How a Consumption Failure Influences an Observing Customer's Attribution and Perceived Service Quality: the Role of Regulatory Focus

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This paper examines an interesting but untapped topic on how customers react to an observed consumption failure. Drawing on the defensive attribution theory, we argue that an observing customer will attribute more (vs. less) responsibility to the service provider if the customer involved in the failure incident is similar (vs. not similar) to him/her, and this pattern will be moderated by regulatory focus. More specifically, prevention-focused (vs. promotion-focused) observing customers may attribute more responsibility in the similarity condition, but this pattern may disappear in the non-similarity condition. These attributions, in turn, will influence observing customers’ perceived service quality. Results from an experiment showed a general support for the hypotheses.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/14479/volumes/v36/NA-36

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How a Consumption Failure Influences an Observing Customer’s Attribution and Perceived Service Quality: The Role of Regulatory Focus

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EXTENDED ABSTRACT

Past literature has largely focused on how a failure in consumer service influences customer satisfaction and behavioral reactions to the company (e.g., Folkes and Graham 1987; Smith, Bolton, and Wagner 1999), but very little attention has been paid to examining how a failure influences other customers (or potential customers) who are not directly involved in a consumption failure. Interestingly, existing marketing literature regarding the role of other customers has investigated how the presence of other customers influences decision making of customers involved in a consumption context (e.g., Argo, Dahl, and Manchanda 2005); however, the reciprocal influence that the customer involved has on other customers has remained untapped. This research attempts to fill this gap by examining how customers react to an observed consumption failure. It also highlights the moderating influences of regulatory focus on observing customer’s attribution behavior and perceived service quality. It reports a study that tested several hypotheses.

Research Hypotheses

According to defensive attribution theory (Walster 1966), when observers witness a negative event in a context that is relevant to them, feeling of threat would arise. This feeling would then lead to attribution driven by self-protective motives. These defensive attributions may also be subjected to the influence of perceived personal similarity with the target person involved in an incident (Shaver 1970). Drawing on the defensive attribution theory, we argue that an observing customer will attribute more (vs. less) responsibility to the service provider if the customer involved in the failure incident is similar (vs. not similar) to him/her. These attributions, in turn, will influence an observing customer’s perceived service quality of the company. In addition, an individual’s regulatory focus may moderate this pattern of attribution due to their differences in sensitivity to loss (prevention-focused) versus gain (promotion-focused). Since prevention-focused (vs. promotion-focused) customers are more sensitive to loss, they are vigilant against harmful consequences of a similar service failure that might befall them. It follows that in a similarity condition, prevention-focused (vs. promotion-focused) customers may attribute more responsibility to the company, and therefore possess a poorer perceived service quality.

The research hypotheses are summarized as follows:

H1: When there is perceived personal similarity with the customer involved, an observing customer will attribute more responsibility to the service provider.

H2: The effect of perceived personal similarity on responsibility attribution will be moderated by regulatory focus. (a) When there is perceived personal similarity, prevention-focused (vs. promotion-focused) observing customer will attribute more responsibility to the service provider, and (b) When there is no perceived personal similarity, regulatory focus of an observing customer will have no effect on responsibility attribution.

H3: The effect of perceived personal similarity on perceived service quality will be moderated by regulatory focus. (a) When there is perceived personal similarity, prevention-focused (vs. promotion-focused) observing customer will have a poorer perception of service quality, (b) when there is no perceived personal similarity, regulatory focus of an observing customer will have no effect on perceived service quality, and (c) this effect is mediated by attribution.

Method and Results

A total of 100 undergraduate students (61% females) of a University in Hong Kong participated in the study. Participants were randomly assigned to either a similarity or non-similarity condition, and their regulatory orientation scores were measured. Median split was used to classified participants into prevention-focused and promotion-focused orientation. Finally, a total of 92 undergraduate students were used to test the hypotheses. The results from an experiment provide general support for the hypotheses. In general, participants attributed more responsibility to the service provider in the similarity condition (vs. non-similarity condition). As predicted, prevention-focused participants attributed more responsibility in the similarity condition than did promotion-focused participants. No significant difference between the two groups was found in the non-similarity condition. Moreover, participants perceived poorer service quality in the similarity condition (vs. non-similarity condition). In particular, prevention-focused (vs. promotion-focused) participants perceived service quality to be poorer in the similarity condition, and no significant difference between the two groups was found in the non-similarity condition. More importantly, results indicated that attribution partially mediated the effect of regulatory focus on perceived service quality in the similarity condition.

REFERENCES


