measurement and conceptualization of SQ, the literature suggests that the worker-customer personal interactions have the greatest impact on perceptions of service quality (Grönroos, 1983; Hartline & Ferrell, 1996; Surprenant & Solomon, 1987). In addition, Ekinici and Dawes (2009) conceptually suggested that CO is a predictor of IQ and empirically demonstrated that IQ mediates the relationship between employee personality and customer satisfaction. By breaking down the CO construct proposed in this study, a relationship between CO and IQ may seem logical. For

example, a service-worker who (a) enjoys nurturing the customer (need to pamper dimension); (b) enjoys anticipating the needs of the customer (need to read customer's needs dimension); (c) enjoys delivering the intended services on time (need to deliver dimension); and (d) enjoys getting to know the customer personally would have to exhibit a positive service attitude, behavior and expertise to accomplish his/her desires. As a result of these efforts, customers would have a positive perception of the quality of interaction in the service encounter, leading to higher satisfaction levels.

Although the relationship between CO-SQ has been established, previous studies have not strictly measured its impact on IQ. Further, a customer perspective has been adopted; that is, only a customer sample was utilized to identify the CO-SQ relationship. Additionally, the literature shows that CO was conceptualized and measured either as an organizational variable (e.g. Dean, 2002; 2007; Brady & Cronin, 2001) or as an individual construct with a behavioral perspective (e.g. Rafaeli et al., 2008). For example, Dean (2002) used service climate theory (Schneider, White, & Paul, 1998) to hypothesize the relationship between customer's perception of CO and customer's perception of SQ. Her CO measurement contained two dimensions (customer focus and feedback) and the items were adapted from the MO measurement used in Narver and Slater (1990) and the service climate instrument from Schneider et al. (1998). The results showed that CO (both customer focus and feedback) is positively related to SQ and that SQ mediates the relationship between CO and customer loyalty. In a similar study, Dean (2007), found that only the customer focus dimension was significantly related to SQ and that SQ partially mediates the effect of CO on customer loyalty and customer affective commitment. Although Dean's studies showed some support into the relationship between CO and SQ, she explicitly called for future research designs that integrate data from employees and customers as it may provide new insights into the relationship between CO and outcome variables. According to Brown and Lam (2008), dyadic data (employee and customer samples) is preferable to non-dyadic data in linkage research such as the ones that attempt to link employee perceptions and customer perceptions. Given the adoption of a two-sample research design (employee-customer data), a measurement of CO as a dispositional variable, and a three-dimensional construct (employee attitude, behavior and expertise) to measure interaction quality, the CO-IQ relationship merits further investigation as new insights may be revealed. Therefore, the following hypothesis is formulated:

H1: Customer Orientation, as perceived by the service-worker, is positively related to customer's perception of interaction quality.

2.3 Mediation Effect: The role of organizational Commitment, and Job Satisfaction in the relationship between customer orientation and interaction quality

To the best of our knowledge, only the study of Brady and Cronin (2001) attempted to explicate through intervening mechanisms why and how CO impacts the customer experience. In their model, CO is envisioned as an organizational service culture that creates the necessary employee behaviors to enhance service performance. The research reported by them uses marketing strategy theory (e.g. physical good, service, and environmental strategies) to explain the mediation effect that affects the CO-SQ relationship. Indeed, their research found that customer oriented firms, CO, is directly related to SQ as well as indirectly related to SQ through the mediation of (a) employee service performance, (b) physical goods quality and (c) servicescape quality. Their study also found that CO is indirectly related to CS, value, and behavioral intentions.

Contrary to using marketing strategy theory to explain how and why CO affects IQ, the present study applies an organizational behavior perspective. Here, we posit that job satisfaction and employee commitment will mediate the effect between CO and IQ. Previous research that viewed CO as a dispositional variable (surface-level personality trait) found that it enhances employee's attitudes towards their jobs such as job satisfaction, job involvement, organizational commitment (Donavan et al., 2004; Gazzoli, Hancer, & Park, 2011). As previously stated, CO is viewed as the employee tendency or predisposition to meet customer needs in an on-the-job context. Since surface-traits are enduring dispositions (e.g. CO) to act in context-specific situations (e.g. employee-customer interactions); an employee who shows higher levels of CO will fit the job context better than those exhibiting lower levels of CO. The literature supports this argument by showing that people select jobs that best match their abilities and interests (Wilk, Desmarais, & Sackett, 1995) or that best matches the job demands (Edwards, 1991). Additionally, previous studies suggested that people choose certain careers because they believe that there is a fit between their own personalities and the job (Super, 1953). Thus, the service-worker who exhibits high levels

of CO will be more satisfied and committed to his job and organization because he/she fits to the specific service context.

Employee job satisfaction (JS) has been defined as “a pleasurable or positive emotional state resulting from the appraisal of one’s job or job experiences” (Locke, 1976, p. 1300), and JS is considered to be vital to the delivery of quality services (Wilson & Frimpong, 2004). Several conceptual theories help explain the JS-SQ linkage. For example, Pugh (2001) used emotional contagion theory to explain the correspondence between employee affect and customer’s responses to service (e.g. SQ). Morris and Feldman (1996) applied the emotional labor theory (Hochschild, 1986) to suggest that JS facilitates emotional labor, which in turn leads to SQ and CS. The service-profit chain framework (Heskett, Sasser, & Schlesinger, 1997) holds that satisfied employees are more productive and provide better service quality than less satisfied employees, leading to higher CS. Wilson and Frimpong (2004) argued that employees who are in a good mood demonstrate helping behaviors that lead to perceptions of SQ, and this affects CS. In all, a number of studies empirically support the JS-SQ linkage (Gazzoli, Hancer, & Park, 2010; Hartline & Ferrell, 1996; Malhotra & Mukherjee, 2004; Schlesinger & Zornitsky, 1991; Snipes, Oswald, LaTour, & Armenakis, 2005; Ulrich, Halbrook, Meder, Stuchlik, & Thorpe, 1991).

Organizational commitment refers to the attitudes of the employee towards his/her company. It is the extent to which an individual identifies with and is involved with the organization (Greenberg & Baron, 2008), and it plays an important role in determining the level of SQ delivered to customers (Malhotra & Mukherjee, 2004). Logically, a committed employee is likely to accept and support organizational goals by demonstrating behaviors that enhance the quality of interaction in the service encounter. Previous studies provide empirical support that commitment is indeed related to SQ (Boshoff & Mels, 1995; Boshoff & Tait, 1996; Malhotra & Mukherjee, 2004; Zeithaml, Parasuraman, & Berry, 1990). Given the conceptual models and empirical research provided above, the following hypotheses are presented:

H2: The relationship between employee CO and IQ is mediated by JS.

H3: The relationship between employee CO and IQ is mediated by organizational commitment.

Last, the research reported above (Heskett et al., 1997; Morris & Feldman, 1996; Wilson &

Frimpong, 2004) suggests that SQ is an antecedent of CS. Although the direct relationship between CO and CS has been established (Donavan & Hocutt, 2001; Hennig-Thurau, 2004; Susskind et al., 2007) the literature provides sufficient evidence that CS is a function of SQ (Athanasopoulos, 2000; Brady & Cronin, 2001; Chenet, Tynan, & Money, 2000; Fornell, Johnson, Anderson, Cha, & Bryant, 1996; Hallowell, 1996). Additionally, Ekinici and Dawes (2009) empirically demonstrated that IQ mediates the relationship between deeper personality traits and customer satisfaction. In this view, the following hypotheses are formulated:

H4: Interaction quality is positively related to customer satisfaction

3. Method

3.1 Data Collection

Because of the conceptual integration of employee and customer perceptions presented in this study, a two-sample research design was applied. With this in mind, two instruments were developed. The first questionnaire measured the service-worker CO levels, job satisfaction and employee commitment. The second instrument captured customer's perception of interaction quality and customer satisfaction. The sample of this study consisted of employees and customers of several steak house restaurants located in four different states in central USA. After meeting with the restaurant managers several times to explain the purpose of the study and data collection procedures, the researchers mailed the employee and customer surveys to the restaurants. The employee surveys were made available to service-contact workers only, and those who decided to participate in the research were to distribute the customer's survey to their respective tables. In total, the restaurant managers returned 186 employee surveys and 1,119 customer questionnaires.

3.2 Measures

Customer Orientation: A 13-item CO scale developed by Donovan et al. (2004) comprising four dimensions: 1) need to pamper the customer, 2) need to read the customer's needs, 3) need for personal relationship, and 4) need to deliver the service required was used. The construct was measured on a 7-point Likert-type scale "1=strongly disagree" to "7=strongly agree."

Job Satisfaction: The organizational behavior literature shows hundreds of studies measuring job satisfaction with either single-item or multi-item constructs. Although debate still

exists on which is the better measure, this research opted for a single-item (global satisfaction) for the following reasons: First, certain job facets are likely to have a weaker correlation with SQ than others, leading to attenuation of the overall relationship when facets are averaged into a global assessment (Brown & Lam, 2008). Second, Scarpello and Campbell (1983) found that single-item scales were better measurements than scales employing a sum of specific job satisfaction facets. Third, Wanous, Reichers, and Hudy (1997) concluded that single-item scales are acceptable in most contexts. Overall, the adoption of a single-item item to measure JS in this study is consistent with several studies. Thus, service contact employees were asked to answer on a five-point Likert-type scale ranging from “1=very dissatisfied” to “5=very satisfied”, how satisfied or dissatisfied they were with their overall job.

Organizational Commitment: A three-item commitment scale developed by Donovan et al. (2004) based on the work of Morgan and Hunt (1994) was used. These items were also measured on a Likert-type scale ranging from “1=strongly disagree” to “7=strongly agree.”

Customer's perception of Interaction Quality: Cronin Jr and Taylor (1992) suggested that SQ is an attitude-based conceptualization and its measurement should reflect a performance-only index as proposed in their SERVPERF construct. The IQ measurement used in this study was adapted from the hierarchical SQ construct proposed by Brady and Cronin (2001). Since our objective was to measure the IQ delivered directly from contact employees, our scale comprised nine-items representing the sub-dimensions of interaction quality (attitude, behavior, and expertise). Customers were asked to rate their perception on a scale ranging from “1=strongly disagree” to “7=strongly agree” based on the IQ delivered by the service-contact employee. Examples of the items used in the scale included “The attitude of this restaurant's employee demonstrates his/her willingness to help me”; “I can count on this employee taking actions to address my needs”; “You can count on this employee knowing his/her job”.

Customer Satisfaction: The services literature indicates that satisfaction is an emotive construct (Brady, Robertson, & Cronin, 2001; Locke, 1967; Oliver, 1981; Westbrook & Reilly, 1983). Consistent with previous work (Brady et al., 2001; Oliver, 2009) the current study views CS as an affective variable and measure the construct with three items adapted from (Oliver, 1997).

3.3 Data Aggregation and Analysis

The literature provides two methods for data aggregation in studies with dyadic data. First,

data may be aggregated at the individual level (e.g. Gazzoli et al., 2010; George & Bettenhausen, 1990; Schneider & Bowen, 1985; Yoon, Beatty, & Suh, 2001) as well as at the group level which represents company units instead of persons (e.g. Hartline & Ferrell, 1996; Susskind et al., 2007). In the present study, the unit of analysis was the service-contact employee. Customers evaluated the quality of interaction delivered by the service-worker as well as their overall satisfaction with the service provided. The customers' responses were then aggregated and matched to the encounter level of analysis. This procedure follows the suggestion that data should be collected at the level at which it will be analyzed. In total, our aggregation represents an average of 6 customers per service-contact worker.

4. Results

4.1 Description of participants

A total of 186 employee responses were collected, of whom 65.6% were women. Eighty-nine percent of the respondents fell into the age range of 18-24 years. Twenty-seven percent of the respondents had completed at least high school and almost 50% of them completed or were studying towards a college or technical degree. Most of the employees (67.7%) were part-time and from the white race (82.8%). Finally, more than 65% of the employees had been working with the company for less than 18 months and only 5% of the respondents held some kind of supervision over team members.

In regards to the customer sample, a total of 1119 responses were collected, of whom 59.1% were female. About 30% of the customers responded to be 50 years old and higher whereas more than 40% of them customers reported to earn more than \$50,000 per year. Of all customers, 80.8% had previously visited the restaurant before.

4.2 Model Assessment

Measurement scales for all constructs were examined with confirmatory factor analysis to verify their reliability and validity in the psychometric structure (Gerbing & Anderson, 1988). A chi-square statistic (χ^2), root mean square error of approximation (RMSEA), goodness-of-fit indices (GFI), and the normed fit index (NFI) were used to evaluate the overall fit of the expected measurement model (Joreskog & Sorbom, 1993). The measurement model demonstrated an acceptable degree of fit to the data, χ^2 (68, $N = 186$) = 82.57, RMSEA = 0.034, GFI = 0.94, NFI = 0.97, and comparative fit index (CFI) = 0.99, based on the criterion values of Hu and Bentler (1999). As expected, all four constructs consisting of measurement items were confirmed to be

independent and unique. All measurement items had a significant factor loading on their expected constructs at the alpha level of 0.01 (see Table 1). Measurement scales for each construct are considered to have internal consistency since Cronbach's alpha value of each measurement scale exceeded the minimum requirement of 0.70. Unidimensionality of each construct was ensured as composite reliability of each measurement scale ranged from 0.77 to 0.93. Lastly, discriminant validity was also verified given that the average variance extracted (AVE) of all constructs were bigger than the squared correlation between constructs and exceeded the minimum criterion of 0.50.

INSERT TABLE 1 ABOUT HERE

4.3 Hypothesis Testing

Table 2 presents the inter-correlations among the study variables. As shown in the table, the pattern and direction of the relationships among the variables were as expected. Employee CO has statistically significant relationships with JS, organizational commitment, and customer's perception of IQ. Therefore, Hypothesis 1, "CO has a direct and positive impact on IQ" has been supported. The effect size of the relationship between CO and IQ, a dependent variable ($r = 0.14$, $p < 0.05$) is smaller than those between CO and JS/organizational commitment, mediators ($r = 0.39/0.34$, $p < 0.01$). On the basis of the logic to detect a mediation effect suggested by Baron and Kenny (1986), it is expected that the relationship of CO with IQ can be substantially reduced if either JS or OC, mediators are entered in the regression equation given that both JS and OC have a stronger relationship with CO than IQ. Given that CS had a very salient relationship with IQ ($r = 0.70$, $p < 0.01$), Hypothesis 4, "IQ is positively related to customer satisfaction" has been supported.

INSERT TABLE 2 ABOUT HERE

Hypothesis 2 states that the relationship between employee CO and IQ is mediated by JS. As seen in Table 3 for regression models, the effect of CO on JS was significant ($\beta = .18$, $p < .05$), but the effect of CO on IQ was substantially reduced ($\beta = .07$, $p > .05$) when JS was regressed on both CO and IQ. This satisfies the rule of Baron and Kenny (1986), implying that JS fully mediated the relationship between CO and IQ. Therefore, Hypothesis 2 has been supported. Hypothesis 3 states that the relationship between employee CO and IQ is mediated by organizational commitment. In the regression models, the effect of CO on organizational commitment was significant ($\beta = .16$, $p < .05$), but the effect of CO on IQ was substantially reduced ($\beta = .09$, $p > .05$) when organizational commitment was regressed on both CO and IQ. This satisfies the rule of Baron and Kenny (1986),

implying that organizational commitment fully mediated the relationship between CO and IQ. Therefore, Hypothesis 3 has been supported.

INSERT TABLE 3 ABOUT HERE

Figure 1 demonstrates a structural model delineating the hypothesized relationships among the constructs. The structural relationships that consider all hypothesized relationship simultaneously would differ from bi-variate or multi-variate relationships in regression models. The structural model showed an acceptable degree of fit to the data, $\chi^2 (72, N = 186) = 96.61$, RMSEA = 0.043, GFI = 0.93, NFI = 0.97, and comparative fit index (CFI) = 0.99, based on the criterion values of Hu and Bentler (1999). In the structural model, all the relationships among constructs turned out as hypothesized. The direct relationship of CO with IQ is not significant ($\beta = .06, p > .10$), while CO has a significant indirect relationship with IQ through JS and organizational commitment. This implies that the relationship between CO and IQ is fully mediated by JS and organizational commitment. The path between IQ and CS is significant in the structural model ($\beta = .73, p < .01$). However, the path between organizational commitment and IQ is marginally significant ($\beta = .13, p < .10$).

INSERT FIGURE 1 ABOUT HERE

5. Discussion

This study was motivated by a desire to understand the relationship between employee level CO and customer's perception of interaction quality, which is viewed as a major component of service quality. We focused on job satisfaction and organizational commitment to explain this linkage. Our results show that employee level CO was significantly related to customer's perception of interaction quality, which in turn positively affects customer satisfaction. Further, we found that the relationship between CO and IQ were explained by the degree to which the employee is satisfied with his/her job and by the degree to which he/she is committed to the organization. Below we discuss the theoretical and practical implications of our findings.

Although some researchers have empirically demonstrated the relationship between CO and the customer experience (e.g. SQ and CS), the link between employee level CO, a dispositional variable, and customer's perception of interaction quality has not been empirically tested previously. Our results support the propositions concerning a positive link between a dispositional CO variable and customer's perception of interaction quality. A second contribution of this study lies in

drawing together the job satisfaction and organizational commitment literatures to jointly help explain how a surface trait personality variable, in this case the employee CO, influences the customer's experience. While most of previous studies assumed a direct effect between CO and customer's perceptions, the only study that attempted to better explain the relationship between CO and SQ took a marketing perspective to develop their mediating mechanisms (Brady & Cronin, 2001). Thus, by incorporating an organizational behavior perspective to develop its mediating variables, the present study furthers the CO theory and highlights the important linkages between the marketing and organizational behavior fields. Our findings support previous suggestion that employee level CO influences job attitudes (Donavan et al., 2004; Gazzoli et al., 2011). Further, the results presented in this study support the suggestion that job satisfaction and organizational commitment are key drivers of employee performance, and that high quality interaction between front-line employees and customers is likely to positively affect the customer's consumption experience. Finally, the third contribution of this study lies in its research design. Although researchers have put a considerable effort on investigating the relationship between the various forms of CO and customer's responses, to the best of our knowledge, only one study used data linking employee responses with customer responses. Yet, the employee and customer data in the study of Susskind et al. (2007) was aggregated to the organizational level while the present study aggregated the data to the individual employee level of analysis. Although both forms of data aggregation are appropriate, such dyadic data is preferable to estimating relationships on non-dyadic data (e.g. by asking employees to rate customer satisfaction and customers to rate employee CO and employee satisfaction), (Brown & Lam, 2008). Overall, the pattern of the results reported here suggests that the higher an employee rates his/her CO level, the more employees are satisfied with and committed to their jobs, and customers will rate their interaction with employees higher which will lead to a higher customer satisfaction.

This study has important practical implications for service managers and their organizations. From a Human Resources Management perspective, this study highlights the importance of attracting, developing and retaining employees who display a customer-oriented personality. Thus, best practices in selection/hiring procedures should be implemented to ensure that front-line service employees meet the traits of an ideal customer-oriented profile. For example, the CO construct used in this study could be given to prospective customer-contact position applicants as part of the

selection process. Based on their CO levels, employers may be able to better place the right applicants into the right job. Those offered a position within a company, but with lower levels of CO should go through specific interventions that may increase their levels of customer orientation. Alternatively, employees with lower levels of customer orientation should be placed in positions in which contact with customers is not extensive. In the case of a restaurant organization, instead of waiting tables or bartending, those employees should first start as bussers and move on gradually to more customer-contact tasks as the interventions take place. These interventions should focus on honing the employee's ability to pamper customers, to correctly read customers' needs, to develop relationships with customers, and to deliver good service on time.

Interventions should also be conducted with supervisors. A recent study found that psychological empowerment exerts a positive influence on employee's CO (Gazzoli et al., 2011). According to Lee & Koh (2001), empowerment is "the psychological state of a subordinate perceiving four dimensions of meaningfulness, competence, self-determination and impact, which is affected by the empowering behaviors of the supervisor." Thus training supervisors on how to empower their employees may be crucial for the development of customer-oriented workers. Service organizations having an empowerment culture may enhance employees' predisposition to meet customers' needs. For example, if employees find meaning in their tasks, they will likely feel a natural joy or need to pamper their customers by nurturing them. In addition, if workers feel that the job is important and meaningful to them, they will be inclined to give their customers individual attention and strive to correct any customer service related problem (need to pamper the customer). Employees who are confident about their abilities (self-efficacy) will likely feel that it is important to anticipate their guests' needs (need to read customers' needs), and find pleasure in delivering a good service on time (need for delivery). Finally, if employees have influence and control within their jobs, they may use their initiative to fulfill their need to better interact and improve their relationship with their customers (need for personal relationship).

Finally, the restaurant industry is famous for its high employee turnover rates. Turnover has reached 83% for full-service operations (Ebbin, 2000) and has typically exceeded 120% in quick-service restaurants (Tracey and Hinkin, 2006). Thus, an HR-Customer-Oriented strategy may play a big role in reducing these numbers. As confirmed by our research employees who display high levels of CO tend to be more satisfied and committed to their jobs and these job attitudes have

been found to be negatively related to employee turnover (Robbins and DeCenson, 2005).

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TABLES AND FIGURES

Table 1: Properties of the Measurement Model

Constructs and Indicators	Completely Standardized Loading	t-value	Cronbach's alpha	Composite Reliability	Average Variance Extracted
Customer Orientation ^a			0.86	0.88	0.65
CO 1	0.83	-			
CO 2	0.81	12.7			
CO 3	0.89	14.5			
CO 4	0.67	9.8			
Job Satisfaction			-	-	-
JS 1	1.00	-			
Organizational Commitment			0.84	0.90	0.75
OC 1	0.93	-			
OC 2	0.95	19.4			
OC 3	0.70	11.9			
Interaction Quality ^b			0.94	0.94	0.84
IQ 1	0.97	-			
IQ 2	0.93	25.3			
IQ 3	0.85	19.2			
Customer Satisfaction			0.98	0.98	0.95
SAT 1	0.96	-			
SAT 2	0.98	38.0			
SAT 3	0.99	41.1			

Note: $N=186$; ^a = Customer orientation is a second-order construct. Thirteen measurement items of customer orientation were broken into the four first-order factors which constructed customer orientation; ^b = Interaction Quality is a second-order construct. Thirteen measurement items of customer orientation were broken into the four first-order factors which constructed customer orientation.

Table 2: Means, Standard Deviations, and Inter-Correlations among Variables ($N=186$)

Variables	M	SD	1	2	3	4	5
1. Customer orientation	5.92	0.92	-				
2. Job satisfaction	4.19	0.82	0.39**	-			
3. Organizational commitment	5.47	1.25	0.34**	0.40**	-		
4. Interaction Quality	6.39	0.41	0.14*	0.21**	0.19**	-	
5. Customer satisfaction	6.54	0.45	0.90	0.10 [†]	0.12 [†]	0.70**	-

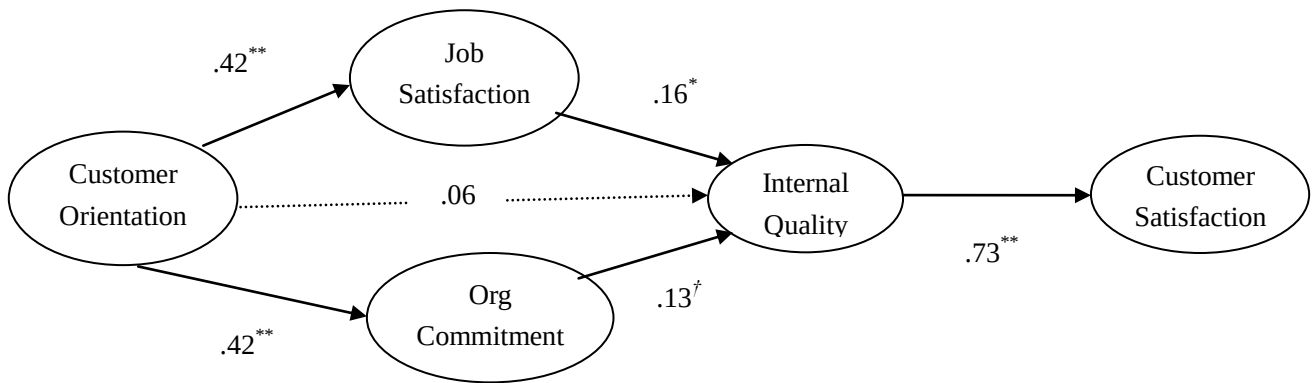
Note: [†] $p < .10$, * $p < .05$, ** $p < .01$ (1-tailed).

Table 3: Analysis of Mediating Effect of JS and Organizational Commitment between CO and IQ

	Step 1	Step 2
CO	.14*	.07
JS		.18*
R^2 at each step	.02*	.05*
$R^2 \Delta$		.03*
F		8.92*
CO	.14*	.09
OC		.16*
R^2 at each step	.02*	.04*
$R^2 \Delta$		.02*
F		7.93*

Note. * $p < .05$. Each standardized parameter estimates is shown. CO = Customer Orientation; JS = Job satisfaction; OC = Organizational commitment; IQ = Interaction Quality.

FIGURE 1



The impact of customer participation on brand loyalty in real estate industry: the intermediary role of customer experience

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ABSTRACT

With the serious homogenization trends of real estate industry and the arrival of the consumer sovereignty era, Brand competition has become an inevitable choice of real estate enterprises. Especially in recent years, as the national policies of real estate market order rectification released, the real estate enterprises become to stand in the breach. In this case, it is urgent for real estate enterprises to change traditional marketing methods and model to foster brand loyalty. Therefore, the importance of customer experience is also prominent, and it becomes the new weapon to remain competitive strength for the real estate companies.

This paper explores the intermediary role of the customer experience and the intrinsic mechanism of the customer participation impact on brand loyalty in-depth. Based on a detailed literature review on customer participation, customer experience and brand loyalty, we define the concepts and their measurably dimensions. According to the results from experts' interviews, customer pre-research and small sample pre-test, we amend the scale. The ultimately scale divides the customer participation into pre-preparation, information sharing, cooperative behavior, interpersonal interaction four dimensions and divides the customer experience into sensory experience, emotional experience two dimensions. At the same time, we make the relational model and research hypotheses of customer participation impact on brand loyalty through studying the existing relationship between the theoretical derivations of variables. Then we use the SPSS16.0 to do the reliability and validity analysis, factor analysis,

correlation analysis and multiple regression analysis by the formal research data. Based on the results of the empirical analysis, we verify the theoretical research models and associated assumptions and reach the following findings:

1. The four dimensions of customer participation also have a significant positive effect on the two dimensions of customer experience. Information sharing has the greatest impact on sensory experience, followed by interpersonal interaction, pre-preparation, cooperative behavior. Pre-preparation has the greatest impact on emotional experience, followed by information sharing, cooperative behavior and interpersonal interaction.

2. The four dimensions of customer participation all have a positive impact on the brand loyalty, the all relevant assumption are established ,and cooperative behavior has the greatest influence, information sharing secondly, pre-preparation and interpersonal interaction has the minimal impact.

3. The two dimensions of customer experience not only have a direct positive impact on brand loyalty, but also play a good intermediary role in the process of customer participation impacts on brand loyalty. Sensory experience and emotional experience both play a complete intermediary role in the process of pre-preparation and interpersonal interaction impact on brand loyalty while play part intermediary role in the process of the other two dimensions impact on brand loyalty.

This paper explores the deep-rooted effect of customer participation impact on brand loyalty through the intermediary role of the customer experience, and expands the customer participation and customer experience theory in real estate industry. The results provide some new idea for the real estate enterprise to building brand by customer participation and customer experience. The management practices proposals which put forward on this basis for the marketing strategy improvements and brand building of the real estate enterprise have some reference value.

KEY WORDS: Customer participation; Customer experience; Brand loyalty; Real estate industry

摘要: 本文通过引入顾客体验的中介作用深度挖掘了顾客参与对品牌忠诚的影响,拓展了顾客参与和顾客体验理论在中国房地产业的运用,提出顾客参与影响品牌忠诚的理论模型和相关研究假设 并得出以下研究结论:顾客参与对顾客体验

有正向的影响，顾客参与对房地产顾客的品牌忠诚均有正向的影响，顾客体验不仅对品牌忠诚有直接正向的影响，而且是顾客参与影响品牌忠诚的中介变量。

关键词：顾客参与；顾客体验；品牌忠诚；房地产业

1、引言

如何引导顾客积极参与服务，通过发挥顾客的主观能动性来改善服务互动质量进而使顾客形成品牌的忠诚是服务企业管理者所关心的重要问题。目前，大部分服务性企业都在不断完善自身服务系，增强顾客的服务体验，从而提高顾客形成对品牌的忠诚度。但长期以来，房地产业在国家政策的保护下处于低竞争优势地位，顾客的参与度很低，房地产企业自身也不太重视顾客体验的效果。然而，近些年来的房地产市场的过热和高位运行，致使国家和地方政府开始积极规范房地产市场的交易行为，诸多旨在调控房地产市场规范合理运行的相关政策的出台使得房地产企业原本的低竞争优势地位已经不复存在，房地产企业的品牌价值突显，因此，如何培育顾客的品牌忠诚，保持品牌竞争力成为房地产企业的首要任务。

伴随顾客需求的日益苛刻，现阶段的营销手段和模式日趋陷入发展瓶颈。已有的有关房企顾客品牌忠诚的研究多从企业自身可控因素出发寻求服务效果的改进，而对顾客的自身参与行为关注不足，同时，现有的研究对顾客体验的情感传导和中介作用重视程度还不够。本文试图从顾客体验的中介作用入手，对房地产业顾客参与对品牌忠诚的影响进行探索性的研究，并以南京市的房地产企业及其顾客作为研究对象来展开研究，并为房地产企业的管理提供建议。

2、文献综述

2.1 顾客参与

顾客参与这一概念最早正式提出是源于 Lovelock 和 Young (1979)⁶的理论，这一理论是基于经济学意义的基础。Mills, Margulies & Chase (1983) 从管理视角出发提出顾客是一种管理要素，是企业的“半个员工”。随着学者们对顾客参与概念研究的深入，顾客参与的研究视角延伸到参与行为本身，顾客参与既包括心

⁶ Lovelock, C. H., and Young, R. F. Look to consumers to increase productivity [J]. Harvard Business Review, 1979, 57 (5-6): 168-178.

理上的参与又包括行为上的参与（Cermak, D. S. P., File, K. M, and Prince, R. A., 1994）⁷，Rodi, A. R. & Kleine（2000）⁸直接把顾客参与界定为一种行为，认为顾客参与是顾客在服务生产或传递中提供的行为和资源，顾客在整个参与过程中积极提供信息和投入精力（Chua & Sweeney, 2004）⁹。Fang（2008）¹⁰从行为的角度把顾客参与定义为包含信息参与和行为参与两个方面。本文在文献回顾的基础上，认为顾客参与的内涵应该是两类定义的结合，即顾客参与是指在服务生产和传递的过程中，顾客所投入的资源和产生积极贡献的行为。

对于顾客参与的划分维度和各个组成要素目前学术界还没有形成一个权威的共识，不同学者都有其各自的研究角度。Silpakit & Fisk（1985）¹¹顾客参与行为可以用顾客在精神、智力上，体力上及情绪上的努力与投入来描述。Mills and Morris（1986）通过合同、对顾客的要求、任务活动等七个构面来衡量顾客参与的程度，从而得出顾客参与可以划分为维持关系互动、任务互动和人际互动三个水平类别。Dabholkar（1990）¹²认为顾客参与应该包含两方面，一方面是在顾客服务过程中必须进行的强制性选择；另一方面是指在服务过程中对相关信息的获取。Ennew, C. T. & Binks, M. R（1999）最早提出顾客参与是个多维度变量，即顾客参与可以分为信息分享、责任行为和人际互动三个维度。本文综合相关已有的研究量表后认为顾客参与应该通过事前准备、信息共享、合作行为和人际互动四个维度来测量。

2.2 顾客体验

学术界的“体验”概念最早是由 Alvin Toffler（1970）¹³在他的著作《Future Shock》一书中提出的，他认为体验是一种可以交换的物品。Csikszentmihaly（1975）¹⁴又从心理学角度，提出“流体验”的概念，所谓的“流体验”就是指顾

⁷ Cermak, D. S. P., File, K. M, and Prince, R. A. Customer participation in service specification and delivery [J]. Journal of Applied Business Research, 1994, 10 (2): 90-100.

⁸ Rodi, A. R. & Kleine. Customer Participation in services Production and delivery. California: Sage Publications, 2000, 111-126.

⁹ 转引自姚山季，来尧静，王永贵. 服务业顾客参与及其结果影响研究综述[J]. 商业时代, 2011, 5: 20-21.

¹⁰ Fang, E. Customer Participation and the trade-off between new product innovativeness and speed to market [J]. Journal of Marketing, 2008, 72 (4): 90-104.

¹¹ Silpakit, P. & Fisk, R. P. Participating in the service encounter [A]. Bloch, T. M., Upah, G. D. & Zeithmal, V. A. (Eds.) Service marketing environment American marketing proceedings series [C]. Chicago: American Marketing Association, 1985: 117-121.

¹² Dabholkar, Pratibha. How to Improve Perceived Service Quality by Improving Customer Participation, in Developments in Marketing Science, B. J. Dunlap, ed. Cullowhee, NC: Academy of Marketing Science, 1990.

¹³ Alvin Toffler, Future Shock [M]. Random House, 1970.

¹⁴ Csikszentmihaly, M. Television as escape: Subjective experience before an evening of heavy viewing [J]. Communication Reports, 1990, 2(1), 167-192.

客在接受服务的过程中完全进入了服务的情景中,而达到的一种舒畅沉静的状态,因此“流体验”是一种最优体验的过程。有关体验概念最为推崇的说法则是由 B·Joseph Pine II&James·H·Gilmore (1999)¹⁵开始界定的,他们认为体验就是让每个顾客以个性化方式参与到活动中来,从而让他们的情绪、体力、智力及精神达到一定的高度以产生美好的感觉和意识。Bernd H. Schmitt (1999)¹⁶提出体验是消费者个体对一些诸如营销努力等刺激而做出的个别化的反应。本文结合房地产行业的特点,将顾客体验定义为:顾客在企业所提供的消费情景中,对顾客与企业在互动过程中产生的某些刺激产生的差别化的感知和情感反应。

Csikszentmihaly (1975)指出流体验中的沉浸状态包括集中注意力、控制感、个人意识的丧失、时间的扭曲感五个部分以后,国外许多学者对沉浸的测度提出了不同的意见,Wedster 等 (1993)提出应该从注意力集中、控制、好奇心与内在兴趣来构建沉浸,Agarwal 等 (2000)则在之前有关沉浸的所有研究基础上提出沉浸应该包括注意力集中、愉悦感被提高、时间感扭曲、控制和好奇心五个维度。Pine&Gilmore (1998)¹⁷按照顾客参与的程度与联系的不同将顾客体验分为娱乐体验、教育体验、审美体验及遁世体验四种类型,即 4E 体验论,但这种分类之间的界限不够清晰,因此并未受到广泛的认可。目前被研究和引用最多即是 Schmit (1999)提出的顾客体验的战略体验模块理论,该理论认为顾客体验分为感官体验、思考体验、情感体验、行动体验、关联体验五个模块。文在结合国内消费者目前的心理特征和本文对顾客体验内涵的界定的基础上将各个学者提出的体验维度的进行合并和叠加,最终将顾客体验划分为感知体验和情感体验。

2.3 品牌忠诚

品牌忠诚一词的雏形是源于 Copeland, M. T. (1923)¹⁸提出的品牌坚持的概念,而自从品牌忠诚被 Brown 在 1952 年引入实证研究以来,一直是营销领域研究的热点,各国学者对其具体的概念从各方面的角度进行了定义,而纵观品牌忠诚的概念及测量维度的嬗变,则其经历了三个发展阶段,即品牌忠诚单维度研究、双维

¹⁵B. Joseph Pine II & James H. Gilmore. Welcome to the Experience Economy [J]. Harvard Business Review, 1998, 76(7-8):97-105.

¹⁶Bernd H. Schmitt. Experiential Marketing: How to Get Customers to Sense, Feel, Think, Act & Relate to Your Company & Brands [M]. Free Press, 1999, 53-67.

¹⁷Pine, B. J., & Gilmore, J. H. Welcome to the Experience Economy Harvard Business Review, 1998, 76(4), 97-105.

¹⁸Copeland, M. T. Relation of Consumer's Buying Habits to Marketing Methods, Harvard Business Review, 1923, 11:282-3289.

度研究、多维度研究。(1) 品牌忠诚的单维度研究: Brown(1952)¹⁹最先给品牌忠诚下了行为角度上的定义,认为品牌忠诚是顾客对某一品牌的偏好和依赖,他认为连续超过 5 次购买同一品牌产品即构成品牌忠诚, Farley(1964)、McConnell(1968)、Lawrence(1969)则认为连续购买 4 次即构成品牌忠诚,Tucker(1964)²⁰也认为品牌忠诚是指顾客对该品牌产品的再次够买意愿,并认为连续购买 3 次即显示其有品牌忠诚。另一种行为上的定义是 Cunningham(1956)²¹提出的,他认为品牌忠诚是指购买某个品牌的数量在购买总量中所占的购买比;(2) 品牌忠诚的双维度研究: Day(1969)²²首次提出顾客的重复购买行为是其内在的强烈态度所驱动的,Dick&Basu(1994)²³在其理论上提出品牌忠诚除了包括重复购买行为,还应该包括顾客对企业的积极强烈的支持态度(Andreassen, 1998),Wilkie(1994)²⁴也将品牌忠诚定义为对某一个特定品牌的持续偏好和重复购买。Oliver(1999)²⁵认为品牌忠诚是一种对偏爱的产品或服务的深度承诺,他认为品牌忠诚的测量应该从态度忠诚和行为忠诚两方面着手(Hallowell, 1996),该理论也是目前品牌忠诚普遍被接受的定义;(3) 品牌忠诚的多维度研究: JaCoby&Chestnut(1978)²⁶就通过研究指出认知因素会影响顾客的品牌忠诚,Punniyamoorthy(2007)²⁷认为品牌忠诚是多维度概念,是一个复合变量(吴水龙,刘长琳,卢泰宏,2009)²⁸,并提出品牌承诺可以是其中的一个维度。Steve Worthington(2009)²⁹提出了认知忠诚、情感忠诚以和行为忠诚三维模型,但是有关品牌忠诚的多维度研究还处于探索阶段而不够成熟。本研究在综合各个角度的研究后,认同 Oliver(1999)对品牌忠诚做出的成熟定义,认为品牌忠诚是顾客对某一品牌是一种对偏爱的产品或服务的深度承诺,应该从行为忠诚和态度忠诚两方面来设计问项进行测量。

¹⁹转引自 赖泽栋,关于品牌忠诚的定义以及影响品牌忠诚因素的探讨[J]. 内蒙古农业大学学报(社会科学版), 2010, 1(12):391-393.

²⁰Tucker, W.T. The development of brand loyalty[J]. Journal of Marketing Research , 1964, 1(1): 5-32.

²¹Cunningham, R.M.,Brand loyalty – what, where, how much[J].Harvard Business Review, 1956,39:116-38.

²²Day, G. S.Buyer Attitudes and Brand Choice Behavior, Dissertation Abstracts, 1969(28): 4658-4659.

²³Dick,A.S.and Basu,K..Customer Loyalty:Toward an Integrated Conceptual Framework[J].Journal of the Academy of Marketing Science,1994,(2):99-113.

²⁴JaCoby&Chestnut, Wilkie, W.L..Consumer Behavior. New York:John Wiley and sons, Inc., 1994.

²⁵Oliver,R.L.Whence consumer loyalty[J]. Journal of Marketing,1999, 63: 33-44.

²⁶Jacoby,J.Chestnut,R.Brand Loyalty Measurement and Management[M].New York,1978.

²⁷M.Punniyamoorthy,M.Prasanna Mohan Raj.An empirical model for brandloyalty measurement[J].Journal of Targeting,Measurement and Analysis forMarketing,2007,(15):222-233.

²⁸吴水龙, 刘长琳, 卢泰宏.品牌体验对品牌忠诚的影响:品牌社区的中介作用[J].商业经济与管理, 2009(7):80-90.

²⁹Steve Worthington,Rebekah Russell-Bennett.A tri-dimensional approach for auditing brand loyalty[J].Brand Management,2009,(17):243-253.

3、研究模型与假设

Schmitt(1999)认为顾客体验是个体对某些刺激产生回应的个别化感受,而这些感受的获得也必须要有顾客的积极观察和参与,他还进一步提出了顾客体验的七种媒介,而其中的与“服务人员的沟通”就对应了顾客参与的“人际互动”维度,“宣传”就对应了顾客参与的“信息共享”维度。Vezina(1999)提出顾客体验是贯穿购物前、中、后的联系过程的同时也指出,顾客应该在购物前做一些信息搜寻的准备工作,才能有更好的顾客体验效果,而这里的信息搜寻工作就对应了顾客参与里的“事前准备”维度。Harris(2003)认为顾客与企业员工之间的积极互动会提升顾客体验的外在价值。汪涛和崔国华(2004)也支持只有顾客主动参与到企业所提供的服务情境中来才能形成良好的顾客体验。杨岑(2011)³⁰则通过对体育健身业的实证研究得出顾客参与的各个维度都对顾客体验有直接正向的影响。基于以上的文献梳理,本文提出以下假设:

H1a: 顾客参与(事前准备、信息共享、合作行为、人际互动)对感知体验有显著正向影响;

H1b: 顾客参与(事前准备、信息共享、合作行为、人际互动)对情感体验有显著正向影响;

Bernd H. Schmitt (1999)、Gobe, Zyman (2001)均很早就得出顾客体验能够导致顾客的忠诚行为,Zaltman(2003)³¹也指出顾客有关品牌方面的良好体验情感能够导致品牌忠诚。Peter C. Verhoef 等人(2007)³²指出只有当企业提供了优于竞争对手的独特体验情境才会让顾客从行为上产生品牌忠诚。基于以上的文献梳理,本文提出以下假设:

H2: 顾客体验(感知体验、情感体验)对品牌忠诚有显著正向影响;

File et al(1992)就提出顾客参与度越高,顾客就越容易向别人推荐该品牌。Binter et al(1997)³³也有类似的理解,他们认为良好的顾客参与能够增强顾客对服务的了解,降低他们对服务的期望,进而能够提高顾客对该品牌正面口碑的机会,得到更多的品牌认同(白长虹、范秀成,2002³⁴; Grace& O' cass, 2003³⁵)。王宁武、玉法、于海军(2009)³⁶在研究顾客参与对提升企业品牌竞争力的路径时提

³⁰杨岑. 顾客参与、顾客体验与品牌认同的关系研究——以体验健身业为例[D].浙江大学硕士论文, 2011.

³¹Zaltman G. How Customer Think: Essential Insights into Mind of the Market[M]. Boston: Harvard Business School Press, 2003.

³²转引自卢凤霞. 顾客体验对家具品牌形象及品牌忠诚的影响研究[D]. 硕士论文. 江西财经大学, 2010.

³³Bitner, M.J., Faranda, W.T., & Hubbert, A.R. et al. Customer contributions and roles in service delivery. International Journal of Service Industry Management, 1997, 8(3), 193-205.

³⁴白长虹, 范秀成. 基于顾客感知价值的服务企业品牌管理[J]. 外国经济与管理, 2002, 24(2), 7-13.

³⁵O' Cass, A. & Graee, D. An exploratory Perspective of service brand association[J]. The Journal of Services Marketing, 2003, 17(4-5): 452-473.

³⁶王宁武、玉法、于海军. 浅谈基于顾客参与的企业品牌竞争力提升[J]. 价值工程, 2009, 4: 108-110.

出顾客参与能够增强顾客对服务企业的好感，激发顾客的奉献精神，最终增强其品牌忠诚。基于以上的文献梳理，本文提出以下假设：

H3: 顾客参与（事前准备、信息共享、合作行为、人际互动）对品牌忠诚有显著正向影响；

根据消费者心理学的“认知-情感-行为”理论我们知道，要想从简单的参与和认知形成忠诚的行为必然要经历情感的体验，因此顾客体验在顾客参与对品牌忠诚影响的进程中应该具有正向的中介作用，而这种中介作用就是指在顾客通过参与到企业所提供的服务中来进而产生良好的顾客体验后，对品牌形成良好的顾客感知，最终对品牌产生忠诚感。而这一理论其实 Aaker(1991) 就已经提到过，他在提出品牌资产五星模型的时候就指出顾客体验在顾客参与和品牌认同之间起中枢作用 (Gronroos, 2000)，因此这是本文研究的切入点之一，顾客体验也将会是顾客参与影响品牌忠诚的中介变量。基于以上的文献梳理，本文提出以下假设：

H4a: 感知体验在事前准备对品牌忠诚影响中起中介作用；

H4b: 感知体验在信息共享对品牌忠诚影响中起中介作用；

H4c: 感知体验在合作行为对品牌忠诚影响中起中介作用；

H4d: 感知体验在人际互动对品牌忠诚影响中起中介作用；

H4e: 情感体验在事前准备对品牌忠诚影响中起中介作用；

H4f: 情感体验在信息共享对品牌忠诚影响中起中介作用；

H4g: 情感体验在合作行为对品牌忠诚影响中起中介作用；

H4h: 情感体验在人际互动对品牌忠诚影响中起中介作用。

基于以上对顾客参与、顾客体验和品牌忠诚的关系的文献回顾和深入分析，笔者期望以顾客体验为中介来深入顾客参与品牌忠诚的作用机制，因此提出本文的以下理论研究模型：如图 3.1 所示：

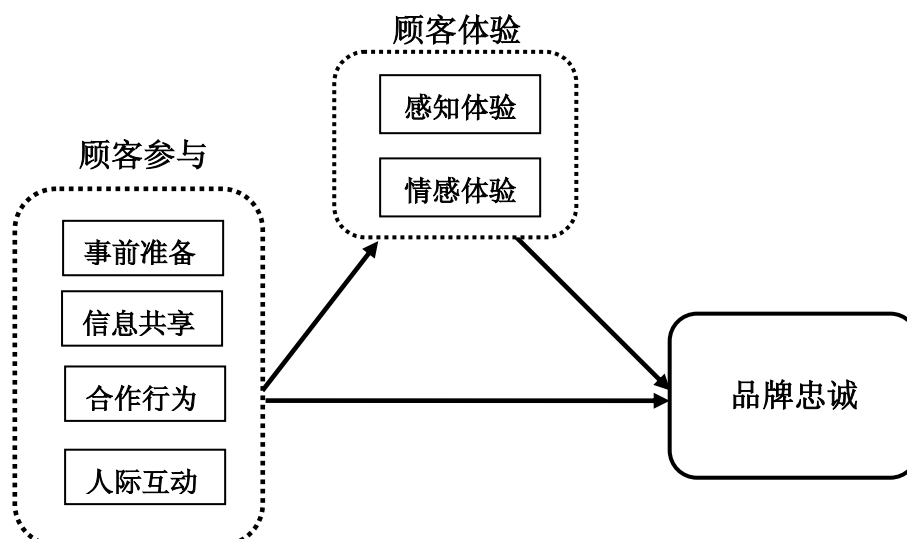


图 3.1 本文理论研究模型

4、调研设计

4.1 问卷设计

本研究采用问卷调查的方式来实证验证以上的模型假设，在大量文献研究的基础上作者设计了初步的调查问卷，问卷问题的设计全部采用李克特的五级等级量表，提供五个直观的备选选项，五个选项表示态度的五个层次，以便于被访者充分表达其对于所提问题态度的强烈程度。（1=“很不同意”，5=“非常同意”）。

4.2. 数据收集

本次调查的地点大部分选择在南京房地产企业在售楼盘的售楼大厅里，受访者是一些已经办理完购房手续或者前来咨询的顾客，同时笔者还在南京市区人流量较大的诸如新街口、夫子庙等地方随机抽取有购房经历的顾客进行调查。为了不引起受访者的反感，笔者尽量选择时间充裕的顾客，告知问卷不需要文字书写，不涉及个人隐私，并表明自己是来做论文研究的学生。

笔者一共发放了 300 份问卷，实际回收了 276 份，由于是面对面访谈调研，因此问卷回收率较高，达到 92%。在问卷整理过程中，发现废卷 7 份，有效问卷为 269 份，达到 89%，总体调查的数量结果比较令人满意。

5、实证分析

5.1 数据的信度与效度分析

在对各变量进行结构分析之前，首先检查正式调研数据的整体问卷的内部一致性如何，主要通过 Cronbach's α 系数值来观测。本次研究中所有计量尺度的内部一致性系数都在 0.7—0.9 之间，表明各个计量尺度都比较可靠。

变量衡量的信度检验结果

变量	变量项目数	Cronbach's α 系数
事前准备	3	0.868
信息共享	5	0.898
合作行为	3	0.884
人际互动	3	0.818
感知体验	4	0.810
情感体验	3	0.888

品牌忠诚	5	0.871

另外为了检验样本数据的有效性,本研究采用 Varimax-Rotated (最大方差转轴法) 检验问卷结构的效度。在这种测量中,同一个维度中,因子载荷的值越大,汇聚有效性越高;每个问项都必须位于某个主成分之中,并且因子载荷需大于 0.5。研究表明,顾客参与变量的 14 个测量题项进行因子分析后,各因子的载荷都系数都非常高(最小值为 0.698),这说明对公因子有非常好的解释率,顾客体验变量的 7 个测量题项进行因子分析后,各因子的载荷都系数都非常高(最小值为 0.672),品牌忠诚变量的 5 个测量题项进行因子分析后,各因子的载荷都系数都非常高(最小值为 0.795),这说明样本数据具有较高的汇聚有效性。

5.2 数据分析

通过多元回归分析验证理论模型的合理性和假设的正确性,具体多元回归分析结果如下:

1. 顾客参与各维度对顾客体验各维度影响的多元回归分析

通过多元线性回归分析,各项参数均符合要求,结合之前的相关性分析结果,可以得出结论:顾客参与中的事前准备、信息共享、合作行为和人际互动四个维度确实对顾客的感知体验维度都存在正相关影响,具体回归方程如下:

感知体验=0.219*事前准备+0.238*信息共享+0.118*合作行为+0.231*人际互动

我们再来看顾客参与四个维度对情感体验影响关系的数据分析情况,通过多元线性回归分析,各项参数均符合要求,可以得出结论:顾客参与中的事前准备、信息共享、合作行为和人际互动四个维度确实对顾客的情感体验维度都存在正相关影响,且影响程度无显著差异,具体回归方程如下:

情感体验=0.313*事前准备+0.233*信息共享+0.213*合作行为+0.183*人际互动

2. 顾客体验各维度对品牌忠诚影响的多元回归分析

多元回归分析的结果进一步证实了感知体验和情感体验与品牌忠诚的显著正向相关关系,其中情感体验的影响相对较大,具体回归方程如下:

品牌忠诚=0.366*感知体验+0.455*情感体验+1.308

3. 顾客参与各维度对品牌忠诚影响的多元回归分析

通过回归分析的进一步检验,顾客参与各个维度与品牌忠诚之间显示了显著的正相关关系,其中合作行为维度的影响相对较大。除常数项显著水平高于 0.05 而不能进入回归方程以外,其它各项参数均符合要求,具体的回归方程如下:

品牌忠诚=0.145*事前准备+0.245*信息共享+0.468*合作行为+0.133*人际

4. 顾客体验的中介作用分析

本文将采用 Baron (1986) 和 Kenny (1987) 对中介作用原理解释, 将中介变量看作是自变量影响因变量的中介, 自变量可以通过中介变量来影响中介变量, 但需要具备同时三个前提条件, 为说明的方便, 我们假设自变量是 X, 因变量是 Y, 中介变量是 M, 则具体条件如下:

首先, X 对 Y 和 M 分别有显著的回归系数; 其次, 中介变量 M 对因变量同样有显著的回归系数; 最后, 在前面两条条件成立的前提下, 将 X 和 M 同时放入回归方程, 如果 X 对 Y 的显著性回归系数减小就说明 M 具有部分中介作用, 如果回归系数减小为 0, 也就是 X 未进入回归方程, 那就说明 M 具有完全的中介作用。

分别检验感知体验维度和情感体验维度的中介影响, 首先, 我们将感知体验及事前准备、信息共享、合作行为及人际互动同时放入回归方程后, 具体相关系数比对结果如下表:

变量	模型一			模型二		
	B	t	Sig.	B	t	Sig.
事前准备	.145	2.890	.004	----	----	----
信息共享	.245	4.561	.000	0.225	5.101	.000
合作行为	.468	10.827	.000	0.451	11.108	.000
人际互动	.133	2.830	.005	----	----	----
感知体验	----	----	----	.339	7.793	.000

a Dependent Variable: BL

上表中我们可以看出, 放入感知体验后, 事前准备及人际互动维度均未进入回归方程, 这说明感知体验在事前准备、人际互动对品牌忠诚的影响中起完全中介作用, 而对于信息共享和合作行为维度而言, 其回归系数分别从 0.468 降至 0.451、0.245 降至 0.225, 因此感知体验在二者对品牌忠诚的影响中起部分中介作用。

其次, 我们将情感体验维度和顾客参与的四个维度同时放入回归方程后具体数据结果如下表:

变量	模型一			模型二		
	B	t	Sig.	B	t	Sig.
事前准备	.145	2.890	.004	----	----	----
信息共享	.245	4.561	.000	0.216	4.610	.000

合作行为	.468	10.827	.000	0.425	9.880	.000
人际互动	.133	2.830	.005	----	----	----
情感体验	----	----	----	.332	6.764	.000

a Dependent Variable: BL

事前准备及人际互动维度未进入回归方程，即情感体验同样在二者对品牌忠诚的影响中起完全中介作用，而相应的信息共享维度的回归系数降至 0.216，合作行为维度的系数降至 0.425，表明情感体验在这两个维度对品牌忠诚的影响中起部分中介作用。

通过以上的具体数据的多元回归分析我们发现，顾客参与的事前准备和人际互动维度均是通过感知体验和情感体验影响品牌忠诚，而信息共享与人际互动维度则是在对品牌有直接影响的同时，部分通过感知体验和情感体验来影响品牌忠诚。因此，本研究提出的假设都通过验证。

6、简要结论

综合以上分析可得出如下结论：

第一，顾客参与各维度对顾客体验的有影响。在顾客参与各维度对感知体验的影响结果中，事前准备、信息共享、合作行为、人际互动的回归系数分别达到 0.219、0.238、0.118、0.231，说明房地产企业要想顾客在购房服务过程中获得良好的感知上的体验首先必须建立在良好的信息共享基础之上，让顾客更多的了解企业住房产品或体验服务，其次也要注重服务人员与顾客的人际交流。而在顾客参与各维度对顾客情感体验的影响中，事前准备维度影响力最大，回归系数超过达到 0.313，其余各维度系数在 0.2 左右，这说明顾客购房之前对房地产企业及其产品或服务的了解和对相关资料的搜寻的努力程度就代表了顾客对这家房地产企业的重视程度和认可度，因此房地产企业需要通过广告、电视、网络等媒介最大限度的公开自己的信息或企业文化，这样会更有助于潜在顾客在搜寻和认知这些信息的同时增强他们对企业品牌的感知或者情感上的信任。

第二，顾客体验对品牌忠诚有直接的影响。顾客在购房过程中基于售楼处环境、购房的氛围、住房产品的价值、房地产企业所提供的购房服务的质量、购房过程中参与的活动的效果等要素的整体感知都能影响到顾客的品牌忠诚。而相对于感知体验的作用，情感体验对品牌忠诚的影响更大一些，其回归系数为 0.455，这说明良好的情感上的体验能对顾客心理产生极深的影响，是影响顾客品牌忠诚

的关键因素。

第三，顾客参与对品牌忠诚的影响。顾客参与中的人际互动维度和事前准备维度对品牌忠诚有正向影响，信息共享维度影响比较显著，回归系数达到 0.245，这也充分说明了要想让顾客和企业品牌之间产生感情或忠诚就必须要有足够的信息交流，这对品牌忠诚的培养也是非常有益的。但对品牌忠诚的影响最大还是合作行为，回归系数达到 0.468，这充分说明顾客在接受服务过程中的如果表现出强烈的合作意愿并愿意承担部分责任行为，就越容易形成忠诚，这一实证结果与顾客参与理论是一致的。

第四，顾客体验的中介作用。通过中介作用检验，感知体验和情感体验均在顾客参与影响品牌忠诚的过程中起中介作用，当分别将感知体验和情感体验强制放入回归方程后，顾客参与的事前准备维度和人际互动维度均未进入回归方程，这说明感知体验在事前准备维度和人际互动维度对品牌忠诚的影响中起完全中介作用，同时，当感知体验放入回归方程后，顾客参与的信息共享维度和合作行为维度的回归系数均有明显减弱趋势，这说明感知体验和情感体验在这两个参与维度对品牌忠诚的影响中起部分中介作用。

综上可知，只有通过购房过程中的良好互动性顾客体验才能将顾客的主动参与行为更好地转换为对企业品牌的忠诚行为，因此，房地产企业应该以顾客体验为目的设计顾客参与模式，站在顾客的角度来设计体活动，以提高房地产体验营销的最终效果。

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服务品牌内化背景下员工品牌相关行为研究述评

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摘要: 员工是服务企业品牌内化的关键主体, 然而在过去很长时间内员工作为品牌建设者的文献在术语方面界定得非常模糊, 学者只是笼统地将员工视为品牌大使、品牌支持者或品牌布道者, 却没有提出一个具体的概念。随着理论的发展, 学术界提出了品牌公民行为和员工品牌建设行为的概念。本文对这两种员工品牌相关行为进行综述, 梳理了它们的概念、维度及前因变量, 并结合组织公民行为研究了三者间的内在关系, 最后对未来的研究方向进行了归纳。

关键词: 品牌公民行为; 品牌建设行为; 组织公民行为; 服务品牌内化

一、引言

员工在工作过程中会表现出一系列行为, 如亲社会组织行为(prosocial organizational behavior)、跨边界行为(boundary-spanning behavior)、自主决定的服务行为(discretionary service behavior)、员工主动行为(proactive behavior)、谏言行为(voice behavior)等, 这些行为的区分有助于我们从不同的角度理解员工的行为, 某些行为是员工导向的, 另一些行为是顾客导向或兼有员工导向和顾客导向的, 有些行为会促进组织绩效, 有的则会对组织有破坏性作用。对许多服务企业而言, 与顾客接触的员工被认为是企业差异化和竞争优势的来源。顾客服务质量感知、忠诚及转变服务提供商的行为都受到员工上述行为的明显影响, 与顾客接触的员工通过兑现企业对顾客做出的承诺可以树立企业的形象。为使组织有效运转, 员工能够持续地表现出积极的组织行为变得越来越关键。诸如此类的观点已成为学术界和实务界的普遍共识。

由于服务的无形性、顾客参与性等特点, 服务品牌更是高度依赖于员工的行为及态度。顾客在接受服务的过程中通常不会在提供服务的员工与组织之间进行区分, 拙劣的员工表现通常会引起顾客期望与品牌承诺之间的差距(Parasuraman, 1988)。品牌的外部承诺与品牌的内

部管理不一致会引起顾客的不满，因而如何将品牌对外部顾客的承诺转化为企业内部实实在在的行动就变得至关重要了。简言之，员工必须能够准确无误地向消费者传递良好的品牌形象，他们要了解品牌价值、相信品牌价值，进而表现出与品牌价值相一致的行为。在相关文献中，上述过程被描述为员工层面的服务品牌内化过程。

虽然员工在服务品牌内化过程中的重要性已经受到了学者的关注，但是很长一段时期内学术界对员工品牌建设相关行为的研究还缺乏系统性，以往的学者只是笼统地将员工视为品牌大使、品牌支持者或品牌布道者，但是却没有提出一个具体的概念，有关员工作为品牌建设者的文献在术语界定方面也非常模糊(如角色内行为和角色外行为)。近年来，学者们相继提出了品牌公民行为(Burmann 和 Zeplin, 2005)和员工品牌建设行为(Morhart 等, 2009)的概念，并进行了一些探索性研究和初步的实证研究。本文介绍这两种服务品牌内化背景下的员工品牌相关行为，介绍这两种行为的概念、维度划分、影响变量，以及这两个概念与相似概念的比较，并对未来可能的研究方向进行了展望。

二、品牌公民行为

(一)品牌公民行为的概念及构成维度

品牌公民行为(brand citizenship behavior)这一概念是由 Burmann 和 Zeplin 于 2005 年首次提出的，他们在研究内部品牌管理时在整合前人有关内部品牌化管理研究的基础上，借鉴组织公民行为的概念提出了这一概念。品牌公民行为描述了一系列一般员工行为，这些行为有助于增强组织的品牌识别。品牌公民行为是指员工为了强化顾客和其他员工对品牌的识别而做出的一系列职责以外的行为，这些行为是员工自愿的，组织并没有把他们界定在正式的职责体系中(谢礼珊，2010)。

Burmann 和 Zeplin(2005)认为品牌公民行为应该与组织公民行为一样包括多个维度，并在借鉴 Podsakoff 等(2000)所划分的组织公民行为的维度基础上，通过深度访谈将品牌公民行为区分为 7 个维度。具体地，品牌公民行为的七个维度分别为：(1)助人行为(helping behavior)，指员工对内部和外部顾客积极的态度、友善及帮助的行为，在必要时承担自己所在领域以外的责任，如跟踪顾客抱怨；(2)品牌考虑(brand consideration)，指员工在任何情境中沟通之前或采取行动时都遵守品牌相关的行为指导，并考虑对品牌的影响；(3)品牌热情(brand enthusiasm)，指员工在执行品牌相关的行为时表现出特别的主动性；(4)运动员精神(sportsmanship)，指员工在品牌给自己造成不方便的情况下也毫不抱怨，并愿意付出高的机会成本的行为；(5)品牌支持(brand endorsement)，指员工即便在非工作情境中也会向其他群体推荐品牌，以及将品牌识别传递给组织中的新员工；(6)自我发展(self development)，指员工愿

意持续提高品牌相关的技能；(7)品牌推进(brand advancement)，指员工致力于应用品牌识别概念来改变市场需要或新的组织能力例如传递顾客反馈或提供新的创意。

品牌公民行为以上 7 个维度的划分只是一个探索性的结论，在另一项研究中，Burmam 等人(2009)开发了品牌公民行为量表并进行了实证检验，结果发现原先定义的品牌公民行为的七个维度被缩减为三个维度：第一个维度包括助人行为，因而被命名为助人意愿(willingness to help)；第二个维度包括原先的品牌意识、品牌热情和品牌支持，因而被命名为品牌热情(brand enthusiasm)；第三个维度将最初的自我发展和品牌推进合并在一起，被命名为发展意愿(willingness for further development)。原先的运动员精神没有载荷到以上三个因子上，并且作者在访谈中发现该因子所起的作用并不明显，因而没有被包含进品牌公民行为中。

国内学者谢礼珊等(2010)以旅游企业员工作为研究对象，发现员工品牌公民行为也是由乐于助人、品牌热情和发展倾向三个因子构成的，并通过二阶验证性因子分析证实这三个一阶因子与品牌公民行为二阶因子之间的相关系数是显著的，从而表明乐于助人、品牌热情和发展倾向都是更高阶的品牌公民行为的一阶因子。但是 King 和 Grace 在研究基于员工的品牌资产时，并没有对品牌公民行为的维度进行划分，而是将其视作基于员工的品牌资产收益的一个子维度(King 和 Grace, 2010)。

(二)品牌公民行为的前置变量

Burmam 和 Zeplin(2005)指出品牌承诺(brand commitment)是品牌公民行为的关键驱动因素，并将品牌承诺定义为员工对品牌的情感依恋程度，该定义与组织承诺中的情感承诺非常相近。员工对组织的承诺被认为是决定组织成功的重要因素，因为员工的归属感会影响其达到组织目标所施加的额外努力的程度。以往大量的研究已经证明组织承诺能够引起有利于组织的角色外行为，品牌公民行为是一种重要的角色外行为，因而品牌承诺能够对品牌公民行为产生积极的影响。

在借鉴前人对组织承诺研究及深度访谈的基础上，Bureman 和 Zeplin(2005)区分了品牌承诺的三个理论维度，分别为遵从(compliance)、认同(identification)和内化(internalization)。遵从是指员工愿意调整其观点和行为以与品牌或公司的要求保持一致，其目的在于获得特定的内部奖赏或避免惩罚。建立在遵从基础上的品牌承诺能够确保员工遵守组织的各项规则。认同是指员工将其自己视为品牌或企业组成部分的程度，它能够促成员工与品牌命运休戚相关的感觉，即员工将品牌的成功和失败视为自己的成功和失败。内化是指员工将品牌价值融入自己的思维和行为中的程度，员工将品牌作为指导自己行为准则的自我概念，即个人思维和感觉的综合，包括特质、能力及价值。内化的极端情况是个人价值和品牌价值的完全一致。

追求自我一致的个体会以与自我形象相一致的方式行事。遵从、认同和内化三维度的划分是 Burmann 和 Zeplin 根据组织行为相关文献和深度访谈的途径得出的,后来 Burmann 等人(2009)通过实证验证了品牌承诺的维度构成,结果发现遵从维度没有达到显著,而认同和内化这两个维度合并为一个维度,因此,从 Burmann 等人(2009)的实证研究来看,品牌承诺是一个单维度概念。

虽然品牌承诺驱动品牌公民行为,但是品牌承诺并不会自动出现,它需要一系列措施来推动,Burmann 和 Zeplin(2005)将这些措施综合为三种杠杆:以品牌为中心的人力资源管理活动(*brand-centered human resource activities*)、品牌沟通(*brand communications*)和品牌领导(*brand leadership*)。但是,上述三个关键杠杆只有在环境因素一致时才能引起品牌承诺,并且品牌承诺只有在员工拥有必要的知识和资源时才能够引起品牌公民行为。

以品牌为中心的人力资源管理活动可以确保企业招募到与企业品牌识别高度一致的员工,并且使这些员工可以更快地获得晋升。人力资源管理活动对品牌内化的影响还发生于对新员工的塑造阶段,组织的人力资源管理部门对新员工的培训能够加快他们的组织社会化过程,同时,组织的社交活动和导师计划也有助于员工了解并接受组织的品牌识别。

只有每一个员工意识到他本人能够对顾客的品牌体验产生重要的影响,他们对品牌识别的理解才会真正发生转变。内部品牌沟通包括关于组织及其品牌的所有的语言化和书面的信息。沟通服务提供、顾客需要及企业目标等方面的信息有助于员工对自己角色有更加清晰地定位,这些信息是员工表现出品牌一致行为的重要前提。

驱动品牌承诺的第三个杠杆是品牌领导,领导者在将品牌承诺转化为品牌实践的品牌建设过程中发挥着积极的作用。领导者对内部品牌建设的影响不仅体现在语言沟通方面,而且体现在非语言沟通方面。Burmann 和 Zeplin(2005)认为要区分两种类型的品牌相关领导:宏观和微观层面的领导。宏观层面的领导是指 CEO 和董事会在品牌管理过程中角色,微观层面的领导是指整个组织中管理人员的个人领导。在宏观层面上,组织的最高管理层要作为员工内部品牌化的榜样。在微观层面上,每一个管理人员都需要充当品牌的榜样,因为社会学习理论认为员工通过观察其他人的行为来学习新的态度和行为。

除了管理层在宏观和微观层面上的榜样作用外,转换型领导和交易型领导这两种不同的领导方式也会对品牌承诺产生不同性质的影响,组织公民行为领域的相关研究已经证明,转换型领导对组织承诺和组织公民行为有重要的影响。转换型领导方式的典型特征包括①个人感召力,指领导者通过以一种令下属仰慕的方式行事以便得到下属认同的程度;②鼓舞性激励,鼓舞性激励是指领导者在下属中间促成一种共同使命感的能力;③智能激发,指领导者

向下属提供新的创意来激励重新思考做事的旧的方式；④个性化关怀，指领导者指导每一位下属来实现其潜能。相反，交易型领导方式的主要特征包括①权变奖赏，指领导者为下属界定期望并在下属的目标实现时提供认同，员工获得的奖赏依赖于其付出的努力水平以及达到的绩效水平；②例外管理，指领导者监督下属的工作，当下属的工作偏离组织的正式规定时会提出批评，并且会对员工拙劣的表现给出立即纠正。转换型领导方式能够影响组织成员的价值观和愿望，并且使他们为了品牌利益超越自我利益的领导行为，因而会促成员工对品牌的内化。交易型领导方式建立在社会交换过程的基础上，只能引起基于遵从的品牌承诺。但是，Burmam 和 Zeplin(2005)并没有对转换型领导方式和交易型领导方式的上述影响机制进行实证检验。

三、员工品牌建设行为

(一)员工品牌建设行为的概念及其构成维度

员工品牌建设行为(employee brand building behavior)这一概念是由 Morhart 等人于 2009 年提出的，他们将其行为定义为“员工在工作内外致力于组织顾客导向的品牌建设的行为”。员工品牌建设行为的理论基础主要来源于服务营销、关系营销、员工品牌化、品牌社区以及顾客接触员工的组织公民行为。通过对这些理论所隐含的员工品牌建设行为的梳理，Morhart 等人将员工品牌建设行为归为三类：留职(retention)、角色内品牌建设行为(in-role brand-building behavior)和角色外品牌建设行为(extra-role brand-building behavior)。

留职是指员工与企业保持持续的职业关系，即员工保留其雇佣岗位的将来意愿(Good 等, 1996)，保持顾客接触员工的稳定性是服务企业保持竞争优势的重要因素。一线服务员工赋予服务品牌以人性化的表现方式，能够帮助顾客与品牌建立情感联系。员工与服务企业保持持久的关系更有可能促成顾客与品牌的亲密感以及对企业品牌代表的信任，这构成了服务品牌的竞争优势。相反，当企业有很高的员工流失率时，员工不会对品牌有归属感，顾客也很难与公司品牌建立情感上的联系。

角色内品牌建设行为是指一线员工履行其作为企业品牌代表的组织角色的行为，这些行为是由组织书面的行为规范、手册或者非书面的文件规定的。在服务背景中，顾客的品牌体验高度依赖于一线员工的行为，因此，服务员工应该遵照企业对顾客做出的承诺来提供服务。

角色外品牌建设行为是指员工出于为公司品牌着想而做出超越正式的角色要求的行为，这些行为是由员工自主决定的。员工角色外品牌建设行为又包括工作中的参与和工作外的积极口碑。首先，积极参与品牌发展的员工为企业品牌管理提供高质量的投入。其次，员工在非工作背景中对组织产品及服务的个人谏言对企业的现实和潜在顾客而言是一种可以信赖的

广告。

Morhart 等(2009)虽然将员工品牌建设行为区分为留职、角色内品牌建设行为、角色外品牌建设行为,但是他们在实证检验部分将角色外品牌建设行为看成是包括员工参与和积极的口碑两个独立的因子,因此可以将员工品牌建设行为视为是一个四因子的概念。在对这四个因子的测量方面,除了角色内品牌建设行为是由作者新开发的外,其余三个因子均来自于以往学者的研究。

国内学者谢礼珊等(2010)针对酒店企业员工比较了员工品牌建设行为的三因子和四因子模型,发现四因子模型的拟合优度要高于三因子模型,这进一步证实员工品牌建设行为应该包括留职、角色内品牌建设、员工参与和积极口碑四个因子。此外,他们还对上述四个因子进行了二阶验证性因子分析,发现四个因子能够很好地归属到员工品牌建设行为这个二阶因子上。

(二)员工品牌建设行为的前置变量

Morhart 等人(2009)研究了特定品牌转换型领导(*brand-specific transformational leadership*,也译作变革型领导)和特定品牌交易型领导(*brand-specific transactional leadership*)对员工品牌建设行为的影响。特定品牌转换型领导是指领导者通过诉诸于下属员工的价值和信念来激励他们代表公司品牌行事的领导方式。特定品牌转换型领导方式具有如下特征:①领导者为员工树立榜样并且真正践行品牌价值;②能够清楚地说出令人信服的和独特的品牌愿景,并激发员工对公司品牌的个人参与和自豪感;③使下属从品牌社区成员的角度反思他们的工作,向下属授权并帮助他们解释公司品牌对顾客做出的承诺,以及这些承诺对员工个人工作的含义;④培育下属员工成长为品牌代表。特定品牌交易型领导方式是指领导者通过诉诸于员工头脑中的权变理性(*contingency rationale*)来激励他们代表公司品牌行事的领导方式。特定品牌的交易型领导有如下特征:①界定下属执行品牌代表角色的行为标准,并且当员工达到这种标准时给予奖励;②明确品牌代表的无效率行为,并且当下属员工表现出这些行为时给予惩罚。在后一种情形中,领导者会密切监督员工的异常行为和错误,当员工出现错误时提出纠正措施。

由于两种领导方式存在明显的区别,因而它们影响员工品牌建设行为的心理机制也存在差异。Morhart 等人(2009)基于转换型交易型领导理论、自我决定理论、社会识别理论以及品牌建设理论提出了特定品牌领导方式对员工品牌建设行为的影响机制模型。首先,员工品牌建设行为是一种识别一致行为(*identity-congruent behavior*),这种行为源于员工对公司品牌的个人信念(将识别理论和品牌建设联系起来)。其次,当下属作为品牌代表在关系、能力和自

主权方面的需要得到满足时，他们就可能会将这些基于品牌的角色识别内化(将识别理论和自我决定理论联系起来)。第三，特定品牌转换型领导者能够营造一种工作环境，这种环境可以使员工在上述三方面的需要得到满足，因而有利于员工采纳基于品牌的角色识别(将领导理论和自我决定理论联系起来)。相反，特定品牌交易型领导者会阻碍下属需要的满足，因而不利于下属将基于品牌的角色识别融入他们的自我概念中。

上述过程表明，员工对其角色识别的内化是一个关键的中介变量。因此，为了鼓励员工的品牌建设行为，领导者必须帮助员工“内化”品牌。而交易型领导方式的基础是交换理论，其内在的影响机制是工具性遵从而不是内化。当管理者没有考虑到下属对关系、能力和自主的需要时，下属就不可能完全“吸收”外部强加的价值和行为标准，更不会接受它们作为自己的价值。然而，这些价值和标准可以成为约束行为的纯粹规则，此时员工表现出某种行为不是因为他们“想要”这样做，而是迫于这些规则而“不得不”这样做。上述过程与 Burmann 和 Zeplin(2005)所描述的领导方式对品牌公民行为的影响过程具有一致性。

简言之，虽然特定品牌转换型领导和特定品牌交易型领导都会影响员工的品牌建设行为，但是，两种领导方式的作用机理存在差异，从而引起不同的结果。特定品牌交易型领导通过遵从过程影响下属的行为，引起下属的角色内而非角色外品牌建设行为以及更高的离职意向。特定品牌转换型领导通过内化过程影响下属的行为，引起下属的角色内和角色外品牌建设行为以及更低的离职意向。在上述两个过程中，员工基本心理需要(关系、能力和自主)的满足程度起到了中介作用。上述影响过程表现为图 1 所示的因果链条。

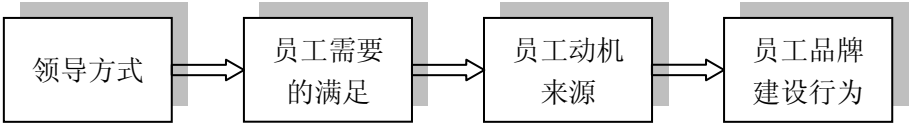


图 1 领导方式对员工品牌建设行为的影响机制

进一步地，Mohart 等人(2009)还发现特定品牌交易型领导方式能够调节特定品牌转换型领导方式对员工需要满足的影响，即二者之间存在交互效应：在特定品牌交易型领导达到最优水平时，特定品牌转换型领导的积极影响达到最大。当特定品牌交易型领导方式超越这一最优水平时，特定品牌转换型领导方式的积极影响变小。

国内学者谢礼珊等(2010)对员工品牌建设行为的前因后果进行了研究，他们关注于支持型领导行为对员工品牌建设行为的影响。支持型领导行为简单地说就是组织的管理者对其下属员工的所有支持行为。支持型领导具有四个关键特征：①关心员工的情感和需要；②鼓励

员工提出他们关心的问题；③表扬员工在工作中取得的成绩，为员工提供正面的信息反馈；④帮助员工提高工作能力。支持性领导行为包括两个维度：对工作任务的支持和对交往关系的支持，前者是指管理人员与员工坦诚沟通、鼓励员工自主决策、为员工的工作提供指导和帮助；后者是指管理人员关心员工、尊重员工，重视员工的利益，承认员工对企业做出的贡献。他们的实证检验发现管理者对交往关系的支持能够影响留职、员工参与和积极的口碑三个维度，而对工作任务的支持会影响角色内品牌建设行为和积极的口碑。

四、概念间关系的探讨

鉴于组织公民行为是员工品牌公民行为和品牌建设行为的重要理论基础，以及组织公民行为是组织研究和营销研究领域受到学者关注最多的概念等原因，我们试图对品牌公民行为、员工品牌建设行为和组织公民行为三个概念做一个全面的比较，以便更好地把握每个概念的含义。

组织公民行为这一概念是由 Bateman 和 Organ(1983)于 1983 年提出的，他们的定义为：组织公民行为是未被正常的报酬体系所明确和直接规定的，是员工的一种自觉的个体行为，这种行为有助于提高组织功能的有效性。组织公民行为包括没有被组织正式或明确规定的行为，组织公民行为研究关注于员工内部导向的角色外行为，如对组织、上级或同事的角色外行为(Blancero 和 Johnson, 2001)。关于组织公民行为维度的最经典的分析来源于 Podsakoff 等人(2000)的研究，他们在文献回顾的基础上总结了组织公民行为的七个维度：助人行为(helping behavior)、运动员精神(sportsmanship)、组织忠诚(organizational loyalty)、组织遵从(organizational compliance)、个体主动性(individual initiative)、公民道德(civic virtue)和自我发展(self development)。组织公民行为的前因变量主要表现为四个方面：个性特征、工作任务特征、组织特征和领导行为(Podsakoff 等, 2000)。关于组织公民行为的本土化研究也受到了很多重视，比较有代表性的如 Farh(2004)对台湾和内陆员工组织公民行为的研究。

组织公民行为、品牌公民行为和品牌建设行为具有相同之处：三者的行为主体都是员工，并且它们都是有益于组织的行为，是组织不可或缺的重要的员工行为，这有别于员工不良行为(employee dysfunction behavior)和员工自主决定的服务行为(discretionary service behavior, DSB)。此外，组织公民行为和品牌公民行为因为同属于角色外行为，因而都属于员工自主决定的行为(discretionary behavior)。作为品牌公民行为和品牌建设行为的行为主体的“员工”更多地强调一线服务员工，即那些能够与顾客发生直接互动的员工，他们的典型特征是组织边界的跨越者(boundary-spanners)。最后，组织公民行为、品牌公民行为和品牌建设行为在意向上是积极的，这不同于员工自由决定的服务行为，后者在行为在意向上可以是积极地或消

极的。

品牌公民行为源于组织公民行为的概念，这表现为品牌公民行为与组织公民行为在概念和维度划分上的相似性，但是品牌公民行为并不是简单地等同于组织公民行为在品牌层面上的具体表现，而是超越了组织公民行为的范畴(Burmann 和 Zeplin, 2005)。组织公民行为与品牌公民行为的差异性主要表现为，组织公民行为的助人行为维度是内部导向的，即这种助人行为是帮助同事，而品牌公民行为中的助人意愿除了帮助同事还包括帮助顾客(兼有内部导向和外部导向)，因此在这一维度上品牌公民行为的范围更加宽泛。对其他几个维度来说，品牌公民行为的关注点更加狭窄，它们仅关注于品牌层面而非整个组织。

员工品牌建设行为与组织公民行为的区别主要体现在两个方面：角色内行为还是角色外行为、行为导向及行为关注点。首先，员工品牌建设行为不仅包括角色外行为，而且涵盖了角色内行为，因而在这一维度上比组织公民行为更加宽泛；其次，从行为导向来看，员工品牌建设行为既面向组织内部也面向外部顾客，但是组织公民行为仅仅是内部导向的；最后，组织公民行为包括所有有利于组织的角色外行为，但是员工品牌建设行为仅仅关注与组织品牌建设方面有关的行为。

品牌公民行为和品牌建设行为都关注于员工在品牌建设方面的行为，从概念上看，它们之间最大的区别是前者仅仅是一种角色外行为，而后者涵盖了角色内行为。从测量方面看，品牌公民行为采用 16 个问项测量，员工品牌建设行为采用 12 个问项测量，通过对测量问项的对比发现，品牌公民行为的助人意愿、品牌热情和发展倾向三个维度主要对应于品牌建设行为的员工参与和积极口碑这两个维度^①。在前因变量上，二者也存在相似之处，目前已有的实证研究表明领导方式是影响员工品牌公民行为和品牌建设行为的一个关键变量，并且作用机制中都存在其他变量的中介效应。

综上，组织公民行为、品牌公民行为和员工品牌建设行为三者之间的关系总结如表 1。

表 1 三种员工行为之间的关系

行为类型	组织公民行为	品牌公民行为	员工品牌建设行为
行为主体	员工	员工	员工
行为对象	组织	品牌	品牌
行为结果	有利于组织	有利于组织	有利于组织
行为导向	内部导向	内部和外部导向	内部和外部导向
行为划分	角色外行为	角色外行为	角色内和角色外行为

资料来源：本研究总结

五、未来研究方向

相对于较为成熟的组织公民行为研究,无论是品牌公民行为还是员工品牌建设行为都是非常新的概念,因此在概念和维度构成方面都有待进一步界定和验证。自从组织公民行为的概念被提出后,理论界就存在组织公民行为是否是一种角色外行为的争议,原因之一在于角色内行为和角色外行为有时很难明确地界定或区分,并且其边界可能会发生动态变化。同样的争议有可能发生在品牌公民行为和品牌建设行为上:品牌公民行为是否可以被认为是一种纯粹的角色外行为?角色内品牌建设行为和角色外品牌建设行为(员工参与和积极口碑)的边界如何确定?或者有没有必要区分角色内和角色外品牌建设行为?以上的问题是概念发展初期必须要进行回答的问题,这也是概念的生命力所在及概念进一步发展和验证的要求。从概念维度的划分上看,Burmann 等人(2009)的实证检验证实品牌公民行为包括三个维度,Morhart 等人(2009)将品牌建设行为归结为四个因子。虽然国内学者的研究也证实了上述维度划分的适用性,但是目前毕竟还处于理论的探索阶段,理论的可靠性还需要更大范围的验证。此外,Farh 等(2004)证实华人社会中的组织公民行为与西方社会的组织公民行为有相同的维度,也有不同的维度,那么本土与西方社会品牌公民行为和员工品牌建设行为之间在维度划分上的差异性也是需要进一步研究的问题。

关于品牌公民行为和品牌建设行为前因变量的研究。学者研究过的品牌公民行为的前置变量为以品牌为中心的人力资源管理活动、品牌沟通和品牌领导(Burmann 等, 2009)。品牌建设行为的前置变量主要为品牌领导,即特定品牌转换型领导和交易型领导、支持型领导行为(Morhart 等,2009; 谢礼珊等, 2010)。品牌公民行为和品牌建设行为有一个共同的前置变量,但是学者对品牌领导影响品牌公民行为的研究相对于品牌建设行为还略显不足,没有从实证的角度研究不同类型的领导方式如何影响品牌公民行为,未来的研究有必要打开这一“黑箱”。此外,是否还有其他影响上述两种员工品牌相关行为前因变量?如以往的研究表明,员工组织心理所有权对角色外行为有显著影响,因此未来可以考察组织心理所有权与员工品牌相关行为的关系,并且可以考察存在的中介效应(如组织承诺、组织信任、组织认同等)甚至调节效应(如员工与组织的匹配度等),此外,作为中介变量的品牌承诺维度划分也需要做进一步的验证。

学术界对品牌公民行为和品牌建设行为的前因变量进行了探讨,但是对其结果变量的研究还显不足。Burmann 和 Zeplin(2005)提出的整体模型中指出品牌强度(brand strength)是品牌公民行为的结果变量,品牌强度是指品牌在多大程度上能够创造差异化和对品牌相关行为的偏好,它包括购买行为、品牌推荐行为等。其操作化为品牌—顾客关系质量(Burmann 等, 2009)。Burmann 等人(2009)实证发现助人意愿和品牌热情对品牌—顾客关系质量有显著的影

响,但是发展意愿对品牌—顾客关系质量的影响不显著。国内学者谢礼珊等(2010)研究了品牌公民行为对顾客品牌信任和品牌承诺的影响,发现助人意愿和品牌热情对顾客的品牌信任有显著的直接正向影响,对品牌承诺有显著的间接正向影响,发展倾向对顾客的品牌承诺有显著的直接正向影响。西方学者还没有人研究过员工品牌建设行为的结果变量,谢礼珊等(2010)的实证研究发现角色内品牌建设行为、员工参与和积极口碑对品牌形象有显著影响。服务企业品牌内化的最终目的是提高组织的品牌资产,因此,未来有必要考察员工品牌相关行为的结果变量及影响机制。

注释:

①Burmam 等人在其文章中并未提供测量量表。我们通过电子邮件与作者之一的 Nicola Riley 沟通获得了他们的原始量表,原始量表为德文量表,作者帮助我们翻译成了英文。

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品牌丑闻负面溢出效应的跨文化差异研究

——基于自我建构视角

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Exploring the Cross-culture Difference of Negative Spillover

Effect——Based on the Self-construal Theory

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Exploring the Cross-culture Difference of Negative Spillover Effect

——Based on the Self-construal Theory

Abstract: As multi-national corporations' development, the brand scandal of a company could spill over to different countries. Do consumers from different countries have different responses to a brand scandal? Based on the self-construal theory, this paper investigates the cross-culture difference of brand negative spillover effect. The result shows that consumers from eastern have bigger negative spillover effect than consumers from western. This is because consumers from eastern are dominated by interdependent self-construal, they are inclined to adopt similar testing when facing other brands' scandal; while consumers from western are dominated by independent self-construal, they are inclined to adopt dissimilar testing.

Keywords: brand scandal, negative spillover effect, cross-culture, self-construal

一、引言

近年来,突发性的品牌负面事件(也称品牌丑闻)已成为市场中的一种普遍现象,它往往会显著降低消费者对公司和品牌的态度,给企业通过苦心经营建立起来的品牌资产造成灾难性的损害(Dawa 和 Pillutla, 2000)。更为严重的是,负面事件带来的危害不仅仅局限于该品牌本身,还有可能会波及其他关联的品牌,甚至对该品牌所在的整个行业都带来严重影响,产生“负面溢出效应”。2000年之后,负面溢出效应开始得到学术界的重视,逐渐成为品牌负面事件研究领域的一个重要分支。不少学者探讨了品牌丑闻的负面溢出效应机制和其中存在的调节变量(如 Roehm 和 Tybout, 2006; Votolato 和 Unnava, 2006; 王海忠等, 2010),但迄今为止,这一领域的研究都局限在某一国家或某个单一的文化背景下,尚无研究关注负面溢出效应的跨文化差异问题。

随着国际经济一体化的加速,越来越多的公司开始推行全球化战略,在多个国家制造或销售自己的产品。当某一跨国公司品牌产生负面丑闻的时候,其产生的负面溢出效应也有可能超出国界,影响到许多不同的国家。2009年底,日本丰田汽车公司发现某些子品牌的汽车存在油门踏板问题后,便在全球范围内发起了大规模的产品召回行动。这一行动给丰田旗下的所有品牌、车型的销售都蒙上了阴影,产生了负面溢出效应,但对不同国家的影响却存在明显不同。据《第一财经日报》2010年5月18日报道,丰田在美国召回了约496万两汽车,但市场下滑比较小;在中国仅召回了约7.5万两汽车,市场影响却极大,不仅整体销量大幅下滑,消费者对丰田品牌的忠诚度也大幅降低。是什么因素导致中美两国之间的品牌负面溢出效应产生如此巨大的差异?不同的社会文化因素对负面溢出效应是否存在影响?这正是本研究试图解答的问题。

二、文献回顾与假设提出

1. 负面溢出效应

负面溢出效应指的是某一品牌的负面事件使其他本身没有发生负面事件的品牌受到牵连的现象(Ahluwalia 等, 2001)。学者们普遍认为,品牌的负面事件之所以会带来如此严重的后果,是因为负面信息相比正面信息更具有可诊断性,消费者在进行品牌评价的时候,负面信息占有更多的权重,对消费者决策更具参考价值(Ahluwalia 等, 2000; Roehm 和 Tybout, 2006)。因此,厘清负面溢出效应的发生机制是前人研究关注的核心问题。Dahlen 和 Lange(2006)发现当竞争品牌和丑闻品牌具有较高相似性的时候,由于属性重叠较多,会产生同化效应,从而使竞争品牌受到负面影响;当竞争品牌和丑闻品牌相似性较低的时候,则会产生对比效应,竞争品牌非但不会受到负面影响,反而会由于对比作用带来正面的影响。Roehm 和 Tybout (2006)认为当丑闻品牌是行业的典型品牌或者发生丑闻的属性是行业共有属性时,它与整个行业之间具有较强的联结,此时个别品牌的负面丑闻会溢出到整个行业;当竞争品牌和丑闻品牌在丑闻属性上相似时,丑闻信息对竞争品牌具有更强的可诊断性,负面效应会溢出到竞争品牌。Lei, Dawar 和 Lemmink (2008)则提出了品牌节点之间存在方向性联结的观点,他们认为同样的两个子品牌A和B之间,从A到B和从B到A的联结强度有可能是不同的,其负面溢出效应也存在差异。可见,国外学者对于负面溢出效应机制的探讨,多集中于品牌或属性之间的关联性,尤其是品牌或属性本身的相似性方面。国内学者王海忠等(2010)首次从消费者的信息加工视角来解释负面溢出效应的发生机制。他们认为,品牌联合中的负面溢出效应是否发生,取决于消费者采用相似性还是相异性的思维方式:如果选择相似性思维模式,会主要关注品牌之间相似的证据和信息,同化效应使得负面溢出效应较大;如果选择相异性思维模式,会主要关注品牌之间不同的证据和信息,对比效应使得负面溢出效应较小。

这一研究突破了以往研究单纯从品牌相似或属性相似来解释负面溢出效应的局限性，也为我们理解负面溢出效应的跨文化差异提供了理论基础。

2. 自我建构与负面溢出效应

自我建构(self-construal)是跨文化和自我研究领域的一个重要概念,自1991年由Markus和Kitayama提出之后,迅速得到社会心理学和消费者行为学领域学者的高度关注(朱丽叶和卢泰宏,2008)。自我建构的本质是个体关于自我和他人的信念,即个体在多大程度上认为自身与他人相关或是分离,因此,自我建构通常被分为独立型自我建构(independent self-construal)和依赖型自我建构(interdependent self-construal)两种类型(Markus和Kitayama,1991)。独立自我被界定为与社会情境相分离的有界、独立、稳定的自我,独立自我较高的人强调个体独特的品质和特性,而较少关注关系或与情境相关的因素;关联自我被界定为灵活、可变的自我,关联自我程度高的人 would 感到自我与他人都不能与情境相分离,相互之间的联系更紧密且区分更少。不同自我建构的个体除了对自身和他人之间关系的看法存在差异外,在思维方式和信息加工模式方面也有较大区别(Markus和Kitayama,1991)。独立型自我建构的人通常采用分析性的思维方式,倾向于认为客体和情境是分离的,并主要关注客体独特的属性而不是客体与情境之间的关系;依赖型自我建构的人通常采用整体性的思维方式,认为客体和情境是一个整体,更倾向于从关系角度而不是分离角度来分析和认识事物(Monga和John,2007)。因此,当一个品牌出现负面丑闻之后,依赖型自我建构的消费者更多地会从整体和关系的角度来看待与之关联的其他品牌。虽然这些关联品牌本身可能并没有出现问题,但关系导向型的加工模式会使得他们首先做出“有罪”推定,并主动去寻找品牌之间存在同样问题的证据,也即是进入了相似性的思维过程。与之对应的是,独立型自我建构的消费者更多地会从分离的角度来看待问题,重视品牌自身的独特性而不是与其他品牌的关系。他们可能会认为这只是丑闻品牌自身所犯的特有的错误,与其他关联品牌关系不大,并不能因此对其他品牌做出“有罪”推定,所以他们更倾向于从品牌之间的区别之处去寻找证据和线索,也即是进入了相异性的思维过程。根据王海忠等(2010)的研究,相似性思维方式最终会导致同化效应,负面溢出效应较大;相异性思维方式最终会导致对比效应,负面溢出效应较小,我们预期依赖型消费者的负面溢出效应大于独立型消费者。因此,有如下假设:

假设1:面对关联品牌的负面丑闻时,依赖型消费者倾向于采用相似性的信息加工方式;独立型消费者倾向于采用相异性的信息加工方式。

假设2:面对关联品牌的负面丑闻时,依赖型消费者的负面溢出效应大于独立型消费者。

自我建构是一个具有显著跨文化差异的概念,因为在不同的社会文化背景下,人们对自我的理解和解释存在区别。在西方文化背景下,人们更强调个体的独立性,鼓励个体去发现和表达自我的独特个性;而在东方文化背景下,人们更看重与他人相互依赖的关系,自我被看成是包围在身边的社会关系的一部分(朱丽叶和卢泰宏,2008)。所以在以美国及西欧等为代表的西方国家,独立型自我建构占主导地位;在以中国、日本等为代表的东方国家,依赖型自我建构占主导地位(Markus和Kitayama,1991)。众多研究(Ji,Peng和Nisbett,2000;Nisbett等,2001)指出,社会文化区别对人们的认知加工过程有重要影响:西方社会中的个体,社会关系较简单,他们的信念是世界是分离并且不连续的;相反,东方人由于长期生活在复杂的社会关系中,会花较多的精力去关注这一领域并且重视客体间的关系,他们与西方人相比更依赖于环境。所以我们预期当一个品牌出现负面丑闻之后,东西方消费者在不同自我建构的主导下会采用不同的认知加工模式,并导致不同程度的负面溢出效应。东方消费者受依赖型自我建构的主导,倾向于加工丑闻品牌和非丑闻关联品牌之间的关系,也即是选择了相似性的思维模式,最终负面溢出效应较大;西方消费者受独立型自我建构的主导,偏重于分析品牌之间的独特性和丑闻的偶然性,也即是选择了相异性的思维模式,最终负面溢出效应较小。因此,我们假设:

假设 3: 面对关联品牌的负面丑闻时, 东方消费者倾向于采用相似性信息加工方式; 西方消费者采用相异性信息加工方式。

假设 4: 面对关联品牌的负面丑闻时, 东方消费者的负面溢出效应大于西方消费者。

三、实证研究

1. 实验一

实验设计

实验一的主要目的是检验假设 1 和假设 2, 即考察不同自我建构的消费者在面对关联品牌的负面丑闻时, 对目标品牌所采取的信息加工方式以及负面溢出效应。实验采用单因素两水平的被试间设计, 自变量为消费者的自我建构: 独立型 VS 依赖型。

实验材料

品牌危机负面溢出的情境被设定为两个处于同一行业且具有直接竞争关系的品牌, Roehm 和 Tybout (2006) 指出, 直接竞争品牌在消费者购买过程中经常被同时比较, 因此他们在消费者记忆中通常具有较强的联结, 容易产生负面溢出效应。经过预测试, 我们选择了流行服饰行业的“班尼路”和“佐丹奴”作为实验的刺激品牌, 因为他们的产品、档次、风格等都较为类似, 且数据显示, 被试 ($N=23$) 对这两个品牌的熟悉度 (4.02 VS 4.39 , $t=0.73$, $p>0.1$) 和承诺度 (2.43 VS 2.13 , $t=-0.88$, $p>0.1$) 都不存在显著差异, 符合实验要求。

我们将“佐丹奴”作为发生负面丑闻的品牌, 将“班尼路”设定为非丑闻的目标品牌。负面信息的材料取自于 2009 年 3 月真实发生的佐丹奴品牌服饰的甲醛超标事件, 在此基础上, 根据实验要求进行了一定的修改。为了避免部分被试对甲醛及其危害不够了解的情况发生, 在材料中除了陈述刺激品牌甲醛超标的事实外, 还较为客观地介绍了服装甲醛超标带来的危害。我们采用 7 点语义差别量表对负面信息的严重程度、可信程度以及熟悉度进行了测评。20 名被试对这三个变量的评价均值 (标准差) 分别为 5.35 (1.63), 4.65 (1.53) 和 2.07 (1.22), 表明负面信息具有较高的严重性和可信性, 满足正式实验的要求; 同时, 较低的熟悉度能够减少被试对这一负面事件的先前知识和态度带来的影响, 确保实验材料的效果。

实验流程及变量测量

实验分为三个部分。首先给被试呈现“班尼路”和“佐丹奴”的品牌 LOGO 和品牌简介, 并让被试分别对两个品牌的承诺度、品牌态度等进行评价。品牌承诺的测量参考了 Ahluwalia 等 (2000) 的研究, 包含“我对××品牌有忠诚度”; “如果××品牌在商店中买不到, 我也不会选择其他品牌”; “尽管其他品牌在做促销, 我还是会选择××品牌”三个测项, 为 7 点里克特量表, 1 代表非常不同意, 7 代表非常同意; 品牌态度采用“很不喜欢/很喜欢”、“很差/很好”和“非常负面/非常正面”三个测项, 为 7 点语义差别量表。

第二部分进入对自我建构的操纵, 采用的方法是“圈词法” (Gardner 等, 1999; Stapel 和 Koomen, 2001), 即首先让被试阅读一段短文, 并要求其将短文中所有的人称代词用圆圈圈出。依赖组短文中出现的所有人称代词为“我们”和“我们的”, 独立组短文中出现的所有人称代词为“我”和“我的”。圈词任务完成后, 被试将填写一份由四个测项 (其中第三、四测项为反向计分题目) 组成的量表, 作为操纵检验。

第三部分中被试将首先阅读到“佐丹奴”品牌甲醛超标的负面新闻, 然后对“佐丹奴”和“班尼路”两个品牌的态度、两品牌相似度等因变量进行评价, 最后评价负面新闻的严重性、被试的投入度等控制变量及性别、年龄等人口统计信息。

数据分析

实验在国内某高校的大学生中进行, 共回收问卷 60 份, 其中依赖组 30 份, 独立组 30 份。

对自变量进行操纵检验显示, 依赖组被试的自我建构水平 ($M=3.98$) 显著大于独立组 ($M=3.57$), $F(1, 58)=4.83$, $P<0.05$, 说明本实验对于依赖型自我建构和独立型自我建构的

操纵获得成功。

由于被试对目标品牌的承诺度以及对负面信息严重性得认知会对负面溢出效应的大小产生影响(王海忠, 田阳, 胡俊华, 2010), 所以我们进行了控制变量的检验。单因素方差分析表明, 两个组被试对目标品牌“班尼路”的承诺度不存在显著差异($M_{\text{依赖}}=2.33$, $M_{\text{独立}}=2.26$, $F(1,58)=0.06$, $P>0.1$), 对于负面信息的严重性认知也不存在显著差异($M_{\text{依赖}}=4.57$, $M_{\text{独立}}=5.10$, $F(1,58)=1.72$, $P>0.1$)。

被试在接触负面信息后对两个品牌之间整体相似性的评价是衡量他们到底进行了相似性信息加工还是相异性信息加工的主要指标(Raju 等, 2009; 王海忠等, 2010)。单因素方差分析表明, 依赖组被试的相似度($M=4.47$)显著大于独立组($M=3.67$), $F(1,58)=5.45$, $P<0.05$, 说明依赖型自我建构的被试采用了相似性信息加工, 而独立组被试采用了相异性信息加工, 假设 1 得到支持。

我们通过被试在接触竞争品牌丑闻前后对“班尼路”品牌态度的差值来衡量负面溢出效应。依赖组被试品牌态度下降程度($M=0.63$)显著高于独立组($M=0.17$), $F(1,58)=5.13$, $P<0.05$, 说明依赖型自我建构被试的负面溢出效应大于独立型自我建构的被试, 假设 2 得到支持。

我们采用 Baron 和 Kenny(1986)的方法进一步检验了相似性在自我建构和品牌态度变化之间的中介效应。依次构造三个回归方程, 结果发现: 用自我建构对态度变化进行回归, 影响达到显著($b=0.29$, $t=2.29$, $p<0.05$, $R^2=0.08$); 用自我建构对相似性进行回归, 影响显著($b=0.39$, $t=3.25$, $p<0.01$, $R^2=0.15$); 同时用自我建构和相似性对态度变化进行回归, 模型的拟合优度(R^2)为 0.26, 自我建构没有显著影响($b=0.11$, $t=0.87$, $p>0.1$), 相似性的影响达到显著($b=0.46$, $t=3.73$, $p<0.05$)。因此, 可以认为相似性中介了自我建构和态度变化之间的关系。

2. 实验二

实验设计

实验二的主要目的是检验假设 3 和假设 4, 即考察不同文化背景下的消费者在面对关联品牌的负面丑闻时, 对目标品牌所采取的信息加工方式以及负面溢出效应。实验采用单因素两水平的被试间设计, 自变量为消费者的文化背景: 东方人 VS 西方人。

实验材料

实验二中的关联品牌仍然采用同一行业中的直接竞争品牌, 由于涉及到跨文化比较, 应该选择东西方消费者都较为熟悉的品牌, 以尽量消除品牌熟悉度差异以及对品牌理念理解的不同所带来的差异。经综合比较后, 我们最终选择了世界著名的快餐品牌“麦当劳”和“肯德基”分别作为非丑闻目标品牌和丑闻品牌。

品牌丑闻材料根据 2007 年 3 月发生的肯德基使用“虑油粉”及反复使用煎炸油事件改编而成, 在材料中除了陈述肯德基使用“虑油粉”的事实外, 还较为客观地介绍了在炸鸡中反复使用煎炸油带来的危害。和实验一一样, 我们采用 7 点语义差别量表对负面信息的严重程度、可信程度以及熟悉度进行了测评, 20 名被试对这三个变量的评价均值(标准差)分别为 5.80(1.20), 4.65(1.46)和 2.50(1.64), 表明该材料有较高的严重性、可信性和较低的熟悉度, 符合正式实验的要求。

实验流程及变量测量

实验流程分为三个部分。首先给被试呈现“麦当劳”和“肯德基”的品牌 LOGO 和品牌简介, 并让被试分别对两个品牌的承诺度、品牌态度、熟悉度进行评价。第二部分是 Cross 等(2000)开发的“关系互依”量表, 该量表共有 11 个测项, 采用 7 点里克特量表, 用来测量被试依赖型自我建构的程度, 其中第 8, 第 9 题反向计分。第三部分中被试将首先阅读到“肯德基”煎炸油事件的负面新闻, 然后对“肯德基”和“麦当劳”两个品牌的态度、两品牌相似度等因变量进行评价, 最后评价负面新闻的严重性、被试的投入度等控制变量及国籍、性别、年龄等

人口统计信息。实验二中的变量测量量表均与实验一相同。

值得指出的是，本实验中的西方人样本随机选自某高校的低年级美国留学生，以避免他们在中国生活时间过长受到较多东方文化的影响。为了便于理解，我们将针对留学生的问卷内容翻译成了英文，其中的量表则直接采用参考文献中的原始英文量表。东方人样本来自某高校的中国学生，采用中文版问卷。

数据分析

实验共发放问卷 50 份，其中一份问卷因回答不完整被删除，总计 49 份问卷进入分析，其中东方组 24 份，西方组 25 份。

我们首先对两组被试的自我建构水平进行了检验。关系互依量表显示出良好的信度 ($\alpha=0.84$)，东方人的自我建构水平 ($M=5.50$) 显著大于西方人 ($M=4.63$)， $F(1,47)=24.59$ ， $P<0.01$ ，这与众多前人研究的结论 (Markus 和 Kitayama, 1991; Monga 和 John, 2007) 一致。

对控制变量的检验显示，东西方组之间对麦当劳的品牌承诺没有显著差异 ($M_{\text{西方}}=2.85$ ， $M_{\text{东方}}=3.28$ ， $F(1,47)=1.02$ ， $P>0.1$)，对负面新闻的严重性认知方面也没有显著差异 ($M_{\text{西方}}=4.44$ ， $M_{\text{东方}}=5.13$ ， $F(1,47)=2.39$ ， $P>0.1$)。

对两组被试的相似度分析结果表明，东方人的感知相似度 ($M=4.75$) 显著大于西方人 ($M=3.80$)， $F(1,47)=6.79$ ， $P<0.05$ ，说明东方人被试采用了相似性信息加工，而西方人被试采用了相异性信息加工，假设 3 得到支持。

对被试在接触“肯德基”的丑闻前后对“麦当劳”品牌态度的差值进行分析，东方人的品牌态度下降程度 ($M=1.04$) 显著高于西方人 ($M=0.47$)， $F(1,47)=9.38$ ， $P<0.01$ ，说明东方人的负面溢出效应大于西方人，假设 4 得到支持。

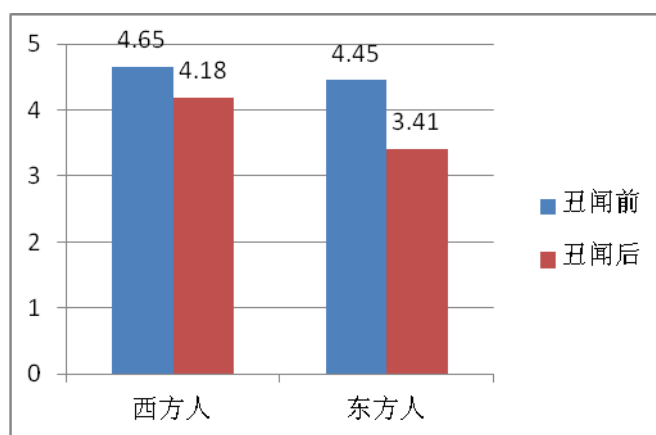


图 1 东西方人品牌态度变化对比

四、讨论与结论

1. 理论贡献

本研究首次关注了品牌丑闻负面溢出效应中的跨文化差异问题，并通过两个实验对此进行了探索。实验一以中国学生作为被试，通过操纵的方法区分了依赖自我和独立自我两种不同的自我建构类型。研究发现面对关联品牌的负面信息时，依赖型自我建构的消费者倾向于采用相似性信息加工方式，独立型自我建构的消费者倾向于采用相异性信息加工方式，不同的信息加工方式导致了依赖型自我建构消费者的负面溢出效应大于独立型自我建构的消费者。由于自我建构是一个能够典型地反应东西方文化差异的变量，所以在实验二中我们直接通过东西方消费者的对比来探索负面溢出效应的跨文化差异。以中国学生作为东方人被试，以在中国学习的美国低年级留学生作为西方人被试，研究发现东方人的自我建构水平显著高于西方人，且东方人在面对关联品牌的负面丑闻时倾向于采用相似性信息加工，负面溢出效

应较大，而西方人倾向于采用相异性的信息加工，负面溢出效应较小。

本研究的贡献首先体现在负面溢出效应研究领域。如前文所述，尽管品牌丑闻的负面溢出效应已经引起了越来越多学者的关注，但已有研究要么仅在单一的西方文化背景下进行，要么仅在单一的东方文化背景下进行，尚无研究探讨东西方文化间的负面溢出效应差异。事实上，这一差异不仅客观存在，而且随着跨国公司活动的日益增多，将会表现得越来越明显：同样一个品牌丑闻，对中国消费者影响的广度和深度要远远大于对西方消费者的影响。本文首次运用自我建构理论对此做出了合理的解释，并采用规范的实验研究方法从消费者行为角度给出了科学的证明，从而有利于人们更加深入、全面地理解这一独特的市场现象。

其次，跨文化研究一直是社会学和消费者行为学中的热点话题，许多学者在不同的领域发现了许多有趣的跨文化现象，如消费者购买决策中的跨文化差异（Lee 和 Kacen,1999），品牌延伸评价中的跨文化差异（Monga 和 John, 2007）等。本研究则从品牌丑闻的负面溢出效应方面，丰富和发展了跨文化领域的研究。另外，此前研究跨文化现象的多数都是欧美国家的学者，这类研究在中国尚不多见。但随着跨国公司活动和跨文化交流的日益增加，跨文化研究有望成为中国学术界的研究主流之一（梁觉和周帆，2010）。因此，本研究也为中国本土的跨文化研究做出了有益的探索。

2. 营销意义

本文对于跨国公司应对可能出现的品牌丑闻具有积极的指导和借鉴意义。由于东西方文化背景下消费者对负面信息的加工方式存在差异，导致负面溢出效应存在显著不同，因此当一个品牌在具有不同文化背景的国家出现丑闻时，管理者应采取不同的应对策略：对于出现品牌丑闻的公司来说，在西方市场上，管理者可将主要精力放在处理好品牌本身存在的问题上，做好对现有顾客的补偿、安抚等工作即可；在东方市场上，管理者除了应对品牌本身的问题外，还应当防范可能出现的对母公司品牌、其他子品牌甚至其他合作品牌的负面溢出效应，积极重塑品牌形象，力争将负面影响控制在最小的范围内。对于非丑闻关联品牌来说，在西方市场上，由于负面溢出的可能性不大，管理者可采取“以静制动”的策略，因为此时如果基于否认或者撇清关系的话，反而容易让人怀疑企业不负责任或与丑闻事件有关（Roehm 和 Tybout, 2006）；而在东方市场上，则需要积极应对以让消费者将自身与丑闻品牌区别开来，比如发布声明提供与丑闻品牌不同的证据等等。

3. 局限性与未来研究展望

我们运用跨文化领域里经典的自我建构理论对东西方消费者的负面溢出效应差异进行了解释和研究，但不可否认的是，这一差异有可能是多种因素共同作用的结果，例如东西方国家经济发展水平的差距、市场成熟程度的差距以及其他可能存在的跨文化社会、心理变量等。因此未来研究可从多个角度对此进行研究和分析，并考虑各种因素之间的综合作用，以更加全面地认识这一有趣的社会经济现象。

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服务品牌如何内化到员工自身？ ——以中国本土企业为样本的实证研究³⁷

How to Internalize Service Brand into Employee' Behavior: An Empirical Research based on Chinese Enterprises

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摘要 对于服务企业而言，消费者对品牌的感知和信任常常来源于员工，因此，服务品牌如何内化到员工自身，这是一个实践与理论同等重要的问题。本研究区别于以往营销领域从顾客视角进行品牌研究的文章，从员工视角出发，尝试引入了不同研究范式下的内化观点，来探讨服务品牌内化的内在动因与联系。实证研究发现，服务品牌内化过程中存在认知、交换、关系三种机制，在不同机制下，企业管理要素分别通过自我调节、感知风险、员工满意对员工参与品牌建设的意识与行为产生不同的递推作用。最后，本文为服务企业进行品牌内化管理提出了有价值的思考与讨论，并提供了相应的管理建议。

关键词 品牌内化；员工参与；认知；交换；关系

Service Brand Internalization Process and its Empirical Research: From the Perspective of Employee

Abstract In terms of service enterprises, consumers' brand perception and trust often come from their employees. Therefore, how to internalize service brand into employees' behavior is important in theory and practice equally. Different from the previous brand research from the customer perspective, this research tries to introduce the internalization viewpoints from different research paradigm and discusses the motivation and relation of service brand internalization based on the perspective of employee. The empirical study shows that there are three internalization mechanisms including cognition, transaction and relationship. In different mechanisms, business management elements impel the awareness and behavior of employees to involve in the brand building

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respectively through self-regulation, perceived risk, and employee satisfaction. At the end of this paper, we proposed some valuable discussion and offered relevant suggestions for service enterprises' brand internalization management.

Key Words Brand Internalization, Employee Involvement, cognitive, transaction, relationship

1、问题的提出

近年来,服务业的快速发展带来了服务品牌的日进繁荣,根据美国《商业周刊》和品牌咨询公司 Interbrand 连续 10 年公布的全球最佳品牌(The best Global Brand)数据, 2000 年以来,全球前 100 名品牌中服务品牌数量逐年递增,特别是 06 年以后,服务品牌占据的数量从 2006 年的 19 个上升到 2011 年的 28 个(统计范围包括互联网、金融财经、零售、餐饮酒店、传媒和物流行业),这说明越来越多服务企业已经意识到强势品牌是竞争优势的核心。

然而,大多数时候,服务品牌建设的成效却不尽如人意,从消费者协会公布的数据来看,近五年来,全国消协组织受理的消费者投诉总量中,服务类投诉持续增长,其所占比重从 2007 年的 24.3%上升到 2011 年的 33.2%,成为投诉的热点。这在一定程度上反映出服务品牌建设区别于传统产品品牌建设的特点,当制造型产品通过标识、名称、包装使消费者感知品牌的时候,服务类产品更倾向于使员工成为消费者了解和认识品牌的桥梁。“如果品牌信息不能传递给员工,那么,就不要指望他们会引导顾客相信企业的品牌”(Sinickas, 2002)。根据 MORI38 调查公司在英国所做的调查结果显示,有 33%的员工是品牌中立者,对于企业品牌建设不敢兴趣;有 22%的员工是品牌破坏者,常常会做一些破坏企业品牌价值的事情;有 48%的员工是品牌拥护者,其中 2/3 的人属于被动拥护者,即问到才会积极传播企业品牌理念,只 1/3 的人属于主动拥护者,即能够自发的传播企业品牌理念。可见,服务品牌如何内化到员工自身,这是一个值得研究的现实问题。

在学术上,近年来,学者们不断提出“品牌内化”的观点,倡导企业不仅要关注现有和潜在顾客在品牌战略中占有的决定性地位,更要确保企业的品牌价值真正的传递给所有员工,使其在工作行动中展现出来(Berry, 2004; Miles & Mangold, 2005; Vallaster & de Chernatony, 2005; Boyd et al., 2006; 白长虹、邱玮, 2008)。通过数据库的检索³⁹,我们发现这一领域的研究多来自 2000 年以后,相关文献只有 70 篇左右,其中,国内论文不到 10 篇,从研究侧重点来看,还处在范畴界定、概念解释、要素梳理等基本问题的探讨阶段,鲜有对品牌内化过程的机理分析,而实证研究更是少之又少。因此,本文正是面向这样一个现实和理论问题,从员工的视角出发,力求整合心理学、社会学等不同学科研究范式下的内化观点,构建出服务品牌内化模型并进行实证检验,发现内化过程的内在联系与动因,在进一步推动品牌研究深化的同时,对实践中的企业提供有价值的指导和借鉴。

2、理论基础与代表性观点

2.1 文献综述: 服务品牌内化

³⁸ MORI (Market & Opinion Research International), 英国最大的独资市场调查研究公司,成立于 1969 年,总部在伦敦,隶属世界第三大市场调研公司 IPSOS。

³⁹ 本研究是以 EBSCO、Emerald、JSTOR、Elsevier、Wiley InterScience、维普、CNKI、万方等数据库为研究文献检索的主要渠道。

作为一个新兴的研究主题, 尽管学者们对服务品牌内化提出了不同的概念表述, 包括品牌内部建设 (Internal brand building)、内部品牌化 (Internal branding) 和內化品牌 (internalize brand) (Berry, 2000; Zucker, 2002; Bobula & Jessica, 2005; Punjaisri & Wilson, 2007), 但基本假设是一致的, 即品牌的外部沟通只是单纯地提高顾客期望, 从企业内部着手将品牌价值深植于组织与员工行为中, 才能保证顾客体验与期望相一致, 获得良好的品牌权益。

Berry (2000) 最早提出员工是服务企业品牌內化的中心, 他认为这是一个“员工理解并传递品牌价值的过程”, 在之后涌现的研究中, 越来越多的学者关注员工与品牌內化之间的关系。从研究角度来看, 相关成果可以分为两类, 第一类是探讨员工的品牌化行为, 第二类侧重內化过程中影响员工行为的驱动因素。

关于员工的品牌化行为, 学者们提出了不同的观点。一种认识是从员工的行为意识出发, 认为品牌化行为主要体现为员工对品牌的内在认同, 包括两个维度, 一个是员工对于品牌的理解, 即智力资产, 另一个是愿意将智力资产运用到行为上的意愿, 即情感资产 (Thomson et al., 1999); 另一种认识是从员工的行为结果出发, 认为要侧重行为表现上来考察员工的品牌化行为, 对此, Ind (2001) 根据员工的行为结果将其划分为拥护者、不明朗者、参与者、破坏者四种类型; Burmann & Zeplin (2005) 借鉴了组织公民行为的概念, 构建出品牌公民行为, 即员工与品牌有关的自主行为, 与正式的奖励制度没有直接或清楚的联系, 但能从整体上有效提高组织效能和品牌竞争力; King & Grace (2008) 挖掘出员工品牌化行为的层次性, 包括任务或技术能力、组织承诺、品牌知识、品牌承诺四个层次。此外, 还有一种认识兼具行为的意识和结果, 认为员工的品牌化行为由心理上的态度和行动两个维度构成, 其中, 态度指员工对于公司品牌的理解和感知, 行为指向顾客服务的能力 (Carl Nolte, 2004)。总结来看, 虽然观点各不相同, 但都包含了两个基本内容, 一个是员工对企业品牌建设的参与意识, 反映出员工的态度认知; 另一个是对品牌建设的参与行为, 反映出员工的行动意向。

关于內化中员工行为的驱动要素, 根据已有研究, 主要包括五种: 一是强调组织文化与品牌价值的协同 (Davies, 2000; de Chernatony, 2001; Tosti & Stotz, 2001; Burmann, 2005), 通过组织价值观与品牌价值的契合, 其产生的协和作用能够帮助组织成员接受、理解和巩固品牌价值, 而且这种影响通常是潜移默化进行的; 二是强调高层领导角色 (Berson et al., 2001; Awamleh and Gardner, 1999), 领导者主要从两个层面对品牌內化发挥作用, 一个是宏观层面, 即领导者对于品牌目标和愿景的制定与引领, 另一个是微观层面, 即领导者在组织内部互动中对品牌的重视、宣讲和传播; 三是强调员工品牌培训 (Kotter & Heskett, 1992; Papasolomou & Vrontis, 2006), 培训是为了增强员工的品牌知识, 提升智力资本, 从更深一层来看, 是使个体成为组织人, 促进员工个人识别与品牌识别的契合; 四是强调员工品牌激励与授权 (Heskett, 1992; Causon, 2004), 通过激励和授权增强员工投入企业品牌建设的自愿性和积极性, 从而使将品牌承诺转化为自身工作行为, 与此同时, 越来越多的研究证实非物质激励的作用越来越明显, “如果员工感到自己是企业的主人, 那么他会更乐于投入工作中” (Bergstrom et al., 2002); 五是强调组织内部沟通 (Macrae & Uncles, 1997; McDonald et al., 2001; Vallaster and de Chernatony, 2005), 沟通可以使员工分享品牌信息, 促进其对于企业品牌的智力投入和情感投入, Punjaisri & Wilson (2007) 对泰国 6

家四星和五星饭店的 747 名员工实证调研发现,沟通对员工品牌承诺和品牌绩效都有积极的影响。

这两类研究在各自的主题下自成体系,却忽略了二者的有效结合,换言之,在内化过程中,驱动要素如何推动员工形成品牌化行为?这一问题的回答可以更好地解释服务品牌的内化过程,这正是本文的研究焦点。

2.2 三种研究范式下的内化观点

实际上,关于内化,不同的研究范式下都有着一些深厚的研究基础,我们可以借鉴这些具有代表性的观点进一步深入探讨服务品牌内化过程。

(1) 认知范式中的内化观点

在认知范式中,内化过程是知识的认知过程,即外部知识经过主体通过一系列智力活动重新组合转变成其内部的知识,也就是使外部知识与主体认知结构中原有知识相互之间建立内在联系,形成其新的认识结构的过程(Deci & Ryan, 1975)。美国心理学家 Flavell (1979)指出内化过程是学习者以自己的认知系统为认知对象所进行的自我调节。这其中,认知结构是内化的基础,人们认识事物常常依赖于原先已经形成的图式(Ausubel, 1978),最重要的,要根据认识结构进行自我调节。从能力上看,自我调节是个体自我意识发展到一定程度所具有的功能,是个体自主地调节行为,使其与个人价值和社会期望相匹配的能力(Kopp, 1982),也就是说,自我调节是个体的一种内在能力,外在表现为一组相关行为。从过程上看,自我调节是个体的内在强化过程,是个体通过将自身对行为计划和预期与行为的显示成果加以对比和评价来调节自身行为的过程,能够从内在线索、外在环境和他人的反馈中,采取认知和情感的策略,监控、抑制或坚持行动,已达成目标(Karoly, 1993)。

(2) 交换范式中的内化观点

在交换范式中,内化过程是社会成员的社会交换过程,它的基本构想是人是理性的,是寻求酬偿的有机体,他总是寻求选择获得最多酬偿和最少惩罚的目标。所以交换的核心是“互惠原则”,即从报酬和成本的观点解释社会行为,Homans (1958)认为行为的发生遵循以下原则:①某种行为越常获得报酬,人们重复此行为的可能性越大;②如果获得报酬的行为与某种情境有关,人们会再次寻找类似情境;③报酬越有价值,人们越愿意采取行动;④人们的某种需求越接近被满足,人们就越不会努力去满足这个需求。交换的核心是预期是否会在交换过程中得到互惠,一旦互惠产生,才能建立信任,这说明在交换决策时个体会产生对于预期利益不确定性的担心,这种担心即感知风险(Blau, 1964)。感知风险是一个多维度的概念(Sitkin & Pablo, 1992),一般包括财务、绩效、安全、时间、心理、金钱风险等(Roselius, 1971; Jacoby & Kaplan, 1972)。对于员工在组织中的感知风险,主要包括五种:发展风险、组织支持风险、环境风险、绩效风险和社会角色风险(孙跃、胡蓓, 2009)。

(3) 关系范式中的内化观点

在关系范式中,员工不再是组织中的下属,更多的时候他们被当作企业的内部顾客来看,这来源于关系营销的思想。关系营销的本质是所有营销活动均在于建立、发展及维持成功的关系,不仅包括顾客、竞争者、供应商的关系,还包括与员工的关系(Morgan & Hunt, 1994)。如果组织能对内部员工如同对外部顾客一样的重视,进而让员工能乐于工作,员工将乐于对顾客提供良好的服务(Berry, 1981)。因此,若想让外部顾客满意,首先需要内部员工的满

意，当员工实现了满意，他们才可以以更高的效率和效益为外部顾客提供更加优质的服务（Arnett, Laverie & Mclane, 2002）。Berry & Parasuraman（1991）指出品牌内化是通过关系营销的手段获得员工满意，使员工愿意在公司品牌的经营上尽一份力。在关系范式下，企业与员工之间形成良好、持久、稳定的关系，内化是一个员工的自觉行为，自觉地将品牌理念纳入到自身的工作范围中。

在此，我们将三种代表性的观点汇总成表 1，可以清晰的看出不用研究范式下内化观点的主要思想。

表 1 不同研究范式下的内化观点

	认知范式	交换范式	关系范式
理论基础	心理认知理论	社会交换理论	关系营销理论
内化观点	内化是心理认知的过程，主体通过一系列智力活动重新组合变成其内部知识。	内化是社会成员的社会交换过程，通过比较预期付出与收益来选择行为意向。	内化是在组织与员工形成的良好、持久、稳定的关系下的一种员工的自觉行为。
核心要素	自我调节	感知风险	员工满意

来源：本研究整理

3、理论模型及研究假设

3.1 服务品牌内化过程的界定与解释

基于前述的文献回顾和分析，我们集合三种研究范式下的观点，通过认知、交换和关系机制来探讨服务品牌内化过程。我们将其界定为在服务企业中，管理要素通过学习、交换和关系机制提升员工对品牌建设的参与意识与参与行为。其中，管理要素包括组织文化协同、高层领导角色、企业品牌培训、企业品牌激励与组织内部沟通。认知机制是在服务品牌建设中，员工对工作内容的认知、分析、评价和监控，是对知识的自我调节过程。交换机制是在服务品牌建设中，员工对投入其中的成本与收益的衡量，选择与组织形成具体、短期、经济的关系，当预期收益越大于预期付出时，则越愿意投入企业的品牌建设中，反之，则越不愿投入品牌建设。关系机制是指在服务品牌建设中，员工对工作的自我满足感，愿意与组织形成亲密、稳定、持久的关系，当员工满意度越高，就越愿意投入到企业的品牌建设中，反之，则越不愿投入品牌建设。

综上所述，本研究构建的理论模型如图 1 所示。

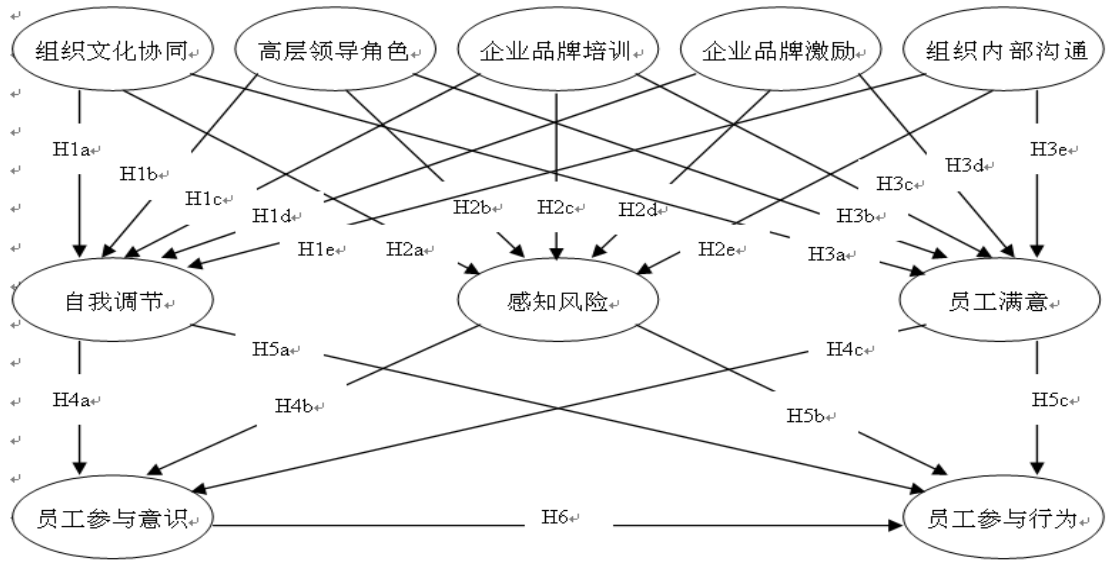


图 1 本研究的理论模型

3.2 研究假设

(1) 企业管理要素与认知机制的假设

在认知机制下，内化是个体对知识的自我调节过程。企业管理要素与认知机制的关系方面，一些研究证明个体会受到特定文化认知和价值形态的影响（Holt and Keats, 1992; Maznevski and Peterson, 1997），Robbins（1990）指出员工对所属组织的认知及对组织成员在所属组织中应有什么样的表现的认知均来自于组织文化；在高层领导角色上，社会学习理论指出人们通过观察其他人的行为学习新的态度和行为（Bandura, 1977），领导在品牌建设中的角色可以改变员工对品牌的认知程度（Davis & Dunn, 2002）；培训对员工品牌认知的强化作用已经在以往研究文献中关于银行、保险等服务行业的探讨中得到证实（Zucker, 2002; Alloza et al., 2004）；激励可以促进员工的工作投入程度，在工作环境中，帮助员工认知工作的意义（Laschinger et al., 2001），台湾学者江斌玉（1987）强调激励的核心在于“采取行动”，通过对心理状态的影响使人产生行动；在组织内部沟通上，Thomson et al.（1999）的研究发现，沟通可以促进员工对于品牌的智力投入，Burmman & Zeplin（2005）对企业品牌经理和专家的深度访谈结果显示，品牌沟通是员工认知品牌的重要杠杆，沟通对认知的影响，一方面，可以促进个体原有认知结构的丰富，这是量的变化；另一方面，可以致使个体原有认知结构产生新的认知调整，这是质的变化，这两方面构成了沟通对个体认知自我调节的影响。因此，我们提出如下假设：

- H1a: 组织文化协同对员工自我调节有显著的正向影响；
- H1b: 高层领导角色对员工自我调节有显著的正向影响；
- H1c: 企业品牌培训对员工自我调节有显著的正向影响；
- H1d: 企业品牌激励对员工自我调节有显著的正向影响；
- H1e: 组织内部沟通对员工自我调节有显著的正向影响。

(2) 企业管理要素与交换机制的假设

在交换机制下，内化是员工对投入企业品牌建设进行风险感知的过程。企业管理要素与

交换机制的关系方面, Papasolomou & Vrontis (2006) 指出组织文化能够潜移默化的鼓励或者不鼓励组织成员的某种行为, 换言之, 组织文化的价值观如果不符合品牌的内涵, 则在员工看来, 需要背离组织文化而认同品牌的话, 那么感知风险就会增大; 高层领导角色体现在品牌设想的引领上, 品牌理念和愿景往往是由领导者确定的 (Berson et al., 2001; Awamleh and Gardner, 1999), 如果制定得好, 可以减少员工对于现实与理想工作差距的紧张感, 相反, 若制定得不好, 会增加员工对于现实与理想工作差距的紧张感, 就会增大参与品牌建设的感知风险; 同样的, 培训可以使员工获得品牌知识和必备技能, 这可以降低执行品牌工作的感知风险; 激励可以使员工自身需求得到实现, 从而产生投入工作的动机 (Kanungo, 1982), 大大减小可能存在的期望与实际之间的差距感; 在组织内部沟通上, Vallaster and de Chernatony (2005) 基于社会交互视角提出沟通是一个社会互动过程, 在互动中建立员工的品牌知识和情感承诺。其中、沟通中, 信息发出者的地位、信息的内容、决定信息流速的条件, 这三个要素若是正向和积极的, 则会减少员工在组织内部社会交互中感知的风险。基于以上分析, 我们提出以下假设:

- H2a:** 组织文化协同对感知风险有显著的负向影响;
- H2b:** 高层领导角色对感知风险有显著的负向影响;
- H2c:** 企业品牌培训对感知风险有显著的负向影响;
- H2d:** 企业品牌激励对感知风险有显著的负向影响;
- H2e:** 组织内部沟通对感知风险有显著的负向影响。

(3) 企业管理要素与关系机制的假设

在关系机制下, 员工是企业的内部顾客, 员工对工作具有自我满足感, 从而愿意投入企业的品牌建设。管理要素与交换机制的关系方面, 组织文化可以提升员工对组织的情感承诺, 组织文化更多的时候表现为一种氛围 (Schein, 1984), 和谐的氛围会使员工在情感上更加满意 (Wallach, 1983); 在高层领导角色上, 领导者言行的表现方式常常是引起员工满意或不满 (de Chernatony and Vallaster, 2005); 培训和激励对员工满意的正相关关系已经得到很多学者的认可, Tessin (1978) 指出培训可以提升个人解决问题的能力、建立个人自信心、协助员工应付压力、改善沟通技巧, 因此可以获得员工更大的工作满意度, 而激励特别是非物质激励对员工满意的作用越来越明显 (Bergstrom et al., 2002); Witt & Rode (2005) 实证研究了组织内部沟通对员工的影响, 结果表明组织内部沟通的评价越高, 员工对自身工作的满意程度就越高。据此, 我们提出如下假设:

- H3a:** 组织文化协同对员工满意有显著的正向影响;
- H3b:** 高层领导角色对员工满意有显著的正向影响;
- H3c:** 企业品牌培训对员工满意有显著的正向影响;
- H3d:** 企业品牌激励对员工满意有显著的正向影响;
- H3e:** 组织内部沟通对员工满意有显著的正向影响。

(4) 内化机制与员工内化参与意识和行为的假设

从本质上讲, 员工参与意识是一种员工态度, 是一种持久性感情与评价反应系统, 此种系统可反应出个人对事物的评价及看法 (Shaw & Wright, 1967)。关于认知与态度的关系, Fishbein & Ajzen (1975) 指出态度是一种认知而来的倾向, 对一定的目标或观念以一致的

方式去认知或行动；个人通过认知会对事物产生赞同或不赞同的一致性观点，也会产生喜欢、不喜欢的反应（Oskamp, 1988）。关于感知风险与态度的关系，从态度理论来看，员工参与意识是一种某种偏好行为的反应，是正向、负向或浮想的评价（Zimbardo, 1988），这种评价往往来自于员工对于自身可能获得的利益或者损失的感知，感知风险越大，员工参与意识越小。此外，员工的满意度越高，对工作就会持积极态度，这在许多研究中都已得到证实（Bateman and Organ, 1983; Breaux et al., 2009）。基于此，提出如下假设：

H4a: 自我调节对员工参与意识有显著的正向影响；

H4b: 感知风险对员工参与意识有显著的负向影响；

H4c: 员工满意对员工参与意识有显著的正向影响。

品牌内化的最终结果体现在员工的行为上。在认知机制下，内化是员工知识的转换过程，通过自我调节，会促进外部知识变成内隐知识，比引发行为的变化（Hedlund, 1994）；在交换机制下，员工因为比较投入品牌建设所需的付出和收益会具有感知风险，Fishbein（1980）指出行为会受到风险和压力的影响，如果个体感到从事这一行为有预期的风险和压力，很可能会拒绝这一行为；在关系机制下，员工与组织之间是良好、积极的双方关系，很多研究都证明，员工满意与员工行为意向之间是正相关关系，即对自身工作的满意程度越高，员工参与品牌建设的主动性和积极性越强（Witt & Rode, 2005）。此外，一系列的研究表明，态度能够促进行为的产生（Greenwald, 1980），由此可见，员工一旦形成了参与品牌工作的意识，就会在工作当中做出与品牌价值相一致的行为表现。基于上述分析，我们提出如下假设：

H5a: 自我调节对员工参与行为有显著的正向影响；

H5b: 感知风险对员工参与行为有显著的负向影响；

H5c: 员工满意对员工参与行为有显著的正向影响；

H6: 员工参与意识对员工参与行为有显著的正向影响。

4、实证研究设计

4.1 量表设计

在量表问项设计上，主要有以下步骤。①对国外现有文献实证研究所讨论和使用的指标问项进行系统的梳理和汇总；②对国内 3 家具有一定规模和品牌影响力的服务型企业（包含保险、酒店和银行），针对本研究涉及到的指标对企业管理者和普通员工分别进行了个人深度访谈和焦点小组访谈；③根据文献回顾、访谈结果和所建立的概念模型测评的需要对问项进行调整和扩充；④邀请市场营销专业的 2 位硕士和 3 位博士组成评审组进行座谈，对指标问项的含义、表现层级和形式等进行了反复的讨论和润色。

最后确定的问项内容如表 3 和 4 所示。其中，参考了 Timothy（2005）开发的内部品牌化中的人力资源量表，包括品牌培训和激励等；参考了 Thomson 等（1999）理解和承诺如何影响品牌和企业绩效研究中，员工在智力和情感上对企业的融入量表；参考了 Minbaeva 等（2003）研究知识转移和人力资源管理中关于员工培训、晋升和内部沟通的量表；还参考了 Brown, Miler & Lawendowski（1999）的自我调节量表、Spector（1985）的工作满意度调查表（JSS）等。此外，为了减少响应偏差，提高问卷的质量，除了感知风险全部为反向问项外，在其他问项中穿插设计了 2 个反向的问项。量表采用的均为李克特 7 级量表。

4.2 样本提取

鉴于研究对象为服务型企业,在调研行业和企业的选择上,本研究采取了二级抽样方法,首先,根据不同服务行业的发展情况,我们从众多子行业中抽取品牌建设较为成熟的四个行业,包括银行业、保险业、咨询业和通信业;然后,在每个调研行业当中随机抽取出 10–15 个企业,这其中,包括企业的总部或者其分支机构。在调研企业的招募上,一是借助人际网络招募服务企业参与调研;二是根据企业名录进行电话联系,通过沟通调研的目的和内容,争得同意后进行问卷发放。为了保证问卷的顺利发放,研究者还与调研企业的品牌主管或部门工作人员取得了联系,进行了简单的电话沟通,使对方明确了解本调查的目的、要点及实施步骤。

正式调研的数据搜集工作历时五个月,问卷共发放给天津、北京、上海的银行、保险、咨询、通信四个行业中的 100 个企业,每个企业 6–10 份问卷不等。对于受试者的选择遵循了分层抽样的原则。我们根据企业中职务的区别将员工划分为高层管理者、一般管理者、前台员工和后台员工 4 个类别,在调研中,在抽样的方便性和经济性的前提下,要保证这个四个类别中各有一定比例的代表,其中,高层管理者和一般管理者至少有 1 份,前台员工至少 3 份,后台员工至少 3 份。本研究共计发放问卷 628 份,回收有效问卷 467 份,有效回收率为 74.36%。

5、数据分析与结果

5.1 预调研与问卷修正

我们首先实施预测试来完善和改进测量量表,在天津市保险和银行业的企业中共发放问卷 300 份,调查方式采用被调查者自填(含电子问卷),回收有效问卷共 267 份,有效回收率为 89%。

接下来我们对问卷进行了前测信度和效度检验。通过 Cronbach 系数检验量表内部一致性信度,除了“员工参与意识”一项系数为 0.79 外,其他所有系数指标均超过 0.8,说明本研究中的量表具有较好的内部一致信度。

在预调研中使用了探测性因子分析,由于模型中变量的个数太多,根据 Bentler & Chou (1987) 的建议,可以将模型中的变量分为几组分别进行因子分析。因此,我们将所有变量按照内生变量和外生变量共分为 2 组,其中,内生变量包括员工参与意识、员工参与行为、员工满意、感知风险和自我调节,外生变量包括组织文化协同、高层领导角色、企业品牌培训、企业品牌激励和组织内部沟通。对外生变量的一组进行探测性分析,KMO 系数为 0.852,并通过球型检验,累计方差解释度为 72.2%,删除不符合要求的五个问项后,累计解释方差得到提高,各因子载荷有所改进。对内生变量一组进行探测性因子分析,KMO 系数为 0.85,累计方差解释度为 72.8%,删除不符合要求的四个问项后,累计解释方差得到提高,各因子载荷有所改进。

通过预调研,测量量表得到了进一步优化,修正前量表共有 45 个问项,修正后共有 36 个问项,根据预调研的反馈结果,我们对问卷进行了进一步修订,同时修改了部分问项的陈述方式,使其通俗易懂,并对问卷的格式做了进一步调整,经过上述修正的测量量表也正是在正式调研中所采用的测量量表。

5.2 正式调研分析

(1) 总体描述性分析

样本的描述性分析主要包括填答者的性别、年龄、受教育程度、职务类别、公司的所属行业和公司所属类型。这些信息表明样本选取的科学性并符合统计分析要求。样本总体描述性统计见表 2。

表 2 正式调研样本描述

统计变量	百分比	统计变量	百分比
性别:		职务类别:	
男	49.4%	高层管理者	2.8%
女	50.6%	一般管理者	37.8%
		前台员工	32.5%
		后台员工	26.9%
年龄:		公司所属行业:	
20 岁以下	1.6%	银行	30.6%
20-30 岁	65.3%	咨询	12.2%
31-40 岁	27.2%	保险	27.5%
41-50 岁	5.6%	通信	29.7%
51 岁以上	0.3%		
受教育程度:		公司所属类型:	
高中以下	1.3%	国有（控股）公司	42.2%
高中及中专	7.5%	民营（控股）公司	29.4%
本科及大专	59.7%	外资（控股）公司	28.4%
研究生以上	31.6%		

(2) 信度与效度检验

我们使用 SPSS11.5 对总样本进行了信度分析,对由 36 个观测变量构成的 10 个潜在变量计算其信度系数,结果显示所有的潜变量的 Alpha 系数均明显高于 0.7 这一可接受的最小临界值,这表明变量的测量具有较好的信度。

鉴于模型中的变量个数较多,同样也按照 Bentler & Chou (1987) 的建议,将模型中的变量分为外生和内生变量两组分别进行确认性因子分析(CFA)。本研究采用 LISREL8.70 进行 CFA,使用极大似然估计。外生变量的 CFA 分析结果如下表 3 所示,各个观测变量在相应的潜变量上的标准化载荷系数均在 0.73-0.90 之间,在 0.5 以上且小于 1,检验后的 t 值具有统计显著性。内生变量的 CFA 分析结果如下表 4 所示,各个观测变量在相应的潜变量上的标准化载荷系数均在 0.64-0.90 之间,在 0.5 以上且小于 1,检验后的 t 值具有统计显著性。这些说明本研究的各变量具有充分的收敛效度。此外,复平方相关系数在 0.41-0.80 之间,都在 0.3 以上,进一步证明数据具有可接受的信度。

表 3 外生变量的信度和效度检验结果

潜变量	问项	标准化系数	t 值	R ²	Alpha
组织文化	价值观与品牌理念的一致性	0.76	14.95	0.57	0.8761
协同	品牌外徽	0.66	12.50	0.44	

OC	文化氛围对品牌价值的分享和传播	0.78	15.59	0.61	0.8397
	团队合作支持品牌工作开展	0.79	15.99	0.63	
高层领导	对品牌建设的重视度	0.81	16.40	0.65	0.8397
角色	对企业品牌发展方向的指引	0.83	17.11	0.69	
HD	对企业品牌的宣讲	0.74	14.39	0.54	
企业品牌	员工培训中包含品牌方面的内容	0.73	14.27	0.53	0.8416
培训	品牌相关培训的多样性	0.78	15.67	0.61	
BT	品牌相关培训的有效性	0.83	17.12	0.69	
企业品牌 激励 BM	物质奖励	0.75	14.94	0.56	0.8788
	精神奖励	0.73	14.41	0.54	
	晋升决策	0.89	19.20	0.79	
	绩效评估	0.90	19.66	0.81	
组织内部	上情下达	0.76	15.01	0.58	0.8658
沟通	下情上达	0.80	16.09	0.64	
IC	部门间沟通	0.77	15.33	0.60	

表 4 内生变量的信度和效度检验结果

潜变量	问项	标准化系数	t 值	R ²	Alpha
员工参与 意识 EEA	认知品牌重要性	0.64	11.65	0.41	0.8276
	自身代表品牌形象	0.68	12.43	0.46	
	了解品牌内涵	0.77	14.76	0.60	
员工参与 行为 EEB	主动参与品牌建设	0.70	13.42	0.49	0.8635
	在工作中兑现品牌承诺	0.77	15.36	0.59	
	品牌推荐	0.77	15.42	0.59	
	品牌维护	0.81	16.51	0.65	
	愿意谈及自己是企业员工	0.80	16.23	0.64	
员工满意 ES	上级给予有价值的帮助	0.79	15.77	0.62	0.8862
	对同事关系感到愉快	0.76	15.14	0.58	
	对工作环境感到满意	0.84	17.42	0.71	
感知风险 PR	投入品牌建设,可能得不到相应支持	0.74	14.63	0.55	0.8563
	投入品牌建设,可能得不到同事认同	0.90	19.40	0.80	
	投入品牌建设,可能得不到上级表扬	0.87	18.46	0.75	
自我调节 SR	品牌知识得到丰富	0.78	15.69	0.60	0.8668
	工作技能得到深化	0.79	16.19	0.63	
	对品牌工作有新认识	0.79	16.20	0.63	
	按品牌建设需要开展工作	0.76	15.10	0.57	
	改进工作以支持品牌建设	0.79	16.11	0.62	

(3) 设定模型评价与路径关系检验

在确认信度和效度后,我们进行结构模型分析,利用 LISREL 来计算设定模型拟合指数、各路径系数的估计值和 T 检验值。该结构模型与实际数据拟合比较良好,卡方/自由度为 1.82,就残差与复核效度而言,近似误差均方根是受到重视的一个测量残差适配指标,一般以 0.5 为良好适合度门槛,以 0.8 为可接受的门槛 (McDonald & Ho, 2002),RMSEA 为 0.053,比较

理想；拟合优度指标 GFI、AGFI 均大于 0.8，表示模型的适配度可以接收，相对拟合指数 NFI、NNFI、RFI 均超过 0.9，其他相对拟合指数 CFI 和 IFI 都接近 1，PGFI 和 PNFI 均远远大于 0.5，由此说明，本研究构建的结构模型是比较合理的。

如表 5 所示，本研究中的大多数假设都通过了统计检验，即组织文化协同、企业品牌培训、组织内部沟通均对自我调节有显著的正向影响（H1a、H1c、H1e）；组织文化协同、高层领导角色、企业品牌培训与组织内部沟通均对感知风险有显著的负向影响（H2a、H2b、H2c、H2e）；组织文化协同、高层领导角色、企业品牌激励、组织内部沟通均对员工满意有显著的正向影响（H3a、H3b、H3d、H3e）；自我调节、感知风险、员工满意对员工参与意识均有显著的正向影响（H4a、H4b、H4c）；员工满意对员工参与行为有显著的正向影响（H5c）；员工参与意识对员工参与行为有显著的正向影响（H6）。

在检验结果中，有 6 条路径被拒绝，没有得到实证支持，分别为高层领导角色-自我调节（H1b）、企业品牌激励-自我调节（H1d）、企业品牌激励-感知风险（H2d）、企业品牌培训-员工满意（H3c）、自我调节-员工参与行为（H5a）、感知风险-员工参与行为（H5b）。

表 5 模型路径关系及假设检验结果

假设	路径关系	参数	标准化路径系数	T 值	检验结果
H1a	OC → SR	γ_{11}	0.46	6.46 ***	支持
H1b	HD → SR	γ_{12}	0.06	0.79	不支持
H1c	BT → SR	γ_{13}	0.22	3.84 ***	支持
H1d	BM → SR	γ_{14}	0.05	0.62	不支持
H1e	IC → SR	γ_{15}	0.17	3.22 ***	支持
H2a	OC → PR	γ_{21}	0.16	3.17 ***	支持
H2b	HD → PR	γ_{22}	0.27	4.95 ***	支持
H2c	BT → PR	γ_{23}	0.25	4.87 ***	支持
H2d	BM → PR	γ_{24}	0.02	0.42	不支持
H2e	IC → PR	γ_{25}	0.31	5.93 ***	支持
H3a	OC → ES	γ_{31}	0.22	3.40 ***	支持
H3b	HD → ES	γ_{32}	0.13	2.28 **	支持
H3c	BT → ES	γ_{33}	0.07	1.18	不支持
H3d	BM → ES	γ_{34}	0.23	3.75 ***	支持
H3e	IC → ES	γ_{35}	0.36	5.27 ***	支持
H4a	SR → EEA	β_{41}	0.28	5.12 ***	支持
H4b	PR → EEA	β_{42}	0.31	5.06 ***	支持
H4c	ES → EEA	β_{43}	0.24	4.38 ***	支持
H5a	SR → EEB	β_{51}	0.08	1.21	不支持
H5b	PR → EEB	β_{52}	0.02	0.43	不支持
H5c	ES → EEB	β_{53}	0.31	5.14 ***	支持
H6	EEA → EEB	β_{54}	0.59	7.53 ***	支持

注：***、**分别表示路径在 $p=0.001$ 和 0.01 水平显著

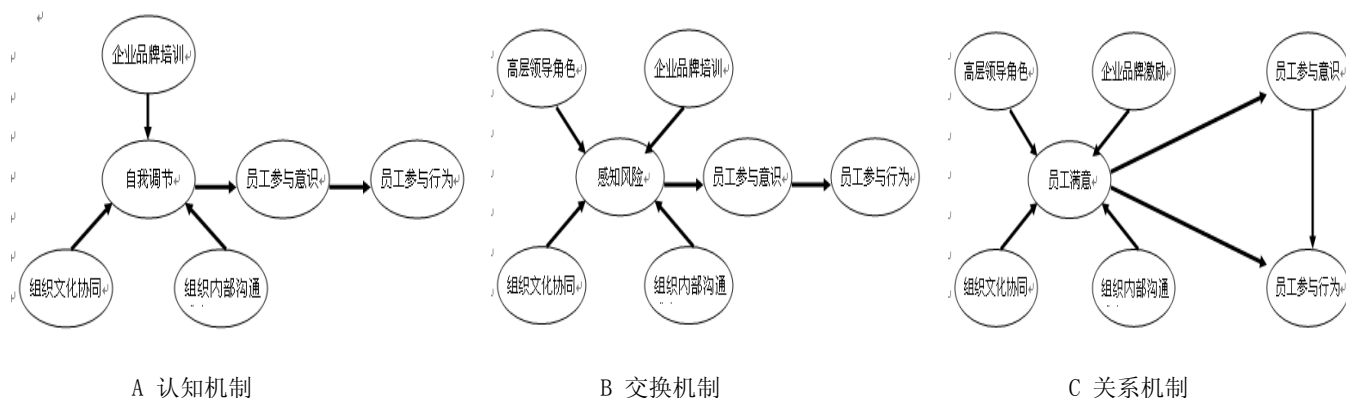


图 2 三种内化机制

来源：作者根据统计结果整理

为了进一步加强理论模型的适应性，我们将其与竞争模型进行了比较。在竞争模型的设计上主要考虑了以下三个：（1）综合考察了管理要素对员工参与意识与行为的直接和间接影响关系；（2）单独检验管理要素对员工参与意识与行为的影响关系，即删除自我调节、感知风险和员工满意三个变量；（3）单独检验自我调节、感知风险和员工满意对员工参与意识与行为的影响关系，即删除管理要素，只考察以上三个变量的直接影响。通过制定不同的连接，继续检验一系列从简单到一般的模型，如果发现卡方值变化量与自由度变化量的比值有显著差异，且各项拟合指数较好，我们就接收更一般的模型，否则，我们就接收简单的模型。比较结果，卡方值与自由度变化甚微，且若干拟合指数不如原模型，因此，本研究的假设模型更为合理和适切，予以保留。

6、研究结论与管理启示

本文整合了不同研究范式下的内化观点，从员工的视角探讨了服务品牌的内化过程。就我们所知，本研究是最早从员工视角提出服务品牌的内化机制并进行实证研究的理论尝试。研究发现了服务品牌内化过程中认知、交换、关系三种机制。如图 2 所示，在认知机制下，品牌内化是员工的知识认知过程，管理要素中，除高层领导角色外，组织文化协同、企业品牌培训、组织内部沟通对员工认知中的自我调节产生直接的作用，进而影响员工参与品牌建设的意识与行为；在交换机制下，品牌内化是组织成员的社会交换过程，与认知机制相比较，高层领导的行为对于员工比较预期收益与付出的决策至关重要，这可能是由于领导者对企业品牌的重视和关心可以增强员工对参与品牌建设的信心，消除其紧张感，因此，四个管理要素均对员工的感知风险产生直接的作用，并进而影响员工的参与意识与行为；在关系机制下，品牌内化是在组织与员工形成的良好、持久、稳定的关系下的一种员工的自觉行为，这一过程中，不仅四个管理要素可以直接影响员工满意，而且，员工满意除了通过员工参与意识影响员工的参与行为外，还可以直接对员工的参与行为产生积极的作用，这说明，一旦稳定的关系建立以后，员工的态度和行为常常是可以同步发生的。

本文的研究结论对于服务企业品牌建设的管理实践带来了很多有价值的思考和启示。

（1）服务品牌内化：战略选择还是策略选择？

长久以来，品牌常常被作为产品标识或品质承诺来理解，品牌管理便成为企业达成营销

目标的一种方法与手段。而事实上,在科技高度发达、信息高速传播的今天,产品、技术甚至管理诀窍都容易被对手模仿,难以成为核心专长,而品牌一旦树立,不但有价值而且难以模仿,因为品牌是一种来源于消费者的心理认知,这种认知是不能被轻易模仿的。战略的本质是塑造出企业的核心专长,从而确保企业的长远发展,从这个意义来讲,服务品牌内化应该提升到企业战略的高度,成为一种有效的战略选择。它的战略性体现在,一方面,服务品牌内化从本质上是为了给顾客创造一个高价值的品牌,只有企业成功兑现品牌承诺,使顾客的品牌期望与体验达成一致,才能得到较高的顾客信任和忠诚,而获得信任和忠诚的顾客是服务企业的战略追求;另一方面,服务品牌内化需要整个企业全员的通力合作,不仅是营销或者企划部门的主要工作,而是所有部门、所有员工共同努力的结果,如果缺乏员工参与或部门协调,就难以完成内化工作,故应该提升到企业战略决策的高度才能保证最终目的的实现。

(2) 洞悉内化过程: 企业行为还是员工行为?

无论是学术上还是实践中,关于品牌内化过程的理解都存在两种声音,一种是以企业本身为主体,主张内化是企业推进品牌建设的过程;另一种是以员工个体为主体,认为内化是员工自行理解并且传递品牌价值的过程。对此,英国学者 de Chernatony(2006)指出品牌内化过程不是简单的以企业或者员工为主体的分裂,而是两个阶段,可以称之为企业的控制阶段和员工的理解阶段。在企业控制阶段,员工是相对被动的地位,品牌需要被编码,成为员工可以理解的形式,企业要进行管理系统的调整和改进,在这一阶段,组织内部各个部门都要提供相应的支持。而在员工理解的阶段,员工的地位更加主动,他们在消化吸收企业品牌价值的同时要将其与自身的工作紧密联系起来,使品牌与行为达成一致。本研究正是基于这样一个思考,将企业的管理要素与员工的参与意识和行为结合起来,发现员工内化品牌的过程中企业管理要素所起到的作用,研究结果显示,在认知、交换和关系三种内化机制下,对员工产生影响的管理要素是不同的,这表明,企业在推进品牌建设的过程中,要洞悉员工的心理,根据不同的情境综合使用组织文化、培训、激励、领导力、组织沟通等管理方法,这将有助于整体工作更富成效。

(3) 员工参与意识与参与行为: 孰先孰后?

作为消费者感知品牌的重要途径,员工能否在工作行为中传递出正确的、积极的品牌信息,这对于企业来讲意义重大。因此,品牌内化的最终目的是要使企业所有的员工都真正参与进来。在心理学的态度-行为理论中,态度常常先于行为而发生,从这个意义上来讲,员工的参与意识要先于参与行为。对此,本研究进行了实证检验,有趣的是,研究发现,员工的参与意识并不总是发生于行为之前,而是在不同的情境下可能会产生不同的效果。如图2所示,在认知机制下,员工通过外部与内部知识重新整合,在形成心理认知后才会产生行为意向;在交换机制下,员工在心理上比较投入品牌建设的感知风险后,才会决定如何引导行为的发生;而在关系机制下,与前两种情境不同的是,员工与组织形成了稳定的、良好、持久的关系,这种关系会使员工心理和行为的变化发生在同一水平线上,故参与意识与参与行为会同时发生。这表明,企业应该在员工管理中善用内部营销等方法,将员工视为内部顾客,在成功达到有关外部市场之前,有效运作企业和员工的关系,使其认同企业的目标和品牌价值,自觉的参与到品牌建设之中。

7、局限性及未来研究方向

从目前的研究可以看出，品牌内化无论在理论还是实践上都是一个重要而崭新的研究主题，本文作为一项探索性研究，虽然对于内化过程提出了一些具有创新性的学术观点，并进行了科学、系统的实证检验，但是囿于研究能力与经费，仍存在着一些局限性，这些不足之处为未来的研究提供了方向。

首先，在测量量表的设计方面，虽然本研究借鉴了不少的成熟量表，但是考虑到诸多问题分别出自不同的研究，这些研究可能来源于不同的情境，针对不同的品牌或者不同的行业，这无疑是一个巨大的挑战。同时，测量量表中若干部分还来源于本研究根据访谈的结果所生成，尽管已严格按照量表开发程序，也通过了信度和效度检验，但仍可能存在不足之处，需要在今后的研究中对量表进一步的优化并检验。

第二，在研究模型的构建方面，从数据分析上看，研究模型得到了很好的验证，这说明研究模型构建得比较合理，但是，在三种内化机制探讨上，本研究只选了一个反应机制的变量，在未来的研究中，可以使机制性研究和前因性研究的结合进一步深入，通过增加更多变量，使内化机制的研究更加完整，例如，交换机制中，除了感知风险，是不是还有感知价值；在关系机制当中，除了员工满意，还可能有员工信任，这些都需要进一步验证。

第三，关于品牌内化过程，本研究的一个重要假设前提就是三种内化机制是分别独立的，而在企业的实践中，这三种过程机制就不会产生交互作用吗？比如，交换机制有可能转化为关系机制，当企业提供的环境、制度、薪酬都趋于良好，员工与组织之间很可能变为稳定、积极的关系，所以，对于机制间的交互作用可以纳入下一步的探讨范围中，这一点，也是今后在实际调研当中要进行深入访谈的问题。

最后，品牌的成功归根到底在于消费者的认可，本研究只探讨了企业品牌的内化管理，未来的研究应该把品牌内化与消费者的品牌权益结合起来，可以进一步分析品牌内化诸要素与外部消费者品牌信任、品牌忠诚之间的关系。在具体操作上，可以针对与顾客之间接触的员工作为调研对象，既了解顾客的真实感受，又了解企业的内部现状，这将是一个有益的探索，不仅会丰富品牌研究理论，同时能够给实践中的企业予以指导。

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Investigating the Key Drivers of Customer Engagement from the MOA Perspective

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Abstract

Purpose - Drawing on the motivation, opportunity, and ability (MOA) framework, this research presents and tests a theoretical model that examines antecedents of customer engagement in a service-dominant logic context. In particular, the study argues that how customers' motivation,

opportunity (i.e., social- identity), and ability (i.e., self-efficacy) drive to engage in the context of banking services.

Design/methodology/approach – The MOA model integrates with customer engagement and applies it to Mongolian banking services industry. To explore the moderating affects of social-identity and self-efficacy, the model's proposed relationships and fit statistics are tested by hierarchical moderated regression analysis. The sample used in this study consists of 284 customers, which are collected by a questionnaire survey.

Findings – The findings indicate that motivation, social identity, and self-efficacy are the key drivers of customer engagement towards banking services in Mongolia. However, the interaction of customer motivation and social identity is not significantly related to customer engagement. While the interaction of customer motivation and self-efficacy significantly related to customer engagement.

Research limitations - This paper examines only one service context; as a consequence, caution is needed when generalizing the results.

Practical implications - Given the findings of this paper, managers are advised to consider the customer motivation, social-identity, and self-efficacy to help strengthen customer engagement.

Originality/ value - The paper is the first attempt to explore a comprehensive model that simultaneously considers the MOA framework and customer engagement in a service-dominant logic context.

Key words Service-dominant logic, Customer engagement, Motivation, Opportunity, Ability, Social-identity, Self-efficacy, Banking services

Paper type Research paper

1. Introduction

According to the traditional marketing views, firm and customer as independent and discrete entities. Customer is exogenous to the firm and plays as the passive recipient of firm's active value creation efforts while value is merely created in the factory (Deshpande, 1983). An increasing amount of marketing research is, however, emerging differently and focusing attention on the customer perspective. In particular, studies on product development, service-dominant logic and consumer culture theory lead to the view that customers can cocreate value, cocreate competitive strategy, collaborate in the firm's innovation process, and become endogenous to the firm (Bijmolt, et al., 2010; Schau, Muñiz, & Arnould, 2009). This shift in the perspective of companies to viewing customers as active participators rather than as a passive audience is captured in the move from

‘what can we do for you?’ to ‘what can you do with us?’ (Bendapudi & Leone, 2003).

Another stream of management research have been investigating the human side of service management (Novicevica, et al., 2011). This view implies that customers are viewed as participants and valuable human resources, and therefore they engage to contribute to the firm’s internal processes. Similarly, customers are sometimes treated as ‘partial employees’ or ‘co-producers’ in some service situations (Dong, Evans, & Zou, 2008; Patterson, Yu, & Ruyter, 2006). Within these theoretical perspectives, the interactively-based “customer engagement” concept is starting to transpire in the academic marketing literature (e.g., Bowden, 2009; Hollebeek, 2010a; Patterson, et al., 2006). According to Marketing Science Institute, customer engagement is defined as “customers’ behavioral manifestation toward a brand or firm beyond purchase” (Doorn, et al., 2010). However, most of knowledge about customer engagement can be found in practitioner journals where it has its basis in practice rather than theory and empirical research. There are still limited insights into customer engagement antecedents, or drivers as well as interrelationships with other constructs addressed in the literature. Moreover, the role of customer engagement in service-dominant logic context has not been explored; which is a big gap in the marketing literature.

The purpose of this research is to bridge the gap in the literature by investigating customer engagement in service-dominant logic context. Specifically, the study contributes in two important ways. First, this study proposes a theoretical framework based on the motivation, opportunity, ability (MOA) model (MacInnis, Moorman, & Jaworski, 1991) as key drivers or antecedents of customer engagement in service context. The study argues that how customers’ motivations (i.e. intrinsic and extrinsic motivations), opportunity (i.e. social identity) and ability (i.e. self-efficacy) drive to engage in services. Particularly, this study uses social identity and social cognitive theory to analyze the direct and moderating effects of opportunity (i.e., social identity) and ability (i.e., self-efficacy) on customer engagement, respectively. Second, this study empirically tests the proposed MOA framework. Currently, the MOA framework is mainstream model that is featured in major marketing textbooks (Gruen, Osmonbekov, & Czaplewski, 2007), nevertheless, empirical evidence of its validity is lacking. These links allow us to determine the relative importance of customer engagement to a service organization and address on important managerial concern of customer engagement.

2. Conceptual background and hypothesis development

2.1 Customer engagement

The engagement concept has been examined in various academic literatures. In the field of organizational literature, the term “engagement” is defined as “the simultaneous employment and expression of a person’s preferred self in task behaviors that promote connections to work and to others, personal presence, and active, full role performances” (Kahn, 1990). Based on this perspective, Rothbard (2001) argues that employee engagement represents a motivational construct consists of attention and absorption. Moreover, ‘employee engagement’ is defined as the amount of cognitive, emotional and physical resources an individual is prepared to devote in the performance of one’s work roles, which is contingent on the economic and social-emotional resources received from the organization (Saks, 2006). From organizational perspective, the conceptualization of the engagement concept in work context highlights the psychological aspects.

Marketing scholars conceptualize customer engagement to include a strong behavioral aspect. For instance, the Marketing Science Institute (2010) defines customer engagement as “customers’ behavioral manifestation toward a brand or firm beyond purchase, which results from motivational drivers including: word-of-mouth activity, recommendations, customer-to-customer interactions, blogging, writing reviews, and other similar activities” (Doorn, et al., 2010). It occurs at individual or/and context specific levels with particular objects (e.g. engages with what objects), such as organizations, employees, brands or products the subject (e.g. who subject) engages with (Hollebeek, 2010a; Patterson, et al., 2006). Therefore, the customers’ participation and interactions with the firm and consumers’ experience are central to customer engagement.

Customer engagement has been conceptualized from using a variety of uni- and multidimensional perspectives, although the latter (i.e. cognitive, emotional, behavioral) appears dominant in the literature (e.g., Hollebeek, 2010b; Patterson, et al., 2006). All these definitions therefore imply that the comprehensive understanding of CE requires the inclusion of psychological and behavioral participation, in interactive relationships with the firm. Although the exact dimensionality of customer engagement is not yet clear, this study adapts Patterson et al.’s (2006) operationalisation of customer engagement to our research context (i.e. banking services). Their conceptualization of customer engagement rely on organizational behavior

literature (Bakker & Xanthopoulou, 2009; May, Gilson, & Harter, 2004; Schaufeli & Bakker, 2004; Schaufeli, Salanova, González-Romá & Bakker, 2002).

The present research defines that “*customer engagement is the level of an individual customer’s physical, emotional and cognitive presence in their relationship with a service organization*”. It consists of vigor, dedication, absorption and interaction components. *Vigor* refers to the customer’s level of energy and mental resilience while interacting with the service employees, the organization, the brand or with other customers. It also refers to the willingness to invest time and effort in his/her role. Hence the customers are likely to be persistence as stay loyal and play his/her role even in the face of difficulties. *Dedication* refers to the customer’s sense of belonging as a customer. The customer is proud of the firm they patronize and is enthusiastic and passionate to play their role. He/she is often inspired by the service employees, the firm, the brand or the other customers. *Absorption* characterizes the customer as being fully concentrated, happy, and deeply engrossed while playing his role. They feel time passes quickly while interacting with the service employees, the firm, the brand or the other customers. Customers might also find it difficulty of detaching themselves from the brand or firm. *Interaction* refers to the various interactions and connections. It can be the interactions between the customer and the front line service employees, between the customer and the organization, between the customer and the brand, and among the customers themselves (Patterson, et al., 2006).

2.2 Hypothesis development

MacInnis et al. (1991) proposed a model of information processing of advertising in which motivation, opportunity, and ability (MOA) influence consumers’ level of processing and shed light on the sort of tactics that might be useful in developing an advertising campaign. Moreover, communication effectiveness can be proactively managed by enhancing individuals’ levels of the MOA elements (MacInnis, et al., 1991). Gruen, Osmonbekov and Czaplewski (2006) claim that MOA theory can predict the level of knowledge exchange among customers, particularly in community forum context. Since customer engagement serves as a customer participation and relational exchange, MOA theory is applicable for service-based relationship context.

Extending this to our context, *motivation* is defined as a customer’s interest or desire to engage in services and products with firm. In service marketing context, one of the primary advantages of customer engagement is the notion of ‘constant’ opportunity to interact with others,

regardless of social environment. Based on social identity theory (SIT), this study approaches *opportunity* as the social environment which provides social identification to affect a customer's behavior. Based on social cognitive theory (SCT) and self-efficacy, this study uses the concept of self-efficacy represents consumers' ability. We define ability as the consumer's skills or proficiencies to engage in service activities with other consumers.

2.2.1 Customer motivation and customer engagement

There are a number of theories that seek to explain human motivation. One well known theory, Deci and Ryan's (1985) Self-Determination theory (SDT), distinguishes between two types of motivation based on the different reasons or goals that give rise to an action (Ryan & Deci, 2000). An intrinsic motivation, which "refers to doing something because it is inherently interesting or enjoyable" and extrinsic motivation, which "refers to doing something because it leads to separable outcome (Deci & Ryan, 1985; Ryan & Deci, 2000). This study assumes that the key motivation for customer engagement is the anticipation of receiving intrinsic or extrinsic benefits in the future.

Intrinsic motivation is defined as the doing of an activity for its internal satisfactions rather than for some separable consequence (Ryan & Deci, 2000). Intrinsically motivated individuals engage in a behavior for enjoyment rather than to obtain an extrinsic outcome or reward. There are no external rewards like money or publicity involved for doing so; all of the rewards are internally satisfying to the participant (Marett & Joshi, 2009). Generally, motivation of virtual consumer integration considers their expected benefit is greater than the experienced effort (Füller, 2006). Consumer high benefit expectations are often related with the experience of new needs that are not addressed by existing market offers (Luthje, 2004). Luthje mentioned that innovative behavior can be expected from users who anticipate promoting personal interests and to improve their consumption situation, in sum, to fulfill new needs via the use of a particular new product or service. Following this logic, Füller (2006) argues that intrinsic motivation of virtual community engagement consists of personal interest in innovation, curiosity, dissatisfaction with

existing product, show ideas, and gain knowledge factors. In this study, there are four basic intrinsic motives driving members to engage toward banking services: knowledge, novelty seeking, dissatisfaction with existing product, and improve skills.

Extrinsic motivation is a construct that pertains whenever an activity is done in order to attain some separable outcome (Ryan & Deci, 2000). Past research found that participants have strong incentives to create solutions to their particular needs (Hau & Kim, 2011). Lerner and Tirole (2000) identified two types of payoff for contributions, an immediate payoff (e.g., ability to use the product) and a delayed payoff (e.g., potential future rewards in terms of recognition and reputation). The rewards are useful for motivating individuals to perform desired behaviors (Melancon, Noble, & Noble, 2011). Customer rewards can range from monetary incentives such as special price offers and bonuses to non-monetary awards such as reputation (Yang & Lai, 2010). This study assumes that customers extrinsic motivation is consists of monetary rewards and non-monetary rewards (i.e. reputation and reciprocal benefits) in order to engage in banking services. Thus, in line with these findings, this study asserts that the enjoyment motive leads consumers to integrate toward banking services. This leads to the following hypothesis:

H1: Customer motivation (i.e. intrinsic motivation and extrinsic motivation) has a positive effect on customer engagement.

2.2.2. Social identity and customer engagement

Social identity is defined in terms of a valued group involves cognitive, affective, and evaluative components, and motivates behavior (Ellemers, Kortekaas, & Ouwerkerk, 1999). Social identity is the sense of unity among members of a collective favors cooperation and motivates participation in the activities of that collective (Casaló, Flavián, & Guinalú, 2010a). In this sense, customers develop a sense of identification with the company to the extent that an organization can meet their needs and desires. As a result, customers' sense of connection link to a positive customers' behaviors (Bagozzi & Dholakia, 2006).

The cognitive component suggests that identification with the group results from perceived

similarities with other group members and dissimilarities with non-members (Algesheimer, Dholakia, & Herrmann, 2005). For instance, members of a given community or group likely share common objectives and values. Moreover, the affective component instead implies that identification appears as a consequence of the emotional involvement with the group, such as feelings of attachment and belonging to the firm (Bagozzi & Dholakia, 2006). Specially, highly attached firm consumers tend to be more interested in shared topics of conversation and developing relationships with other customers. They are especially disposed to taking an active role in promoting meaningful communication by providing emotional support for other customers. As a result, such behaviors support the social ties among customers. Finally, the evaluative component influences consumers' sense of self-worth as a source of group pride. Overall, the identification with the firm and/or group led to involvement and engagement in group initiatives among customers (Bagozzi & Dholakia, 2006). Firm consumers will engage into relationship with a firm that it considers to his or her personality (as part of his or her self-concept) (Stokburger-Sauer, 2011). Thus, personalities that are similar to the sense of self appear more attractive and consequently more worthwhile to identify with. These social identity components have been found as important determinants for members to active knowledge sharing (Qu & Lee, 2011), membership engagement in group initiatives among members and recommending the community to others (Algesheimer, et al., 2005; Casaló Flavián, & Guinalú, 2010b). Because engagement in community and/or firm activities is voluntary and self-selected in nature (Qu & Lee, 2011), thus social belonging takes place when customers are intrinsically motivated by their shared needs to enhance their behaviors. Consequently, the following hypothesis is proposed:

H2: Social identity has a positive effect on customer engagement.

2.2.3 Self-efficacy and customer engagement

Self-efficacy is the belief that people possess the necessary skills and abilities to successfully accomplish a particular task and execute courses of actions (Bandura, 1986). This study redefines self-efficacy as banking services and products self-efficacy. Service firm self-efficacy is defined as individual judgments of a person's capabilities to perform tasks in service firms (Kim, Song, & Jones, 2011). Social community self-efficacy promotes customers to effectively acquire the knowledge through the utilization of social communities. Therefore, this plays an important role in

influencing individual motivation and behaviors as well as facilitating high levels of knowledge acquisition (Bandura, 1986, 1997; Kim, et al., 2011). Individuals who have high self-efficacy within a task are more likely to engage in behavior than those with low self-efficacy. Because it allows them more opportunities for mastery experience, it improves their perceived self-efficacy (Tsai & Cheng, 2010).

The service marketing literature implies that customers who are efficacious in the use of a particular service are more likely to value that service and are more likely to participate in production of the service (McKee, Simmers, & Licata, 2006). The more customers value a service, the less likely they are to leave the service relationship and the more likely they are to express loyalty. Thus, in the empirical analysis that follows we make this prediction:

H3: Self-efficacy has a positive effect on customer engagement.

2.2.4 Moderating role of social identity

In previous studies, social identity seems to be a strong predictor of human behavior (Dholakia, Bagozzi, & Pearo, 2004). Although they did not investigate moderating effects, the influence of customer motivation on customer engagement increased when the model included social identity. Social identity will herein be associated with an social contextual variable (Bartels & Reinders, 2011) that fosters individuals' feelings of membership, identity, and attachment to an organization that is partly maintained by being supported by it (Sanchez-Franco & Roldán, 2010). Further, Sanchez-Franco and Roldán (2010) suggest that perceived firm support will be made up of a sense of belongingness to a firm, and active interactions with it (and its membership groups) resulting in stronger bonds to close members and fruitful exchange of mutual support. When customers participate through firms enables customers to clearly perceive themselves as members of a firm, and, hence, any benefits that might be derived from such membership assume importance (Nambisan, 2002). Therefore, this study assumes that if customers perceive high social identities as well as interpersonal relationships from their service firm's customers and firm, they will have more motivation to engage in firm's activities.

In this regard, social identity provides customers with numerous opportunities: First, social identity provides a sense of belonging, therefore in the firm; customers meet other people who have

the same interests. They have an opportunity to get together and discuss things as well get support from others. Moreover the firm forum allows customers to discharge their generalized reciprocity obligations (Ekeh, 1974) by engaging in altruistic actions such as sharing innovative and value creating ideas with other customers (Kollock, 1999). Second, in the form of a special firm status or position that satisfies customers' desire for peer recognition, as well as their 'status seeking' within the firm (Nambisan, 2002). Third, a study by Blazevic and Lievens (2008) discuss the qualifications customers need to support one another, including experience and knowledge through their usage of products and services. Moreover, the firm facilitates knowledge coproduction because peer customers share similar service experiences, which provides them with a better understanding of one another and contributes to the potential for product support success. In summary, customers can have the highest level of knowledge coproduction, by contributing to the solution of problems and creating new knowledge themselves. It might be worthwhile to investigate social context variable (i.e., social identity) as intervening variables that explain the relationship between customer motivation and engagement. Hence, the next hypotheses are proposed:

H4: Consumers' level of felt social identity moderates the relationship between perceptions of their motivation and engagement. Specifically, the relationship is stronger for high social identity consumers.

2.2.5 Moderating role of self-efficacy

Social cognitive models of behavior change include the constructs of perceived self-efficacy either as predictors, mediators, or moderators. As a moderator, self-efficacy can support the translation of intentions into action (Tsai & Cheng, 2010). This theory concerns that environmental and personal factors interact to influence human behaviors in the specific context. Individuals can influence changes in themselves and their situations through their efforts, because judgment and actions are partly self-determined (Kim, et al., 2011). Thus, this study argues that self-efficacy could be a relevant moderator to explain the different relationship between customer's motivation and engagement. Following the SCT logic, customers' motivation alone may be insufficient to mobilize an individual to engage in a specific behavior. Unless one expects the behavior to have sufficient capabilities, an individual may lack the necessary self-efficacy (Bandura, 1986, 1997).

Self-efficacy can be an intervening variable between motivation and engagement because self-efficacy explains how consumers deal with important product and service characteristics, such as complexity and trial ability (Bartels & Reinders, 2011). Self-efficacy is the belief that one has the ability to succeed in specific situations (Bandura, 1997). Some consumers may be more familiar with using technology-based services or products than others and may be have higher self-efficacy (Dabholkar & Bagozzi, 2002). Consumers with greater self-efficacy can be expected to have more confidence in their ability to use a specific services or products, and therefore their motivation will become more important to them as to consumers with less confidence in their own abilities. For example, expressive qualities of service firm activities will inspire innovative and skillful customers to engage in firm interaction process more enduringly. Hence, the relationship between customer motivation and engagement will be strengthened with greater self efficacy.

H5: Consumers' level of felt self-efficacy moderates the relationship between perceptions of their motivation and engagement. Specifically, the relationship is stronger for high self-efficacy consumers.

Based on the above-mentioned hypotheses, Figure 1 depicts the conceptual model of this study.

 Take in Figure (1)

3. Methodology

3.1 Participants and procedure

The target population was banking consumers who have used banking services in Mongolia. A total of 400 questionnaires were distributed and 284 usable questionnaires were received, resulting in a 71% response rate. The respondent profile reveals that the respondents who used banking services are predominantly females (57%). Almost half of the respondents are in the age category of between 21 and 30 (46%) years and also followed by 31-40 years (37%). The majority of the respondents are highly educated with at least an undergraduate degree (61%). Regarding working sector of respondents, half of the respondents work in business sector (48%) and more than one

third of consumers (30%) used Khan bank of Mongolia. Almost one fourth of consumers (34%) use card and ATM services from banks, and 27% have for saving accounts purpose. Regarding the length of relationship with banks, 51% have 2-5 years and more than one third consumers (44%) have income more than \$231-\$400.

The reason for us to choose banking services market in Mongolia is as follows. Some institutions of the banking sector decided to re-direct their philosophy and focus on customer service, with the aim of bringing the concepts of service quality and value to the attention of their customers, in a bid to achieve their growth and adapt to the competitive environment. As a result, some leading banks such as Golomt bank and Khan bank have organized the meeting with customers to engage in dialogue with them about the product and service issues, including such things as pre-purchase decision making, potential causes and solutions of problems, and so on. For example, Golomt bank offers to its consumers the possibility of suggesting whatever improvement they want for the product and service. If the suggestion is highly rated by the rest of the firm customers, bank may adopt it. Therefore, the analysis of the customer interaction with bank case will help reveal the managerial relevance of these relationships. Besides, such a choice also makes it possible for us to verify the generalizability of relevant findings of extant studies in a rather new context, a developing country.

3.2 Measures

All constructs are measured using multiple-item scales, drawn from pre-validated (except customer engagement construct) measures in previous related studies. English questionnaires were professionally translated into Mongolia and then translated back to ensure conceptual equivalence. The questionnaire items were pretested to a sample of 100 customers who used banking services and products. On the basis of their responses, we revised a few questionnaire items to enhance clarity. Most of items were measured by a five-point Likert scale with endpoints of “strongly disagree” and “strongly agree”.

Customer motivations. This study uses an intrinsic motivation and extrinsic motivation for the banking consumer’s motivation. Intrinsic motivation refers to the doing of an activity for its internal satisfactions rather than for some separable consequence (Ryan & Deci, 2000). Extrinsic motivation is a construct that pertains whenever an activity is done in order to attain some separable

outcome (Ryan & Deci). To measure a customer's motivation, this study adopts a total of nine questionnaire items based on previous research (Dabholkar & Bagozzi, 2002; Füller, 2006; Hung, Durcikova, Lai, & Lin, 2011; Melancon, et al., 2011). We found two factors as "intrinsic motivation" and "extrinsic motivation", which showed high with explained 62.58 % of the variance. In addition, Cronbach's alpha ($\alpha \geq 0.70$) for each factor exceeds the generally accepted guidelines of 0.60 (Hair, Black, Babin, & Anderson, 2010), which further confirms the reliability of the measurement variables.

Social identity. Social identity refers to the sense of unity among customers of a collective favors cooperation and motivates participation in the activities of that collective (Casaló et al., 2010a). To measure a customer's social identity, six questionnaire items are adopted from the research of Bagozzi and Dholakia (2006). The Cronbach's alpha coefficient for social identity was 0.78.

Self-efficacy. Self-efficacy is defined as an individual's assessment of his or her ability to perform a behavior (Bandura, 1997). Based upon the research of Kohler et al. (2011) and Kim et al. (2011), this study adopts five questionnaire items to measure a customer's self-efficacy in banking services. And Cronbach's alpha (0.79) for this factor above the generally accepted guideline of 0.60 is at the highest margin for the measurement of the variables.

Customer engagement. Since existing scales of customer engagement are not available, based on the research of Schaufeli et al. (2002), Schaufeli and Bakker (2003), Patterson et al. (2006), and Chan, Yim and Lam (2010), this study developed a list of potential 23 questionnaire items to measure customer's engagement toward banking services with a major revision of the original items. In order to evaluate an initial questionnaire items, we did the pre-test evaluation for sample of 100 banking services customers in Mongolia. After our pre-test analysis, we found 14 items consists of 4 items for vigor, 3 items for dedication, 4 items for absorption, and 3 items for interaction. In addition, Cronbach's alpha ($\alpha \geq 0.75$) for each factors exceed the generally accepted guidelines of 0.60 (Hair, et al., 2010), which further confirms the reliability of the measurement variables.

Control variables. Accounting for the heterogeneity of the sample, we controlled for gender, age, education, and length of relationship with banks. We created dummy variables for gender, and measured age, education, length of relationship on three to five-point scales. Coding for the

categorical control variables are presented in the notes of Table 1.

Insert Table 1 about here

4. Results

4.1 Measurement model

We conducted a confirmatory factor analysis (CFA) to test the discriminant validity of the measures (see Table 1). Although the CFA chi-square statistic (616.09, d.f. = 267) was significant, an examination of the comparative fit index (CFI), root mean square error of approximation (RMSEA), and standard root mean square residual (SRMR) estimates (0.94, 0.06, and 0.06, respectively) suggested that the measurement model fit the data well: Values for the CFI that are above 0.90 and close to 0.95 are considered desirable, while RMSEA and SRMR estimates that are less than or equal to 0.08 are considered indicative of a good fit (Hair, Black, Babin, Anderson, & Tatham, 2006). All factor loadings of the indicators to their respective latent constructs were significant. Moreover, all individual reliabilities were larger than 0.83, the highest composite reliability was 0.95, and the lowest average variance extracted was 0.56, providing evidence that all constructs possess adequate reliability and convergent validity (Bagozzi, 1980; Fornell & Larcker, 1981). In addition, all squared correlations between the latent constructs were smaller than the average variance extracted from the respective constructs, and further supported the measures' discriminant validity (Fornell & Larcker, 1981).

4.2 Hierarchical moderated regression analysis

Hierarchical moderated regression analysis (Aiken & West, 1991) was used to test the proposed hypotheses including interaction effects and control variables. Hierarchical moderated regression attempts to improve standard regression estimates by adding a second-stage regression to an ordinary model. It adds terms to the regression model in stages. At each stage, an additional term or terms are added to the model and the change in R^2 is calculated. A hypothesis test was undertaken to test whether the change in R^2 is significantly different from zero. The significance of the interaction can be assessed after controlling for all main effects (Anderson, 1986).

The analysis was conducted for customer engagement, which was the outcome variable for the proposed model in this study. Given that the demographic variables of gender, age, education, and length of relationship with bank were included as control variables in the regression analysis to avoid potential causal influence on customer engagement behavior. That is, as the control variables, banking services customers' demographics (i.e., gender, age, education, and length of relationship) were entered first in step 1. In step 2, the independent variables of customer motivation, social identity, and self-efficacy proposed to have a significant effect on consumers' engagement on banking services, these independent variables were included in the model. In the last step, the interaction terms, customer motivation $\times$ social identity and customer motivation $\times$ self-efficacy were entered into the model to test the interaction effects. In order to represent the interaction terms, the variables were first centered and then multiplied together to eliminate multi-collinearity (Aiken & West, 1991). An *F*-test, associated with the change in R^2 after the block is entered, was performed to assess the contribution of each step (Anderson, 1986). Based on the procedures suggested by Aiken and West (1991), significant interaction effect was inspected by plotting two subgroup regression lines - one at one standard deviation above the mean, the other at one standard deviation below the mean.

 Insert Table 2 about here

Results of the hierarchical moderated regression analysis (see Table 2) show that the addition of the interaction terms improves the amount of variance in customer engagement significantly ($\Delta R^2=0.05$, $F = 11.65$, $p<0.01$). However, none of control variables were significant influence on engagement. With respect to the independent variables, customer motivation ($\beta = 0.20$, t -value = 2.59, $p<0.05$), social identity ($\beta = 0.39$, t -value = 7.38, $p<0.01$), and self-efficacy ($\beta = 0.21$, t -value = 4.37, $p<0.01$) were found to be significant in the final model. Thus, Hypotheses 1-3, posits that consumers' motivation, social identity and self-efficacy toward banking services would be positively associated with the consumers' engagement, were supported (see Model 3 in Table 2).

The interaction of customer motivation and social identity was not significantly related to customer engagement ($\beta = -0.10$, n.s.). Thus, Hypothesis 4 which hypothesizes that customer

motivation and social identity would interact to predict the banking consumers' engagement is rejected. While the interaction of customer motivation and self-efficacy significantly related to customer engagement ($\beta = -0.20$, $t\text{-value} = -2.74$, $p < 0.01$). Thus, Hypothesis 5 proposes that customer motivation and self-efficacy would significantly interact to predict the banking consumers' engagement is supported.

4.3 Interaction effects

To determine the significant interaction effect, this study plots the relationships for high and low levels of self-efficacy, respectively (plus and minus one standard deviation from their mean, following Aiken and West (1991) where the y-axis represents customer engagement and the x-axis represents the customer motivation in two separate plots. The plot shown in Figure 2 depicts the relationship between customer motivation and engagement for different levels of self-efficacy. It reveals that the relationship between customer motivation and customer engagement is negative at high levels of self-efficacy, while it is positive at low levels of self-efficacy. Although the difference was very small, customers who have low self-efficacies are more likely to engage in banking services when they have high levels of customer motivation than those who have high self-efficacies. At the same time, customers who have high self-efficacy but lower motivation reported the greatest amount of engaging. Hypothesis 5 was partially supported.

Insert Figure 2 about here

5. Discussion and conclusion

5.1. Theoretical implications of the findings

Regarding our first contribution, several findings regarding the effects of MOA factors on customer engagement (CE) are notable. *First*, customers' motivation was significantly influence CE. This result is congruent with previous customer behavior research that indicated positive direct relationships (Füller, 2006). As little research exists that examines customers' motivation to engage in banking services in S-D logic context, this study built on endings from motivational studies of other related areas (virtual consumer integration, consumer brand community, and consumer

knowledge sharing behavior). In parallel to the conventional opinion, intrinsic motivation (e.g. gain new knowledge and novelty experience seeking) or extrinsic motivation (e.g. monetary compensation) gains will provide a convincing argument to attract consumers for participation in banking services and products in the sample under study. On the one hand this finding is a positive signal for developing firms, as it suggests that consumers will largely engage voluntarily in banking services, and will demand large motivation such as insist on gaining new knowledge and monetary compensation of banking purpose. *Second*, according to SIT, consumers' social identity positively influences CE. This result is counter to the findings of previous studies (Algesheimer, et al., 2005; Bagozzi & Dholakia, 2006; Casaló et al., 2010a; Qu & Lee, 2011). Scholars have emphasized the importance of individual members' identification with the group as a powerful force in shaping their behavior in the group, including their participation (Nambisan & Baron, 2010). Consumers' engagement in organizational activity is voluntary and self-selected in nature (Qu & Lee, 2011). For example, in the context of banking services, it suggests that consumers' identification with the organization is the degree to which the consumers see them as part of the organization, and this shared identity in turn may help increase the value of the organization, thereby encouraging customer engagement (Dholakia, et al., 2004). *Third*, based on SCT the results support our hypothesis that consumers' self-efficacy influence their engagement toward banking services. The finding is consistent with previous studies (Kim, et al., 2011; McKee, et al., 2006). In SCT, individuals who have more confidence in their abilities tend to exert more effort to perform a particular behavior, persist longer in order to overcome obstacles, and set more challenging goals than those who have less confidence in their abilities (McKee, et al., 2006). High self-efficacy is related to high motivation such as persisting at a task or working hard (Finn & Frone, 2004). A fruitful strategy for recruiting consumers to participate in banking services and products might also be to mention the possibilities for self-efficacy. There are many studies have focused on the role of banking self-services technology and online banking self-efficacies rather than commercial banking consumers' self-efficacies in the individuals' behavior. Thus, pointing out the advantages of banking consumers' engagement and stressing the importance of a consumer's personal efficacy for the service and product involvement process might be convincing arguments in this regard. The evidence implied that commercial bank-based self-efficacy analyzed in this study, which was one of the most important motivator for individuals' engagement behavior in banking. Concerning the

question of how to attract consumers to the participation in banking services and products, the results suggest that it is primarily arguments that envisage the interest in consumers' motivation, social identity and self-efficacy gain which will be fruitful for banking. As a result, the theoretical aspects of the MOA framework are strengthened.

Our second contribution pertained to the influence of customer's motivation on engagement is moderated by opportunity (i.e., social identity) and ability (i.e., self-efficacy); our results offer a complex pattern of evidence. As little research exists that examines the moderating roles of social identity and self-efficacy on the relationship between motivation and engagement in the S-D logic context, this study built on the findings from other related areas. *First*, motivation does not have an effect on engagement when social identity (i.e., opportunity) is high. This is a surprising finding, which does not confirm view of others (see Gruen, et al., 2007) that significant two-way interaction between motivation and opportunity on customer to customer exchange behavior. Interestingly, consumers' social identity to have a stronger moderating effect on motivation was not supported but its direct effect was, as noted previously. We believe the lack of interaction effect with regard to motivation may reflect the nature of the banking services context in this study, wherein the customer engagement is largely factual and less dependent on personal likes or dislikes. Also there are independent means of finding the veracity of such participation. Consequently, there is less dependency on the social identity that would enhance the appeal of such engaging motivational factors. *Second*, we proposed that self-efficacy might be relevant intervening variable to explain the different relationship between customer's motivation and engagement. We proposed that regardless of motivation level, customers with high self-efficacy had higher levels of engagement. However, the findings show that the inverse relationship between motivation and engagement was stronger among low self-efficacy customers. Moreover, the form of the interaction reveals that customers who had low banking self-efficacy and high motivation reported engagement more frequently than did the remainder of the customers. At the same time, customers who had high self-efficacy but lower motivation reported the greatest amount of engagement than those who have low self-efficacies. The result is consistent with previous (Dierdorff, Surface, & Brown, 2010) research, which shows that interactions for affective outcomes, indicating a benefit of prove performance goal orientation (individual motivation) when learning self-efficacy (ability) was low, but no effect when learning self-efficacy was high in training and learning context. Based on Dierforff et al.'s

(2010) explanation, individuals in high motivation tend to hold an entity theory of intelligence and because they believe ability is not malleable, are perhaps less likely to experience increases in their confidence to engage the banking task. Likewise, it is clear that the notion of interaction contributes to the predictability of customer engagement in service setting where customers may be assumed to possess some minimal amount of both motivation and ability. On the one hand, according to SCT (Bandura, 1986, 1997a), low self-efficacy individuals would have to strongly believe in their low capability and be strongly committed to the accuracy of those perceptions. However, according to attribution theory, people generally tend to attribute success to internal causes, especially those that enhance their feelings of personal competence (Stajkovic & Sommer, 2000). From this theory, we assume that since low self-efficacy might reflect customers' inclinations to associate themselves less with capability than with more capability, when they highly motivated, customers are likely to perceive a positive relationship between their enacted motivated behavior and successful engagement. Our empirical results in banking services context reveals that self-efficacy can have a detrimental impact on the effect of motivation in determining engagement. Future research should examine these interactions.

5.2. Managerial implications

The findings from this research offer a number of implications for marketing practitioners and managers who are confronted with the difficulty of creating and launching successful engagements. First, there has been little evidence that why customers engage in banking services industry. Our findings indicate that customers' motivation, opportunity (i.e., social identity) and ability (i.e., self-efficacy) play significant roles in driving customers to identify and integrate themselves into banking services and products. Consumers engage in banking services and products mainly because they consider the engagement as a rewarding experience (Füller, 2006). *First*, the findings imply that marketers need to increase customer motivations (both intrinsic and extrinsic motivations) to facilitate and organize banking services. For example, customer's intrinsic motivation is more related to personal interests to engage in banking services, which are gain knowledge, novelty experience and dissatisfied with existing products motives. Organizing events or activities could attract customers to participate in and continue their membership, as well as enhancing their willingness to recommend it others. In doing so, allocate special sessions for customers to share

their knowledge and experience for banking services, such as self-service technology, or supporting special sites for customers to discuss the products, could lead customers to update their knowledge as well as it improves bank's products. In addition, marketers need to understand customers' extrinsic motivation such as provide incentives (e.g. offer lower product prices) and monetary rewarding activities. For example, bank can offer lower product prices in the market, or they can reduce service charges. They can also educate their customers about the convenience of using the internet or mobile banking services in online.

Second, this study reports that social identity has a direct influence on CE, but has no moderating effects on customer motivations and CE. This implies that marketers need to generate customer identification within company, it is important to measure this construct in customer surveys. This measurement effort could serve as an important baseline for customers who can develop a strong identity with the company by incorporating the company identity within their own self-identity. When customers do this, they are willing to engage, which in turn contributes to repurchase behavior. Managers should also realize that consumers need social status inside the company, and by providing a wide range of status, whether formal or informal, customers will be more highly attached and committed to the company. Further, firms should actively motivate customer-company identification (Homburg, Wieseke, & Hoyer, 2009). The main instruments in this respect are actions to raise the salience of the company as a group category-for instance, by stressing favorable comparisons between the in-group (the focal company) and out-groups (e.g., other companies) and by organizing events that foster a group feeling among customers. Companies could also develop a strong company or brand image or personality that is consistent with the key target segment.

Third, interestingly, this study found that self-efficacy moderates the effects of customer motivations on CE. Moreover, self-efficacy has a direct influence on CE. This implies the importance of working to increase customers' self-perceived banking service use self-efficacy as a strategy for improving perceived customer engagement. Our findings also emphasize that people who report low perceived self-efficacy may increase their motivations to engagement. Thus, managers need to pay equal attention to both customers with high and low self-efficacy for managing customer engagement in banking services. Specially, in order to increase customers' low self-efficacy, managers need to use effective marketing methods to educate their customers about

the new products and services and increase their knowledge. Getting customers to use the banking services and products through online or offline ways will give them experience with it and increase their confidence in their ability to engage. This study also provides recommendations for developing a new customer engagement program. Because customers with high self-efficacy are more likely to engage, managers are advised to focus on the engagement of high self-efficacy customers. In summary, these results provide managers with useful insights into monitoring and improving customer engagement, depending on the level of customer self-efficacy. Since previous studies neglect the fact that customers have various motives, along with the social identity and self-efficacy to identify and engage themselves in banking services, the results of this study can serve as an important reference for both academics and professionals related with banking services industry.

5.3 Limitations and further research

As with any research undertaking, it is important to recognize the limitations imposed by the study design. The trade-off we made between comprehensiveness and focus provides several opportunities for further research. First, the study is based on cross-sectional survey data, and we advise caution in drawing cause-effect inferences. Future consumer behavior research should use longitudinal or preferably field-experimental research designs to establish that differences in CEs cause differences in individual outcomes.

Second, the study is based on banking services industry. Studies in other contexts, such as travel and tourism, medical, or entertainment industries and over time, are needed to establish the generalizability of our findings. Moreover, studies can collect data from business – to – business context to understand the phenomenon of CE in this context.

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Figure 1

Conceptual model and hypotheses

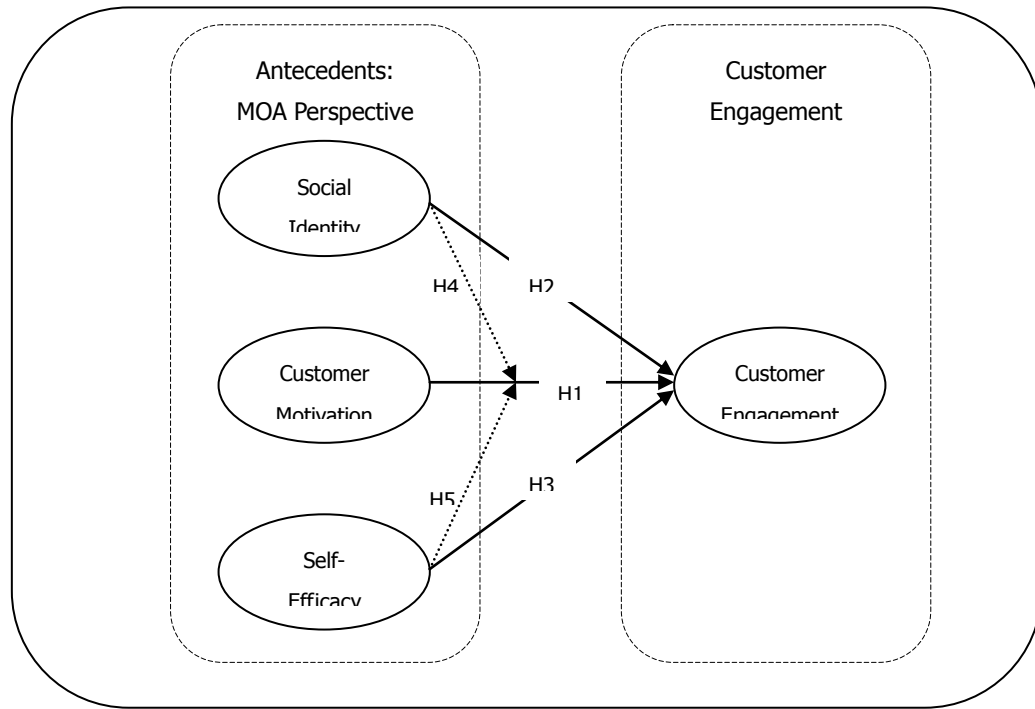


Table 1

Means, standard deviations, scale reliability, average variance extracted and correlations

Factors	Mean	SD	CR	AVE	1	2	3	4	5	6	7	8
1 Gender	1.57	0.50			1.00							
2 Age	1.75	0.86			0.16**	1.00						
3 Education	1.67	0.65			0.12*	0.62**	1.00					
4 Length of relationship	2.03	0.85			0.15*	0.46**	0.45**	1.00				
5 Customer motivation	3.97	0.64	0.90	0.56	0.17**	0.01	0.00	0.04	1.00			
6 Social identity	3.83	0.85	0.87	0.62	0.13*	0.09	0.06	0.01	0.46**	1.00		
7 Self-efficacy	3.71	0.95	0.83	0.62	0.04	0.10	0.06	0.09	0.34**	0.24**	1.00	
8 Customer engagement	3.78	0.80	0.95	0.64	0.04	0.05	0.02	0.05	0.45**	0.59**	0.41**	1.00

** . Correlation is significant at the .01 level; * . Correlation is significant at the .05 level (two-tailed).

Notes: CR = Bagozzi's (1980) composite reliability index, and AVE = Fornell and Larcker's (1981) index of the average variance extracted by the construct.

Coding:

- 1: Gender is coded as 0 = male and 1 = female;
- 2: Age consists of five categories that range from “<20 years old” to “> 51 years old”.
- 3: Education consists of three categories that range from “high school or less” to “graduate school”.
- 4: Length of relationship consists of four categories that range from “< 1 year” to “> 10 years”.

Table 2

Hierarchical Moderated Regression Analysis on Customer Engagement

Variables	Model 1		Model 2		Model 3	
	β	t-value	β	t-value	β	t-value
<i>Control variables</i>						
Gender	0.04	0.62	0.05	1.11	0.03	0.67
Age	0.12	1.56	0.06	1.04	0.08	1.36
Education	0.06	0.81	0.06	0.97	0.05	0.93
Length of relationship	0.08	1.16	0.08	1.49	0.08	1.53
<i>Independent variables</i>						
Customer motivation (CM)			0.16**	3.03	0.20*	2.59
Social identity (SI)			0.46**	8.93	0.39**	7.38
Self-efficacy (SE)			0.25**	5.19	0.21**	4.37
<i>Interaction</i>						
CM x SI					-0.10	-1.24
CM x SE					-0.20**	-2.74
R^2		0.11		0.67		0.70
Adjusted R^2		0.01		0.43		0.47
F-value		0.90		31.90**		29.31**
ΔR^2				0.45		0.05
F-value for ΔR^2				31.90**		11.65**

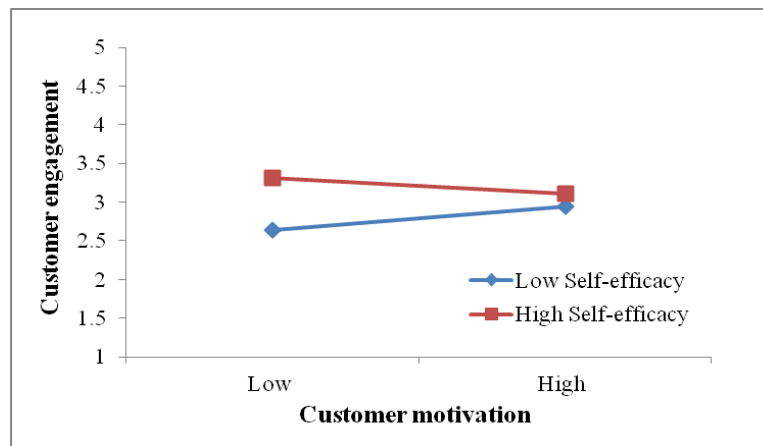
Note: Standardized regression coefficients are reported in columns marked Model 1, Model 2, and Model 3.

* $p < 0.05$; ** $p < 0.01$;

Figure 2

Relationships between customer motivation and customer engagement

at two levels of self-efficacy



Movie Recommendations Algorithm Research Based on

Emotional Recognition of Microblogging Users

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Abstract: Rapid development of Internet generates not only values, but also problems like information overloading. These problems seriously hamper people from filtering & using more valuable information. At present, the vast majority of film review websites are all facing problems mentioned above: information overloading, malicious evaluation, and review lists cold boot, etc. With so much noise, it's hard for those websites to recommend movies which meet viewers' expectations.

In this paper, we introduce microblogging to mitigate these drawbacks most commonly faced by film review websites. Microblogging, as a kind of new form of Social media, opens a surprising window onto Its vast flow of real-time data, its rich emotional words, its activities of society at large, and its information easy to track/access.

Through crawling from microblogging focusing on specific movie themes. We can then analyze words, phrases and emoticons crawled to identify features in people's emotional changing process. And on this basis, this paper provide an effective movie recommendations algorithm, and a detailed corresponding experimental evaluation.

Both theoretical and empirical results show that such algorithm achieves good rankings to ensure better movie recommendations.

Key words: microblogging; film review; emotional recognition; recommendation algorithm

1 Introduction

Predicting the rank for movies is a very important problem that has been studied in movie marketing. Apart from the economic value of this kind of predictions, we view the predicting problem as an application of natural language processing. In this paper, we use sentiment classification of filmniks' reviews to predict the rank of movies. We also introduce a novel data source of prediction of the rank for movies, that is, microblogging.

There is a lot of prior work aimed at assessing the rank of movies, Casey etc (2005) classify movie reviews using features based upon a lexicon taxonomies combined with standard "bag-of-words" features, and report state-of-the-art accuracy of 90.2%. In addition, they find that some types of appraisal appear to be more significant for sentiment classification than others [1]. Chaovalit and Zhou (2005) investigated movie review mining using two approaches: machine learning and semantic orientation, and proposed a approaches of movie review for comparison. The results show that their results are comparable to or even better than previous findings [2]. Zhuang and Jing (2006) focused on movie review, proposed a multi-knowledge based approach, which integrates WordNet, statistical analysis and movie knowledge, to extract the features on which the reviewers express their opinions [3]. Mishne and Glance(2006) study whether applying sentiment analysis methods to weblog data results in better correlation than volume only, in the domain of movies [4]. Qiang and

Wen et al. (2006) proposed an improved semantic approach for sentiment classification on movie reviews written in Chinese [5]. Kennedy and Inkpen (2006) presented two methods for determining the sentiment expressed by a movie review [6]. Joshi and Das et al. (2010) use the text of film critics' reviews from several sources to predict opening weekend revenue. They describe a new dataset pairing movie reviews with metadata and revenue data, and show that review text can substitute for metadata, and even improve over it, for prediction [7].

Special challenges are associated with movie ranking research. For example, data source is information overloading, too much long texts aren't easy to handle. And many comments are lack of emotional words. Also many comments are not very real-time. In this paper, we introduce microblogging to mitigate these drawbacks most commonly faced by film review websites. Microblogging, as a kind of new form of Social media, opens a surprising window onto its vast flow of real-time of short text, its rich emotional words, its activities of society at large, and its information easy to track/access.

As a newly emerged type of social network, Microblogging is increasingly extending its role from communication way into an important platform for production recommendation. Microblogging has been used as a real-time data source supporting a variety of recommendation applications [8, 9, 10, 11]. In the recommendation system application area, microblogging is used to enhance recommendations. Nicholas et al. [8] developed an analytical methodology based on statistical tweet study to help journalists and public affair personnel better understand the temporal dynamics of sentiment. Chen et al. [9] presented an algorithm to rank tweets mainly based on the popularity of embedded URLs. To support tweet ranking, Duan et al. [11] classified tweet features into three categories: content relevance features, twitter specific features, and account authority features.

The related work has proved the effectiveness and efficiency of leveraging microblogging to facilitate information dissemination and recommendation. However, to our best knowledge, microblogging has not been used to facilitate movie recommendations and ranks to date. Furthermore, we aim at proposing a novel movie ranking method that leverages both real-time society opinions and past experiences. In this paper, we make 3 hypotheses: firstly, H1: the more emotion a sentiment word contains, the higher bipolar (high or low) grades the relevant micro-blog gets. secondly, H2: more words in a review mean more supports of a movie. Because writing review costs time, if one is willing to spend time on his review, he must think the movie deserves his time. thirdly, H3: high frequency of sentiment words leads to bipolar (high or low) grades. If one uses sentiment words repetitively, he may have strong feeling about a movie.

2 Data

We chose four movies: "Titanic 3D", "Three Idiots", "the Unfortunate Car", "John Carter". All these movies were released from the end of last year to early this year. The former two movies have good reputation and high evaluation, and the last two are the opposite. For these movies, we obtained metadata of movie reviews by crawling Sina microblogging (weibo.com).

We chose Sina micro-blog (weibo.com), the largest Chinese microblogging website in the world, as our data source. We use the titles of the movies as keywords in the search box of Sina microblogging respectively, and chose the original microblogging as our data source. We obtained the text of the microblogging by scraping the raw webpage. We only chose those microbloggings that appeared after the release date of the movies, and all these microbloggings should review the movie or reflect the characteristics of these movies.

For each movie, we collected over 100 original microbloggings randomly. When certain movies are released, there will be a page for that movie (<http://topic.weibo.com/movie>) where users can comment and vote for the movies. We chose the vote of movies in the page as our test standards. These votes were divided into 6 levels, from 0 to 5 representing negative to positive, to measure the users' attitude towards the movies.

3 Methodologies

We consider several variables, including emotional words, emotional word frequency, the text length, and the vote score. The vote score is as the dependent variable, others are as independent variable. The relations between independent variable and dependent variable are analyzed. We analyze the relationship using Pearson's correlation between independent variable and dependent variable.

We use Pearson's Correlation Coefficient to analyze the degree of correlation separately between one of the independent variables and the dependent variable, denoted Y as vote score item, denoted X as emotional words rank, emotional word frequency, and the text length separately, denoted $\bar{X}$ as the mean value of the X , denoted $\bar{Y}$ as the mean value of the Y , denoted r as Pearson's Correlation Coefficient:

$$r = \frac{\sum (X - \bar{X})(Y - \bar{Y})}{\sqrt{\sum (X - \bar{X})^2} \sqrt{\sum (Y - \bar{Y})^2}}$$

4 Experiment

We take Sina micro-blog, the largest Chinese microblogging website in the world as our data source. And through Sina API, we collect microbloggings concerning 4 movies: "Titanic", "3 Idiots", "the Unfortunate Car" and "John Carter".

1. Text features

After words segmentation and words frequency statistics of the microblogging text we obtained, we sort and filter out 1990 words. In these words, we picked out words of high frequency which can reflect the characteristics of these movies saliently. We sign these words with an integer value from 0 to 5 to measure to which degree does it describe a person's sentiment on this movie. Identifying the nuances of sentiment degree remains a challenge for many humans, therefore, we use Delphi Method to reduce the false positive rate caused artificially. And we have a word list in Table 1. Let's take "Titanic" as an example.

Table 1: The filtered word list about feelings for "Titanic"

Terms	Love	Affection	Moved	Cool	Classic	Cry	Beauty	Cherish
Frequency	38	28	19	18	18	15	15	7
Degree	3	4	5	3	5	5	3	4
Terms	Collection	Like	Happiness	Burst Into Tears	Touching	Suck	A Mess	Don' understand
Frequency	7	7	7	5	5	2	1	1
Degree	3	3	3	5	5	0	0	1

To percept user emotions about this movie through microblogging, we consider three response variables: the sentiment word, the context length and the frequency of sentiment words: Firstly, we mark a microblogging with the most strong sentiment word, either negative or positive. For example, when a microblogging contains words “moved (Score 5)”, “cherish (Score 4)” and “cool (Score 3)” at the same time. We mark this microblogging with 5; If a microblogging contains “don’t understand (Score 1)” and “mess (Score 0)”, both negative feelings, we mark it with 0. Secondly, each microblogging has word limit of 140 words, so we divide the original length by 140, and adjust the number to 0-5 by multiply the intermediate values by 5. That means if a user post 122 words in his micro-blog, we get the final number: $122 / 140 * 5 = 4.36$, after rounding the results, we mark the “context length” value of this micro-blog with 4. Thirdly, the total sentiment words number used in a microblogging, we sum them up. If the frequency is larger than 5, they will be regarded as 5.

We choose the votes of the movies in the microblogging as test standard to do the Pearson correlation coefficient analysis. There are six ranks the users vote for the movies. And we use the 3 variables data above to do the Pearson correlation coefficient analysis respectively. For each variable, we have 6 ranks corresponding to its vote. Then we calculate the correlation coefficient of them(Table 2).

Table 2 lists the correlation coefficient of the votes from Sina and the four movies’ grades according to the sentiment words, text length and frequency.

Movies	Sentiment Words	Text Length	Frequency
Titanic	0.7873	0.6911	-0.6324
3 Idiots	0.6603	0.3058	-0.2710
The Unfortunate Car	0.5331	-0.5226	-0.5473
John Carter	-0.5263	-0.5936	-0.7013

5 Results

Table 2 shows that the first 3 movies’ sentiment words are positively correlated with the votes from Sina, but the last one is an exception. So we will take the first 3 movies as a group to analyze and explain the exceptional one specially.

As for the first 3 movies, the correlation coefficient of the votes from Sina and sentiment words’ grades are all over 50%, the supporting H1. So sentiment words in texts can reflect the user’s grade of a movie.

For Titanic and 3 Idiots, the correlation coefficient of the votes from Sina and text length is positive. But for The Unfortunate Car, the correlation coefficient is

negative. This phenomenon shows that when a user is in favor of a movie, they'd like to say lots about it and more words means higher grade; when a user has negative comments on a movie, he tends to say less words to let off his dislike. This is consistent with H2.

For all the 4 movies, the correlation coefficient of the votes from Sina and frequency of sentiment words are all negative. But this doesn't demonstrate that the H3 does not hold. All the 4 movies' frequency of sentiment words are analyzed by descriptive statistics. The average is 1.8, median is 2, mode is 1 and the variance is 1.8. But in the votes from Sina, grade 3, 4 and 5 take a large proportion. Thus the two factors are not that relevant. We try another way to get the average frequency of sentiment words in each movie in each grade, and then we run regression analysis about the average frequency and the grade, see Figure1. The figures show that, in this way, the frequency of sentiment words is relevant with the grade.

The result of the movie "John Carter" turns out unexpected. The Pearson correlation coefficient of sentiment words' degree and microblogging vote result is negative, which contradicts our assumption that the more negative emotions users show in the microblogging, the lower grade they mark on a movie. We recheck the data and conclude some possible explanation of the results.

First, the voters who grade the movie on the microblogging vary a lot with the users who comment the movie by posting a microblogging. So grade showed in the microblogging does not represent what the microblogging users want to grade the movie. The voters usually think higher of the movie than the users, the negative correlation coefficient may come up.

Second, the grade might be a consequence of Internet marketing. On the website, we can see a lot of microbloggings be posted promoting people to vote for the movie. When we search for the information of a movie, the grade may take up us more consideration. The producer of the movie may manage to make the grade of the movie higher than it actually is as a promotion. It leads to the movie having a higher grade than most users think. So they can be negatively correlated.

Finally, this may relate to the Chinese psychology. We have to admit that Chinese are conservative. When they comment a movie, they tend to give a higher grade. Even though they post a microblogging claiming their disgust of the movie, they like to give a positive grade. Most of the data we collect are from Chinese users, so that might be a reason.

6 Conclusion and future work

In this paper, a microblogging data based statistic analysis approach is proposed for analyzing movie review ranking. The objective is to find some important influenced factors about online movie reviews. Experimental results show the effectiveness of the proposed approach. In addition, with the proposed approach, it is easy to evaluate the box office earnings by analyzing the microblogging comments of movie fans. In the future work, we will further improve and refine our approach as the analysis of errors indicated.

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BUILDING A CULTURE OF HIGH EMPLOYEE ENGAGEMENT: STUDY CASE IN BUSINESS AND MANAGEMENT SCHOOL – BANDUNG INSTITUTE OF TECHNOLOGY

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Structured Abstract:

Purpose – Engaged employees influence organization performance. This research endeavors to investigate the strategies to build culture employee engagement and seek the fit measurement tools to assess the level of engagement accordance with the organizational culture.

Design/methodology/approach – A case study was done in School of Business and Management – Bandung Institute of Technology. Descriptive data and interview analyses are presented with respect a strategy for culture of employee engagement and the assessment tools to measure engagement level of the employees. This study explores the organizational values among the employees and the employers that are showed in behaviour organization and individual performance. The research focused on organization culture as an approach to build engagement among the employees and the employers.

Findings – The research reveals significant conditions of engagement culture and the indicators to measure the engagement level. The findings shows consistency, sustainability, togetherness, and self-development opportunity are important characteristics culture that is required to build the engagement.

Originality/value – This study is expected to provide evidence that the association of employees significantly affect the achievement of organizational goals. Deeper into the study advises the institution to be carefully and precisely place the employee association as an important part in developing the organization. In addition, it is also expected that the result provides scientific evidence that human resource management role in the modeling capacity of the Organization.

Keywords: *culture of employee engagement, organizational culture, School of Business and Management, Bandung Institute of Technology*

Article Classification: case study

Introduction

School of Business and Management - Bandung Institute of Technology (SBM-ITB), is an integral part of Bandung Institute of Technology, Indonesia, carries *Tri Dharma Higher Education* that includes education, research, and community service. Since established on December 31, 2003, SBM-ITB currently has an Undergraduate Program Study, Master of Business Administration (MBA) program, Master of Science Management Program Study, and Doctoral of Science Management program.

SBM-ITB aspires to become a qualified educational institution in the world and is now a member of AACSB (The Association of Advance Collegiate of Business), EFMD (European Foundation for Management Development), and ABEST21 (The Alliance on Business Education and Scholarship for Tomorrow, a 21st Century Organization). In Indonesia, especially in big cities like Jakarta, Bandung, and Surabaya, faculty-based in business and management is growing rapidly, therefore the competition is

getting tougher. Globalization era adds the school-based competition and business management.

It takes real effort from all stakeholders, including the academic staff and academic supporting staff of SBM-ITB, to achieve the vision of the school that is become a world-class institution that inspires and develops new leaders are entrepreneurial. Therefore, SBM-ITB is very aware that the excitement and job satisfaction of its employees is an important factor as the basis for the employee to have a high attachment of the SBM-ITB. The research focuses on organization culture as an approach to build engagement among the employees and the employers.

Previous research in organizational culture, using Denison Organizational Cultural Survey Model and Kim Cameron Organizational Effectiveness Assessment, shows that the dominant cultures inside the organization of SBM ITB are involvement and adaptability.

Meanwhile consistency and mission culture have small portion (Rini, D.A. 2011: 71).

Three questions are being addressed:

1. What organizational cultures do build high engagement?
2. What strategies are used to build engagement?
3. What factors that encourage culture of engagement among academic and academic support staff?
4. What criteria are used to measure the engagement of the academic and academic support staff?

This paper endeavors to investigate the strategies to build culture employee engagement and seek the fit measurement tools to assess the level of engagement based on their values and culture. The study will link between engagement with the performance of employees and team. This point of view departs from the assumption that high performance will result in competitiveness advantage that ultimately lead to the achievement of the vision of the school. Right Management Inc. (2009: 8) has showed the strong relationship between engagement and organization performance.

The research was conducted by observing the daily activities that reflect the culture of the school. The interview ask questions about the school culture they feel, how deep they know about engagement, how to build an engaged employee, and the criteria used to measure engagement. All employees of SBM ITB are 165 people, but the interview was carried out only to some representatives of the structural school officials, representatives of lecturers who are appointed by government, lecturers that are appointed by SBM itself, employees who are appointed by government, employees of ITB, a full-time contract workers and outsourcing.

Interviews and observations are now being drawn up to be a questionnaire that will be used to model and measure the level of engagement.

Methods and Results

This study uses semi-structure interview towards the representative of the people who are in structural positions and passive observation towards daily activities of the academic staff and academic supporting staff. Survey that will be held is going to strengthen and examine the categories and aspects that found

in the field. The study found some aspect of engagement and categories to measure it. The school culture is also drawn from observations and interviews.

The school culture

The values that represent of school culture is showed through integrity, honesty, time and effort commitment, careness, flexibility, and self otonomous. These circumstances are in accordance with the results measured by previous study (Rini, 2011). These values become the way to achieve engaged employee, since the strong culture will affect to engagement vice versa. The passion adn energy of peopel that are brought to work will impact to competitive advantage (Macey, *et al.*, 2009: 43). Both academic and academic support staff at this school are like to be given the freedom to do his job with the school rules as limitations. This is a strong foundation for the establishment of a strong culture of engagement. This implies the existence of the trust of the school to its employees (Macey, *et al.*, 2009: 46).

Engagement Meaning

The apects that arise when employees define engagement are: Voluntary entanglement, awareness, eagerness, responsibility, activeness, focus, usefulness, commitment, passionate to learn, integrity, contribution, and innovation (continously improvement). From those aspects, there are two condition to describe engagement, which is feelings and behavior condition. However, many researchers have defined engagement, but there is no exact definition. The engagement meaning is influenced by the condition of the organizaiton, though some common theme emerge (Vance, 2006:6).

Drivers of Engagement

Warm, familial, togetherness priority are percieved in work environment can foster high engagement. More over egalitarian leadership, a clear rewards system, effective communcation, and work ethos of the employees are the other aspect that can influence the employee engagement. For a new school, where culture is formed is still not solid, the location of the separate effect on the emergence of a different culture. This affects the engagement is formed.

Engagement Strategies

Strategies such as outbound, family gathering, the freedom to fulfill the job, opportunity to learn about the task, and school committees, employee rotation system between units of work areas are effective to make employees feel comfortable, have big passion to work. Togetherness and careness among them affect their feeling when facing big task in the job.

Categories to Measure Engagement

Some categories emerged from the opinions of employees that need to be measured to indicate the level of employee engagement in the organization. Those categories are:

1. Productivity
2. Integrity
3. Well-being
4. Adaptation
5. Self development
6. contribution

Those categories describe performance of the unit and individual of the employee that are further specified into sub-categories. Work ethos is part of the productivity because it represent the internal motivation to achieve the job target and the willingness to improve the quality of work continuously. Work ethic become part of the integrity since it related to the disciplin to obey the rules. Both work ethos and work ethic are influence by the values of individual or an employee which is the principle of his life. When an employee's values are consistent with the school culture, it is much easier for an organization to engage him.

Conclusion

This research will expand our knowledge about engagement in school as one of public service. Policy makers in the higher education area can use it as material to develop the right approach to its employees. The semi-structure interview method is one good approach when the informans are difficult to sit together and discuss the issue.

The information gathered from observation and interview will be used to arrange the questionnaire. The task ahead for the reasercher are:

- collecting secondary data that consist information of employee evaluation.
- arrange questionnaire based on the collected information and cross-checked by secondary data.
- Spread the questionnaire to all staff in SBM ITB
- Carry out the quallitative and quantitative analyses of the data
- Report the results of the research

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Business Intelligence Implementation Readiness: A Framework Development and Its Application to Small Medium Enterprises (SMEs)

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ABSTRACT

Purpose – This research aims to develop a framework for measuring readiness level of Business Intelligence (BI) implementation.

Design/methodology/approach – We formulated our framework by using Critical Success Factors (CSFs) of BI implementation. The weight of each dimension in the framework is determined by using Analytic Hierarchy Process (AHP). The validation of the framework is performed by involving five (5) BI experts.

Findings – The proposed framework comprises of three categories: organizational, process and technology. The number of aspects for organizational, process and technology are nine, four, and five respectively. Among other aspects, strategic alignment, committed management support and sponsorship, clear vision and well-established business case, as well as business-centric championship and balanced team composition are considered the most important aspects to measure BI implementation readiness.

Practical implication – In order to gain success in BI implementation, it is necessary that organizations conduct an assessment on its current condition, to identify their weaknesses.

Originality/value – We proposed a framework for measuring BI implementation readiness, which is currently unavailable. Many current research in BI mainly focuses on the implementation aspects, whereas our research focuses on pre-implementation aspects. We hope by considering our proposed framework, organizations will be able to implement better BI services, and gain more value to help organization in decision making.

Keywords – Business Intelligence, Business Intelligence readiness, BI readiness, Analytic Hierarchy Process, AHP, Critical Success Factor, CSF, Delphi method

Paper type – Research paper

1. INTRODUCTION

The rapid development of Small Medium Enterprises (SMEs) in Indonesia as well as the enactment of the ASEAN-China Free Trade Area (ACFTA) on January 1, 2010 makes the competition that must be faced by SMEs becomes very tight (Dewitari, 2009; Wahyuni, 2011). To be able to survive

in such competition, requires fast, innovative, as well as agile planning and decision-making to run the company. For this reason, SMEs need appropriate support from information technology, namely Business Intelligence (BI). BI is a managerial concept consists of a set of patterns, tools or technologies that change the raw data into meaningful information and knowledge, which are used for decision making to drive profitable business action (Chuah, 2010; Najmi, Sepehri, & Hasherni, 2010).

The growing use of cloud computing, Software as a Service, as well as open source BI, open the opportunities for SMEs to implement BI. Despite of this, it still carries high level of risk of failure and consumes great resources (Hidayanto, Karnida, and Moerita, 2012). Related to this, we need a framework that could help assess the readiness of BI implementation for SMEs, so that SMEs with BI implementation plans can evaluate their level of readiness and identify aspects which are still considered weak. Thus it is expected that this framework could further improve the success rate of BI implementation in SMEs.

The objectives of this research are to:

- Explore the critical success factors in BI implementation
- Develop a framework for measuring the readiness level of BI implementation in an organization.
- Assess the applicability of the proposed framework through a case study at an SME

The rest of the paper is organized as follows. First, we present theoretical background for framework development. Second, we describe the development of the framework. Third, we explain the application of our proposed framework by using a real case. Finally, we discuss our findings for the case study we explore.

2. ANALYTIC HIERARCHY PROCESS (AHP)

AHP is a method for ranking decision alternatives and selecting the best one when the decision maker has multiple criteria (Taylor, 2005). Since 1977, Saaty (1980) proposed AHP as a decision aid to help solving unstructured problems in economics, social and management sciences (Özdagoglu, 2007). AHP enables decision-makers to structure a complex problem in the form of a simple hierarchy and to evaluate a large number of quantitative and qualitative factors in a systematic manner under multiple criteria environment in confliction (Cheng, 1996).

AHP helps decision makers to choose the best alternative by giving weight to each alternative based on certain criteria. The best alternative is the one with the highest weight. In this research, AHP is used to give weight to each readiness factors, in order to develop an assessment framework for BI implementation readiness. The steps of AHP are explained in the following paragraphs.

Step 1: Decompose the problem into a model that consists of three levels, which are goal, criteria, and alternatives. Goal is the aim, criteria include things to consider in selecting alternatives, and alternatives are the choice to be chosen. The AHP model is shown in the Figure 1.

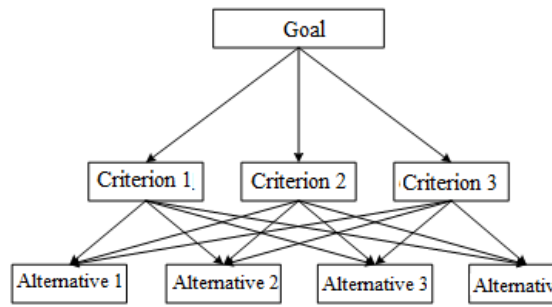


Figure 1. AHP Model

Option	Numerical value
Equal	1
Marginally strong	3
Strong	5
Very strong	7
Extremely strong	9
Intermediate values to reflect fuzzy inputs	2, 4, 6, 8
Reflecting dominance of second alternative compared with the first	Reciprocals

Figure 2. The scale of pairwise comparisons

Step 2: Make pairwise comparisons for criteria and alternatives. In this step, alternatives are compared each other, so do the criteria. The comparisons are done in 1-9 scale, which can be seen in Figure 2. The result of this step is a pairwise comparison matrix, for criteria and alternatives, which can be seen in Figure 3.

$$A = \begin{matrix} & \begin{matrix} C_1 & C_2 & C_3 & C_4 & C_5 & C_6 & \dots & C_n \end{matrix} \\ \begin{matrix} C_1 \\ C_2 \\ C_3 \\ C_4 \\ C_5 \\ C_6 \\ \vdots \\ C_n \end{matrix} & \begin{bmatrix} 1 & a_{12} & a_{13} & a_{14} & a_{15} & a_{16} & \dots & a_{1n} \\ a_{21} & 1 & a_{23} & a_{24} & a_{25} & a_{26} & \dots & a_{2n} \\ a_{31} & a_{32} & 1 & a_{34} & a_{35} & a_{36} & \dots & a_{3n} \\ a_{41} & a_{42} & a_{43} & 1 & a_{45} & a_{46} & \dots & a_{4n} \\ a_{51} & a_{52} & a_{53} & a_{54} & 1 & a_{56} & \dots & a_{5n} \\ a_{61} & a_{62} & a_{63} & a_{64} & a_{65} & 1 & \dots & a_{6n} \\ \vdots & \vdots & \vdots & \vdots & \vdots & \vdots & \ddots & \vdots \\ a_{n1} & a_{n2} & a_{n3} & a_{n4} & a_{n5} & a_{n6} & \dots & 1 \end{bmatrix} \end{matrix}$$

Figure 3. Pairwise comparison matrix

Step 3: Find the weight for each alternative through AHP calculation.

In order to avoid invalid pairwise comparison, we need to check the consistency against pairwise comparisons in the AHP framework, by computing consistency ratio (CR) of each paired comparison. If the CR is valued at less than 0.1, then the pairwise comparisons are revealed as consistent and valid.

3. CRITICAL SUCCESS FACTORS (CSFs) OF BI IMPLEMENTATION

The concept of "success factors" was developed by Daniel (1961) of McKinsey & Company. The concept was refined by Rockart (1981). Critical success factor refers to an element that is necessary for an organization or project to achieve its mission. It is a critical factor or activity required for ensuring the success of a company or an organization.

In terms of Business Intelligence, there numerous authors who have formulated CSFs, among of them are Atre (2003), Williams & Williams (2004) and William & Koronios (2010). From these literatures, we identified 18 factors that are considered having significant impacts to BI implementation, which are:

- Committed management support and sponsorship: Committed management support and sponsorship has been widely acknowledged as the most important factor for BI system implementation (William & Koronios, 2010). Consistent support and sponsorship from

business executives make it easier to secure the necessary operating resources such as funding, human skills, and other requirements (William & Koronios, 2010).

- Clear vision and well-established business case: As BI initiative is typically driven by the business, a strategic business vision is needed to direct the implementation. A long-term vision, primarily in strategic and organizational terms, is needed to establish a solid business case. The business case must be aligned to the strategic vision, thereby meeting the business objectives and needs. If the business vision is not thoroughly understood, it would eventually impact the adoption and outcome of the BI system (William & Koronios, 2010).
- Strategic alignment: Much has been written about strategic alignment between business and IT (Williams & Williams, 2004). The discussion is generally about consistency between business strategy, business organization and processes, IT strategy, IT infrastructure, and IT organization and processes (Cooper, Watson, Wixtom, & Goodhue, 2000).
- Effective business/IT partnership for BI: Organizations that have effectively used IT to improve business results will be more capable of leveraging BI to create value than those who do not (Williams & Williams, 2004).
- BI Portfolio Management: Organizations that have undertaken a comprehensive review of the major BI opportunities for sales, marketing, manufacturing, distribution, customer service, quality, and so forth are in the position to manage BI as a portfolio of investments, ranked by business impact and risk. This is important in an environment where capital budgets for IT are constrained, as they almost always are (Williams & Williams, 2004).
- Continuous Process Improvement Culture: If business users do not change the business processes to leverage BI, then the investment in BI will have no impact on the economic well-being of the organization. We want to assess whether an organization is ready to manage the process changes that will be required to capture the business value of a BI initiative (Williams & Williams, 2004).
- Culture Surrounding the Use of Information and Analytical Applications: Organizations embracing the use of information and analytical applications to improve profits (private sector) or productivity and service (public sector) are better able to leverage investments in BI than organizations that do not embrace and reward such approaches to creating business value (Williams & Williams, 2004).
- Cross-Organizational Collaboration: Where BI is concerned, collaboration is not limited to departments within the organization; it requires integration of knowledge about customers, competition, market conditions, vendors, partners, products and employees at all levels (Atre, 2003). To succeed at BI, an enterprise must nurture a cross-organizational collaborative culture in which everyone grasps and works toward the strategic vision (Atre, 2003).
- Decision Process Engineering Culture: Decision process engineering is a term we have coined to convey the concept of using structured decision processes to increase the effectiveness of certain decisions that organizations face on a recurring or semi-recurring basis. These structured decision processes can incorporate the use of information, analytical applications, and/or quantitative methods as appropriate for the type of decision to be made (Williams & Williams, 2004).
- Business-centric championship and balanced team composition: Having the right champion from the business side of the organization is critical for implementation success. A champion who has excellent business acumen is always important since he/she will be able to foresee the

organizational challenges and change course accordingly. More importantly, this business-centric champion would view the BI system primarily in strategic and organizational perspectives, as opposed to one who might over-focus on the technical issues. The composition and skills of a BI team have a major influence on the success of the systems implementation. The BI team should be cross-functional and composed of both technical and business personnel, so-called “best of both worlds” (William & Koronios, 2010).

- Availability of Skilled Team Members: A BI project team lacking BI application implementation experience will most likely fail to deliver desired results in the first iteration. Since most BI projects have aggressive timelines and short delivery cycles, an inexperienced and unskilled team is a risk that must be avoided (Atre, 2003).
- Business-driven Development Approach and Iterative Development Approach: Adequate business-oriented project scoping and planning allow the BI team to concentrate on the best opportunities for improvement. Thorough scoping and planning facilitate flexibility and adaptability to changing requirements within the time frame and resources. Moreover, adequate scoping enables the project team to focus on crucial milestones and pertinent issues while shielding them from becoming trapped in unnecessary events. Many experts stated that it is advisable to start with small changes and developments and then to adopt an incremental delivery, a so-called ‘iterative’ approach (William & Koronios, 2010).
- User-oriented change management: Better user participation in the process of change can lead to better communication of their needs, which in turn can help ensure successful introduction of the system. Formal user participation can help meet the demands and expectations of various end users. Users know what they need better than an architect or developer who lacks direct experience of the product (William & Koronios, 2010).
- Business-driven, scalable and flexible technical framework: The technical framework of a BI system must be able to accommodate scalability and flexibility requirements in line with dynamic business needs (William & Koronios, 2010).
- Sustainable data quality and integrity: The quality of data, particularly in the source systems, is crucial if a BI system is to be implemented successfully (William & Koronios, 2010).
- Importance of Metadata: Clean data is worthless to knowledge workers if they do not understand its context. Valid business data, unless tied to its meaning, is still meaningless. Therefore, it is imperative for all BI applications to consciously create and manage the meaning of each data element. This data about data is known as meta-data, and its management is an essential activity in BI projects (Atre, 2003).
- BI and DW Technical Readiness: Level of readiness of an organization in implementing business intelligence is not only determined by non-technical aspects such as organizational culture, but also by technical factors. Technical readiness of an organization, such as network infrastructure, availability of adequate machinery for the implementation of data warehouse, ready for ETL applications and analytic tools, is also greatly influence the success or failure of the application of business intelligence in organizations.
- The Silver Bullet Syndrome: BI project teams must always consciously strive for the lowest possible number of tools (Atre, 2003).

4. FRAMEWORK DEVELOPMENT

4.1. AHP Model Composition

The factors used in the assessment are identified after a thorough study of the critical success factors (CSFs) of BI implementation. CSFs are important aspects that should be considered by organizations in order to gain BI implementation success. We adopted the CSFs as our readiness factors for BI implementation. By adopting such factors, we hope that our proposed framework can measure the extent to which an organization has met those CSFs.

As mentioned earlier, AHP model consists of three levels, which are goal, criteria, and alternatives. In our case, the goal (first level) for the AHP model is BI implementation readiness. The criteria (second level) consists of readiness factors that we adopted from CFSs and are grouped into three categories adopted from William & Koronios (2010) which comprise of organizational, process and technology. The readiness factors itself are used as alternatives (third level) of the model. The complete AHP model is depicted in Figure 4.

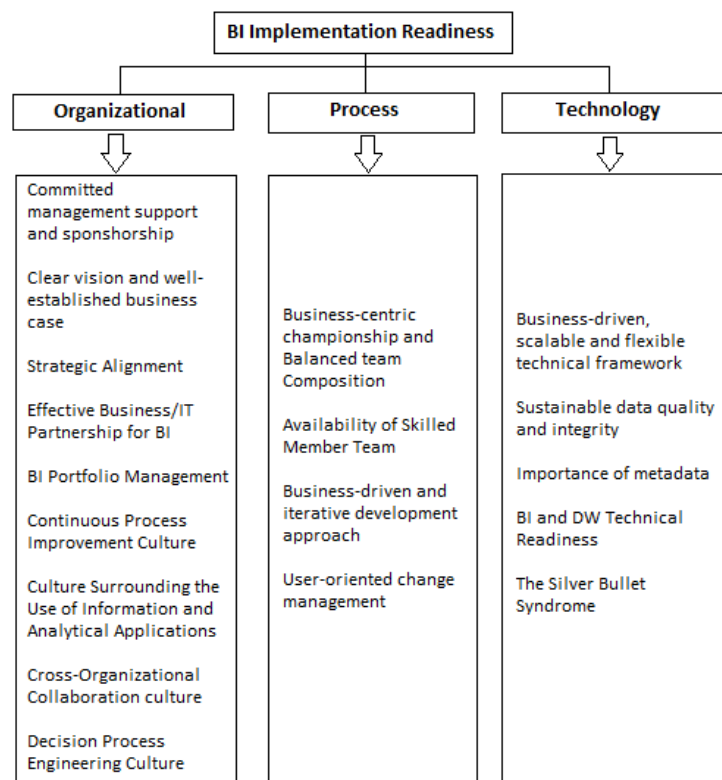


Figure 4. The composed AHP model

4.2. Delphi Method

To get a weight for each factor, pairwise comparisons that are achieved through a consensus among several experts are needed. In this research, we used four experienced and credible BI experts in private sector. The experts have numerous experience in developing and consulting for BI implementation.

In order to achieve consensus among involved experts, we choose to use Delphi method. Each expert was asked to give values to four pairwise comparisons matrix, one for inter-category comparison, one for organizational category, one for process category and one for technology category, by e-mail or direct meeting. They were also asked to give their feedback via e-mail. The

pairwise comparisons, as result of the Delphi method are shown in Figure 5, 6, 7, 8.

	ORG	PRO	TEC
ORG	1	3	4
PRO	1/3	1	2
TEC	1/4	1/2	1

Figure 5. Inter-category pairwise comparison

	CMSS	CVWEBC	SA	EBIPFB	BPM	CPIC	CSUIAA	COCC	DPEC
CMSS	1	1	1	5	3	3	5	5	3
CVWEBC	1	1	1	5	3	3	5	5	3
SA	1	1	1	5	5	5	5	5	3
EBIPFB	1/5	1/5	1/5	1	1	1/3	1/3	1	1
BPM	1/3	1/3	1/5	1	1	1/5	1/3	1/3	1
CPIC	1/3	1/3	1/5	3	5	1	1	1	1
CSUIAA	1/5	1/5	1/5	3	3	1	1	1	1
COCC	1/5	1/5	1/5	1	3	1	1	1	1
DPEC	1/3	1/3	1/3	1	1	1	1	1	1

Figure 6. Pairwise comparison for organizational category

	BCCBTC	ASMT	BDIDA	UOCM
BCCBTC	1	5	3	3
ASMT	1/5	1	1/3	1/3
BDIDA	1/3	3	1	1
UOCM	1/3	3	1	1

Figure 7. Pairwise comparison for process category

	BDSFTF	SDQI	IM	BIDWTR	SBS
BDSFTF	1	1/5	1/3	1	3
SDQI	5	1	3	3	5
IM	3	1/3	1	3	3
BIDWTR	1	1/3	1/3	1	3
SBS	1/3	1/5	1/3	1/3	1

Figure 8. Pairwise comparison for technology category

4.3. AHP Calculation and Consistency Checking

The result of the AHP calculation, the weight of each factor and the AHP consistency check can be seen in Table 1 and Table 2 respectively.

Table 1. The weight of each factor

Factors	Weight	Factors	Weight
Committed management support and sponsorship	0.1253	Business-centric championship and balanced team composition	0.1039
Clear vision and well-established business case	0.1253	Availability of skilled member team	0.0158
Strategic alignment	0.1392	Business-driven and iterative development approach	0.0402
Effective business/IT partnership for BI	0.0245	User-oriented change management	0.0402
BI portfolio management	0.0256	Business-driven, scalable and flexible technical framework	0.0232
Continuous process improvement culture	0.0495	Sustainable data quality and integrity	0.0904
Culture surrounding the use of information and analytical applications	0.0403	Importance of metadata	0.0485
Cross-organizational collaboration culture	0.0349	BI and DW technical readiness	0.0258
Decision process engineering culture	0.0355	The silver bullet syndrome	0.0121

Table 2. AHP consistency check result

Pairwise Comparison	Consistency Ratio

Inter-category	0.0158
Organizational category	0.0499
Process category	0.0161
Technology category	0.0559

The result of AHP consistency check shows us that the consistency ratio of each pairwise comparison is below 0.1. Therefore, all pairwise comparisons are consistent and valid.

4.4. Readiness Level Description

To be able to give a fair and clear judgment of each factor's value in a company, a description about each factor's readiness level is made. We adopted assessment model of Electronic Government Procurement (e-GP) Readiness Self Assessment (2004) as reference. The readiness level of each factor thus can be evaluated by using description as depicted in Table 3.

Table 3. Readiness level

Level of Readiness	Description
0. None	There is no real evidence that components are being addressed and supported.
1. Small degree	There is little evidence that components are being addressed and supported.
2. Some degree	There is some evidence that components are being addressed and supported.
3. Adequate degree	There is adequate evidence that components are being addressed and supported.

5. FRAMEWORK APPLICATION

The assessment framework has been applied in Mode Fashion Group to measure the firm's readiness to implement BI. Mode Fashion Group is a medium scale enterprise built in 1984. Today, Mode Fashion Group has 14 outlets in Indonesia and approximately 200 workers. To improve its performance, Mode Fashion Group is planning to implement BI. We aim to help them assess their readiness in implementing BI.

Data collection was carried out by using semi-structured interview. The interview results were mapped to the readiness level in 0-3 scale by using the guideline in Table 3. The overall results of our assessment to Mode Fashion Group are presented in Table 4.

In Table 4, values in organizational readiness column are obtained by multiplying the value in the level column with its corresponding factor's weight. The overall readiness score are obtained from the total value of all factors' organizational readiness value. The value 1.7415 from 0-3 scale, or 58.0512 from 0-100 scale, shows the intermediate level. These results indicate that there is still a fairly high risk and significant possibility of impending obstacles and failures of BI implementation at Mode Fashion Group.

Furthermore, the result shows us that effective business/IT partnership for business

intelligence, cross-organizational collaboration culture, business-driven and iterative development approach, user-oriented changed management, sustainable data quality and integrity, importance of metadata and the silver bullet syndrome factors have been defined very well. Factors clear vision and well-established business case, strategic alignment, continuous process improvement culture, culture surrounding the use of information and analytical applications are defined fairly well. However, major difficulties can be found related to business intelligence portfolio management, business-centric championship and balanced team composition, availability of skilled member team, business-driven, scalable and flexible technical framework, BI and DW technical readiness, committed management support and sponsorship, and decision process engineering culture.

Table 4. Assessment on Mode Fashion Group result

Factors	Level	Org. Readiness	Factors	Level	Org. Readiness
Committed management support and sponsorship	1	0.1253	Business-centric championship and Balanced team Composition	0	0.0000
Clear vision and well-established business case	2	0.2505	Availability of Skilled Member Team	0	0.0000
Strategic Alignment	2	0.2783	Business-driven and iterative development approach	3	0.1205
Effective Business/IT Partnership for BI	3	0.0735	User-oriented change management	3	0.1205
BI Portfolio Management	0	0.0000	Business-driven, scalable and flexible technical framework	0	0.0000
Continuous Process Improvement Culture	2	0.0990	Sustainable data quality and integrity	3	0.2713
Culture Surrounding the Use of Information and Analytical Applications	2	0.0806	Importance of metadata	3	0.1454
Cross-Organizational Collaboration culture	3	0.1048	BI and DW Technical Readiness	0	0.0000
Decision Process Engineering Culture	1	0.0355	The Silver Bullet Syndrome	3	0.0363
Overall Readiness Score		1.7415			

Finally, the company should act to enhance their readiness in the mentioned factors and prevent obstacles that might arise. Such actions may include socialization concerning the BI system and its benefits, training to enhance their human resource quality in BI implementation, outsourcing or new member recruitments, create a portfolio management for BI, in particular, and IT, in general, implement a business-driven, scalable and flexible technical framework, and hold an adequate infrastructure for BI and DW.

6. IMPLICATION

One form of IT services that can be provided to management is a reporting service in the form of Business Intelligence (BI). This service will offer benefits when it comes from valid data source, so that the decisions taken by management are truly based on accurate data. With respect to this, organizations need to provide a guide to assess their readiness to implement BI, so that it is expected to gain higher success in BI implementation. Result of this research showed that there are three the most important aspects to prepare BI implementation, which are: strategic alignment, committed management support and sponsorship, as well as clear vision and well-established business case. Thus organizations seek to implement BI services should be supported by their management, so that its implementation can be run smoothly.

7. CONCLUSION

This study was conducted to develop a framework for measuring and analyzing an organization's readiness level to implement Business Intelligence. This framework was developed initially to analyze the level of readiness for implementation of business intelligence in Mode Fashion Group, an SME specializing in textiles. Our proposed framework for measuring Business Intelligence readiness comprises of eighteen (18) factors which are derived from CSFs of BI implementation. We obtain weight of each factor by experts' judgments with the help of AHP method. From these eighteenth factors, strategic alignment factor obtains the highest weight, while the silver bullet syndrome factor obtains the lowest weight.

Our assessment to Mode Fashion Group using the proposed framework showed that their readiness score for BI implementation is 1.7415 on a scale of 3 or 58.05 on a scale of 100. This means that the Mode Fashion Group is considered not yet ready to implement Business Intelligence. We also found that there are other aspects that may have to be improved by Mode Fashion Group to be able to enhance the chances of a successful BI implementation, which are: the use of portfolio management; support, sponsorship, and championship from management, especially from a business side; human resource skills in Mode fashion Group related to implementation of business intelligence; data warehouse infrastructure and networks and other technical readiness; and business-oriented, flexible, and scalable technical framework.

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How Regulatory Focus Affect Experience Benefits? Exploring the Role of Brand-Self Congruence

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Abstract: Customer personality is a vital factor for successful virtual brand communities(VBCs). This paper focuses on the role of customer motivation-based personality,i.e., regulatory focus, in VBCs, and applies the perspective regulatory fit to test the moderating effects of brand-self (ideal-self and ought-self) congruence on the relationship between regulatory focus (promotion and prevention focus) and experience benefits (hedonic and utilitarian benefits). It is found that ideal-self congruence increases the impact of promotion focus, but decreasea the impact of prevention focus on experience benefits; ought-self congruence decreases the impact of promotion focus, but increases the impact of prevention focus on experience benefits.

Key Words: Regularity Focus, Ought-Self Congruence, Ideal-Self Congruence, Customer Experience Benefits

Introduction

A significant recent change of marketing is the increasing attention on enhancing customer experience benefits (Nambisan, 2008; Mathwick, Malhotra and Rigdon, 2001). As Nambisan and Baron (2009) state customer experience benefits become vital sources to stick the customers and sustain the perpetuation of customers in VBCs. What's more, they can also enhance customer attitude to communities, companies, and brands, which also attract great attention from practitioners (Nambisan and Watt, 2011; Nambisan and Watt, 2008). The fact is that 90% of the community members are passive, and most of them cannot acquire what they need in VBCs (Preece, Nonnecke and Andrews, 2004). There's still a long way for us to help managers know more about the customers.

Recent research on the antecedents of customer experience benefits mainly concentrates on customer interactions (Nambisan and Baron, 2009), web-related factors (Hoffman and Novak, 1996), and social and community-related factors (Nambisan, 2008). However, it is not enough to sufficiently understand customers and satisfy customer benefits. Customer personality can determine their interactions in the VBCs, and then affects their benefits, which is ignored in prior literature. Luckily, some literature try to examine some of customer self-enhancing personality such as self-efficacy (Yu, Lu and Liu, 2010), and self-security concerning such as self-consciousness may influence customer knowledge sharing (Zhang et al., 2010), but none of them test the two kinds of personality simultaneously which shows a threat to fully understand the customers.

We will bridge the gap to explore the relationship between customer personality based on motivation (regulatory focus-promotion and prevention focus) and customer experience benefits. Regulatory focus is a motivational theory about means people pursue their goals. For promotion focus, they approach gains; while for prevention focus, they seek security and avoid loss (Higgins, 1997). For promotion focus in VBCs, they may seek every chance for the gains such as image and status, and then plunge into product interaction or interpersonal interaction for experience benefits (Yu, Lu and Liu, 2010; Nambisan and Baron, 2009); for the prevention focus, they avoid loss and seek chance to be recognized by others to secure psychological safety, and then engage in the interactions for experience benefits (Zhang et al., 2010; Nambisan and Baron, 2009).

What's more, brand-self relationship (such as brand identity, brand identification and brand-self congruence) is always an important factor that may influence brand attachment (Malär et al., 2011; Zhou et al. forthcoming; Escalas and Bettman, 2005) and customer interactions (Wang et al., 2012), which will affect the process for customers to acquire experience benefits. However, it is always ignored in VBC literature. Here, we introduce brand-self congruence (a fit between the consumer's self and the brand's personality or image; Malär et al., 2011; Lam, Ahearne and Schillewaert, 2012) and the impact on the relationship between customer personality and experience benefits.

In all, the objective of this study tries to answer an overarching question: how regulatory focus affects customer experience benefits? To our knowledge, this is the first study to introduce regulatory focus theory in VBCs, and it is the first study to investigate brand self-congruence on the relationship between regulatory focus and experience benefits, which extend recent research of VBCs. In the next section, we first review the theory of regulatory focus and regulatory fit. We further hypothesize self-congruence moderate the effects of regulatory focus on experience benefits. Then methodology and results are presented. Finally, this study concludes by discussing theoretical and managerial implication, limitation and future directions.

Theoretical Background

Regulatory focus

Regulatory focus stresses different ways people adopt for self-regulation during goal pursuit (Higgins, 1997). It is comprised of situational regulatory focus, which is temporary in nature

and evoked by external cues, and chronic regulatory focus, which emphasizes permanent personality to approach their desired end state (Lockwood, Jordan and Kunda, 2002). As situational regulatory focus is always primed in experiment studies, we talk about chronic focus here.

It involves promotion and prevention focus. Promotion focus is concerned with nurturance needs, achievement of aspirations and gains, while prevention focus is concerned with security needs, fulfillment of duties or obligations, and loss-avoidance situations (Higgins, 1997).

Regulatory focus gains widely attention in psychology and marketing literature, as it offers explanation for people to understanding psychology process and consumer behaviors (Haws et al., 2010), but most of the research are conducted with experiment, which lacks external validity and limits the extended use of this theory. However, some scholars try to broaden the use of regulatory theory to explain organizational behavior of teams or leaders (Wu et al., 2008; Wallace and Chen, 2006), which is still not enough in marketing literature. We try to apply regulatory focus in VBCs, as it can help us know more about customer motivation, action and the way they acquire their benefits in VBCs. Customers with promotion focus are motivated to maximize their gains such as symbol gains and actual benefits, which promotes their active interactions in VBCs to help them benefit; while prevention focus are more non-loss oriented, which makes them seek security, act deliberately and then benefits in VBCs.

Regulatory Fit and Brand-Self Congruence

Regulatory fit conceptualizes as a match between strategic means (brand-self congruence can be seen means here) and regulatory orientation (Avnet and Higgins, 2006). People feel right and intense motivation when customers engage in activities that conform to their regulatory orientation. People with promotion focus are more involved and activated when the people have the chance to engage in activities for eagerness and aspiration; while people with prevention focus are more motivated when the people have the chance to engage in activities for duties and obligations (Sue-Chan, Wood and Latham, 2012).

Brand-self congruence is a congruity between customer's self and brand personality or image (Malär et al., 2011). Prior literature investigated brand-self congruence from ideal-self and actual-self congruence (Dolich 1969; Malär et al., 2011), while brand also can signify people's obligation and duties for ought self which is ignored. Here we divide brand-self congruence into ideal-self and ought-self congruence to fully explore how they affect customer benefits-seeking activities in VBCs. Ideal-self congruence defines that the brand represents an aspiration of the customer (Malär et al., 2011); while ought-self means brand signifies people's obligation and duties. For example, cosmetic companies have propagated that their brands can make customers more beautiful and attractive to bring them closer to the "ideal" self (Malär et al., 2011), while many car companies have communicated their responsibility and security to bring customers closer to the "ought" self.

Although individuals with promotion focus and brand ideal-self congruence both stress ideal self, and individuals with prevention focus and brand ought-self congruence both stress ought self, they are distinct constructs. Helgeson and Supphellen (2004) stated that brand-self congruence and brand personality are different, as self-congruence is fit focused, subjective and general, and brand personality is brand focused, objective and specific, which then evokes different thoughts and feelings. Similarly, we posit that brand-self congruence and regulatory

focus possesses discriminant validity, as brand-self congruence can be seen means and regulatory orientation can be seen goals to achieve the desired end state. The theory of regulatory fit infers that fit between goals and the means to achieve these goals may influence perceptions, behaviors, and performance (Avnet and Higgins, 2006; Dimotakis, Davison, and Hollenbeck forthcoming).

Framework and Hypothesis

This study introduces promotion and prevention focus and mainly explores ideal-self and ought-self brand congruence on the relationship between regulatory focus and experience benefits.

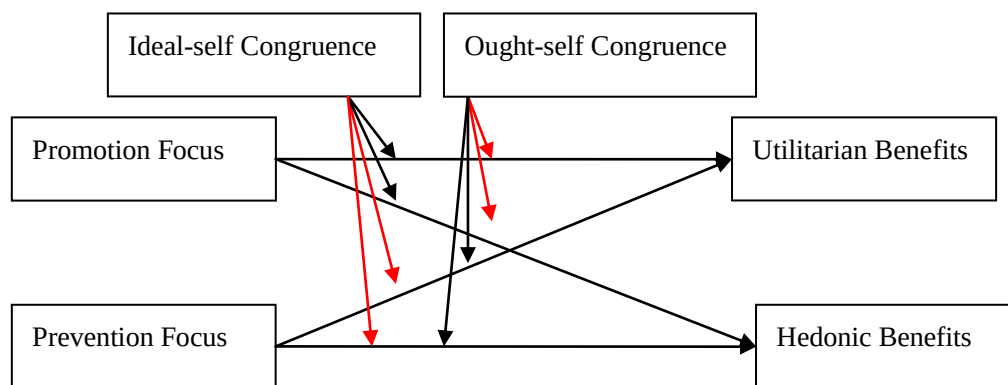


Figure 1. The Conceptual Model

Ideal-self Congruence and Promotion Focus

Brand-self congruence stresses the symbolic value of brand to match customer self attributes (Helgeson and Supphellen, 2004). Self-congruence theory posits that customer will feel right and comfortable when there is congruence. Customer has more emotional bond with the brand and enhance brand attachment when the brand can signify the self (Batra, Ahuvia and Bagozzi, 2012).

Customers with promotion focus maximize their utility and regulate themselves for ideal self. On one hand, they seek for symbol gains, and this motivate them to engage in social interactions to enhance the image or status for distinguishment (wants) in VBCs, leading them to acquire hedonic benefits (Higgins, 1997; Chitturi, Raghunathan and Mahajan, 2008; Nambisan, Barnon, 2009). On the other hand, they strive for utilitarian gains, as VBCs are places for customers with the same brand to share knowledge and acquire knowledge (Kim et al., 2011; Yu, Lu and Liu, 2010). Customers with promotion focus regulate themselves to engage in product or social interaction to get the knowledge to fulfill their needs in VBCs, leading them to get utilitarian benefits (Higgins, 1997; Nambisan, Barnon, 2009).

When the brand signifies their ideal self, regulatory fit occurs, and they have more affection with the brand and attach more importance with the brand, which will activate their extensive

engagement in product or social interactions to get what they need (Batra, Ahuvia and Bagozzi, 2012). Thus, we hypothesize:

H1a: Ideal-self congruence positively moderates the relationship between promotion focus and utilitarian benefits.

H1b: Ideal-self congruence positively moderates the relationship between promotion focus and hedonic benefits.

Ideal-self Congruence and Prevention Focus

Individuals with prevention focus are security-oriented and try to minimize their loss. They're more concerned with their face, and try to avoid face-lose issue, so they like to lurk to avoid conflict with others to get their utilitarian benefits (Higgins, 1997; Chitturi, Raghunathan and Mahajan, 2008). Of course, it is possible for them to engage in active interactions to get recognition and affiliation with others, which makes them have a feeling of in-group identification protecting them from loss (Aaker and Lee, 2001; Nambisan and Baron, 2010). All of these activities make them happy and motivate them to acquire knowledge, which may enhance their experience benefits (hedonic and utilitarian).

When the brand promotes the individuals to risk to enhance the ideal self, this is not consistent with the goal of prevention focus, as it may result in face-lose issue. What's more, customers with prevention focus stress ought-self, while the brand is more distant from their ought-self, which makes the individuals feel self-inferior and uncomfortable. All of these misfit and uncomfortable feelings make them passive to seek the knowledge and participate in the interactions with other teams in the VBCs (Helgeson and Supphellen, 2004). Thus, we hypothesize:

H1c: Ideal-self congruence negatively moderates the relationship between prevention focus and utilitarian benefits.

H1d: Ideal-self congruence negatively moderates the relationship between prevention focus and utilitarian benefits.

Ought-self Congruence and Promotion Focus

Ought-self congruence means that brand represent the responsibility and duty of the customer. This brand always reminds them of the security and obligation, which is not consistent with the goals of the promotion focus. Regulatory misfit occurs, and this leads to discomfort and demotivation for individuals' future participation for the brand-related activities (Lam, Ahearne and Schillewaert, 2012). For individuals with promotion focus, brand ought-self congruence stresses the brand's representation of security and responsibility, and it will limits their willingness to pursue the desired or "want" goals, which makes them have no interest to engage in the product or social interactions in the VBCs. Thus, we hypothesize:

H2a: Ought-self congruence negatively moderates the effects of promotion focus on utilitarian benefits.

H2b: Ought-self congruence negatively moderates the effects of promotion focus on hedonic benefits.

Ought-self Congruence and Prevention Focus

Ought-self congruence means that the brand signifies responsibility and duty for customers. For individuals with prevention focus, they have a goal to minimize the loss and pursue their responsibility (Higgins, 1997). When the brand can be suitable for them to express their responsibility and duty, fit occurs and this can be seen as a good means to achieve their goals. Self-expansion theory points that the more the brand can express the self, the more connection and emotional attachment they feel to the brand (Malär et al., 2011). Therefore, they are more likely to assume the role to help others to get enjoyment (Nambisan and Barnon, 2010), and pursue knowledge and extensive engagement in the interactions for more benefits. Thus, we hypothesize:

H2c: Ought-self congruence positively moderates the effects of prevention focus on utilitarian benefits.

H2d: Ought-self congruence positively moderates the effects of prevention focus on hedonic benefits.

Data and methodology

Data

Data were collected through Web-based questionnaire survey in virtual brand community in China. The two communities are Meizu and Apple community (<http://bbs.meizu.com/> and <http://iphonebbs.cnmo.com/>), the reasons to choose such communities are following: firstly, the topic of smart phone is emerging as a trend online and attracts large members engaging in the community. Meizu community has about 2.6 million members and 30 thousand active members online per day, and Apple community has about 4 million members and 15 thousand active members online per day. Secondly, both of the two brand communities have about 20 discussion boards which not only include product and technique boards to acquire utilitarian benefits, but also include the group discussion for them to make friends and interact with each other to get hedonic benefits.

The potential respondents were randomly selected in the two communities and about 2000 invitation letters were sent to them, 199 were received and 186 valid, the valid response rate is about 9.3%. The profile of the valid respondents is presented in Table 1.

Table 1. Respondents' Profile

Characteristic	Meizu Community	Apple Community	Percent
Gender			
Male	83	75	84.95%
Female	11	17	15.05%
Age (in Years)			
Below 18	8	2	5.38%
18-24	60	30	48.39%
25-30	16	42	31.18%
31-35	5	14	10.22%
36-40	3	3	3.23%

Above 40	2	1	1.61%
Industry			
Computer/Telecom /Software	18	30	25.81%
Service industry (Hotel, Restaurants, etc.)	6	7	6.99%
Manufacturing industry	16	15	16.67%
Education/Training/Research/School	28	17	24.19%
Others	26	23	26.34%
Tenure(month)	15.78	12.61	14.21
Total	94	92	100%

Community members' ID number was asked to check the validity of the survey, and it was used to get some objective data such as tenure, friends and status which are compared with the non-respondents to test the non-response bias (Armstrong and Overton, 1977). There was no significant difference between them, indicating that response bias is not a problem in this study.

Measures

Since measures of the study constructs are adopted from prior studies, and we also pursued a pilot study to collect questionnaire from 60 informants to refine it to fit to the specific contexts and ensure face validity. The measures used and their sources for all the study constructs are listed in Table 2. Promotion focus, prevention focus, ought-self congruence, ideal self congruence, utilitarian benefits and hedonic benefits are tested based on a seven-point Likert scale (1 = “strongly disagree” and 7 = “strongly agree”).

Demographic variables such as title, tenure (acquired in the communities according to their ID), industry and age (acquired from the survey) are considered as control variables, as they may influence the benefits they acquire. (Nambisan and Baron, 2009).

Table 2. Measures and Measurement Model

Variables	Items	Loading	T	CR	Cronbach's alpha	Source
Promotion	When it comes to achieving things that are important to me, I find that I don't perform as well as I would ideally like to do. (R)	.629	----	.7207	.712	Haws et al., 2010; Lockwood, Jordan & Kunda, 2002
	I feel like I have made progress toward being successful in my life.	.61	4.878			
	When I see an opportunity for something I like, I get excited right away.	.682	5.195			
	I frequently imagine how I will achieve my hopes and aspirations.	.582	4.725			
Prevention	I am anxious that I will fall short of my responsibilities and obligations	.539	----	.7661	.758	Haws et al., 2010; Lockwood, Jordan & Kunda, 2002
	Not being careful enough has gotten me into trouble at times. (R)	.61	4.654			
	I worry about making mistakes.	.777	5.216			
	I frequently think about how I can prevent failures in my life.	.745	5.151			
Ideal-self Congruence	Ideal Self-Congruence Respondents were given the following instructions: Take a moment to think about brand x. Describe this person using personality characteristics such as reliable, smooth, etc. Now think about how you would like to see yourself (your ideal self). What kind of person would you like to be? Once you've done this, indicate your agreement or disagreement to the following statements:			.9256	.924	Malär et al., 2011
	1.The personality of brand x is consistent with how I would like to be (my ideal self).	.889	----			
	2.The personality of brand x is a mirror image of the person I would like to be (my ideal self).	.966	15.879			
Ought-self Congruence	Ought Self-Congruence Respondents were given the following instructions: Take a moment to think about brand x. Describe this person using personality characteristics such as reliable, smooth, etc. Now think about how you would like to see yourself (your ought self). What kind of person would you like to be? Once you've done this, indicate your agreement or disagreement to the following statements:			.9492	.948	Adapted from Malär et al., 2011
	1. The personality of brand x is consistent with how I would like to be (my ought self).	.981	----			
	2. The personality of brand x is a mirror image of the person I would like to be (my ought self).	.919	19.489			
Utilitarian Benefits	Enhance my knowledge about the product and its usage.	.857	----	.9412	.935	Nambisan and Barnon, 2009
	Obtain solutions to specific product-usage related problems.	.906	14.077			
	Enhance my knowledge about advances in product, related products, and technology.	.986	16.288			
Hedonic Benefits	Spend some enjoyable and relaxing time	.911	----	.9418	.941	Nambisan and Barnon, 2009
	Derive fun and pleasure;	.956	18.712			
	Entertain and stimulate my mind	.907	16.177			
	Derive enjoyment from problem-solving, idea generation, and so on.	.802	12.096			

Note: CR indicates composite reliability coefficient, and AVE indicates average variance extracted. R means reverse scale.

Measurement model evaluation

According to Anderson and Gerbing (1988), confirmatory factor analysis (CFA) is checked for the measurement model of five factors using EQS 6.1. The results provide a satisfying fit to the data: χ^2 (137) = 192.483, normed fit index (NFI) = .935, comparative fit index (CFI) = .980, goodness-of-fit index (GFI) = .853, root mean squared error of approximation (RMSEA) = .047.

Reliability

As showing in table 2, composite reliability (CR) ranged from 0.79 to 0.93, is greater than the threshold value of 0.7 and Cronbach's Alpha, ranged from 0.712 to 0.948, is greater than the threshold value of 0.7 (Fornell and Larcker, 1981), showing acceptable reliability. Each standardized item loading is significant at 0.001 level and higher than the threshold value of 0.5, showing satisfactory convergent validity (Chau, 1997; Fornell and Larcker, 1981).

Discriminant Validity

In order to assess discriminant validity, we compared two kinds of measurement model, one is the constrained CFA model in which the correlation between each pair of constructs were fixed to 1, and the other is the original unconstrained model ($\chi^2(137) = 192.483$) in which the correlations were freely estimated. All of the difference of χ^2 were significant at 0.001 level. Therefore, this study demonstrated discriminant validity (O'Leary-Kelly and Vokurka 1998).

Results

We used hierarchical regression analysis to test the moderators according to Cohen and Cohen (1983). Firstly, both moderating and independent variables were standardized to reduce the problem of multicollinearity (Chin et al. 2003). Then, three models are shown to examine the moderators of self-congruence on the effects of regulatory focus on experience benefits in table 3, Model 1 and model 4 contains control and independent variables respectively. Model 2 and Model 5 add all the moderators respectively. Model 3 and Model 6 add all the interaction effects respectively. These six models' F is significant at 0.001 level, showing a good fit of the model. And the changed R^2 are significant, indicating there exists moderating effects.

From model 3 and model 6, we can find that brand ideal-self congruence has positive moderating effect on the relationship between promotion focus and experience benefits (hedonic and utilitarian) ($\beta = .462, p < .05$; $\beta = .363, p < .05$), supporting H1a and H1b. While brand ideal-self congruence has negative moderating effect on the relationship between prevention focus and experience benefits (hedonic and utilitarian) ($\beta = -.202, p < .05$; $\beta = -.244, p < .05$), supporting H1c and H1d.

From model 3 and model 6, we can still find that brand ought-self congruence has negative moderating effect on the relationship between promotion focus and experience benefits (hedonic and utilitarian) ($\beta = -.238, p < .05$; $\beta = -.303, p < .05$), supporting H2a and H2b. However, the interaction of brand ought-self congruence and prevention focus has no significant relationship with experience benefits (hedonic and utilitarian) ($p > .1$), failed to indicate H2c and H2d.

Dependent Variables	Hedonic Benefits				Utilitarian Benefits							
	Model 1		Model 2		Model 3		Model 4		Model 5		Model 6	
	β	T	β	T	β	T	β	T	β	T	β	T
Constant	6.254	20.964	6.087	23.514	5.970	24.312	5.957	18.566	5.773	20.922	5.745	21.611
Control Variables												
Title	-.001	-.019	.017	.498	.017	.550	.034	.812	.053	1.480	.045	1.318
Tenure	-.001	-.146	.000	.029	.000	.027	-.013	-1.999	-.012	-2.125	-.011	-2.201
Industry	.010	.206	.011	.244	.017	.421	.024	.439	.024	.519	.030	.676
Age	-.130	-1.601	-.104	-1.480	-.087	-1.314	.006	.065	.034	.459	.037	.515
Main Effects												
Promotion	.148	1.711	.103	1.354	.104	1.454	.234	2.517	.184	2.262	.208	2.678
Prevention	.194	2.343	.172	2.378	.179	2.588	.203	2.289	.180	2.338	.208	2.786
Ideal-self Congruence			.141	1.309	.095	.890			.162	1.411	.156	1.355
Ought-self Congruence			.391	3.592	.411	3.722			.425	3.663	.465	3.894
Interaction Effects												
Promotion* Ideal-self Congruence					.462	4.697					.363	3.403
Prevention *Ideal-self Congruence					-.202	-2.518					-.244	-2.804
Promotion* Ought-self Congruence					-.238	-2.354					-.303	-2.773
Prevention *Ought-self Congruence					.052	.712					.013	.163
F	3.095		10.196		10.393		4.248		11.924		10.966	
R ²	.103		.338		.444		.136		.374		.458	
Adjusted R ²	.07		.305		.402		.104		.342		.416	
ΔR^2			.235		.106				.238		.084	

Discussion, Implication and Future Directions

Discussion

Prior literature on virtual communities has stressed the importance of ideal self (self-efficacy) and ought self (self-security or self-consciousness) (Yu, Lu and Liu, 2010; Zhang et al., 2010) respectively, while we introduce regulatory focus to juxtapose the two personality based on regulatory focus and examine how regulatory focus affects experience benefits from regulatory fit theory to extend existing literature. The findings are following:

As expected, ideal-self congruence positively moderates the relationship between promotion focus and experience benefits (hedonic and utilitarian), which is consistent to prior literature, stating that the fit of ideal-self congruence and promotion focus positively affects utilitarian benefits (Higgins, 1997; Chitturi, Raghunathan and Mahajan, 2008; Nambisan, Barnon, 2009). Ideal-self congruence negatively associates the effects of prevention focus on experience benefits, which conforms to past studies, stressing that the misfit between ideal-self congruence and prevention focus negatively affects customer experience benefits (Chitturi, Raghunathan and Mahajan, 2008; Aaker and Lee, 2001; Nambisan and Baron, 2010).

What's more, we also find that ought-self congruence negatively moderates the relationship between individuals with promotion focus and experience benefits, which is in line with existing studies, figuring out that misfit between ought -self congruence and promotion focus negatively affects customer experience benefits (Lam, Ahearne and Schillewaert, 2012).

While the interaction of ought-self congruence and prevention focus has no effect on experience benefits, one possible explanation is that ought-self congruence make the prevention focus seek more security behavior, for example, they just act as lurkers instead of posters (intensive engagement) to protect themselves from the conflict in virtual communities which will attenuate the experience benefits.

Theoretical Implication

To our knowledge, we are first to borrow regulatory focus and regulatory fit theory from psychology literature to virtual brand communities to examine the relationship between different personality based on motivation and experience benefits to extent recent literature.

What's more, we also firstly introduce brand-self congruence (ideal and ought-self) to broaden prior literature of VBCs. Although extant studies emphasizing the brand-self relationship is important to activate engagement in VBCs (Wang et al., 2012; Zhou et al. forthcoming), they did not examine that there may exist difference for brands' different representation of the self. We tried to bridge the gap and found that ideal-self (ought) congruence play a positive (negative) moderating role in the relationship between promotion focus and experience benefits (hedonic and utilitarian), and also found ought-self (ideal -self) congruence play a positive (negative) moderating role in the relationship between prevention focus and experience benefits (hedonic and utilitarian).

Managerial Implication

This study helps us know more about customers in VBCs and provides implications for the managers to treat them heterogeneously instead of homogeneously.

This paper is helpful for the virtual community managers to realize that brand-self congruence will affect the benefits for customers with different personality, thus, they should provide different brand activities for customers to strengthen and exhibit themselves. For example, they should not only provide platforms for customers to exhibit their brand knowledge to show their status and image to pursue the ideal self, but also supply platforms with more brand knowledge for customers to help them feel in security situation to pursue ought self.

Limitations and Future Directions

Although we are first to introduce regulatory focus and regulatory fit theory to investigate the behaviors of customers in VBCs, there still exist some limitations. The future directions are also stated in the following.

Firstly, we got most of our data from the same source-customers, which may lead to common method variance. We used Harman's one-factor test, finding that no single factor explained the majority of the variance. Therefore, the common method bias is not a threat in this study. However, if possible, we can get the data from different sources, for example, we can substitute the dependent variables with objective data such as the number of themes and replies customers post in the VBCs.

Secondly, our data are based on virtual mobile phone community- Meizu and Apple communities which have intensive interaction and provide platforms for customers to acquire their benefits, but the two VBCs are not enough to include more entertainment boards. Customers in other communities such as travelling community are more likely seeking hedonic and social benefits (Wang and Fesenmaier, 2004), which may influence the relationship between customer regulatory focus and experience benefits. Future research should include various communities to extend recent research.

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Optimizing Organizational Human Resource Competencies to meet Target Service Levels

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Abstract: Effective human resource planning allows management to recruit, develop and deploy the right people at the right place at the right time to fulfil organizational service level objectives. Firms are constantly looking out for strategies to cope with staff shortage which is particularly acute in the “knowledge intense” industries due to

high staff turnover. This paper describes how System dynamics may be used as a tool to meet the desired service level by acquiring, developing and managing right competencies in the organization. The systems dynamics model introduced here analyse the human resource planning problems associated with staff recruitment, staff surpluses and staff shortages to meet target service levels. An integrated system dynamics framework inspired from Inventory and Order Based Production Control System (IOBPCS) construct has been introduced to develop various feedback and feed forward paths in the context of human resource management. The model is mapped onto an overseas petrochemical company's staff recruitment and attrition situations and subsequently tested using real data. Strategies for HRP are developed by conducting time based dynamic analysis. Optimum design guidelines are provided to reduce the unwanted scenario of staff surplus and/or shortage, and therefore, to reduce disparity in between service needs and availability of right competencies. We anticipate that system dynamics modelling would help the decision makers and HR professionals to devise medium to long term human resource planning strategies to anticipate and meet the service expectations from the customers.

Keywords: human resource planning, system input output, system dynamics, simulation.

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1. Introduction

Human resource planning (HRP) needs to respond to a greater demand for new talent due to increased competition in the knowledge economy. In much earlier studies Walker (1974) had suggested that through HRP, management is able to develop and deploy the right people at the right places at the right times to fulfil both organizational and individual objectives. Firms are constantly looking out for strategies that will help them to cope with competition and diversification through building a linkage between human resource planning and the corporation's long-term

business objectives. Most organizations feel the need to predict future human resource levels in order to forecast recruitment and training needs to ensure that sufficient experienced people are rising through the rank to fill vacancies at higher levels, (Brian and Cain, 1996).

The dynamics of market forces and job opportunities is becoming a challenge for many organizations to retain their core staff. Companies are losing critical business knowledge as employees walk out from their doors. Also, the recent transitions from the industrial market to the knowledge economy dictate an immediate and wholesale retraining scenario for many organizations to remain at the cutting edge of technology. An efficient human resource or intellectual capital investment strategy demands a good understanding of the dynamics of recruitment and training issues.

The link in between strategy and human resource management functions has been emphasized by many academics and practitioners (see for example, Bird and Beechler, 1995; Boxall and Purcell, 2003). There are studies those establish a direct link in between human resource strategies and organization performance (For example, see Tyson (1997) and Huang, TC. (1997); Chandler and McEvoy (2000); Huselid; et al. 1997). Others provide insight of the HRM practices in the entrepreneurial and SMEs [see for example, Haneman et al. 2000; Kok and Uhlmar, 2001; Bacon and Hoque, 2005; Dabic *et al.* 2011). Huselid and Becker (2010) analyse the strategic HRM micro and macro perspective for a diverse workforce.

In order to attain sustainable competitive advantage companies need to manage their organizational competences (Hafeez *et al.* 2002a; 2002b; Hafeez, *et al.* 2010), as well individual competencies (Hafeez and Essmail, 2007). MNEs are often confronted with the challenge on what HRM policies and practices to adopt in their subsidiaries abroad. There are studies that evaluate HR management in the international perspective in the context of Multi-National Enterprises (MNEs) (Scullions *et al.* 2007; Briscoe *et al.* 2009; De Cieri and Dowling, 2006; Caligiuri and Stroh, 1995). Bartlett and Ghoshal (1998) argue that human resource management (HRM) policies are key mechanisms for co-ordination and control of international operations. The question remains to be answered whether to regulate by adopting parent country practices or to adapt these to fit to the local environment. Adler and Bartholomew (1992) suggest that global business strategies should be informed by HRM practices as they often pose a major barrier whilst operating in multi-country operation. Others have looked into Country of origin effects in HRM in MNEs (Ferner, 1997; Bae, *et al.* 1998). Gooderham *et al.* (1999) have studied the institutional factors that impact the HRM practices in the European firms.

Skill, knowledge and competence, as a measure of improvement, cannot be bought and delivered instantly. It takes a considerable amount of time to develop and support these infrastructures. Human resource planning (HRP) is an effort to improve morale and productivity and therefore, help minimise staff turnover. HRP helps to facilitate companies make effective use of employee skills, provide training opportunities to enhance those skills, and boost employee satisfaction with their job and working conditions. Training includes employer sponsored efforts to improve the skill and competences of employees through education, work-shadowing, and apprenticeship programs for personal development. On the other hand, human resource planning concerns forward looking analysis of current and future human resource development needs, issues and challenges facing a particular occupation such as the supply and demand of skilled people, the impact of changing technology, the need for skill upgrading and the efficiency of the existing training.

Miles and Snow (1984) provided earlier guidelines for designing dynamic human resource management models. There are some recent examples of the use of quantitative models in the expatriations and repatriation area [see for example Black J (1992); Black & Gergersen

(1991); Gomez-Mejia, L. & D. Balkin (2007); Suutari, V. & C. Brewster (2003)]. However, this study is about developing a quantitative model in the human resource planning and management field.

2. Review of models in human resource planning

Models may be descriptive, representing what is, or normative, representing what should be. Models in HRP are both descriptive and normative. The models in this paper are divided into two types: (a) Policy models and (b) Mathematical and Statistical models. Policy models are both normative and descriptive. Mathematical and Statistical models are descriptive.

2.1 Policy Models

Policy models in HRP aim to provide a comprehensive framework for the evaluation of the organization that emphasizes the interrelationship between recruitment and training and the relationship of each to external factors. Furthermore, policy models need conceptual models for assessing organization roles in support of human resource planning development and should be grounded in forecasting to provide clear descriptions of the mechanism.

Tichy and Devanna model

Tichy and Devanna (1984) are among the few who have attempted to integrate forecast of the demand for skills and forecast of the internal supply of skills, and relate them to human resource planning, emphasizing the interrelatedness and the coherence of human resource activities. Human resource planning, in their cycle model, consists of four key constituent components (selection, appraisal, development and reward).

Harvard model

The Harvard model recommends that all managers must take greater responsibility for HRP. The Harvard model proposes that many of the diverse personnel and labour relations activities should be taken into account in HRP. The model asks that its manager should ask to what extent the policies they implement will: enhance the commitment of people to their work and the organization; attract, retain, and develop people with the needed competence; sustain congruence (compatibility) between management and employees, and be cost effective in terms of wages, employee turnover, and risk of employee dissatisfactions (Walker; 1992).

Walker Model

Walker (1980) explained that most tools being used in human resource planning do not appear to be as suited as they should be in order to meet the needs of management for proper strategic planning and evaluation of HRP practices. He recommended that human resource researchers examine the validity and predictability of his model to predict and validate HRP practices within large organizations.

Rizzo (1984) found that most companies using Walker's model (1980) generally fell within the two lowest levels of Walker's typology. Therefore, Rizzo's evaluation of Walker's model indicated that there was a dependency by major corporations on rudimentary forecasting and placement techniques in the HRP process. Walker

suggested that effective human resource planning is a process of analysing an organization's human resource needs under changing conditions and developing the activities necessary to satisfy these needs.

2.2 Mathematical and Statistical models

The major concern of mathematical and statistical models in human resource planning is to investigate system behaviour over time (Georgiou and Tsantas, 2002). These models can be very sophisticated and their use helpful to an organization. Mathematical models can help decision makers to understand and explore inter-relationships between variables of interest.

Markov Model

Most organizations feel the need to predict future human resource levels in order to forecast recruitment and training needs, and to ensure that sufficient experienced people are rising through the ranks to fill vacancies at higher levels. The nature of the problem seems ideally suited to the use of Markov analysis as it clearly involves probabilistic transitions from a set of known initial states.

The Markov HRP model in essence describes the relation between stocks and flow of manpower in the various levels of the organization and seeks to describe their variation over time (Nilakantan and Raghavendra, 2004). These same authors defined Markov analysis as a descriptive technique that falls within the family of mathematical modelling techniques known as stochastic process models. The technique is used to describe the behaviour of a system in a dynamic situation over time and has numerous applications including replacement analysis Raghavendra (1991), HRP, brand loyalty, investment evaluation and stock market analysis. Markov analysis is highly mathematical in nature, being a derivative of probability theory. However, despite this mathematical underpinning, it purports to be part of the practicing manager's portfolio of techniques. On the other hand, Markov modelling is a mathematical modelling approach used to help solve business problems.

Holonic models (Spreadsheet Models)

Spreadsheet modelling is a practical demonstration that modern computing power and associated software packages now enable many business problems to be analysed. Using spreadsheet techniques, non-mathematical managers can use the armoury of techniques, which were previously the preserve of the "expert", and apply them to give rich descriptions of their real-life problems Brian and Cain, (1996).

The use of spreadsheet modelling in the context of HRP shows how decision makers, who may well lack mathematical ability, can now bring to bear the power of mathematical analysis to their subject (Parker & Cain, 1996). Indeed, a rich and flexible set of models can be produced, eliminating many of the limitations inherent within stochastic type models, for example. This often provides the decision maker(s) with greater insights into the problem situation.

2.3 Systems dynamics

Jay Forrester (1961) conducted some pioneering work by combining the fields of feedback control theory, computer and management sciences as early as 1961 in order to shape the systems dynamics discipline. System dynamics is a method for developing management “flight simulators” to help us learn about dynamic complexity and understand the sources of resistance to design more effective policies (Sterman, 2000 and 2001). The method allows us to study and manage complex feedback systems by creating models representing real world systems. System dynamics is part of management science that deals with the controllability of managed systems over time, usually in the face of external shocks (Sterman, 1994). However, successful intervention in complex dynamic systems requires technical tools and mathematical models. This process is fundamentally interdisciplinary, because it is concerned with the behaviour of the complex system, and is based on the theory of non-linear dynamics and feedback control developed in mathematics and engineering to model Inventory and Order Based Production Control System (IOBPCS) typical behaviour (Coyle, 1996). Systems dynamics is a modelling approach that considers the structural system as a whole, focusing on the dynamic interactions between components as well as behaviour of the system at large.

More recently, tools such as systems thinking have made many gains in soft systems problem structuring as advocated by Senge (1994). In other examples, Morecroft (1999) has used system dynamics to examine the management behavioural resource system to analyse a diversification strategy based on core and non-core business. Winch (1999) has used system dynamics to introduce a skill inventory model to manage the skill management of key staff in times of fundamental change. Coyle (1999) has used system dynamics to manage and control assets and resources in major defence procurement programmes. Warren (1999) defines tangible and intangible resources for system dynamics model development. Hafeez (1996) has used system dynamics modelling to re-engineering a supply chain. Mason-Jones et al (1995) have extended the work of Hafeez et al (2000), to show its applicability in an Efficient Consumer Response (ECR) environment by linking it to point of sale inventory triggers. More recently Hafeez and AlQatawneh (2012) have used system dynamics model to analyse the logistics supply chain of a UK National Health Service (NHS) provider to optimize the inventory KPI's

Hafeez (2003) has developed a skill pool model (SKPM) based on “Inventory and Order Based Production Control Structure” (IOBPCS) as described by Coyle (1977), to help understand the dynamics of skill acquisition and retention, particularly during times when a company is going through some major change. The model, which is based on system dynamics principles, links with the organization environment to show how new (or improved) skills could enhance organization productivity and innovations. Also, it aims to respond to the future training and learning needs, as a result of present skill loss rate, by incorporating a feed forward path. It aims to properly manage the skill pool level and recruitment and training performance by incorporating a goal seeking (feed back) loop.

Therefore, we see that in HRP there is a wide variety of basic models. Some of these models are often highly mathematical, demanding considerable mathematical

sophistication for successful implementation. Some models look specifically at the linkage between business planning and HRP strategies. All of the models we have considered address various but different aspects of the HRP process. If we summarise what authors have said, we can deduce that models, if they are to be classified as useful HRP models, ought to address some of the following aspects of the HRP process:

Training and recruitment - Forecasting human resource needs -Responding to external conditions- Human resource flow – Promotion- Staff turnover - Job analysis - Human resource development. These attributes should apply to both the policy and the mathematical models that have just reviewed. In addition to the above, it is worth considering further attributes that apply to mathematical models. The fact that a mathematical model can be manipulated to furnish numerical information, for example, is very important in HRP. The additional characteristics of HRP models listed below, that are relevant to mathematical models (and in some cases to policy models); need therefore to be added to the above list when evaluating the effectiveness of any HRP model: Ease of understanding and use - Modelling of complexity - Forward planning Feedback. Below in Table 1 we have carried out an assessment against the above characteristics of the policy and mathematical models reviewed in this paper together with system dynamics modelling. All we have done, by way of an assessment, is to allocate two stars in the table if the model addresses the characteristic well, one star if the characteristic is addressed, and no stars (a blank) if the characteristic is not addressed. Nowhere is there any assumption that the star ratings are linearly related or additive. However, the more stars a model has the more useful we may claim the model is (as the model addresses more characteristics) The table below clearly demonstrates the usefulness of the system dynamics models developed in this paper. In addition, comparison of the system dynamics models (characteristic by characteristic) with any of the other models is also very favourable in each case.

Table 1: Assessment of the HRP models against the characteristics listed.

Note: (Blank): not addressed ; (*) : addressed; (**): addressed very well

Characteristic	Tichy and Devanna model	Harvard model	Walker model	Markov model	Holonic model	System Dynamics modelling
Training and recruitment		*	**	**	**	**
Forecasting human resource needs	**		**	**	**	**
External conditions	*	*	**	**	**	**
Human resource Flow		**	*	*	*	*
promotion	**	**	*	**	**	**
Staff turnover	**		*	**	**	**
Human resource development	**	*	**			*
Hiring and Firing		*	**	**	**	**
Complexity						

			*	**	**	*
Feedback		*				**
Forward plan	*		*	**	**	**
Ease of understanding and use	*			*	**	**
Controllability and optimisation				*	*	**

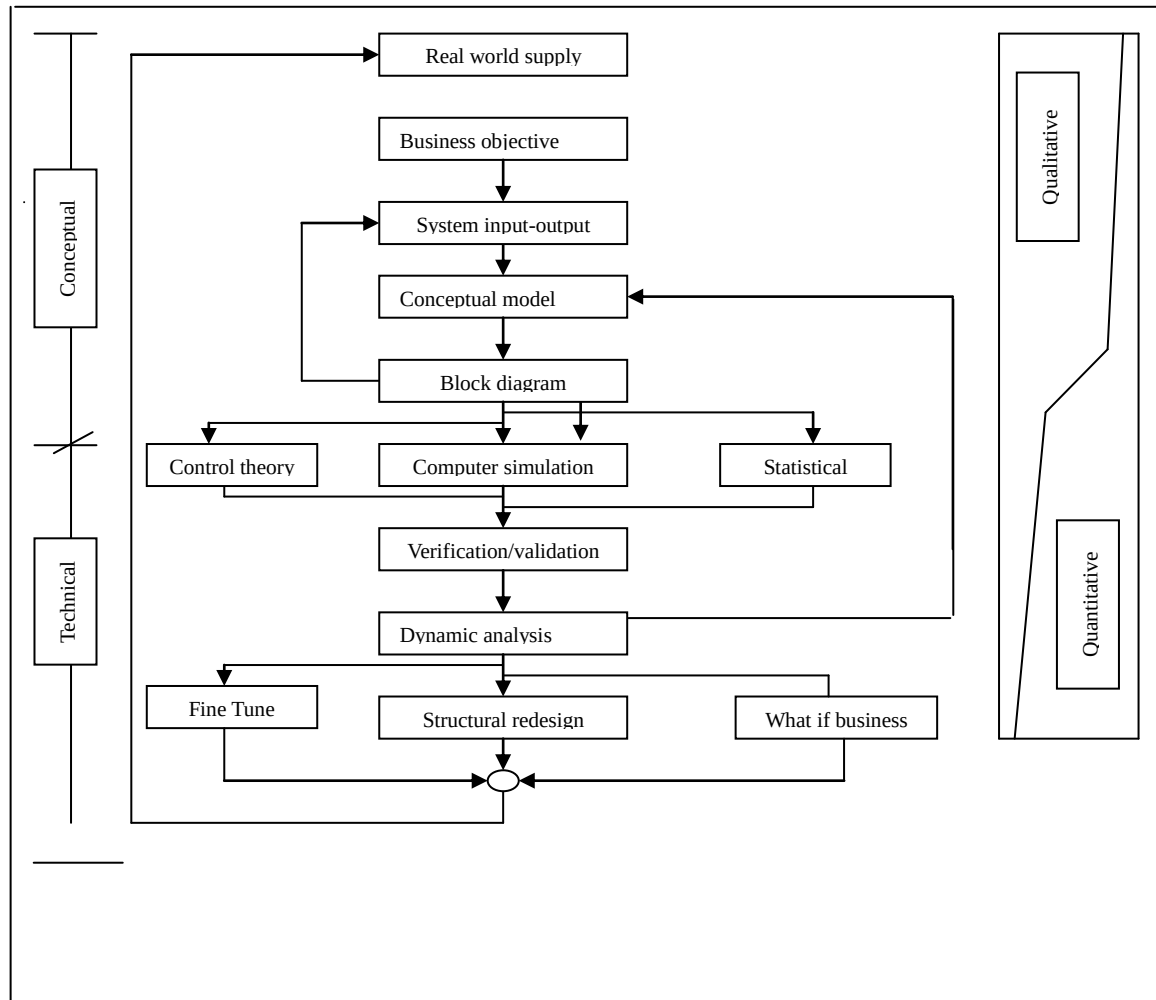
3. An integrated system dynamics framework

The system dynamics model presented in this paper is constructed by adopting an integrated system dynamics framework developed by Hafeez et al. (1996), which is illustrated in Figure (1). The framework has been successfully used for the modelling and analysis of a number of supply chains to address the ‘Bull-Wip’ impact arising from demand amplification taking place in a multi-echelon supply chain. Essentially, it consists of two overlapping phases, namely qualitative and quantitative. The quantitative phase is associated with the development and analysis of the simulation model. The main stages involved in the qualitative phase are system input-output analysis, conceptual modelling, and block diagram formulation. The first step towards the quantitative model building is to transform the conceptual model into a block diagram. The simulation model is to be verified by relevant personnel and validated against the field data (Hafeez et al., 1996).

Qualitative system dynamics is based on creating cause and effect diagrams and to create and examine the feedback loop structure of the system using resource flows, represented by level and rate variables and information flows. It provides a qualitative assessment of the relationship between system process and system behaviour and enables the system modeller to postulate strategy design changes to improve behaviour. System dynamics is centred on the use of diagrams as a medium for transmitting mental models and discussing change (Bowers, 1996).

Figure 1: Integrated system dynamics framework for supply chain management

(Source Hafeez *et al.* International Journal of Production Economics1996).



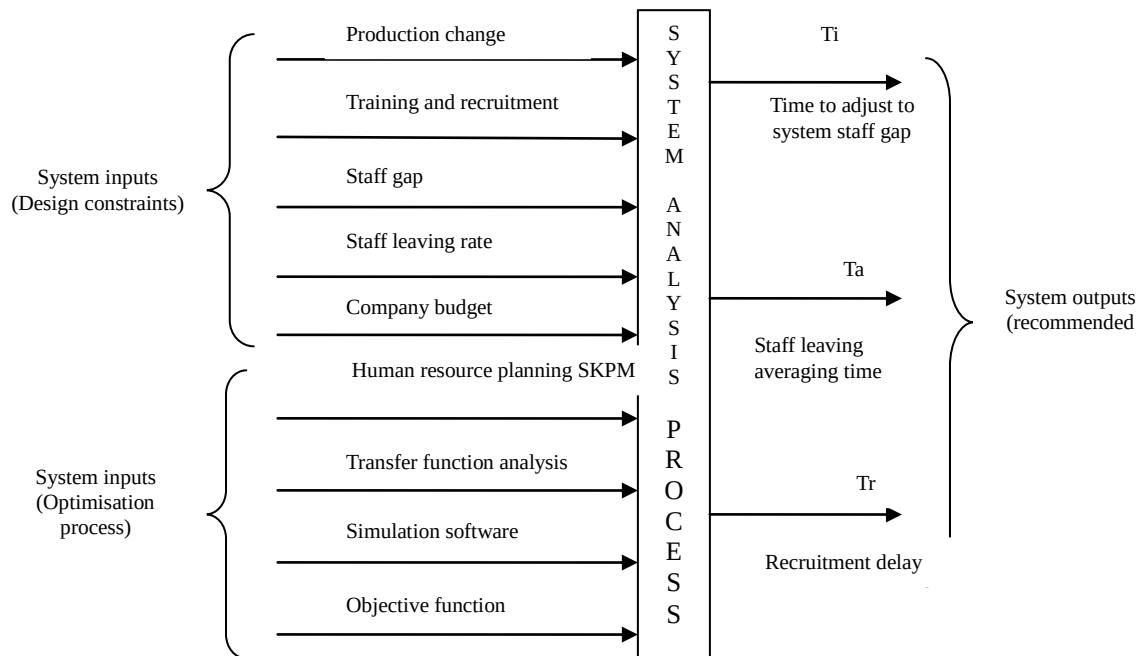
3.1 System input-output analysis

Input-output analysis has been found to be a powerful and comprehensive tool in system analysis and system investigation work. The use of input-output analysis is helpful in building up both a conceptual as well as more concrete, block diagram model (Parnaby, 1979). Once the conceptual model has been produced, the next step of producing the block diagram is made that much easier. The most common use of input-output analysis is to evaluate the impact of exogenous changes in the external components on the interdependent (internal) components. Input-output analysis has most frequently been used in the study of economic systems (Correa and Craft, 1999).

Figure 2 shows the input-output block diagram of the case company's staffing scheduling system. The planning methods used by human resource planning managers were investigated by means of interviewing and observing the managers at work. The philosophy of our approach to

human resource design, summarised in the input-output diagram, are divided into three categories: system inputs (design constraints), system inputs (optimization process) and system outputs (recommended design settings), as shown in Figure 2

Figure 2: Input-output analyses indicating the sources of company data for the system analysis process



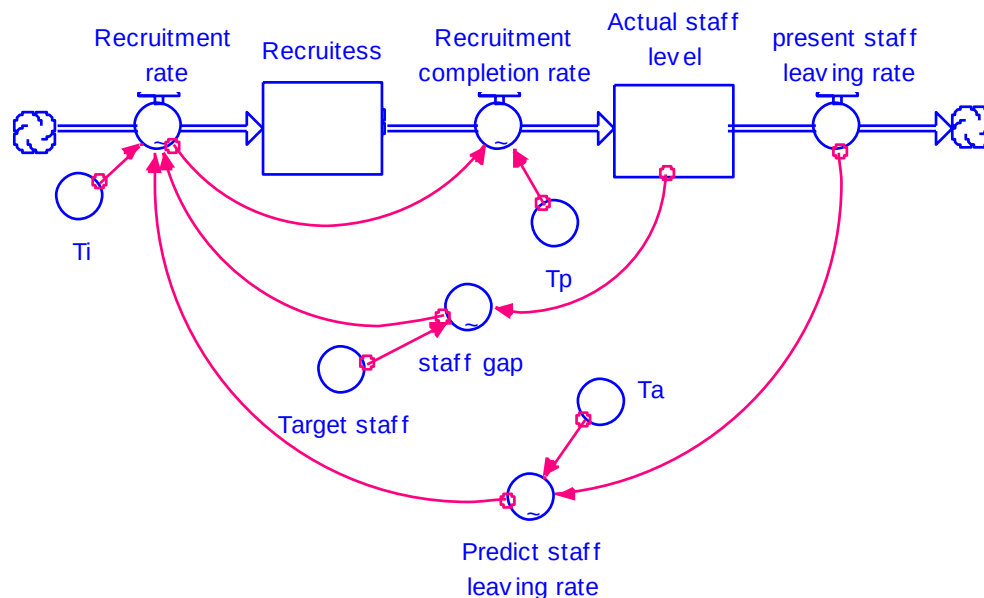
3.2 Influence diagram representation of SKPM in *Ithink*

The influence diagram for Skill Pool Model is shown in Figure 3 using the standard *Ithink* software package, which allows anyone with elementary control theory knowledge to construct an equivalent model to present time-based dynamics (Coyle, 1977). In order to anticipate the staff leaving replacement requirements, some kind of averaging is useful. We have used exponential smoothing to average the present staff leaving rate over time T_a and fed this back to the original recruitment rate to reflect the staff loss history in the recruitment planning.

Based on IOBPCS structure, the company recruitment rate comprises two parts, one the staff gap (staff deficit), and the other the forecast staff leaving rate. Recruitment rate is therefore effectively controlled via the average time to determine the forecast staff leaving rate (T_a), and the time over which the present staff gap is to be recovered (T_i). The difference between the present staff leaving rate and recruitment rate is accumulated to give the present actual staff level in the pool. Therefore the model as shown in Figure 3 consists of two parts; feed-forward control based on the forecast staff leaving rate, and feedback control based on the staff gap. In order to analyse the dynamic response of the SKPM, recruitment process delay is represented by a time delay T_r (recruitment lead time) and the time over which staff leaving rate is averaged by T_a .

Towill (1982) suggests using exponential delay for industrial dynamics simulation. We have used the discrete time feed forward and feedback difference equations giving the relationship between the major variables, and these are presented in equations 1 to 5 in the skill pool model. Furthermore, it is important to recognise how to manage the actual staff level of the pool. To reach the target value, a simple and appropriate policy is proportional control, where information concerning the magnitude of the actual staff level is fed back to control the recruitment rate. The recruitment demand rate is calculated by dividing the discrepancy between the target level and actual level by a time factor, which represents the average delay in performing the recruitment rate.

Figure 3: Influence diagram of the SKPM

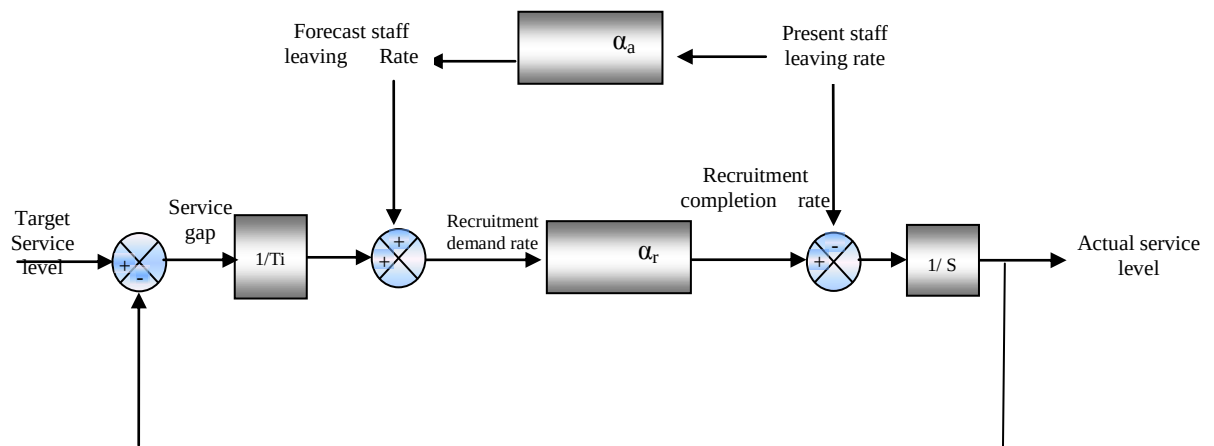


3.3 Service Model (SM)

We develop a service model inspired from Skill Pool Model as described by Hafeez et al. (2003), and tested it using staff pool data from a large overseas petrochemical company. The company operates in a relatively stable “push market” with low to moderate staff turnover. Due to lack of opportunities the majority of the workforce, more or less, assume a “job for life”. However, there is a tendency of employing a pool of contract worker requiring manual to specialists’ skills for various projects. A block diagram representation of the case company recruitment and training system is given in Figure 4. In this format the skill pool model is developed to improve our understanding of the dynamics of staff turnover and related service quality issues in a company when it is operating in a steady state. Also it allows us to see the impact of going through some major changes leading to enlarging service gaps. This model is implicitly link with the organization environment to develop new policy for hiring and

training right competencies and skills to undertake meet the expected service. Also it aims to respond to the training and hiring needs as a result of present staff leaving rate (feed forward) as well as actual stall level and staff training completion rate (feedback). One main assumption made in this model is that there is one to one match in between availability of right competencies (staff skills) and delivering the service level target. Therefore the main aim of using system dynamics models is to find the optimum polices to manage company recruitment and training policies effectively in the face of shocks experienced due to changes in its external environment.

Figure 4: A block diagram representation of the Service Model



It is customary to use abbreviations for the various rates, level, and operations met in planning dynamics simulation. Those used in Figure (4) are defined in Table 2.

Equations (1) to (5) outline the main constructs of the Service Model and help to establish feed forward and feedback structures and associated transfer functions.

$$FSLR_{k+1} = FSKR_k + \alpha_a (PSLR_{k+1} - FSLR_k) \quad \text{----(1)}$$

$$\text{Where } \alpha_a = 1 / (1 + T_a * S)$$

$$SG_{k+1} = DSL_{k+1} - ASL_{k+1} \quad \text{---- (2)}$$

$$RDR_{k+1} = SG_{k+1} / T_i + FSLR_{k+1} \quad \text{-----(3)}$$

$$RCR_{k+1} = RCR_k + \alpha_r (RDR_{k+1} - RCR_k) \quad \text{----(4)}$$

$$\text{Where, } \alpha_r = 1 / (1 + TP * S)$$

$$ASL_{k+1} = ASL_k + RCR_{k+1} - PSLR_{k+1} \quad \text{---- (5)}$$

4. The Case Study

The company is one of the medium sized petro-chemical company in the Middle East. Several interviews were conducted with the case company to understand their human resource planning operations and underlying policies used to meet the particular skill shortages. The managers' confirmed that a bulk of their time and management efforts were needed to bridge the gap between target and actual staff (skills) levels to meet their departmental production and service targets. They agreed that there is a need to develop scientific procedures to implement good recruitment programs and training policies. Interviewing the company Chairman and two of the Board of Directors we elicited that the main challenges with regards to the HRP policy as follows:

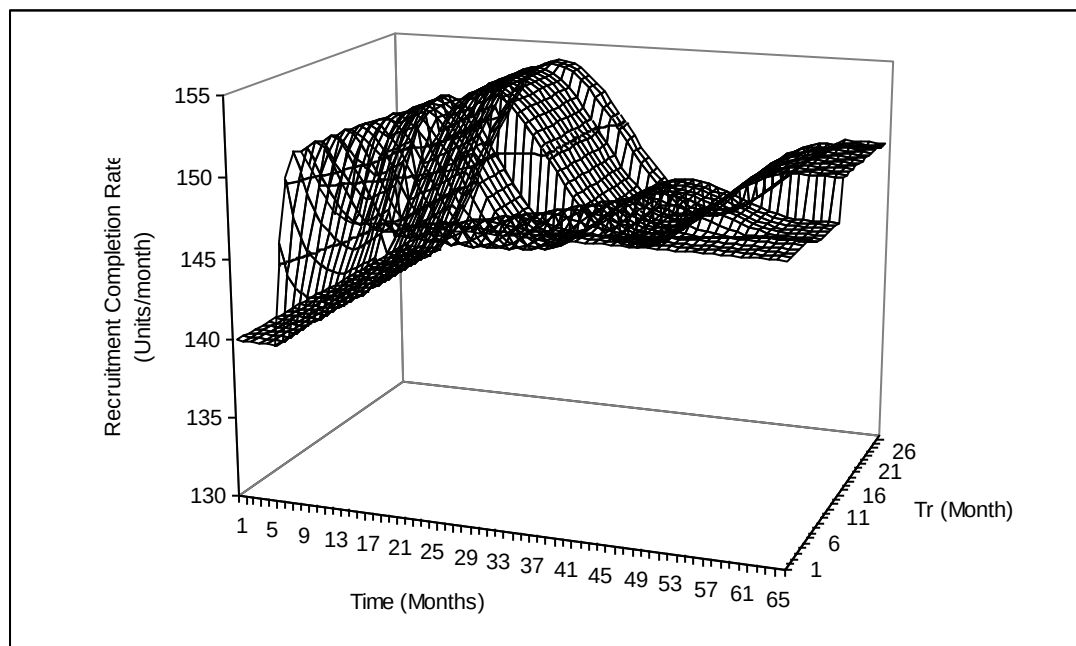
- Provide a coordinated process of recruitment, training, promotion and other actions.
- Forecasting future competencies needs
- building a linkage between human resource planning and the corporations' long-term business objectives
- forecast recruitment and training needs to ensure that sufficient experienced people are rising through the rank to fill vacancies at higher levels
- manage production planning and control to meet service level targets better
- increase internal organization efficiency during staff absence
- Improve overall productivity through organization of work activities
- have a centralized database of organizational competencies

The SM suggested can meet many of the above requirements. The relevant data to staff recruitment, service level (imparted by a given number of total staff pool), recruitment time, training time, and staff target is tested using real data. Experiments were designed to study the system behaviour against the given design parameters T_i , T_a and T_r as explained earlier. As mentioned earlier, the model and simulation analyses presented in this paper relate to an overseas petrochemical company. The main purpose of this analysis was to find optimum policy parameters for the company to maintain its target staff pool to meet its desired service target levels. The experiments were designed to change the parameters T_i , T_a , T_r systematically in a given range to observe and record the dynamic response in order to determine their optimum setting. Once selected, the system would determine staff recruitment automatically governed by T_a and T_i according to a present staff leaving rate and staff gap. Table 3 shows the performance index of the SKPM and describes the related system behaviour.

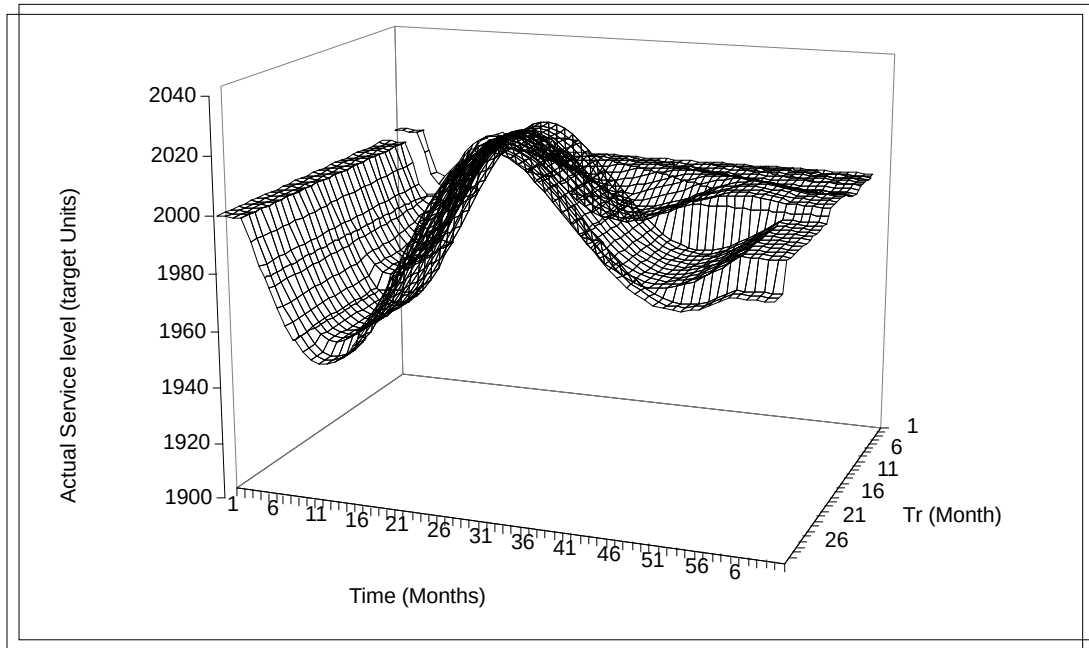
Figure 5 examines the dynamic response of the actual staff level and staff recruitment completion rate for varying recruitment lead times (T_r). As shown in Figure 5(a) the increasing recruitment delay T_r would increase system oscillation. As shown in Figure 5(b), reducing the value of T_r improves the competence pool deficit. Figure 6(a) and 6(b), respectively, show the response of actual competence level, and recruitment completion rate for the range of T_i values. The larger T_i values lead to a larger drop in the competence pool, indicating the company is unable to recover from the competence shortages over a period of time. In a worst-case scenario (Figure 6(b)), the company faces competence shortages for about 42 months for $T_i=18$

months, and therefore, would have problems in meeting the desired service level targets. On the other hand, small T_i values lead to large oscillation over staffing about the required staff (competence) pool system over a longer period. Clearly, in control theory terminology, this is a bad system design. In reality, this shows a very aggressive hiring and firing human resource policy for the case company.

Figure 7 examines the dynamic response of the staff (competence) level and staff (competence) recruitment completion for varying values of T_a . T_a is gradually varied between 1 month to 18 months, for fixed values of T_r and T_i . As shown in Figure 7(a), increasing T_a slows down the recruitment process slightly. However, as shown in Figure 7(b) it would mean the company would move from a short period of over staffing to a relatively prolonged period of staff shortages. Tables 3 and 4 give the overall summary of the effects of varying T_i , T_a and T_r on the human resource policies.

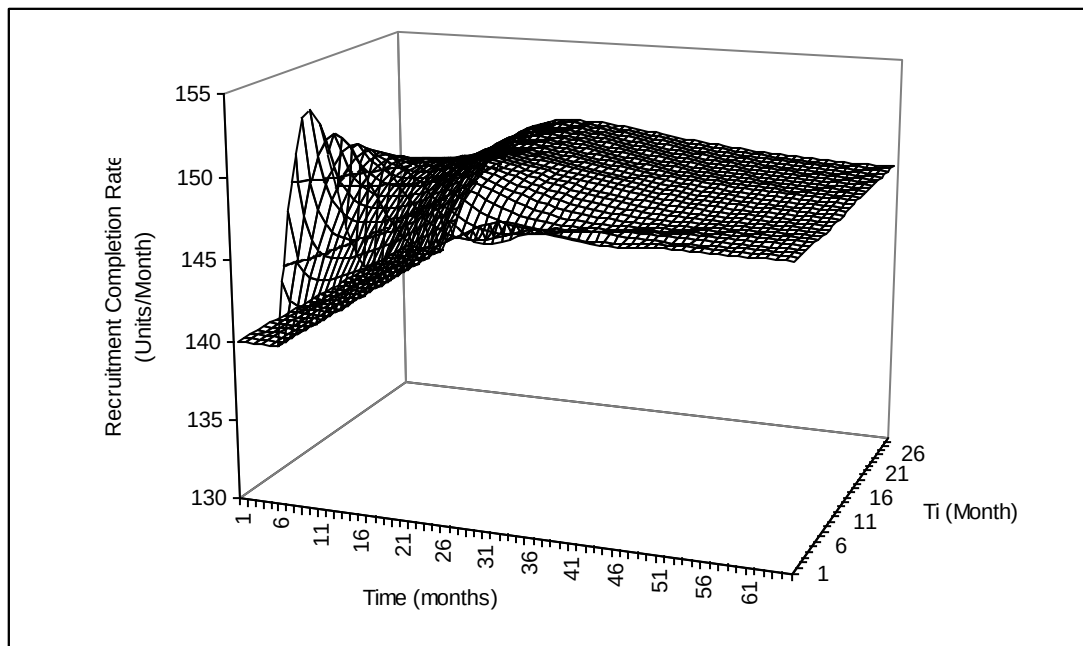


(a) Staff recruitment completion rate behaviour

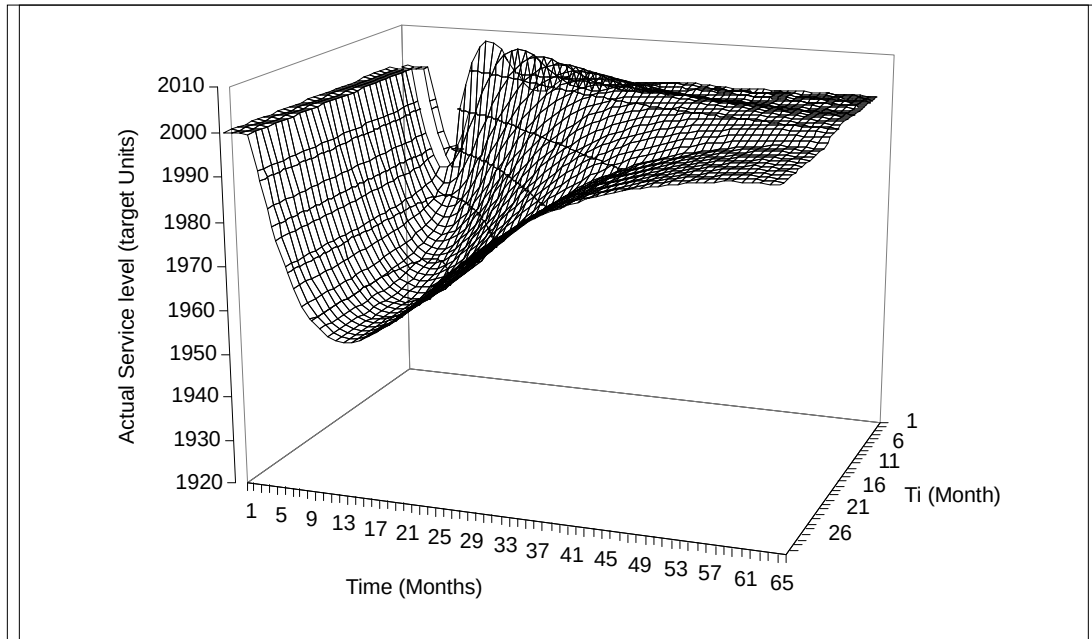


(b) Service target level behaviour

Figure 5: Dynamic response of SM for ($T_i=T_a=4$ months) for varying values of T_r

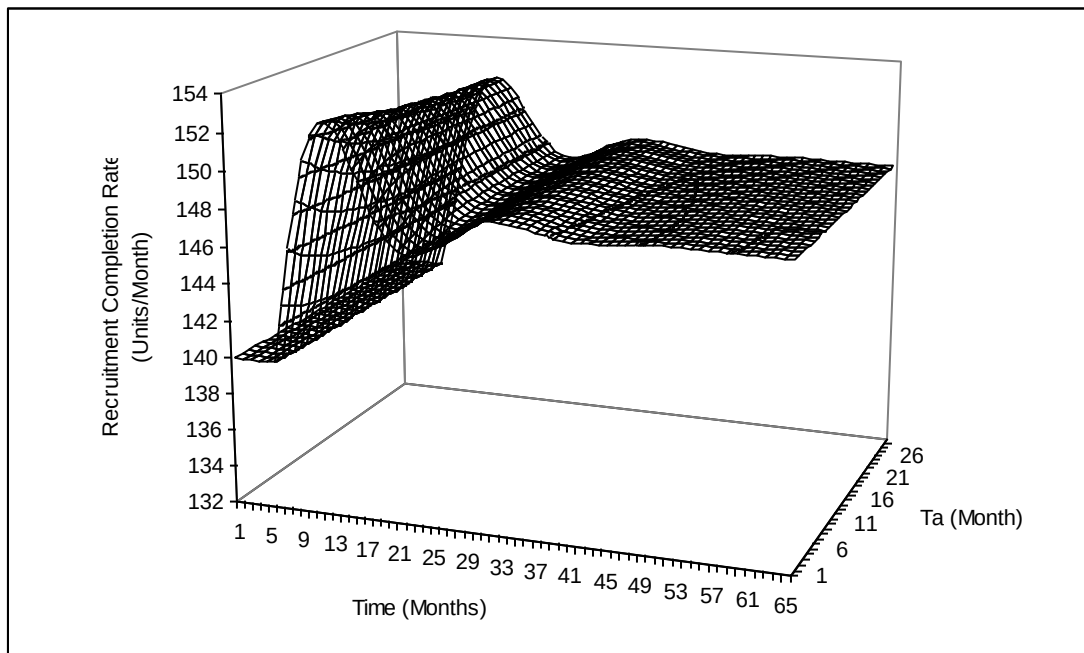


(a) Staff recruitment completion rate behaviour

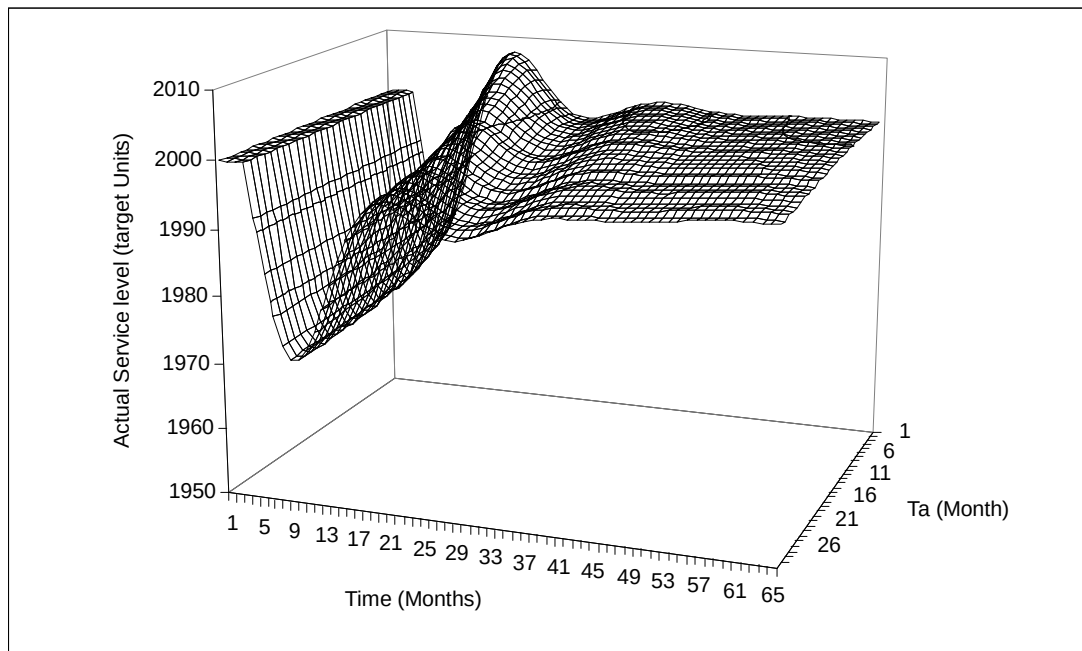


(b) Service target level behaviour

Figure 6: Response of SKPM for $(T_i = T_a = 4 \text{ months})$ and varying values of T_i



(a) Staff recruitment completion rate behaviour



(b) Service target level behaviour

Figure 7: Response of SKPM for ($T_i=Tr=4$ months) and varying values of T_a

In the appendix the choice of parameter values, which result in optimum system behaviour, are presented along with the criteria for optimum behaviour.

Conclusion

Human resource planning needs to respond to a greater demand for ‘talent’ due to increased competition in the global market. The current developments in the resource based and core competence theories (Hafeez, 2003) have made practitioners increasingly aware of the importance of maintaining soft “core” skills within the company opposed to traditional asset based strategies. Therefore, management needs to understand the dynamics of human resource policy within the company. System dynamics modelling can provide management with a tool to explore the impact of different human resource policies and to determine the key influencing parameters.

The model considered here is a skill pool model (SKPM) to study the dynamics of the staff pool by tuning the design parameters associated with recruitment time, recruitment averaging time and a proportional control parameter to reduce the staff pool shortages. Based on the defined performance indices, the decision maker can choose to minimise the current and future staff shortages by selecting an appropriate recruitment policy.

This study confirms that the dynamic analysis based on the simulation model greatly improves the understanding of human resource system behaviour. By tuning human resource policy parameters T_i , T_a and T_r the decision maker should be able to optimize the target recruitment pattern while looking at current staff shortages. Also it is possible to reduce the current and future service gap by devising an appropriate recruitment and training programme. Furthermore, such models can guide

management to develop improved human resource policies for "hiring" and "firing" which, if excessive, is proven to be costly and have negative impact on staff morale. Finally the use of the Service Model (SM) has been tested and discussed with relevant people in our case company. The simulation model was verified and validated with the concern company, who confirms the usefulness of this model and the outcome to better plan medium to long term recruitment efforts.

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6. Appendix: Transfer function

7. In classical control theory, the transfer function of a system represents the relationship describing the dynamics of the system under consideration (Towill, 1970). It algebraically relates a system input and system output. Figure 4 shows the block diagram representation of the key variables of the model and their interactions.

Equation 1 calculates service gap as the discrepancy between target service and actual service. As mentioned earlier we assume one to one relationships in between availability of a staff (skills) to meet the service target level. Equation 2 calculates the forecast staff leaving rate in terms of the smoothing function αa of the present staff leaving rate and Equation 3 shows the schedule recruitment rate which aims to meet the forecast staff leaving rate. In order to meet this target we need to undertake some adjustment in staff gap as given by the function $(1/T_i)$.

Equation 4 calculates the recruitment completion rate (or competence development rate if in house) and it is given in terms of the delaying function αr . The actual service level relates to competence level of the staff is calculated in equation 5 in terms of its previous level and the difference between the recruitment completion rate and present staff leaving rate.

Equations 1 to 5 may be used to develop the associated transfer functions that relate actual service level (relates to staff level) and recruitment completion rate to the present staff leaving rate. These two transfer functions are shown in equations A and B respectively.

$$(A) \quad \frac{\text{Actual.Service.level}}{\text{Present.staff.leaving.rate}} = \frac{-Ti[(Tr + Ta).S + TrTa.S^2]}{(1 + Ta.S)(1 + Ti.S + TiTr.S^2)}$$

$$\frac{\text{Recruitment.completion.rate}}{\text{Present.staff.leaving.rate}} = \frac{1 + (Ti + Ta).S}{(1 + Ta.S)(1 + Ti.S + TiTr.S^2)} \quad (B)$$

Transfer functions are useful in understanding how the parameters Ti , Ta , and Tr , affect the time response behaviour of the actual staff level and the recruitment completion rate in terms of the present staff leaving rate. It is clear that changes to any of the control parameters will affect the behaviour of the two system outputs. Thus, in optimising the system behaviour by changing the parameters (see, for example, Table 3) we will have to consider the affects on both the actual service (staff/competence) level and the recruitment completion rate together.

Equation A and B are useful in understanding how the parameters Ti , Ta , Tr , to be set by the decision maker to study the time response behaviour and determine human resource management policy guidelines.

Rates and levels appear as abbreviations at the start and finish of the arrow link lines. The signs associated with the arrow tips are extremely important in establishing the correct behaviour of the system, especially with regard to stability.

Table 2: Glossary of terms used in the block diagram

Terms	Abbreviations	Description
Present staff leaving rate	PSLR	The units of staff leaving rate are staff unit/month and it is refers to present staff leaving rate
Forecast staff leaving rate	FSLR	It is the time average of staff leaving rate and it is refers predicts staff leaving rate. The units of staff leaving rate are staff units/month
Desired Service level	DSL	It is the target service level company wish to define on annual basis. The unit of target service level is service unit (or linked to competence units for delivering that particular service).
Service Gap	SG	It is the difference between desired staff level and actual staff level. The unit of staff gap is staff unit.

Recruitment rate (Competence development)	SRR	It is the demand recruitment rate and it refers to staff gap. The units of recruitment rate are staff units/month.
Recruitment (competence development) completion rate	SRCR	Staff recruitment completion rate it refers to the acquired staff and its units are staff /month
Actual Service Level	ASL	It is the target service which company needs to maintain. This is directly linked with the of actual staff (competence) level and is in staff or competence unit.
T_i		Time to reduce staff gap to zero
T_a		Time over which staff leaving rate is averaged
T_r		Recruitment process delay
$1/T_i$	$1/T_i$	It is the proportional constant to deal with the discrepancy between target staff and actual staff level
$1/S$	$1/S$	This represents the actual staff level accumulated over time through the recruitment and training development and is affected by the present staff leaving rate
$1 / (1+ T_a *S)$	α_a	Multiplier used in simulation to take account of T_a to average the staff leaving rate over the demand average time
$1 / (1+ T_r *S)$	α_r	Multiplier used in simulation to take account of T_r , and it is the recruitment process to acquire staff during recruitment session

Table 3 Performance index and associated dynamic behaviour for the Service Model

Performance index		Service Model (SKPM) Dynamic behaviour		
		Ti (Time to reduce Service gap to zero)	Ta (Time over which staff leaving rate is averaged)	Tr (Recruitment/competence development process delay)
Recruitment completion rate measurements	Rise Time (Months)	Increasing Ti increases slightly the rise time	Increasing Ta increases the rise time	Increasing Tr increases the rise time
	Peak overshoot (Percentage from the nominal value)	Increasing Ti slightly increase the peak overshoot	Increasing Ta decrease the peak overshoot	Increasing Tr increases the peak overshoot
	Duration of overshoot (Months)	Increasing Ti slightly increases the duration of overshoot	Increasing Ta increases the duration of overshoot	Increasing Tr increases the duration of overshoot
Service level measurements	Initial Service level droop (Percentage from the desired value)	Increasing Ti increases the initial Service droop	Increasing Ta increases the initial service droop	Increasing Tr increases the initial service droop
	Duration of staff inventory deficit (Months)	Increasing Ti increases the settling time	Increasing Ta increases the settling time	Increasing Tr increases the settling time
	Peak competence (service) overshoot (Percentage from the nominal value)	Increasing Ti decreases the peak staff (competence) inventory overshoot	Increasing Ta decreases the peak staff (competence) inventory overshoot	Increasing Tr increases the peak staff inventory (competence) overshoot

Table 4 Performance index and associated dynamic behaviour for the Service Model of case company, where the shaded region shown the optimum response

Performance index for the Design Parameters		Service Model Design parameters								
		Ti=1, Ta=2, Tr=1	Ti=2, Ta=4, Tr=2	Ti=1, Ta=4, Tr=4	Ti=2, Ta=2, Tr=2	Ti=2, Ta=4, Tr=4	Ti=2, Ta=4, Tr=8	Ti=3, Ta=2, Tr=2	Ti=3, Ta=4, Tr=4	Ti=3, Ta=4, Tr=8
Competence development/Recruitment completion rate measurements	Rise Time (Months)	2	2	2	4	3	5	2	4	6
	Peak overshoot (Percentage from the nominal value)	4.7%	2.7%	4.05%	3..37%	3.57%	3.57%	2.7%	2.7%	3.37%
	Duration of overshoot (Months)	7	8	7	8	11	13	11	14	17
Service level measurements	Initial Service (competence) level droop (Percentage from the desired value)	1%	1%	1%	0.9%	1.65%	1.7%	1.05	1.4	1.8%
	Duration of Service level deficit (Month)	8	9	7	9	10	14	10	13	17
	Peak competence (service) inventory overshoot (Percentage from the nominal value)	0.15%	0.1%	0.35%	0.15%	0.35%	0.7%	0.1%	0.3%	0.65%

顾客与服务企业共同创造服务体验的内部机制探索

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[摘要] 服务的本质是提供顾客体验。服务体验是由顾客与服务企业“共同创造”的。服务体验的“共同创造”有一个复杂的内部机制。首先, 服务体验的“共同创造”是在企业及其网络与顾客及其网络的互动中实现的; 其次, 服务体验的“共同创造”遵循着体验创造的逻辑和构成要素: 服务企业与顾客一起创建体验的舞台, 服务企业与顾客一起设计精炼的体验主题, 服务企业与顾客一起安排表演的角色, 服务企业与顾客一起定制符合顾客个性化的体验, 服务人员与顾客一起在剧场中表演; 再次, 顾客通过对话、评估、选择、获取行为和意识在具有透明性的前提下与服务企业进行着积极的互动。

[关键词] 共同创造 互动 服务体验 机制

Abstract: The essence of the service is to provide customer experience. Service experience is Co-created by the customer and service enterprise. There is a complex internal mechanism for the service experience co-creation. Firstly, service experience Co-creation can achieve in the interaction between enterprise network and customer network. Secondly, service experience Co-creation follows the logic and elements of experience creation: Service enterprise and customer will work together to build the experience stage, design together refined experience theme, arranged together the performing role, customize tailor-made experience, and perform together in the theatre. Thirdly, customers interact positively with service companies through dialogue, assessment, selection, acquisition behavior and consciousness in the premise of transparency.

Key words: Co-creation, interaction, service experience, mechanism

【摘要】服务的本质是提供顾客体验。服务体验是由顾客与服务企业“共同创造”的。服务体验的“共同创造”有一个复杂的内部机制。首先，服务体验的“共同创造”是在企业及其网络与顾客及其网络的互动中实现的；其次，服务体验的“共同创造”遵循着体验创造的逻辑和构成要素：服务企业与顾客一起创建体验的舞台，服务企业与顾客一起设计精炼的体验主题，服务企业与顾客一起安排表演的角色，服务企业与顾客一起定制符合顾客个性化的体验，服务人员与顾客一起在剧场中表演；再次，顾客通过对话、评估、选择、获取行为和意识在具有透明性的前提下与服务企业进行着积极的互动。

【关键词】 共同创造 互动 服务体验 机制

引言

随着商业环境的动态变化，特别是网络的发展，顾客越来越多的与产品和服务的供应商进行积极和明确的对话，而且已经从当观众走上了表演的舞台(Prahalad 和 Ramaswamy, 2000, 2002, 2003)。顾客的角色发生了巨大的变换，这种变换带来一系列影响：企业不能再独立自主地采取行动、设计产品、开发生产流程、精心制作市场营销信息和控制没有顾客干预的销售渠道。顾客的参与热情和参与程度越来越高了，顾客目前正在努力争取在企业经营体系中的每一部分发挥其影响力，顾客希望与企业互动、与企业一道共同创造价值(Ajit Kambil, 1999; van Doorn *et al.*, 2010)。顾客心目中的价值存在于特定顾客在特定时刻、在特定地点、在特定的事件背景下共同创造的体验，而不是以企业提供的产品和服务为载体并体现其中的(Prahalad 和 Ramaswamy, 2003)。但是，人们目前对于连接顾客和组织进行共同创造的内部机理缺乏了解(Ruth N. Bolton, 2010)，更不用说对共同创造服务体验内部机制的深入研究。本文，试图在众多学者对共同创造及服务体验研究基础上，探索共同创造服务体验的内部机制。

一、服务体验

体验与服务之间存在着密切的联系。体验本是当一个人达到情绪、体力、智力乃至精神的某一水平时，他意识中所产生的美好感觉(Pine II 和 Gilmore, 1999)。在营销学文献中，体验经常被用来指特定的一些服务活动，如旅游、音乐会、剧院、餐厅、旅馆和艺术馆等，

这些服务的核心是与享乐消费相关的经历 (Hirschman 和 Holbrook, 1982)。服务产品具有无形性、生产和消费的不可分离性、异质性和不可贮存性四个重要特征。其中, 无形性决定了服务产品只能是一种表演, 而不是客观存在的实体, 消费者只能去体验 (Grove 和 Fisk, 1992); 生产和消费的不可分离性, 以及服务的不可贮存性决定了体验服务时需要顾客的亲自参与; 异质性决定了顾客的体验内容和体验感知是不确定的和动态的 (李建州、范秀成, 2006)。这就决定了在大多数情况下, 服务活动的发生依赖于顾客和服务人员的交互作用, 只有顾客亲临服务提供现场, 服务人员才能完成服务过程。因此, 许多学者指出, 服务的本质就是提供顾客体验, 顾客的服务消费过程本身就是一种体验过程 (Bitner, 1992; Grove 和 Fisk, 1992; Padgett 和 Allen, 1997; Tseng, Ma 和 Su, 1999; Barlow 和 Maul, 2000)。服务提供商在为顾客创造体验方面有明显的优势: 因为服务提供商能够致力于改善顾客们在购物或接受服务时所处的环境, 使顾客迷恋于服务提供商所精心营造的温馨氛围, 或者引导顾客参与其中, 以便将服务转化为难忘的体验, 而不是专注于有形的商品 (Pine II 和 Gilmore, 2002)。

服务体验是顾客感知到的最为普遍的体验类型。顾客在服务消费过程中产生服务体验。著名的服务营销学者 Grönroos (1982) 首次用到了顾客的服务体验这一概念, 并提出顾客的服务体验就是顾客对服务接触的感知。可以认为一种服务首先是一种体验 (从顾客的观点看), 它包括顾客与某服务品牌中的人员、物理环境、过程等等方面的互动 (Lawrence A. Crosby, 2010)。顾客与服务提供者所创造的特定情境中不同方面互动所产生的任何感觉或知识的获取都是服务体验 (Gupta and Vajic, 1999)。服务体验是服务的功能和情感结果的总和。服务体验一个方面强调服务的工具或实用功能, 另一方面强调服务的美学或享乐功能 (Mano 和 Oliver, 1993)。服务体验是一种服务过程, 它创造了顾客的认知、情感和行为反应, 并导致顾客形成印象或者留下记忆 (Edvardsson et al., 2005)。服务体验描述和理解了集中体验环境下, 顾客根据消费过程中和消费之后的特定脚本, 来综合他们感知和接触到的各个方面。服务体验是一种整体性感知。李建州、范秀成 (2006) 认为, 服务体验是顾客对服务遭遇所做出的感觉和评价。Ruth N. Bolton (2010) 指出, 服务研究者和经理们使用“服务体验”的概念包括了从顾客观点考虑的生产、提供和价值创造的所有方面。顾客感知到的是一种整体性的服务体验, 是在一种复杂的环境中通过多种渠道与组织进行的互动, 包括与物理元素 (如, 空间布局、标志、制服、目录册、技术), 过程 (如, 相关的结构化的活动或工作), 以及人员 (如, 员工和顾客, 他们之间可能面对面接触, 或通过技术接触) 的互动。服务体验对于

任何一个顾客和相应的服务消费过程而言，都是独特的（Sara Sandström, 2008）。

二、共同创造

共同创造（co-creation），是顾客参与行为的一种重要表现（van Doorn et al., 2010）。在营销学中，共同创造被界定为至少是双方，通过共同发明、设计以及其它的任意的行为合作创造价值（Ruth N. Bolton, 2010）。共同创造通过直接引入顾客参与价值的生产和分配，从而增加了一种动态的制造商——顾客关系。顾客可以参与到价值链中的任何一个环节（Ajit Kambil, 1999）。服务的共同创造是一种在顾客和服务专业人士之间联合生产服务，顾客的介入意向和高水平的参与将引导共同创造的服务产出（Meuter and Bitner, 1998）。服务的共同创造，它不是顾客生产或者自助服务，这种服务是完全由顾客生产的，没有企业员工的参与；它也不是顾客低度参与的任何形式的联合生产。它是“买方—卖方社会互动和相互适应，为了保持更深的价值”，且包括“参与创造核心供应物本身…，它发生在共同发明、合作设计和共同生产等各环节”。

共同创造不同于共同制造（co-production）。在服务营销文献中，顾客共同制造被典型的定义为顾客参与到组织定义的参数中（Bowen, 1986; Lovelock and Young, 1979）。顾客共同制造意味着工作由组织转移给了顾客。某种意义上，顾客成为了“部分员工”，能够影响服务质量。共同创造不同于共同制造，共同创造要求顾客参与共同创造核心产品或服务本身（Lusch and Vargo, 2006）。它的发生可以通过共同发明、合作设计、共同制造相关产品，而且可以发生在企业与顾客或者与其他在价值网络中的任何伙伴之间。共同创造的发生基于顾客通过自发、自主的行为参与从而独特地定制服务体验，而不是从预先规定的选项中进行选择。共同制造基于传统的产品主导的逻辑，而共同创造符合服务主导的逻辑。

共同创造的核心是顾客与企业之间的互动（Prahalad 和 Ramaswamy, 2003）。通过企业与顾客社区所构成的网络和顾客之间进行有目的的互动而形成个性化的体验。价值存在于这种共同创造的独特体验。顾客可以同时与多个主题社区保持互动，企业也可以与网络中的多个社区进行互动，即使是对于同一顾客而言，在不同时点上的共同创造体验也可能是不同的。基于空间和时间的背景、个体期望程度和参与水平等因素，都会对共同创造体验产生重要影响。

三、共同创造服务体验的基本构成

（一）共同创造服务体验的前提是顾客参与

“共同创造”不是一个简单的工作，也不是企业单方面可以实现的工作。企业应该作为主导，想尽办法引导顾客的积极参与（Prahalad & Ramaswamy, 2000）。顾客需要实际参加到服务体验的规格设计和服务体验的传递过程中（Zeithaml, 1981; Lusch and Vargo, 2006），在这个过程中通过时间和精力、提供信息、合作生产等具体形式向企业提供着各种资源（Hsieh & Yen, 2005），同时包含心理、实体，甚至是情感方面的付出（Rodie & Klein, 2000）。企业引导顾客的参与可通过以下几个方面实现：首先，鼓励顾客积极参与跟企业的对话（Encouraging Active Dialogue），企业需要与那些掌握着信息而且知道自己的需求的顾客进行积极的对话；其次，动员顾客建立各种社区（Mobilizing Customer Communities），顾客社区能够对市场产生重要的影响，他们可以联合起来发表评论或者参与行动；第三，管理顾客的多样性（Managing Customer Diversity），顾客根据自己的知识和能力，会对技术产品或服务形成不同的体验，并基于自身体验对这些产品或服务做出判断；第四，共同创造个性化的体验（Cocreating Personalized Experiences），顾客已不愿仅仅接受由企业一方营造出的顾客体验，而越来越多的是，他们希望自己形成那些体验，可以是独立的，也可以是与企业的专业人士一起，或者与企业的其他顾客一起。

（二）共同创造服务体验的基础是双方互动

互动是共同创造的基础（Prahalad and Ramaswamy, 2003, 2004）。服务的接触是双向的，是人际的互动（Booms and Nyquist, 1981; Michael R. Solomon, 1985）。在传统市场中，企业与消费者之间是在市场交易环节才会存在互动，消费者是被动的，仅仅是企业销售产品的对象，因此企业纷纷把顾客关系管理定义为确定目标顾客。在新的市场中，企业的角色和顾客的角色正逐渐融为一体。企业和顾客既是合作者，又是竞争者，双方的互动更为频繁而且形式多样：顾客或者通过主题社区积极参与，或者是以见多识广的个体身份积极参与。作为企业，既可能与个体顾客互动，也可能与群体顾客互动，还可能与顾客社区进行互动，甚至与顾客社区所构成的网络进行互动。作为顾客，不只局限于同一家企业互动，而是希望与整个专家社区、服务提供商和其他顾客进行互动。个体与企业、个体与个体、个体与群体以及个体与网络之间的互动结果是，市场变成了一个论坛，一个围绕个体及其共同创造体验而形成的论坛。在这种论坛中，顾客、企业、顾客社区、企业网络之间可以进行对话。市场成为一个共同创造体验的潜在空间，个人的约束和选择决定了自己愿意为体验支付的价值。

（三）共同创造服务体验需要具备四大要素

顾客和企业共同创造价值的过程中进行着多维互动。这多维互动突出表现为四个基本要素：对话（dialogue）、获取（access）、风险-利益评估（risk-benefits assessment）和透明性（transparency）（Prahalad and Ramaswamy, 2000, 2003, 2004）。对话，意味着交互性、高度投入和采取行动的倾向。对话包括围绕体验展开的对顾客的体验设身处地的理解、认识顾客体验的情感、社会和文化背景，也意味着平等解决问题双方之间的沟通与知识共享。获取，是指顾客的目标越来越表现为获取他们想要的体验——而未必一定是产品的所有权。风险-利益评估，是指顾客对造成损坏的可能性与收益的评估。顾客在与企业一起共同创造价值时，他们会要求获取更多的有关产品和服务的潜在信息，同时他们会因为面对这些风险而承担更多责任。透明性，主要是指企业不再能够保持价格、成本和毛利的不透明性，信息的透明性是在机构与个体之间形成信任所必须的基础。

（四）共同创造服务体验需要顾客做出系列选择

Prahalad and Ramaswamy（2003）认为，对话、获取、风险和收益评估以及透明性，构成了共同创造价值的基础。但是这些因素本身未必能够在共同创造中产生富有吸引力的体验。顾客与企业互动中做出的各种选择，构成了共同创造体验的条件和环境（Kahn, 2005; Hern & Rindfleisch, 2010）。其中的主要选择包括：（1）顾客在通过多个渠道与企业进行互动中需要选择自由。企业必须关注多个渠道中的共同创造体验。（2）顾客希望能够以反映其价值观的方式界定选择。顾客希望的选择，是那些可以使其有效地共同塑造自己体验的选择，而且是以顾客希望的方式来塑造这种体验。（3）顾客希望以偏好的语言好方式进行互动和完成交易，对于顾客而言，交易的简易性和开放性有助于培育信任，从而导致满意的体验。（4）顾客希望把选择与自己愿意支付的体验联系在一起。他们希望自己获得的体验的价格是公平的。

顾客的选择包括了顾客选择自己的投入程度，包括在共同创造活动中对概念和创意的选择，对设计和生产方式的选择等等。在企业与顾客一起创造服务体验的过程中，顾客会将自己的喜好、态度、意愿和期望在创造的不同环节表现出来，使最终的体验是自己最想要的。因此，可以说共同创造服务体验过程中的每一环节都是由顾客选择决定的。

（五）共同创造服务体验的关键在于体验的创造

服务体验“共同创造”的关键在于如何为顾客提供一种丰富的、具有吸引力的体验。Pine II 和 Gilmore（1999, 2002）曾较为系统的论述了如何为顾客提供难忘的体验：（1）设定提供体验的舞台。体验的舞台是为顾客参与并创造和享受体验搭建的一种平台，它既可以是实体

舞台，也可以是虚拟的舞台，它的目的是使消费者参与其中。(2) 体验主题化。体验提供者要为顾客设计精炼的体验主题，从而迈出通往体验之路的第一步，这是非常关键的一步。体验主题化，意味着讲故事时，没有人物的参与，就不完美。这是具有挑战性的工作，需要从各种有意义的体验主题入手。(3) 明确各自的角色。扮演恰当的角色在服务活动中是尤为重要的，恰当的角色塑造将服务活动转化成为值得记忆的表演。进入角色使得每个参与者有一种目的明确的感觉，即把自己融入向顾客提供体验的整体主题中。所有参与服务体验创造的人员必须进入角色，要有明确的表演意图，要按照标准来表演，要真正投入到表演之中。(4) 为顾客提供定制化服务。为顾客提供量身定制的服务将会为顾客提供一种积极的体验。针对每一顾客——在需要的时间为顾客提供需要的服务；针对顾客的特点——设计符合顾客需求的服务；只为某一顾客——不试图去提供过多或者过少的服务，提供的正好是顾客所需要的。顾客本身只是想获得他们所需要的。因此，企业必须将顾客的需求信息及时反映到生产中去，以实现那种有效率的、为适应需求而进行的生产，为每一个顾客在其需要的时候提供需要的商品和服务。(5) 员工与顾客一起在工作剧场中表演。在体验经济中，所有活动的进行者都必须采用新的方式来看待自己的职位：工作就是剧场，自己正在表演。真正的演出，是采用从容而谨慎的方式与观众相互联系的。

四、共同创造服务体验的内部机制

共同创造服务体验的内部机制由如下三部分构成：(1) 企业及其网络与顾客及其网络的互动是基础；(2) 顾客通过对话、评估、选择、获取行为和意识在具有透明性的前提下与企业积极互动是基本要素；(3) 遵循体验创造的逻辑和构成要素，服务企业与顾客一起创建体验舞台，确定体验主题，安排体验角色，定制个性化体验并实现共同表演是服务体验“共同创造”的核心变量。如图 1 所示：

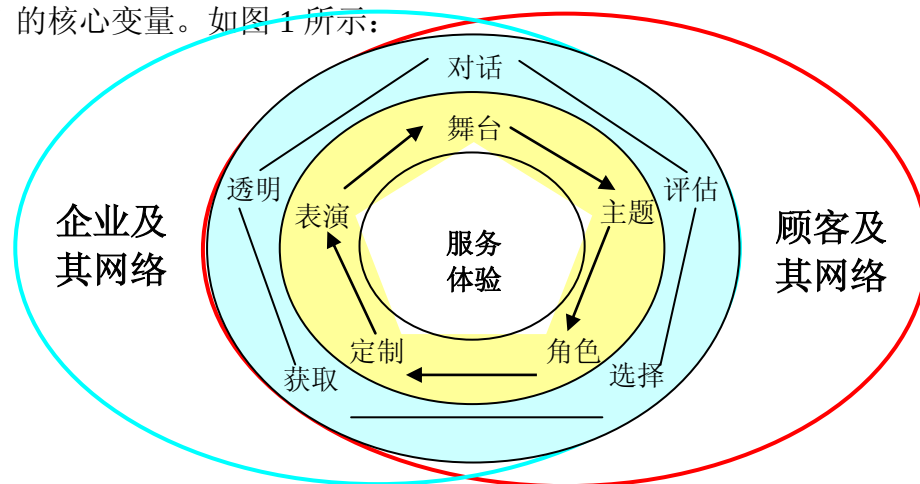


图 1 共同创造服务体验的内部机制模型

（一）企业及其网络与顾客及其网络的互动中共同创造服务体验

互动是共同创造的基础（Prahalad and Ramaswamy, 2003、2004），这一点已经得到学者们的普遍共识。顾客参与不仅为企业提供了产品、服务重新设计的观点和测试，而且更有利于企业接近顾客并营造良性互动和愉悦体验（Firat, Dholakia and Venkatesh, 1995；汪涛等，2009）。

在共同创造的服务体验环境中，顾客可以以个体的身份积极参与企业服务体验创造的互动，也可以通过群体的方式或者主题社区的方式参与。随着通信技术和网络技术的发展，原本相互熟悉的朋友之间可以联系更加紧密，原本互不认识的陌生人也可以结合成各种群体和社区。顾客与企业的互动，经常是有一个群体在背后支撑着自己。作为企业，既可能与个体消费者互动，也可能与群体消费者互动，还可能与消费者社区进行互动，甚至与消费者社区所构成的网络进行互动。作为消费者，不只局限于同一家企业互动，而是希望与整个专家社区（企业网络）、服务提供商和其他顾客进行互动。这种双方的网络共同构成了互动的论坛。因此，共同创造服务体验是在企业及其网络与顾客及其网络的互动中实现的。

（二）双方在透明性前提下对话、评估、选择和获取

顾客参与到企业的服务体验创造活动中来，服务企业不再能够保持价格、成本和毛利的不透明性。顾客可以获得越来越多的有关产品、技术和经营系统的消息，创造更高水平的透明性正日益成为一种最佳的理想境界。透明性促进了企业与顾客的合作对话，也保证了这种双方的对话和互动能够持续进行。

顾客与企业之间的积极对话，不仅仅是为了让服务企业员工来倾听顾客的心声，它包括围绕服务体验展开的对顾客需求设身处地的理解、认识顾客所希望得到的体验的情感、社会和文化背景。顾客与企业一起成为服务体验的共同创造者，他们会要求获取更多的有关产品与服务的潜在信息，他们不会放弃选择的权利，而且他们会坚持让企业提供全部的风险信息，不仅仅是相关数据，而且还包括相关评价方法，以便他们对与产品和服务相关的社会与个人风险进行评价。同时，顾客也会因为面对这些风险而承担更多责任。顾客可以选择通过多个不同的渠道与企业进行互动。顾客希望服务企业能够考虑顾客的应用背景、需求、偏好、成熟程度和愿望。顾客希望有效地共同塑造自己体验的选择，而且是以顾客希望的方式来塑造

这种体验。顾客希望以偏好的语言好方式进行互动和完成交易。顾客希望选择与自己愿意支付的体验联系在一起。顾客的目标越来越表现为获取他们想要的体验——而未必一定是产品或服务的所有权。获取开始于信息和工具，也可能包括随机选择资源，也可能是获取某种生活方式。

（三）共同创造服务体验遵循着体验创造的逻辑和构成要素

共同创造服务体验的将遵循体验创造的逻辑并具备体验创造的各种核心要素：

服务企业将与服务顾客一起创建体验的舞台。体验的舞台是为顾客参与并创造和享受体验搭建的一种平台，舞台体验的目的是使消费者参与其中。

服务企业与服务顾客将一起设计精炼的体验主题。体验的精心构思者可以借鉴时间、空间、技术、真实性、质地和规格等方面，来策划出大量给人留下难忘印象的主题。

服务企业与服务顾客将一起安排表演的角色。在共同创造的服务体验中，不再是由企业单方面安排所有角色了，服务企业会吸收顾客的意见，甚至会把顾客本人也安排担任某一角色。因为，恰当的角色塑造能够将服务活动转化成为值得记忆的表演。进入角色使得每个参与的人都有一种目的明确的感觉，即把自己融入共同创造服务体验的整体主题中。

服务企业与服务顾客一起定制符合顾客个性化的体验。为顾客提供量身定制的服务将会是对顾客提供的一种积极的体验。服务企业和服务顾客一起帮助顾客决定自己的确切需求，将顾客的需求信息及时反映到生产中去，以实现那种有效率的、为适应需求而生产的服务体验。因为每个顾客都是独特的，而且每个人都想要正好符合自己要求的服务体验，因此需要定制。

服务人员与服务顾客一起在剧场中表演。在各种类型的服务行业中，服务人员在为顾客提供服务时，他们的行动就是在表演。表演本身是所有事件的组成，是在表演者之间和表演者与观众之间所发生的事情。真正的演出，是采用从容而谨慎的方式与观众相互联系的，并为期待中的消费者安排新的、令人兴奋的体验。当顾客和服务人员能够按照某种剧场形式的要求和标准真正投入到表演之中时，才能给顾客创造难忘的体验。

（四）“共同创造”的基本要素与“体验”创造的构成要素实现有机融合

服务的共同创造是一种在顾客和服务专业人士之间联合生产服务，而顾客的介入意向和高水平的参与将引导共同创造的服务产出。

服务企业与服务顾客将一起创建体验的舞台，这种体验的舞台为顾客参与和顾客与企业

之间的对话互动提供了平台。舞台的搭建是围绕服务体验展开的，表演的舞台为双方的对话提供了平台。

服务企业与服务顾客将一起设计精炼的体验主题。顾客有主动获取的意识和行为。顾客的目标越来越表现为获取他们想要的体验。好的主题是集合空间、时间和事物于相互协调的现实整体，而且简洁动人。顾客最终想获取了就是经历、体验，甚至取某种生活方式。设计主题的过程，体现了顾客真正获取的目标。

服务企业与服务顾客将一起安排表演的角色。在共同创造的服务体验中，顾客在与企业的互动中做出各种选择，从而在共同创造活动中占据主动性和掌握主导权。服务企业可以根据顾客的选择把顾客本人安排担任某一角色。在企业与顾客一起创造服务体验的过程中，顾客会将自己的喜好、态度、意愿和期望通过创造的不同角色表现出来，使最终的体验是自己最想要的。

服务企业与服务顾客一起定制符合顾客个性化的体验。定制化的过程，本身体现了顾客对服务体验的创造过程中造成损坏的可能性与收益的评估。服务企业不仅为顾客提供接近企业员工和了解企业信息的机会，而且应该清晰的解释整个过程中每项顾客选择的风险，并帮助顾客做出合理权衡。

服务人员与服务顾客一起在剧场中表演。在这种共同表演的过程中，顾客十分重视企业的透明性。除了传统的价格、成本和毛利等方面的基本信息，更重要的是，顾客希望获得越来越多的有关服务产品、技术和经营系统的信息，创造更高水平的透明性。

综合而言，“共同创造”的基本要素与“体验”创造的构成要素实现有机的融合，从而创造了顾客个性化的服务体验。

五、研究局限及未来展望

虽然，上述研究对顾客与服务企业共同创造服务体验的内部机制有了一定的探索，但是存在着如下局限：

首先，研究对象的选取存在局限性。“共同创造”思想的提出，针对了多种对象的共同创造，包括有价值的产品、服务和体验等。而本文只是针对服务体验进行了简要的讨论。

其次，研究视角的设定存在局限性。顾客与企业的共同创造行为是一种动态的变化过程，这个内部机制也是随着活动进展表现出动态性的。本文研究，仅仅抽象出了在静态视角下的内部机制。

第三,研究方法的应用存在局限性。顾客与企业的共同创造行为是典型的行为问题研究,可以通过访谈、观察法等实证研究方法进行更为深入的探索。但是,本文仅做了理论上的分析探索。

毕竟“共同创造”属于顾客高水平的参与,而且处于研究的起步阶段,今后有大量的研究空间。即使在顾客与企业共同创造服务体验这个方面,也可以展开更为深入的研究:

一方面,针对上述提出的研究局限性进行改进。这种改进有助于我们加深对理论问题的理解,而且可以从更为科学的角度来研究问题。

另一方面,传统市场观念中顾客的参与程度很少,顾客是处于企业之外的,他们被看作是预先决定消费角色的被动购买者,顾客是企业产品交易的目标。顾客是买卖交易活动中与卖方相对应的一方。而现在新的市场观念认为顾客参与到企业价值的创造过程中了。由传统的相对独立,甚至是对立的两面,发展到彼此密切合作的伙伴,这种双方关系的变化及变化过程中关系的处理,是否可以引用博弈论进行深入探讨,是一个值得思考和尝试的问题。

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购房者感知价值对购买意愿影响的实证研究

-----以县域农民工为例

黄 侦 张 燕 军

摘要:金融危机、限购令等对我国大中城市的房地产市场形成了较大冲击;与此同时,许多县域房地产市场却呈现一派暖春景象。城镇化、农民工返乡等因素决定了县域房地产将迎来发展的大好春天。农民工消费者在购房过程中究竟追求什么价值?如何提供和传递相应的价值来吸引农民工购买?本文希望通过对县域房地产的实证研究,探索感知价值和购买意愿之间的关系,挖掘影响农民工顾客价值与购买意愿的关键要素,以期为房地产企业提供指导。

关键词: 感知价值 县域农民工 购买意愿

一、引言

房地产业向来被誉为国民经济的晴雨表,随着国民经济的迅速发展,房地产业也发展迅速。近年来,金融危机等对我国大中城市的房地产市场形成了较大冲击,然而即使在 2011 年被称为史上最严厉的楼市调控中,县域房地产仍然表现出了非常强的抗风险性。

改革开放以来,我国的城镇化进程也逐渐加快。中国总理温家宝在十一届全国人大五次会议上作政府工作报告时指出,2011 年,中国城镇化率超过 50%,这是中国社会结构的一个历史性的转折。快速的城镇化进程为县域房地产的发展提供了巨大的机遇。随着城镇化建设的不断推进,房地产和相关产业已成为支撑地方经济特别是县域经济的主导产业和支柱财源。

当前,县域房地产市场蕴藏着巨大的市场潜力,快速的城镇化进程为县域房地产的发展提供了巨大的机遇。大量的农村人口涌入县城,常年的城市生活使得相当一部分农民工不愿意再回到农村生活,而更倾向于在县城购房定居,为县域房地产的发展注入了新的生机。农民工成为县域房地产的主要购买群体之一,因此,分析县域农民工的房地产购买意愿对县域房地产发展的研究具有重要的意义。本文将从顾客价值理论出发,通过问卷调查,对影响农民工住房购买行为的因素进行实证研究,并提出相关的启示。

二、文献回顾

（一）顾客价值

1、顾客价值概念

价值是某些主体对于某些标的物的评价（Taylor，1961）。所谓的主体多指消费者，而标的物则可以是任何产品或服务，也可以是活动或行为。1954 年，Drucker 就指出，顾客购买和消费的绝不是产品，而是价值。价值驱动着大部分的消费者行为，是决定顾客购买行为和选择产品的关键因素（Doyle and Mona，1984）。德鲁克（1965）认为，企业为顾客创造了价值，就自然地吸引了顾客，也就是创造了顾客；创造了顾客，也就完成了公司的首要任务。

在市场营销学中，通常是从当顾客面临不同的购买产品或服务选择时感知价值的角度来分析（Richins，1994）。Dodds 和 Monroe（1985）认为感知价值是一个产品给（give）与得（get）之间的权衡。随着 Zeithaml（1988）将注意力集中到价格、质量和价值上，顾客感知价值作为一个新的管理理念受到了越来越多的关注。美国《商业周刊》把顾客价值称作“新的营销狂热”（Business Week，1991），有的学者把顾客价值看作新的竞争优势来源（Woodruff，1997）^[1]，还有的管理大师提倡把顾客价值管理作为公司管理层的首要任务（Gale，1994；Treacy and Wiersema，1995）^[2]。顾客价值的研究近年来也得到了中国管理学者的关注。

目前对顾客价值的研究一般有两类视角，第一类视角是把顾客作为感知主体，探讨顾客在购买商品或服务过程中感知到的价值；第二类视角是把企业作为感知主体的价值，探讨客户给企业创造的价值，是顾客在整个生命周期内给企业创造的净现金流的现值。本文从第一类视角展开分析。

顾客价值是一个基于顾客感知的概念，Woodruff 的定义：顾客价值是顾客对产品的属性、属性表现以及通过在使用过程中帮助（或阻碍）实现顾客的目标和目的后果进行的感知偏好和评估（Woodruff，1997，p. 142）^[1]。

Zeithaml 在 1988 年指出，感知价值是主观的，随顾客的不同而不同^[3]。

Ravald 在 1996 年做出了这样论述：不同顾客具有不同的价值观念、需求、偏好和财务资源，而这些资源显然影响着顾客的感知价值^[4]。

感知所得可能因顾客而异（如有的可能要数量，另一些要高质量，还有的要便利），付出也可能有所不同（如一些顾客只关心所付出的金钱，一些则关心所付出的时间和努力）。同时，顾客价值也可能因适用环境的不同而有所差异，顾客在不同时间对价值的评估可能有所不同。（杨

龙,王永贵 2002)

2、顾客价值维度

对于感知价值的维度，学术界也有多种说法。

Kotler 在 1994 年提出“顾客让渡价值”的概念，认为“顾客让渡价值是总顾客价值与总顾客成本之差”^[5]，其中总顾客价值由产品功能价值、形象价值、人员价值以及服务价值构成，总顾客成本由货币成本、时间成本、精力和体力成本构成。

学者认为任何产品或服务所提供的价值都包括功能性价值、社会性价值、情感性价值、认知价值和情景价值(Sheth, J.N., Newman, B.I., &Gross, B.L., 1991)。Kerin, R.A., Jain, A., &Howard, D.J.(1992)通过零售商店研究发现价格、产品质量以及顾客的购物体验会影响到消费者的感知价值。Bum(1993)认为顾客的感知价值应包含四种价值形式:价值一产品价值、拥有价值、使用价值以及顾客在评价过程中形成的总体评价价值。

Parasuraman 和 Grewal 将顾客价值定义为获得价值、交易价值、实用价值和赎回价值^[6]。

学者们从不同的视角从不同的产品考察了感知价值，结果导致感知价值的维度各不相同，对于产品和服务有关的感知价值维度的认识尚未达成统一。为了更好地理解感知价值及其维度，需要进行更广泛的理论和实证研究。

不同的产品顾客价值不同？

不同的产品顾客在意的是哪个维度？对购买意向影响是不同的。

目前转型时期，对农民工的购买意向影响大的是什么因素？

3、感知价值与行为意愿的关系

文献回顾表明，对于顾客感知价值和顾客行为之间的关系，研究者还是普遍关注的，多数学者在研究感知价值时，总会讨论顾客感知价值与行为之间的影响关系。在有关顾客感知价值的众多文献中，顾客感知价值对行为意愿(意向)有直接影响这一命题得到了理论和实证研究的广泛支持。研究充分证明感知价值对消费者购买意愿有显著的正向影响（Chen and Dubinsky, 2003; Dodds et al., 1991; Lewis and Soureli, 2006; Varki and Colgate, 2001），顾客感知价值能直接影响购买行为（Zeithaml, 1988）。

消费者的购买意愿是消费者对产品的感知价值来决定 (Anderson,Fornell Lehmann,1994;Ravald and Uronroos, 1996)

Chang 和 Wildr(1994)通过实证研究发现感知质量和感知价格会通过感知价值这一中介变量对行为意愿产生间接的作用。Smithe, G, & Sandra, K.(1995)通过比较后发现,相对于感知质量,感知价值是一个更好的决策行为的预测指标。Grewal, D.,Shnan, R., & Baker, J.(1998)以及 sweeney J.C., SoutarGN., &Johnson, L.W.(2001)研究认为消费者的感知价值和商店形象会直接地影响购买意愿^[7]。Neal,w.D.(1999)指出对顾客忠诚而言,虽然顾客满意是必要的,但只有价值才最终驱动忠诚,并且积极的行为意愿就等同于顾客忠诚,所以可以说价值对行为意愿的影响是直接和显而易见的。CrolnJ.J., Bradmas, &Hult,M.(2000)的调查结果也显示了服务的感知价值和行为意愿之间存在显著的关系。

潘煌(2009)通过对中国传统儒家价值观、顾客感知价值与顾客购买行为间的关系进行了结构方程模型检验,发现顾客感知价值直接影响中国消费者的购买行为。高水平的感知价值通常导致很高的购买意,而低水平的感知价值则意味着没有或很少的购买意愿^[8]。(陈家瑶、刘 克、宋亦平 2006)

现有的学术研究和企业实践表明:感知价值不仅对顾客行为有直接的、显著的正向影响,同时,感知价值还能通过顾客满意、品牌忠诚这样一些中间变量来影响顾客行为倾向。

(二) 房地产顾客价值框架

感知价值是一个很难进行定义和测量的概念(Woodruff, 1997;Holbrook, 1994;Zeithaml, 1988)

不同的产品顾客感知价值是不同的,对同一产品不同学者研究得到的感知价值也有区别。不同的顾客对同一住宅房地产的感知价值是不同的,购房者购房的决策主要取决于对住宅房地产的感知价值,研究住宅房地产顾客感知价值的评估具有积极的理论和现实意义。

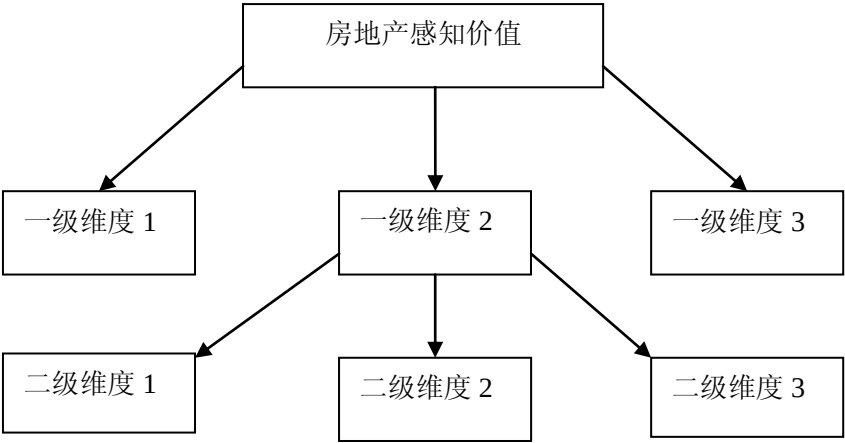
1、顾客价值要素层级模型:

购房者对住宅房地产的感知价值就是购房者所能感知到的利益与其在购买住宅房地产时所付出的成本进行权衡后对住宅房地产效用的总体评价。购房者的感知价值体现在对房地产开发商所提供的住房所具有的价值的主观认识,而不是住房本身的客观价值^[9]。杨龙、王永

贵（2002），曾指出企业竞争说到底可以归结为顾客之争——顾客份额和顾客知识之争，而企业拥有的唯一战略武器就是：创造和交付优异的顾客价值^{【10】}。所以，购房者在购买时，主要取决于他们对住房的感知价值。

根据 Woodruff 的“层级结构模型”和 Kotfe 的“顾客让渡价值模型”进行分析，得出他们都是基于一定的假设或逻辑分析事先对顾客价值的维进行划分，提出顾客价值要素层级模型。所以，本文提出以下顾客价值要素层级模型：

表 1：房地产顾客感知价值要素层次模型



该模型的特点在于：在没有实证和顾客数据分析的情况下，只给出了顾客价值要素的层级框架，而没有给出一级维度和二级维度的具体内容，具体内容则要通过详细的分析获得。

2、模型构建(房地产顾客价值框架)

顾客感知价值价值具有多维性，价值是一个多维度函数，具有动态性，顾客在不同情境下，消费的不同阶段以及企业的不同关系阶段，对价值的感知具有很大差别，它应该包括经济价值、功能价值、心理价值、情感价值四个维度（郝晓杰 2009）^{【11】}，本文在该研究基础上增加了社会价值这个维度。

向长江、谢荣锋、韩小芸（2002），探讨了品牌形象、本体素质、户型设计和地段等因素对潜在购房者感知价值的影响,以及户型设计、室外环境、感知价值等因素对购买意向的影响

【12】。

邱燕（2005），依据价值工程原理顾客价值是顾客效用与顾客成本的比值，将房地产顾客价值，确认为房地产顾客认知价值和房地产顾客认知成本之差（或之比）【13】。她是从顾客的角度对感知价值进行的阐述。

王锡秋（2005），认为客户价值包括经济价值、功能价值、心理价值【14】。

付轲（2005），认为房地产顾客感知价值来源于房地产产品的功能性利益、象征性利益、体验性利益，所付出的货币成本、非货币成本以及顾客与房地产项目或房地产企业的关系【15】。布拉德和罗宾斯认为，消费者在购买过程中花费的时间和精力作为其付出的代价的一部分同样影响消费者的感知价值。由于房地产单位价值量特别大，物业管理费又是一项必不可少的长期负担，而购房者所花费的时间和精力在总的购房成本当中所占比重较小，所以购房者成本主要包括房价和物业管理费两项价格成本。

许统邦，夏剑龙（2006），从功能价值、经济价值、心理价值、情感价值四个价值维度对房地产客户感知价值进行了界定，运用典型调查法得出房地产客户感知价值的各个评价指标【16】。

张引（2010），认为房地产顾客价值是顾客对房地产企业在顾客整个消费过程中的每个消费片段所提供的产品和服务的感知利得和感知利失的总和。根据消费者购买决策过程，可将房地产顾客消费过程分为信息收集与购房决策、购买、使用和处置 4 个阶段【17】。相对比与邱燕的研究，他是从购买决策过程方面对顾客价值进行了分析。

冯珍，张所地（2011），认为购房者对住宅房地产的感知价值就是构成购房者所感知的利益与其在购买住宅房地产是所付出的成本进行权衡后对住宅房地产效用的总体评价，购房者对房地产的需求有交通便利。人文环境优良价格和室内设计合理等，影响这些需求的主要有住宅房地产的价格，建筑特征，区位特征，人文特征，环境特征，自然，政策以及经济特征等【18】。

本文基于国内外学者对顾客满意度和住户满意度的理论研究，并根据学者们对住户满意度影响因素的研究，拟选择功能价值、经济价值、心理价值、情感价值和社会价值作为研究变量，构建一个整合感知价值和购买意向的模型

首先，功能价值是指能为顾客带来功能性利益的重要因素。对于房地产来说，房地产产品及周边环境所能提供的功能是顾客可感知的技术质量的一部分；一些辅助服务使顾客获得

一部分质量。国内外学者的研究表明公共服务设施是影响住户满意的重要因素(耿媛元, 1999; 杨婵玉、赵小旺, 2008)。配套设施主要包括社区周围的公共交通设施、医疗设施、教育设施和生活服务设施等。

其次, 经济价值包括货币成本及非货币成本^[15]。

1) 货币成本主要指价格。近年来由于国内主要城市房价的飞速上涨, 商品房的价格引起人们的广泛关注, 价格在住户购买中所占的比重也备受关注。Voss, Parasuraman & Grewal (1998) 认为实证研究应该考虑价格因素对住户满意度的影响。章恒全、詹绍芬以南京市为例研究表明房价是消费群体首先关注的因素。

对于农民工来说, 经济能力有限, 价格过高, 他们很难负荷得起。

2) 非货币成本主要包括时间、精力或体力、心理成本和感官成本等。顾客搜寻、比较房地产信息、看房、买房等都需要占用大量的时间, 也需要耗费大量的精力。有些顾客从准备买房到落订要花上大半年的时间。对风险的认知, 如能否按期交房, 产权、房屋质量有无问题等会增加顾客心理负担, 负担过重会使顾客焦虑甚至于取消购买。

第三, 心理价值是指顾客在心理上获得的满足, 顾客主要通过看不见的品牌和服务来感知。很多房地产企业都在正穿自己的品牌, 在很大程度上也是为了提供较高的心理价值, 从而提高顾客价值。另一方面, 服务质量也能够增加顾客的心理价值, 提高顾客的满足感、满意度, 增加产品的附加值, 总体提高顾客价值。

第四, 顾客的情感价值, 主要是指房地产或者是其品牌所具有的改变购房者的情感或情绪状态的这种能力和效用^[7]。消费者已经从原来的理性消费逐渐转为感性消费, 消费的不单单是商品本身, 而是商品能够为他们带来什么更深的体验。情感就恰恰的反映了他们对某楼盘的认同和信任, 以及满意度等。

最后, 社会价值主要是指购房者在购买行为中所得到的关于社会的认同。Sweeney, Soutar (2001) 认为社会价值的维度主要有: (在城市中买房能使他们) 得到社会的认可, 提升自身的社会地位, 获得别人的尊重, 以及改变别人对自己的看法等等。

购房群体, 作为一个特殊的消费群体, 考虑他们的感知价值对购买意愿的影响时, 顾客感知价值主要体现在几个方面: 功能价值、经济价值、心理价值、社会价值等。这些认知价值主要表现为顾客对房地产商品的主观判断。顾客购买房地产商品首先判断产品价值是否满足使用功能的价值, 还包括附加产品价值如小区公共设施的完备性等; 其次判断服务价值如

物业管理和社区培育方面；然后判断提升价值包括房地产商品的品牌与理念；最后考虑房地产商品的社会价值（郝晓杰 2009）。

通过以上的研究得出购房者感知价值要素构成模型如下：

表2： 房地产顾客感知影响因素表

功能价值	自然属性	地理位置	Parasuraman（1997）
		周围环境	Gronroos（1996）
		噪声以及空气质量	Sweeney， J.C.和soutar（2001）
	功能属性	户型	李东和由亚男（2008）
		平均面积	Gronhaug， K，（1993） 卢泰宏（2007）
		房屋结构	
		园林绿化	
	安全性能	保安措施	
		专业性	郝晓杰（2009）
	便利性能	交通	
		娱乐	
		饭店餐饮	
经济价值	货币成本	购房金额	PhilipKotlr(2001)郝晓杰（2009）
		物业费用	
	非货币成本	时间，精力	Gronhaug,K（1993）
		心理成本	卢泰宏（2007）
心理价值	房地产品牌	品牌质量	Parasurama（1990）
		品牌知名度	zeithaml（1990） 郝晓杰（2009）
	服务质量	可靠性可信赖性等	Sheth.(1991)
情感价值	情感归属	认同/喜欢	Sheth.(1991)
		满意	Yonggui Wang， HingPoLo 等(2004)
		愉快、轻松	郝晓杰（2009）
社	社会认同	提升社会地位	Sweeney， soutar

会 价 值		被社会所接受	(2001)
	他人认同	获得尊重等	Sheth(1991)
		改变别人对我的看法	

（三）农民工的感知价值（购房者）

1、农民工

2、农民工住房问题

城市农民工的居住问题是我国城市化进程中面临的关键矛盾之一，也是建设城市和谐人居环境需要解决的重要问题，其影响极为深远。目前，对国内中农民工住房的研究大多集中在宏观领域，社会（住房）保障、农民工住房存在的问题及其对策的综合研究方面。目前对国内中大城市中农民工居住现状的调查研究很多，对国内中大城市中农民工居住现状的调查研究，主要是从农民工的房屋情况、居住方式、居住意愿、社会影响等维度进行了广泛分析（王凯,侯爱敏,翟青 2010）^{【19】}。

一些研究结果表明，城市农民工普遍人均居住面积面积小（黄卓宁 2007）^{【20】}，居住环境差，不同城市、不同范围的研究差距较大（浮延强、李斌、王晓京等 2006）。住房和城乡建设部专题调研组(2006) 针对上海、江苏、广东等 18 个省 (市、区)的调查发现人均建筑面积不足 3 m²；珠江三角洲九个城市的研究表明农民工人均住房面积的均值为 10 m²，不过有近一半的人人均居住面积不及 6.5 m²（黄卓宁 2007）。2006 、2007 年，对上海外来务工人员的调查显示，人均租住面积是 7~10 m²（浮延强 2006，于辉 2007）。对农民工居住环境的研究结论普遍认为:城市外来务工人员居住的外部环境质量低,脏、乱、差 现象突出，有的住房还存在消防隐患（王宁 2005，黄卓宁 2007），住房内生活配套设施非常简陋并且很不齐全，卫、浴设备缺乏，桌、椅、柜等日用必须品简陋脏乱（李斌、王晓京 2006）。

从已有调查结果看，城市农民工获得住房的形式是：租房为主，占住房来源的 47% -80% 之间；其它的形式有住在单位宿舍、借用住房、亲戚家、工地和工棚内等（廖艳 2006，郭淑萍、吴妙丽等 2008）；在广州（刘妍 2003）、浙江省 11 地市（郭淑萍，吴妙丽 2008）、重庆（廖艳 2006）、上海（于辉 2007）、江苏省 8 个地市（邹农俭 2008）等地的调查发现农民工租房居住的分别达到 81.74% 、60.80% 、77.11% 、71.50% 、47.20% ，住集体宿舍的则分

别为 18.26%、22.80%、6.20%、15.20%、30.80%。

但是,即使居住狭小的面积和相对恶劣的居住环境,出乎研究者意料的是,我国城市农民工却表现出了较高的居住满意度。对广东省的三个城市的调查发现非常满意和满意的占 65.40%、不满意和非常不满意的占 34.60%(王强,范涛 2007)。2006 年,重庆市的抽样调查发现 24.10% 的农民工对目前的住房现状表示满意,53.01% 的农民工对目前住房的现状表示无所谓,仅有 22.89% 的农民工对自己现在的住房不够满意(廖艳 2006)。出现这样的反常现象,估计与城市外来人员对居住条件的心理预期较低有关^{【25】}。

相关专家对农民工进城的原因和定居城市的阻碍因素进行了分析。例如,吴兴陆认为(2005),虽然在农村务农收入低是导致农民流入城市的直接原因,但进入城市后农民工的收入水平仍处于城市下游水平,根本无法为他们定居城市提供经济支持^{【31】};熊彩云(2007),认为目前 60%以上的农民工对于定居城市有强烈的愿望,这种愿望强于返回农村的意愿。农民工城市定居取决于进入城市门槛的高低,这些“门槛”包括住房、子女教育、社会保障、平等就业等,从目前来看这些影响因素不利于农民工定居城市^{【32】}。

另外一些专家研究了农民工在城市的居住形式以及解决方案。例如,黄卓宁(2007)认为,不论是在刚进入城市无工作时还是工作稳定之后,租赁房屋居住都是农民工的首选,而且租房大部分是以家庭户或集体户的形式出现^{【20】}。王启富、俞建文、谢磊(2009)通过对宁波城市农民工住房分析提出农民工住房应该分阶段解决,城中村改造是解决农民工住房问题的短期对策,完善住房保障体系是远期对策,而且应该加大廉租房的供应量并根据农民工等低收入群体的不同需求完善经济适用房建造标准^{【33】}。

3、农民工感知价值的特殊性

许多学者研究了农民工手机购买行为。(王高 2004),认为安全价值作为顾客价值的重要组成部分,是农民工手机消费所特有的;形象价值、感知成本不会显著影响到农民工的手机购买行为^{【34】}。

华豫民(2010),认为农民工在购买手机时必然会考虑到以下因素:安全价值对农民工手机购买行为的影响最大;其次是功能价值,其系数为 0.191,显著性水平小于 0.05;感知成本接近显著,形象价值则不显著。这表明:农民工在购买手机时,最看重的是手机对保障其自身安全和消除家人对自己安全担心的价值,其次才是手机功能方面的价值^{【35】}。

正如吴惠芳、叶敬忠（2010）在研究中所描述的：年龄越大的农民工越注重手机的功能价值；收入越高的农民工越注重手机的形象价值；收入低的农民工往往是年轻的“80 后”，他们逐步改变了“量入为出”、“精打细算”、“省吃俭用”的传统消费心理和消费观念，对价格和消费额关心相对较少，对品牌、样式等关心更多^[36]，这印证了另一些学者的相关分析（参见肖伟、阳慎初，2008）

三、县域房地产实证分析

（一）问卷设计与数据收集

在文献研究的基础上，我们与房地产营销策划人员、售楼人员和潜在购房者进行了个别访谈，共同探讨了购房者感知价值的各个方面。在文献研究和个别访谈的基础上，我们设计了调查问卷初稿。并在部分购房者中试填之后，我们对问卷初稿进行了修改才最终确定正式问卷。正式问卷共有 26 个问题，每个问题采用李科特(Liken)5 点尺度来衡量被调查者对各种说法的同意程度。

2012 年 4 月至 5 月，我们采用方便样本，进行了问卷调查。

本次调研共发放问卷 200 份，回收 份，回收率为 %；其中有效问卷份，问卷有效率为 %。在有效应答者中，男女比例接近 1:1，年龄多在 20-50 岁之间，大专以上学历的人达到 %。 % 的有效应答者个人月收入低于 2000， % 的个人月收入在 2000 --4000 元之间， % 的在 4000 元以上。

（二）数据分析

四、总结与讨论

本文以顾客价值理论为基础，以顾客价值分析为方法，对中国农民工进行了住房感知价值的实证研究。

（一）总结

（二）研究发现对房地产企业的启示

五、参考文献

顾客关系培植视角：关键交易片段的结构作用研究

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摘要

顾客关系的培植路径、方法，以及手段选择，过往研究已经对该领域做出了重大贡献，为企业在选择培养顾客关系的方法、路径上提供了诸多有益的建设性参考意见。但经研究文献梳理，发现既往关于顾客关系建立或培植研究存在几种倾向：一是强调顾客关系的建立或培植是源自于顾客对特定关系的单边累积性投资，即单边承诺而导致交易路径锁定，从而实现顾客关系建立；二是过分强调顾客关系培植的工具性手段，比如提高顾客满意度、质量管理、提高顾客转移成本等；三是重在强调顾客关系能够给企业带来什么价值，作为一种资产或竞争资源来处理。上述这些现象几乎同时都忽视了一个重要问题：即顾客关系建立的基本发展路径究竟是什么？过往研究都没有予以足够重视，同时也忽视了能动主体在关系结构中的能动性作用。本文将企业-顾客之关键交易片段概念引入顾客关系培植研究领域，进行顾客关系研究，不仅能拓宽营销领域对顾客关系培植路径、方法的研究思路，而且还可以拓展顾客关系结构化理论领域关于关键交易片段对顾客关系反结构的研究视角。

本文在对过往关于关键交易片段及关系行为结构化理论回顾的基础上，本文尝试把交易片段及关键交易片段概念界定为：交易片段就是商业活动中企业与顾客之间借以进行互动，以致某交换关系得以成功达成，且能够为顾客和企业创造价值的各交易环节或互动平台，我们可以将其称之为交易片段。而能够有效促进、激发顾客与企业彼此之间建立连结的重要交易环节或节点，我们称之为关键交易片段。同时在对交易片段概念及内涵分析的基础上，对顾客观的关键交易片段的特征与本质给予了充分提炼，其特征表现为：a、交易互动的外在强

制性压力宜适度控制，尽可能使顾客在一种宽松舒适的环境中实现顾客的使能；b、深层次的理解顾客隐藏的或不易于予以语言描述的需要；c、实现顾客理所当然的价值同时，交易环境能够驱动顾客自愿、主动参与交易关系的实践；d、体现顾客可感知的交易量化绩效，如交易中的认知性价值暗示等。而顾客观的关键交易片段本质特征应该是对顾客的价值并以顾客可感知的形式予以充分体现。

同时本文对企业-顾客之关系行为结构化的基本动因给予了分析。发现影响因素大体存在三个方面：（1）交易片段中交易双方的能动性。能动性指的是行动者对社会世界具有某种影响能力，如能够改变规则，改变关系连带或者资源分配。社会理论家吉登斯(Giddens, 1984:14)认为，行为者因为认知能力和丰富的知识能够帮助行为者有意识的干预所处的世界，并监视自己与他人的行动结果。而在交易片段过程中的交易双方为追逐自己的利益或寻求将来绩效预期，交易双方在相互衔接的交易片段中将发挥各自的能动性，如谈判、协同、关照、沟通，以及交易片段的成功达成而构建的强有力的人际纽带等。这些都是交易双方在互构的交易平台上的能动性追逐而形成的结果。历时性的时间、精力及相关资源的投入对交易双方将可能构建起一道转换障碍，退出将造成损失。因此，顾客-企业之关系的结构是互惠互利、相互信任的双方行动的产物，且能动性是扮演相互锁定的重要元素。（2）交易片段互动过程中生成的规制。社会中的利益参与者是受制于政治与法律框架、市场行为规则和普遍信仰体系（如Burgess, 1902; Commons, 1924）。这说明行动者的行为是受到约束的，是在双方议定的情境中发挥作用。而交易互动中必然会伴随相关交易规制的生成，它为交易双方提供行为指引和道德框架。同时由于历时性原因，该规制将成为交易双方内化的东西，指引交易双方正确看待他人的社会义务和价值承诺。所以，规制带来行为约束，约束将对违规实施惩罚，因惩罚力度而对行为者行为谨慎性带来影响，也同时因为历时性的交易路径的适应而心生情感。（3）交易双方的价值创造。关系结构的动力源于增加价值、价值分享、降低成本，及提升顾客捷径动机。因此价值创造是交易双方相互依附和承诺的关键。美国心理学家Helder在1958年最早提出了归因问题（Helder, 1958），归因理论就是一种帮助人们判断他人行为背后的原因及其性质的理论。顾客-企业之关系的结构化不是源自于单方面行动的结果。正如能动性理论说明，行为人具有追逐利益和满足自身需要的能力。因此顾客-企业之关系的结构可能是因为交易双方都能够为彼此带来利益，创造比次优选择最大的价值。因此，顾客-企业之关系结构是具有归因的函数。而价值创造是关系结构归因的重要影响因子。

本文在依据关键交易片段对顾客关系的结构化影响因素的基础上, 尝试建立了一个测量关键交易片段对构建顾客关系行为的概念框架。

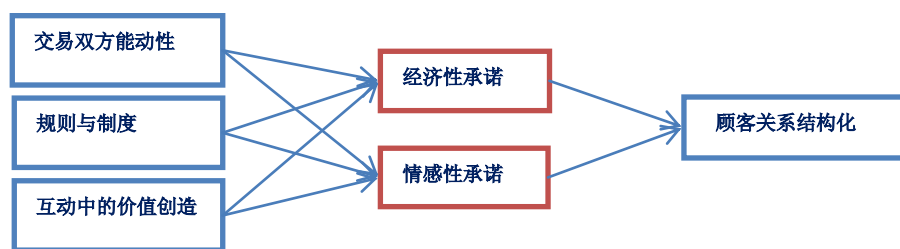


图 1 关键交易片段的顾客关系结构概念框架

通过相关文献的研究总结, 我们认为: 顾客-企业之顾客关系行为结构化是交易片段中交易双方的能动性、交易片段过程中生成的规制、及交易双方的价值创造等因素通过对交易双方的经济性承诺和情感性承诺的中介影响而形成的。为此, 我们构建了如图1所示的顾客关系行为结构化的形成机理模型。并分别探讨了经济性承诺和情感性承诺对顾客关系行为结构化的影响机制, 进而揭示顾客关系行为结构化的一般形成机理。

最后, 本文对关键交易片段关于企业-顾客关系培植的意义、研究局限进行了总结与讨论。

研究意义表现为: 它区别于过往研究的关注视角, 即过往研究仅强调顾客关系的价值, 顾客关系建立能给企业带来哪些价值和利益, 故顾客关系更多是作为企业实现经营目标的工具性手段, 而对关系建立的过程被予以忽视, 即顾客关系是如何逐步建立起来的? 哪些因素对顾客关系结构化起支配性作用等问题, 本文尝试给出明确的解释: 在顾客关系建立中, 企业应关注与顾客交易的相互衔接的、一系列关键交易片段。该系列交易片段是构建顾客关系的重要归因。

本文研究局限主要体现在: 本文只是对关键交易片段是如何对顾客关系结构化提出了一般看法或猜想, 即互动的关键交易片段对顾客关系构建或培植具有方向性的影响。但该交易片段究竟是如何影响顾客-企业之关系结构化, 使顾客与企业彼此之间相互依附? 以及提炼的影响变量是否是有效? 本文鉴于受时间和条件限制, 没有给予相关实证, 只是提炼了基本概念框架。上述问题亟待后续的研究来解决。

顾客关系的培植路径、方法, 以及手段选择, 过往研究已经对该领域做出了重大贡献, 为企业在选择培养顾客关系的方法、路径上提供了诸多有益的建设性参考意见。但经研究文献梳理, 发现既往关于顾客

关系建立或培植研究存在几种倾向：一是强调顾客关系的建立或培植是源自于顾客对特定关系的单边累积性投资，即单边承诺而导致交易路径锁定，从而实现顾客关系建立；二是过分强调顾客关系培植的工具性手段，比如提高顾客满意度、质量管理、提高顾客转移成本等；三是重在强调顾客关系能够给企业带来什么价值，作为一种资产或竞争资源来处理。上述这些现象几乎同时都忽视了一个重要问题：即顾客关系建立的基本发展路径究竟是什么？过往研究都没有予以足够重视，同时也忽视了能动主体在关系结构中的能动性作用。本文将企业-顾客之关键交易片段概念引入顾客关系培植研究领域，进行顾客关系研究，不仅能拓宽营销领域对顾客关系培植路径、方法的研究思路，而且还可以拓展顾客关系结构化理论领域关于关键交易片段对顾客关系反结构的研究视角。

本文在对过往关于关键交易片段及关系行为结构化理论回顾的基础上，本文尝试把交易片段及关键交易片段概念界定为：交易片段就是商业活动中企业与顾客之间借以进行互动，以致某交换关系得以成功达成，且能够为顾客和企业创造价值的各交易环节或互动平台，我们可以将其称之为交易片段。而能够有效促进、激发顾客与企业彼此之间建立连结的重要交易环节或节点，我们称之为关键交易片段。同时在对交易片段概念及内涵分析的基础上，对顾客观的关键交易片段的特征与本质给予了充分提炼，其特征表现为：a、交易互动的外在强制性压力宜适度控制，尽可能使顾客在一种宽松舒适的环境中实现顾客的使能；b、深层次的理解顾客隐藏的或不易于予以语言描述的需要；c、实现顾客理所当然的价值同时，交易环境能够驱动顾客自愿、主动参与交易关系的实践；d、体现顾客可感知的交易量化绩效，如交易中的认知性价值暗示等。而顾客观的关键交易片段本质特征应该是对顾客的价值并以顾客可感知的形式予以充分体现。

同时本文对企业-顾客之关系行为结构化的基本动因给予了分析。发现影响因素大体存在三个方面：

（1）交易片段中交易双方的能动性。能动性指的是行动者对社会世界具有某种影响能力，如能够改变规则，改变关系连带或者资源分配。社会理论家吉登斯（Giddens, 1984:14）认为，行为者因为认知能力和丰富的知识能够帮助行为者有意识的干预所处的世界，并监视自己与他人的行动结果。而在交易片段过程中的交易双方为追逐自己的利益或寻求将来绩效预期，交易双方在相互衔接的交易片段中将发挥各自的能动性，如谈判、协同、关照、沟通，以及交易片段的成功达成而构建的强有力的人际纽带等。这些都是交易双方在互构的交易平台上的能动性追逐而形成的结果。历时性的时间、精力及相关资源的投入对交易双方将可能构建起一道转换障碍，退出将造成损失。因此，顾客-企业之关系的结构是互惠互利、相互信任的双方行动的产物，且能动性是扮演相互锁定的重要元素。（2）交易片段互动过程中生成的规制。社会中的利益参与者是受制于政治与法律框架、市场行为规则和普遍信仰体系（如Burgess, 1902; Commons, 1924）。这说明行动者的行为是受到约束的，是在双方议定的情境中发挥作用。而交易互动中必然会伴随相关交易规制的生成，它为交易双方提供行为指引和道德框架。同时由于历时性原因，该规制将成为交易双方内化的东西，指引交易双方正确看待他人的社会义务和价值承诺。所以，规制带来行为约束，约束将对违规实施惩罚，因惩罚力度而对行为者行为谨慎性带来影响，也同时因为历时性的交易路径的适应而心生情感。

（3）交易双方的价值创造。关系结构的动力源于增加价值、价值分享、降低成本，及提升顾客捷径动机。

因此价值创造是交易双方相互依附和承诺的关键。美国心理学家Helder在1958年最早提出了归因问题（Helder, 1958），归因理论就是一种帮助人们判断他人行为背后的原因及其性质的理论。顾客-企业之关系的结构化不是源自于单方面行动的结果。正如能动性理论说明，行为人具有追逐利益和满足自身需要的能力。因此顾客-企业之关系的结构可能是因为交易双方都能够为彼此带来利益，创造比次优选择最大的价值。因此，顾客-企业之关系结构是具有归因的函数。而价值创造是关系结构归因的重要影响因子。

本文在依据关键交易片段对顾客关系的结构化影响因素的基础上，尝试建立了一个测量关键交易片段对构建顾客关系行为的概念框架。

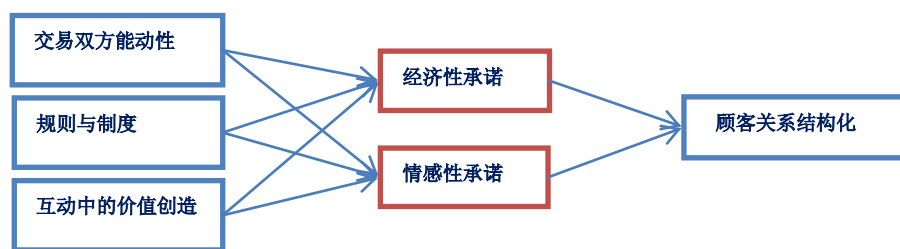


图 1 关键交易片段的顾客关系结构概念框架

通过相关文献的研究总结,我们认为:顾客-企业之顾客关系行为结构化是交易片段中交易双方的能动性、交易片段过程中生成的规制、及交易双方的价值创造等因素通过对交易双方的经济性承诺和情感性承诺的中介影响而形成的。为此,我们构建了如图1所示的顾客关系行为结构化的形成机理模型。并分别探讨了经济性承诺和情感性承诺对顾客关系行为结构化的影响机制,进而揭示顾客关系行为结构化的一般形成机理。

最后,本文对关键交易片段关于企业-顾客关系培植的意义、研究局限进行了总结与讨论。

研究意义表现为:它区别于过往研究的关注视角,即过往研究仅强调顾客关系的价值,顾客关系建立能给企业带来哪些价值和利益,故顾客关系更多是作为企业实现经营目标的工具性手段,而对关系建立的过程被予以忽视,即顾客关系是如何逐步建立起来的?哪些因素对顾客关系结构化起支配性作用等问题,本文尝试给出明确的解释:在顾客关系建立中,企业应关注与顾客交易的相互衔接的、一系列关键交易片段。该系列交易片段是构建顾客关系的重要归因。

本文研究局限主要体现在:本文只是对关键交易片段是如何对顾客关系结构化提出了一般看法或猜想,即互动的关键交易片段对顾客关系构建或培植具有方向性的影响。但该交易片段究竟是如何影响顾客-企业之关系结构化,使顾客与企业彼此之间相互依附?以及提炼的影响变量是否有效?本文鉴于受时间和条件限制,没有给予相关实证,只是提炼了基本概念框架。上述问题亟待后续的研究来解决。

负面网络口碑对消费者购买意愿的影响机理研究——以笔记本电脑产品为例 Research on the negative Internet word-of-mouth's influence on customer purchase intention based on attribution theory—— a case of notebook

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ABSTRACT

With the rapid development of Internet technology, the cross region exchange of consumers is so convenient. In the virtual world, a dissatisfied customer will quickly put the information to the six thousand persons through a network. Internet word-of-mouth is quietly affecting quite a great many enterprises, so it is imperative to strengthen the negative internet word-of-mouth management.

The existing research about the influence mechanism of negative internet word-of-mouth on consumer purchase intention is less, and the empirical analysis also is rarer. This paper takes the notebook industry as a case to explore the influence mechanism of negative internet word-of-mouth on consumer purchase intention. Based on the attribution theory and trust theory, and combined with the notebook computer product features, this paper builds the theoretical model and analysis the relationship of the negative internet word-of-mouth, trust and purchase intention, and attribution. This paper designs the measurement scale based on literature reviews, and verifies the proposed hypotheses using the principal components regression and other empirical research methods, and draws the following conclusions:

1. The five factors of negative internet WOM (information quantity, information quality, specialty, trust propensity and tie strength) all can affect significantly the consumer's purchase intention. Among them the information quantity has the greatest effect, followed by tie strength. The research results are closely related to the notebook computer product features that the consumers' involvement is great high on notebook industry, and that consumers collect relevant information about the product before their buying, and be more inclined to adopt the reputation information from strong tie.

2. Trust has the moderating effect in the relationships that the negative internet WOM influences purchase intention. With more information, high quality, high specialty, strong tie, and high trust propensity, the receiver's trust to WOM giver is improved, thereby leading to the purchase intention increases. In a word, the five factors of negative internet WOM all affect the consumer's purchase intention through trust propensity.

3. Attribution has the moderating effect in the relationships that the information quantity, trust propensity and specialty influence trust, but has no effect in the relationships that information quality and tie strength influence trust. The reasons are that the measurement index of information quality is relatively objective, and the tie strength has strong influence on trust, so they are not affected by attribution.

Based on trust and attribution, this paper has some theoretical contribution to the research of Internet WOM, and some practical guidance to the negative internet WOM management and strategy research for enterprises.

KEY WORDS: Negative Internet WOM Trust Attribution Purchase intension Notebook

摘要: 鉴于网络负面口碑信息的传播速度快和负面影响大的特点, 对网络负面口碑进行深入探讨势在必行。本文以笔记本电脑的购买者为研究对象, 运用信任与归因理论探究了负面网络口碑对消费者购买意愿的影响机理。本文的研究结论对网络口碑相关领域的研究具有一定的理论贡献, 并对企业加强网络负面口碑管理与可行性策略研究具有一定的现实指导意义。

关键字: 网络负面口碑 信任 归因 购买意愿 笔记本电脑

1 引言

网络口碑已经成为消费者购前决策的重要参考因素。Beatty 和 Smith(1983)⁴⁰指出, 对于缺乏相关专业知识的产 品, 消费者更可能会去网上搜寻信息, 特别是其他消费者购买产品的经历和使用体会等信息。比如数码产品, 因为其更新换代快、技术较先进的产品特点, 消费者很难在短时间内对它们完全了解, 因而, 多趋向于购买前在网上搜索相关的口碑信息。正面网络口碑鼓励购买, 而负面网络口碑劝阻购买。

基于对预期风险的规避考虑, 网络负面口碑对消费者购买决策的影响程度更甚于正面口碑。同时, 网络口碑依附于相应的文字或图片而存在, 相较于传统口碑而言, 其更不易消逝且随时可被浏览。学者 Hanson(2000)⁴¹提出, 虚拟世界里, 一位不满意的顾客可能会通过网络将不满信息快速传达给六千人, 这些负面网络口碑对消费者的心理及行为都会产生一定的负面影响。鉴于此, 对网络负面口碑进行深入探讨势在必行。

当前, 针对网络口碑的研究大多比较零散且未成体系, 而有关网络负面口碑的系统研究就更是凤毛麟角了。本文拟以笔记本电脑的购买者为研究对象, 探究网络负面口碑对消费者购买意愿的影响机理, 并运用信任与归因理论来深入分析负面网络口碑与消费者购买意愿之

⁴⁰Beatty,Smith.Market:The New Poriority[M],Business Week,1983,21:96.

⁴¹Hanson, W. A. Principles of Internet Marketing[M].Ohio: South-Western College Publishing,2000.

间的内在影响机制。本文的研究结论将进一步完善网络口碑相关领域的研究，并为企业在网络负面口碑的处理方面及针对性地制定营销策略上提供理论指导。

2 理论基础与概念模型

2.1 理论基础

1. 传播过程与沟通说服理论

香农(C. Shannon)和韦弗(W. Weaver)早在 1949 年就提出了信息传播最基本的“S-M-C-R”(信息来源-信息-渠道-接受者)过程模型。之后,哈罗德·拉斯韦尔(H. Lasswell)又进一步将传播过程分解为了传播者、受传者、传播内容、传播渠道和传播效果五个要素与环节,即著名的 5W 模式。

Hovland, Janis & Kelly(1953)⁴²在其著作《沟通与说服》中提出了著名的沟通说服理论,将沟通效果的影响因素归纳为三方面:信息发送者的因素、信息接收者的因素及信息本身的因素。信息发送者的因素包括发送者的可靠性、专业性及亲和力等;信息接收者的因素涉及到接收者的个人性格特征、卷入度及专业性等;信息本身的因素则是信息的诉求、论点等(Bansal & Voyer, 2000)⁴³。

Smith⁴⁴ (2002)探讨了在线人际沟通对消费者进行在线信息搜集过程(针对某一特定产品)的影响作用,同时把信任作为模型的中间变量,研究它对消费者的购买决策的影响。这一研究发现消费者的个人性格特征及信息推荐者的个人特征通过信任对消费决策产生影响,同时,个体的性格特征又对消费决策有直接影响。

Bansal & Voyer(2000)⁴⁵将口碑信息对搜索者购买决策的影响因素分为人际间的影响力与非人际间的影响力两类,并经过验证认为信息来源者的专业性、信息搜索者的专业性及二者之间的关系强度都会影响口碑对信息搜索者购买决策的影响力。

林彦宏(2005)⁴⁶在 Bansal & Voyer 对传统口碑的研究模型基础之上,以网络使用者作为研究对象,探讨了人际间的影响力、非人际间的影响力及二者之间的相互关系对口碑接收者的购买决策的影响。最后证实,传播者的专业水平、接收者对网络口碑的搜寻程度及二者之间的关系强度对网络口碑的说服效果具有正向影响,而感知风险则对其具有负向的影响。

2. 信任理论

⁴² Hovland, CL, Janis IL., Kelly H.. Communication and Persuasion [M]. New Haven: Yale University Press, 1953.

⁴³ Bansal, H.S. & Voyer, P.A. Word-of-mouth Processes within a services purchase decision context[J]. Journal of Service Research; 2000, 3(2):166-167.

⁴⁴ Smith, D.N. Trust me, would I steer you wrong? The influence of peer recommendations within virtual communities [D]. University of Illinois at Chicago, 2002.

⁴⁵ Bansal, H.S. & Voyer, P.A. Word-of-mouth Processes within a services purchase decision context[J]. Journal of Service Research; 2000, 3(2):166-167.

⁴⁶ 林彦宏. 网络口碑对消费者购买决策影响之探讨[D]. 国立中央大学硕士学位论文. 2005.

Rotter J.B (1967)⁴⁷指出, 信任是一个人认为另一个人口头或书面上的承诺、言论或陈述是可靠的概括性的期望。Boon & Holmes (1985)⁴⁸认为信任是个人在具有风险的情境中对他人行为动机持有的信赖性及正面期望状态。

McKnight et al. (2002)⁴⁹对虚拟环境下的信任进行了研究, 并提出了较为通用的信任模型。该模型包含信任倾向(即消费者总体上对他人的信任感)、制度基础信任(指消费者对电子商务所处的总体环境的信任)及信任信念(即消费者对能从网络商店获得什么的态度及感知)三大要素。Gefen (2000)⁵⁰发现, 消费者信任会直接正向影响其网上购买意愿。Kimery and Mccord (2002)⁵¹研究指出, 消费者进行网上购物时, 信任会降低消费者的感知风险, 并正向影响其网上购物意愿。Jarvenpaa & Tractinsky(1999)认为信任对消费者的行为意图会产生影响, 并指出, 阻碍消费者进入电子商务活动的主要原因之一就是缺乏对网络商家的信任。

3. 归因理论

海德(Heider, F.)(1958)⁵²认为一个人行为的产生必有其原因, 人们在寻求行为的原因时, 一般会产生两种结果, 即把它归于环境或者归于个人。凯利(H.H.Kelly, 1967)认为, 人们在对行为或事件的归因过程中, 总会涉及到三方面的因素: 行动者、客观刺激物和具体关系或情景, 行动者因素属于内部归因, 而客观刺激物、具体关系或情景因素则属于外部归因。对某行为或事件究竟应归因于哪一因素则主要遵循协变性原则: 区别性、一贯性及一致性。

美国心理学家韦纳(Bernard Weiner)首次将现代心理学中的两大热门理论——动机理论与归因理论有机性地结合到一起, 提出了成败归因理论。韦纳指出, 个人对成败原因的解释源自于四大因素的影响, 即自身的能力、所付出的努力程度、任务的难度及运气的好坏。并提出了归因的三维模式, 即控制点、稳定性及可控性。他将影响成败的四大因素按照这三个维度进行归类后认为, 一个人的成败原因是控制点、稳定性与可控性三者共同作用的结果。若失败原因被归因于由内部的、稳定的、不可控制因素造成, 将会弱化行动者进一步活动的动机; 若失败原因被归因于由外部的、不稳定的、可控制因素造成, 则不会弱化甚至还会强化行动者进一步活动的动机。

⁴⁷ Rober J.B., A New Scale for Measurement of Interpersonal Trust[J].Journal of Personality,1967, 35(4):651-665.

⁴⁸ Boon S. D., Holmes J. G. .The dynamics of interpersonal trust: Resolving uncertainty in the face of risk. In R. A Hinde J. Groebel (Eds.), Cooperation and personal behavior.New York: Cambridge University.1985,pp:190-211.

⁴⁹ McKnight D.H., Choudhury V, Kacmar C. Developing and Validating Trust Measures for E-commerce: An Integrative Typology[J].Information Systems Research, 2002, 13(3):334-359.

⁵⁰ David Gefen. E-Commerce: The Role of Familiarity and Trust [J]. Omega: The International Journal of Management Science, 2000, 28(6): 725-737.

⁵¹ Kimery, Kathryn M. and McCord, Mary. Third Party Assurances: Mapping the Road to Trust in eRetailing [J].Journal of Information Technology Theory and Application (JITTA), 2002, 4(2)

⁵² Heider, F. The psychology of interpersonal relations[M]. New York: JohnWheey.,1958

2.2 概念模型

基于国内外学者关于网络负面口碑的研究成果基础，本文将网络负面口碑对消费者购买意愿的影响因素归纳为口碑信息数量、口碑信息质量、传播者专业性、传播者与接受者之间的关系强度和接收者信任倾向等。

同时，基于信任理论和归因理论，本文将分别探讨信任的中介作用和归因的调节作用，以进一步深入分析关键影响因素的作用机理。基于上述的模型构建思路，本文将以负面网络口碑为自变量，探究其是通过何种途径对购买意愿起影响作用。其中，以接收者对传播者的信任作为中介变量，分析信任这一影响因素的中介效应；以接收者对口碑的归因为调节变量，研究归因这一影响因素的调节效应，本文的理论模型见图 1。

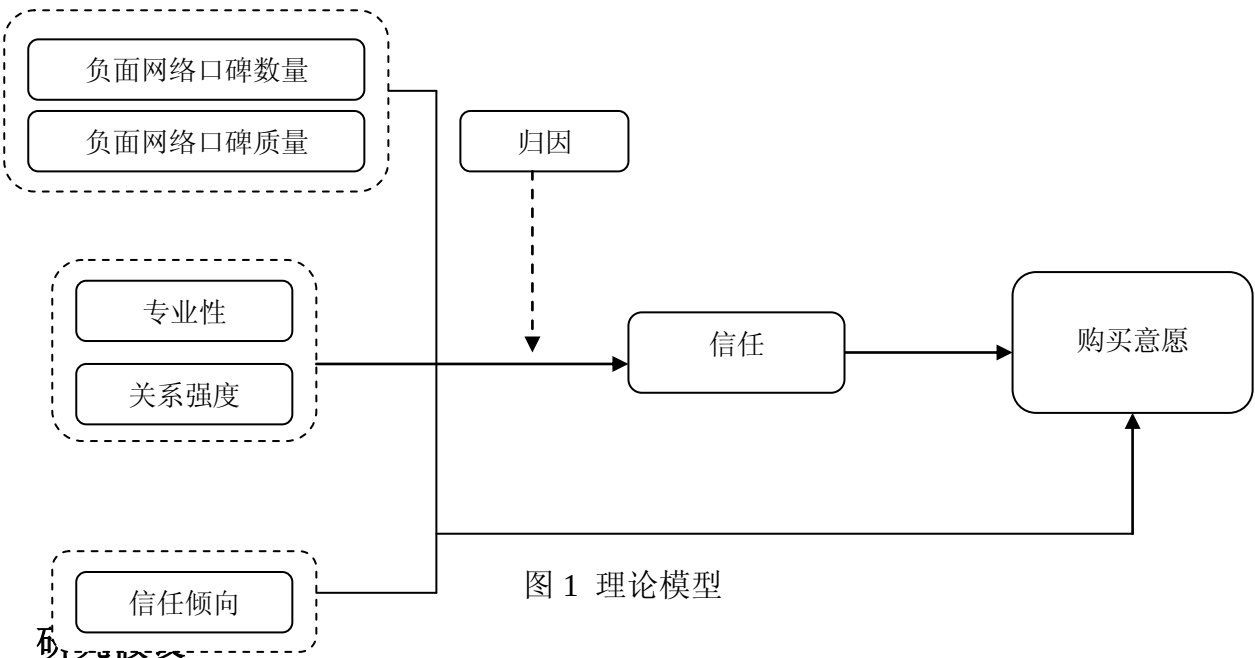


图 1 理论模型

3 研究设计

根据上述研究模型，结合具体的研究内容与目的，本文对各变量之间的研究关系提出以下假设：

3.1 口碑影响因素

本文依据传播过程与沟通说服理论，将网络负面口碑对消费者购买意愿的影响因素归纳为负面网络口碑数量、负面网络口碑质量、传播者专业性、关系强度、接收者信任倾向。

消费者在网络上接收到有关产品的负面网络口碑后，并不会立即采纳它，而是更多地去留意是否还有与这条口碑相似的其他负面口碑，进而再对该口碑加以评判。当消费者在接收到来自不同信息源的类似口碑信息时，口碑产生的说服效果是增加的，甚至，在小规模数量

内,这种递增的效应是属于一加一大于一的。Bone(1995)⁵³、Liu (2006)⁵⁴及郑小平(2008)⁵⁵的研究结论均证实了这一点。

负面网络口碑的信息质量是指信息输出观点的说服力度,即接收者对信息输出价值的感知(Sussman and Siegal,2003)⁵⁶。同时,Sussman and Siegal指出,信息质量是影响消费者采纳信息的重要前因变量。来自同一信息源的不同信息,因其信息质量各不相同,影响消费者购买意愿的程度也不尽相同。对信息质量的测量维度,学者McKinney等人(2002)⁵⁷指出,信息的相关性(信息内容与消费者的需求是否一致)、全面性(信息是否完整、全面)与及时性(信息是否及时并不断更新)是信息质量最关键的三个维度。

传播者的专业性是指口碑接收者能感受到的、传播者能为其提供准确信息的能力(Bristor,1990)⁵⁸。Bloch et al.(1986)研究发现,拥有丰富的产品知识与经验的消费者,因其能对产品做出更为明确的评价与判断,其自然成为了对产品不熟悉的消费者的信息来源对象。意见领袖对信息接收者具有更大的影响力,其最为关键的个人特征被界定为高风险承受力、专业水准及高创造性(Chan,2000)⁵⁹。因此,传播者的专业性常常被视为影响口碑传播效果的一大重要因素。

在口碑沟通中维系个体之间关系的力量即为关系强度,它是口碑接收者所感受到的与传播者之间的亲密程度,可分为强联结与弱联结。现有研究已证实,强联结关系之间的口碑传播效果要大于弱联结关系者(Bansal&Voyer,2000)⁶⁰。随着网络技术迅猛发展,消费者可以十分便捷地向网络上的好友或陌生人咨询,弱联结消费者之间的联系呈级数上升,成为了消费者极为重要的信息来源。

信任倾向是个体对他人的能力、正直及熟悉等依赖的一般意愿。通常,如果一个人信任

⁵³ Bone, Paula Fitzgerald. Word-of-Mouth Effects on Short-term and Long-term Product Judgments [J]. Journal of Business Research, 1995, 32(3):213-223.

⁵⁴ Liu, Y. Word of Mouth for Movies: Its Dynamics and Impact on Box Office Revenue [J]. Journal of Marketing, 2006, 70:74-89.

⁵⁵ 郑小平.在线评论对网络消费者购买决策影响的实证研究[D].中国人民大学硕士学位论文, 2008.

⁵⁶ Sussman, S.W., Siegal, W.S., Informational influence in organizations: an integrated approach to knowledge adoption [J]. Information Systems Research, 2003, 14(1):47-65

⁵⁷ McKinney, V., Yoon, K., Zahedi, F. M., The measurement of web-customer satisfaction: an expectation and disconfirmation approach [J]. Information Systems Research, 2002, 13 (3) :296-315

⁵⁸ Bristor, J.M. Enhanced explanations of word-of-mouth communications: The power of relationships [J]. Research in consumer behavior, 1990, 4: 51 -83.

⁵⁹ Chan, H. Adaptive Word-Of-Mouth Behavior: A Conceptual Framework and Empirical Tests [D]. Doctor Dissertation, The University of Wisconsin- Madison, 2000

⁶⁰ Bansal, H. S. & Peter A. V. Word-of-Mouth Processes within a Services Purchase Decision Context [J]. Journal of Service Research, 2000, 11(3):166-177

倾向较高，那么，他比一般人更容易表现出对他人能力、正直等方面的信赖。McKnight et al.(2002)⁶¹对网络环境下的信任问题进行了研究，并指出，信任倾向显著影响信任信念，同时，二者共同影响信任意愿。

基于以上所述，本文提出以下假设：

H1a：负面网络口碑数量对消费者购买意愿具有正向影响。

H1b：负面网络口碑质量对消费者购买意愿具有正向影响。

H1c：传播者的专业性对消费者购买意愿具有正向影响。

H1d：关系强度对消费者购买意愿具有正向影响。

H1e：接收者的信任倾向对消费者购买意愿具有正向影响。

3.2 信任

在沟通说服领域中，信任即相当于可信性，代表了接收者对传播者能为其提供正确、有效信息及其意图的信心。Ganesan(1994)⁶²研究发现，信任是基于可靠及善意，可靠是基于认知角度，善意则是基于情感角度。

本文综合以上观点，将从口碑传播者的可靠性、口碑信息的准确性及口碑传播者的行为善意性来衡量口碑接收者对传播者的信任。具体到网络环境下的信任问题，因网络交往是建立在信息技术基础之上的一种全新交往方式，伴随网络交往过程而产生的信任问题(网络信任)成为了人们必须面对的一个重要问题。虚拟环境下，信任在口碑信息的影响效果中所起的作用将更大。Smith et al.(2002)⁶³在研究网络口碑与消费者决策制定的相互关系中发现，网络环境下，个人的信任倾向、专业水平、关联强度会影响信任，信任是上述三个变量与决策行为的中介变量。由此可见，口碑信息在缺乏信任的条件下，其影响效果会大打折扣。因此，本文提出以下假设：

H2：口碑接收者对传播者的信任，对消费者购买意愿具有正向影响。

H3a：负面网络口碑数量对信任具有正向影响。

H3b：负面网络口碑质量对信任具有正向影响。

H3c：传播者的专业性对信任具有正向影响。

⁶¹ McKnight, D. H., Cummings, L. L. & Chervany, N. L. Initial Trust Formation in New Organizational Relationships[J]. Academy of Management Review, 2002, 23(3): 472-490

⁶² Ganesan, S. Determinants of Long-Term Orientation in Buyer-Seller Relationships[J]. Journal of Marketing, 1994, 58 (2): 1—19

⁶³ Smith, D. N. Trust Me, Would I Steer You Wrong? The Influence of Peer Recommendations within Virtual Communities[D]. Doctor Dissertation, University of Illinois at Chicago, 2002

H3d: 接收者与传播者的关系强度对信任具有正向影响。

H3e: 接收者的信任倾向对信任具有正向影响。

H4a: 信任在负面网络口碑数量对购买意愿的影响过程中起中介作用。

H4b: 信任在负面网络口碑质量对购买意愿的影响过程中起中介作用。

H4c: 信任在传播者的专业性对购买意愿的影响过程中起中介作用。

H4d: 信任在传播者与接收者的关系强度对购买意愿的影响过程中起中介作用。

H4e: 信任在接收者的信任倾向对购买意愿的影响过程中起中介作用。

3.3 归因的调节作用

在对负面网络口碑的研究中, 归因是指消费者对负面网络口碑产生原因的推测。针对网络口碑, 因网络环境的虚拟性使得口碑传播环境多样化, 网络上的虚假口碑也越来越多。有的负面网络口碑是确有其事, 而有的却是被刻意制造或经过多次传播后被夸大的虚假信息。理性的消费者会对负面网络口碑产生的原因进行解释、推敲, 进而影响消费者对口碑信息的信任, 所以, 同一条负面网络口碑对不同消费者的购买意愿的影响作用是不同的。此时, 接收者在判断口碑信息是否真实可信时, 归因理论可以很好地为之服务。

根据 Bernard Weiner 于 1974 年提出了一个归因模型(他认为个人对原因的解释源自于四大因素的影响, 即自身的能力、所付出的努力程度、任务的难度及运气的好坏), 接收者通常将传播者所讨论的现象或者归结为内部归因, 如传播者自身专业水平或努力程度不够, 或者归结为外部归因, 如产品自身设计缺陷等。当接收者判定口碑内容的负面性是归结于产品时, 接收者对口碑信息及传播者的信任增加, 从而对购买意愿的影响下降; 当接收者判定口碑内容的负面性是归结于传播者自身时, 接收者对口碑信息及传播者的信任降低, 则不会降低他们的购买意愿。对负面口碑的研究, Laczniak, DeCarlo and Motley(1996), Laczniak, DeCarlo and Ramswami(2001), Chatterjee (2001)研究消费者对口碑原因的不同归因(外部归因或内部归因)对购买意愿或品牌评价的影响中, 都运用到了归因理论。结合已有研究, 本文也将基于归因理论来探讨消费者的不同归因对信任及购买意愿的影响作用。具体说来, 将负面网络口碑产生的原因归结于企业(外部归因)或者消费者个人(内部归因)两个方向, 并同时兼顾两大方向的程度差异。基于以上观点, 本文提出下述假设:

H5a: 归因对负面网络口碑数量与信任的影响关系具有调节作用。

H5b: 归因对负面网络口碑质量与信任的影响关系具有调节作用。

H5c: 归因对传播者的专业性与信任的影响关系具有调节作用。

H5d: 归因对接收者与传播者的关系强度与信任的影响关系具有调节作用。

H5e: 归因对接收者的信任倾向与信任的影响关系具有调节作用。

4 研究设计与数据收集

4.1 研究设计

本研究首先就笔记本电脑产品研究对象进行了小规模访谈,以验证消费者在购买决策前会主动上网搜索产品或服务的相关信息。笔者在南京市珠江路百脑汇电脑城内随机选取 50 名消费者进行了详细地沟通与交流,结果显示,78% (即 39 位消费者)的消费者会在购买前上网搜寻笔记本产品的具体信息或其他消费者的使用经验。62% (即 31 位消费者)的消费者表示笔记本品牌及产品的口碑信息会在一定程度上影响其购买意愿。

本研究项目旨在探讨信任与归因两因素在网络负面口碑对消费者购买意愿影响的过程中是如何发挥作用的。本项目的变量测量,在借鉴前人相关研究的基础上,并结合笔记本电脑产品的实际消费情景加以设计,所有的测量题项均采用李克特 7 级量表。其中,对口碑信息数量的测量主要参考 Schubert and Selz(1999)⁶⁴提出的对网站信息的测量项目,结合网络口碑的信息特点后,将其测量项目分为 4 个问项;对口碑信息质量的测量主要参考 Mckinney 等人 (2002)⁶⁵开发的量表,共分为 3 个问项;对传播者的专业性的测量主要参考 Weier & Mowen(1985)⁶⁶对于“专业性”的衡量尺度,分为 4 个问项;对二者关系强度的测量主要采用 Frenzen & Davis(1990)⁶⁷的量表,分为 4 个问项;对信任倾向的测量主要借鉴 Gefen (2000)⁶⁸的研究量表,分为 3 个问项;对信任的测量主要采用 Ridings et al.(2002)⁶⁹研究量表,分为 6 个问项;对归因的测量参考 Lacznia et al.(1996)⁷⁰的研究,将归因分为企业和消费者个人两大方向,同时考虑到可能二者皆有责任,因此,本文兼顾测量了两大归因方向的程度差异;最后,对购买意愿的测量借鉴 Bansal and Voyer(2000)⁷¹的研究量表,结合具体的研究内容将测量项目分为了 6 个问项。

⁶⁴ Schubert, P., Selz, D. Web assessment-measuring the effectiveness of electronic commerce sites going beyond traditional marketing paradigms[C]. Proceedings of the 32nd Hawaii International Conference on System Sciences, Hawaii, 1999.

⁶⁵ McKnight, D. H., Cummings, L. L. & Chervany, N. L. Initial Trust Formation in New Organizational Relationships[J]. Academy of Management Review, 2002, 23(3): 472-490

⁶⁶ Weiner, J. L. & Mowers, J. C. Source Credibility: On the Independent Effects of Trust and Expertise[J]. Association for Consumer Research, 1995, 11(8): 306-310

⁶⁷ Frenzen, J. & Harry, L. D., Purchasing Behavior in Embedded Markets[J]. Journal of Consumer Research, 1990, 17(1): 1 — 12

⁶⁸ Gefen, D. Trust and TAM in Online Shopping: An Integrated Model[J]. MIS Quarterly, Minneapolis, 2003, 27(1): 51-90

⁶⁹ Ridings, C., Gefen, D., Arinze, B. Some antecedents and effects of trust in virtual communities [J]: Journal of strategic Information Systems, 2002, 11(3-4): 271-295.

⁷⁰ Lacznia, Russell N.; DeCarlo, Thomas E.; Motley, Carol M.. retail equity perceptions and consumers' communication[J]. Journal of processing of negative word-of-mouth Marketing Theory & Practice 1996, 4(4): 37-48.

⁷¹ Bansal, H. S. & Voyer, P. A. Word-of-mouth Processes within a services purchase decision context[J]. Journal of Service Research, 2000, 3(2): 166-167

4.2 数据收集

根据本文的研究目的，本次调查应该是欲购买笔记本电脑或曾经购买过笔记本电脑的消费者。因年轻人对网络的使用频率较高，且白领一族因学历较高，其购买决策过程更为理性，对口碑的重视程度也较高。因此，笔者将调查对象锁定在了年轻白领一族。

本次研究以现场填写形式共发放 450 份问卷，回收 402 份，回收率为 89.33%，剔除无效问卷后，共得到 330 份有效问卷。以网络调查形式回收 45 份问卷，剔除无效问卷后得到 40 份有效问卷，有效率为 88.89%。对无效问卷进行剔除的基本原则遵循以下标准：（1）信息填写不完整，存在遗漏现象的问卷；（2）题项回答不认真，敷衍作答的问卷。如，频繁出现连续三个题项回答一样的问卷。

5 实证分析

5.1 数据的信度和效度检验

本研究中，对数据质量的评估主要是借助样本数据的信度和效度检验。首先是通过因子分析对样本数据的架构效度进行分析，分析对象包括负面网络口碑数量、负面网络口碑质量、专业性、关系强度、信任倾向、购买意愿、信任七个变量。

检验结果表明样本数据通过了信度和效度检验，数据总体信度=0.89，负面网络口碑数量 $\alpha=0.912$ ，负面网络口碑质量的 $\alpha=0.936$ ，专业性的 $\alpha=0.806$ ，关系强度的 $\alpha=0.724$ ，信任倾向的 $\alpha=0.874$ ，信任的 $\alpha=0.782$ ，购买意愿的 $\alpha=0.902$ 。另外效度分析结果也表明调查所获取的样本数据通过区别有效性和收敛有效性的检验。

5.2 负面网络口碑与购买意愿的回归分析

本小节将负面网络口碑数量、负面网络口碑质量、专业性、关系强度、信任倾向设定为自变量，以购买意愿为因变量，进行多元回归，详细结果具体见表 5.1。

表5.1：负面网络口碑（5大特征因素）对购买意愿的回归系数表

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	-.638	.251		-2.547	.011		
	A	.440	.050	.429	8.823	.000	.286	3.497
	B	.193	.048	.196	4.039	.000	.289	3.459
	C	.093	.030	.096	3.065	.002	.691	1.447
	D	.257	.037	.256	6.908	.000	.492	2.034

	E	.071	.028	.071	2.491	.013	.829	1.206
a. Dependent Variable: G								

（注：A=负面网络口碑数量，B=负面网络口碑质量，C=专业性，D=关系强度，E=信任倾向，G=购买意愿）

多元回归分析结果显示，模型的可决系数为0.862，说明负面网络口碑数量、负面网络口碑质量、专业性、关系强度、信任倾向五个自变量解释了购买意愿变异的86.2%，即模型拟合程度较高。各自变量的回归系数也均通过了显著性检验，表明，这五个变量对购买意愿具有正向的显著影响。另外模型输出结果中，DW值为1.934，非常接近于2，表明数据不存在严重的一阶序列相关，各自变量的方差膨胀性因子均在1—10范围内，表明各自变量的多重共线性问题不严重。由多元回归结果可知，本文的理论假设H1a、H1b、H1c、H1d、H1e得到充分支持。

5.3 信任的中介效应

本部分通过回归分析法，对接收者对于传播者的信任所起到的中介效应进行研究，具体为负面网络口碑数量、负面网络口碑质量、专业性、关系强度、信任倾向五个潜变量对购买意愿的影响中信任的中介效应。

本部分对信任的中介效应的分析将通过一组方程组来实现。具体而言，信任如果具有中介效应，需要满足以下四个条件，具体如下：

首先，自变量对因变量具有显著影响；其次，自变量对中介变量具有显著影响；再者，中介变量对因变量有显著影响；最后，自变量和中介变量同时对因变量做回归时，自变量的影响系数比其单独对因变量回归的影响系数小时，可以说明中介变量存在中介效应。

5.3.1 信任在负面网络口碑数量对购买意愿的影响作用中的中介效应

我们以负面网络口碑数量，作为自变量，购买意愿作为因变量进行一元回归分析，负面网络口碑数量作为自变量，接收者对传播者的信任作为因变量进行一元回归分析，以信任作为自变量，购买意愿作为因变量进行一元回归分析，结果如表5.2。

表5.2：回归系数表

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1.201	.178		6.763	.000

	负面网络口碑数量	.818	.031	.798	25.984	.000
2	(Constant)	6.890	.249		27.656	.000
	负面网络口碑数量	.220	.044	.246	4.979	.000
3	(Constant)	2.668	.460		5.805	.000
	信任	.352	.056	.307	6.324	.000
a. Dependent Variable: 购买意愿						
a. Dependent Variable: 信任						
a. Dependent Variable: 购买意愿						

回归结果显示，可决系数分别为0.798，0.246，0.307，0.798表明模型拟合程度较好，而0.246，0.307，表明模型拟合程度一般，DW值分别为1.953，2.042，1.882，都接近2，表明负面网络口碑数量和信任都不存在严重的一阶序列相关问题，由此可见，影响系数均通过显著性检验，本文的理论假设H3a和假设H2得到支持。

然后我们以负面网络口碑数量和信任作为自变量，购买意愿作为因变量进行多元回归分析，分析结果详见表5.3。

表5.3：负面网络口碑数量和信任对购买意愿的回归系数表

Coefficients ^a								
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
		B	Std. Error	Beta			Tolerance	VIF
1	(Constant)	.271	.302		.897	.370		
	信任	.135	.036	.118	3.775	.000	.939	1.065
	负面网络口碑数量	.788	.032	.769	24.685	.000	.939	1.065
a. Dependent Variable: 购买意愿								

回归结果显示，可决系数为0.807，表明模型拟合程度很好，负面网络口碑数量和信任共同解释了购买意愿变异的80.7%；DW值为1.953，接近2，表明自变量不存在严重的一阶序列相关问题；方差膨胀性因子在允许范围内，表明负面网络口碑数量和信任之间的多重共线性问题不严重，另外两个自变量的影响系数也均通过了显著性检验。

比较上面的负面网络口碑数量的影响系数，发现，后面一个表中的负面网络口碑数量的影响系数要小于第一个表中的影响系数，说明信任的中介效应显著，即本文的理论假设H4a

得到支持。

5.3.2 信任在专业性等变量对购买意愿的影响中的中介效应

本部分研究负面网络口碑质量、专业性、关系强度、信任倾向四个变量分别对购买意愿的影响中，接收者对传播者的信任的中介效应，研究方法同上，利用SPSS软件进行回归模型的拟合后，将结果汇总于表5.4。

表5.4：专业性等变量对购买意愿的影响中信任的中介效应分析结果

回归系数 自变量\	自变量对 购买意愿	自变量对 信任	信任对购买意 愿	信任*自变量对购买意愿	
				信任	自变量
负面网络口碑质量	0.747 (P=0)	0.198 (P=0)	0.352 (P=0)	0.160 (P=0)	0.716 (P=0)
专业性	0.44 (P=0)	0.269 (P=0)	0.352 (P=0)	0.153 (P=0)	0.383 (P=0)
关系强度	0.708 (P=0)	0.369 (P=0)	0.352 (P=0)	0.114 (P=0)	0.678 (P=0)
信任倾向	0.368 (P=0)	0.557 (P=0)	0.352 (P=0)	0.179 (P=0.009)	0.263 (P=0)

第一行数据是负面网络口碑质量对购买意愿的影响中信任的中介效应分析结果。四个回归方程均成立。通过比较负面网络口碑质量在第一步和第四步中的影响系数，可以证明信任存在显著的中介效应。本文的理论假设H3b、H4b得到充分支持。

第二行数据是专业性对购买意愿的影响中信任的中介效应分析结果。四个回归方程均成立。通过比较专业性在第一步和第四步中的影响系数，可以证明信任存在显著的中介效应。本文的理论假设H3c、H4c得到充分支持。

第三行数据是关系强度对购买意愿的影响中信任的中介效应分析结果。四个回归方程均成立。通过比较关系强度在第一步和第四步中的影响系数，可以证明信任存在显著的中介效应。本文的理论假设H3d、H4d得到充分支持。

第四行数据是信任倾向对购买意愿的影响中信任的中介效应分析结果。四个回归方程均成立。通过比较信任倾向在第一步和第四步中的影响系数，可以证明信任存在显著的中介效应。本文的理论假设H3e、H4e得到充分支持。

5.4 归因的调节效应

本部分考察归因在负面网络口碑数量、负面网络口碑质量、专业性、关系强度、信任倾

向对信任的影响中的调节效应。由于归因是连续变量（1表示完全在于消费者，5表示完全在于企业），因此本文采用层次回归分析法，通过考察自变量与调节变量的交互项的显著性变化量来分析归因的调节效应。

我们分别将负面网络口碑数量、负面网络口碑质量、专业性、关系强度和信任倾向作自变量，信任作因变量进行回归分析，结果如表5.5：

表5.5：回归系数表

自变量	因变量：信任			
	模型1		模型2	
	回归系数	Sig	回归系数	Sig
负面网络口碑数量	0.24	0.000	0.017	0.881
归因	0.189	0.006	0.57	0.003
负面网络口碑数量*归因			0.071	0.035
负面网络口碑质量	0.206	0.000	0.088	0.01
归因	-0.192	0.006	-0.685	0.001
负面网络口碑质量*归因			-0.061	0.586
专业性	0.347	0.000	0.189	0.036
归因	0.08	0.210	-0.319	0.132
专业性*归因			0.054	0.049
关系强度	0.293	0	0.167	0.069
归因	-0.161	0.017	-0.39	0.015
关系强度*归因			0.04	0.117
信任倾向	0.585	0.000	0.365	0.000
归因	-0.002	0.974	-0.645	0.001
信任倾向*归因			0.081	0.000

通过上表可以发现，负面网络口碑数量*归因的影响系数显著，表明归因在负面网络口碑数量对信任的影响中调节效用显著。本文的理论假设H5a得到支持。负面网络口碑质量*归因的影响系数未通过显著性检验，表明归因在负面网络口碑质量对信任的影响中调节效应不显著。本文的理论假设H5b未得到支持。专业性*归因的影响系数显著，表明归因在专业性对信任的影响中调节效用显著。本文的理论假设H5c得到支持。关系强度*归因的影响系数未通过

显著性检验，表明归因在关系强度对信任的影响中调节效应不显著。本文的理论假设H5d未得到支持。信任倾向*归因的影响系数显著，表明归因在信任倾向对信任的影响中调节效用显著。本文的理论假设H5e得到支持。

6 负面网络口碑管理的策略性思考

6.1 完善服务补救体系，扼制负面口碑产生

互联网技术快速发展，消费者之间的跨区域交流成为可能，有学者指出，虚拟世界里，一位不满意的顾客会通过网络将不满信息快速传达给六千个人。而当消费者对产品或服务不满意时，若企业未能在合适的契机做出适当的服务补救，此消费者很有可能会散布有关企业或产品的负面口碑。但如若在消费者产生不满意之时，企业能够做出适当的补救行为，不但会减少负面口碑产生的可能性，还有可能会提高此消费者的满意度甚至是忠诚度。

因此，笔记本电脑企业必须认真对待现有消费者的抱怨或投诉行为，应该积极采取补救措施帮助企业重新建立信誉，提高顾客满意度，建立顾客的忠诚度。具体而言，可以给予更多的赠品，或是价格折扣，目的在于消除“不满顾客”的消极抵触情绪，最大限度地了解和满足顾客的需求。

6.2 建立网络沟通平台，增加正面口碑数量以抵消负面口碑的消极影响

本文研究结论证实，负面网络口碑数量是影响消费者购买意愿的最关键因素。不同于传统口碑，网络口碑可被随意保存与复制，因此，消费者可能会因搜索到较多相类似的网络口碑信息而被较大程度地改变购买意愿。

不同于传统口碑的口口相传，负面网络口碑的传播必须以运用相关网络平台为前提，而一般情况下，若消费者对企业产品或服务不满，往往会先尝试着联系企业以协商问题的决策策略。此时，如果企业能为消费者提供合适的沟通渠道，建立良好的网络沟通平台，则可有效降低消费者到其他网络平台传播相关负面网络口碑的可能。

因此，笔记本电脑企业应加强与消费者的沟通，构建知名度高的官方网络沟通平台，并致力于将其打造成互联网中最具权威的信息反馈平台。以减少负面网络口碑数量，将该负面信息发挥的负效应降到最低。

6.3 探究负面口碑内在原因，及时予以解释

归因是个体对一现象的原因进行推测的心理过程，本文通过实证证实了，消费者对于负面口碑的不同归因在影响机制中存在很大的区别判断性，会影响口碑的传播效果。具体说来，

消费者对负面网络口碑产生缘由的归因越倾向于企业一方时,该口碑对消费者购买意愿产生的影响越大。

具体到本文的研究行业,因笔记本电脑产品单价较高,消费者在搜集信息时更加趋于理性,在接收到一则负面网络口碑时,大多会探寻其背后的原因。因此,企业要正确引导口碑的舆论方向,应从消费者的不同归因着手。即,当网络上出现有关企业的负面网络口碑时,企业应对该口碑进行细致、专业地分析,推导出其背后隐藏的内在原因,及时予以解释,以通过影响消费者对该口碑的归因来降低该口碑的消极影响作用。

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Change Management Strategies for Knowledge Management System Implementation: A Case Study at PT. TelkomVision Indonesia

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Today, Knowledge Management System (KMS) has become an important need for maintaining the sustainability of the organization. KMS helps companies in managing knowledge possessed by its employees to deal with employee turnover, providing competitive advantage, and increasing the effectiveness of operational activities. However, implementing a KMS requires a change management strategy for preparing corporate resources, in particular its human resources, to achieve success in the process of change. This research is aimed to develop change management strategies to support the implementation of KMS in PT. TelkomVision Indonesia.

In preparing the strategy, we used a systems thinking framework that includes the following stages: (1) environment scan, (2) outputs, (3) feedback, (4) inputs, and (5) throughputs. At the environment scan stage, we conducted an analysis of external factors that may affect the organization's KMS implementation using the SCEPTIC framework (Socio-Demography, Competition, Economics and Ecology, Politics, Technology, Industry, and Customers). At the output stage, we defined the objectives and expected outcomes of the change, in this case is done by determining the purpose of KMS implementation and its Key Performance Indicators and Critical Success Factors. At the input stage, we analyzed the internal condition of PT. TelkomVision, to look at the resistance factors KMS implementation. The analysis was performed using questionnaires distributed to employees by using a modification of PC Utilization Model developed by Venkantesh. In throughputs stage, we performed SWOT analysis to see the weaknesses, strengths, threats and opportunities within the organization associated with the implementation of KMS. Based on the formulated SWOT matrix, we devised ST, SO, WT, and WO strategies that will become KMS implementation strategies in PT. TelkomVision. The strategies will be grouped into 3 phases according to Lewin's Three Step Model which are unfreeze, movements, and freeze. Strategies at each phase will be prioritized using the Analytic Hierarchy Process (AHP) to suit the conditions desired by PT. TelkomVision.

Based on questionnaire results obtained, we can see that employees have the desire and interest regarding the implementation of KMS in the company as evidenced by the availability of all employees into the sample (71 people) to use the KMS. Considering this finding, It will be a strong motivation and support for companies to implement KMS. Regarding the development of change management strategies for KMS implementation, this study produced 12 change management strategies as follows:

- Unfreeze phase: (1) strengthening management support and enhancing the understanding of KMS benefits to company's stakeholders, (2) providing socialization regarding the use of KMS and its benefits to employees, (3) ensuring that these functions are implemented KMS and required by the company, (4) Creating a good organizational culture and KMS infrastructure.
- Movements phase: (1) Providing continuous training to employees, (2) Developing KMS with a good quality, attractive, and easy to use by employees, (3) Providing motivation and assistance among employees and to subordinates in the use of KMS, (4) Creating a web-based KMS in order to be easily accessed by all employees and to be efficient in its implementation and maintenance.
- Freeze phase: (1) establishing policies in the use of KMS by considering circumstances between the branch and central (2) Supervising and evaluating the use KMS so that companies can see its benefits to the organizational development (3) Increasing the use of IT and KMS capabilities so that employees can carry out exploration in the use of KMS that will impact to the job performance (4) Continuously maintaining and enhancing employees confidence so that KMS can be used actively and thoroughly by all employees.

Keywords: Change management strategy, systems thinking, Lewin's three step model, Analytic Hierarchy Process (AHP), Knowledge Management System (KMS), PC Utilization Model, SWOT analysis.

ABSTRACT

Purpose – This research aims to develop a framework for formulating change management strategies to support the implementation of Knowledge Management System (KMS). Using a case study approach, the proposed framework is then used to formulate change management strategies of KMS implementation in PT. TelkomVision Indonesia.

Design/methodology/approach – The framework is developed by combining the Systems Thinking Approach, the Theory of Lewin's Three Steps Model and the Analytic Hierarchy Process (AHP) Technique. The System Thinking Approach is used to develop change management strategies which is enriched by SKEPTIC, CSF and SWOT analysis and technology acceptance model in its steps. Subsequently, the resulted strategies are mapped to the Theory of Lewin's Three Steps Model that provides a framework for managing changes. Lastly, the strategies are prioritized by using the Analytic Hierarchy Process (AHP) Technique.

Findings – We successfully developed and tested the framework. Regarding our case study, we acquire twelve (12) change management strategies of KMS implementation for PT TelkomVision. Those strategies are divided into three (3) steps in accordance with the Lewin's Three Steps Model.

Practical implication – Introducing technology for knowledge sharing service should be accompanied with change management strategies. Our proposed framework seems to exhibit general characteristics. Therefore, we believe that the framework can be adopted by other organization, not necessarily from the same domain, that wants to implement KMS.

Originality/value – We propose a framework for formulating change management strategies for the Knowledge Management System Implementation that is currently unavailable. While most researchers concentrate on the development of effective KMS as a tool for knowledge sharing, we take a different focus on the development of the framework for formulating strategies in order to make the KMS can be accepted and successfully used by its users.

Keywords – Change management strategy, systems thinking, Lewin's Three Steps Model, Analytic Hierarchy Process, AHP, Knowledge Management System, KMS, Acceptance Model, SWOT analysis

Paper type – Research paper

1. INTRODUCTION

These days, knowledge is considered very important hence it needs to be maintained and preserved.

Knowledge is the result of processing information and data that are owned or acquired by one or more organizations. Knowledge has become the main source of state military forces as well as economic power (Becerra-Fernandez, González, and Sabherwal, 2004). This shows the importance of managing knowledge within an organization.

Knowledge as an organizational asset can exist in a form of explicit and implicit knowledge or intellectual property such as artifacts (products, patents), service (service methods, procedures), knowledge bases, storage places (repositories), Knowledge Management Systems or so-called KMS (hereinafter referred to as KMS), and knowledge (ideas) and skills possessed by employees in the organization (Little and Deokar, 2011). Considering the importance of knowledge, the management of knowledge within organizations thus becomes significantly important. According to Becerra-Fernandez, González, and Sabherwal (2004), there are four reasons for the importance of knowledge management within organizations, namely: respond to business complexity, accelerate speed to market changes, provide faster respond, and the high turnover of employees within organization.

Implementing new technology in the organization needs to consider human aspects as they will be the users of the new system. The Theory of Reasoned Action (TRA) by Fishbein and Ajzen (1975), the Technology Acceptance Model (TAM) by Davis, Bagozzi, and Warshaw (1989), and the Model of PC Utilization by Thomson et al. (1991) are among the models that try to find factors that influence human acceptance to technology as well as research by Ekawati and Hidayanto (2011). Therefore, introducing a KMS as a new technology in the organization needs preparations and strategies to avoid rejection of the employees. The rejection might become a bottleneck in the implementation process and its future use. Hence, employees, as the primary users of the KMS, can be identified as the major supporting factor to support the successful implementation of the KMS in an organization. Therefore, such change should be managed.

Regarding to the above-mentioned challenge, our research is aimed at formulating a framework for the development of change management strategies for the implementation of a KMS in an organization. This framework is expected to be used by organizations in helping them to formulate appropriate change management strategies for successful KMS implementation. As a case study, we apply the framework for formulating change management strategies for KMS implementation in PT. TelkomVision Indonesia.

2. Change Management

According to Lientz and Kathryn (2004), change management is the approach to plan, design, implement, manage, measure, and sustain changes in business processes and work. Furthermore, Berger and Sikora (1994) explained that change management is a continuous process to align the organizations with the business market responsively and effectively than their competitors. Based on those two opinions, we can infer that performing change management is of high importance for every organization in order to deal with and manage changes and consequently align them with the organization. By change management, the changes in an organization are expected to be successfully completed.

Some researches have been conducted for formulating change management strategies such as the one by Hidayanto, Hartana, and Hapsari (2010) that develops change management strategies of the Hospital Information Systems implementation for RAA Soewondo Hospital. In addition, Eastman and McCarthy (2010) proposed change management strategies for Electronic Medical Record (EMR) implementation. Furthermore, Aladwani (2001) proposed change management strategies for Enterprise Resource Planning (ERP) implementation.

The success of the implementation of changes in the organizations must be supported by some factors. In the context of KMS, Wong (2005), based on his research, states that the supporting factors in implementing KMS in organizations include leadership and management support, culture, information technology (IT), objectives and strategies, measurement, organization infrastructure, process and activity, motivation support, resources, socialization, education, and training, and human resource management.

3. Systems Thinking

According to Haines (2004), systems thinking is a way of thinking like a system that is a way of seeing the whole as a primary. Systems thinking also could be means as a tool for finding patterns and relationships

among subsystems and learning to reinforce or change these patterns to achieve specific outcomes. The main concept in systems thinking is backward thinking and organization design that must be adjusted with the future desired by organization. Systems thinking helps the process of resolving the complex problems by using a simple way and elegant by firstly, focus on the desired outcomes and continue to think backwards to identify number of ways that need to be utilized to achieve the desired outcomes. The phases performed in systems thinking are Environment, Outputs, Feedback, Inputs, and Throughputs that can be explained as follows (Haines, 2004):

- Phase E – Environment
In this phase, organizations need to identify the present external condition that is likely be affected in the future by the changes currently happened in the organizations. The identification should at least take three years projection into account. In this phase, we must answer the question, “what other factors need to be considered that could change in future environment?”
- Phase A – Outputs
In this phase, organizations must define and determine the objectives and desired outcomes from the changes. Organizations must answer the question “where do the organizations want to be?” This phase also means that the organizations need to identify clearly their ideal goals from the changes.
- Phase B – Feedback
This phase is a phase in which organizations measure the changes to find out whether the desired outcomes has been achieved or not. In this phase, organizations must answer the question “how will the organizations know when they already achieved the goals?”
- Phase C – Inputs
In this phase, organizations analyze the current condition of the company. In this phase, organizations must answer the question “where are the organizations now?” Organizations define the gap between the present state and the desired future.
- Phase D – Throughputs
This phase is a phase in which organizations begin to develop and determine the strategies to achieve the desired outcomes. The strategies must integrate all the process, activities, relationships, and changes needed to close the gap and create the desired outcomes identified through phase A. In this phase, organizations must answer the question “how the organizations achieve the desired outcomes from the current condition of the organizations?”

4. Lewin’s Three Steps Model

Lewin's Three Steps Model is a change management model introduced by Lewin (1951). Through his model, Lewin states that there are three steps to implement changes in the organizations that comprise of the followings steps (Cameron and Green, 2009):

1. Unfreeze
This step is a crucial step in which organizations are aware and comprehend the changes happened in the environments. In this step, organizations prepare to do the changes. This step starts with an awareness, that the organizations need changes to adapt with the environment and arrangements to leave the safe zone. In this step, organizations must prepare and help people in the organizations to understand and convince them that the changes are needed before that process of changes will be implemented. The process of changes must be led by those who are in a relatively high position, such as manager. The managers must comprehend the importance of the changes, and subsequently educate other people about the changes and their importance. Afterward, the manager must establish short-term goals as well as long-term goals correspond with the changes.
2. Movement
In this step, the process of change begins to be implemented gradually. Organizations start to leave the old ways and then use the new ways. The changes must comply with the objectives and the desired situation after the changes. The process definitely needs a total involvement of all the people who are affected by the changes. This is a challenging step because of the resistance and hesitation of the new ways. Therefore, this step needs longer time as people gradually understand and adapt with the new ways.

The manager's role is very important in giving motivation, training, or become a good example correspond with the changes.

3. Freeze

In this step, the desired outcomes or situations have been achieved; hence the changes need to be made permanent and strengthened by developing new rules and policies and also by creating a new culture related to the changes. Thereby, the changes will reach stable point.

5. Analytic Hierarchy Process

Analytic hierarchy process (AHP) is a theory developed by Saaty (1980). The AHP is a method used to make a decision or to solve unstructured and complex problems. The AHP will help the decision makers to find the best solution for their problems. Saaty (2008) stated that the steps to create a structured decision/solution to generate priorities to that decision/solution are:

1. Define the problem and determine the kind of knowledge and information needed to make the decision.
2. Structure the decision hierarchy starting from the top with the goal of the decision, then descending to the next lower level with the objectives from a broader perspective, after that going through the intermediate levels that contain *criteria* on which subsequent elements depend, and ultimately stepping to the lowest level which usually consists of a set of the *alternatives*.
3. Construct a set of pair wise comparison matrices. Each element in each level of hierarchy (for both alternatives and criteria) should be compared each other by using matrices. The score for the comparison is in a scale of 1 to 9 which according to Saaty, is the best, general, and commonly used range.
4. Use the priorities obtained from the comparisons to find the weight of the alternatives based on the criteria through the AHP calculation. The calculation can be done manually or using software, e.g., Expert Choice 11. The final task is validating the pair wise comparison by ascertaining that the consistency ratio (CR) or the level of inconsistency is below 0.1 which means that the prioritization is valid and can be accepted.

6. Framework for Change Management Strategies of KMS Implementation

As mentioned, our aim in this research is to formulate framework for change management strategies for KMS implementation. In developing the framework, we adopt some relevant concepts including the System Thinking Approach, the SWOT, Critical Success Factors (CSFs) and SKEPTIC Analysis Method, the Theory of Technology Acceptance Model, the Theory of Lewin's Three Steps Model and the Analytic Hierarchy Process (AHP) Technique.

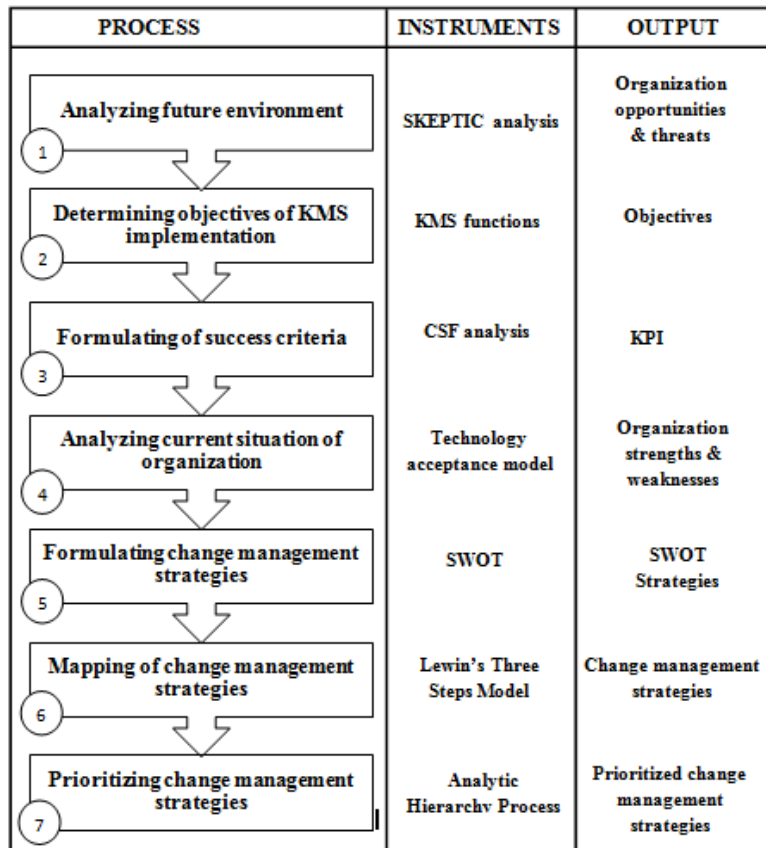


Figure 1. Proposed framework for formulating change management strategies for KMS implementation

The System Thinking Approach, the SWOT, CSFs, SKEPTIC Analysis Method and the Theory of Technology Acceptance Model are proposed to formulate change management strategies. The Theory of Lewin's Three Steps Model is proposed for grouping the resulting strategies into the corresponding three steps that management can perform when implementing KMS. Whereas, we propose the AHP Technique to help management in prioritizing the strategies as they should be planned and scheduled. The summary of our proposed framework can be seen in Figure 1. Please note that step 1 to step 5 are adapted from the steps in the Systems Thinking Approach.

7. Change Management Strategies of KMS Implementation in PT TelkomVision

In the following subsections, we assess the applicability of our proposed framework to develop change management strategies for KMS implementation in PT. TelkomVision Indonesia. We outlined our explanation according to the steps that we have formulated in Figure 1.

7.1. Analysis of the Future External Condition of the Company

Based on the System Thinking Approach, the analysis of the future external condition of the company is Phase E, the environment scan. Since PT. TelkomVision Indonesia plans to implement its KMS one or two years later, then the analysis of the future external condition of PT. TelkomVision Indonesia should be five years from now (see Phase E of the Systems Thinking Approach). This analysis is conducted to observe the desired position by the company in the future

related to the implementation of KMS. The analysis is based on the interview with the IT division in the company. Afterwards, the result of the interview is analyzed using the SKEPTIC analysis concerning several aspects, i.e., the socio-demography, the competition, the economics, the ecology, the politics, the technology, the industry, and the customer. Regarding the future external condition of the company, the analysis generates nine (9) statements, i.e., one statement each for the socio-demography, the technology, and the customer aspects, two statements each for the competition, the economics, and the industry aspects, and no statement for the ecology and the politics aspects.

7.2. Formulation of the Objectives and Success Measurements of KMS Implementation

This step defines the objectives and success measurements of the KMS implementation. We generated the objectives by conducting literature study, that subsequently discussed with the IT division of PT. TelkomVision Indonesia. Based on the discussion, the knowledge management functions that are needed in the company are knowledge discovery, knowledge capture, and knowledge sharing.

Having identified the objectives, the company must also define the measurements for the objectives respectively. The measurements use Key Performance Indicator (KPI) and Critical Success Factors (CSFs) as determining factors in the success of KMS implementation. From the literature study and the discussion with the IT division of PT. TelkomVision Indonesia, we successfully define the KPI and CSF. The objectives and their corresponding measurements of the KMS implementation in PT. TelkomVision Indonesia are presented in Table 1.

7.3. Analysis of the Current Internal Condition of the Company

Based on the System Thinking Approach, Phase C concerns the assessment strategies. In this phase, the analysis of the current internal condition of the company is conducted. The analysis is performed by using interviews with the IT division and distributing questionnaires to the employees. The interviews are used to observe the management views about the KMS implementation, whereas the questionnaires are used to observe factors influencing the acceptance of employees toward the KMS implementation. The interviews contain a set of questions about the management views, culture and organization infrastructure, and technology, whereas the questionnaire for analyzing the resistance or supporting factors is developed based on the theory of technology acceptance model which is we adopted from Ekawati and Hidayanto (2011). The questionnaires are distributed to seventy one (71) employees randomly from the total two hundred and twenty four (224) population in the company. The questions are about the IT profile of the employees and the resistance or supporting factors in the implementation and utilization of KMS. By conducting the analysis of the current internal condition of the company, the strengths and weaknesses of the company will be identified and used for making the change management strategies. This analysis generated twenty four (24) statements in which eleven (11) statements are obtained from the interviews and thirteen (13) statements are obtained from the questionnaires.

Table 1. Objectives and Success Measurement of KMS Implementation

Objectives	Key Performance Indicator (KPI)	Critical Success Factor (CSF)
Providing KMS to collect the information and knowledge possessed by the employees to help the learning process in PT.	• The number of knowledge provided in KMS • The number of users in KMS • The knowledge searching time in KMS • The performance value of the employee based on the	• Leadership and management support • Creating cultures in the company about generating and sharing knowledge • Motivating the employees using incentive system and award

TelkomVision	activeness in using KMS	• Socialization, education, and training about KMS
Facilitating the communication and group discussion process more effectively	• The number of users participate in the discussion in KMS • The number of discussion held in KMS • The kind of user positions in the group discussion • The performance value of the employee	• Leadership and management support • Socialization, education, and training about KMS • Creating cultures in the company about generating and sharing knowledge • Motivating the employees using incentive system and award
Facilitating the discovery and finding process of the new knowledge for any kind of purposes in PT. TelkomVision Indonesia	• The number of new knowledge generated in KMS • The number of types of the new knowledge generated in KMS • The number of utilization of the new knowledge in the company	• Leadership and management support • Socialization, education, and training about KMS • Creating cultures in the company about generating and sharing knowledge • Motivating the employees using incentive system and award

7.4. Development of Change Management Strategies

After analyzing the future external condition and the current internal condition of the company and defining the objectives and measurement of the KMS implementation, we can start to develop the change management strategies. The development of the change management strategies is one of the steps in Phase D, i.e., the action level. The development is using the SWOT analysis in which strengths and weaknesses are identified from the analysis of the current internal condition of the company while opportunities and threats are identified from the analysis of the future external condition of the company.

The identification process results in nine (9) statements for the strengths, eight (8) statements for the weaknesses, five (5) statements for the opportunities, and four (4) statements for the threats. By using those statements, the strategies will be constructed by using a matrix to combine the statements. As a result, the strategies will be identified as the Strengths-Opportunities (SO) strategies, the Weaknesses-Opportunities (WO) strategies, the Weaknesses-Threats (WT) strategies, and the Strengths-Threats (ST) strategies. The SO strategies are used to maximize the strengths of the company in order to utilize the opportunities, while the WO strategies are used to minimize the weaknesses of the company in order to utilize the opportunities wisely. Then, the ST strategies are used to utilize the strengths in order to anticipate the rise of the threats while the WT strategies are used to minimize the weaknesses in order to avoid the rise of the threats. The change management strategies are presented in Table 2.

Table 2. Identified Change Management Strategies of KMS Implementation

	Strengths (9 statements)	Weaknesses (8 statements)
Opportunities (5 statements)	SO Strategies 1. Strengthening the management support and improving the understanding of the benefits of KMS to all the stakeholders in the company so that the company and the company group will have a better reputation in public. 2. Building a qualified, attractive, and user-friendly KMS. 3. Establishing a good KMS culture and organization infrastructure so that the quality of the company will increase in order to cope with the opportunities in the future.	WO Strategies 1. Actively socializing the KMS so that the KMS implementation and utilization will be successful and eventually affect the reputation of the company. 2. Ensuring that the KMS functions and objectives are accurate and suitable with the company needs so that the implementation will be effective and in the end affect the performance of the company. 3. Supervising and evaluating the KMS utilization so that the implementation will be successful and at last affect the performance of the employees.
Threats (4 statements)	ST Strategies 1. Building a web-based KMS so that it could be accessed more easily by all the employees and furthermore the implementation and the maintenance will be more efficient. 2. Improving and maintaining the employees trust of the KMS so that all the employees will participate actively in using the KMS. 3. Increasing the IT skill and the utilization of the KMS in the company so that it will be a competitive advantage from the competitors.	WT Strategies 1. Establishing policies that suit the company regulations and the branch offices so that the implementation will be successful. 2. Motivating the employees to help each other in using the KMS. 3. Providing sufficient time and chances and training that is adjusted with the condition of the company so that the employees can learn the utilization of the KMS.

7.5. Mapping the Change Management Strategies

After the change management strategies have been developed by using the SWOT analysis, those strategies will be mapped into the Theory of Lewin's Three Step Model. As explained before, the Theory of Lewin's Three Steps Model consists of three steps, i.e., Unfreeze, Movement, and Freeze. The mapping results can be seen in Table 3.

Those mapping results are then verified to PT. TelkomVision Indonesia particularly to the General Manager of the IT division to get confirmation and agreement on those strategies and also to see the compatibility of the mapping in the Lewin's Three Steps Model with the company situation.

Table 3. Mapping Results to Lewin's Three Steps Model

Change Management Strategies	Lewin's Three Steps Model		
	Unfreeze	Movement	Freeze
Strengthen the management support and improve the understanding of the benefits of KMS to all the stakeholders in the company so that company and company group will have a better reputation in public. (U1)	✓		
Building a qualified, attractive, and user-friendly KMS. (M1)		✓	
Establishing a good KMS culture and organization infrastructure so that the quality of the company will increase to face the opportunities arise in the future. (U2)	✓		
Building a web-based KMS so that it could be accessed easily with all the employees and the implementation and the maintenance will be more efficient. (M2)		✓	
Improving and maintaining the employee trust of the KMS so that all the employees will participate actively in using the KMS. (F1)			✓
Increasing the IT skill and the utilization of KMS in the company so that it will be a competitive advantage from the competitors. (F2)			✓
Socializing the KMS actively so that the KMS implementation and utilization will be success and affect the reputation of the company. (U3)	✓		
Ensuring that the KMS functions and objectives is accurate and suitable with the company needs so the implementation will be effective and affect the performance of the company. (U4)	✓		
Supervising and evaluating the KMS utilization so that the implementation will be success and affect the performance of the employees. (F3)			✓
Establishing policies that suites the company regulations and the branch offices so that the implementation will be success. (F4)			✓
Motivating the employees to help each other in using the KMS. (M3)		✓	
Accommodating enough time and chances and training that adjusted with the condition of the company for the employees to learn the utilization of KMS. (M4)		✓	

7.6. Prioritization of the Change Management Strategies

After the mapping, we proceed to the last step in Phase D, i.e., prioritizing the change management strategies by using AHP technique. In our case, the criteria to make decision are the supporting or success factors in implementing KMS that suite PT. TelkomVision Indonesia, such as leadership and management support, culture, motivation support, and socialization, education, and training. Those criteria were obtained as a result from a discussion between general manager of IT division, manager of IT Operation division, and general manager of HR division. Whereas the alternatives of decision, in our case are the change management strategies that we have formulated. Now the hierarchy is constructed by using these criteria and alternatives.

We continue to give weight in the matrices for the criteria and alternatives using the Saaty Comparison Scale. The weighing process is conducted in each step in the Lewin's Three Steps Model. The weight itself is resulted from a consensus between the General Manager of the IT division, the General Manager of the HR division, and the Manager of the IT Operation division. The matrix for the criteria is presented in Table 4.

Table 4. Criteria Comparison Matrix

Criteria	LMS	MS	SET	C
Leadership and Management Support (LMS)	1	3	7	9
Motivation Support (MS)	1/3	1	3	7
Socialization, Education, and Training (SET)	1/7	1/3	1	4
Culture (C)	1/9	1/7	1/4	1

Furthermore, the matrix will be calculated using a software application called Expert Choice 11. From the calculation, we find that the most important criterion is the Leadership and Management Support, which has the eigen value of 0.597 and consistency ratio of 0.06, followed by the Motivation Support, the Socialization, the Education, and the Training, and the Culture.

Subsequently, the prioritization process continues to be applied to the strategies in each step of the Lewin's Three Steps Model. Since, we have three (3) steps and four (4) criteria, there will be twelve (12) matrices which means each step will have four (4) matrices for all the criteria. Again, the weighing process is resulted from a consensus between the General Manager of the IT division, the General Manager of the HR division, and the Manager of the IT Operation division. Here is one of the examples of the matrix in the Unfreeze Step which can be seen in Table 5.

Table 5. Alternatives Comparison Matrix in Unfreeze Step for Leadership and Management Support Criteria

Strategies	U1	U2	U3	U4
U1	1	7	5	3
U2	1/7	1	1/5	1/4
U3	1/5	5	1	1/2
U4	1/3	4	2	1

Furthermore, just like in the criteria comparison, the matrix will be calculated using the Expert Choice 11. From the calculation, we find that the most important strategy is the U1 strategy, which has a consistency ratio 0.07, followed by the U4, the U3, and the U2. Given four (4) criteria, this process will be repeated three (3) times. After all the calculation for four (4) criteria in the Unfreeze Step is done, then we proceed to calculate the prioritization in the Unfreeze Step using Expert Choice 11. Overall, it is shown that the U1 strategy is the most important strategy in the Unfreeze Step followed by the U2, the U3, and the U4.

The same processes also hold for prioritizing strategies in the Movement and the Freeze steps. From the calculation of Expert Choice 11, in the Movement Step, the M4 strategy, with a consistency ratio of 0.06, turns out to be the most important strategy followed by the M1, the M3, and the M2. As for the Freeze Step, the F4, with a consistency ratio of 0.05 becomes the most important strategy followed by the F3, the F2, and the F1.

8. Implication to Knowledge Sharing Services

Knowledge management system is one important component in the implementation of knowledge sharing. Unfortunately, not all employees have the same understanding of the importance of KMS in knowledge sharing. In addition, there is still resistance in the use of KMS, particularly the fear that its use will add their workload.

Therefore, the implementation of the KMS as knowledge sharing services should be coupled with management support, primarily related to increased awareness and cultivate knowledge sharing activities among employees so as to avoid resistance when KMS is implemented. Another aspect to consider is the use of technology organizations are readily accepted by employees. The technology used must be interactive, easy to use and able to attract employees to use it. Finally, to ensure that knowledge sharing services can sustain, it is necessary to monitor the performance of KMS implementation. Knowledge sharing services should be ensured already be best utilized by the employees and to perform as expected.

9. Conclusion

This research was conducted to develop a framework for formulating change management strategies to support the success of KMS implementation. We have proposed a framework that mainly follows the steps in the system thinking framework that is enriched by incorporating some analysis instruments ,i.e., SKEPTIC, CSFs, SWOT, and the Theory of Technology Acceptance. The resulting strategies are mapped into the Lewin's Three Steps Model to apply the change management concept, and then prioritized by using the AHP. Based on the results of the application of our proposed framework in PT. TelkomVision, we find three most important strategies in order to successfully implement KMS, i.e.,:

1. In the Unfreeze Step, the most important strategy is strengthening the management support and improving the understanding of the benefits of the KMS to all the stakeholders in the company so that the company and its company group will have a better reputation in public.
2. In the Movement Step, the most important strategy is providing adequate time, chances, and training, which is adjusted with the condition of the company, for the employees in order to learn the utilization of the KMS.
3. In the Freeze Step, the most important strategy is establishing policies that suit the company regulations and its branch offices so that the implementation will be successful.

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Meaning-based approaches to Chinese volunteer vacation experience

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Volunteer tourism in China has mushroomed ever since 2004 when the website of 1kg.com was established. Registered members are encouraged to help the children in poverty-stricken destinations with “one kilogram” of books, pencils, notebooks etc.

In 2007, a travel agency in Shanghai began to sell the volunteer vacation which was sold out rapidly. Nevertheless, Chinese managers are not confident about mass production of this newly developed product. That is to say, volunteer vacations are still on the very early stage in China. Current study of vacation experience would help managers understand tourists more and polish their design of products.

This study questioned the meaning volunteer tourists attached to their trip. Based on purposive and snowballing sampling, 12 interviewees, who all took Volunteer Ambassador Package tour of the 16th Asian Games, were chosen and interviewed about 6 months after completion of trip. They were asked to describe how they feel about the trip and what the impacts of the trip on them. This study is not on how people traveled on a particular trip or with the truth or falsity of their accounts. Instead, such stories reveal the ways people give structure and meaning to their experience in the moments of their telling (Neumann & Eason, 1990).

It's found that a social self identity was formed. Tourists have more chances to get to know other tourists. They felt united and had a strong sense of group cohesion. Secondly, their patriotism self were ignited throughout trip. They felt proud and responsible. Thirdly, they had a more profound understanding about destination due to varied volunteer activities. Fourthly, parents passed down volunteering to their children as a healthy way of life. Last but not the least, a new self was established and old self challenged for some tourists. They felt more confident as a result.

In conclusion, volunteer vacationers believe they had more profound and meaningful experience than tourists of leisure purpose in terms of knowledge about destination, intra and interrelationship development. As short-term volunteer tourists with travel as one of their main purposes, they understood their experiences were shallow in some aspects and volunteer vacation package product still had room to improve. Nevertheless, they thought they have interesting and meaningful experience which is sometimes lost in the routines of daily living.

Introduction

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Volunteer tourism experience

Volunteer tourism refers to “those tourists who, for various reasons, volunteer in an organized way to undertake holidays that might involve aiding or alleviating the material poverty of some groups in society, the restoration of certain environments or research into aspects of society or environment”(Wearing, 2001, p. 1). By this definition, the tour is not only for leisure but also for some upright undertakings.

Wearing(2001)stressed that transformation and development of self is the most important part of volunteer tourist experience. While engaging in various volunteer activities, tourists get opportunities to know local communities better, to immerse themselves in the natural environment and to develop intimate relationships among group members. These interactions are the facilitators of self development. To explain further, it’s “the adoption of different contexts of ‘other’ places and people and the relative freedom offered to individuals in volunteer tourism” (Wearing, Deville, & Lyons, 2007, p. 70)that helps them achieve self-fulfillment and self-development.

Tourists’ lifestyle and life direction, which include e.g. recycling behavior, future career or attitude towards family, have changed and/or been reaffirmed due to what they learned from volunteering. Later studies(Sin, 2009; Zahra & McIntosh, 2007) supported the above findings with subtle variations. For example, Zahra & McIntosh(2007) find out that volunteering gives long term impacts on their attitude towards life in various ways such as stronger sense of justice, rights and duties towards society.

The meaning of the travel has been a heated topic in leisure and human geography for long. Neumann’s work lays a solid foundation for following studies and is worth detailed discussion. Focusing the traveler’s experience at Grand Canyon, he articulated travel accounts play the significant role in the (re)construction of self. Moreover, both potential and new dimensions of self have the high chances to be disclosed in the harsh conditions on the trail. These are “qualities of personal character, individuality, resistance, endurance, struggle, and accomplishment”(Neumann, 1992, p. 183). Thirdly, tourists experience loss of self-awareness or deep connection to nature through contemplation and unusual physical exertion. Another way to find the true or latent self is to look through others’ eyes, to compare with other tourists or to encounter others(pp. 190-193). Finally, modern tourists are facing dilemma as they try to stay away from mass travel and keep some conventional American values at the same time. They are struggling between “home and away, familiar and stranger, and quest and escape”.

In the case study of Whitewater river drifting, Arnould & Price (1993) illustrated that harmony with nature, interaction with others or “communitas” and personal growth and renewal are three interactive elements of extraordinary experience. What’s more important understanding is tourists’

account or narrative can be more effective perspective to study satisfaction than disconfirmation paradigm.

When comparing the above literatures, **a generic pattern of tourist experience emerges across types of activities, destinations and tourists.** That is, the tourist experience is fundamentally composed of three parts: interpersonal relationships; self-identity construction; interaction with both natural and human environment. In the study of whitewater rafting (Bricker & Kerstetter, 2002), recreation-environment, human-recreation and heritage-environment dimensions, which covers the above generic patterns, represented the meanings tourists attach to the destination. Harrison's study of travel enthusiasts' understanding of their travel experience and the research of Ellard, Nickerson, & Dvorak on Montana vacationers also show the similar pattern.

Nevertheless, through researchers' interpretation, **salient elements of experience in each case are presented** before the readers. Bricker & Kerstetter introduced much broader results based on structured open-ended questionnaire survey. Many new dimensions are added to the list, for example environmental protection and the accessibility of river. She (Harrison, 2003) suggests that they travel to find intimacy and connection, to express personal aesthetic, to understand both home and Canada, to make sense of a globalized world. (Ellard, Nickerson, & Dvorak, 2009) argues that Montana vacationers have spiritual experience even when they don't take part in any religious trips.

Tourist experience may vary across activities, destinations, travel style and etc. This study will question the experience of package tour.

Package tourist experience

The experience of mass or package tourists is believed to be unreal (Mowforth and Munt, 2003), and superficial (Jacobsen, 2000). In the existing literature, tourists always have been sacrificed to raise the uniqueness of backpackers and volunteer tourists. And "Quite often, the tourist is defined as a manifestation of a none-dimensional, unthinking, passive, and uneducated member of the mass population" (Neumann, 1992:193). Therefore, the tourist, the name itself carries stereotype and stigma of some kind.

However, studies on package tours show another picture. Li (2000, p. 872) discusses that, through learning and broadening their vision, package tourist experiences "may not have a life-changing effect, but do nevertheless have certain significance for tourists' personal growth and development". Besides, they constantly rediscover "self" when comparing "other" with home during travel. Based on the Stebbins' concept of serious leisure, research of Kane & Zink (2004) suggests that personal challenge, status and safe success are the experience of package Kayaking tourists. Tucker (2005) argues that the tour can still provide the stage where self performance is complex and emergent, even though the tour participant is tied to the program of the tour and always moved along quickly. The sense of social self is the salient but not the only dimension of young package tourists' experience. They meet new people, socialize, have fun, and possibly have sexual relationships. For the elderly group, their experience is closely connected to the life stories, especially the fact of their leaving world soon.

Volunteer tourists could be categorized into several types in terms of importance of destination, duration of trip, motivation, etc (Novelli, 2005). He described the shallow volunteer tourist as the one "usually participates in a project for a short duration of time, has no a specific skill or qualifications relating to the project and makes little direct contribution to the local

community/environment. The destination of the project is of paramount importance and should offer interesting off-site trips. This typology is closely associated with the mass tourist who visits an alternative destination. ”(Novelli, 2005, p. 196) Brown(2003) proposed a similar concept of “mini-mission”, which suggested that tourists could choose to spend a small part of trip doing volunteer work. They are vacation minded 错误! 未指定书签。 . Nevertheless, the brief volunteer participation has often been kept in memory as the most significant part of the whole trip. Brown (2005)found that volunteer activities benefited tourists in several ways which include travelling with like-minded people, insignificance of material needs and acting the role of ambassador for home country.

Sin (2009, p. 493) argues that “Volunteer tourists do not necessarily shed all characteristics of mass tourists, and are constantly at the crossroads of negotiating and performing their identities as a volunteer and as a tourist”. That is to say, to travel and to see the world is more primary for these tourists than to volunteering. To volunteer is not the necessary sole goal for volunteer tourists. As for this case study, people take part in program more due to the traveling purpose than to the volunteering.

In summary, mass or package tourists manage to have profound and authentic experience even though they are protected by the environment bubble, or bound by the travel industry, unless they didn't have desire to do so. Moreover, the distinction between the mass tourism and alternative tourism blurs because tourist experience is not black and white, but complex and emergent.

Literature gap

Based on the qualitative research methods, most existing literature only mentioned the similarities among respondents, but neglected the difference across tourists. Do all the respondents have the same level of experience elements? Do all of them experience three elements or do they have various combinations of experience elements? (Bricker & Kerstetter, 2002, p. 147) found out, the answer is no. they discussed that “for some, the importance or meaning of places hinge solely on the environment or social relationship; the activity itself was not mentioned. For others, the activity, combined with the importance of environmental attributes and/or social attributes”, matters. However, due to the limitation of questionnaire they couldn't probe further questions.

Volunteer tourism is proved to transform the tourists. However, the question is self-transformation really happens or is simply reported change. Actually, nothing happens. According to (Sin, 2009), respondents' post-trip volunteer activities have not been significantly changed after the author kept in touch with respondents in two years after the trip. To find what happen after the trips, more follow-up research is needed. Unfortunately, on-site interviews are the principle way of data collecting.

The reason why mass tourist experience is accused of being superficial is interactions is rather restricted due to some factors. Therefore, external and internal facilitators for enriching experience are worth further studies. Some external factors which include stark environment and physical activities were mentioned in previous studies(Neumann, 1992). Some internal factors for example introspection and motivation were suggested by (Cohen, 1972; Neumann, 1992)People have to go through the process of introspection, in order to discover true self or put some bias right. Not everybody loves introspection, since it's time-consuming and often quite painful. In that case,

tourists who travel for pleasure might stay away from it.

Event volunteer experience

Asian Games Volunteer Messenger Project

The 16th Asia Games was held in Guangzhou, China last November. It's reported that about 300,000 volunteers participated. Yet, still many citizens couldn't act as volunteer because of busy work even though they are willing to do something to support.

GZL, the biggest travel agency in GZ, signed a contract with Guangzhou Organizing Committee of Asia Games that GZL would sell Volunteer Messenger Tour Group Package to 100,000 tourists who traveled and promoted both Guangzhou, the hosting city, and the 16th Asia Games at the destination. The packages were so attractive that they were sold out immediately.

These tourists were supposed to wear green volunteer T-shirt, take photos in the well-known landmarks with banner in hand, sing the song of Guangzhou Volunteers together, sending Asian Games souvenirs to the visitors at the destination, ask the destination tourists to write blessings on the card and bring back to GZ. Some of Special Groups even paid visit to local government and sent the invitation letter to the local official on behalf of Mayor of Guangzhou.

Research aims

Package tour is usually believed to be taken for relaxation and escape. When combined with volunteer activities, how do tourists feel about it? All wearing uniformed T-shirt, and being photographed in front of landmarks with banner in hand, a small talk with other tourists/locals they met and so on seems ritual and superficial from academic perspective. Do these arrangements carry some significance to tourists?

This study questioned the meaning volunteer tourists attached to their trip. Based on purposive and snowballing sampling, 12 interviewees, who all took Volunteer Ambassador Package tour of the 16th Asian Games, were chosen and interviewed about 6 months after completion of trip. They were asked to describe how they feel about the trip and what the impacts of the trip on them. This study is not on how people traveled on a particular trip or with the truth or falsity of their accounts. Instead, such stories reveal the ways people give structure and meaning to their experience in the moments of their telling (Neumann & Eason, 1990).

Methodology

In-depth interviews were carried out. 12 interviews have been done until now. Some conclusion has been drawn.

Sampling strategies: 10 tourists who purchased more than once or interviewed by mass media are recommended by GZL. 6 out of them are willing to share their interviews. The researcher asked interviewees to recommend others tour members. Therefore, 6 more interviews are added.

Findings

1 From onlookers to participators: proud, responsible and united

Their patriotism self were ignited throughout trip. They felt proud and responsible.

Interviewees love the feeling of actively getting involved in Asia Games. They used to watch the TV news and games. Now they really do something to support and contribute. They feel proud,

responsible and united.

2 Intense in-group relationships developed

It's found that a social self identity was formed. Tourists have more chances to get to know other tourists. They felt united and had a strong sense of group cohesion.

Compared with leisure package tour, tour members developed more intense and intimate relationships. They have got more chance to do things together.

Besides, they share the common goal of being ambassadors, which means they are united groups rather than separate individuals. That is to say, same destinations couldn't guarantee tour members have something in common, which draw them together. Yet same interests, or same goal, or same age lay the foundations for them to gather together.

3 Deeper understanding of destinations

They had a more profound understanding about destination due to varied volunteer activities.

Even though the contact with local people and visitors seems rather limited, volunteer tourists have a deeper understanding of destination compared with the leisure package tour.

4 From passive participation to active organization

While most tourists wait for being organized, some repeat purchase, still others organized travel of their own. Two of interviewees are leaders of sports club. Their leadership has been strengthened. Along with his wife and son, one of interviewees made 20-day self-drive tour while promoting Asia Games. As an artist, he collects 40 paintings and calligraphies as donation for AG. As a result, he feels more confidence and gains respect. Coping makes people much happier.

Last but not the least, a new self was established and old self challenged for some tourists. They felt more confident as a result.

5 Parents attach significance

Fourthly, parents passed down volunteering to their children as a healthy way of life.

Those who traveled on package tours like to travel in small parties, especially two and four persons. Respondents taking non-package tours liked to travel independently or with one other person. (Global tourist behavior)

4 out of 12 interviewees travel with their spouses and kids. All the parents believe volunteering is beneficial to the children in one way or another. On one hand, volunteering is believed to be active way of developing patriotism by parents, compared with attending courses. The more the children get involved, the much they learn and the longer bear in their mind. On the other hand, developing benevolence is important to kids. Besides, some think volunteering experience will be helpful if their children would like to study abroad.

Some parents are trying to show volunteering is a kind of healthy lifestyle. It exerts a subtle influence on children's development. Changes may not been seen immediately.

In conclusion, Chinese parents are aware that doing volunteer is good for children, yet they don't know exactly its significance.

Conclusion and discussion

In conclusion, volunteer vacationers believe they had more profound and meaningful experience than tourists of leisure purpose in terms of knowledge about destination, intra and interrelationship development. As short-term volunteer tourists with travel as one of their main purposes, they understood their experiences were shallow in some aspects and volunteer vacation package product still had room to improve. Nevertheless, they thought they have interesting and meaningful experience which is sometimes lost in the routines of daily living.

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Destination love as predictors of service loyalty intentions and likelihood to recommend

Abstract:

Purpose – Sustaining service loyalty is becoming harder and harder. This is even truer in the tourism sector. There is an explosion of tourism destinations worldwide. Many destinations are either being rebranded or are applying new concepts to increase their appeal. Policy makers are today at the crossroads of major challenges. It has been posited that service providers have the ability to create stronger loyalty bonds with their clients than suppliers of more tangible goods can due to the fact that services provide more opportunities for person-to-person interactions. In this context, the aim of this paper is to apply the concept of brand love in the destination marketing context. The objective is basically to assess the appropriateness of destination love as predictors of service loyalty intentions and likelihood to recommend. The influence of brand love (termed as destination love) related variables will be examined.

Design/methodology/approach – This study focused basically on quantitative analysis. The relevant literature was reviewed and the research gap was assessed. Descriptive research was used to empirically test the study hypotheses. A total of 163 visitors (tourists) from ten different countries completed a face to face-administered questionnaire in five selected locations (basically sea resorts, souvenir markets and airport in Mauritius). Stratified sampling was used to enhance the validity of the study.

Findings – The results were conclusive. There is a statistically significant linear relationship between the two components of brand love namely affection and passion and loyalty intentions. The regression analysis confirmed that both components are very good predictors of loyalty intentions and likelihood to recommend. Even loyalty intentions strongly correlated with likelihood to recommend. ANOVA revealed that the loyalty intentions do vary significantly across the tourists of the ten different countries.

Originality/value – To the author best knowledge, the relevance of the brand love concept has never been applied or tested in a tourism sector, a service setting. Despite the undeniable value of love in the reinforcement of bonds, the power of brand love as a predictor of loyalty intentions and likelihood to recommend.

Keywords: Brand Love, Service Loyalty, Destination Marketing

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INTRODUCTION

Sustaining service loyalty is becoming harder and harder. This is even truer in the tourism sector. There is an explosion of tourism destinations worldwide. Many destinations are either being rebranded or are applying new concepts to increase their appeal. Policy makers are today at the crossroads of major challenges. It has been posited that service providers have the ability to create stronger loyalty bonds with their clients than providers/suppliers of more tangible goods and this can be due to the fact that services provide more opportunities for person-to-person interactions. On the other hand, the topic of branding gained increased attention and importance over the past few decades. Many researchers have followed its evolution and there is well-grounded belief that brand-related factors are powerful tool to build enduring loyalty and manage the ever-increasing churn rates. However, no apparent effort was made to empirically test the influence of brand love on loyalty intentions towards a tourist destination despite the fact that love can create bonds and enhance loyalty.

In this context, the purpose of this paper is to apply the concept of brand love in the destination marketing context. The objective is basically to assess the power of destination love as predictors of service loyalty intentions and likelihood to recommend. The influence of brand love (termed as destination love) related variables will be examined.

THE RESEARCH CONTEXT

Branding and the Mauritian tourism industry

In the ever more competitive tourism marketplace, destinations are increasingly adopting branding techniques to craft an identity which emphasises the uniqueness of their product. Those marketing travel destinations, just like those marketing other consumer products, have had to turn to branding to distinguish their 'product' and to convey a positive message that will motivate the consumer. However, evidence to support the successful implementation of destination branding has been mixed (Ekinci, 2003).

Given the choice of destinations available to consumers is increasing, using destination love as a strategy to build and sustain loyalty towards a destination has become necessary. It can, therefore, be argued that successful destination branding involves establishing a love relationship between destinations and tourists by satisfying

tourists' love needs

In a similar vein, it can be argued that a tourist's love towards a destination also includes an element of strong emotional attachment (e.g. romantic experience, adoration, affection nostalgia). So, bearing in mind that, on many occasions, the evaluation of destination love includes some element of emotional attachment, the question arises as to what extent the overall view of a destination love is emotional.

The process of destination love begins, in reality, when the evaluation of destination image includes a strong emotional attachment. These two concepts share some common ground but destination love represents the emotional component of the destination. Only branded destinations would establish an instant emotional link with their customers (Ekinci, 2003). Therefore, it can be argued that building love relationship towards a destination is the vital stage of building loyalty towards a destination.

It can be argued that branded destinations will be loved when they display two essential love features: (1) affection and (2) passion.

The focus of the empirical research that comprises this study is on a single market, i.e. Mauritius.

For many years, common perceptions of Mauritius have revolved around its idyllic tropical beaches and Indian Ocean seascape – a sanctuary in the sun, a place to escape for a luxury holiday. This image has worked well in the past, but now it is imperative to convey a richer set of messages that create recognition for the broader characteristics that define our people and country because it is claimed that the image of a tourist destination comes from more than just the tourism product itself. Image is more than tourism. Tourism is not just sun, sea and sand but also package tours, study abroad, backpackers, MICE, sporting events, nature excursions, hiking and diving, climbing and trekking, cultural tourism, even relocation etc.

Moreover, it is said “the next decade will mark the emergence of tourism destinations as a fashion accessory. The choice of holiday destination will help define the identity of the traveller and, in an increasingly homogeneous world, set him apart from the hordes of other tourist” (*World Tourism Organisation 2003*). To benefit these trends, a clear image for a tourist destination needs to be defined.

Much is said and written about destination branding. But how often it is possible to have a clear image for a tourist destination?

Interestingly, at the launch of a new destination brand the presenter included the comments “*Having no brand image is like someone with no personality*”

Singapore has worked hard to offer a reliable, safe and consistent product. However, many countries have failed in this challenging endeavour. For instance, looking at somewhere like Fiji, it is a bit like a Volvo. For many residents in Britain it is a desirable tropical island destination. But for many Australians it is more like Malta for the British; *close to home, speak the same language, nothing exotic*.

Mauritius has similar concerns. To many it is almost the archetypal ‘dream’ destination. The branding relies heavily on the images of an Indian Ocean jewel, but beyond this, the proposition and point of differentiation is not distinctive. According to Percy S Mistry (2006), Chairman of Oxford International Group, at present when you mention ‘Mauritius’ to anyone in the outside world, the immediate reaction/impression you evoke is that of a sylvan heavenly island where one goes to do nothing. But changing such a brand image is not an easy job.

During the Competitiveness Foresight organised in September 2004, it was highlighted that Mauritius is not adequately visible in the international arena: *‘There is a need to have focused group(s) to work on the strategy for branding Mauritius as a source and not as a specific product/ service supplier. Mauritius is not adequately visible in the international arena (i.e it does not have the same generic brand image appeal as Singapore, Hong Kong and Dubai as yet) due to the sectoral mindset that so far has led institutions to promote their specific products, namely freeport, tourism, EPZ, financial services etc instead of selling the Mauritian label as representing*

excellence, whatever be the field.'

The overall aim is, in fact, to start the thinking process likely to create the adequate synergy, to go beyond the narrow focus of sectors when dealing on the international market, to identify and bring out those multiple elements that make the unique flavour of Mauritius. It is about creating the necessary dynamism and adherence, at different levels, to a consistent national message and image. It is about improving the way we engage with the outside world, how we position ourselves in the global value chain, the way we communicate to tourists and develop our competitive edge.

Till now Mauritian branding has happened by accident, whereas serious policy assessment and planning with a coherent and integrated strategy are needed. As Mauritius is a complex society and has a complex identity - which makes it still more difficult to bring out that unique brand - it is particularly important that the country takes care over its image and reputation. Care must be taken to avoid any gap between the perception of the people and the branded image.

Though more and more countries are developing their brand identities, it has to be pointed out that the art of positioning countries is not very sophisticated yet. It will take time and determination but Mauritius has to go through the process and to go from the unfocused to the focused. The challenge is to unify the whole country behind something strong - to go hunting for the Mauritian imagery, to bring out a comprehensive lexicon so as to release the true Mauritian identity and outline the national brand. *'Make sure your point of difference is not trivial'*, warns David Ogilvy, world-renowned expert in advertising. Our competitiveness will largely depend on how we garner favourable perceptions and how we make ourselves attractive to the outside world. The challenge is to work out the right competitiveness statement for Mauritius.

Tourism, being the third pillar of the Mauritian economy after the E.P.Z. manufacturing sector and Agriculture, contributes significantly to economic growth and has been a key factor in the overall development of Mauritius. In 2010, according to the Central Statistical Office (CSO) and the Bank of Mauritius (BoM), tourism receipts amounted to Rs 39.5bn. Coupled to it, Mauritius, a nation of 1.3 million people, aims to more than double visitor numbers to 2 million in the next five years (Source: Reuters) At this crossroad of our economy, we need to think innovatively on how to convert threats into opportunities and enhance all the experience and expertise we have acquired over the years.

Given that tourism destinations are becoming more substitutable due to increasing competition in global tourism markets and it seems that brand loyalty will be even more difficult to gain in future.

LITERATURE REVIEW

Brand love - Many researchers have investigated consumer attitude towards brand and we have got concepts like, satisfaction (Higgins, 1997) and brand loyalty (Oliver, 1999). Satisfaction alone is not enough to keep the customers loyal (Jones and Sasser, 1995). Many satisfied customers switch to competitor's brand (Reichheld, 1996). Hence, satisfaction may result in loyalty if it sustains for a longer period of time. Few, but not all satisfied customers tend to love a brand (Carroll and Ahuvia, 2006). The earlier authors have also stated that the nature of this brand love is very similar to the interpersonal love and attachment (Shimp and Madden, 1988; Keh et al., 2007; Carroll and Ahuvia, 2006). Carroll and Ahuvia's (2006) study empirically shows it that emotional and passionate love with a brand is a predictor of brand loyalty. Therefore, loving a brand (and not mere satisfaction) is a move towards loyalty. So, marketers must try to make the satisfied customers love a brand. According to Roberts (2004), in this era of intense competition between brands and customer indifference, brands must be converted into lovemarks in the eyes of the consumers in order to survive. Prior literature says that the concept of brand love has been emerged from the concept of interpersonal love and attachment (Shimp and Madden, 1988;

Carroll and Ahuvia, 2006; Keh et al., 2007).

Shimp and Madden (1988) have proposed that the structure of consumer object (the object can be a brand) relationship is very similar to the structure of interpersonal love as stated by Sternberg (1986). The components of consumer-object relationship as stated by Shimp and Madden (1988) are – liking, yearning and decision/commitment, which perfectly correspond to intimacy, passion and decision/commitment components of interpersonal love relationship respectively as described by Sternberg (1986). Liking refers to the intimate feelings for a brand. Yearning refers to the passion for a brand which takes the form of different types of arousal. Decision refers to the individual's recognition of the liking and yearning for the brand in short-term. Commitment refers to the individual's repeat purchase of the same brand over a longer period of time in future. According to Shimp and Madden (1988), the presence of all three components leads to brand loyalty. It means that Sternberg's (1986) definition of complete love is equivalent to Shimp and Madden's (1988) definition of brand loyalty.

Because of the presence of several external constraints, like, family pressure, low disposable income, social group pressure etc, an individual may not show any commitment to a brand in terms of repeat purchase, though he/she might have intimate and passionate feelings for the brand (Sarkar, 2011). This brand desire is equivalent to Sternberg's (1986) conceptualization of romantic love which consists of intimacy and passion and doesn't include commitment.

According to Carroll and Ahuvia (2006), brand love is an emotional and passionate feeling of an individual for a particular trade name. They have not considered commitment as a dimension of brand love. They have proposed a unidimensional scale of brand love. This scale is subject to criticism, as the majority of the researches on love say that love is a multidimensional feeling (Thurstone, 1938; Thomson, 1939; Sternberg, 1986) According to Carroll and Ahuvia (2006), brand love is conceptually different from brand loyalty. Brand love does not include commitment, whereas, brand loyalty includes commitment (Carroll and Ahuvia, 2006; Whang et al., 2004).

Few researchers postulate that love towards any object or brand includes commitment or the loyalty (Sternberg, 1986; Keh et al., 2007). Contrary to these findings few studies also show that brand love is a predictor of brand loyalty (Carroll and Ahuvia, 2006; Whang et al., 2004). If brand love is a predictor of brand loyalty, then they must be two different concepts. If commitment is included as a dimension of love, then it becomes difficult to distinguish between love and loyalty. Hence, romantic brand love has been conceptualized as a combination of emotion (or intimacy or liking) and passion (or yearning) for a brand which might lead to commitment or loyalty over time. Commitment or behavioral loyalty can be an outcome of romantic brand love (Carroll and Ahuvia, 2006; Whang et al., 2004). According to Sternberg (1986), complete love includes all three components – intimacy, passion and decision/commitment. Sarkar (2011) proposed that romantic brand love is multidimensional and challenges the notion of unidimensional brand love conceptualized by Carroll and Ahuvia (2006). They have proposed a unidimensional brand love scale; however, they have not reported about the validity and reliability of that scale. Following the triangular theory of love proposed by Sternberg (1986), it is proposed that romantic brand love consists of two dimensions: brand intimacy and brand passion, but not commitment. That is how romantic brand love is conceptually different from brand loyalty. Figure 1 given below shows the dimensional structure of romantic brand love conceptualized.

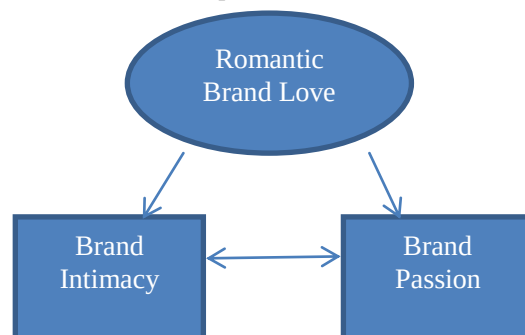


Figure 1: Two dimensional structure of romantic brand love

[In the above diagram the single headed arrow denotes dependence relationships and double headed arrow represents covariance relationship]

Source: Sarkar, 2011

Satisfaction is a pre-requisite to brand love and have stated that the brand love is “experienced by some, but not all, satisfied consumers” (p 81).

As Thomson, MacInnis and Park (2005) have stated that post-consumption satisfaction is likely to lead to emotional attachment with a brand over time with multiple interactions with the brand. It implies that cumulative satisfaction over longer period tends to lead to the feelings of love for a brand through multiple interactions. As brand love refers to a strong emotional and passionate connection between the individual and the brand, it is expected that a high romantic person is more likely to fall in love with a brand (Sarkar, 2011).

If an individual is emotionally attached to a brand, then he/she will be willing to pay premium price for purchasing the brand (Thomson et al, 2005).

Brand love and brand loyalty - Brand love predicts brand loyalty (Carroll and Ahuvia, 2006). According to Oliver (1999), brand loyalty has different levels which are – cognitive loyalty, affective loyalty, conative loyalty and action or behavioural loyalty. Cognitive loyalty is based on the knowledge acquired about the alternative brand information. Affective loyalty is based on emotional liking for the brand. Conative loyalty represents strong intention to repurchase the brand. The cognitive, affective and conative loyalties are developed in the mind of an individual, but they are not actualized. Action loyalty will take place when the external obstacles (Oliver, 1999) are not there. The obstacles refer to various situational forces and competitor’s marketing efforts. Therefore, it can be inferred that the brand love will at least lead to conative loyalty, if not action loyalty.

Conative brand loyalty refers to the strong intention to be loyal to a brand (Oliver, 1999). Oliver has also stated that sometimes the conative loyalty does not get transformed into action loyalty due to the presence of some obstacles. That implies that if the obstacles would not be there then the conative loyalty would lead to action loyalty. Shimp and Madden (1988) have also stated that an individual strongly desiring a brand may not make the actual repeat purchase because of the presence of some external constraints.

Brand love and positive word-of-mouth (Likelihood to recommend) - If the consumer loves a brand, then it is also expected that the consumer will say positive things to others about the brand. The study conducted by Carroll and Ahuvia (2006) has also shown that brand love positively influences the positive word of- mouth for the brand. Increased satisfaction leads to greater positive word-of-mouth (Ranaweera and Menon, 2008). Customer satisfaction is an antecedent to loyalty (Terblanche and Boshoff, 2010). Satisfaction gets translated into loyalty when the satisfaction is strongly held (Chandrashekar, Rotte, Tax, Grewal, 2007). Therefore, a loyal customer must be satisfied and that satisfaction will motivate the loyal customer to spread positive word-of-mouth.

According to Reichheld (2003), likelihood to recommend is the best measurement for businesses to understand the state of their customer relations: “an individual’s propensity for recommending a company to friends or colleagues may be the most direct gauge of customer loyalty and ultimately, financial success” (Satmetrix, 2004:7).

Brand and destination loyalty - Brand loyalty is the deeply held commitment to re-buy or re-patronize a preferred product or service consistently in the future, despite situational influences and marketing efforts that cause switching behavior. Loyal customers to a brand consider it as their first choice and do not switch to other brands and are less affected by price competition (Mark et al, 2007). Loyalty develops via brand usage and in contrast to brand awareness or perceived quality, brand loyalty only exists if people have already bought and consumed a product (Baldauf et al., 2003). Brand loyalty is often characterized by a favorable attitude toward a brand and repeated purchases of the same brand over time (Urde, 1994)

Brand loyalty may develop basing on past experience and prior interaction because its development is portrayed most often as an individual’s experiential process of learning over time. As an experience attribute, it is influenced by the consumer’s evaluation of any direct (e.g. trial, usage) and indirect contact (e.g. advertising, word of mouth) with the brand (Keller, 1993). Therefore, companies have to consider the idea of winning consumers’ trust and loyalty in order to build a relationship, which is a key marketing strategy. Consequently,

brand loyalty is a key characteristic of brands with high equity (Baldauf et al, 2003). Creating and sustaining customer loyalty especially in the retail industry and also in hotel and restaurant services, is recognised as an essential strategy for increasing the profitability of an organization (e.g. Chen & Gursoy 2001). However, this strategy has not been extensively examined in terms of improving visitation levels and repeat visitation to a tourist destination (Mattila 2001). According to Pritchard, Havitz and Howard (1999) being able to build loyalty in consumers is a key factor in acquiring market share and sustaining a competitive advantage. Customer loyalty often leads to higher profitability and a more stable customer base; therefore, having loyal customers is considered a significant asset to an organisation (Keller, 1993). A number of studies have examined loyalty in the hospitality, leisure and tourism industries, they have been mainly in the context of loyalty to service providers, in particular hotels and restaurants (Mattila 2001), recreation agencies (Iwasaki & Havitz 2004), sporting and entertainment destinations (Park & Kim 2000) and overseas travellers' choice of destination, (Chen & Gursoy 2001). Loyalty in the literature has been measured mainly on behavioural and attitudinal dimensions (Bowen & Chen 2001; Chen & Gursoy 2001; Oppermann 2000). Behavioural measures seem to be the most commonly used method. Behavioural measures of loyalty are operationalized through consumption based measures such as frequency and intensity of purchase, and repetitious purchase behaviour (Bowen & Chen 2001). In tourism research; intention to continue buy, intention to buy more, respondent intent to return, repeat visitation, willingness to perform marketing activities in terms of making positive recommendation of the site/destination or product/service to others are indicators of loyalty (Bowen & Chen 2001; Chen & Gursoy 2001; Oppermann 2000). Repeat purchases or recommendations to other people are most usually referred to as consumer loyalty in the marketing literature. The concept and degree of loyalty is one of the critical indicators used to measure the success of marketing strategy (Flavian, Martinez, & Polo, 2001). Similarly, travel destinations can be considered as products and tourists may revisit or recommend travel destinations to other potential tourists such as friends or relatives. However, the study of the usefulness of the concept of loyalty and its applications to tourism products or services has been limited, even though loyalty has been thought of as one of the major driving forces in the competitive market (Dimanche & Havitz, 1994). In the last decade, tourism or leisure researchers have incorporated the concept of consumer loyalty into tourism products, destinations, or leisure/recreation activities (Backman & Crompton, 1991; Baloglu, 2001). Generally, loyalty has been measured in one of the following ways: (1) the behavioral approach, (2) the attitudinal approach, and (3) the composite approach (Jacoby & Chestnut, 1978). The behavioral approach is related to consumers' brand loyalty and has been operationally characterized as sequence purchase, proportion of patronage, or probability of purchase. It has been debated that the measurement of this approach lacks a conceptual standpoint, and produces only the static outcome of a dynamic process (Dick & Basu, 1994). This loyalty measurement does not attempt to explain the factors that affect customer loyalty. Namely, tourist loyalty to the products or destinations may not be enough to explain why and how they are willing to revisit or recommend these to other potential tourists. In the attitudinal approach, based on consumer brand preferences or intention to buy, consumer loyalty is an attempt on the part of consumers to go beyond overt behavior and express their loyalty in terms of psychological commitment or statement of preference. Tourists may have a favorable attitude toward a particular product or destination, and express their intention to purchase the product or visit the destination. Thus, loyalty measures consumers' strength of affection toward a brand or product, as well as explains an additional portion of unexplained variance that behavioral approaches do not address (Backman & Crompton, 1991).

OBJECTIVES AND HYPOTHESES

The major aim of the present work aims to study the interrelationships between brand love related factors and destination loyalty and likelihood to recommend (word of mouth intentions). Specifically, following were the objectives of the study:

- To study the main effects of the two components of brand love and destination loyalty
- To study the main effects of the two components of brand love and likelihood to recommend (word of mouth intentions)

Based on the study objectives, following null hypotheses were framed to test the relationship between the two components of brand love and destination loyalty

- H1a:** *There is no significant positive effect of affection component of brand love and attitudinal destination loyalty*
- H1b:** *There is no significant positive effect of passion component of brand love and behavioural destination loyalty*
- H2a:** *There is no significant positive effect of affection component of brand love and attitudinal destination loyalty*
- H2b:** *There is no significant positive effect of affection component of brand love and behavioural destination loyalty*
- H3a:** *There is no significant positive effect of affection component of brand love and likelihood to recommend*
- H3b:** *There is no significant positive effect of passion component of brand love and likelihood to recommend*

Model development

The following conceptual framework is proposed. The model resulted from thorough review of literature. In parallel, a number of theoretical works was consulted in structuring the model and specifications of its various concepts. A model linking the two brand love related factors to attitudinal and behavioural tourism destination loyalty and likelihood to recommend has been developed. The model examined the main effects of each of the two independent variables on attitudinal and behavioural tourism destination loyalty and likelihood to recommend.

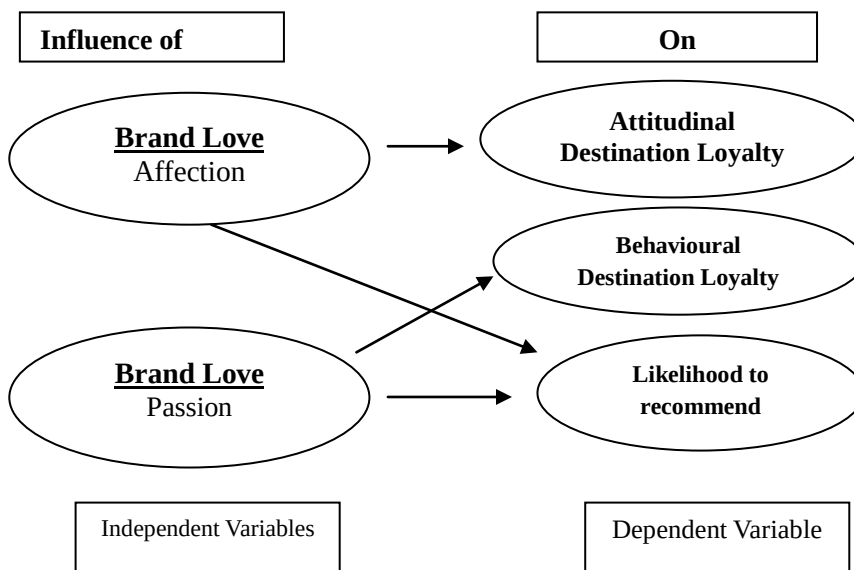


Figure 2: Model illustrating the hypothesized influence of the brand love related factors on attitudinal and behavioural destination loyalty and likelihood to recommend

The conceptual model incorporates five variables: the two components of brand love, the two components of brand loyalty and likelihood to recommend. The independent variables are brand love related factors and the dependent variables are the two components of brand loyalty and likelihood to recommend. This model is differentiated from extant branding models, conceptual or empirical in the sense that the model conceptualization is guided by process thinking of consumer decision making from customers' overall evaluation of brand love to loyalty intentions. It also highlights the strategic importance of brand love. Instead of brand love as a marketing tool or tactic (distribution channel), this model promotes brand love as strategic concept and highlights that it should be examined and practiced as such.

METHODOLOGY

A Research design

Previous literature on the relationship of brand (destination) love and destination loyalty is very limited. Therefore, only little 'benchmark research' was available (c.f. Albarran 2006). In order to gain new insights, a *descriptive* and

exploratory research strategy was chosen. The exploration started with general investigations and proceeded to more specific (as cited in Hanna-Kaisa Ellonen, 2007). The principle of triangulation was, thus, applied in this study. The topic was explored through comprehensive review of the relevant brand love literature and primary data was collected through a structured questionnaire for hypothesis testing.

B Data sources and Sample characteristics

Data Sources - The primary data was collected via face-to-face interview. As the target of this study is tourists, questionnaires were based on clear and easy to read purpose. English was used for easy understanding. The case study analysis took the case of a Small Island State - Mauritius. According to Yin (2003), the objective of a case study is to understand a phenomenon in its natural context. Eriksson & Koistinen (2005) emphasize the importance of describing and understanding the context, as it makes the case understandable and partly explains it.

Sample characteristics - Hair *et al.*, (1995) contended that, for samples in excess of 200 to 300 respondents, “the researcher should examine all significance due to the increased statistical power from the sample size” (Hair *et al.*, 1995, p.22). Hoetter (1983) defined the critical size of a sample to be approximately 200.

The proportions of men and women were specified to approximately match the contribution of each gender, according to a report conducted by CSO in Mauritius. Specifically, **69** percent were women and **31** percent were men. The respondents were aged 18 to 70 years, and the mean age was 36 years.

The sample element was divided using a mix of probability and non-probability sampling. Judgmental sampling was used to decide on the sample size. Then, stratified sampling was used for obvious reasons. Following Hair *et al.*, 1995, the sample size of 200 tourists was considered to be reasonable for the survey. **Table 1** was used as the sample frame.

	Country of residence	Jan-Mar 2010	Jan-Mar 2011
1	France	85,039	92,097
2	Reunion Island.	33,394	36,707
3	UK	22,251	19,189
4	Italy	21,170	17,933
5	South Africa	17,592	17,684
6	Germany	14,934	14,640
7	India	8,173	10,904
8	Switzerland	4,730	6,517
9	Russian Fed.	1,950	4,292
10	Austria	3,437	3,337

Table 1 tourist arrivals to Mauritius from different destinations in 2010/2011

Source: Central Statistical Office (2011), Mauritius

Given the stratified design, sample frames containing a complete and updated list of visitors was required to draw the sample for the surveys. However, due to unavailability of such detailed information, arrival statistics obtained from the Central Statistical Office (CSO) in Mauritius will be used to define the sampling elements under each strata as follows:

Table 2 illustrates the sample size.

Country of residence	Sample Size (Unit)
France	78
Reunion Island.	38
UK	19
Italy	14
South Africa	14
Germany	12
India	9
Switzerland	7
Russian Fed.	5
Austria	4

Table 2 Sample Size

C Research instrument and scales used

The questionnaire contains five sections, where each section represents the measurement of individual variables. The first section is about the affection component of brand love; the second section is about the passion; the third and fourth sections are about the attitudinal and behavioural of loyalty and the fifth section is about likelihood to recommend. Same survey questions, as used by Albert *et al.*, (2010) were used for the constructs with minor modifications. Again, for destination loyalty, the scale is adopted from Quester and Lim (2003). Likelihood to recommend was adapted from Maxham & Netemeyer (2002)

For each of the two components of the brand love constructs, six-item scales are used for measuring and nine item scales are used for measuring attitudinal and behavioural loyalty respectively.

All the variable constructs are measured on a seven-point Likert scale ranging from 1 = strongly disagree to 7 = strongly agree.

Table 1 show the variable constructs and their reliability analysis. Favourable results in terms of coefficient alpha are observed from the reliability analysis of the scales used. All the values meet the recommended value of 0.7 (Nunnally & Bernstein, 1995). The Cronbach's alpha for affection, passion, attitudinal and behavioural loyalty and likelihood to recommend scales were 0.928, 0.940, 0.893 and 0.875 and 0.970 respectively.

Variables	Joreskog's Rho/Cronbach Alpha
Affection	0.928 (Adapted from Albert <i>et al.</i> , 2010)
Passion	0.940 (Adapted from Albert <i>et al.</i> , 2010)
Attitudinal brand loyalty	0.893 (Adapted from Quester and Lim (2003))
Behavioural brand loyalty	0.875 - Adapted from Quester and Lim (2003)
Likelihood to Recommend	(0.970) (Adapted from Maxham & Netemeyer) (2002)

Table 3 Variable constructs and their reliability

D Pretest

There were three (3) pretests in the process of developing the constructs. Firstly, the instrument was pretested by administering the questionnaire to ten (10) local and foreign marketing and tourism experts to check the content validity of the proposed construct and the adapted brand related constructs. Their constructive comments were taken into consideration when improving the wording of the various items as well as to add or leave out some of the items. Extra care (e.g. on wordings) was needed to ensure that the respondents were qualified or informed enough to answer. The face or content validity check was also done on a convenience sample of more than 15 final year bachelor degree students (major in tourism). The questionnaires, aimed at seeking their perceptions of whether each statement described the respective factors or dimensions of the measure were administered to the students in classes. After the initial pretests, the wording and validity of the items were further improved. Then, the instrument was ready for another pretest on a broader base of 30 tourists who were conveniently sampled before the large-scale distributions and launching. This pretest on a broader base was intended to further improve the wording (e.g. positively and negatively phrased statements), reliability (especially on internal consistency) as well as to explore the probable factors of the proposed construct. This pretest also indicated that all the negatively phrased statements were not reliable and some difficult and confusing words were replaced. Further probing indicated that the respondents were uneasy, disturbed, and confused with the negatively phrased items. Then, all the related items were then re-phrased positively in the final questionnaire. Besides, the wordings of numerous items were also further improved. As a result of the feedback received from the pretesting, the phrasing of some items was clarified in order to increase the validity of the survey instrument. (Marianne Horppu *et al.*, 2008)

E Data Collection

The study will be conducted at five different locations: at Plaisance Airport and four sea resorts mainly in the Northern, Eastern, Western and Southern part of Mauritius. Although the tourists are all attending the same destination, they may have quite different experiences of it. To participate in the survey, respondents will be approached randomly on beaches, and around shopping malls. Participants were responsive and willing to participate and refusal rates were predominantly low. Out of the 200 interviewed, 163 usable questionnaires were obtained.

SURVEY FINDINGS

In order to test the identified hypotheses and examine the relative importance of two independent variables in predicting of loyalty and likelihood to recommend, regression analysis was used (Brand *et al.*, 1997). Linear regression models was used to test the hypotheses concerning the linkage between destination love and loyalty and likelihood to recommend as done in some previous studies to identify the relationship between the dependent variable and set of independent variables. However, care was taken to ensure that the error term in a regression equation would not be heteroscedastic and would be normally distributed if the dependent variable were discrete (Chan, 1991). Thus, coefficient estimates would be efficient, the conventional measure of goodness-of-fit, R², meaningful, estimated standard errors consistent, and the usual statistical test of significance appropriate (Nerlove and Press, 1973). Table 2.provides information about the effects of individual predictor variables.

Independent Variables	Beta - Values	P- Values	Hypothesis Testing
Brand Love -Affection	.576	0.000	H1a is supported
Brand Love -Passion	.376	0.012	H1b is supported
Brand Love - Affection	.533	0.001	H2a is supported
Brand Love - Passion	.188	0.002	H2b is supported

Brand Love - Affection	.309	0.003	H3a is supported
Brand Love - Passion	.231	0.004	H3b is supported

Table 4: Beta coefficients

To get a more accurate picture, the standardized coefficients, or *Beta coefficients* was examined. It can be seen that the *Affection Component of brand Love* – is more obviously the best predictor of *attitudinal and behavioural loyalty intentions*. The passion component of brand love also appears to be good predictors of *attitudinal and behavioural loyalty intentions* towards the service provider. Both the affection and passion components were found to be good predictors of likelihood to recommend as well. In addition to the coefficients, Table 4 also provides a significance test for each of the independent variables in the model. This test is presented as a *t* statistic. Examining the *t* statistic for the variables, affection and passion components of brand love, it can be seen that they are associated with a significance value of 0.000 to 0.004 respectively indicating that the null hypothesis, that states that this variable's regression coefficient is zero when all other predictor coefficients are fixed to zero, can be rejected.

Last but not least, from the ANOVA test, the *F*(obtained) is 3.160 and 2.678 which exceeds the *F*-critical of 2.60 for this test when using an alpha of .05. Correspondingly, the observed *p*-value of .000 is well below the chosen alpha of .05. By either standard, we can conclude that the destination loyalty and likelihood to recommend (word of mouth intentions) really do vary significantly across the different countries.

MANAGERIAL IMPLICATIONS

From the research findings and multivariate analyses highlighted in **Table 4** .above, it was found that the affection component of brand love ($\beta = 0.576$ & $\beta = 0.533$, $P < 0.05$), is an excellent predictor of attitudinal and behavioural loyalty intentions. The passion component of brand love is a good predictor as well. Similarly, both the affection and the passion component of brand love are good predictors of likelihood to recommend. The findings generate important insights for destination marketing managers and policy makers. First, more emphasis should be placed on all aspects that can directly or indirectly affect or influence the affection component of brand love. For example, make tourist experience great happiness during their stay; make them feel emotionally close by showing care and attention; by ensuring that the staff empathized with them; by showing similarities between the tourists and the destination and; by reinforcing the relationship – celebrating their birthdays. Similarly, the passion component should be enhanced by giving tourists reasons for always opting for this destination; by making things remain memorable; by emphasizing the significance of visiting the destination and finally, by giving good reasons to be passionate about the destination. These measures will not only enhance loyalty but also accelerate word of mouth intentions.

LIMITATIONS AND DIRECTIONS FOR FUTURE RESEARCH

A lot of literature is available to explain predictors of destination loyalty and likelihood to recommend. However, this study mainly focuses the influence of destination (brand) love. Significant percentage of variance in destination loyalty and likelihood to recommend remain unexplained, inducing the need for further research in the area. The study has investigated only some variables in contrast to the use of large number of variables to better explain the underlying patterns of destination loyalty and likelihood to recommend (word of mouth intentions). Hence, other independent variables may be considered to improve the explaining power.

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Study on Implementing Results of Flexible Employment and Related Policies----Case Analysis based on Beijing Municipality

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Abstract—With the theme of definition of flexible employment policy of Beijing Municipality and its actual implementation in the employment promotion, through the in-depth survey on employment promotion role and policy implementing result of the flexible employment policy of Beijing Municipality with highlight on unemployed persons, the article presents an objective analysis and evaluation on flexible employment policy of Beijing Municipality and its implementation result, aims at finding out the problems in design and enforcement of flexible employment policy and offers some pertinent and constructive countermeasure and proposal to the government in improving the flexible employment policy and measure.

Introduction

As new trend in reemployment promotion, flexible employment has attracted the concern of all circles of the society. At present, the flexible employment policies are in lack and moreover, scattered and unsystematic. Some articles have directly copied the experience and policy of developed market economy countries for China while not taken into account related issues of flexible employment in practical situation in China. Some experience and policy directly imported abroad aren't suitable for China at all and not feasible. The key in promoting the flexible employment of unemployed person is perfect flexible employment policy and full utilization of policy effect. An objective and accurate evaluation on flexible employment policy of the governmental and implementing result has always been a fundamental problem in actual employment promotion and will determine the assessment on the effect of existing policy and the definition of future policy. Therefore, how are the policies on flexible employment promotion defined? How about the implementing result? How to evaluate implementing result of flexible employment policy? A breakthrough for these difficult problems will have important significance in both practice and theoretical study.

July-August 2011, the task group of Capital University of Economics and Business for the study on unemployed persons and flexible employment has carried out a case survey on employment service policies in several fields on the basis of Beijing Municipality and organized an interview with relevant working personnel. It has distributed totally 2000 questionnaires, and recovered 1755 questions at return rate of 87.75%, including 1676 valid questionnaires at validity rate of 95.5%. In this article, STATA 11.0 software is applied in statistical processing and analysis of the data, including frequency analysis, multi-response analysis, reliability inspection, factor analysis and contingency table analysis. Moreover.

Definition of Flexible Employment Concept

Flexible employment is mostly related to the definitions of non-full-time employment and the employment in non-regular sector or economy worldwide ^[1]. The official definition refers to the general name of various employment modes that are different from traditional mainstream employment mode based on industrialized and modernized factory system in light of several aspects including labor time, remuneration, working site, social insurance and labor relationship (at least one aspect)^[2]. Traditional mainstream employment mode is the

long-term and stable employment in regular units, where the unit is liable for social protection and the laborer works in the unit within the specified working hours and obtains stable remuneration for his work. The employment different from these features is “flexible employment”^[3].as do not revise any of the current designations.

Case Analysis on Flexible Employment and its Related Policies

The key in promoting flexible employment of unemployed person is perfect flexible employment policy and full utilization of policy effect. Therefore, an objective and accurate evaluation on flexible employment policy of the governmental and implementing result has always been a fundamental problem in actual employment promotion and will determine the assessment on the effect of existing policy and the definition of future policy. In this article, the implementing result of the policy is assessed through the satisfaction degree of the persons in flexible employment towards related flexible employment policies. In the survey on satisfaction degree, a Likert five-point scale method is used, where satisfaction degrees towards the service are divided into five scales: “Very satisfactory”, “Comparative satisfaction”, “Average”, “Unsatisfied” and “Very unsatisfied”. For indicating the opinions of responders as a group, “Very satisfactory” to “Very unsatisfied” is gradually quantified from “5” to “1”. Higher numerical value means that the responders are more satisfactory towards related flexible employment policy. That is to say, the implementing result of the policy is better.

Awareness towards Related Flexible Employment Policy

Statistical analysis on the awareness of 1676 unemployed persons (in unemployment registration) towards relevant flexible employment policy is done. Table 1 reveals that the awareness of unemployed person towards relevant flexible employment policy is ordinary. Especially, they have little knowledge on small loan policy and more knowledge on social insurance subsidy policy. In regard to the awareness toward flexible employment policy, the responders with little, less, average, much and thorough knowledge account for 9.0%, 20.9%, 29.2%, 22.4% & 18.4% respectively. Obviously, the persons with little knowledge on the policy account for 1/3 while these with much knowledge don’t exceed 1/3. For the awareness toward the policy on personal innovative undertaking, the persons with little and much knowledge on the policy are nearly the same in quantity. However, the persons with little knowledge on the policy on personal innovative undertaking are obviously more than these with little knowledge on flexible employment policy. In regard to the awareness toward social insurance subsidy policy, the persons with much knowledge on the policy are obviously more than these with much knowledge on two above policies and accounts for nearly 50%. In regard to the awareness toward small loan policy, the persons with little knowledge on the policy account for 40%, the highest among all policies. K-W inspection reveals that obvious difference exists between the unemployed and the persons in flexible employment in regard to the awareness toward small loan policy ($P < 0.05$) and moreover, the latter have much more knowledge on the policy than the former and there exists no obvious difference in regard to the awareness toward other three policies.

Table 1 Awareness toward Relevant Flexible Employment Policy

	Flexible employment policy	Policy on personal innovative undertaking	Social insurance subsidy policy	Small loan policy
Quantity of responders	1666	1668	1664	1656
Average value	3.20	3.00	3.37	2.86

At present, all persons in flexible employment including personal innovative undertaking can enjoy the preferential treatment of the policy. Moreover, as the most fundamental social security, social insurance is the common concern of both unemployed persons in their reemployment and enterprises in their recruitment of these persons. As a result, social insurance subsidy policy among all related flexible employment policies has the highest awareness due to such reasons. However, with some problems in the policy and in the implementing process, the small secured loan policy isn’t faithfully implemented and fails to benefit many people. Due to the investment risk in existence and conservative ideology, unemployed laid-off persons treat the policy with no actual value and ignore the existence of the policy to some extent. Therefore, the awareness toward the policy in the survey is low.

Evaluation on Implementing Result of Related Flexible Employment Policy

(1) Evaluation on Implementing Result of Flexible Employment Policy

A statistical analysis on implementing result of related flexible employment policy is done for 806 persons in the flexible employment. The implementing result of the policy is evaluated in three aspects including reemployment assistance for the persons in flexible employment, satisfaction for the post and acceptance degree for the job (as in Table 2). The results of the evaluation reveal that the persons in flexible employment have average evaluation for the overall implementing result of flexible employment policy, especially low satisfaction for the post in flexible employment. In regard to the satisfaction for the post in flexible employment, “Very unsatisfied” accounts for 9.8%, “Unsatisfied” 16.4%, “Average” 32.8%, “Comparative satisfaction” 23.8% and “Very satisfactory” 17.3%. Obviously, the unsatisfied accounts for 1/4, the satisfied for 2/5. In the evaluation of another two items, the ratio of the satisfied both is 46%, obviously higher than this item while the ratio of the unsatisfied is 1/5, obviously lower than the item. K-W inspection reveals that obvious difference exists among different types of persons in flexible employment in the evaluation of these three items ($P < 0.001$) and the evaluation result in sequence declines as follows: the persons in housekeeping service, community service, casual work and personal innovative undertaking. Cross-over analysis shows that the ratio of the unsatisfied in the persons in personal innovative undertaking is the highest while the ratio of the satisfied is the lowest. However, the evaluation results of the persons in housekeeping service are just on the contrary.

Table 2 Evaluation on Implementing Results of Flexible Employment Policy

	Reemployment assistance	Satisfaction for the post	Acceptance degree for the job
Quantity of responders	801	799	800
Average value	3.39	3.22	3.36

Unemployed persons that work in traditional sector without other choices are obliged to accept flexible employment. The satisfaction of the persons in flexible employment for their posts is low mainly due to the housekeeping service, community service and casual work prevailing in these posts. These jobs feature the same characteristics including low stability and low wage, especially the community service that may start today while end tomorrow. Reemployment assistance is at low degree because the evaluation is subject to the influence of the post to some extent. According to the opinions of unemployed persons, a biggest assistance that they need is one job and one post. Presently, as active response to the flexible employment policy, the recommendation of the posts by various job-finding agencies for the group has already become the regular work and assessment indicators in employment service while the recommended posts are ensured only in quantity instead of quality. This is closely related to the present development level of flexible employment in China. Flexible employment cannot ensure no unemployment for the employed even in a short period. Moreover, the development level of flexible employment is indivisible with the support and guidance of the employment policy of the government to some extent. If the flexible employment policy of the government takes into account the interests of the group, and materializes humanistic care and policy care and is faithfully implemented? The result of the evaluation can tell us to some extent.

(2) Evaluation on Implementing Result of Flexible Employment Support Policy

A statistical analysis on implementing result of flexible employment support policy is done for 176 persons engaged in personal innovative undertaking in flexible employment. The evaluation of the persons in personal innovative undertaking for acceptance degree and support effect (174 responders) is low and 3.11 & 3.05 respectively. In particular, the latter is lower. A ratio of the unwilling among the person in personal innovative undertaking is 29.9%, and that of the willing 33.3%. However, in the evaluation on the effect of support policy, “Very unsatisfied” accounts for 12.1%, “Unsatisfied” 18.4%, “Average” 33.3%, “Comparative satisfaction” 24.7%, “Very satisfactory” 11.5%.

The low acceptance degree of the persons in personal innovative undertaking is due to the fact that personal innovative undertaking is investment behavior and will bear some risk. Moreover, most unemployed persons in flexible employment are survival-intended type and run small business for livelihood. Personal innovative undertaking is restricted by both education background and employment ability of unemployed persons. It's doubted that how on earth the training on innovative business could improve their accomplishment and capability for innovative business. Furthermore, the people directly covered by the policy on personal innovative

undertaking are 40/50-year-old and the intermediately and seriously disabled. Other unemployed persons can enjoy preferential policies on personal innovative undertaking only one year after job-finding registration with Job-finding Certificate. If the policy on job-finding registration isn't properly publicized, can the persons that are ready to start and capable of personal innovative undertaking get the policy care? It's expected that the coverage scope of the preferential policy on personal innovative undertaking policy would be expanded. Terrible evaluation on support effect of the policy on personal innovative undertaking is closely related to present policy on small loan and innovative business training. The above analysis has already mentioned some problem in related policies on small secured loan. Innovative business training is one of three training modes in reemployment training. Although these three training modes in reemployment training aren't evaluated respectively in the survey, the interviews with the person in personal innovative undertaking prove that the content and quality of the course in innovative business training as well as the actual assistance for these persons still falls short of the expected effect and target.

(3)Evaluation on Implementing Result of Related Employment Service Policy

A statistical analysis on implementing result of related employment service policy is done for 1676 unemployed persons (in unemployment registration). The evaluation mainly includes three aspects i.e. occupational guidance, occupational recommendation and employment training (in Table 3). The evaluation on employment service policy in these three aspects isn't high, especially occupational recommendation. In the evaluation on occupational recommendation, the ratio of "Very unsatisfied" accounts for 10.1%, "Unsatisfied" 19.8%, "Average" 32.0%, "Comparative satisfaction" 23.6%, "Very satisfactory" 14.4%. Obviously, the unsatisfied account for 29.9% while the satisfied for 38.0%. The degree of dissatisfaction for occupational guidance and employment training is lower than that for occupational recommendation. The reemployment assistance of employment training can show that unemployed persons hold good evaluation for overall effect of employment training while extremely low evaluation for the item. It's proved that the implementing result of employment training is better than the policy itself. That is to say, some problem exists in the policy and consequently, unemployed persons feel little policy assistance for themselves.

Table 3 Evaluation on Implementing Result of Related Employment Service Policy

	Occupational guidance	Occupational recommendation	Employment training	Reemployment assistance
Quantity of responders	1667	1660	1657	1654
Average value	3.23	3.12	3.21	2.98

Occupational guidance, occupational recommendation and employment training are three core employment policies of public employment service and also a policy indivisible in the promotion of flexible employment of unemployed persons. Occupational guidance aims at assisting unemployed persons in finding out their employment ability and building up their confidence and is basic content of employment service. The results of the above evaluation can prove that unemployed persons have comparatively higher evaluation for the item. This is to some extent related to the weak role of occupational guidance in the whole employment promotions. Moreover, the service of occupational guidance policy is easy to realized, features few contents and small gap with the level abroad. Occupational recommendation offers operating platform for the match of supplying party & demanding party in labor market, which is core content of the employment service^[4]. Occupational recommendation is important channel for the unemployed persons to change their identity and employer to seek qualified laborer, and also important means in realizing person-job match, reducing hunting cost, and timely updating vacant posts, offering top-quality supply & demand information and promoting the reemployment of unemployed persons. The low evaluation for the item proves some problem in the policy and the implementing process because of no full exertion of the function or policy breakdown in the service process of occupational recommendation service process to some extent. In 1998-2003, two terms of "ten million in three years" policy have trained 28.35 million persons in total, and realized an employment rate of over 60% after training^[5]. It's absolutely proved that employment training policy has played a surprising role in promoting the employment of unemployed laid-off persons. However, in the view of unemployed persons, employment training policy is still to be improved in regard to the selection of employment training institution as well as subsidy for employment training capital.

Improvement of Flexible Employment for Unemployed Persons

Strengthen Policy Guidance and Support for Flexible Employment

In comparison with developed country, flexible employment has just started in China and needs the policy guidance and support of the government. The CPC 16th National Congress calls on “guiding the whole society in converting employment concept, adopting diversified employment modes, encouraging self-employment and personal innovative undertaking”. At present, diversified employment modes are widespread in China and play a key role in alleviating employment pressure & keeping social stability. However, despite of the changeover of employment concept, unemployed persons fail to accept flexible employment completely. Moreover, with diversified recruitment modes, the employer can reduce enterprise cost, and improve efficiency effectively and benefit enterprise. All these need the guidance of policy. On one hand, the policy will guide unemployed persons in selecting diversified employment modes, on the other hand, guide flexible employment of the employer. Policy guidance and publicity will assist laborers and employers in giving up their worries, updating their concept and realizing common benefits.

Expand Personal Innovative Undertaking and Small Secured Loan Policy

Some scholars say no matter development-oriented or survival-oriented business can drive employment and generate the multiplication effect of employment promotion ^[6]. For the purpose of expanding the channel of innovative business of unemployed persons, first of all, small secured loan policy should be streamlined. The policy should improve the loan line, expand the scope, lower the threshold and develop the financing channel through non-banking institutions. The information on investment projects should be offered for the persons in innovative business. The source of the projects should be expanded for them. Innovative business training should be strengthened for unemployed persons so that they can improve their capability for innovative business step by step, leverage their advantage and increase the incomes of their innovative business. The policy on personal innovative undertaking should expand its coverage scope and reduce the restrictions especially for “20/30-year-old” persons. This is because the group has some advantages in education background, skill and competitiveness awareness in comparison with “40/50-year-old” persons. They stress their future development and individual value and cherish risk investment. Therefore, the policies on personal innovative undertaking and small secured loan should provide the group with more opportunities and selection space.

Improve Reemployment Training Policy and Emphasize Training

“Teaching a person how to fish is better than giving him a fish”. The great role that the employment training plays is obvious to all. Reemployment training plan in US will offer training for about 1 million unemployed persons each year, of which 70% can find a job after reemployment training ^[7]. Employment training has played a key role in the process of flexible employment of unemployed persons. Therefore, employment training policy shall be based on flexible employment and personal innovative undertaking, closely link up the employment target with the training contents and establish a set of training modes suitable for the group as well as concise while reasonable training workflow. Moreover, the government shall enhance the proportion of the unemployment insurance in employment training subsidy and improve training courses & quality of employment training institution. As a result, the role of unemployment insurance in employment promotion of unemployed persons will become positive and active. Unemployed persons can fully exert their abilities in the post of flexible employment, improve their competitiveness edge in the employment and create more opportunities and space in their posts.

Perfect “Jinbao Project”, and Speed up the IT Application of Employment Service

In US, 50 states are covered by a public employment service information network that is funded by the government. The public information network of federal government comprises labor information database website, occupational information website and study and exchange website. Labor information database website can timely, accurately & widely collect and provide the supply and demand information on labor force ^[8]. In 2002, China has issued Circular on Strengthening the Development of Labor Protection Information System (MOLSS No.22), which requires the acceleration of the development of labor protection information system (Jinbao Project). Public employment service information system can not only support the IT application of the whole employment work but also as basic information sources of individual laborer and employer, provide direct platform in other HR management fields. Therefore, the later policy on “Jinbao Project” shall boost the development of IT application of public employment services in all-around way, realize online information service and IT application in service operation and promote the flexible employment, job finding and study and exchange of unemployed persons.

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Research on the development of low carbon economy based on ecological Philosophy

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摘 要：低碳经济是人类经济发展方式和社会生活方式的新变革，中国传统文化和马克思主义所蕴含的生态自然观为发展低碳经济起到了重要的先导作用。运用唯物辩证法、辩证唯物主义历史观深刻认识和辩证分析发展低碳经济过程中出现的各方面利益矛盾关系，有助于我们树立生态文明理念，更好的实现经济、社会、人的全面、协调、可持续发展。

关键词：低碳经济；生态自然观；可持续发展

Abstract: The low carbon economy is a new change in the way of human economic development and social life, traditional Chinese culture and ecological view of nature inherent in Marxism played an important leading role in the development of low-carbon economy. We have to deeply understand and dialectical analysis of conflicts of interest from the process of developing a low carbon economy by materialist dialectics and dialectical materialist view of history to establish the concept of ecological civilization, and to achieve better economic, social, comprehensive, coordinated and sustainable development.

Keywords: low carbon economy; ecological view of nature; sustainable development

1 引言

能源是人类最根本的生存需求，近几百年来工业发展和人口激增，世界能源消耗量不断剧增，能源危机正深刻地影响着全球社会和经济的发展。与此同时，人类在生产、生活中，为了获取能源而大量消耗化石能源，致使地层中沉积碳库的碳以较快的速度流向大气碳库，从而引发了温室效应、环境污染等灾难性问题。在全球气候变暖问题日趋严重的背景下，“低碳经济”概念应运而生。^[1]作为一种全新的发展理念，低碳经济要求人们最大限度地节制能源、更有效率地使用能源，力求实现低能耗、低污染、低排放的经济发展模式，以此来解决生存与发展、公平与效率之两难。^[2]

低碳经济作为一种适应生态规律的新型经济模式，蕴涵着丰富的生态哲学观。这种哲学观全面反思传统经济哲学，以生态经济理论和系统理论为基础，把经济系统与生态系统的多种组成要素联系起来进行综合考察与实施，充分考虑自然生态环境承载能力下的经济持续增长，尊重自然的价值和权利，意识到人类生存和自然资源的依赖关系，最终促进人、自然和社会的可持续发展。^[3]

低碳经济既是社会经济生活领域里的一场变革，同时也是对生活世界的本真回归。作为一种发展哲学，低碳经济不仅仅是能源技术创新、制度创新和人类消费发展观念的根本性转变，更是对人类价值标准的深层次革命，低碳经济的真正落实和深入发展呼唤哲学层面的解析和指引。

2 中外哲学思想对发展低碳经济的先导作用

2.1 中国传统哲学思想对发展低碳经济的作用

中国传统哲学向来都把人与自然的关系看成是相辅相成的，低碳经济从谋求人与自然和谐的角度深刻地体现了中国古代传统文化中“天人合一”的思想。孔子作《易传》在《说卦传》中云：“昔者圣人之作《易》也，将以顺性命之理，是以立天之道曰阴与阳，立地之道曰柔与刚，立人之道曰仁与义”。这是孔子研究《易》经之后的体会，意在说明古圣创作《易》经的目的与功用是“将以顺性命之理”，用《易》经来顺应、彰明性命的道理，并使这些道理能够顺利地通行天下。天地人三才共生才能形成秩序合理的世界。《易传》曰“生生之谓易”，又曰“天地之大德曰生”，意思是说，世界万物生而又生，生生不息，这就是“易”，即“日新之谓盛德，生生之谓易”。我们人类应该尊重和顺应自然界本身有其生生不已的规律，而不是一味地去征服它。^[4]孟子提出“尽心、知性、知天”，认为人的心性沟通天人关系的桥梁，要求人以道德规范约束自己，扩充善端，来实现知天达命、天性与人性、天心与人心的统一。荀子提出“明于天人之分”的观点，认为自然规律“天行有常，不为尧存，不为桀亡”。人与自然的关系应“制天命而用之”，主张尊重自然，天、人各司其职。^[5]老子主张“王法地，地法天，天法道，道法自然”，天地人三者道以贯之，人类应遵循自然无为的生活与行动方式，对欲望进行合理的控制。庄子在《齐物论》篇中提出“涂处无为，而物自化”的“天均”说思想，这是老子“天道”说的转变与升华。庄子认为，事物运动是其物质本身以不同形态循环往复的过程。在现代工业文明条件下，物质在人为的干预下加速运动，生产力得到了极大提升，但同时由于人类的贪婪与无知，其运动偏离了“天均”状态，致使可持续发展的链条断裂。发展低碳经济，本质上体现了“天均”特征。^[6]

总之，中国传统文化中的“天人合一”的思想有着丰富的生态意蕴，这一思想对于反思现代工业文明和科技文明所产生的负面效应，重新构建人与自然之间的和谐关系，仍具有借鉴价值。

2.2 马克思主义哲学对发展低碳经济的作用

“低碳经济”作为人类长期实践活动的总结和一种新的发展理念，与马克思主义的许多理论有着某些内在的一致性。在人和自然的关系的问题上，马克思首先肯定了“人是自然界的一部分”，这是由人的自然属性决定的；同时又指出“自然界是人的无机的身体”。他主张一方面要尊重自然，按自然的外在尺度办事，另一方面要改造自然，按人的内在尺度办事，实现“人的自然化”和“自然的人化”的统一。^[7]在实践观上，马克思认为“人的本质不是单个人所固有的抽象物，在其现实性上，它是一切社会关系的总和”，“全部社会生活在本质上是实践的”。按照马克思的上述观点，“人”就是立足于实践的、现阶段的、具体的人。人是认

识活动和实践活动的主体，物是客体，物近于人，物为人所创造和利用，要充分发挥人的主观能动作用，反过来，物是人生存和发展的最基本的前提，人近于物，要充分尊重客观规律。

恩格斯在《反杜林论》一书中说：“人本身是自然界的产物，是在自己所处的环境中并且和这个环境一起发展起来的。”^[8]“我们连同我们的肉、血和头脑都属于自然界，存在于自然界。”^[9]并且在《自然辩证法》早就告诫过人们：“不要过分陶醉于我们对自然界的胜利。对于每一次这样的胜利，自然界都报复了我们。每一次胜利，在第一步都确实取得了我们预期的结果，但是在第二步和第三步却有了完全不同的、出乎预料的影响，常常把第一个结果又取消了。”^[10]我们所处的世界，一切事物和现象都处在普遍联系之中。人是自然界发展到一定历史阶段的产物，人类的长久发展是不可能脱离自然界这一外部环境的，正如恩格斯所说“当我们深思熟虑地考察自然界或人类历史或我们自己的精神活动的时候，首先呈现在我们眼前的，是一幅由种种联系和相互作用无穷无尽交织起来的画面。”^[11]

作为当代中国的马克思主义，科学发展观与“低碳经济”有着某些内在的一致性，作为一种发展理念，其最终目的都是为了实现发展。科学发展观基本要求是全面协调和可持续，根本方法是统筹兼顾，高度重视资源和生态环境问题，正确处理经济建设、人口增长与资源利用、生态环境保护的关系，增强可持续发展的能力。以低能耗、低排放、低污染和高效能、高效率、高效益为基础的低碳经济，是一场涉及生产方式、生活方式和价值观念的全球性革命，通过提升能源的利用效率、推行清洁能源发展、促进低碳技术开发、维持全球的生态平衡^[12]，突出发展的最终目的是人的发展及其价值实现。可见，低碳经济与科学发展观均强调资源的有效利用、节能降耗、关注自然生态环境、实现可持续发展，两者的内涵在本质上是是一致的，是相辅相成的。发展低碳经济是落实科学发展观的崭新实践，加快推进我国低碳经济发展，才能更好地践行科学发展观。

3 辩证认识和正确处理低碳经济发展中的矛盾关系

纵观我国近几十年来的经济发展，是一种以大量消耗石油、煤、天然气等不可再生资源为代价的粗放型发展模式，属于典型的高碳型模式。同时，在高碳型模式下形成了多方面息息相关的利益关系。发展低碳经济必然要引发现原有经济模式下各种利益主体多方面的矛盾冲突，需要对这些错综复杂的利益关系重新进行审视和调整。在实践中，我们应该以哲学的思维、哲学的智慧为指导，运用唯物辩证法、辩证唯物主义历史观深刻认识和辩证分析低碳产业发展过程中出现的各方面利益矛盾关系，顺利实现经济模式从高碳型向低碳型的转变，概略来说，应辩证认识和处理好以下几对主要矛盾关系。

3.1 关于低碳与经济的矛盾

低碳是否经济的争论始终在持续，矛盾的焦点在于低碳起因于遏制全球气候变暖，从产品角度来说，低碳具有公共产品属性，不能通过市场手段来解决。由于公共产品的非盈利性，所以公共产品的供给一般由政府来提供。如果商业属性的主体以纯市场手段从事公共物品的提供，必然要影响其竞争力。在国际层面，如果一个国家如中国发展低碳而其他国家不发展，中国的国家竞争力将受到不利影响。上述这写观点似乎有道理，但如果深入分析，“低碳的不经济性论点”不仅从理论上不成立，在实践上也失之偏颇。低碳与经济这对矛盾之间，实质上应当是一种既相互对立，又相互依赖、相互制约的辩证统一关系，唯有将二者统一起来才是惟一合理的出路。

首先，低碳是出于我们可持续发展的考虑。中国化石能源的资源禀赋特点是贫油少气富煤炭。根据英国石油公司的统计，按照我们现在的消费量，现已探明的国内石油储量只够我们用 11.1 年，煤炭储量也只用 42 年。如果我们现在不加快转型、不搞低碳经济、不摆脱碳约束的话，我们自身就不可能持续发展。其次，低碳将是未来经济竞争力的有效途径。在现在的全球性的刚性碳约束环境下，碳竞争力将是我们未来的城市竞争力、产品竞争力和产业竞争力的核心要素。企业的产品现在如果没有碳竞争力的话，就进不了国际市场，就不会被消费者所接受。我们现在这样一种高碳的产业体系和消费体系，对环境的负面压力非常大。在这样的情况下，如果我们能生产出不需要石油的产品，那就是竞争力的体现。

3.2 关于减排目标与经济发展的矛盾

长期以来,我国经济发展呈现粗放式的特点,对能源和资源依赖度较高,单位 GDP 能耗和主要产品能耗均高于主要能源消费国家的人均水平,且目前正经历着工业化快速发展的阶段,随着消费结构升级拉动,以机械制造、钢铁、建材、能源为代表的具有重工业化特征的行业相继进入快速增长通道。与快速工业化进程相伴随的是快速发展的城市化进程,城市的工业、建筑和交通耗能也将加剧能源消耗。另外,在国际贸易结构中,我国出口的商品相当一部分为高能耗、高度依赖于原料加工的劳动密集型和资源密集型商品,并且在新一轮国际产业结构调整过程中,我国承接了相当一部分劳动、资本密集型、高消耗、高污染的产业。上述问题反映了我国低碳经济发展的现实困难。表面上看,减排目标与经济发展是相悖的。但是,本质上来讲,低碳经济作为一种新型的生态化经济形态,旨在以低碳目标对传统经济无视环境和资源因素的高碳型特质的扬弃,同时赋予节能减排、低碳环保的新特质。从哲学上说,这属于事物发展过程中的一种“取其精华,弃其糟粕”的辩证“扬弃”。其中的“糟粕”,显然就是传统经济模式所具有的“三高一低”的高碳型特质,而“精华”则是传统经济模式所具有的有利于经济增长的合理有效的种种观念、方法和手段。具体来讲,我们可以通过采取优化能源结构,积极有效地利用清洁发展机制、加大我国低碳技术的自主研发力度,优化产业结构,推进生物固碳,营造低碳文化和加强低碳教育等措施,力争节能减排目标的实现,在这个前提下,实现经济又好又快发展的原则要求。当然,实行低碳消费和低碳生活,在一定时期内或许对经济增长会造成一定的影响,或付出一定的代价,但从发展的质量、效益及长远利益来看,低碳消费应当是真正有利于我国经济方式向着低碳化的方向转变,因而也有利于我国经济全面协调可持续的发展,获得的将比付出的要更多。^[13]

3.3 关于低碳环保与消费模式的矛盾

低碳消费是低碳经济的重要组成部分。据统计,在行业能源消费结构中,生活消费能源占能源消费总量的 10%,而且经验表明,消费者对终端产品需求量的变化会给生产领域需求量带来几何级数的变化,这给节能减排预留了足够的空间。

长期以来人们在传统经济模式下形成了高碳排放型的消费观念和消费方式,表现为“便利消费”、“快捷消费”、“一次性消费”、“奢侈型消费”、“攀比性消费”等,这些消费生活方式在较长一个时期引导了生产和再生产,低碳消费能若想成为共同认可的价值观和普遍接受的消费方式,需要人们实现消费观念上的根本变革和消费模式的重构。政府、企业、文化教育部门等社会组织应通过各种宣传教育方式来引导社会大众的低碳消费需要,在全社会倡导低碳消费、低碳生活的新理念,营造出一个低碳环保、节能减排的绿色文化氛围,努力使低碳需要成为广大消费者的自觉需要,使低碳消费成为大众消费的核心内容。需要指出的是,低碳消费并不是要求限制消费,它限制的只是高碳排放和奢侈浪费,实质上是一种理性、适度、简约、绿色的消费方式。^[14]

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Study on Inland River Shipping Enterprise's Level of Safety Management Based on Triangular Fuzzy Number

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Abstract—Enterprise safety management with the characteristics of long-term, complex and indirect benefits determine inland river shipping enterprise inadequate investment. It is significant that evaluate the inland river shipping enterprise's level of safety management for enterprise to find out hidden danger, to prevent the occurrence of major accident, and to improve safety assurance ability. This article start with the necessity of inland river shipping enterprise to value its safety management, and build an evaluation model of inland river shipping enterprise's safety management based on triangular fuzzy number, finally take an empirical study, the result of research provides reference for China inland river shipping enterprise.

Keywords—inland river; shipping enterprise; safety management; evaluate; triangular fuzzy number

Introduction

The problem of shipping safety has always been much concerned in the field of shipping, especially, those inland river shipping enterprise belongs to small and medium-sized enterprises, its human, material and financial resources are limited. Thus, the level of safety management is low and safety investment absolutely little. First, safety benefit is not direct and evident, and it is difficult to make sure whether accidents happened or not, the size of the loss determined by how much safety investment, difficult to measure safety benefit. Therefore, the benefit of safety investment has the hidden, indirect and lagging properties which cause enterprise little safety investment^[1]. Second, the evaluation methods about safety management level lack objectivity and scientific in inland river enterprise. Inland administrative departments are lack of simple and scientific evaluation methods. Hence, research about level evaluation of safety management is still in the vacuum belt in inland river shipping enterprise.

Now, the researches on sea transportation aren't few. The scholar in our country Yingyi Lin^[2] analyzed the current station and problems of safety management system of sea transportation, explored how to establish shipping enterprise safety management system and strengthen examining management. Limin Wang, Tingrong Qin^[3-5], etc. made research on shipping safety respectively from the crew psychology, channel safety, vessel quality management system, etc. Foreign scholars such as Sabine Knappt^[6], etc. analyzed the change of risk prediction technology for global vessels based on accident site and consequence, pointing out the legislative strategy which can improve vessel risk prediction technology and enhance shipping environment, as well as shipping safety. Rajesh S. Prabhu Gaonkar^[7], etc. used fuzzy set theory and fuzzy logic to study reliability of sea transportation system from the aspects of crew professional level, marine technology and navigation environment. Some of their studies are based on the whole sea system to make safety analysis, by putting the enterprise, and the environment in the same system to study. It's hard to ascertain the effect of shipping safety made by enterprise safety level restrictions, they also may be studied by isolating shipping safety restricting factors. Its findings only reflected one side of safety condition in enterprise. The studies are based on inland river shipping enterprise system safety are few. But ships and crew are directly in charge of enterprises. Enterprises' security level has direct influence on shipping safety. Vidan Pero^[8] pointed out current water rescue measures basically aimed at sea transport. However, inland transportation has its own characteristics. It's urgent to value the research on inland search and rescue model.

Throughout safety management of international enterprise, ISRS (International Safety Rating System) applied in foreign enterprise is much mature, and it has obtained good effect. There are 25% of the world 500 strong enterprises applying the system. Parts of China oil pipeline companies have introduced ISRS.

Based on the limitations of above research and the effective of international enterprise safety management, this paper does try to explore methods which can improve inland security. That is aiming at inland shipping enterprise safety management, considering characteristics of inland shipping enterprise production security restricting factors, based on the safety management level of inland shipping enterprise. Then make evaluation on inland river shipping enterprise’s level of safety management, and use triangular fuzzy number theory to translate subjective evaluation into objective evaluation, in order to reach its scientific and improve inland shipping safety.

The Necessity of Evaluation on Inland River Shipping Enterprise’s Safety Management

- The necessity for evaluation of the level of inland river shipping enterprise’s safety management as follows:
- First, it is the necessity for enterprise’s daily management. The daily management is the basis of enterprise safety management, the basic guarantee of safety in production, but it is also a job which is unremitting, alarm bells ringing but easy to slack off. To carry out the evaluation of the level of safety management, which will promote the enterprise’s safety management rules to implement and strengthen the safety supervision, improve the daily management of staff’s vigilance and safety awareness.
- Second, it is the necessity for quickly finding the safety risks, and improve the target management. Evaluation on level of safety management focused on the analysis of enterprise’s status of safety management, through quantify the safety management system and each unit, be sure the weakness link and weakness degree in enterprise’s safety management, and quickly find out the safety risks, obtain the safe management of the evaluation report, according to the report, to develop target corrective measures, to reasonably determine the safety investment.
- Third, it is the necessity for improving enterprise’s safety benefits. The evaluation on the level of safety management is different from the traditional "remedial measures" management philosophy, it is proceed from the pre-control accidents. To troubleshoot causes of accidents which is potential and difficult to detect through a comprehensive and systematic analysis, to prevent accidents, reduce property losses and casualties.
- Fourth, it is the necessity for enhancing corporate image, promoting enterprise’s development. Safe production is the basis of the corporate image. Evaluation on enterprise’s safety management could improve the level of enterprise safety management, guarantee enterprise safe production, so as to enhance the corporate image, to win the parties trust, especially investors (banks, etc.) and customers. With safe production to attract banks and other investment to solve the problem of financing in inland shipping enterprise; to attract customers, promote enterprise’s development.

The Structure of Evaluation Model of Safety Mngement Level

The Selection and establishment of index system

Evaluation indexes are selected to reflect the safety status of inland water transport enterprise’s production and manage-ment, and the main reasons of river accidents. This paper selected the indexes, which have the most influence on inland enterprise safety, from the index system of the shipping system, as table I shows:

Safety facilities. The ship’s safety is the material basis of shipping enterprise safety production. How complete the emer-gency facilities are, directly impact on the extent of the loss of the accident. The insecurity of facilities can be immediately removed by regular facilities inspection and maintenance.

TABLE I. THE EVALUATION INDEX OF LEVEL OF INLAND RIVER SHIPPING ENTERPRISE’S SAFETY MANAGEMENT

The First Level Indexes	The second level indexes
Safety facilities B ₁	Status of ship safety C ₁
	Ship and shore emergency facilities C ₂
Safety	Ability of hazard identification and emergency response C ₃

technology B ₂	Decision-making level of shore managers C ₄
	Crew professional standard C ₅
	Level of accident(incident) management C ₆
Safety supervision B ₃	Implementation of Safety management system C ₇
	Implementation of corrective measures C ₈
	Inspection and maintenance of facilities and equipment C ₉
Safety system B ₄	Operability of the rules and regulations C ₁₀
	Staff acceptability C ₁₁
Safety culture B ₅	Safety training C ₁₂
	Crew safety awareness C ₁₃
	Safety input C ₁₄

Safety technology. It is a technology assurance for enterprise's safety production, and an important symbol of the shipping enterprises safety management capacity. The high professionalism of the crew, quickly identify the sources of danger, properly handle unexpected incidents and take reasonable emergency measures can be effective in preventing accidents.

Safety supervision. Safety supervision is a basis that be ensure of enterprise's safety management system operation effectively, and it is an effective process control for enterprise's safety management system, an effective way to discover problems and enhance the level of enterprise's security management. Through the supervision of implementation of the system and the progress in the implementation of the corrective measures, in order to avoid employees' perfunctory psychological and force employees to develop safety awareness.

Safety system. It reflects the goals of enterprise's safety management, and it is an organization guarantee for achieving safety management objectives, and plays a leading and regulatory role in enterprise security management. The safety system is scientific or not, rational or not will affect the effectiveness of enterprises' safety management.

Safety culture. It represents the soft power of enterprise's safety management. Crew and shore staff is the behavior subject of enterprise safety production. The higher quality of enterprise's safety culture is, the greater space of enterprise's security management capabilities. So shipping enterprise should reinforce establishment of safety culture system, in order to reduce unsafe behavior caused by human negligence

The Evaluation Model of Enterprise's Safety Management Level

At present, the Delphi Method what is described as the enterprise invites experts of the same field to compare and mark points for the indexes is usually taken to quantify the indexes of safety management which is undefined. But the quantitative method might be influenced by the subjective factors of these experts more or less, such as experiential deviation or understanding deviation and so on, which lead to the results of rating are deviate from the enterprise's real level of safety management. In order to reduce the ratings deviation degree to the real level, the triangular fuzzy numbers of Fussy Mathematics Theory is adopted in this paper, to revise and constringe the experts' preference.

Through consult relevant documents about safety management rule and literature about safety evaluation, combined with the safety management experts' advices, set the rating scale shows in Table II .

TABLEII. RATING SCALE			
A	B	C	D
[0, 50]	[50, 75]	[75, 90]	[90, 100]

Fuzzy processing for experts' points based on triangular fuzzy number

The basic theory of triangular fuzzy numbers

The triangular fuzzy number $M = (a, b, c)$ is expressed as the result of index marked by experts, where a, b and c denote respectively the result of the most conservative estimation, determinate estimation and optimistic estimation by the experts. Then, the fuzzy probability is used to process the triangular fuzzy number M .

There b is the boundary, A represents the multiple of possibility of inspection results is b to possibility of inspection results is a; And C represents the multiple of possibility of inspection results is b to possibility of inspection results is c. Probability formula of a, b, and c, respectively, as follows:

$$P(a) = \frac{1}{2(1+A)} \quad (1)$$

$$P(b) = \frac{A+2AC+C}{2(1+A)(1+C)} \quad (2)$$

$$P(c) = \frac{1}{2(1+C)} \quad (3)$$

Establishing rating matrix

According to the theory of triangular fuzzy numbers, marking points for the rating indexes listed in the table 1 by m experts, and (a_{ij}, b_{ij}, c_{ij}) is the results of the number i expert marks point for the number j index. On the basis of that, while m experts mark points for n rating indexes, the initial comprehensive evaluation matrix can be obtained and expressed as:

$$R_{ij} = \begin{bmatrix} (a_{11}b_{11}c_{11}) & (a_{12}b_{12}c_{12}) & \cdots & (a_{1n}b_{1n}c_{1n}) \\ (a_{21}b_{21}c_{21}) & (a_{22}b_{22}c_{22}) & \cdots & (a_{2n}b_{2n}c_{2n}) \\ \vdots & \vdots & \vdots & \vdots \\ (a_{m1}b_{m1}c_{m1}) & (a_{m2}b_{m2}c_{m2}) & \cdots & (a_{mn}b_{mn}c_{mn}) \end{bmatrix}$$

Translating triangular fuzzy numbers into non-fuzzy numbers

The $P(a_{ij})$, $P(b_{ij})$ and $P(c_{ij})$ respectively means the fuzzy probability of a_{ij} , b_{ij} and c_{ij} can be derived from eq.(1),(2) and (3), then, the expectation of result can be expressed as:

$$e_{ij} = E(a_{ij}, b_{ij}, c_{ij}) = p(a_{ij}) * a_{ij} + p(b_{ij}) * b_{ij} + p(c_{ij}) * c_{ij} \quad (4)$$

Then, it can be seen that the fuzzy points marked by experts for rating indexes translate into non-fuzzy numbers e_{ij} and the non-fuzzy matrix R^f will be obtained.

Determining the weight of each index

Inviting experts of the inland shipping industry and the safety executive of inland shipping enterprise to compare and mark points for the indexes listed in table 1, combining the theory of fuzzy numbers discussed above and AHP to determine the weight of each index which can be expressed as:

$$W = [w_1, w_2, \dots, w_n]$$

Comprehensive rating

In this paper, the multi-index weighted rating model will be chosen as the final comprehensive rating due to its simple and feasible. First, calculate score of the number x first-grade index, can be expressed as:

$$S_x = \frac{1}{m} \sum_{i=1}^m \sum_{j=1}^y w_j e_{ij} \quad (5)$$

Where, w_j --the weight of the first-grade index for the number j index,

y --the number of second-grade indexes under the number x first-grade index

So, the comprehensive point can be expressed as:

$$S = \frac{1}{m} \sum_{i=1}^m \sum_{x=1}^t w_x S_x \quad (6)$$

Where, w_x --the weight of the number x index,

t --the number of the first-grade index

Case analysis

Taking an inland river shipping enterprise A as the example, to check the evaluation model discussed above.

Basic information of enterprise A: average age of ship is 15 years, ship and shore emergency equipment was not updated for many years, the crew's average sea age is 12 years, the upper staff has academic certificates at or above the junior college level, the rules and regulations which are consult all staff's idea are made by a competent person, safety training just plan, the crew illegally sailing in serious condition, safety investment so little.

- The second first-grade index B_2 is taken as the example, base on the real situation of the enterprise, inviting 5 experts to mark points for the B_2 to determine the initial triangular fuzzy evaluation matrix, as:

$$R = \begin{bmatrix} (76,78,83) & (85,88,92) & (85,87,89) & (75,78,82) \\ (75,78,81) & (87,90,94) & (87,89,93) & (77,80,84) \\ (73,76,78) & (83,86,89) & (85,88,90) & (73,76,79) \\ (78,82,86) & (84,87,89) & (83,85,88) & (78,83,86) \\ (74,77,82) & (86,89,91) & (86,88,89) & (76,79,81) \end{bmatrix}$$

- According to the experts' determination degree when they mark each index, and concerning the three-valued estimation experience, obtaining "A" is 1.5, "C" is 2. Then calculating $P(a_{ij}), P(b_{ij}), P(c_{ij})$ is 0.2, 0.63, 0.17 by eq. (1), (2), (3), and then substituting evaluation results and the probability into eq. (4), have non-fuzzy evaluation matrix:

$$R^f = \begin{bmatrix} 78.45, & 88.08, & 86.94, & 78.08 \\ 77.91, & 90.08, & 89.28, & 80.08 \\ 75.74, & 85.91, & 87.74, & 75.91 \\ 81.88, & 86.74, & 85.11, & 82.51 \\ 78.05, & 88.74, & 87.94, & 78.74 \end{bmatrix}$$

- Experts marking indexes through triangular fuzzy number and each indexes multiple comparison, With the above procedure of fuzzy processing, combined with Analysis Hierarchy Process(AHP), obtaining each experts on the weight of indexes, calculating the average, get the final weights:

$$W_A = (0.1842, 0.2801, 0.1841, 0.1423, 0.2093)$$

$$W_{B1} = (0.659, 0.341)$$

$$W_{B2} = (0.3631, 0.2249, 0.2938, 0.1182)$$

$$W_{B3} = (0.4791, 0.3107, 0.2102)$$

$$W_{B4} = (0.5692, 0.4371)$$

$$W_{B5} = (0.3373, 0.3951, 0.2676)$$

- The comprehensive score of B_2 can be calculated by eq. (5), and $S_{B2}=83.26$. Then, by the same method: $S_{B1}=72.54$, $S_{B3}=80.38$, $S_{B4}=85.65$, $S_{B5}=74.78$.
- Therefore, the result of comprehensive rating for safety level can be obtained by eq. (6), and $S=78.92$.

Above results show that, the comprehensive safety level of enterprise A is B, and there is more room to improve. Through further analysis, the level of safety technology and safety system is high, there is more potential to develop, the valuation results and the actual situation is consistent. According to the evaluation results, the investment in safety technology and safety system can reduce appropriately. But the level of safety facilities and safety culture is low, the enterprise should pay more attention to input and construct in these two aspects.

Conclusions and Outlook

As the less studies about evaluation of inland river shipping enterprise's level of safety management, there are no unified,

standardized evaluation criteria, the evaluation process of each index value depends on the expert marking. In view of this, this paper adopt triangular fuzzy number theory, blurred out the marks depend on the factors of the experts, to get the non-fuzzy index value which reflect the real situation better. By case analysis, draw conclusions as follows: (1) Can understand the level of enterprise's safety management, and provide the basis for the overall goal of the set of safety management. (2) Inform the level or deficiency of the safety management of each module, timely make corrective measures, to determine the key of enterprise safety investment. (3) The evaluation model is simple and feasible to facilitate the corporate self-assessment.

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The research in the Development of industrial clusters of the Great Northern Wilderness Group

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Abstract: With economic development, industrial clusters has become a mainstream form of enterprise development. In recent years, the pace of development of the Group's industrial clusters in the Great Northern Wilderness has slow down. In this paper, based on industry cluster development status of the Great Northern Wilderness Group, it analyzes its development issues, and proposes specific improvements

Keywords: Great Northern Wilderness Group; industrial clusters; development

摘要：随着经济的发展，产业集群已成为企业发展的主流形式。近年来，北大荒集团产业集群的发展速度缓慢。本文就立足于北大荒集团的产业集群发展现状，并对其发展问题加以分析，并提出具体的改善措施

关键字：北大荒集团；产业集群；发展

随着几次工业革命的进行，世界产业模式由最初分散的个体经营，发展成产业集群发展模式。特别是近年来，随着资源整合率和跨国际、跨地域的经济合作量的不断提高，许多国内外的产业集群快速发展，如我国长三角、珠三角的“嵊州领带”产业集群、瑞士的手表业产业集群等，不仅为其带来了巨大的经济效益，也提高了当地综合竞争力。以瑞士的工业产业集群为例，面对经济资源禀赋严重不足、缺乏原料、劳动力短缺、国内市场需求不足的严峻经济形势，瑞士用手表、纺织品、咖啡、化工工业等产业集群打开了经济高速发展的崭新局面，用持续低盈利、稳健性、谋求高市场份额的经营作风以及高资源整合效率获得竞争优势。而在我国东北地区，绿色食品产业虽然品牌多、覆盖面广，但发展慢，特别是北大荒集团，它虽然是老牌绿色食品企业，是在北大仓基础上发展起来的，拥有较好的农业基础，在国内占有一定的市场，但是发展遇到了瓶颈，所以研究北大荒集团的产业集群发展问题，具有十分重要的借鉴意义。

一. 北大荒集团的产业集群存在以下的发展优势：

北大荒集团地处东北亚经济区位中心，位于我国东北部小兴安岭山麓、松嫩平原和三江平原地区，属世界著名的三大黑土带之一，辖区总面积 5.54 万平方公里，是国家级生态示范区，土壤肥力强，土地生产能力处于国内领先地位，拥有 112 个农牧场是中国最大的绿色、有机食品生产基地，年生产绿色、有机农产品 1000 万吨。集团总公司设在哈尔滨市，下属 9 个分公司，104 个农牧场，1136 家工商运建服企业，18 家科研开发机构。集团先后培育了“北大荒”、“完达山”、“九三”、“丰缘”等一批中国驰名商标。农业基础设施完善，基本实现粮食处理工厂化，种子加工产业化；高农业综合机械化程度高达 96.5%，农业装备水平在全国领先；农业科技化水平高，拥有前进农场科技园、鸭绿河科技园等现代化农业示范基地，并且农业科技贡献率达到 82%。年粮食加工能力达到日 800 多万吨，年处理鲜奶能力达到 51 万吨，培育了”北大荒“、“完达山“等一批知名品牌^[1]。

二. 分析模型构建

（一）、分析方法与模型构建

1. 北大荒集团绿色食品产业集群的构成

北大荒集团绿色食品产业集群的构成是以基地、农户和绿色食品加工企业为核心，包括农户、生产基地、龙头企业、流通企业、直至消费者的整个生产链环节上各要素。同时，政府、相关组织机构及其他提供专业化训练、教育、信息、研究和技术支援的机构提供智力支持。

(1) 构建集群竞争优势模型

根据以上所述构建集群竞争优势理论模型，如下：

$$CA=f[Mi,Fj,Bk,Rp],(i,j,k,p=1,2,\cdots)$$

其中，CA 代表产业集群竞争优势；Mi 代表第 i 个核心产业发展水平；Fj 代表第 j 个前向产业发展水平；Bk 代表第 k 个后向产业发展水平；Rp 代表第 P 个其他相关支持性产业发展水平。f 代表前向产业、后向产业、其他相关支持性产业与核心企业的关系，只有当 f 在产业之间比较协调的时候，集群才可以获得更大的竞争优势。应该指出，由于产业集群是介于市场和企业之间的一种组织结构，因此，f 并不固定，不同集群的 f 不同，同一集群在不同发展阶段的 f 也有所不同，从模型可以看出产业集群的竞争优势一方面来自于各个产业和企业竞争优势；另一方面来自于它们之间的关系或联系方式。当产业集群的前向产业、后向产业、其他相关支持性产业与核心产业的自身具备的竞争优势且他们之间关系最优时，产业集群竞争优势最大。可以用 CA* 来表示产业集群最大竞争优势：

$$CA^*=f^*[Mi^*,Fj^*,Bk^*,Rp^*],(i,j,k,p=1,2,\cdots)$$

设产业集群的实际竞争优势为 CA'，而核心产业为 Mi'，Mi' < Mi*，在其他条件不变的情况下，有 CA' = f*[Mi',Fj',Bk',Rp']，(i,j,k,p=1,2,……)那么产业集群实际竞争优势 CA < CA*，产业集群的发展未达到最优状态，产业集群的竞争优势未达到最大。同理，对于前向产业、后向产业及其他相关支持性产业也是如此，不同在于这些产业的落后将会导致 f 也发生相应的变化，即对于前向产业、后向产业及其他相关支持性产业发展不足不仅是自身发展不足而且会导致与集群的联系发生变化，为 f'，而且 f' < f*。这主要是由于前向产业、后向产业及其他相关支持性产业发展不足导致集群内交易成本上升，收益递减，进而削弱产业集群的竞争优势^[2]。

三. 北大荒集团产业集群存在的问题

1. 产业集群模式落后

(1) 没有核心产品和核心产业。北大荒集团的产品品牌虽然多，并且渗透到人民生活的各个领域，比如酒、大米、食用油、奶制品等，但是没有核心品牌来引领北大荒集团的产品，集团主体薄弱，存在数量扩张和企业规模小并存的格局，不能使之形成占有市场的绝对优势，也难以树立鲜明的企业形象；(2) 产业分工不合理，同一区域品牌数不止一个，前向产业和后向产业的分工不明确，影响了相关产业的关联程度，降低了产业集群的竞争优势。

2. 经营方式不够专业化

(1) 内部行业分工不够细化。仅仅是北大荒米业集团就拥有 35 个核心加工基地，这些关联产业分布区域广，但是技术和标准不统一，难以形成产品特色，并且这些同类服务机构为了争夺集团的资金支持，进行低价竞争，降低了服务和产品质量，最终进入低价竞争的恶性循环。而且很多科研基地研究的产品是同质产品，这大大阻碍了企业科技创新的进程；(2) 同质产品很多，比如北大荒米业集团有 10 种大米品牌，九三粮油集团拥有 2 种非转基因食用油，这些产品的差别不是十分明显，导致每个品牌的市场份额减小，同其他集团的产品相比，并没有突出的竞争优势，也没有形成突出的集团特色，并且由于在市场中形成同质竞争，导致品牌的价格较低，影响了北大荒集团的利润，也容易陷入低价低质的恶性循环。

4. 营销力度不足

(1) 市场具有局限性。目前北大荒集团的大多数产品仍然局限于国内市场，而在国外市场的市场份额和市场占有率较少。目前本集团的产品仍然是以占有国内的低端市场份额为主，集团的营销仍然是以出口初级产品为主，对于高端技术的进口和高端产品的出口数量仍然很低，并没有进行营销的升级和跃迁，使得集团很难吸

引国外公司进行资金和技术的支持；(2) 缺乏整体性营销。营销活动中，集团仍然延续各个品牌独立营销的策略，没有将这些品牌进行关联和整合，没有独立的、特色的营销品牌，使得在市场中动力不足。

3. 政府扶持力度不足

(1) 政府扶持对象不合理。目前政府对于下属农场及绿色蔬菜生产基地等相关产业，政府给予了大量扶持，但是对于龙头产业、特色产业的资金、技术等扶持力度还不够，只是把北大荒集团作为中国的粮食、蔬菜等农场品的生产基地，却没有为集团市场的激活和升级提供资金和政策扶持；(2) 对龙头企业的引导不足。在实行政企分离之后，政府向北大荒集团征收粮食，却缺少政策和市场引导，使得原本由于地理位置和发展模式的限制而发展缓慢的北大荒产业集群缺少创新动力和政策支持。由于北大荒品牌在国际上的竞争力不足，所以就必须由政府为引进外资构建平台。

5. 产品竞争力低

尽管北大荒集团拥有 18 家科研机构，4 所普通高等学校，3 所成人高等学校，但是产品的科技含量仍然不高，科研技术与产品的结合程度不高，初级产品占有比例较大，而 AA 级产品的比例较小。由于消费者对 AA 级产品的认识不够，加之北大荒集团对于 AA 级产品的营销策略不合理，宣传不到位，使得企业生产高科技产品的动力不足，而 AA 级产品是企业科技创新能力、发展潜力和竞争力的重要标志，所以提高 AA 级产品的数量和质量是北大荒集团产业集群发展的首要任务。

四. 发展北大荒集团产业集群的对策

1. 政策创新

对于政府来说，应该该表以往对于北大荒集团的产品诉求，应将方向转向对北大荒集团的政策引导和国际项目的引进，扶持其打开原来狭小的国际市场，帮助龙头企业树立鲜明的品牌形象，即通过提高，使 $M_i \rightarrow M^*$ ，提高北大荒产业集群的核心品牌竞争力。

2. 产业集群模式创新

以往的产业集群模式效率低下，且关联产业各自为战，这就需要创新产业集群模式。北大荒产业集群的稳健发展，需要龙头企业强力的引领，所以发展特色产业是重中之重，这需要加大核心产品的科研和营销力度，使得核心产品迅速占领市场，在消费者心中树立鲜明的企业形象。即通过自身力量来提高 M_i ，加之政府的政策引导，推动北大荒集团的投资、兼并等，促进品牌的整合，这种内外结合的策略能够提高集团产业模式的运行效率和竞争优势。

3. 经营方式创新

(1) 对于前向产业，如核心加工基地、生产基地、科研基地等，要树立起专营性，即在一个区域建立几种前向产业基地，且只结合当地的资源特色和市场特色进行研究和加工，生产具有当地特色的产品，避免在同一区域的同一细分市场，出现本集团的同质产品，即提高 F_j ，使 $F_j \rightarrow F^*$ 。(2) 在后向产业方面，建立物流企业和营销机构的密切联系，针对同一区域的产品，开展快速、高效的物流和营销，即通过提高 B_k ，使得 $B_k \rightarrow B^*$ ，提高后向产业的运行效率。(3) 加强与其他管理机构的合作与联系，特别是与各种协会、中介组织、政府机构及其他管理机构的联系，加强监管，树立企业的良好形象，即通过提高 R_p ，使 $R_p \rightarrow R^*$ 。

4. 营销模式创新

(1) 开展多种营销。目前北大荒集团拥有几种科技含量较高的产品，但是在消费者中的认知程度不高，这需要集团开展多种营销策略，如文化营销、知识营销、亲情营销等等，提高产品的认知度。(2) 开发国外市场。目前北大荒集团的产品在国内的市场占有率很高，但是在国外市场的占有率仍然很低。这要求北大荒集团必须开发国外市场，加强对本集团特色食品的宣传，提高产品的科技含量，引进高端技术。同时，通过参加国际食品博览会，进行特色展示，来树立本集团绿色食品的特色。(3) 开展整体性营销。同类产品应用相同的营销策

略，大力宣传特色品牌，改变以往品牌杂而多的局面。

5. 产品技术创新

创新产品技术是改变集团产业集群现状的核心工作。所以必须加大产品的科研力度。(1) 提高科研技术和产品的结合程度。这需要将北大荒集团与高等院校相互结合，建立科研基地，培养专门的科研人才，并将科研技术在科研基地和生产基地进行推广，培养科研人才来推广科研技术。同时，按照国际规定的 ISO3001、ISO14001、ISO22000 等食品安全标准进行原料采集和生产，不仅提高产品生产全过程的质量标准和科技含量，而且使本集团的产品更加放心、安全。(2) 提高 AA 级产品数量。这是北大荒集团进入世界市场的“通行证”，也是打开世界市场壁垒的重要工具。

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