When Strangers Converse in Marketplace Environments: Effect of Service Provider-Related Versus Service Provider-Unrelated Conversations

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In this work-in-progress, we examine customer-to-customer interactions in service-oriented marketplace environments in terms of service provider related versus unrelated conversations. Then we examine positive and negative affective reactions to these conversations and their relationships with positive and negative word-of-mouth behavior. We found 51% of respondents conversed about the service provider and 30% conversed about something of their own interest but not the service provider. As we found, when consumers talk about the service provider and become happy, they go and tell good things about the service provider. Similarly, when they talk about the service provider and become angry, they go and tell bad things about the service provider. Most interestingly, even when the conversations with strangers had nothing to do with the service provider, consumers still tend to go and tell other people bad things about the service provider.

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Customer-to-customer (C-to-C) interaction in service-oriented marketplace environments is an important aspect of consumer behavior (Harris and Baron, 2004). Hotels, airlines, hospitals, theaters, sporting events and trains are some examples of services where these interactions commonly occur. Understanding the C-to-C interactions is important for several reasons. Increased competition resulting in more choices to consumers has led to a situation where consumers seek compatibility of other customers in high contact services settings (Pratner and Martin, 1991). Increasing isolation of consumers due to divorce, lack of real social contacts and other similar reasons, consumers turn to marketplace environments to supplement interpersonal relationships (Martin and Pratner, 1989). In addition, service providers themselves expect their customer to share certain facilities like a queue, lounge and buffet.

Researchers have paid some attention to understand C-to-C interactions. For example, using market-oriented ethnography, Harris and Baron (2004) identified a stabilizing effect of conversations between strangers through customer anxiety reduction, the enactment of a partial employee role, and the supply of social interaction. As McGrath and Otnes (1995) found in their taxonomy, roles performed by consumers in conversations with strangers include help seeker, proactive helper, and reactive helper. Using critical incidence techniques, Grove and Fisk (1997) categorized the percentage of different types of C-to-C interactions such as verbal (conversations), waiting in line, and physical incidents (other people’s actions) and further categorized them into whether they are satisfying or dissatisfying incidents. Even though C-to-C interactions take different forms such as frowning at queue jumpers and smiling (Grove and Fisk, 1997), we limit our study to C-to-C conversations only.

Our research is an attempt at contributing to present literature by two dimensions. First, through a critical incidence technique, we divide C-to-C conversations into two types: service provider-related conversations and service provider-unrelated conversations. Second, we examine both positive and negative affective reaction to C-to-C conversations and their relationships with positive and negative word-of-mouth behavior. We expect that affective reactions to service provider related conversations would be correlated to word-of-mouth behavior because the contents of these conversations are uniquely about the service provider. However, as we expect, affective reactions to service provider unrelated conversations would NOT be correlated to word-of-mouth behavior because the contents of these conversations involve customers’ own interests but nothing about the service provider.

Data for this study was collected using the critical incidence technique (Gremler, 2004). Students enrolled in a senior undergraduate marketing course at a major university in an Eastern State in Australia participated in the study as part of their assignment requirement. In the beginning of their course, participants were informed about an assignment involving the importance of C-to-C conversations in services. They were asked to think about an incident in any service context where they had a conversation with another customer (but not with the service provider) whom they had never met before. The following week, in the beginning of the session, they were given a two-page response sheet. The original content of these two pages have diverse objectives and cover more issues than those relevant for the present paper. Bellow we describe only the relevant contents. On the first page respondents described the details of the incident.

The second part (page) of the task involved responding to the survey questions. For affective reaction, following from Holbrook and Batra (1987) we asked students “What was your affective/emotional reaction to that interaction (your conversation with the other customer)? (Your reaction to the experience, not to how you would describe the experience)”. Having collected the response sheets, the open ended responses from the first pages were analyzed. Then, both authors sitting in tandem divided service provider related and unrelated responses. The first pile included those incidents involving a conversation that directly refers to the service provider. Following is an example of the first pile:

“My seat on a long flight to London was next to that of an extremely friendly Irish woman. She spent the whole trip comparing the service, quality of food, prices and various other aspects of the service company (airline). We discussed the lack of leg room and space for our handbags in our economy seating, the poor and very minimal attendance of the hostesses and our anger (particularly hers) at the lack of an explanation for circling the airport many times before proceeding to land and the lack of warning as we entered an area of bad turbulence”.

The second pile included those incidents involving a conversation that does not directly refer to the service provider but refers to other types of conversations like weather, personal background, and life in general. Following is an example of the second pile:

“I recently went to the USA for a holiday and on the return leg my plane was delayed in Hawaii for what turned out to be one night. Whilst we were waiting in the terminal one of the other passengers chatted and lent me his mobile phone so that I could call my parents and advise of the delay as he has free calls anywhere in the world on weekends as part of his phone deal. This was definitely a memorable event for me as I appreciated the fact he is a very nice person to be chatting and also helpful”.

This procedure resulted in 64 responses for service provider related interactions, 37 responses for service provider unrelated interactions and 23 responses being excluded from the study which could not be categorized into one of the two piles.

In terms of measures, first, we measured both positive (joy) and negative (anger) affective response to C-to-C conversations using scales developed by Richins (1997) in consumer research. For “joy” two items, happy and pleased were used on a five point scale with endpoints of did not feel at all and felt strongly. The two items were strongly correlated (r .89) and internally consistent (alpha .94) hence we used these two items to form a single item measure of joy. For “anger”, two items, angry and irritated, were used on a five point scale with endpoints of did not feel at all and felt strongly. The two items were strongly correlated (r .90) and internally consistent (alpha .95) hence we used these two items to form a single item measure of Anger.