

ATHABASCA UNIVERSITY

UNDERSTANDING CUSTOMER ENGAGEMENT: WHAT MAKES  
CUSTOMERS MORE LIKELY TO PROVIDE FEEDBACK TO AN  
ORGANIZATION IN THE SERVICES SECTOR

BY

NADINE MARIE ROBINSON

A DISSERTATION

SUBMITTED TO THE FACULTY OF GRADUATE STUDIES  
IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE  
DEGREE OF DOCTORATE IN BUSINESS ADMINISTRATION

FACULTY OF BUSINESS

ATHABASCA UNIVERSITY

JULY 30, 2013

© NADINE ROBINSON

**Approval of Dissertation**

The undersigned certify that they have read the dissertation entitled  
“UNDERSTANDING CUSTOMER ENGAGEMENT: WHAT MAKES CUSTOMERS MORE LIKELY TO  
PROVIDE FEEDBACK TO AN ORGANIZATION IN THE SERVICES SECTOR”

Submitted by

**Nadine Robinson**

In partial fulfillment of the requirements for the degree of

**Doctor of Business Administration**

The dissertation examination committee certifies that the dissertation  
(and the oral examination) is approved.

**Co-Supervisors**

Dr. Kevin Celuch (External)  
University of Southern Indiana

Dr. Shaun McQuitty (Internal)  
Athabasca University

**Committee members**

Dr. Kay Devine  
Athabasca University

Dr. Stephen Goodwin  
Illinois State University

Dr. Douglas Olsen  
Arizona State University

July 30, 2013

**Dedication**

I dedicate this work to Golnaz Golnaraghi. She ran the gambit of emotions with me throughout this thrilling yet daunting journey; she encouraged me, and wouldn't let me give up.

### **Acknowledgements**

Thank you to all those who believed in my abilities (and those who didn't; who forced me to prove them wrong [wink]), to those who helped me with the task at hand, and to those who supported me through the process. They say that a doctorate is a isolating task, but with the friends I made in the program, wonderful professors and a dedicated committee, I never felt alone. In particular I would like to thank Dr. Kevin Celuch (Coach K) and Dr. Kay Devine for their unwavering support and positive outlooks. I am also grateful for the financial aid along the way from Athabasca University including a number of bursaries and grants. Similarly, I would like to thank USI for access to their site and for covering several costs of the research. To my loved ones (especially Steve, Audrey, and Andrew) thank you for allowing me to be a ghost passing through your lives during the crunch times over the last 4.5 years. I wouldn't have made it without you. Truly, thank you.

**Abstract**

Given that companies such as Proctor & Gamble are saying that they expect to get more than half of their ideas from outside the organization, there is a surprising lack of published research on how to encourage more of those ideas to reach organizations. Within the service climate, a focus on customer orientation and customer engagement has been linked to helping organizations remain competitive. Encompassing all of the non-transactional customer behaviours that can affect an organization, discussions of customer engagement often include things such as word of mouth, advocacy, and co-creation, yet they often do not mention customer feedback. Word of mouth can only extend an organization's promotional budget, whereas customer feedback, another piece of the customer engagement puzzle, has the power to impact innovation and improvements within an organization. As such, this study contributes to the understanding of the antecedents of customer feedback. A model is put forth combining the technology acceptance model, knowledge management, customer complaint behaviour, and the theory of planned behaviour, showing that the intention to provide feedback is affected by customer characteristics (attitude towards feedback, subjective norms), perceptions of the feedback process (perceived ease of feedback process, perceived usefulness of feedback), and organization perceptions (customer orientation and affective commitment). Altruism, gender, and perceived rewards associated with the feedback process did not affect the intention to provide feedback.

# ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

## Table of Contents

Approval Page.....	ii
Dedication.....	iii
Acknowledgements .....	iv
Abstract.....	v
Table of Contents .....	vi
List of Tables.....	ix
List of Figures.....	x
Chapter 1 Introduction.....	1
Chapter 2 Literature Review .....	8
Relationships with customers: Share of mind, wallet, and soul .....	8
Market Orientation.....	8
Customer orientation.....	10
Evolution of understanding the customer .....	11
Market orientation extended to employee: Employee engagement .....	13
Market orientation extended to customers (customer-oriented): Customer engagement .....	17
How do we keep customers ... happy? loyal? engaged? .....	18
What is customer engagement? .....	20
Why customer engagement?.....	22
Chapter 3 Conceptual Model.....	25

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

Intention to Provide Feedback: An important aspect of customer engagement .	26
Customer Characteristics .....	26
Attitude towards feedback.....	27
Subjective Norms .....	28
Altruism and Gender .....	29
Perceptions of feedback process .....	31
Perceived ease of the feedback process .....	31
Perceived usefulness of feedback.....	33
Perceived rewards associated with feedback process .....	34
Organization Perceptions .....	35
Affective Commitment.....	35
Customer Orientation .....	37
Chapter 4 Methods .....	41
Sample and Procedure .....	41
Measures .....	43
Outcome Variable: Intention to provide feedback .....	43
Predictor Variables.....	44
Attitude toward providing feedback.....	44
Subjective norms to providing feedback .....	44
Altruism.....	44

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

Perceived ease of providing feedback .....	45
Perceived usefulness of feedback.....	45
Perceived rewards associated with feedback process.....	45
Affective commitment.....	46
Perceived customer orientation .....	46
Chapter 5 Findings .....	47
Data Analysis.....	47
Measurement model .....	47
Discriminant Validity .....	51
Model Fit.....	53
Summary .....	63
Chapter 6 Discussion.....	64
Academic implications .....	64
Managerial implications .....	65
Limitations .....	68
Future Research Directions.....	69
References .....	71
Appendix 1: Measures .....	81
Appendix 2: Survey.....	85
Appendix 3: Ethics Approval .....	95



# ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

## List of Tables

Table 1: Impact on benefit reach and flow by customer type .....	3
Table 2: Engagement scale and its antecedents.....	12
Table 3: Loadings of measurement model .....	48
Table 4: Composite (construct) reliabilities & Cronbach's alpha.....	50
Table 5: Average Variance Extracted.....	51
Table 6: Descriptive Statistics and Pearson Correlations.....	52

**List of Figures**

Figure 1: Evolution of Marketing Thinking ..... 8

Figure 2: Feedback: The heart of the market-oriented organization ..... 10

Figure 3: Conceptual model of the antecedents of feedback..... 25

Figure 4: Model fit..... 53

Figure 5: Model with altruism and gender removed ..... 55

Figure 6: Model with path from rewards to attitude removed..... 56

Figure 7: Subjective norms to attitude path added ..... 58

Figure 8: Rewards removed from model..... 59

Figure 9: Path added from perceived ease of use to perceived usefulness..... 60

Figure 10: Path from subjective norms to perceived usefulness ..... 61

Figure 11: Path added from affective commitment to intention to provide feedback  
..... 62

## **Chapter 1 Introduction**

Organizations once happy with their product orientation or sales orientation, in an increasingly globally competitive arena, have turned to a market-orientation in order to find sustainable competitive advantage and to retain their customers. A market-orientation implies that an organization is aware of itself and its environment, takes in information, disseminates it, and acts on it (Jaworski & Kohli, 1993). A customer-oriented organization is a subset of a market oriented organization; aware more specifically of its customers, disseminating customer information internally and acting upon it. Customer feedback then, both solicited and unsolicited, makes up part of the customer orientation that is critical to market-oriented organizations.

In a socially networked world, customers have a greater opportunity to engage with organizations and influence them, as well as to engage with other customers, directly or through third parties, and to influence them as well. Customer engagement has been coined to encompass all of the non-transactional customer behaviours that can affect an organization (Verhoef, Reinartz, & Krafft, 2010). Discussions of customer engagement often include things such as word of mouth and advocacy, and co-creation, but often do not mention customer feedback.

Customer to Customer (C2C) communication, or word of mouth, is a benefit that helps extend an organization's promotional budget and potentially

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

drive in qualified leads. Customer to Business (C2B) communication or customer feedback (feedback) has the potential benefit of giving organizations insight into what they are doing right and wrong, providing ideas on how to improve products and processes, to retain customers and remain competitive in the marketplace. Feedback can be provided on and assist with any of the marketing mix P's, thus having the possibility of greater potential for an organization than word of mouth. Indeed customer feedback has the opportunity to affect any of the "P's" by reducing costs or increasing revenues through feedback on quality of people, ideas for correcting/ improving/ or innovating new products, processes, physical evidence, promotions, pricing, distribution methods, people/staff, and/or productivity & quality.

Considering the relevance of open innovation right now, with companies like Proctor & Gamble saying that they believe that over 50% of new ideas will come from outside the organization, it is important to recognize that advocacy and word of mouth does not help them innovate, but customer feedback could. Similarly, “highly engaged customers of Lego are the most important source of new product ideas for that brand (Birkinshaw, Bessant, and Delbridge 2007; Schau, Muniz, and Arnould 2009)” as quoted in (van Doorn, et al., 2010, p. 260). Said another way, a transactional customer that just takes the benefits/value of a product service through purchasing it is good (repeat purchase/share of wallet), a reference customer that also conveys the benefits (through referral or influence) to others is better (Word of

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

mouth(WOM) or advocacy), and a catalytic customer that creates/improves benefits is perhaps the best as they provide quality feedback that can be used by the organization to extend/create value not only for themselves as consumers, but to the organization as well and to other consumers (Table 1.

**Table 1: Impact on benefit reach and flow by customer type**

Customer type	Reach of benefits	Benefit flow	
Transactional	Customer gets benefits/value	B2C	GOOD
Reference	Customer gets benefits and conveys them (through WOM and advocacy to others)	B2C, C2C	BETTER
Catalytic	Customer gets benefits and also helps to create/improve benefits for other customers (through providing feedback to organizations)	B2C, C2B (and if CO: B2C again)	BEST

\*B2C business to consumer, C2B consumer to business, CO Customer Oriented, WOM word of mouth

While word of mouth, advocacy and feedback are customer engagement behaviours, we know significantly less about the antecedents of feedback. For example, one recent conceptual model of customer engagement (Verhoef et al., 2010) includes customer characteristics affecting customer

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

engagement behaviours including word of mouth, co-creation, blogging and “so on,” but not customer feedback.

Organizations are realizing that engaged employees and engaged customers can benefit them in ways other than simple labour and purchases respectively. Organizations once grappled with understanding how to get the most out of their employees, and they found that employee engagement was the key. Engaged employees show lower turnover and lower intentions to leave the organization; they also increase productivity, profitability, growth for the organization, as well as increased customer satisfaction (Markos & Sridevi, 2010). Those with a customer orientation exhibited higher organizational commitment, job satisfaction, esprit de corps, and lesser role conflict (Kohli & Jaworski, 1990). As feedback is often discussed in employee engagement research, paralleling this to the customer world then, the perception of market orientation’s effect on customer engagement as measured through a desire to provide feedback to an organization is sensible. Whether discussing employee feedback or customer feedback, one hurdle in feedback research is that “feedback” is often synonymous with complaint: but feedback also means compliment. It also encompasses suggestions for improvement and innovative ideas. Even negative feedback or complaints aren’t necessarily bad as they can catalyze change for the better. Not unlike with employee evaluations, organizations can also learn from constructive criticism. Feedback then

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

appears to be a missing link in the chain of understanding customer engagement.

What has been studied in terms of customer engagement so far is largely conceptual. The benefits of customer engagement can open the door to long term relationships with important catalytic customers, those willing to share their expertise with the organization. A subset of customers is interested in helping organizations improve and innovate, allowing organizations to develop competitive advantages, minimize the attractiveness of competitors, and likely see an increase in transactional behaviour in terms of repeat purchases and increased share of wallet, leading to a higher customer lifetime value.

Feedback then, though sometimes seen as a nuisance, is a gift to customer-oriented organizations. Customer oriented organizations seek to understand their customers and customer engagement. However, while executives in boardrooms can say that they are market-oriented or customer-oriented, what matters most is what employees, and in this case, customers think. Do customers believe that organizations are customer-oriented? How might these perceptions impact customers' propensity to provide feedback? What other organization characteristics, customer characteristics, and environmental factors might impact the propensity to provide feedback? And what are the benefits of customer engagement to customers/organizations?

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

This research is novel in that customer feedback is not a well researched area, and while the antecedents of word of mouth and advocacy are being studied more widely, feedback has been largely overlooked. With the emergence of the importance of customer involvement in the new product development process, and customer engagement as a key research area (Journal of Service Research August 2010 Volume 13, Special Issue), largely only understood through conceptual models, gaining information from the customer (feedback) is key. To the author's knowledge there has been no work published on understanding the antecedents of a customer's desire to provide feedback to an organization.

The managerial implications would help organizations in a business to consumer (B2C) context gain a better understanding of customer engagement and how to influence it to maintain or gain competitive advantage through customer suggested/influenced improvements and innovations. Ultimately this would help organizations understand what to do to increase their customers' desire to provide feedback and how to engage their customers.

As an academic, the author's main objective follows: what model can we put forward that is testable, that would show the antecedents of a customer's desire to provide valuable feedback to an organization in order to help them understand customer engagement and get more customers engaged in the future?



## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

Studying a B2C context is appropriate, using a predominantly quantitative, survey-based approach. Analysis of the data through descriptive and inferential statistics will include structural equation modelling to determine relationships between the variables in a complex model.

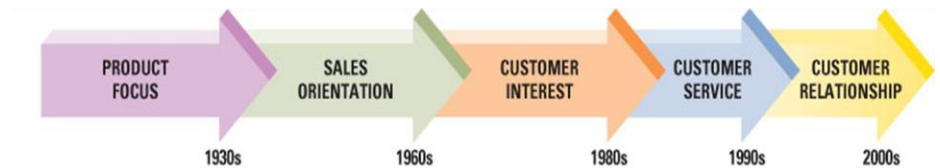
In order to develop/ground the model, a review of the literature follows, including market orientation, customer involvement, customer lifetime value, employee engagement, customer engagement, and customer complaint/compliment behaviour research, among others, for constructs, measures, insights and ideas.

## Chapter 2 Literature Review

### *Relationships with customers: Share of mind, wallet, and soul*

In the quest to defend or capture market share and increase profitability, managers keep asking themselves “What are the short cuts into the minds, hearts, and wallets of customers?” Once organizations evolved past a product focus, and a sales orientation, their advancement of strategic thinking turned into a market orientation.

**Figure 1: Evolution of Marketing Thinking**



Copyright © 2007 McGraw-Hill Ryerson Limited

(Sommers & Barnes, 2007)

### **Market Orientation**

“Market-oriented businesses are committed to understanding both the expressed and latent needs of their customers, to sharing this understanding broadly throughout the organization, and to coordinating all activities of the business to create superior customer value” (Slater & Narver, 1999, p. 1165). A market orientation implies that an organization is aware of itself and its environment, takes in that information, disseminates it, and acts upon it. “A market orientation involves customer orientation, competitor orientation, inter-

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

functional co-ordination and two decision criteria - long-term focus and profitability” (Javalgi, Whipple, Ghosh, & Young, 2005, p. 220).

Narver and Slater validated the reason for a market orientation through identifying a relationship with organization performance (Narver & Slater, 1990; Slater & Narver, 2000). A market orientation, by definition, implies a customer orientation in part, which implies getting or using feedback from customers to improve or innovate.

A search on ABI inform for “market orientation” and “customer feedback” returned only eight results. It appears that in the market orientation literature when organizations conceive of generating knowledge/information from customers what is referred to is formal marketing research, controlled by the organization.

**Figure 2: Feedback: The heart of the market-oriented organization**



As seen in Figure 2, while looking to maximize profitability/performance, organizations turned towards becoming more market-oriented. A customer orientation is one component of a market orientation, and customer orientation includes customer involvement/engagement, which requires customer feedback. As such, feedback from customers is at the heart of any market-oriented organization.

### **Customer orientation**

Customer orientation is a focus on creating ongoing superior value for customers through customer analysis(Kohli & Jaworski, 1990; Narver & Slater, 1990). “A firm can achieve distinct market advantages by renewing its

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

emphasis on customer value-creation strategies by delivering superior quality products and services, improving market intelligence generation, designing customized product and price”(Andotra & Pooja, 2006, p. 181). As described by He, Li, and Lai (2011, p. 595): “Customer orientation is the basic component of service climate which determines the direction and guideline of service, and managerial support and work facilitation are the two “wheels” of the carriage, to realize quality service.”


What does a marketing orientation mean outside the boardroom? The author proposes two areas of import: employee engagement and customer engagement. For the latter, an understanding of the customer is required.

### **Evolution of understanding the customer**

A number of paths have been followed in order to understand the customer and their willingness to part from their hard-earned money. It would seem then that a continuum could be expressed by organizations, ranging from “customers being satisfied with us,” through to “being willing to stand up and fight for us,” and/or “exhibiting a willingness to help us to be better.” The problem here is that one doesn’t lead to the next, and this only represents a theoretical flow, indicating only that advocacy, providing feedback and participating in co-creation are at the upper end of the “engagement scale.” We could say that at one end organizations could ask if they are happy or satisfied with them, through to asking if customers are engaged with them (see Table 2).

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

**Table 2: Engagement scale and its antecedents**



Benefits/ Feelings	Buying Behaviour		Voice, participation, volunteerism			
	Satisfied					
Satisfied	Committed					
Satisfied	Committed	Loyal				
Satisfied	Committed	Loyal	WOM *			
Satisfied	Committed	Loyal	WOM *	Advocacy		
?	?	?	?	?	Providing Feedback	
?	?	?	?	?	?	Participating in co- creation
<b>Are customers “happy” with the organization?</b>				<b>Are customers engaged in a relationship with the organization?</b>		

\*WOM word of mouth

Customer relationship management typically involves a focus on retention, given a competitive global climate and the significantly higher cost of attracting new customers than retaining current ones (Peters, 1988). Another way to read Table 2 above is that customer relationships can evoke feelings and behaviours that affect the organization. Customer relationship management thus involves understanding those: benefits/feelings, transactional buying behaviour, and non transactional buying behaviour. The more customers become engaged with an organization, the more they are willing to go above and beyond the buying behaviour of a typical customer towards advocacy, feedback, participation/co-creation, volunteerism. Feelings can include often

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

studied variables like satisfaction and commitment. Buying behaviours can include exit behaviour, level of loyalty, share of wallet spent, and repeat purchases. Complaint behaviour is its own field of research, and compliment behaviour has been covered in terms of positive word of mouth and advocacy, but positive feedback is overlooked.

Feedback is, however, covered more extensively under research from the employee engagement domain.

### **Market orientation extended to employee: Employee engagement**

By definition, an organization is not market-oriented unless it is customer-oriented; implying that an organization is not market-oriented unless its employees (and/or website) facing the customers are customer-oriented. Not surprisingly, a positive relationship has been found between market orientation and such employees' customer orientation (Siguaw, Gene, & Widing, 1994). Siguaw et al. (1994) maintain that employee customer orientation is market orientation implemented at the individual level. Carr and Burnthorne Lopez (2007) extend this work, building on the research of Narver and Slater (1990) and Jaworski and Kohli (1993) by finding a positive relationship between market-oriented responsiveness and salesperson customer orientation where salespeople were selected as the participants. They used the salesperson customer orientation/selling orientation scale developed by Saxe and Weitz (1982). Flipping these questions to a customer perspective may inform the

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

proposed research on whether a customer-orientation affects desire to provide feedback. While it is important for employees to perceive the market orientation and act in an appropriately responsive manner to customers, it is more important that customers perceive that they are doing so.

Carr and Burnthorne Lopez (2007) point to the need for future research to “examine how market-oriented firms generate intelligence” (p.123) which again signals the need for the current research.

Furthermore, “initial support has been offered for market orientation’s affect on organizational commitment, job satisfaction, esprit de corps, and role conflict (Kohli and Jaworski 1990; Siguaw, Brown, and Widing 1994)” as quoted in Carr and Burnthorne Lopez (2007, p. 123). Paralleling this to the customer world then, the perception of a market orientation’s effect on customer engagement as measured through a desire to provide feedback to an organization is sensible. “Companies with engaged employees have higher employee retention as a result of reduced turnover and reduced intention to leave the company, productivity, profitability, growth and customer satisfaction” (Markos & Sridevi, 2010, p. 94). Similarly to the employee engagement construct, much of the work has been done by consultants (such as Hall and Partners’ “Engager model”). There is a need for academics to rally around constructs to move this area forward. Perhaps Markos and Sridevi (2010) said it best:



## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

The construct employee engagement is built on the foundation of earlier concepts like job satisfaction, employee commitment and organizational citizenship behaviour. Though it is related to and encompasses these concepts, employee engagement is broader in scope. Employee engagement is a stronger predictor of positive organizational performance clearly showing the two-way relationship between employer and employee compared to the three earlier constructs: job satisfaction, employee commitment and organizational citizenship behaviour. Engaged employees are emotionally attached to their organization and highly involved in their job with a great enthusiasm for the success of their employer, going [the] extra mile beyond the employment contractual agreement. (p. 89)

A more efficient and productive workplace results from employee engagement (Markos & Sridevi, 2010). So how does one engage customers in a similar manner and/or know if they are engaged?

The same way that organizations realized that a satisfied employee is not necessarily an engaged employee (Markos & Sridevi, 2010) they recognize the same for customer satisfaction and engagement. Engaged employees, by definition, invest themselves, provide ongoing discretionary effort, are involved and enthusiastic, have a positive attitude towards the organization, work to improve performance, and are in a two-way relationship with them (Markos & Sridevi, 2010). Such a combination of definitions ported over to customer engagement would again show that there is no engagement without

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

feedback from the customer. Markos and Sridevi (2010) also points to the fact that satisfaction and loyalty are part of engagement, but not all of it:

Recent researches also indicate that Employee commitment and OCB are important parts and predictors of employee engagement in that commitment is conceptualized as positive attachment and willingness to exert energy for success of the organization, feeling proud of being a member of that organization and identifying oneself with it. (p. 90)

Markos and Sridevi (2010) suggest ‘the ten tablets’ to keep employees engaged:

For managers, work of employee engagement starts at day one through effective recruitment and orientation program, the work of employee engagement begins from the top as it is unthinkable to have engaged people in the organizations where there are no engaged leadership.

Managers should enhance two-way communication, ensure that employees have all the resources they need to do their job, give appropriate training to increase their knowledge and skill, establish reward mechanisms in which good job is rewarded through various financial and non-financial incentives, build a distinctive corporate culture that encourages hard work and keeps success stories alive, develop a strong performance management system which holds managers and employees accountable for the behaviour they bring to the workplace, place focus on top-performing

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

employees to reduce their turnover and maintain or increase business performance. (pp. 94-5)

Many of these concepts can be transferred over to the study of customer engagement and the formulation of its construct. Robertson and Cooper (2010) believe employee engagement in this view reflects a commitment/citizenship model of engagement and they propose to further integrate the concept of employee well-being (where purpose and positive emotion are key) as important in full engagement. Their “road to full engagement” involves engaging top leadership, then measuring strategic baseline metrics (retention, productivity, user satisfaction, etc), then developing the brand and communicating it, measuring full engagement and its drivers, using the results to develop action plans, and communicating and implementing the plans, all the while developing leaders and managers to balance challenge and support (Robertson & Cooper, 2010, p. 333).

### **Market orientation extended to customers (customer-oriented): Customer engagement**

As organizations now struggle with how to be customer-oriented and get the most out of their customers, there has been a shift in the methods. First it began as trying to understand how to satisfy customers, make them more loyal and committed in order to ensure repeat purchases and the organization’s share of wallet of those customers. Now, the same extension that occurred on

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

the employee side is relevant to the customers’; thus the study of customer engagement.

For customer-oriented organizations, a variety of customer-based metrics have been studied to better understand organizational performance. The holy grail of satisfaction was chased, trust investigated, loyalty and commitment challenged in terms of operationalization, and now customer engagement has emerged as perhaps the latest buzz phrase for practitioners and academics alike covering non-transactional behaviours relating to an organization. The topic of a *Journal of Services Research* (JSR) special issue (August 2010 Volume 13), customer engagement is still in its infancy as most work in this area is still conceptual. As such, it is ripe for empirical research. Tracing the discourse on customer engagement brings one to the evolution of organizations’ strategic orientation, in terms of whether they follow a product, sales, or customer orientation.

*How do we keep customers ... happy? loyal? engaged?*

The “happy” Holy Grail had researchers looking at what made a satisfied customer. The elephant in the room was that customers’ satisfaction was/is not management’s goal; the question (implied) was/is: Are customers going to continue adding to our bottom line over time? Loyalty, shown to increase an organization’s bottom line (Reichheld & Sasser, 1990), then became the new focus. In researching loyalty, definitions expanded past repeat

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

purchases and share of wallet, towards willingness to provide positive word of mouth and more. Now at least two conceptions of loyalty flow through the literature, and feedback is considered in none of them. So not only are loyalty and word of mouth or advocacy entangled, but loyalty and commitment are equally ensnared.

Definitions of loyalty abounded: Behavioral Loyalty (Garbarino & Johnson, 1999), Preference Loyalty (Bhattacharya & Sen, 2003), Relational Loyalty (Price & Arnould, 1999), Ultimate Loyalty (Oliver, 1999), brand or service loyalty, polygamous loyalty (Salegna & Goodwin, 2005). Between the different interpretations of loyalty in the articles, and the confounded constructs, this cleaves the academic research, both backwards to those that they cited and forwards to any researcher citing these papers. We are left wondering what is being evaluated or concluded when talking about loyalty in these studies and others that use the same construct.

Then again, one also has to question if either of these constructs even matter. Committed customers are not necessarily profitable ones. Loyal customers (such as those in contractual situations with no competitive alternative) are not necessarily happy customers that will spread positive word-of-mouth or help you get better as an organization through providing you helpful feedback. Perhaps, as satisfaction went out of vogue, so will loyalty and commitment research crumble?

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

The cracks in the foundations of loyalty (in terms of definition and operationalization) are already there, so not surprisingly a new concept is emerging. The discourse has evolved away from satisfaction, loyalty, and commitment on to seeking customers that are engaged with a brand or organization, which reflects some of the previous concepts inherently but goes further. The buzz phrase is now customer engagement.

*What is customer engagement?*

Customer engagement is a sub-field of customer management literature and has been defined as “an overarching construct capturing non-transactional customer behaviour” (Verhoef et al., 2010). Even though some academics (Kumar, et al., 2010) include transactional behaviours in their customer engagement construct, for simplicity’s sake, as Customer Lifetime Value already has its own metric, the focus here will be on non-transactional behaviours. This is in line with Verhoef et al.’s (2010) definition above and van Doorn et al’s (2010, p. 254) definition of “customer’s behavioural manifestations that have a brand or firm focus, beyond purchase, resulting from motivational drivers.” Similarly, Gallup defines an engaged customer as one with “an emotional attachment to the brand and generally incorporates it into his or her self concept” (Bielski, 2008, p. 44).

These behavioural expressions can differ in valence, as people can spread positive or negative word of mouth. Customer Engagement Benefits

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

“may be targeted to a much broader network of actors including other current and potential customers, suppliers, general public, regulators, and firm employees” (van Doorn, et al., 2010, p. 254). Perhaps the stunted economy and a highly networked world have provided the impetus for academics and practitioners alike to find out what people are saying or doing about a brand, other than buying it. In fact, Verhoef et al. (2010) cite that the Marketing Science Institute considers customer engagement as one of the top priorities for research today.

Two categories of non-transactional behaviours of customers offered by Hirschman (1970) include exiting and voice (though some might argue that exiting is transactional, where purchase equals \$0). Focusing on voice, Singh’s (1990) typology of complaint behaviour forwards three options: voicing publically, privately, or to a third party. Voicing publically again points to customer feedback. In terms of non-transactional behaviour, customers’ behaviours can “speak” to one of three groups: privately to their circle; a third party organization; or “publically” to the organization itself (Singh, 1990).<sup>1</sup> The first is referred to as word-of-mouth where friends, family, co-workers, neighbours, and even random strangers may hear about a consumer’s good,

---

<sup>1</sup> The nomenclature of Singh’s dimensions are ironic, in that in a socially networked world, word of mouth is more public than ever, and feedback to the organization often stays private and sometimes no one even hears about it internally. The only scenario where feedback to the organization would be public, is through organization online communities, blogs, rating and review websites, all concepts not yet fathomed in 1990.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

bad, or mediocre experience with an organization, product or employee, or see someone's enjoyment (or lack thereof) of a product or service. Online, word of mouth takes shape in terms of blogging, status line updates in social media sites (Twitter, Facebook), posting photos and videos (YouTube), ratings and reviews on organizations' and third party websites (tripadvisor.com). The second is voicing to a third party organization such as the better business bureau, or a professional organization. The third option is voicing to the organization itself through unsolicited or solicited feedback. Co-creation then, could be considered solicited feedback, where a customer's "behaviors such as making suggestions to improve the consumption experience, helping and coaching service providers, and helping other customers to consume better are all aspects of cocreation, and hence customer engagement behaviours" (van Doorn, et al., 2010, p. 254). From volunteering for an organization or organizing a boycott of an organization's products, to freely offering a product idea to the organization or telling a friend about a poor service experience; customer engagement behaviours can range tremendously.

### *Why customer engagement?*

The importance of customer involvement in new product development is clear, and more and more we see organizations utilizing strategies for customers to: create or select; their packaging (Smarties, Wheaties) or product (new flavour of Ben and Jerry's Ice Cream, Lay's potato chips, Mountain Dew), or name a product (Doritos flavour). Another major example is when, to



## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

celebrate its 10th birthday in 2008, Google launched "Project 10<sup>100</sup>" to find the best ideas with broad, beneficial impact, and offered up to \$10 million to bankroll the idea.

Whether discussing co-creation where customers aid in process and product improvements and/or innovations for the organization, or recognizing the powerful impact that social networking and word of mouth can have on a brand, there is no denying the importance of non-transactional customer behaviour. Customer engagement is important, and those that don't recognize so may undervalue or overvalue their customers (Kumar, et al., 2010). In fact, Kumar et al.'s 2010 marketing metric of customer lifetime value resides as a part of customer engagement value beside three non-transactional values: customer referral value, customer influence value, and customer knowledge value. The latter, as a metric, captures the value of feedback.

Organizations also get benefits of customer relationship management – profitability, lowered cost of customers, and can look at how the benefits of their product or service extend into the market through customers. Customers can themselves exclusively take on the benefits from an organization – by consuming the product/service and not telling anyone about their love of the product. A better scenario for the organization is that the customer conveys the benefits to their circle because it extends the organization's promotional budget. Or, potentially the best scenario, is when customers create new benefits for the organization, other customers and themselves, by providing

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

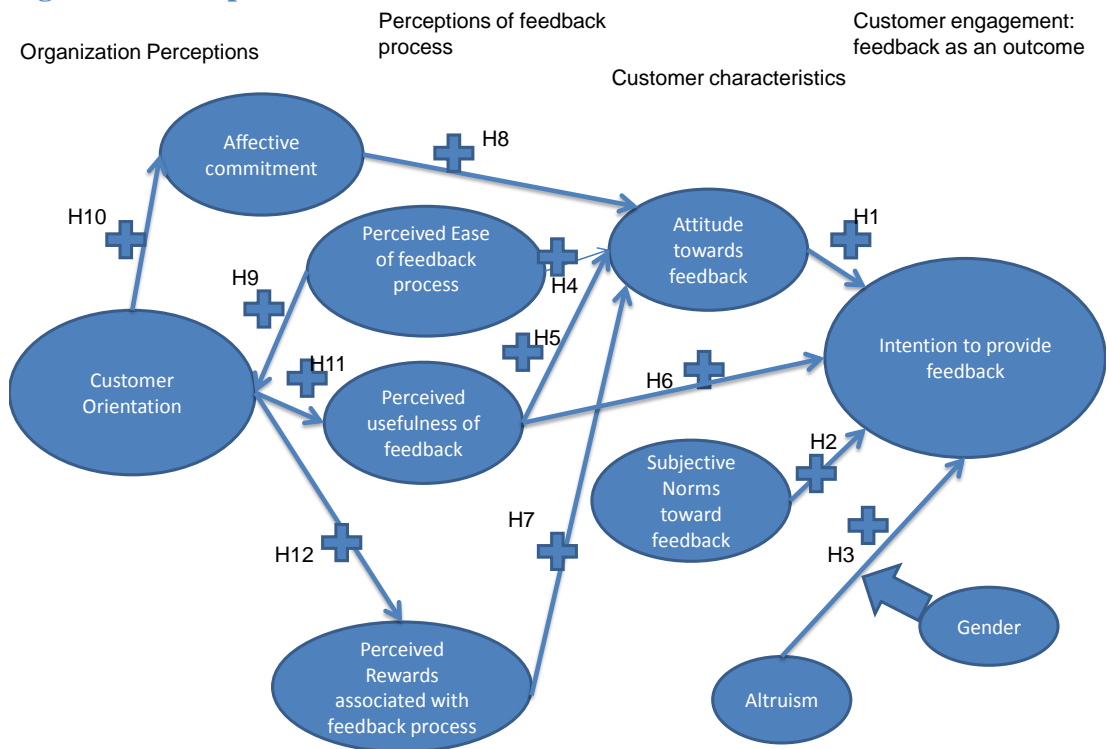
usable feedback that improves or innovates new products or processes which could relate to any of the P's in the marketing mix.

Kumar et al. (2010) provide a good discussion of all of the customer value benefits/consequences of customer engagement. In addition to performance, reputation or brand equity can be affected through customer engagement, and knowledge can be sought from engaged customers providing recommendations for innovations and improvements of products and processes.

**Chapter 3 Conceptual Model**

“The underlying mechanisms that link customers to organizations are not well understood” according to Ruth Bolton, Executive Director, Marketing Science Institute, as quoted in (Ostrom, et al., 2010, p. 21). To address this issue, the conceptual model developed and presented here in this dissertation (see Figure 3) focuses on understanding feedback; one of the underlying mechanisms that links customers to organizations. Overall, the model proposes that the intention to provide feedback is affected by customer characteristics, perceptions of the feedback process, and organization perceptions.

**Figure 3: Conceptual model of the antecedents of feedback**



### *Intention to Provide Feedback: An important aspect of customer engagement*

Customer engagement, defined as non-transactional behaviours that have the potential to affect an organization, can be broad in scope. Two categories of non-transactional behaviours of customers offered by Hirschman (1970) include exiting and voice. Singh's (1990) typology refines voice to the receiver: publically, privately, or to a third party. Voicing publically, to the organization is also called customer feedback. Feedback encompasses compliments, complaints, and ideas; though past research has mainly focused on feedback as complaints. Valence gets complicated in that negative feedback (even provided in a spiteful or angry manner) could also be the impetus for extremely positive change for an organization. In addition, feedback can also be unsolicited or solicited.

Several constructs for the conceptual model (Figure 3 above), explaining the intention to provide feedback have been adapted from the technology acceptance model (Davis, Bagozzi, & Warshaw, 1989), and from a variety of knowledge sharing literature. Moving right to left in the model, after looking at the intention to provide feedback, the relationships between it and some customer characteristics are examined.

### *Customer Characteristics*

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

The model's customer characteristics hail from the technology acceptance model and knowledge sharing literature: attitude towards feedback (technology acceptance model), subjective norms (technology acceptance model and knowledge sharing), and altruism and gender (knowledge sharing).

### **Attitude towards feedback**

Attitude towards behaviour (in this case attitude towards feedback) is from Fishbein and Ajzen's theory of reasoned action and its later modification into the theory of planned behaviour (Ajzen, 1991). In both theories, if a behaviour is evaluated attitudinally as positive (attitude towards behaviour), and if it is believed that the people most important to them want/expect them to do that behaviour (subjective norm), a higher intention results. This high correlation of attitudes towards a behaviour and subjective norms to the intention to perform a behaviour has been observed in numerous studies. More specifically, in terms of attitude toward knowledge sharing, a significant influence was found on behavioural intention in various contexts e.g. (Bock & Kim, 2002; Tohidinia & Mosakhani, 2010). Attitude towards behaviour is also prevalent in the technology acceptance model (Davis et al., 1989), where it mediates the relationship between perceived usefulness and intention towards a behaviour, as well as mediates the relationship between perceived ease of use and intention towards a behaviour. However, attitude toward use was not a significant predictor of intention to use an ERP system in (Calisir, Gumussoy, & Bayram, 2009). Within the organizational context of providing feedback to

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

supervisors, Kilburn and Cates (2010) found that the attitude toward providing voluntary upward feedback was positively correlated with intentions to provide voluntary upward feedback. Given the previous discussion, the following hypothesis is proposed:

H1. Attitude toward feedback will positively influence intention to provide feedback.

### **Subjective Norms**

As mentioned in the previous section, subjective norms also has its roots in the theory of reasoned action and theory of planned behaviour as an important factor influencing a behavioural intention. If one's family, friends, and peers have positive opinions relating to your potential behaviour, it is expected to influence your intentions to act. Social norms are also included in models dealing with the technology acceptance model e.g. (Calisir et al., 2009; Davis et al., 1989; Tohidinia & Mosakhani, 2010), where in the first example cited subjective norms positively affected intention to use an enterprise resource planning (ERP) system, and in the last subjective norms positively affected the intention to share knowledge. In the second example, the lack of a significant social norm to behavioural intention surprised the authors, though they reason that as their application was word processing, which as a more individual application may have changed the results, and they state that further work in this area is required. This results in the following research hypothesis:

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

H2. Subjective norms in favour of feedback will positively influence intention to provide feedback.

### **Altruism and Gender**

The four main purposes for complaining cited in consumer complaint behaviour literature are: to obtain restitution, to vent anger, to help improve the service, or for altruistic reasons (Lovelock, Wirtz, & Bansal, 2008). The final two reasons for complaining reflect the positive side of customer engagement where an individual wants to make things better for themselves and/or for others. Altruism, specifically, refers to doing something for others without expecting anything in return.

Altruism was found to be an important motive for word of mouth (Cheung, Anitsal, & Anitsal, 2007; Sundaram, Mitra, & Webster, 1998). Similarly, one group of consumers, market mavens (Feick & Price, 1987) have been found to complain more (Slama, D'Onofrio, & Celuch, 1993), and are altruistic (Walsh, Gwinner, & Swanson, 2004). Furthermore, as cited in Cyr and Choo(2010):

Wasko and Faraj (2000) analyzed motivational forces that affect individuals' knowledge sharing behaviors in online communities... The largest category of participants shared their knowledge because they enjoyed sharing their experiences, acted with altruism, and wanted to

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

contribute to the betterment of community knowledge (31.3 percent).

(p.829)

As such, one would expect altruism to positively affect intention to provide feedback. In addition, the relationship between altruism and knowledge sharing was found to be moderated by gender in the workplace in Taiwan (Lin, 2008) such that the influence of altruism on knowledge sharing was stronger for women than for men.

Women have been found to use voice more than men in a number of studies e.g. (Heung & Lam, 2003; Keng, Richmond, & Han, 1995; Kolodinsky, 1995; Volkov, Harker, & Harker, 2005). Shields (2006) found in her study of compliment and complaint correspondence that female customers in particular appear to “develop strong feelings about products/services they consume” (p. 167). Robinson (2010) reviewed gendered and psychological explanations for differences in men’s and women’s voice behaviour, stating: “that women may complain more due to a penchant for being more communicative, expressive, nurturing, people-oriented, and relationship focused, and/or having the desire to maintain the relationship and expecting more from it” (p. 123). van Doorn, et al. (2010) similarly quoted that:

Gender has been related to an agentic or communal focus (He, Inman, and Mittal 2008). Those with a communal focus, typically females, are more likely to be motivated by the common good of the group. Thus, it may be



## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

the case when communal customers see potential harm to the group they are more likely to speak up, complain, and engage in negative WOM.

(p.257)

The above cited research points to the following proposition:

H3: Altruism will be positively related to intention to provide feedback, moderated by gender.

### *Perceptions of feedback process*

Having discussed three customer characteristics related to the intention to provide feedback, moving another column to the left in the model (Figure 3 above) are perceptions of the feedback process. Perceptions of the feedback process include: perceived ease of the feedback process (perception of the system in terms of the amount of effort required to use it); perceived usefulness of feedback (perception that the organization will find the feedback useful), and perceived rewards associated with the feedback process (what the person expects to gain from providing feedback).

### **Perceived ease of the feedback process**

As a frustrated consumer often looking for the “contact us” page, one has to wonder that with so many options available for customers to talk to others about their product experiences online why organizations haven’t made it easier for customers to share that information with them as well.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

According to Vroom's Expectancy theory (1964), motivation to do a task will be positively related to the expectation that something good can come out of it for them. Three factors help make up the expectation: belief that they can complete the task (expectancy), that it will benefit or harm them (valence), and the probability that completing it will lead to that expected benefit (instrumentality). The first relates to the ease of providing feedback and the second to the benefit from providing the feedback. Inconvenience is considered one of the three main barriers to complaining in consumer complaint behaviour research (Lovelock et al., 2008). In co-creation, "reducing the costs to consumers of participating in consumer cocreation (in terms of time, effort, and foregone opportunities) can also stimulate cocreation activities" (Hoyer, Dorotic, Krafft, & Singh, 2010, p. 290). An easier process implies the likelihood of more feedback.

Both perceived ease of use and perceived usefulness come from the technology acceptance model. As mentioned in the attitude towards behaviour section, in the technology acceptance model, perceived usefulness is strongly positively related to attitude towards feedback, as is perceived ease of the feedback process (Davis et al., 1989). Similarly, Lee, Cheung, Lim, & Sia (2006) in their qualitative study on knowledge sharing on discussion boards found that technological attributes were both major inhibitors for knowledge sharing. As such, it is posited that:

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

H4. Perceived ease of the feedback process will positively influence attitude towards feedback.

### **Perceived usefulness of feedback**

Calisir et al. (2009) validate the perceived usefulness to attitude towards use relationship in an ERP implementation and Bock and Kim (2002) also found a positive relationship between expected contribution (perceived usefulness) and attitude towards knowledge sharing. Feedback and the desire to provide it can also be ported over from the employee feedback literature. Kudisch, Fortunato, and Smith (2006) studied the influence of factors on employees' desire to provide upward feedback to supervisors. Desire to provide upward feedback related positively to perceived usefulness. Calisir et al. (2009), Kudisch et al. (2006), Davis et al. (1989), and Nguyen (2007) also found positive links between perceived usefulness and intention. Based on this discussion, two research hypotheses are tendered:

H5. Perceived usefulness of feedback will positively influence attitude towards feedback.

H6. Perceived usefulness of feedback will positively influence intention to provide feedback.

### **Perceived rewards associated with feedback process**

Motivations for providing feedback vary, including looking for compensation, notoriety, or because it makes one feel good (Kumar, et al., 2010). Similarly, co-creating consumers are motivated by financial rewards and/or visibility, while others freely share ideas and receive social benefits (from titles, increased status). There are also those that desire access to technology and/or knowledge, and others still share ideas for psychological reasons; enhancing sense of self and pride, because they like to contribute, believe in the purpose, or for altruism (Hoyer et al., 2010). Indeed, organizations can stimulate engagement behaviours with rewards and other incentives for its customers (van Doorn, et al., 2010) and co-creation can be incited through increased benefits (Hoyer et al., 2010). The benefits of being in a relationship include relational benefits found by Gwinner et al. (1998): confidence (comfort), social (friendship), and special treatment benefits (both monetary and nonmonetary benefits).

Cyr and Choo's (2010) research supports a positive relationship between perceived benefits and propensity to share knowledge, whereas Bock and Kim (2002) found a negative relationship between expected rewards and the attitude towards knowledge sharing, and Tohidinia and Mosakhani (2010) found no significant relationship between extrinsic rewards and attitude towards knowledge sharing. Clearly, the relationship is not currently well understood and deserves further attention.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

Under the consumer complaint behaviour literature, obtaining restitution or compensation is one of the four main purposes for complaining. Seeking redress propensity was found to be strongly related to the likelihood of complaining (Chebat, Davidow, & Codjovi, 2005). Doubtful payoff is also considered one of the three main barriers to complaining (Lovelock et al., 2008). Understanding then that rewards can be a primary reason for complaining, the following hypothesis is proposed:

H7. Perceived rewards associated with the feedback process will positively influence attitude towards feedback.

### ***Organization Perceptions***

After discussing customer characteristics and perceptions of the feedback process, moving one more column to the left (Figure 3 above) is the organization perceptions column, where the model begins with customer orientation and affective commitment.

### **Affective Commitment**

Social exchange theory (Blau, 1964) where individuals act based on perceived fairness of exchanges is relevant in a discussion on affective commitment. Outcomes are judged in terms of the difference between benefits and costs; and an individual's satisfaction with, and commitment to, a relationship depends on the difference between outcomes and their

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

expectations/comparison level. Their dependence on the relationship relates not strictly to outcomes or satisfaction, but on the difference between outcomes and attractiveness of alternatives or comparison level of alternatives (Blau, 1964).

Some customer-based attitudinal antecedents have been thought to lead to engagement, especially at their extremes: “customer satisfaction (Anderson and Mittal 2000; Palmatier et al. 2006), brand commitment (Garbarino and Johnson 1999), and trust (de Matos and Rossi 2008)” (van Doorn, et al., 2010, p. 256). Kumar et al (2010), however, propose that highly satisfied customers may be less likely to communicate with the organization, but might be inclined to communicate to less experienced customers: perhaps giving some insight into why some customers who provide word of mouth are advocates whom may not provide feedback to the organization.

Commitment has been found as an important predictor of employee engagement, where “commitment is conceptualized as positive attachment and willingness to exert energy for success of the organization, feeling proud of being a member of that organization and identifying oneself with it” (Markos & Sridevi, 2010, p. 90). Dean (2007) also found customer feedback was positively related to affective commitment. Team commitment was found to be linked to intention to share knowledge (Liu, Keller, & Shih, 2011) and commitment was posited as being related to customer engagement behaviour by van Doorn et al. (2010) in their conceptual model of customer engagement

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

behaviour. As affective commitment relates to other communication behaviour (Morgan & Hunt, 1994), including having a positive effect on customer advocacy intentions (Bendapudi & Berry, 1997) and relational worth which includes openness (a willingness to share information with the organization) (Melancon, Noble, & Noble, 2011) the proposition that follows is:

H8. Affective commitment will be positively related to intention to provide feedback, mediated by attitude towards feedback.

### **Customer Orientation**

Also from the employee feedback literature, top management support was mediated by perceived usefulness towards a desire to provide upward feedback (Kudisch et al., 2006). Similarly “leaders who emphasize relationships with followers may increase followers' propensity to provide voluntary upward feedback” (Kilburn & Cates, 2010, p. 900). The relationship here could parallel customers and their view of the organization.

From interpersonal communication research, “when a sender discloses more personal information, the receiver also tends to disclose information (Collins and Miller 1994; Taylor and Hinds, 1985)” (as cited by (Chou, Teng, & Lo, 2009, p. 467). “Extending the concept to business to consumer (B2C) communication, the company could act as the sender of information (i.e. via in-store signage, employees, etc) as they interact with the customer, and the

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

receiver (or customer) might then be willing to disclose more information back to the company”(Celuch, Robinson, & Walz, 2011, p. 495).

As stated previously, Siguaw et al. (1994) maintain that employee customer orientation is market orientation implemented at the individual level, and they found a positive relationship between market orientation and customer orientation. Carr and Burnthorne Lopez (2007) also found a positive relationship between market-oriented responsiveness and salesperson customer orientation. A feedback process that is easy for customers would then support the idea that the organization is interested in their feedback, and as such is customer-oriented. As such, another research hypothesis follows:

H9. Perceived ease of feedback process is positively related to customer orientation.

Market orientation has been found to affect employees’ organizational commitment, job satisfaction, esprit de corps, and role conflict (Kohli & Jaworski, 1990; Siguaw et al., 1994). Organizations with engaged employees have lower employee turnover, increased productivity and profitability, and higher levels of customer satisfaction (Markos & Sridevi, 2010). Rod and Ashil (2010), although still on the employee side, showed a positive relationship between customer orientation and their organisational commitment, as does Carr and Burnamthorpe Lopez (2007). As cited by Dean (2007), “Previous studies have found positive links between the customer



## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

orientation of service employees and customers' commitment and retention (Donavan and Hocutt 2001; Hennig-Thurau 2004; Jones, Busch, and Dacin 2003).” (p. 164). Dean herself, found the relationship between customer focus and affective commitment was mediated by perceived service quality. This discussion provides support for the following proposition:

H10. Customer orientation will be positively related to affective commitment.

Future complaint intentions (a subset of feedback) were affected by perceived responsiveness (Voorhees & Brady, 2005). Tohidinia and Mosakhani (2010) linked organizational climate to intention to share knowledge. Ford and Staples (2010) found a positive relationship between perceived management support and intention to knowledge share. Top management support was similarly linked to desire to provide upward feedback (Kudisch et al., 2006). Also on the organizational side, perceived organizational support was linked positively to job and organizational engagement (Saks, 2006). Porting these organizational examples over to the consumer realm, management or organizational support would become customer orientation and rather than intention to share knowledge, customer orientation should be related to the more intermediate perceptions of the feedback process, namely usefulness of feedback and rewards associated with the feedback process. Furthermore, using the technology acceptance model to investigate internet utilization by firms in Vietnam, Nguyen (2007) found a

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

positive relationship between market orientation and perceived usefulness of the internet. Therefore, the following research hypothesis is put forward:

H11. Customer orientation will be positively related to perceived usefulness of feedback.

Also, a correlation was found between employee perceptions of the performance management system variable of outcomes/rewards and the service climate variable of customer orientation when studying the banking system in India (Sharma, 2008) and when Panigyrakis and Theodoridis (2009) studied the Greek grocery store context finding a significant link between internal customer orientation and rewards systems. As such, the final proposition is:

H12. Customer orientation will be positively related to perceived rewards associated with feedback process.

## **Chapter 4 Methods**

### *Sample and Procedure*

The University of Southern Indiana (USI) was chosen as the research site as it is within a sector where customer feedback is important. USI has developed an appropriate infrastructure for customers to share their feedback and the university is genuinely interested in students' feedback. Students were chosen as a convenient sample, but more importantly as they represent consumers of an educational service and many other related services and products. Campuses offer dozens of services, from financial aid, to cafeterias, and classroom instruction. Paper questionnaires were distributed in several business classes. All respondents were informed of the purpose of the study and of its voluntary nature. They were also informed that their responses would be anonymous, but that aggregated results would be provided to the university.

There is no generally accepted criterion for selection of sample size (Hair, Black, Babin, Anderson, & Tatham, 2006). A sample size of one hundred or larger is the accepted minimum, however the complexity of a model affects the number of observations; the general rule being five to ten times as many observations as there are variables (Hair et al., 2006). Iacobucci (2010) suggests a sample size of at least 50, but recommends the computation of the desired N for any given model if researchers are focused on sample size.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

Such a calculator is available online (Soper, 2006) and using an anticipated effect size of 0.125, a desired statistical power level of 0.80, with 9 latent variables, 43 observed variables, and a type I error rate of 0.05, the calculator suggests a sample size of 422. However, a 0.1 effect size, with the other numbers constant comes up with a sample size recommendation of 666.

Weighing these guidelines, and given the desire to detect moderation, a sample size of 400-600 was sought out. As the usability rate of the questionnaires was unknown, data collection stopped at 627 questionnaires which moves the model closer to a .1 effect size and meets the recommended guidelines.

Based on a distribution procedure to students described above, the approach resulted in a total of 627 completed questionnaires. One questionnaire was removed from the sample as over 20% of the data was left blank at the end of the survey, leaving 626 usable questionnaires that were entered into SPSS. Twenty questionnaires had one question left blank and three questionnaires had two to four questions left unanswered. As AMOS rejects blank data, and there was such a small percentage of data missing in a large sample size, mean replacement was used to complete these results.

The average age of the respondents was 21 (with a range of 18-63). Forty-five percent of the respondents were female. Twenty-five percent of respondents were freshman, 22% Sophomores, 21% Juniors, and 29% seniors. Ninety-four percent were full-time students. The breakdown by college were

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

40% Business, 22% Science, Engineering, and Education, 22% Liberal Arts, 6% Health Professions, 3% Graduate, 7% Undecided .

### *Measures*

The questionnaire included multi-item measures of constructs represented in the model (Figure 3). Already existing and/or adapted measures were employed. A list of the measures is given in Appendix 1 as the basis for the survey instrument. The cover page detailed the research purpose, and the last page focused on demographic measures. A copy of the survey is provided in Appendix 2. Ethics approval is included in Appendix 3.

### **Outcome Variable: Intention to provide feedback**

This construct assesses the intention of the customer to provide feedback to the organization. Six five-point items, scaled from “very unlikely” to “very likely”, will measure customers’ agreement with statements regarding their intention to provide positive or negative feedback, or ideas/suggestions. Intention to provide feedback is adapted from one B2C and two business to business (B2B) pieces of relational literature, respectively: Celuch et al. (2011); Holden and O’Toole (2004); and Mohr, Fisher, and Nevin (1996). Example items include: “I would compliment the organization,” “I would share my negative thoughts and feelings about \_\_\_\_\_’s products and services with the organization or its employees,” and “I would share an idea for a new products or service.”

**Predictor Variables**

*Attitude toward providing feedback*

Four semantic differentials will be measured on five-point scales defined by the following pairs adapted from Perugini and Bagozzi(2001): foolish - wise, unpleasant – pleasant, unenjoyable – enjoyable, and one more adapted from Kilburn and Cates (2010): bad – good.

*Subjective norms to providing feedback*

Four , five item Likert scales (ranging from 1 – strongly disagree to 5 – strongly agree) are used for subjective norms, adapted from Tohidinia and Mosakhani (2010) where subjective norms about knowledge sharing were revised to reflect subjective norms towards feedback. Example items include: “It is expected of me by my friends and family that I share my feedback,” and “People who are important to me think that I should share my feedback.”

*Altruism*

The five item altruism measure from Price, Feick, & Guskey(1995) will be used with five-point Likert-type scales (ranging from 1 – strongly disagree to 5 – strongly agree). Example items include: “It is important to me to help other people,” “It is important to me to share what you have,” and “It is important to me to be unselfish.”

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

### *Perceived ease of providing feedback*

A five item, five-point Likert-type scale (where 1 - strongly disagree to 5 - strongly agree) is proposed as an adaptation of Calisir et al. (2009) perceived ease of use of an ERP system, and Cyr and Choo's (2010) perceived cost of knowledge sharing. Example items are: "Providing this feedback would require a lot of effort. (R)" "I find that the process of providing feedback is straightforward."

### *Perceived usefulness of feedback*

The measure of perceived efficacy from Tohidinia and Mosakhani (2010) is combined with Cyr and Choo's (2010) perceived benefit to the recipient. For consistency, a five-point Likert-type scale (where 1 - strongly disagree to 5 - strongly agree) is proposed for the four items, including the following example items: "My feedback could help solve organizational problems," and "My feedback could create new opportunities for the organization."

### *Perceived rewards associated with feedback process*

Perceived rewards has been adapted from Tohidinia and Mosakhani (2010), Saks (2006), and Hennig-Thurau, Gwinner, and Gremler (2002) to reflect financial rewards and non-financial rewards. A five-point Likert-type scale (where 1 – very unlikely, and 5 – very likely) is proposed for the five

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

item scale. The following provides three example items: “I will receive a reward or token of appreciation (coupon, discount, get something free) in return for my feedback to the organization,” “I will be publically recognized for providing feedback to the organization (on their website, in a newsletter, in the media),” and “I will get special treatment from the organization for providing feedback.”

### *Affective commitment*

A four item scale used by Celuch, Walz, and Robinson (2012) adapted from Verhoef (2003) and Garbarino and Johnson (1999) is proposed with a five-point Likert-type scale (where 1 - strongly disagree, through 5 - strongly agree). Examples adapted from, include: “I feel proud to be a \_\_\_\_\_ customer” and “I feel guilty if I visit competitors.”

### *Perceived customer orientation*

Adapted from Narver and Slater (1990), customer orientation will be measured with a six item, five-point Likert-type scale (where 1 - strongly disagree to 5 - strongly agree). Example items include: “I believe customers are important to the organization,” “The organization’s product and services are driven by customer satisfaction,” and “The organization is still interested in its customers after the sale.”



## **Chapter 5 Findings**

### *Data Analysis*

As a precursor to model evaluation, confirmatory factor analysis using structural equation modelling (AMOS 18) was used to assess the convergent and discriminant validity of measures (Gerbing & Anderson, 1988; Fornell & Larcker, 1981). As per Hair et al. (2006), a separate two-step procedure was used to first analyze the measurement model, and then the structural model fit, which assesses relationships between constructs. These authors note that when using tentative theory and new measures, researchers should consider a staged approach to enhance the interpretability of both measurement and structural models.

### **Measurement model**

Fit statistics of the initial measurement model were:  $\chi^2 (783) = 2390$ ,  $p = .000$ , CMIN/DF 3.053, TLI = .861, CFI = .874, SRMR = .0626, and RMSEA = .057 which suggest poor fit for the TLI and CFI. It is to be expected that the  $\chi^2$  has  $p = .000$  due to the large sample size, however, the chi-square to degrees of freedom ratio should be about three or lower (Iacobucci, 2010).

The initial measurement model also had a number of items with weak loadings (Table 3). This is not surprising considering that constructs and construct measures were newly adapted from other lines of research for the purpose of this study. In assessing the convergent validity of construct

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

measures, Hair et al., (2006) suggest item loadings exceed .50 and ideally .70. Re-evaluating the measures, items that did not load strongly on a construct were omitted, except in the case where deleting an item would cause a measure to have only two items. The items in the altruism scale, having been used in a number of studies loaded strongly and required no modification.

More specifically, as a result of initial measurement evaluation, one item of each of the following construct measures was dropped from further analysis: attitude, subjective norms, perceived usefulness, rewards, affective commitment, and perceived customer orientation. For the dependent variable measure, three items were dropped from further analysis, leaving a measure with three items that still reflected the gamut of possible feedback to an organization including complaints, new ideas, and changes.

**Table 3: Loadings of measurement model**

Attitude	Initial Loadings	Final Loadings
Providing feedback to an organization is:		
1. foolish – wise	.53	.45
2. unpleasant – pleasant	.81	.85
3. unenjoyable – enjoyable	.75	.77
4. bad – good	.51	
Subjective Norms		
5. It is expected of me by my friends and family that I share my feedback.	.76	.77
6. People who are important to me think that I should share my feedback.	.87	.89
7. My friends and family whose opinions I value would approve of my sharing feedback.	.41	
8. My family and friends who influence my behaviour think that I should share my feedback.	.78	.76
Intention to provide feedback		
9. I would compliment USI if I had reason to.	.51	
10. I would complain to USI if I had reason to.	.39	

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

11. I would share my positive thoughts and feelings about USI with the organization or its employees.	.62	.44
12. I would share my negative thoughts and feelings about USI with the organization or its employees.	.49	
13. I would share an idea with USI.	.71	.87
14. I would suggest changes to USI.	.68	.78
Perceived Ease of providing Feedback		
15. Providing this feedback would require a lot of effort. (R)	.43	.44
16. I find the USI feedback process easy.	.78	.84
17. I am ready to spend the time and energy required to provide feedback to USI.	-.55	
18. I find that the process of providing feedback to USI is straightforward.	.73	.71
Perceived Usefulness of Feedback		
19. My feedback could help solve organization problems.	.83	.84
20. My feedback could create new business opportunities for the organization.	.88	.91
21. My feedback could help people in the organization.	.88	.88
22. My feedback could benefit USI.	.79	.76
23. My feedback could help other students.	.69	
Rewards		
24. I will receive a reward or token of appreciation in return for my feedback to USI.	.78	.77
25. I will be publically recognized for providing feedback to USI.	.93	.95
26. I will be personally praised for providing feedback to USI.	.86	.85
27. I will gain USI's respect for providing feedback to USI.	.62	
28. I will get special treatment from USI for providing feedback.	.78	.77
Affective Commitment		
29. I feel proud to be a USI student.	.83	.83
30. I care about the long-term success of USI.	.78	.81
31. I won't prefer not to take courses at another college.	.54	
32. I remain a student because I feel an attachment to USI.	.73	.69
Perceived Customer Orientation		
33. I believe students are important to USI.	.59	
34. I believe USI understands student needs.	.79	.80
35. USI's programs and services are driven by student satisfaction.	.76	.78
36. USI asks its students if they are satisfied.	.67	.69
37. USI is still interested in its students after they register for courses.	.77	.78
Altruism		
38. It is important to me to help other people.	.77	.77
39. It is important to me to serve mankind.	.77	.77
40. It is important to me to share what you have.	.71	.70
41. It is important to me to give to others.	.83	.84
42. It is important to me to be unselfish.	.74	.74

Fit statistics of the final measurement model after removing factors that didn't load well were:  $\chi^2$  (428) = 871,  $p = .000$ , CMIN/DF 2.036, TLI = .948, CFI = .956, SRMR = .0488, and RMSEA = .041 which suggests good fit, as they

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

are 'better' than those recommended for the evaluation of model fit for complex models with larger sample sizes (Hu and Bentler, 1999; Hair et al., 2006).

Most of the observed indicators load strongly on their corresponding factors and all were statistically significant ( $p < .05$ ) which suggests that observed indicators are representative of the constructs. Further, all of the composite reliabilities were above recommended thresholds of .70 (Fornell & Larcker, 1981) (Table 4).

**Table 4: Composite reliabilities & Cronbach's alpha**

	Composite reliability	Cronbach's alpha
Attitude	0.74	0.72
Subjective Norms	0.85	0.85
Perceived Ease	0.72	0.67
Rewards	0.90	0.91
Perceived Usefulness	0.91	0.90
Affective Commitment	0.82	0.80
Perceived Customer Orientation	0.84	0.84
Altruism	0.87	0.87
Intention to Provide Feedback	0.75	0.68

In addition, seven of nine measures are above recommended thresholds of 0.7 for Cronbach's Alpha reliability (Hair et al., 2006) (see Table 4 above).

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

### *Discriminant Validity*

The amount of variance extracted (AVE) for the constructs exceeds the recommended threshold of 0.5 for eight of the nine constructs (Fornell & Larcker, 1981; Hair et al, 2006), showing support for convergent validity. Also, the AVE for each construct is greater than the squared Pearson correlations between constructs (Hair et al., 2006) (shown in Table 5) which provides support for the discriminant validity of the markers (Fornell & Larcker, 1981). Based on validity and internal consistency assessments of the measures, summated scores of the multi-item scales were used to address research hypotheses.

**Table 5: Average Variance Extracted**

	AVE
Attitude	0.58
Subjective Norms	0.65
Perceived Ease	0.47
Rewards	0.70
Perceived Usefulness	0.72
Affective Commitment	0.61
Perceived Customer Orientation	0.58
Altruism	0.59
Intention to Provide Feedback	0.52

Table 6, below, provides the means, standard deviations and correlations for the measures used in this study.

ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

**Table 6: Descriptive Statistics and Pearson Correlations**

	<b>x</b>	<b>sd</b>	<b>ATT</b>	<b>SN</b>	<b>EASE</b>	<b>REW</b>	<b>USE</b>	<b>AFF</b>	<b>CO</b>	<b>ALT</b>	<b>Fdbk</b>	<b>Gend</b>
ATT	3.49	.69	1									
SN	2.90	.79	.408 **	1								
EASE	2.99	.69	.239 **	.18 8**	1							
REW	2.25	.83	.129 **	.222 **	.112 **	1						
USE	3.67	.75	.240 **	.193 **	.225 **	.199 **	1					
AFF	3.73	.78	.194 **	.132 **	.205 **	.117 **	.257 **	1				
CO	3.47	.76	.205 **	.140 **	.336 **	.191 **	.249 **	.578 **	1			
ALT	4.17	.58	.219 **	.184 **	.166 **	.100 *	.205 **	.330 **	.226 **	1		
Fdbk	3.61	.72	.305 **	.276 **	.199 **	.189 **	.384 **	.236 **	.169 **	.186 **	1	
Gend			.063	-.004	-.014	.008	.024	.049	-.029	.056	.006	1

\*\*Correlations significant at the .01 level (2-tailed)

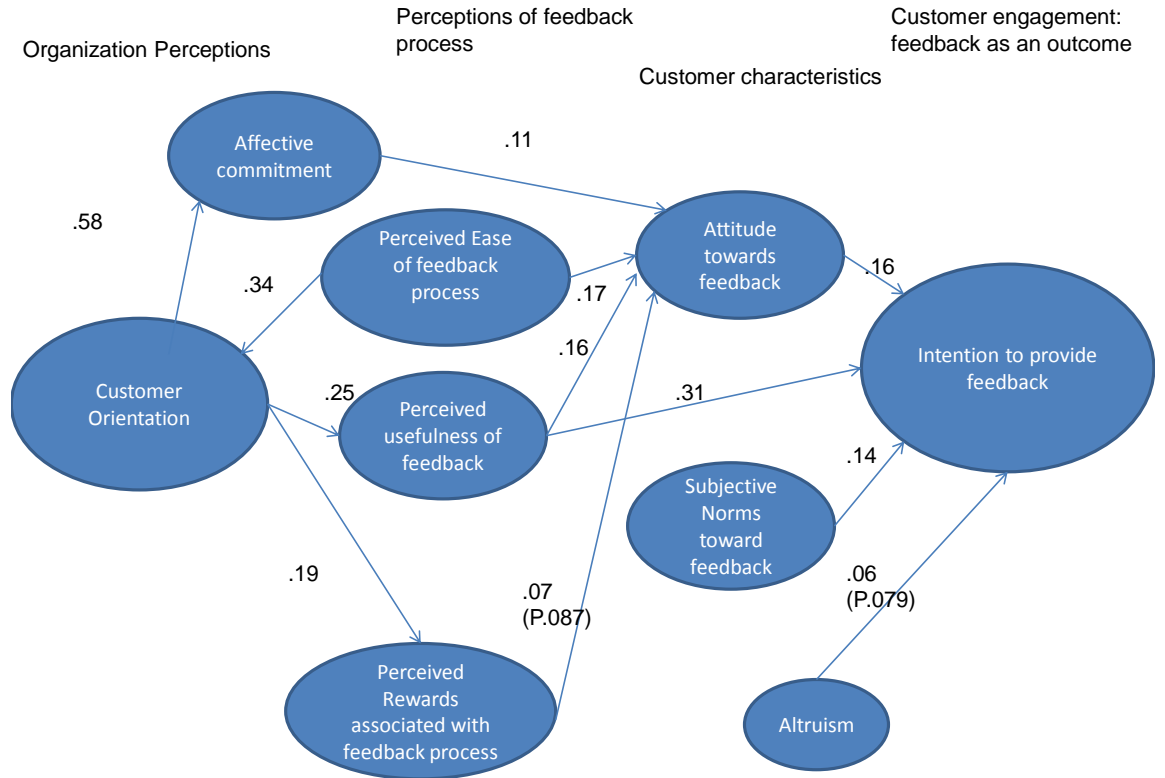
\* Correlation significant at the .05 level (2-tailed)

# ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

## Model Fit

Following measurement evaluation, the structural model fit was assessed using AMOS 18.

**Figure 4: Model fit**



First the model was run without the gender interaction, and resulted in a weak fit. Fit statistics of the structural model were :  $\chi^2 (21) = 251, p = .000$ , SRMR=.1127, TLI = .555, CFI= .740, RMSEA = .133.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

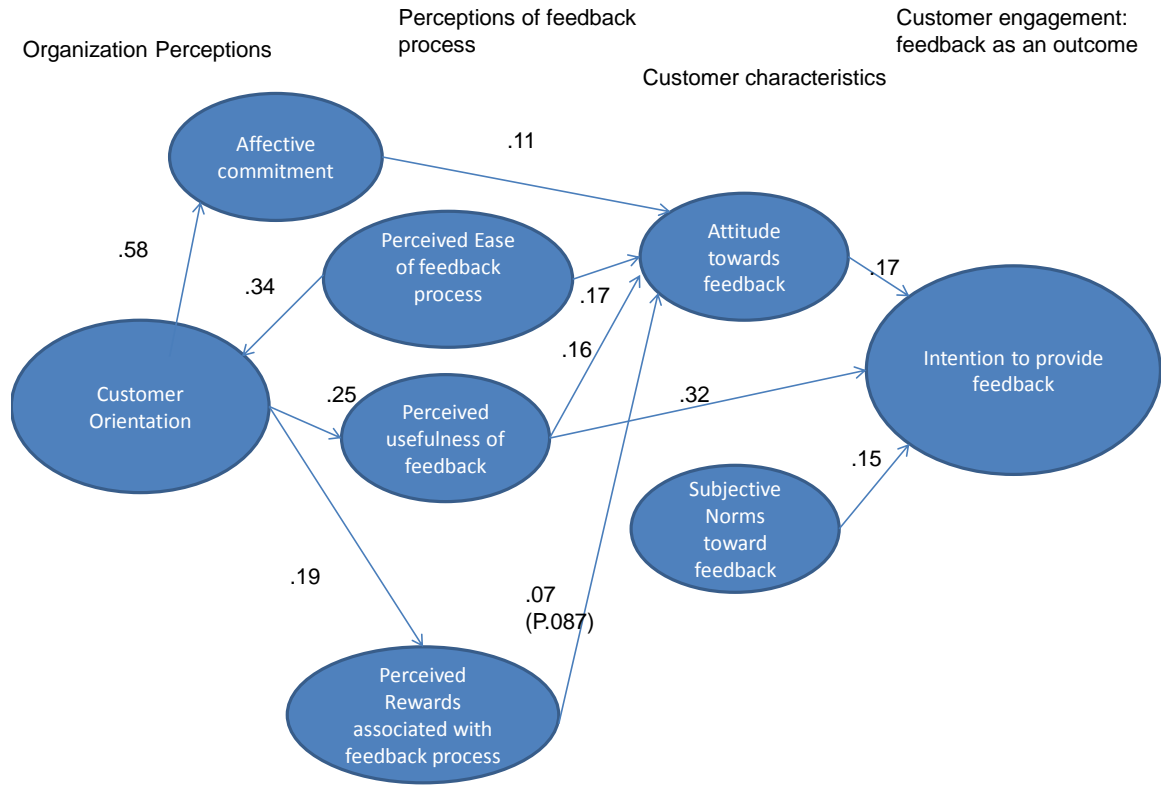
The altruism to intention to provide feedback and reward to attitude paths were non-significant (see Figure 4 above). The potential gender interaction on the altruism to intention to provide feedback path was evaluated using multi-group analysis in AMOS. Splitting the group into male and female the model was rerun and altruism was not significant for either the female or male group.

While traditionally, the analysis could have concluded here, in an effort to advance theory with a more parsimonious model, the non-significant paths were next deleted, starting with the altruism to intention to provide feedback path. Altruism was not theoretically linked to any other part of the model, and as the only hypothesis for gender was related to altruism, this meant removing altruism and gender from the model.



## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

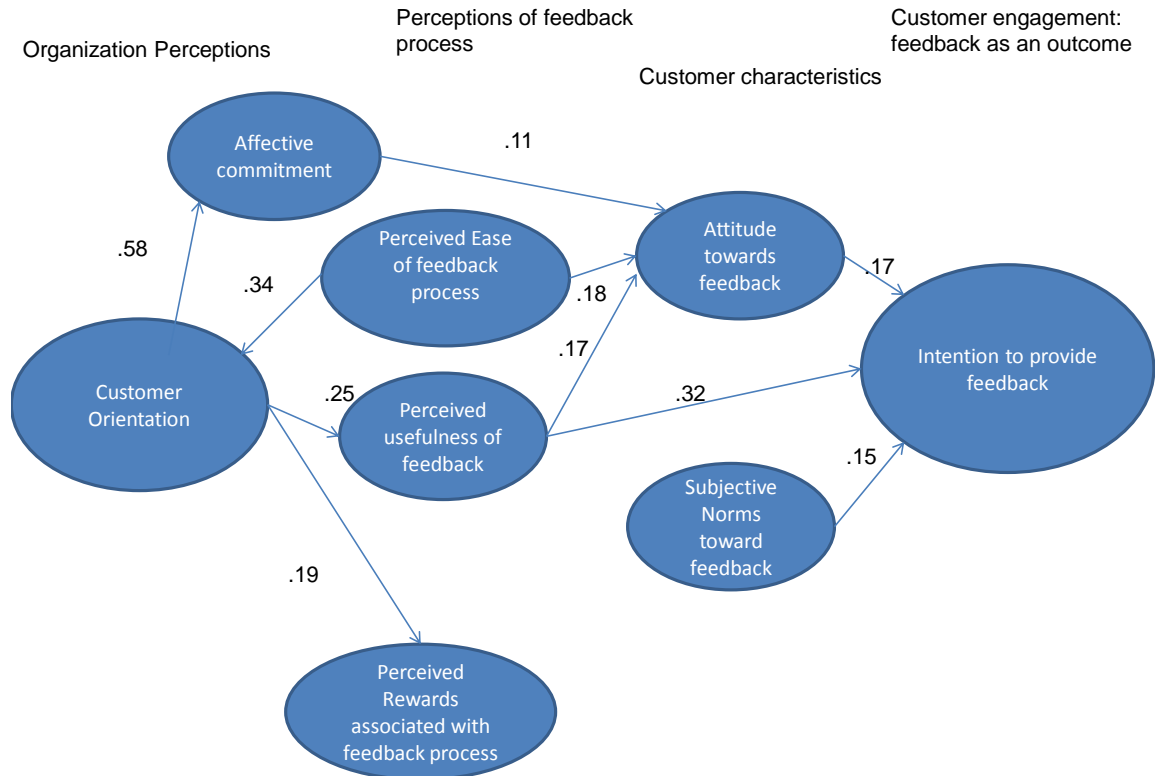
**Figure 5: Model with altruism and gender removed**



Rerunning the model without altruism, the fit statistics were:  $\chi^2 (16) = 184$ ,  $p = .000$ ,  $SRMR = .1012$ ,  $TLI = .629$ ,  $CFI = .788$  and  $RMSEA = .130$ . The path from rewards to attitude was still non-significant (see Figure 5 above) and as such was dropped from the model.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

**Figure 6: Model with path from rewards to attitude removed**



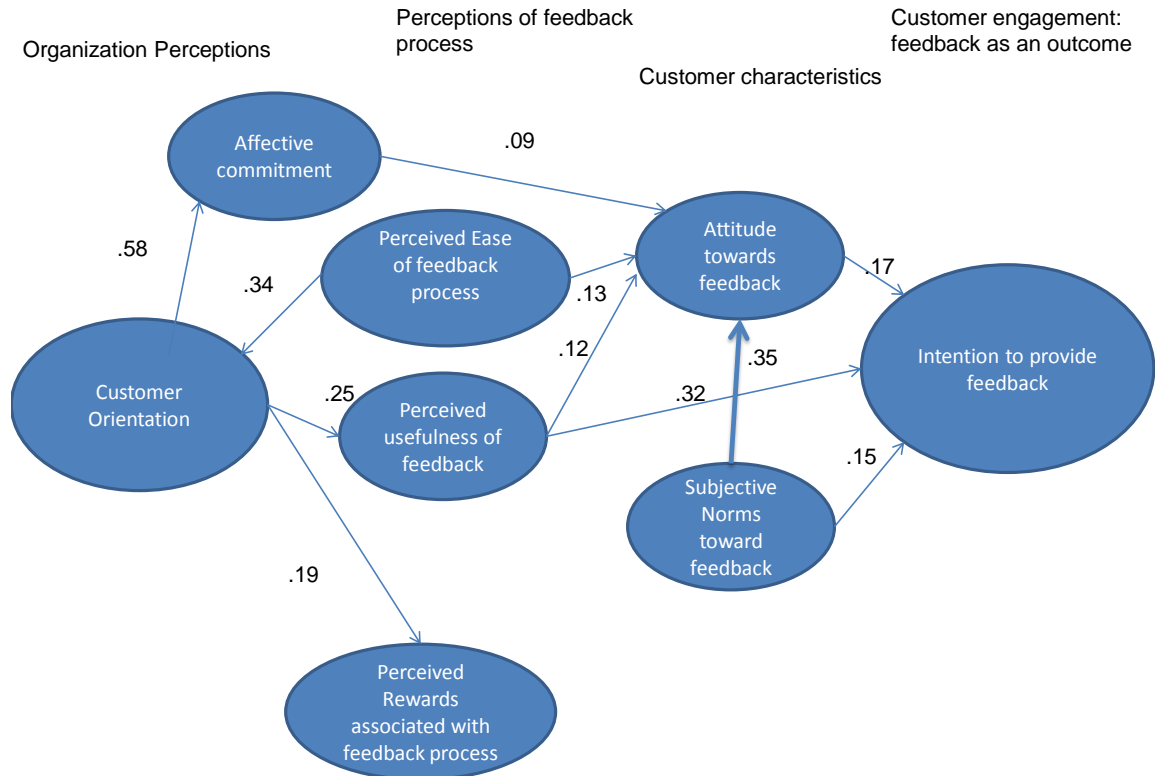
Rerunning the model, all of the remaining paths were significant (see Figure 6 above). Fit statistics of this version of the model were:  $\chi^2 (17) = 187$ ,  $p = .000$ , SRMR=.1028, TLI = .647, CFI = .786 and RMSEA = .126.

Using modification indices in concert with relevant literature, other paths were examined in terms of advancing learning in this area. Based on the strongest modification indices, a path was added from subjective norms to attitude. Eagly and Chaiken (1993) in their chapter on the impact of attitudes on behaviours, identify a hole in the research in this area, stating that the

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

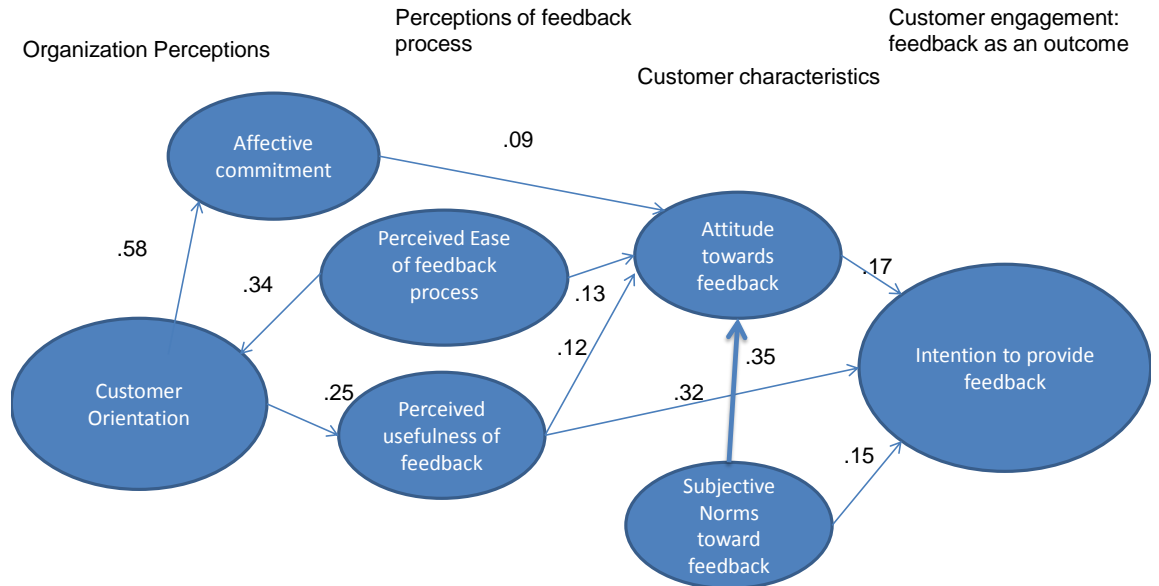
relationship between attitude and subjective norm has not been evaluated and they again raise the point in their chapter on Future Directions in the study of Attitudes stating that attitude researchers have often neglected the social environment and that this must be rectified. Kilburn (2010), found that high relationship-oriented leader behaviour impacted attitudes towards providing upward feedback, based on social exchanged theory. Point being, that if leaders showed that they were willing to share, and in other words valued feedback, that the followers would have their attitude positively impacted by this. Tajudeen Shittu, Madarsha Basha, AbdulRahman, & Badariah Tunku Ahmad (2011) studied students attitude to using social software and found positive effect between social norms and attitude towards use. Ibragimova (2006) found a strong positive relationship between subjective norms and attitude in organizational knowledge sharing. Given these references and the Eagly and Chaiken's (1993) call for this investigation, the path from subjective norms to attitude was added (see Figure 7 below). With the model rerun the fit statistics were :  $\chi^2 (16) = 101$ ,  $p = .000$ , SRMR=.0827, TLI = .811, CFI =.892 and RMSEA = .093, showing the fit improving, but still weak.

Figure 7: Subjective norms to attitude path added



Rewards now stood in the model alone, with no explicative power towards intention to provide feedback and was deleted to make the model more parsimonious (Figure 8 below). The fit statistics for this revised model were:  $\chi^2(10) = 60.6$ ,  $p = .000$ ,  $SRMR = .0703$ ,  $TLI = .855$ ,  $CFI = .931$ , and  $RMSEA = .09$ .

Figure 8: Rewards removed from model

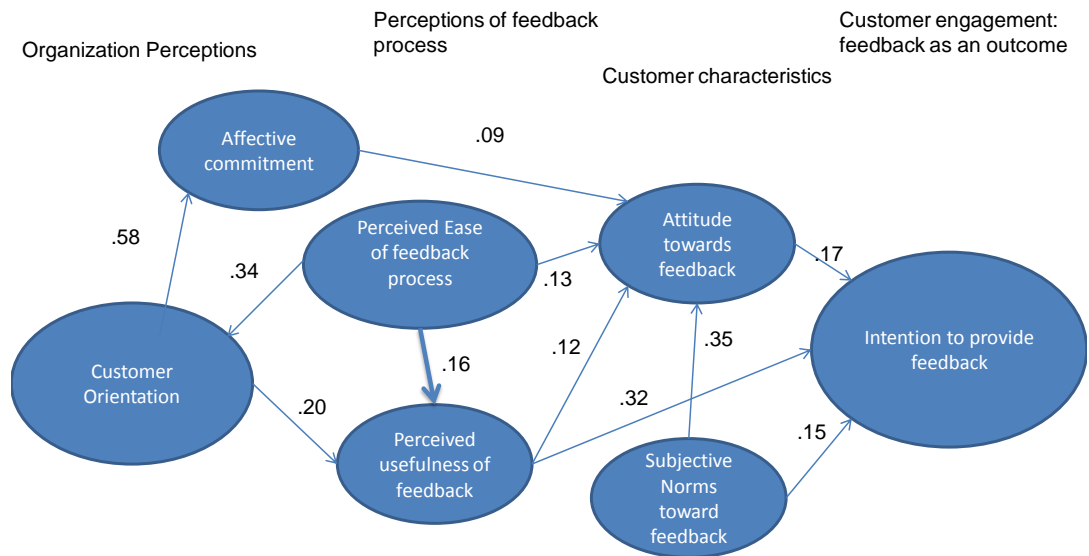


Modification indices in concert with the literature on technology acceptance model and theory of reasoned action/theory of planned behaviour, suggest two more paths to improve the model. The first, perceived ease of use to perceived usefulness was significant in Davis et al.'s original technology acceptance model and also in a number of related studies, including understanding IT acceptance by individual professionals (Yi, Jackson, Park, & Probst, 2006); Lee (2006)'s technology acceptance model for an e-learning system; and Sousa's (2003) electronic business technology acceptance model,

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

wherein this was the largest positive coefficient in the model. Thusly, the link was made between perceived ease of use and perceived usefulness for this conceptual model (see Figure 9); this resulted in the following fit statistics:  $\chi^2(9) = 45$ ,  $p = .000$ ,  $SRMR = .0585$ ,  $TLI = .884$ ,  $CFI = .950$  and  $RMSEA = .081$ .

**Figure 9: Path added from perceived ease of use to perceived usefulness**

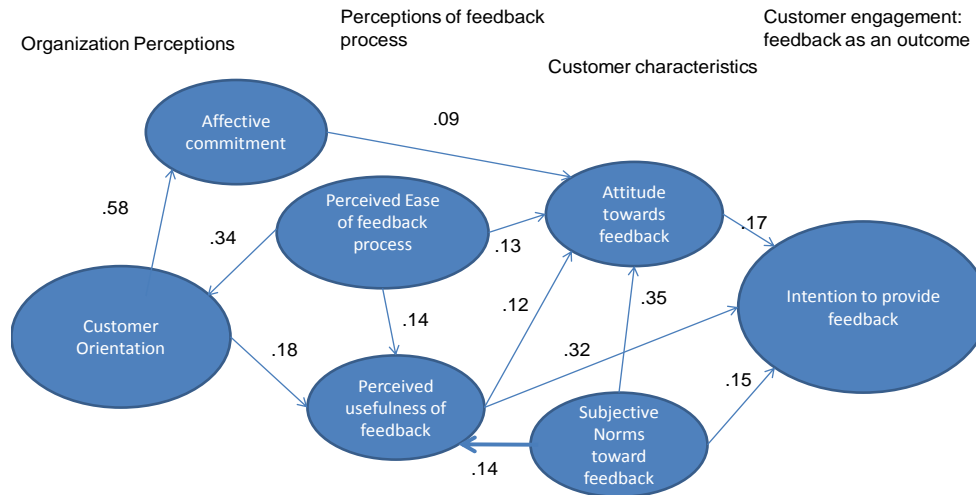


Similarly, in Yi et al. (2006), Lee (2006), and in Sousa (2003), all three studies found a significant positive relationship between subjective norms and perceived usefulness. Kudisch et al.(2006) in the employee engagement and upward feedback literature had support for a link between both co-worker support and top management support and perceived usefulness (both which could reasonably represent subjective norms in the workplace). This process

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

led to adding a path from subjective norms to perceived usefulness (see Figure 10). The resulting fit statistics were:  $\chi^2(8) = 32$ ,  $p = .000$ , SRMR=.0498, TLI = .914, CFI of .967, and RMSEA of .070, still suggesting weak fit based on the TLI.

**Figure 10: Path from subjective norms to perceived usefulness**

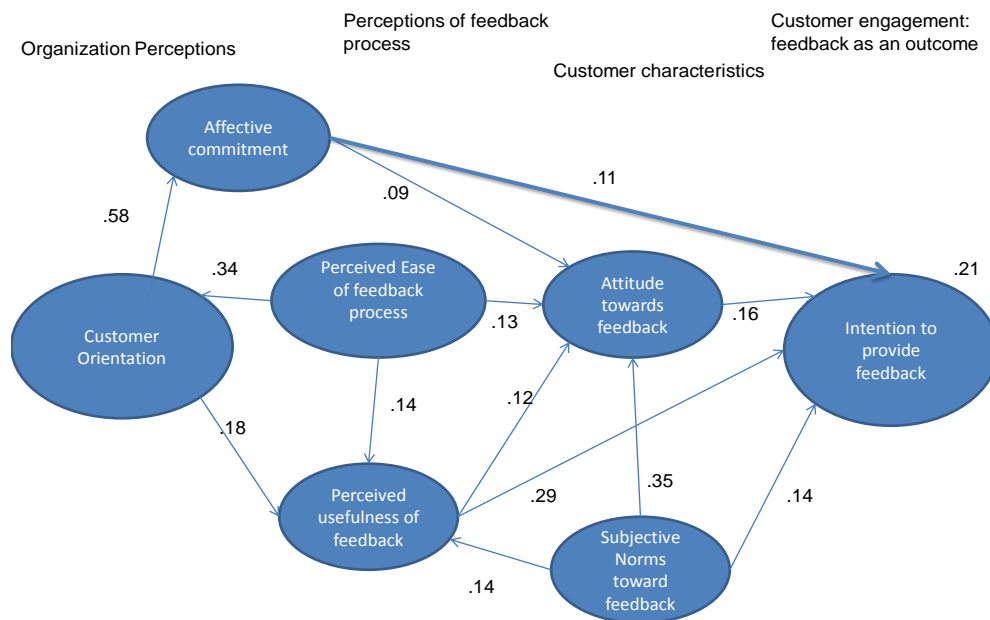


Again using a process including the modification indices in tandem with the literature resulted in re-reviewing the Knowledge Sharing Research. . The original model had affective commitment (termed organizational support) affecting intention to provide feedback, though mediated by attitude. In addition to the previously mentioned literature reinforcing a direct link between attitude and intention to provide feedback, new research in the area was also uncovered since the model was completed. Carbo and Segovia

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

(2011), Casimir, Lee and Loon (2012), and Karkoulian, Harake and Messarra(2010), found that affectively committed employees engaged in more knowledge sharing. van den Hooff and de Ridder (2004) also found a positive relationship between commitment and knowledge donating. Lin (2007); Golden and Raghuram (2010); and Han, Chiang, and Chang (2010) similarly found a positive effect of organizational commitment on knowledge sharing. As such, the affective commitment to intention to provide feedback path was added to the structural model (see Figure 11). This model resulted in the following fit statistics:  $\chi^2 (7) = 22.9$ ,  $p = .000$ , SRMR=.0384, TLI = .935, CFI of .978, and RMSEA of .06, showing acceptable fit.

**Figure 11: Path added from affective commitment to intention to provide feedback**





### **Summary**

In an effort to advance theory with a more parsimonious model, the non-significant paths were deleted and modification indices consulted. In summary, the original model proposed ten variables and 12 paths with one path moderated by gender. In subsequent iterations, through model evaluation, seven of ten variables and nine of twelve paths were retained. Four new paths were added, for a total of thirteen paths.

### **Chapter 6 Discussion**

Not surprisingly, when developing a new model from the integration of three disparate literatures (attitude, technology acceptance, and knowledge sharing), both the measures and the model required modification. What is important is that the conceptual model, once modified, is indeed able to further our knowledge about the intention to provide feedback, a facet of customer engagement.

That the perceived rewards path to attitude proved insignificant is not altogether surprising as it was an equivocal relationship in the literature to begin with. The proposed altruism moderated by gender link had a non-significant effect on intention to provide feedback. The altruism to intention to share knowledge link, while in the literature, was not as prevalent as other paths in the model, and the gender moderation was based off disparate literature and ending up proving unfruitful.

#### ***Academic implications***

This work is novel in that customer feedback is not a well researched area, and while the antecedents of word of mouth and advocacy are being studied more widely, feedback has been largely overlooked. For example, .27% of the variability of advocacy has been explained (Walz & Celuch, 2010) and 21-30% of the variation in word of mouth has been described (Gwinner & Gremler, 2000), but until this analysis, less than twenty percent of the

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

variability of feedback was explained (Celuch et al., 2011). This model explains approximately 21 percent of the variability in the intention to provide feedback and as such can be seen as an advancement in our understanding of this facet of customer engagement.

Affective commitment has been related to loyalty and true loyalty (Oliver, 1999), word of mouth and advocacy, but now this model extends the theory. A solid addition to the theory is that affective commitment is tied directly and indirectly to the intention to provide feedback. That ties into the typology of customers that has been delimited: in that a transactional/loyal customer is good, a reference customer that tells others about an organization is better, but a catalytic/engaged customer is the best -- as the latter are willing to go the extra mile and provide feedback to help the organization improve. Building on attitude, technology acceptance, and knowledge sharing literatures, this model adds the dimensions of perceived customer orientation and affective commitment as additional pieces to the puzzle.

### ***Managerial implications***

Understanding customer's intention to provide feedback can help B2C service organizations, including universities, gain a better understanding of customer engagement and how to maintain or gain competitive advantage through customer suggested/influenced improvements and innovations. Ultimately this would help organizations understand what to do to increase

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

feedback. Managers have direct and indirect considerations when looking to increase feedback.

For direct considerations, under the organizations' control, is the ability to make the feedback system as easy to use as possible (which also involves making it easy to find). An easy system also has the benefit that it makes customers feel that their feedback is more useful and it also improves their attitude towards sharing feedback. In addition, to underscore the importance of an easy to use system is that the perceived ease of use also affects the customers' perceived customer orientation of the organization. Organizations seek to be viewed as customer-oriented, as that positively affects customers' beliefs that their feedback will be useful, which encourages them to provide feedback.

It is also notable that perceived usefulness has the strongest impact on intention to provide feedback, and this is good news for managers, as this implies that people will be more likely to provide feedback when they believe that their feedback would be useful for the organization. Indeed, it is a quality over quantity scenario. While feedback is good, organizations don't typically want to use resources to deal with an influx of feedback if it will not help the organization. They are most interested in the handful of bits of feedback that will bolster the organization going forward in terms of product or process improvements that will lead to a competitive advantage in the marketplace.

Knowing that perceived usefulness has the strongest impact on the intention to

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

provide feedback should console managers that quality ideas will prevail in their customer feedback email inbox.

Perceived customer orientation also has a large impact on the affective commitment of a customer, which again increases the chances of receiving feedback from the customer and also improves the attitude towards providing feedback. Part of a customer orientation is taking in information and using it to make positive changes, so managers should also consider making it clear to customers that their feedback is important and even go so far as to show how other customers' suggestions have led to changes now in effect by displaying such information onsite or online. As such, the importance of an easy feedback system, and the outward belief that the organization is customer-oriented cannot be underscored enough and both are largely within the organization's control.

Other good news for practitioners is that intention to provide feedback is not affected by rewards, so organizations need not spend a lot of time designing a reward system, nor expending the resources to pay out for feedback received from customers.

Indirectly, the role of subjective norms has come to light as being more important than originally believed. Initially, subjective norms was only in the model directly impacting intention to provide feedback, however, subjective norms affects one's perceived usefulness of feedback (which is the single most

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

important predictor of intention to provide feedback), it affects attitude towards feedback and it also directly effects intention to provide feedback.

Organizations may indeed have the ability to influence subjective norms through their marketing messaging, providing the masses with the notion that organizations see feedback as a gift, and that those who provide feedback are not only doing a good thing, but are held in high esteem by the organization.

Overall, organizations interested in feedback can take heart that by making the feedback mechanisms easy to find and use, in tandem with making it clear that feedback is a valued gift that will be acted upon, feedback that customers deem useful to the organization will increase.

### *Limitations*

The original model was an aggressive one, and the resulting revised model is acceptable by fit standards. Fit, however, is greatly affected by measures used in the model and model complexity (Hair et al., 2006). Measures used in the present study were adapted from other research and may be improved by further refinement. For example, parcelling what could possibly be construed as three "types" of feedback into one latent variable "feedback" was done in order to keep the survey length down. Separating them would have almost tripled the length of the survey and it was decided to keep them as one variable in a trade-off to ensure completion of the survey. While the internal consistency shown by a few factor loadings were a bit weak,

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

overall the consistency and validity was acceptable. The internal consistency of perceived ease of feedback was also weak.

The influence of common methods variance was not able to be tested as a marker variable was not included. The research focuses on the intention to provide feedback and not the actual provision of feedback. However, research has shown that while intentions and behaviours are not identical, for the most part, peoples' actual behaviours are the same as their behavioural intentions (Ajzen, 1991). In addition, using university students as consumers of a service limits generalizations beyond the immediate context. Finally, a longitudinal study would help to comprehend the Intention to provide feedback as a dynamic and not static phenomenon to understand why/when people stop providing feedback or increase their amount of feedback; and the importance and relationship of predictors may also change over time.

### *Future Research Directions*

The model could be extended by going beyond intention to actual behaviour. Another extension of the current model could be including other types of engagement behaviour: word of mouth, advocacy, volunteerism, desire to be part of a brand community, and/or co-creation/beta testing. Furthermore, instead of examining intention to provide feedback as a higher order construct, deconstructing the components (positive feedback, negative feedback, and ideas) may be worthwhile in a post-hoc analysis for a more in-depth understanding. More specifically, it is possible that an organization may

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

only be interested in new ideas, and not complaints (even if both point to the same fix) and/or researchers may wish to investigate how the valence of feedback impacts its antecedents. Alternatively, porting back some of the learning around perceived customer orientation and affective commitment back to the attitude, technology acceptance and knowledge sharing research streams may also be other way to further new branches of research. Finally, as subjective norms was found to be a more important hub in the spokes of the model, other types of social influence could be integrated into future work, such as behavioural norms (Kashima & Gallois, 1993). In other words, intention to provide feedback may be more affected by what people believe their significant others would do in a specific context (behavioural norm) as opposed to what they think their significant others would expect them to do (subjective norm).



**References**

- Ajzen, I. (1991). The theory of planned behaviour. *Organizational Behaviour and Human Decision Processes*, 50, 179-211.
- Andotra, N., & Pooja. (2006). Optimising Customer-Orientation in Small Business Through Marketing-Mix Feedback Results. *Journal of Services Research*, 6(2), 181-203.
- Bendapudi, N., & Berry, L. L. (1997). Customers' Motivations for Maintaining Relationships with Service Providers. *Journal of Retailing*, 73(1), 15-37.
- Bhattacharya, C., & Sen, S. (2003). Consumer-Company Identification: A Framework for Understanding Consumers' Relationships with Companies. *Journal of Marketing*, 67(2), 76-88.
- Bielski, L. (2008, August). Guided by feedback: Measuring customer engagement. *ABA Banking Journal*, 100(8), 44-46.
- Blau, P. (1964). Exchange and power in social life.
- Bock, G. W., & Kim, Y.-G. (2002, Apr-Jun). Breaking the myths of rewards: An exploratory study of attitudes about knowledge sharing. *Information Resources Management Journal*, 15(2), 14-21.
- Calisir, F., Gumussoy, C. A., & Bayram, A. (2009). Predicting the behavioural intention to use enterprise resource planning systems An exploratory extension of the technology acceptance model. *Management Research News*, 32(7), 597-613.
- Carbó, G. T., & Segovia, A. O. (2011). Organizational and Individual Antecedents on Knowledge-Sharing Intention: Perceived Organizational Support, Climate and Organizational Commitment. *Revista de Psicología del Trabajo y de las Organizaciones*, 27(3), 213-226.
- Carr, J. C., & Burnthorne Lopez, T. (2007, Spring). Examining Market Orientation as both Culture and Conduct: Modeling the Relationships Between Market Orientation and Employee Responses. *Journal of Marketing Theory and Practice*, 15(2), 113-125.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

- Casimir, G., Lee, K., & Loon, M. (2012). Knowledge sharing: influences of trust, commitment and cost. *Journal of Knowledge Management*, 16(5), 740-753.
- Celuch, K. G., Robinson, N. M., & Walz, A. M. (2011). IN SEARCH OF THE GIFT OF FEEDBACK: THE MODERATING ROLE OF TRUST ON RETAILER-CUSTOMER COMMUNICATION. *AMA Summer Educators' conference proceedings*, 22, pp. 494-501. San Francisco.
- Celuch, K., Walz, A., & Robinson, N. (2012). I Will Have No Other!" – The Role of Communication and Trust in Driving Exclusive Behavior. *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 25, 80-95.
- Chebat, J.-C., Davidow, M., & Cudjovi, I. (2005, May). Silent Voices: Why Some Dissatisfied Consumers Fail to Complain. *Journal of Service Research*, 7(4), 328-342.
- Cheung, M.-S., Anitsal, M. M., & Anitsal, I. (2007, Summer). REVISITING WORD-OF-MOUTH COMMUNICATIONS: A CROSS-NATIONAL EXPLORATION. *Journal of Marketing Theory and Practice*, 15(3), 235-249.
- Chou, Y.-J., Teng, C.-I., & Lo, S.-K. (2009). Mutual Self-disclosure Online in the B2C Context. *Internet Research*, 19 (5), 466-78.
- Cyr, S., & Choo, C. W. (2010). The individual and social dynamics of knowledge sharing: an exploratory study. *Journal of Documentation*, 66(6), 824-846.
- Davis, F. D., Bagozzi, R. P., & Warshaw, P. R. (1989, August). User Acceptance Of Computer Technology: A Comparison Of Two Theoretical Models. *Management Science*, 35(8), 982 - 1003.
- Dean, A. M. (2007, November). The Impact of the Customer Orientation of Call Center Employees on Customers' Affective Commitment and Loyalty. *Journal of Service Research*, 10(2), 161-173.
- Eagly, A. H., & Chaiken, S. (1993). *The Psychology of Attitudes*. Fort Worth: Harcourt Brace & Company.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

- Feick, L. F., & Price, L. (1987). The market maven: A diffuser of marketplace information. *Journal of Marketing*, 51(1), 83-97.
- Ford, D. P., & Staples, S. (2010). Are full and partial knowledge sharing the same? *JOURNAL OF KNOWLEDGE MANAGEMENT*, 14(3), 394-409.
- Fornell, C., & Larcker, D. F. (1981, February). Evaluating Structural Equation Models with unobservable Variables and Measurement Error. *Journal of Marketing Research*, 39-50.
- Garbarino, E., & Johnson, M. S. (1999). The Different Roles of Satisfaction, Trust, and Commitment in Customer Relationships. *Journal of Marketing*, 63(2), 70-87.
- Gerbing, D. W., & Anderson, J. C. (1988). An Updated Paradigm for Scale Development Incorporating Unidimensionality and Its Assessment. *Journal of Marketing Research*, 25(2), 186-92.
- Golden, T. D., & Raghuram, S. (2010). Teleworker knowledge sharing and the role of altered relational and technological interactions. *Journal of Organizational Behavior*, 31, 1061-1085.
- Gwinner, K. P., & Gremler, D. D. (2000). Customer-Employee Rapport in Service Relationships. *Journal of Service Research*, 3(1), 82-104.
- Gwinner, K. P., Gremler, D. D., & Bitner, M. J. (1998). Relational Benefits in Service Industries: The Customer's Perspective. *Journal of the Academy of Marketing Science*, 26(2), 101-14.
- Hair, J. F., Black, W. C., Babin, B. J., Anderson, R. E., & Tatham, R. L. (2006). *Multivariate Data Analysis*. Upper Saddle River: Prentice Hall.
- Han, T.-S., Chiang, H.-H., & Chang, A. (2010). Employee participation in decision making, psychological ownership and knowledge sharing: mediating role of organizational commitment in Taiwanese high-tech organizations. *The International Journal of Human Resource Management*, 21(12), 2218-2233.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

- He, Y., Li, W., & Lai., K. K. (2011). Service climate, employee commitment and customer satisfaction. *International Journal of Contemporary Hospitality Management*, 23(5), 592-607.
- Hennig-Thurau, T., Gwinner, K. P., & Gremler, D. D. (2002, February). Understanding relationship marketing outcomes: An integration of relational benefits and relationship quality. *Journal of Service Research*, 4(3), 230-247.
- Heung, V. C., & Lam, T. (2003). Customer complaint behavior towards hotel restaurant services. *International Journal of Hospitality Management*, 15(5), 283-9.
- Hirschman, A. O. (1970). *Exit, Voice, and Loyalty: Responses to Decline in Firms, Organizations, and States*. Cambridge: Harvard University Press.
- Holden, M. T., & O'Toole, T. (2004). Affirming Communication's Primary Role in a Manufacturer-Retailer Context. *Journal of Marketing Management*, 20(9/10), 1047-73.
- Hooff, B. v., & de Ridder, J. A. (2004). Knowledge sharing in context: the influence of organizational commitment, communication climate and CMC use on knowledge sharing. *Journal of Knowledge Management*, 8(6), 117-130.
- Hoyer, W. D., Dorotic, M., Krafft, M., & Singh, S. S. (2010). Consumer Co-Creation in New Product Development. *Journal of Service Research*, 13(3), 283-296.
- Iacobucci, D. (2010). Structural equations modeling: Fit indices, sample size, and advanced topics. *Journal of Consumer Psychology*, 20, 90-98.
- Ibragimova, B. (2006). Propensity for knowledge sharing: An organizational justice perspective. *Doctoral Dissertation* (p. 114). University of North Texas: UMI Number: 3227008.
- Javalgi, R. (., Whipple, T. W., Ghosh, A. K., & Young, R. B. (2005). Market orientation, strategic flexibility, and performance: implications for service providers. *The Journal of Services Marketing*, 19(4), 212-221.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

- Jaworski, B. J., & Kohli, A. K. (1993, July). "Market Orientation: Antecedents and Consequences. *Journal of Marketing*, 57, 53-70.
- Karkoulian, S., Harake, N. A., & Messarra, L. C. (2010). Correlates of Organizational Commitment and Knowledge Sharing via Emotional Intelligence: An Empirical Investigation. *The Business Review, Cambridge*, 15(1), 89-96.
- Kashima, Y., & Gallois, a. C. (1993). The Theory of Reasoned Action and Problem-Focused Research. In D. J. Terry, C. Gallois, & M. M. Camish, *The Theory of Reasoned Action: Its Application to Aids-preventive Behaviour* (pp. 207-226). Oxford, U.K.: Pergamon.
- Keng, K. A., Richmond, D., & Han, S. (1995). Determinants of consumer complaint behavior: a study of Singapore consumers. *Journal of International Consumer Marketing*, 8(2), 59-76.
- Kilburn, B., & Cates, T. (2010). Leader behavior: gatekeeper to voluntary upward feedback. *Management Research Review*, 33(9), 900-910.
- Kohli, A. K., & Jaworski, B. J. (1990). Market-orientation: The Construct, Research Propositions, and Managerial Implications. *Journal of Marketing*, 54(1), 1-18.
- Kolodinsky, J. (1995). Usefulness of Economics in Explaining Consumer Complaints. *The Journal of Consumer Affairs*, 29(1), 29-54.
- Kudisch, J. D., Fortunato, V. J., & Smith, A. F. (2006). Contextual and Individual Difference Factors Predicting Individuals' Desire to Provide Upward Feedback. *Group & Organization Management*, 31(4), 503-529.
- Kumar, V., Aksoy, L., Donkers, B., Venkatesan, R., Wiesel, T., & Tillmanns, S. (2010). Undervalued or Overvalued Customers: Capturing Total Customer Engagement Value. *Journal of Service Research*, 13(3), 297-310.
- Lee, M. K., Cheung, C. M., Lim, K. H., & Sia, C. L. (2006). Understanding customer knowledge sharing in web-based discussion boards An exploratory study. *Internet Research*, 16(3), 289-303.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

- Lee, Y.-C. (2006). An empirical investigation into factors influencing the adoption of an e-learning system. *Online Information Review*, 30(5), 517-541.
- Lin, C.-P. (2007). To Share or Not to Share: Modeling Tacit Knowledge Sharing, Its Mediators and Antecedents. *Journal of Business Ethics*, 70, 411-428.
- Lin, C.-P. (2008). Clarifying the Relationship Between Organizational Citizenship Behaviors, Gender, and Knowledge Sharing in Workplace Organizations in Taiwan. *Journal of Business Psychology*, 22, 241–250.
- Liu, Y., Keller, R. T., & Shih, H.-A. (2011, June). The impact of team-member exchange, differentiation, team commitment, and knowledge sharing on R&D project team performance. *R&D Management*, 41(3), 274–287.
- Lovelock, C., Wirtz, J., & Bansal, H. S. (2008). *Services Marketing, Canadian edition*. Toronto: Pearson-Prentice Hall.
- Markos, S., & Sridevi, M. S. (2010, December). Employee Engagement: The Key to Improving Performance. *International Journal of Business and Management*, 5(12), 89-96.
- Melancon, J. P., Noble, S. M., & Noble, C. H. (2011). Managing rewards to enhance relational worth. *Journal of the Academy of Marketing Science*, 39, 341–362.
- Mohr, J., Fisher, R. J., & Nevin, J. R. (1996). Collaborative Communication in Interfirm Relationships: Moderating Effects of Integration and Control. *Journal of Marketing*, 60(3), 103-115.
- Morgan, R. M., & Hunt, S. D. (1994). The Commitment-Trust Theory of Relationship Marketing. *Journal of Marketing*, 58(3), 20-38.
- Narver, J. C., & Slater, S. F. (1990, October). The Effect of a Market Orientation on Business Profitability. *Journal of Marketing*, 54(4), 20-35.
- Nguyen, T. D. (2007). Factors affecting the utilization of the internet by internationalizing firms in transition markets; Evidence from Vietnam. *Marketing Intelligence & Planning*, 25(4), 360-376.
- Oliver, R. L. (1999). Whence consumer loyalty? . *Journal of Marketing*, 63, 33-44.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

- Ostrom, A. L., Bitner, M. J., Brown, S. W., Burkhard, K. A., Goul, M., Smith-Daniels, V., . . . Rabinovich, E. (2010). Moving Forward and Making a Difference: Research Priorities for the Science of Service. *Journal of Service Research*, 1-33.
- Panigyrakis, G. G., & Theodoridis, P. K. (2009). Internal marketing impact on business performance in a retail context. *International Journal of Retail & Distribution Management*, 37(7), 600-628.
- Perugini, M., & Bagozzi, R. P. (2001). The role of desires and anticipated emotions in goal-directed behaviours: Broadening and deepening the theory of planned behaviour. *British Journal of Social Psychology*, 40, 79-98.
- Peters, T. (1988). *Thriving on Chaos*. New York: Harper and Row.
- Price, L. L., & Arnould, E. J. (1999). Commercial Friendships: Service Provider—Client Relationships in Context. *Journal of Marketing*, 63(4), 38-56.
- Price, L. L., Feick, L. F., & Guskey, A. (1995, Fall). Everyday Market Helping Behavior. *Journal of Public Policy & Marketing*, 14(2), 255-266.
- PRWeb. (2010, June 22). *Hall & Partners Launches Engager Model; Announces “Ten Most Engaging Brands in the U.S.”*. Retrieved May 1, 2011, from PRWeb: <http://www.prweb.com/releases/2010/06/prweb4173234.htm>
- Reichheld, F. F., & Sasser, W. E. (1990, September-October). Zero defections: quality comes to service. *Harvard Business Review*, 105-111.
- Robertson, I. T., & Cooper, C. L. (2010). Full engagement: the integration of employee engagement and psychological well-being. *Leadership & Organization Development Journal*, 31(4), 324-336.
- Robinson, N. M. (2010). Treat Customers like Royalty but Ensure the Queen is Happy. *CONSUMER SATISFACTION, DISSATISFACTION AND COMPLAINING BEHAVIOR CONFERENCE PROCEEDINGS 2010*, (pp. 111-131). Chicago, Illinois.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

- Rod, M., & Ashill, N. J. (2010). The effect of customer orientation on frontline employees job outcomes in a new public management context. *Marketing Intelligence & Planning*, 28(5), 600-624.
- Saks, A. M. (2006). Antecedents and consequences of employee engagement. *Journal of Managerial Psychology*, 21(7), 600-619.
- Salegna, G. J., & Goodwin, S. A. (2005). Consumer loyalty to service providers: an integrated conceptual model. *Journal of Consumer Satisfaction, Dissatisfaction and Complaining Behavior*, 18, 51-67.
- Sharma, T. (2008, July). Exploring Linkages Between Employees' Perception of Performance Management Practices, Service Climate and their Customers' Perceptions of Service Quality. *Journal of Applied Management and Entrepreneurship*, 13(3), 47-65.
- Shields, P. (2006). Customer Correspondence: Corporate Responses and Customer Reactions. *Marketing Management Journal*, 16(2), 155-170.
- Siguaw, J. A., Gene, B., & Widing, R. (1994). The Influence of the Market Orientation of the Firm on Sales Force Behaviour and Attitudes. *Journal of Marketing Research*, 31(February), 106-116.
- Singh, J. (1990, Spring). A Typology of Consumer Dissatisfaction Response Styles. *Journal of Retailing*, 66, 57-99.
- Slama, M., D'Onofrio, M., & Celuch, K. (1993). Consumer complaint behaviours of market mavens. *Journal of Consumer Satisfaction, Dissatisfaction, and Complaining Behaviour*, 6, 176-81.
- Slater, S. F., & Narver, J. C. (1999, Dec). Research notes and communications: Market-oriented is more than being customer-led. *Strategic Management Journal*, 20(12), 1165-1168.
- Slater, S. F., & Narver, J. C. (2000). The Positive Effect of a Market Orientation on Business Profitability: A Balanced Replication. *Journal of Business Research*, 48, 69-73.
- Sommers, M., & Barnes, J. (2007). *Marketing, 11th edition*. McGraw-Hill-Ryerson Publishing.



## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

- Soper, D. (2006). *Statistical Calculators*. Retrieved 04 24, 2013, from DanielSoper.com: <http://www.danielsoper.com/statcalc3/calc.aspx?id=89>
- Sousa, K. J. (2003). Factors Influencing the Adoption of Electronic Business in the Purchasing Activities within an Organization using an Extended Technology Acceptance model. *University of Rhode Island*, 184.
- Sundaram, D., Mitra, K., & Webster, C. (1998). Word-of-Mouth Communications: A Motivational Analysis. *Advances in Consumer Research*, 25(1), 527-531.
- Tajudeen Shittu, A., Madarsha Basha, K., AbdulRahman, N. S., & Badariah Tunku Ahmad, T. (2011). Investigating students' attitude and intention to use social software in higher institution of learning in Malaysia. *Multicultural Education & Technology Journal*, 5(3), 194-208.
- Tohidinia, Z., & Mosakhani, M. (2010). Knowledge sharing behaviour and its predictors. *Industrial Management + Data Systems*, 110(4), 611-631.
- van Doorn, J., Lemon, K. N., Mittal, V., Nass, S., Pick, D., Pirner, P., & Verhoef, P. C. (2010). Customer Engagement Behavior: Theoretical Foundations and Research Directions. *Journal of Service Research*, 13(3), 253-266.
- Verhoef, P. C. (2003). Understanding the Effect of Customer Relationship Management Efforts on Customer Retention and Customer Share Development. *Journal of Marketing*, 67(4), 30-45.
- Verhoef, P. C., Reinartz, W. J., & Krafft, M. (2010). Customer Engagement as a New Perspective in Customer Management. *Journal of Service Research*, 13, 247-252.
- Volkov, M., Harker, D., & Harker, M. (2005). Who's complaining? Using MOSAIC to identify the profile of complainants. *Marketing Intelligence & Planning*, 23(2/3), 296-312.
- Voorhees, C. M., & Brady, M. K. (2005, November). A Service Perspective on the Drivers of Complaint Intentions. *Journal of Service Research*, 8(2), 192-204.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

- Walsh, G., Gwinner, K. P., & Swanson, S. R. (2004). What makes mavens tick? Exploring the motives of market mavens' initiation of information diffusion. *The Journal of Consumer Marketing*, 21(2/3), 109-122.
- Walz, A. M., & Celuch, K. G. (2010). The Effect of Retailer Communication on Customer Advocacy: The Moderating Role of Trust. *Journal of Consumer Satisfaction/Dissatisfaction and Complaining Behavior*, 23, 95-110.
- Yi, M. Y., Jackson, J. D., Park, J. S., & Probst, J. C. (2006). Understanding information technology acceptance by individual professionals: Toward an integrative view. *Information & Management*, 43 , 350–363.

ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

**Appendix 1: Measures**

Variable	Items	Sources	Questionnaire
Intention to provide feedback	6	(Celuch, Robinson, & Walz, 2011)  (Holden & O’Toole, 2004)  (Mohr, Fisher, & Nevin, 1996)	I would compliment the organization.  I would complain to the organization.  I would share my positive thoughts and feelings about _____’s products and services with the organization or its employees.  I would share my negative thoughts and feelings about _____’s products and services with the organization or its employees.  I would share an idea for a new products or service.  I would suggest changes for products or services.
Attitude toward providing feedback	4	Perugini & Bagozzi (2001)  Kilburn and Cates (2010)	foolish – wise  unpleasant – pleasant  unenjoyable – enjoyable  bad – good
Subjective norms to providing feedback	4	Tohidinia & Mosakhani (2010)	It is expected of me by my friends and family that I share my feedback.  People who are important to

ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

			<p>me think that I should share my feedback.</p> <p>My friends and family whose opinions I value would approve of my sharing feedback.</p> <p>My family and friends who influence my behaviour think that I should share my feedback.</p>
Altruism	5	Price, Feick, & Guskey (1995)	<p>It is important to me to help other people.</p> <p>It is important to me to serve mankind</p> <p>It is important to me to share what you have</p> <p>It is important to me to give to others</p> <p>It is important to me to be unselfish</p>
Perceived ease of providing feedback	4	Calisir, Gumussoy, & Bayram (2009)  Cyr & Choo (2010)	<p>Providing this feedback would require a lot of effort. (R)</p> <p>I find the feedback process easy.</p> <p>I am ready to spend the time and energy required to provide feedback to this organization.</p> <p>I find that the process of providing feedback is straightforward.</p>

ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

Perceived usefulness of feedback	4	Tohidinia and Mosakhani (2010)  Cyr and Choo (2010)	My feedback could help solve organization problems.  My feedback could create new business opportunities for the organization.  My feedback could help people in the organization.  My feedback could benefit the organization
Perceived rewards associated with feedback process	5	Tohidinia and Mosakhani (2010)  Saks (2006)  Hennig-Thurau, Gwinner, and Gremler (2002)	I will receive a reward or token of appreciation (coupon, discount, get something free) in return for my feedback to the organization.  I will be publically recognized for providing feedback to the organization (on their website, in a newsletter, in the media).  I will be personally praised for providing feedback to the organization.  I will gain the organization's respect for providing feedback to the organization.  I will get special treatment from the organization for providing feedback.
Affective commitment	3	(Celuch, Walz, & Robinson, 2012),	I feel proud to be a _____ customer.  I care about the long-term

ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

		<p>(Verhoef, Reinartz, &amp; Krafft, 2010)</p> <p>(Garbarino &amp; Johnson, 1999)</p>	<p>success of _____.</p> <p>I feel guilty if I visit competitors.</p> <p>I remain a customer because I feel an attachment to _____.</p>
Perceived customer orientation	5	Narver and Slater (1990)	<p>I believe customers are important to the organization.</p> <p>I believe the organization understands customer needs.</p> <p>The organization's product and services are driven by customer satisfaction.</p> <p>The organization asks its customers if they are satisfied.</p> <p>The organization is still interested in its customers after the sale.</p>

### Appendix 2: Survey

Customer feedback: the missing link in understanding customer engagement to accelerate firm improvements and innovation? A study of what makes customers more likely to provide feedback to a firm

#### Informed Consent Document

You are invited to participate in a research study to help understand what affects consumers' willingness to provide feedback to an organization. This study is being conducted as dissertation research by Nadine Robinson a doctoral student of Dr. Kevin Celuch the Blair Chair of Business Science, Professor of Marketing. Dr. Celuch can be reached by [kceluch@usi.edu](mailto:kceluch@usi.edu). For questions about your rights as a research participant or to discuss problems, complaints or concerns about a research study, or to obtain information, or offer input, contact the University of Southern Indiana **Office of Sponsored Projects and Research Administration**, 8600 University Blvd., Wright Administration Rm. 104, Evansville, IN 47712-3596, **812-465-7000** or by email at [rcr@usi.edu](mailto:rcr@usi.edu). We ask that you read this form and ask any questions you may have before agreeing to be a part of the study.

**PURPOSE:** The purpose of this study is to understand what affects consumers' willingness to provide feedback to an organization, in this case what affects students' willingness to provide feedback to USI. The dissertation title is: *Customer feedback: the missing link in understanding customer engagement to accelerate firm improvements and innovation? A study of what makes customers more likely to provide feedback to a firm.*

**PROCEDURES:** If you agree to be in the study, you will sign the consent form and fill out the survey in its entirety (only completed surveys can be used for data tabulation). You will be given time to complete the survey in class.

**TIME COMMITMENT:** Your participation in this study should take less than 15 minutes.

**RISKS AND BENEFITS:** The risks of taking part in this study are very minimal. There is no treatment or physical testing of any sort. This is a survey asking questions about your attitudes and intentions towards providing feedback to an organization. To reduce risks further, survey content comes from validated previous research, the survey questions are like those from validated previous research, all of which have been approved by USI's Institutional Review Board or other institution's review boards. The benefits of taking part in this study are: participants will have a chance to reflect on their cognitive and behavioral processes where it comes to providing feedback to organizations. Also, USI administration will receive the results and as such your anonymous, completed, questionnaire can have an impact on USI.

**CONFIDENTIALITY:** Participant survey data will be coded with unique IDs to maintain respondent confidentiality and anonymity. There is no mechanism to associate a survey response with any respondent.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

**COMPENSATION:** No compensation is offered.

**VOLUNTEERING FOR THE STUDY:** Taking part in this study is voluntary. You may choose not to take part or may leave the study at any time. Leaving the study will not result in any penalty or loss of benefits to which you are entitled. Your decision whether or not to participate in this study will not affect your current or future relations with the investigator(s).

**ALTERNATIVES TO TAKING PART IN THE STUDY:** The alternatives are to take part in the study or not.

**PARTICIPANT'S CONSENT:** I have read the information provided to me. I have had all of my questions answered. Based on the statements listed above, completing the survey constitutes my consent to participate in this research study.

**Only fully completed surveys are usable by the researcher, so we thank you in advance for your time and your best efforts in completing the entire survey! 😊**

*Nadine Robinson*

*Doctoral Student, Athabasca University*

&

*Dr. Kevin Celuch*

*Blair Chair of Business Science, Professor of Marketing*



# ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

## Introduction

---

Participation in this short survey will not only help a doctoral student help complete her dissertation, but will also provide you an opportunity to give your opinion on the feedback process at the University of Southern Indiana (USI). The administration will receive the aggregated results of this survey and as such your completed questionnaire, combined with the others', can have an impact on USI. Results from this research also have the potential to help organizations gain a competitive advantage in terms of their customer orientation. It should take less than 15 minutes to complete. Your participation is voluntary and your responses will remain anonymous. Only fully completed surveys are usable by the researcher, so we thank you in advance for your time and your best efforts in completing the survey! 😊

Consumer feedback to an organization can be positive or negative. It can be a complaint, a compliment, an idea for a new product or service, or a suggestion to improve a product or service. In this survey, when you are asked about feedback, it is specifically relating to providing feedback to an organization as a consumer.

### With regard to providing feedback to organizations as a consumer:

---

Please indicate your opinion of the following statements by circling the number that best represents your views based on the following four pairs of words in relation to the statement beside them.

	Foolish				Wise
1. Providing feedback to an organization is:	1	2	3	4	5

	Unpleasant				Pleasant
2. Providing feedback to an organization is:	1	2	3	4	5

	Unenjoyable				Enjoyable
3. Providing feedback to an organization is:	1	2	3	4	5

	Bad				Good
4. Providing feedback to an organization is:	1	2	3	4	5

Please indicate your level of disagreement or agreement with each of the following statements by circling the number that best represents your views about each statement.

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
5. It is expected of me by my friends and family that I share my feedback with organizations.	1	2	3	4	5
6. People who are important to me think that I should share my feedback with organizations.	1	2	3	4	5
7. My friends and family whose opinions I value would approve of my sharing feedback with organizations.	1	2	3	4	5
8. My family and friends who influence my behaviour think that I should share my feedback with organizations.	1	2	3	4	5

ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

**With regard to providing feedback to the relevant USI department, group, or person:**

**Please circle the number that best represents your views about each statement.**

	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
9. I would give a compliment to USI if I had reason to.	1	2	3	4	5
10. I would complain to USI if I had reason to.	1	2	3	4	5
11. I would share my positive thoughts and feelings about USI with the organization or its employees.	1	2	3	4	5
12. I would share my negative thoughts and feelings about USI with the organization or its employees.	1	2	3	4	5
13. I would share a new idea with USI.	1	2	3	4	5
14. I would suggest changes for USI.	1	2	3	4	5
15. Providing feedback to USI would require a lot of effort.	1	2	3	4	5
16. I find the USI feedback process easy.	1	2	3	4	5
17. I am ready to spend the time and energy required to provide feedback to USI.	1	2	3	4	5
18. I find that the process of providing feedback to USI is straightforward.	1	2	3	4	5
19. My feedback could help solve organizational problems at USI.	1	2	3	4	5
20. My feedback could create improvements or new opportunities for USI.	1	2	3	4	5

ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

21. My feedback could help people in the organization.	1	2	3	4	5
22. My feedback could benefit USI.	1	2	3	4	5
23. My feedback could help other students.	1	2	3	4	5
24. I will receive a reward or token of appreciation in return for my feedback to USI.	1	2	3	4	5
25. I will be publically recognized for providing feedback to USI.	1	2	3	4	5
26. I will be personally praised for providing feedback to USI.	1	2	3	4	5
27. I will gain USI's respect for providing feedback to them.	1	2	3	4	5
28. I will get special treatment from USI for providing feedback.	1	2	3	4	5

ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

**With regard to your thoughts and feelings about USI:**

**Please circle the number that best represents your views about each statement.**

	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
29. I feel proud to be a USI student.	1	2	3	4	5
30. I care about the long-term success of USI.	1	2	3	4	5
31. I would prefer not to take courses at another college.	1	2	3	4	5
32. I remain a student because I feel an attachment to USI.	1	2	3	4	5
33. I believe students are important to USI.	1	2	3	4	5
34. I believe USI understands student needs.	1	2	3	4	5
35. USI's programs and services are driven by student satisfaction.	1	2	3	4	5
36. USI asks its students if they are satisfied.	1	2	3	4	5
37. USI is still interested in its students after they register for courses.	1	2	3	4	5

## ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

**Please provide us some additional information about yourself:**

	Strongly Disagree	Disagree	Neither agree nor disagree	Agree	Strongly Agree
38. It is important to me to help other people.	1	2	3	4	5
39. It is important to me to serve mankind.	1	2	3	4	5
40. It is important to me to share what you have.	1	2	3	4	5
41. It is important to me to give to others.	1	2	3	4	5
42. It is important to me to be unselfish.	1	2	3	4	5

... continued on the next page

ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

Please circle one of the choices provided, or fill in the blank, for the following questions. For Questions 51e and 52 please circle all that apply.

43. College Standing:

Freshman    Sophomore    Junior    Senior    Master's    Other

44. Type of Student:    Full-time Student    Part-time Student

45. Major: \_\_\_\_\_

46. Gender:    Male    Female

47. Age: \_\_\_\_\_

48. Have you ever provided a compliment to a department, group, or person at USI?    Yes    No

49. Have you ever complained to a department, group, or person at USI?    Yes    No

50. Have you ever given an idea to a department, group, or person at USI?    Yes    No

51. If you answered YES to ANY of questions 48, 49, or 50, please answer the next five questions. If not, please skip to question 52.

51a. Did you expect an answer from USI?    Yes    No

51b. Did you receive an answer from USI?    Yes    No

51c. Did you expect something to be done or changed based on your feedback?    Yes    No

51d. Was something done or changed based on your feedback?    Don't know    Yes    No

51e. What modes have you used to provide feedback to a department, group, or person at USI?

Circle all that apply.    web form    telephone    email    Facebook    face-to-face

52. If you answered NO to ALL of questions 48, 49, and 50, how would you most like to provide your feedback to a department, group, or person at USI?

Circle all that apply.    web form    telephone    email    Facebook    face-to-face

ANTECEDENTS OF FEEDBACK IN THE SERVICES SECTOR

53. Which of the following type of feedback are you most likely to give to an organization? Circle one.

complaint    compliment    new product or service idea    suggestion to improve product or service

54. What would make you more likely to provide feedback to USI?

---

---

---

---

You're done! A sincere thank you for completing this survey!



Appendix 3: Ethics Approval

MEMORANDUM

---

**DATE:** September 26, 2012

**TO:** Ms. Nadine Robinson

**COPY:** Dr. Kay Devine (Research Supervisor)  
Ms. Janice Green, Secretary, Athabasca University Research Ethics Board  
Dr. Simon Nuttgens, Chair, Athabasca University Research Ethics Board

**FROM:** Dr. Mihail Cocosila, Faculty of Business Research Ethics Review Committee

**SUBJECT:** Ethics Proposal # FB-12-10R: *Customer feedback: the missing link in understanding customer engagement to accelerate firm improvements and innovation? A study of what makes customers more likely to provide feedback to a firm*

I am pleased to advise that the above-noted project has been awarded **APPROVAL** on ethical grounds. This approval of your application will be reported to the Athabasca University Research Ethics Board (REB) at their next monthly meeting. There are, however, several minor revisions requested to this application prior to filing and reporting to the Athabasca University REB. Please address these revisions and resubmit the application before starting the research.

**The approval for the study “as presented” is valid for a period of one year from the date of this memo.** If required, an extension must be sought in writing prior to the expiry of the existing approval. **A Final Report is to be submitted when the research project is completed.** The reporting form can be found online at <http://www.athabascau.ca/research/ethics/>.

As implementation of the proposal progresses, if you need to make any significant changes or modifications, please forward this information immediately to the CIM Research Ethics Review Committee via [mihailc@athabascau.ca](mailto:mihailc@athabascau.ca) for further review. We wish you all the best with your research. If you have any questions, please do not hesitate to contact me.

Best wishes for your timely completion of this very interesting research project.

Mihail Cocosila, PhD  
Associate Professor  
Chair, Research Ethics Review Committee  
Faculty of Business  
Athabasca University  
E-mail: [mihailc@athabascau.ca](mailto:mihailc@athabascau.ca)

**FB Research Ethics Review Committee**

(A Sub-Committee of the Athabasca University Research Ethics Board)

**Revisions required for final approval**

B1-2 Please provide more insight into the literature you are drawing from and the research significance of your project. We usually expect a minimum of 3 paragraphs here to justify the importance of the study and how your work draws from and contributes to the research area. Some references are also expected.

B1-6 Please provide a list of all references used in the application (including those the theoretical constructs and measurements were adapted from).

**FB Research Ethics Review Committee**

(A Sub-Committee of the Athabasca University Research Ethics Board)