The More the Merrier: Imagined Social Presence and Service Failure

Yi He, California State University, East Bay, USA
Qimei Chen, University of Hawaii, USA
Dana Alden, University of Hawaii, USA

This research examines the effect of social presence on service evaluation during a service failure. Significant main effect of social presence occurs, in which service evaluation increases when a social audience is present than when it is not. This research also tests two rival theories that accounts for social presence effects. The results demonstrate that when the service failure is externally-attributed, the affective process proposed by the Distraction-Conflict theory better accounts for the social presence effects. When the service failure is internally-attributed, the cognitive process suggested by the Evaluation-Apprehension theory drives the social presence effect on service evaluation.

[to cite]:

[url]:
http://www.acrwebsite.org/volumes/14957/volumes/v37/NA-37

[copyright notice]:
This work is copyrighted by The Association for Consumer Research. For permission to copy or use this work in whole or in part, please contact the Copyright Clearance Center at http://www.copyright.com/.
The More the Merrier: Imagined Social Presence and Service Failure

Yi He, California State University, East Bay, USA
Qimei Chen, University of Hawai‘i, USA
Dana L. Alden, University of Hawai‘i, USA

EXTENDED ABSTRACT

Most customers can recall a service failure, in which he/she experiences problems in a service delivery process (Lewis and Spyrokopoulos 2001). Usually, during such a service failure, the customer may find him/herself become the focus of other customers’ attention as a result of a heated conversation. This phenomenon begs answer to an interesting question: what is the effect of social presence on an individual’s reactions to a service failure? Does it exaggerate the negative outcome of a service failure? Or more interestingly, does it alleviate such negative outcome? And how? The answers to all these questions lie in the premise that social presence may dramatically shift a customer’s service failure experience.

Despite the topic’s clear importance, social presence effects on consumption remain understudied (for a few exceptions, see Dahl, Manchanda and Argo 2001; Argo, Dahl and Manchanda 2005; Zhou and Soman 2003; Mangleburg, Doney and Bristol 2004). In particular, researchers have not integrated this social factor into the service literature. In addition, the underlying mechanism of social presence effects has yet to be uncovered. Seeking to bridge these gaps, we have conducted an experiment to: 1) evaluate the impact of social presence during a service failure, 2) examine the processing mechanism under which social presence impacts service evaluation, and 3) build a nomological net that features social presence and outcome attribution.

Investigations concerning the effects of social presence have thus far based upon two major theories: the Evaluation-Apprehension theory and the Distraction-Conflict theory. The first one is linked to seeking and maintaining positive public image (e.g., Bone 1982; Seta et al. 1989; Baumeister 1982), and the latter is associated with attention conflict and cognitive overload (Baron 1986; Baron, Moor and Sanders 1978). The Evaluation-Apprehension theory (Cottrell 1972; Bond 1982; Berger et al. 1981; Baumeister 1982) suggests that with the presence of a social audience, individuals tend to inspect themselves from an observer’s perspective (Duval and Wicklund 1972; Wicklund and Duval 1971). In so doing, the difference between the current self and the ideal self becomes salient and produces an aversive state, which alters emotional response. Following the Evaluation-Apprehension theory, the direct consequence of social presence is altered emotional experience. In other words, the underlying processing mechanism of social presence effects may be affective in nature. For example, the negative emotions (e.g., embarrassment) elicited by a service failure may become more salient due to social presence. The intensified negative emotions may consequently affect evaluation.

A rival theory of social presence, the Distraction-Conflict theory, asserts that social presence creates attention conflict and leads to cognitive overload (Baron 1986; Baron, Moor and Sanders 1978). Following the Distraction-Conflict theory, the social presence effect may be explained based upon a cognitive processing mechanism. For example, it can be argued that as a result of reduced cognitive resources caused by a public audience, customers may have difficulty forming a negative evaluation for a service failure.

The two rival theories propose competing explanations for social presence effects. To date, attempts to pinpoint a superior theory have yet to reach any conclusive results (e.g., Feinberg and Aiello 2006). Most recently, researchers interested in this line of research have argued for an integrative model, which posits that an individual may have multiple reactions to social presence that are co-occurring (Uziel 2007). This research applies this integrated model and posits that each different reaction to social presence can be made salient at a given moment due to a situational factor, outcome attribution. We argue that the Evaluation-Apprehension theory explains social presence effects when the service failure is externally-attributed, whereas the Distraction-Conflict theory accounts for social presence effects when the service failure is internally-attributed.

The experiment examined the impact of social presence on service evaluation during a service failure and tested the two rival theories that explain social presence effects. A total of 121 college students participated in the experiment. Participants were asked to read a cartoon scenario depicting a disagreement between a customer and a bookstore cashier. Internally- versus externally-attributed service failure were manipulated by scenarios in which either the bookstore employees or the customer was clearly responsible for the problem leading to the disagreement. This treatment was pre-tested to ensure that it induced the intended emotions. The second factor, social presence, was manipulated by depicting other customers (versus no customers) in the vicinity of the checkout counter and cashier. As such, the experiment featured a 2 social presence (no social presence versus social presence) X 2 outcome attribution (external-attribution versus internal-attribution) between-subject factorial design.

The planned contrast results indicated that compared with no social presence condition, social presence was associated with higher service evaluation pertaining to the service failure regardless of outcome attribution \[M_s=3.31 \text{ versus } 4.25, t (106)=3.09, p<.01\]. Further mediating analyses, however, uncovered the complexity of the above findings. In particular, the results demonstrated that anger fully mediated the relationship between social presence and service evaluation when a service failure was externally-attributed. When the service failure was internally-attributed, number of negative thoughts fully mediated the relationship between social presence and service evaluation. This indicated that when the service failure was externally-attributed, the affective process proposed by the Distraction-Conflict theory accounted for the social presence effects. When the service failure was internally-attributed, the cognitive process suggested by the Evaluation-Apprehension theory droved the social presence effects.

To conclude, this research holds theoretical significance in that investigating social presence as a moderating factor related to consumer reactions to a service failure helps enrich the traditional service evaluation paradigm. This research also holds managerial significance as understanding the crucial role of social presence in service encounter may help service providers to be more conscientious about the social environment, which consequently leads to improved service evaluation.

REFERENCES


