Impact of Interpersonal Bonds on Service Evaluation

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Abstract

This study investigates the influence of the interpersonal bond between customers and service employees on measures of service evaluation in a cafe setting. Specifically, the study examines the levels of perceived core service quality, service encounter satisfaction, value for money and customer loyalty associated with three levels of personal relationship under differing quality conditions. Using written vignettes to simulate a cafe situation, subjects rated their evaluation of the service when the service employee was either a friend, acquaintance or stranger. Between subject MANOVA analyses revealed that perceived core service quality, service encounter satisfaction and customer loyalty were all significantly influenced by the level of interpersonal bond. However, value for money was not significantly influenced by the level of personal relationship. The influence of personal relationship on service evaluation was not affected by the level of core service quality. Implications of these findings are briefly discussed.

Introduction

The importance of relational aspects in the service encounter has been established by many researchers (e.g., Barnes, 1997; Bove and Johnson, 2000). In particular, personal friendships between service provider and customer have been found to affect customer perceptions of service outcomes (Butcher, Sparks and O'Callaghan, 2001). The association between interpersonal bonds and service outcomes has been reported in qualitative studies (e.g., Goodwin and Gremler, 1996) and a limited number of quantitative studies (e.g., Gremler, 1995). These latter studies are mostly survey design and offer contrasting results. The purpose of this study is to investigate the links between interpersonal bonds and service outcomes using an experimental research design.

Personal Relationships and Service Outcomes

Fostering the development of personal relationships with customers is important (Kokko and Moilanen, 1997) and a “positive asset for a service firm” (Bove and Johnson, 2000, p. 503). More specifically, customer retention can be increased by building positive relationships with customers (Barnes, 1997). These views are supported in qualitative studies such as Goodwin and Gremler (1996), who found that inadequate delivery of the core service can be compensated for by close personal attachments. Evidence cited in support of this claim included effects on quality perceptions, customer satisfaction, and pricing factors.

In a series of correlational studies using survey design, significant correlations between their respective friendship scales and service outcomes were reported by Gremler (1995), Gwinner, Gremler and Bitner (1998), Patterson (1998), and Wirtz and Chew (2002). However, the strength of such associations varied. Modest correlations between the social factor and loyalty (0.23), positive word-of-mouth (0.36), likelihood of continuing the relationship (0.20) and relationship satisfaction (0.44) were reported as significant (Gwinner et al., 1998). Similarly, Gremler found weak correlations between the five dimensions of care, friendship,
familiarity, rapport and trust with both attitudinal and cognitive loyalty. Correlation scores ranged from 0.18 to 0.44 for two samples of bank and dentist customers. In contrast to these modest correlation scores, Patterson reported strong correlations between friendship and the probability of continuing the relationship for medical practitioners, hairdressers, car servicing, and travel agency services. The only correlation score reported by Patterson was 0.51 for the car servicing sample. Likewise, Wirtz and Chew reported a significant main effect for ‘tie strength’ on word-of-mouth using an experimental design in a mobile telephone context.

One influential study to investigate the core versus relational argument was conducted by Iacobucci, Grayson and Ostrom (1994). These authors examined core service quality, friendly peripherals, and overall satisfaction ratings in an experimental design of a new customer in a health practitioner setting. They reported that overall satisfaction could be improved by either the core service or the friendly peripherals being good. The implication of this finding is that a poor core service could be compensated for by having good peripherals. This result mirrors the findings of Iacobucci and Ostrom (1993) where this core versus relational trade-off was found in a series of experiments featuring waiters, attorneys, golf instructors, and car mechanics. A central question from this research is whether the friendly peripherals, that accounted for high satisfaction ratings, were interpreted by subjects as a component of a new social relationship. The involvement of two service providers further confounds the situation. Thus there has been a contrasting range of correlation based studies that have investigated the effect of interpersonal bonds on service outcomes.

Based on the literature the following hypotheses have been developed for testing:

**H1:** The level of interpersonal bonding between customer and service employee will have a positive association with favourable outcomes such as service encounter satisfaction, perceived core service quality, value for money and customer loyalty to the service firm.

**H2:** There will be an interaction effect between the level of interpersonal bond and core service quality on service evaluations

**Method**

A 3 x 3 between-subject experimental design was used to test the hypothesised predictions. For this study, a series of written vignettes were used as stimulus materials. According to Finch (1987) the use of this technique offers several advantages. For instance, vignettes allow the researcher to focus on a concrete situation and the use of third parties may elicit more honest appraisals from respondents.

A convenience sample of first year students from an Australian University was drawn for the study. Two hundred and seventy-two students participated in the study, comprising 40% males and 60% females. 20.2% of the sample were international students. No significant differences were found in the mean scores of local and international students. Further, there were no significant differences between the two groups in manipulation checks and tests of multivariate analysis of variance.
Stimulus Materials

A series of written vignettes using a cafe setting were developed for this study. Cafes were chosen because they were considered to be within subject experience and it was possible to separate out a core component of the service, i.e., the meal. Attributes of the service were gleaned from several journal articles (e.g., Chadee and Mattsson, 1995). In addition, everyday language was elicited from students, colleagues and local media for use in the vignettes. Once a draft storyline had been developed the vignette was refined in two stages using a workshop panel of colleagues and a small pre-test with students to check the effectiveness of the manipulations.

Operationalisation of Independent Variables

The two independent variables to be manipulated were actual quality of the meal and perceived interpersonal bond between customer and service employee. Three levels were designed for each variable. The quality of the meal used the attributes of taste and presentation. The high quality meal condition included the following statements: ‘Your meal looks fantastic ‘…’this tastes really great’. The medium quality condition used ‘your meal looks reasonably well presented’…’this tastes okay’. Finally, the low quality meal condition stated ‘your meal doesn't look very attractive’…’this tastes pretty ordinary’. The interpersonal bond condition included statements indicating level of personal relationship plus some conversation about activities related to level of friendship. The high personal relationship condition included the following information about the service employee ‘one of your good student friends ’…’your friend about what you might do together for the weekend ahead’. The medium personal relationship condition stated the employee was a ‘student you know from previous tutorial classes’…’this student acquaintance about how your assignment is going’. Finally, the low personal relationship condition used ‘a student you haven’t seen before’…’as strangers, you just exchange a few words of greeting’.

Dependent Measures

Four dependent measures were used for the study. The first measure was perceived quality of the core service. Conceptualisation of perceived core service quality follows the definition used by Zeithaml (1988). That is, perceived core service quality is the consumer’s judgement about the core service excellence. The core is operationalised as the actual restaurant meal for a cafe. Three items were used to measure the perceived quality of the core service. These items were based on Iacobucci and Ostrom (1993) and Iacobucci et al. (1994). The Cronbach alpha coefficient for this scale was 0.94.

The second measure was service encounter satisfaction. Service encounter satisfaction was defined by Bitner and Hubbert (1994, p. 76) as: “The consumer’s dis/satisfaction with a discrete service encounter”. The five items used to measure service encounter satisfaction, in this study, were based on Bitner and Hubbert (1994) and included adjectives such as delighted, enjoyed, satisfied, and happy in this expression-based form of satisfaction measurement. Cronbach alpha was 0.94.

The third scale was value for money which was conceptualised as a cognitive trade-off between perceived quality and sacrifice, based on the notion of monetary exchange. This definition is based on the work of Zeithaml (1988) and Dodds, Monroe and Grewal (1991). Five items were used to measure value for money. These five items were modified from the
five item measure developed by Dodds et al. to suit the Likert scale used in this study. Cronbach alpha was 0.92.

The final scale representing service evaluations was customer loyalty. The six items measuring loyalty were based on the loyalty dimension of the behavioural-intentions battery developed by Zeithaml, Berry and Parasuraman (1996). In addition, one item -“This is the type of cafe where I feel like I belong” was based on Kingstrom’s (1983) notion of identifying with the service and supported by Gabbott and Hogg (1994). Cronbach alpha was 0.93.

**Procedure**

Each questionnaire contained one vignette and thirty questions relating to the activities in the vignette. The questionnaire was distributed to students seated in a large lecture theatre. Students were randomly assigned to one set of treatments by handing out questionnaires in a pre-arranged order. Students were unaware that questionnaires had different vignettes. As a precaution, the introductory sentences to each vignette were the same and subjects were asked not to discuss the vignette with anyone. The researcher read a statement to all subjects that emphasised the need to read the vignette carefully and then answer questions that followed as though they were the customer in the vignette.

**Manipulation Checks**

The manipulations for both independent variables were checked. Actual core quality, i.e., the cafe meal, had three levels of quality which was tested with the scale measuring perceived core quality. The summed mean scores for this measure were 16.5, 12.8 and 6.3 respectively from highest quality to lowest quality. Analysis of variance tests demonstrated that there was a significant difference between each level. The manipulation for level of interpersonal bond was checked by a single statement on the questionnaire - “I assumed the server to be a personal friend”. A seven point Likert scale was used to record subject responses. The mean scores for this statement were 5.25, 4.47 and 2.99 from friend to stranger respectively. Tests for analysis of variance revealed the levels to be significantly different. These mean scores also make practical sense as the lowest score of 2.99 for the stranger condition is below the midpoint of the seven point scale.

**Results**

A 3 (core service quality) x 3 (friendship) between-subject multivariate analysis of variance (MANOVA) was used to examine differences in ratings of the four dependent measures. As shown in Table 1 there was a significant multivariate main effect for both core service quality and interpersonal bond. While core service quality strongly affected all four dependent measures personal relationship only affected loyalty, service encounter satisfaction and perceived core service quality. That is, value for money was not found to be significantly influenced by personal relationship (F = 1.6 p>0.05). In addition, no interaction effect was found for core service quality and personal relationship (F = 1.4 p> 0.05).
### Table 1  Multivariate and Univariate Effects

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<th>Univariate F</th>
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<tr>
<td>Customer loyalty</td>
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<td>85.42***</td>
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<td>Service encounter satisfaction</td>
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<td>309.36***</td>
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<tr>
<td>Value for money</td>
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<td>50.61***</td>
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<td>Customer loyalty</td>
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<td>14.42**</td>
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<tr>
<td><strong>Interactions</strong></td>
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<td>Core service quality and interpersonal bond</td>
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<td>1.42(ns)</td>
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</table>

*p<0.05  **p<0.01  ***p<0.001

### Discussion

This study provides further insights into the effects of interpersonal bonds between customers and service employees on service evaluations. While these personal relationships that develop between customers and employees are important to service outcomes it was found that their influence is selective. Customer evaluations of perceived core service quality, service encounter satisfaction and customer loyalty were all higher when the perceived relationship was stronger. On the other hand, value for money was not found to be significantly influenced by personal relationships. It is noted that this finding may be derived from the nature of the sample. It is possible that students did not value the benefits of the personal relationships with service employees. The implications for marketers are several. For instance, the results of this study indicate that service providers that have adopted a competitive strategy to provide value for money to customers would not necessarily allocate resources to develop personal relationships. Alternatively, if building customer satisfaction and loyalty is paramount then the results indicate that customer relationships without personal friendships may not be associated with higher levels of satisfaction and loyalty. In addition, the results also suggest that the argument where a lower quality core service can be offset by better personal relationships may not suffice. In this study there was no interaction effect between friendship and different levels of core quality. Hence a personal relationship for high quality core services may also be associated with higher levels of satisfaction and loyalty.
Reference List


