

**There's a Fly in my Soup:
The Influence of Service Guarantees and Personal Requests on Customer Voice**

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Abstract

Anecdotal evidence suggests that service guarantees and personal requests by service workers encourage customers to voice following failure. However, empirical support for these tactics in facilitating complaints to the organisation is limited. To address this deficiency, a 3 (guarantee treatment: none, unconditional or combined) x 2 (personal request to voice: yes or no) x 2 (failure severity: minor or major) full factorial, between-subjects experiment was conducted in a restaurant context. Findings suggest that offering a service guarantee, regardless of whether it is unconditional or combined, can encourage voice. Severity of the failure was also found to be associated with voice. Surprisingly, however, a personal request to voice was not related to customers' voice intentions. Implications of the findings are discussed.

Keywords: customer complaint behavior, service guarantees, service workers, service failure severity

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Introduction

Voice refers to the use of verbal means to complain by customers directing their complaints to the organisation (Singh, 1988). It is the only type of customer complaint behaviour that is beneficial for organisations since it provides them with the opportunity to rectify customer problems and to retain them (Colgate and Norris, 2001). It has been suggested that service guarantees can be used to encourage voice following service failure (Hart, 1988; Ostrom and Iacobucci, 1998; Spreng, Harrel, and Mackoy, 1995; Wirtz, 1998). This is because the promise of a payout and/or that the service will be reworked increases customers' beliefs that their voice will have positive outcomes, thereby increasing the likelihood of voice. The only study that has examined this association empirically, however, found that neither an unconditional guarantee (i.e., covering the core offering of a service and its delivery) or an attribute-specific guarantee (i.e., covering a single or multiple service attributes) positively influenced customer voice (McColl, Mattsson, and Morley, 2005). Based on these findings that suggest customers' awareness of the existence of a service guarantee is, on its own, inadequate to encourage voice, we argue that additional evidence of an organisation's commitment to service recovery, i.e., a personal request to voice that links the guarantee to improvements in the restaurant's performance, is necessary to increase voice. As such, the current study tests the influence of two types of guarantees (unconditional and combined, i.e., a guarantee that contains not only a full satisfaction clause, but also more concrete promises), plus the absence of a guarantee on voice, in addition to a personal request to voice by the service worker. These tactics are assessed across service failures of varying severity.

Hypotheses Development

A major barrier to effective service recovery is that many customers are averse to voicing their complaints to the organisation (Harari, 1992; Tax and Brown, 1998). The negative consequences that ensue when customers are unwilling to air their grievances include reduced market share and more costly defensive marketing strategies (Fornell and Wernerfelt, 1987). Therefore, organisations are encouraged to employ tactics to facilitate voice. Organisations that support voice may experience various benefits, including customer loyalty (Dubé, Belanger, and Trudeau, 1996), improved service design and delivery (Marquis and Filiatrault, 2002), and reduced customer negative word of mouth and switching behaviour (Solnick and Hemenway, 1992).

It has been suggested that service guarantees encourage voice for several reasons: 1) the promise of a payout strengthens the customer's belief that voice will result in a positive outcome (Wirtz, 1998); 2) guarantees set up a mechanism for customers to voice easily via

invocation of the guarantee (Hart, 1993); and 3) any confrontation with service personnel in regard to service standards or the appropriateness of compensation is avoided. All of these factors combine to create a more conducive environment for voice (Wirtz, 1998). An unconditional service guarantee encapsulates the core offering (e.g., a meal in a restaurant) of a service, and its delivery (e.g., friendly staff, or prompt service). It promises to totally satisfy customers or they are entitled to a full refund (Hart, Schlesinger, and Maher, 1992). Researchers have suggested that this type of guarantee is inherently ambiguous as the assessment of service quality is highly judgmental (McDougall, Levesque, and VanderPlaat, 1998; Wirtz and Kum, 2001). For example, customers may have questions such as, "What does full satisfaction mean?" (Wirtz and Kum, 2001). To address this problem, Wirtz and Kum (2001) introduced the combined guarantee that contains not only a full satisfaction clause, but also more concrete promises, such as on-time delivery. It is anticipated that a combined guarantee will give customers greater confidence that the organisation will stand behind its service promises, resulting in increased likelihood of voice following a service failure. Therefore, the following hypothesis is proposed:

H₁: Customers' awareness of a combined guarantee is positively associated with their intentions to voice following service failure.

Although service personnel play an integral role in receiving and responding to customer voice, there appears to be little research that has specifically addressed this role (see, for exception, DeWitt and Brady, 2003; Luria, Gal, and Yagil, 2009). Within the restaurant context, a common approach to complaint elicitation is for restaurant staff to ask customers, "Was everything okay with your meal?" This suggests that the service worker is open to feedback, and should a problem be reported, it allows for it to be corrected in real time. Given the common application of this approach in the restaurant context in practice, it is surprising that the effectiveness of this approach to encourage customer voice has not been examined empirically. Therefore, we advance the following hypothesis:

H₂: A personal request to voice made by the service worker is positively associated with customers' intentions to voice following service failure.

Service failures range in severity from minor to major (McDougall and Levesque, 1998). Major failures result in greater psychological costs, time wastage, inconvenience, and frustration (Smith, Bolton, and Wagner, 1999). Customers are more likely to engage in complaining, including voice, following a major failure (Richins, 1987; Singh and Wilkes, 1996). Minor failures, on the other hand, may deter customers from voicing. Full, money-back compensation may be perceived by customers as being excessive to counteract minor problems (Hart, Heskett, and Sasser, 1990). Surprisingly, most experimental studies have not manipulated failure severity (Weun, Beatty, and Jones, 2004). The influence of failure severity on voice has not been examined empirically in a guarantee context. As such, the following hypothesis is advanced:

H₃: Major service failure is positively associated with customers' intentions to voice.

Research Method and Preliminary Analysis

The study employed a 3 (guarantee treatment: none, unconditional or combined) x 2 (personal request to voice: yes or no) x 2 (failure severity: minor or major) full factorial, between-subjects experimental design using scenarios. Experimentally-generated scenarios enable the inclusion of a representative set of service failure and voice facilitated situations (Smith, Bolton, and Wagner, 1999) and they also enhance internal validity because they control for how respondents perceive the independent variables (Cooper and Emery, 1995). Subjects were asked to imagine that they were the person depicted in the scenario and to think about how they would have felt and what they would have done. The unconditional guarantee promised “100% satisfaction or your money back”, while the combined guarantee also included the following statement, “If you encounter a problem, big or small, with any of the following: the quality of your meal; the range of menu items available; the time taken to serve your meal; the restaurant’s ambience, or the service provided by our staff, please let us know immediately and we will NOT CHARGE you for your meal.” Customers experienced either a minor or major failure directly attributable to the restaurant. The manipulations for failure severity and personal request to voice were achieved by altering the scenario descriptions:

Minor failure: *When the waiter arrives some five minutes later, you both order a main meal and drinks. Both meals arrive within 15 minutes; however, your meal is slightly over-cooked.*

Major failure: *It is 15 minutes before a waiter approaches your table to take your order at which time you both order a main meal and drinks. The waiter returns shortly with your drinks and you continue to wait patiently for your food. The waiter never returns to refill your glasses. Approximately 30 minutes later your meal arrives, and you are advised that your friend’s meal will be delivered shortly. You decide to wait to eat until your friend receives her meal that arrives some 10 minutes later. By this time your meal is cold. Your friend comments that her meal appears over-cooked. You decide to finish your meals with a dessert, and you both choose a different dessert from the menu. The waiter advises you that the restaurant is out of the dessert that you have chosen.*

Personal request to voice: *The host returns to your table to issue your bill and kindly asks how everything was. He stresses that the restaurant genuinely values customer feedback, and goes on to explain that it uses customer complaints to identify problem areas and constantly improve its service. It is clear that the host does not want you to leave disappointed, and hopes that you will come back again soon.*

Students at an Australian university were utilised as the sampling frame for the pilot and main study. The scenarios were initially pilot tested on a convenience sample of 126 postgraduate students. To ensure that the personal request to voice manipulation worked as intended, respondents were required to answer yes or no to the question, “The host enquired as to whether the guest had any problems.” In three cases, this question was answered incorrectly and these cases were excluded from further analysis. To test the guarantee

manipulation, subjects indicated their agreement with the statement, “The guarantee included examples of problems that it would cover.” An independent-samples *t*-test revealed a difference between the unconditional ($M = 3.07$, $SD = 1.88$) and combined guarantee conditions [$M = 5.49$, $SD = 1.59$; $t(79) = -6.23$, $p = .000$]. A guarantee manipulation check question was not used in the “none” (no guarantee) condition. To ensure that the failure severity manipulation was perceived as intended, subjects rated the severity of the failure on a three-item, seven-point semantic differential scale (Maxham III and Netemeyer, 2002). An independent-samples *t*-test revealed a difference between the minor ($M = 3.12$, $SD = 1.35$) and major failure severity conditions [$M = 5.64$, $SD = 1.02$; $t(120) = -11.426$, $p = .000$]. Scenario realism was evaluated using five items developed by Wilson and McNamara (1982). A reported mean of 5.78 (on a 1-7 scale) confirmed that subjects found the service encounter to be realistic and were able to adopt the role of the customer. Voice intentions were measured using five items adapted from Singh (Singh, 1988) and Liu and McClure (Liu and McClure, 2001). As researchers have suggested that customer evaluations of service encounters may be influenced by their attitude toward complaining (Bitner, 1990; Singh, 1988; Smith, Bolton, and Wagner, 1999; Tax, Brown, and Chandrashekar, 1998), this construct was included as a covariate in the ANOVA analysis. It was measured using eight items taken from Richins (1982), Singh (1990) and Moorman (1998). For the main study phase, 392 questionnaires were administered. The following cases were removed: cases with incomplete responses (25), cases in which the response to the “personal request to voice” manipulation check was incorrect (8). Following the removal of one univariate outlier and 10 multivariate outliers, 348 usable responses remained. Confirmatory factor analysis was used to test the validity of the voice and attitude toward complaining constructs. The measurement model was found to fit the data adequately (chi-square = 93.46 [df = 34], $p = 0.00$, GFI = 0.95, NF1 = 0.95, CFI = 0.97, and RMSEA = 0.07) following the deletion of one item that measured voice and two items that measured attitude toward complaining. Composite reliability and average variance extracted (AVE) were calculated per construct, all of which were found to be above the 0.5 level recommended (Fornell and Larcker, 1981), with the exception of the AVE for attitude toward complaining that was 0.47, and thus its convergent validity is questionable. The constructs were considered to have adequate discriminant validity, as the square root of the AVE value for each construct was larger than the correlation between them (Hulland, 1999).

Main Study Results and Discussion

Of the 348 usable responses, 53 per cent of respondents were male and 47 per cent were female, 56 per cent were aged between 18 to 24 years and 29 per cent were aged between 25 to 34 years. A three-way between-groups ANOVA revealed a main effect for guarantee on voice ($F(2, 348) = 5.86$, $p = .003$; partial eta-squared = .03). Post-hoc comparisons using the Tukey HSD test indicated that the mean score for the no guarantee group ($M = 4.02$, $SD = 1.46$) was different from the unconditional guarantee group ($M = 4.57$, $SD = 1.58$) and the combined guarantee group ($M = 4.61$, $SD = 1.60$). There was no difference between the unconditional and combined guarantee groups. Analysis also revealed a main effect for

failure severity on voice ($F(1, 348) = 37.90, p = .000$; partial eta-squared = .10). The main effect indicated that a major service failure, as opposed to a minor failure, resulted in higher intentions to voice ($M = 4.88, SD = 1.47$ versus $M = 3.89, SD = 1.50$). No main effect for personal requests on customer voice was found ($F(1, 348) = .65, p = .419$).

In contrast to the findings of McColl, Mattsson, and Morley (2005), our results suggest that offering a service guarantee, regardless of it being unconditional or combined, does encourage voice. This suggests that restaurants can use service guarantees — unconditional or combined are equally effective — as a tool to elicit customer complaints. McColl et al.'s (2005) contrary findings are possibly due to measurement issues, e.g., a single item was used to measure voice intentions. Our additional tactic for encouraging voice, a personal request to voice by the service worker, was, surprisingly, not found to be associated with customers' voice intentions, despite it being a method that is commonly applied in practice in the restaurant context. Perhaps customers feel embarrassed or guilty to voice following a benevolent request to do so. Alternatively, such a request may simply be perceived as a courtesy that neither party sees as a genuine appeal for negative feedback (Jones, McCleary, and Lepisto, 2002). Further, customers might perceive such requests by wait staff as overly intrusive, or they may not believe that their complaint will reach the manager of the restaurant when made informally, that is orally to wait staff, particularly if the complaint pertains to such staff (Luria, Gal, and Yagil, 2009). This finding reinforces the challenges facing organisations in encouraging customers to voice. Finally, failure severity was found to have the strongest effect on customer voice, suggesting that organisations need to try to prevent major failures where possible.

Caution needs to be exercised in generalising the findings beyond the restaurant context. Specifically, the scenarios related to a table service restaurant, so it would be interesting to see if the findings hold in a different restaurant context, such as fast food. The primary weakness of scenarios relates to external validity; overly simplistic models may fail to capture important aspects of reality (Davis, Eisenhardt, and Bingham, 2007). Although student samples raise questions about the external validity of the results, Craighead et al. (2004) argued that the experience of students is likely to be similar to that of other consumers with respect to service failures.

To extend the generalisability of the findings, future research might seek to replicate the current study in other contexts where service guarantees are offered. Including greater variability in the measurement of failure severity by using three levels (low, medium and high) would further develop research in this field. In addition, service failures could be manipulated on the basis of locus, controllability and stability attributions (Weiner, 1986). For example, if a failure is deemed beyond the organisation's control, consumers may be less inclined to voice their displeasure to the service provider. Finally, future research could examine other ways of encouraging customer complaints in a restaurant context. In respect to guarantees, it would be valuable to assess the effectiveness of invocation forms placed on tables in restaurants in improving this tool's effectiveness in encouraging voice. In addition, the usefulness of brochures, signage, promotional items, and electronic communication as devices to stimulate customer awareness of service guarantees and to encourage voice in the event of a service failure could also be examined.

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