CHAPTER 4

Hospitality customers: their roles in service blueprints

Bonnie Farber Canziani

Director, Hospitality and Tourism Management
Department of Recreation, Tourism, and Hospitality Management
University of North Carolina Greensboro

Introduction

A number of business disciplines have built theory that describes the relationship of an organization with its customers. From a marketing perspective, the customer is a source of earnings, market intelligence or word-of-mouth promotion; hospitality managers can benefit by understanding the manipulable dimensions of consumer behaviour that suggest directions for firm strategy. From the viewpoint of organizational theorists, the customer is an environmental partner who impacts structure, division of labour, human resources and other policies. Traditional operations management views the customer as the source of demand triggering desired levels of production, as a trading partner in the supply chain impacting the throughput rate, and as a source of operational uncertainty.

More recently, research has examined how customer participation in an operation impacts firm productivity and profitability and how uncertainty may be reduced by appropriate task assignment and supervision of customer roles in business organizations. The insertion of the customer into the hospitality service delivery system is of particular interest and to this end we explore the progress which has been made toward understanding how exactly the customer and the hospitality firm commingle to achieve their goals. Drawing upon an integrated literature base, a framework for managing customer participation in the hospitality firm is presented. This may assist future research on the significant roles performed by customers and provides insight into related tactical issues that require managerial attention in hospitality operations. The chapter begins by examining how customers engage in relations with hospitality firms – to set the stage for understanding how what customers do (their participation in the organizational system) impacts the hospitality operation and ultimately the customer's own perception of service.

The customer–hospitality firm relationship

Customers have relationships with hospitality firms at multiple levels of analysis, such as

(a) with the general industry or field of interest, e.g. *a customer seeking hotel rooms who includes Marriott in the potential choice list*;
(b) with a firm, e.g. *a member of Marriott's hotel reward program*;
(c) with a firm's sub-units, e.g. *a Marriott at Greensboro Airport hotel guest*; or

(d) with employees or agents of the firm, e.g. *Marriott customer in the process of interacting with a Marriott employee*.

In this chapter, the focus is on customers' relations with the organizational and operational systems in a hospitality firm rather than on their relationships with the more generalized hospitality industry or with any firm's individual employees.[1] There are several driving forces in the hospitality industry that create an environment where customers and hospitality firms are likely to increase their interaction with each other; these include the organizational technology inherent in hospitality business, the push for continuous quality initiatives and investment in customer relationship management (CRM) technology.

Table 4.1 summarizes the many ways used to describe various types of customer–firm relations in business research. Customer relations with hospitality firms generally are construed as requiring some type of contact or transaction to occur between an organization and its customers. However, the term *contact* has multiple meanings. *Contact* can relate to employee sales calls directed to clients (Kestnbaum et al. 1998), to dyadic service encounters between *contact* employees and their customers (Solomon et al. 1985) or to Chase and Tansik's (1983) notion that firms can be contrasted as high contact or low contact on the delivery mode and frequency of interaction required by their core technologies. This latter concept of contact is significant to understanding customer relations because it suggests that the primary organizational technology found in an industry can impact how customers are expected to (or expect themselves to) interact with firms in that industry.

Long-linked technology historically drives firms to buffer the technical core from the environment by decoupling low-contact and high-contact organizational units and developing certain employees as *contact* specialists who serve as boundary coordinators. *Mediating technologies* are those where service firms e.g. real estate agents connect external clients or agents to each other. *Intensive service* technologies (most common in the hospitality field) require face-to-face communication or frequent feedback from clients and result in operational personnel increasing their boundary spanner roles (Aldrich and Herker 1977). In the hospitality sector, customers are often inseparable from the core technology of the firm. In hospitality services, organizational work is affected by the presence of customers, since many hospitality firms deal with unique client

[1] See also Chapter 6.

Table 4.1 Common descriptors of the customer–firm relationship

Term	Definition
Attachment	Customer dedication, commitment, productivity, and affective response to a company (Ulrich et al. 1991; Ball and Tasaki 1992)
Contact	Ranges from high (face-to-face communication or required presence of the customer during the service production) to low (customer kept away from core personnel and operations) (Chase and Tansik 1983)
Encounter	Dyadic interaction between a service employee and a customer (Solomon et al. 1985) or single customer–server interaction where neither expects future interaction (Gutek et al. 1999)
Interaction	A communication process leading to exchange (Booms and Nyquist 1981)
Loyalty	Retention or brand loyalty measured as spending or usage behaviour (Guest 1964). Affective loyalty equivalent to attachment as defined above (Fournier 1998)
Participation	Absorbing the customer into the service firm to reduce input uncertainty and maximize efficiency (Bowen and Jones 1986; Eiglier and Langeard 1977). Self-service is an extreme form of participation (Bateson 1985; Dabholkar 1996; Walker and Craig-Lees 1999)
Transaction	Game or exchange between persons to minimize costs and maximize gains (Bowen and Jones 1986; Dsouza and Jaykumar 1995)

requirements as well as mandatory client presence at the time of service production. It is in the hospitality firm that there is most evidence of line personnel and clients physically in contact with each other, coordinating tasks and exchanging information in the processing of client needs (Mills et al. 1983).

Moving from customer contact to customer participation

Understanding the idea of customer contact is not enough to fully grasp the impact of customers on a hospitality organization. We need to investigate more deeply the role of customers in the hospitality service blueprint. Customers represent human capital (Lepak and Snell 1999) for a hospitality firm. Customer intelligence must be tapped to achieve relevant organizational learning (Huber 1991; Crossan et al. 1999) and customer skill may be viewed as core rather than peripheral assets (Barney 1991). Successful strategies procuring customer feedback have traditionally been used to leverage customer preference and purchase behaviour in sales and design of hospitality products. In addition, quality management initiatives in the hospitality industry[2] have increasingly sought to increase contact of technical core employees with both suppliers and customers in order to increase organizational responsiveness to customer needs.

Two major trends in strategic business management and marketing reinforce our belief that customers are already viewed as a resource for the service firm: first, the proliferation of CRM technologies and second, the emergence of a field known as knowledge management. Investment in CRM technology largely assists firms to personalize product offerings and services to customers in response to data collected on customer preferences and habits (Sullivan 2001). In the hotel sector, for many years guest loyalty cards have been a way to achieve this. But even in high-volume, short-transaction operations, such as coffee shops, this is now possible. In the UK, Costa Coffee encourages customers to use pre-paid swipe cards to speed up their transaction time. These cards then record customer preferences and behaviour enabling the company to target promotions at customers by email – since the cards can only be purchased via the internet in the first place.

Due to current technological capacity for retaining vast data stores of customer information, firms are now promoting customer retention for the long term, looking to personalize and extend the relationship with the customer as much as possible, when the customer is assessed to be a profitable transaction partner (Grossman 1998). Since the costs of managing the relationship vary according to customer profiles and competencies, knowing the level of profitability from customers must be part of the decision to retain customers (Gronroos 1994; Kaplan and Narayanan 2001). Expanding this notion of 'profitable', the hospitality firm has a vested interest not only in promoting customer actions that increase revenues, but also in promoting customer actions that result in greater efficiency and reduced transaction costs.

However, one of the more challenging problems is that many CRM systems are not balanced in capturing information about the full spectrum of activities customers carry out in their transactions with the firm. They are generally focused on activities

[2] See Chapter 13.

within the marketing department rather than offering insights into customer actions on the operations side of hospitality businesses.

It is in the service firm that we see the most evidence of service blueprints merging line personnel and clients in impromptu teams that coordinate tasks and exchange information in the improvisation of solutions to client needs. In their seminal work of the costs of handling customers, Lefton and Rosengren (1966) present two dimensions of the relations between organizations and clients: longitudinal (duration) and lateral (depth) aspects of the firm's relationship with the client. Costs of managing the relationship were seen to vary according to the firm's need for extended transactions or post-transaction follow-up and/or deeper knowledge of a client's 'biography'. Every service firm incurs a variety of transaction costs that relate to the efficiency of the interaction between customers and service employees. Reducing these transaction costs can be as important to the profit picture as increasing sales of existing products and services or expanding into new service arenas before the competition. The idea of a relationship between firm and customer that minimizes the costs for each party is central to Gronroos' *customer lifecycle model* (1994). Knowing the level of profitability from customers is part of the decision to retain customers (Kaplan and Narayanan 2001).

More recently, researchers (Hsieh et al. 2004; Xue and Harker 2002) have examined how customer participation in organizational work impacts firm productivity and profitability and how uncertainty and operational costs may be reduced by appropriate task assignment and supervision of customer roles in the organization. The abilities of employees and customers to work as a team to negotiate win-win outcomes and perform expected tasks (Mills et al. 1983) have taken precedence as factors in the success of the service delivery system.

In recent decades, service company strategies in human resources, e.g. corporate downsizing and outsourcing of personnel, and augmentation of self-service options, e.g. Internet websites, have contributed to the pressing need to view customers as a complement and, at times, an alternative to employee labour (Eiglier and Langeard 1977; Fitzsimmons 1985; Kelley et al. 1990; Lovelock and Young 1979). A prime example of this is the self-service system. Managers as well are increasingly called upon to decide which resources and tools should be transferred to the customers for self-service (Bateson 1985), raising the need for firms to examine the potential wear and tear on these resources accessed by customers, and the need for customer training.[3] It can be argued that the consideration of customers as alternatives to traditional employee-based human capital (Lepak and Snell 1999) is a rational extension of the organizational and human resources trends over the past half-century treating organizational labour as increasingly impermanent and external, as exemplified by proliferating outsourced labour contracts. Ford and Heaton (2001) discuss guests as 'quasi-employees' and ways in which their performance might be managed. With this in mind, we turn now to the various roles via which customer participation in operations may manifest itself.

Defining customer roles and customer participation

Based on a review of pertinent literatures, Table 4.2 identifies a set of core customer roles that define customer participation in the work of a hospitality firm: termed generally as The Investor, The Engineer, The Broker, and The Auditor. A description of how each role manifests itself in the various literatures follows. The enactment and mastery of these roles by customers are postulated to produce customer capital in the same way that employee labour translates into human capital for the firm.

Manifestations of the investor

The *buyer* is the heart of the study of consumer behaviour. A buyer examines, purchases and uses products and services – buyers invest time and money in the acquisition of a firm's

Table 4.2 Classification of customer roles in firm–customer relationships

Primary role name	Consumer behaviour and marketing manifestation	Organizational and management theory manifestation	Operations management manifestation
Investor	Buyer	Exchange partner	End user
Engineer	Co-designer	Influencer	Co-producer
Broker	Promoter	Coordinator	Co-consumer
Auditor	Evaluator	Validator	Inspector

[3] See also Chapter 5.

offerings. In the management literature, we find the manifestation of the customer as the *exchange partner* who invests resources and personal trust in relationships with the firm. Customers and firms may be motivated to form higher-order coalitions with each other that can provide them with the requisite resources for sustainability (Oliver 1990; Pfeffer and Salancik 1978). For example, as investment partners, customers invest capital in companies through the purchase of their stock or equivalent financial vehicles. Lastly, operations management offers us the *end user* who contributes time, attention, energy and skill in the deployment of company products and services for his/her personal problem solving. This role is significant across all types of products and services, and very important to the post-purchase or post-delivery stages of product and service support, e.g. as indicated by customer willingness to use buyer guides, information manuals or Internet support links.

Manifestations of the engineer

The *co-designer* is another widely accepted role for customers (Kaulio 1998) who are often asked by market researchers to estimate their personal utility for new product/service attributes. Customers may express desire for services that are not yet offered, or are presently offered by a competitor, or may practice design engineering when they let firms know when transfer of products into a new cultural setting may not work. For instance, when Holiday Inn first opened in the UK, its brand standard was to offer hot beverages to guests by room service delivery. But British guests, predominantly tea rather than coffee drinkers, were used to having beverage making facilities in their hotel room, so that they could brew their own tea. Holiday Inn had to re-think its approach in this new setting. This issue of whether 'end user' customers are equal or better than 'expert designers' is potentially worth investigating further in the service context. Organizational theory suggests the additional manifestation of the *influencer*; this customer is involved in social engineering and impacts organizational design at various levels, e.g. lobbying for codes and regulations and exhibiting pressure through various interest groups. Organizational structures can be indirectly engineered by customers, seen in the many boundary spanner sub-units (Aldrich and Herker 1977), such as sales and marketing, customer relations and legal counsel, which have been institutionalized over time in many business firms to handle customer concerns speedily and accurately (Albrecht and Zemke 1985; Peters and Waterman 1982). Finally, the customer as construction engineer is apparent in the *Co-producer*, seen when, during the service process, customers explain to employees the special needs aspects of their requests and fulfil their own tasks to customize service offerings, since many times the service outcomes hinge on the customers' doing their own parts well.

Manifestations of the broker

In marketing, the *Promoter* is a word-of-mouth communicator, who, according to Arndt (1967), is a key tool in the growth of a customer base. Customers' experience and familiarity with a product permit them to share this prior knowledge with other potential consumers (Alba and Hutchinson 1987). Company websites are posting testimonials and quotes from their customers, and customers are offering encouragement on their own homepages. In creative broker fashion, consumers even purchase goods and services on behalf of others, seeking to bring them into the fold of avid users of a product or service. Next, organizational theory notes that customers can act as the *Coordinator* in two significant ways. First, they may require as part of their contractual stipulations that the service firm form an alliance with selected external organizations. For example, a buyer may require that a real estate agent cooperate with the buyer's preferred attorney or lender. Secondly, customers may also serve as message brokers to facilitate the transfer of information (or materials) from one service unit or worker to another in the service firm. Hotel guests checking out may identify to the front desk personnel any late charges that may be pending from room service, breakfast or phone services. Lastly, customers co-exist with other customers, enacting the role of the *Co-consumer*. This has proven to be a boon in situations where multiple customer goals and perceived outcomes are well matched, e.g. a comedy club where one customer's response can bring forth positive vibes in others. However, there are many occasions where customer behaviour has an unwanted impact on other customers. Mixing smokers and non-smokers or families with children and no-kids couples are traditional trouble spots for restaurant visits. How customers are socialized to conduct themselves around other customers is a complex issue for which study is overdue (Jones 1995). Social presence of others can even constrain or embarrass a buyer, e.g. when engaged in a purchase or situation that is viewed as having negative social overtones (Dahl et al. 2001).

Manifestations of the auditor

Many customers play a critical role in the valuation of firms by providing feedback and ratings of quality that drive share value. As part of the client–firm feedback loop, customers acting as the *Evaluator* have been continuously involved in the rating and evaluation of services and products they have experienced. When Marriott developed the Fairfield Inn concept they incorporated into the checkout process an online system for recording guest feedback on their stay. The *Validator* endorses a firm's strategic business investments by agreeing to use new service methods or technologies and upholds practices related to the firm's broader social agenda by joining in a firm's environmental or safety programs, e.g. conserving water or energy during hotel stays. As the *Inspector*, customers play a role in assuring the integrity and consistency of their own service experience by performing formative spot checks at will. An example of formal inclusion of this role in the service blueprint is when a restaurant guest may be asked to sample the wine during service but prior to its being shared with other guests.

Managing customer roles in the service blueprint

The first step for a hospitality firm is to identify which of the customer roles enumerated in this chapter have utility for the firm's organizational mission and service blueprint. The firm needs to decide whether or not increasing customer task fulfilment or competency in these roles is a potential factor in decreasing operational costs or increasing customer satisfaction and perceived market value of the service or of the firm. It is understood that customers cannot be socialized or trained in the same manner as traditional employees, but identifying opportunities to ask customers to engage in necessary task activities is a logical progression from the creation of this role inventory. Division of labour is a decision normally made by firm managers. However, as illustrated above, the nature of service processes often dictates the involvement of customers in the rendering of the service – such involvement may occur without adequate organizational forethought. We hope to change this through conscious application of knowledge about customer roles. In order to leverage the inherent potential in the deployment of customer activity in service processes, firms must identify which of the described customer roles are significant to their service delivery systems, and, when feasible, determine the optimal assignment of work to the customer.

Coordinating work among firm representatives and customers then becomes a strategic managerial activity.

Seminal work (Thompson 1967) portrays three forms of coordinated organizational workflow: pooled, serial or reciprocal. *Pooled interdependence* reflects organizational actors in independent task roles with no or very minimal need for transfer of information or resources, e.g. a customer interacting with a vending machine has little say or relationship with the stocker or vending company. *Serial interdependence* exists among units or actors when the outputs of one unit are required as inputs for another, e.g. plating food on a banquet line across multiple stations. *Reciprocal interdependence* indicates a movement of resources or information back and forth among units in the creation of products or services, e.g. caterer planning a banquet needing to constantly exchange information with the client about menus, guest lists and set-ups. A complementary approach to defining work interdependence adds a fourth level: *team interdependence*, and suggests that the types of task interdependence in the team arrangement are at least fourfold: interdependence based solely on the aggregation of results of members of a group working individually on similar tasks; interdependence based on sharing of tasks; full interdependence with constant collaboration and mutual support; and interchangeability (Drexler and Forrester 1998). Levels of interdependence are impacted by measurable elements such as the number of resources exchanged, the frequency of interaction, permitted slack in the system and the direction of the resource flow, as well as the costs of coordination strategies (Lawrence and Lorsch 1967; Thompson 1967; McCann and Ferry 1979; Victor and Blackburn 1987).

Van de Ven et al. (1976: 332) found that as levels of workflow interdependence increased within organizational work units, there resulted 'a slight *decrease* in the use of hierarchy and a large *decrease* in the use of bureaucratic plans for coordinating activities'. Interpersonal mutual adjustment in goals and activities at the micro-level was in greater evidence. This is significant in that hospitality companies almost already represent higher levels of workflow interdependence among servers as well as expecting clients and servers to work together. This means that scripted approaches to service delivery will be continuously in conflict with the human tendencies to negotiate mutually satisfying procedures among members of the interdependent work team, and particularly among clients and servers. The abilities of employees and customers to work *as a team* to negotiate win-win outcomes and perform expected tasks (Mills et al. 1983) thus take precedence as factors in the success of the hospitality delivery system. Basic to the understanding of teamwork is the dimension of *trust* (Ganesan and Hess 1997; Mayer et al. 1995; Morgan and Hunt 1994; Schurr and Ozanne 1985) which facilitates the recognition of shared purpose and interdependent team member roles in generating successful service outcomes.

Add to this mix the question of status: how customers are perceived and how they perceive themselves. Are they subordinate, superior or partner to the firm? In many businesses, customer service traditions require deference to the client. Leveraging customer competency in these operations requires the blending of deferential etiquette with influence tactics to socialize clients to increasingly complex roles asked of them in the service production system. Additionally, the degree of social distance (Hage et al. 1971) perceived between customers and servers will impact the communication styles adopted by each during service transactions and in certain service scenarios, e.g. in cultures where server–client relationships are strongly hierarchical, will increase the firm's capacity to monitor and possibly direct customer role performance. Doctor–patient relationships will take on a demeanour significantly distinct from that of a hotel guest requesting information from the concierge.

As an addendum to the discussion on customer–server interdependencies in the hospitality service blueprint, it should be emphasized that managers should decide which resources and tools should be transferred to the customers for self-service (Bateson 1985). Managers need thus to predict the potential wear and tear on self-service equipment, materials, and the need for customer training so that customers can serve themselves adequately. If parallel options are available, e.g. offering both self-service and employee-assisted checkout lanes in supermarkets, then the costs of using these different options simultaneously must be evaluated. Most likely servers will need to be trained to 'train' the customers in the work tasks the customers are being asked to perform, e.g. the myriad airline clerks running out to the kiosks to assist untrained customers trying to check in. Added problems arise if the hospitality firm has obtained the technology to be used by the clients from an outside vendor who has minimal interest or ability to provide adequate support during the client orientation phase of technology adoption.

Although customers may be targeted for training (Noel et al. 1990), they are not normally subject to the performance appraisals of service firm supervisors (Larsson and Bowen 1989; Kelley et al. 1992). Sanctions will be more difficult to apply since few data are presently collected by firms on customers' activities in the various roles described above. Thus, managers must decide which critical customer tasks must be monitored or evaluated and which left unobserved – will one sample customer activity in a manner similar to the appraisal of employee performance? In essence, the appropriate level of supervision over customer work must be determined from a cost/return perspective. However, there is a large body of anecdotal evidence that owner-operators of small hospitality businesses routinely refuse to serve 'underperforming' customers – notably customers in the co-consumer role who detract significantly from the ambience of the bar or restaurant.

Furthermore, difficulties in monitoring customer performance as a discrete measure from employee performance may arise that are comparable to the problems of assessing team member performance in group work. Team measurement difficulties are compounded by the use of customers as evaluators of service quality through customer feedback systems. It is likely that, as obligatory customer participation increases in the service blueprint, customers will attribute negative outcomes to the employee, while attributing positive outcomes either equally to server and customer or solely to their own efforts (Weiner 2000). In any case, once customer roles have been identified as useful for the service firm, the question of developing customer competency must be visited. The effective design of the servicescape can help in this regard.[4]

Leveraging customer competencies in their defined roles

If and when customers are to be included in the skill set of an organization, critical steps must be taken to assess and enhance customer competencies in relation to the tasks they are expected to perform (Canziani 1997). It is intriguing to note that the various business disciplines have recognized roles that bear resemblance to each other in terms of the skills required for the embedded tasks. What often varies across each row of Table 4.2, however, is the structural level or unit with which customers interact as they fulfil the role. If we examine the first general role of *The Investor*, in the deployment of each of its manifestations (*buyer/exchange partner/end user*) we find a need for customer attention skills in the identification, comparison and deployment of technical features of products and services in

[4] See Chapter 3.

order for customers to comprehend the inherent utility of their coalition with the service firm or with its products and services. Speed and ease of learning about new products or systems, ability to visualize and obtain benefits from products or services, and desire to repeat process or product usage again are all factors. The development of text-based materials and content-heavy support information may be a critical success factor in preparing customers to be effective in these roles. Media delivery modes for multiple learning styles may comprise face-to-face encounters, telephone, websites or written documents.

The next row related to *The Engineer* (*co-designer/influencer/co-producer*) calls for customer competency in negotiating win-win outcomes and willingness to accept trade-offs. Skills such as communicating detailed instructions, personal information and self-interest in a socially appropriate manner are also critical. Group, such as forums and focus groups, and personal interaction will be emphasized as modes for conducting these types of customer activity. Following this thread of competency needs analysis, we note that the competencies useful to the three activities of *promoter/coordinator/co-consumer* related to the role of *The Broker* are those of educating and coordinating others as well as translating interests as middleman or matchmaker in social networks. Lastly, the various manifestations of *The Auditor* role (*evaluator/validator/inspector*) essentially require similar cognitive observation, retention and judgment skills but expect customers to offer feedback at different stages of the relationship: during use, post-use and even previous or subsequent to the relationship life span.

At this point, we turn to specific customer–service firm relationship variables that may influence the customer's levels of participation in the roles that have been identified in the previous section.

Variables impacting the customer's participation behaviour

As a construct, motivation to participate is relatively unwieldy; it can in turn refer to a customer's internal or psychological frame of mind or to an external reward or sanction system. We do not in this section attempt more than a look at three under-studied factors that relate to aspects of the service firm-client relationship and may influence the level of or the success of customer participation. These comprise the expected duration of a transaction, types of interaction patterns, and the degree of perceived customer obligation. Understandably, these factors are viewed primarily as moderating control variables, rather than specific tactics of a motivational strategy that the service firm might apply to encourage customer participation.

Expected duration of a hospitality transaction

That a relationship covers an extended period of time is implicit in the literature (Bendapudi and Berry 1997; Czepiel 1990; Gronroos 1994; Grossman 1998; Gutek et al. 1999). Referring back to Table 4.1, it is apparent that the descriptors in the table vary on a temporal dimension in that *attachment* and *loyalty* are measures related to a longer time horizon than would be applicable with *interaction* or *encounter* profiles. In contrast to the fuzzier time span of a relationship, the endpoint of a hospitality transaction is normally predictable and largely dictated by the nature of the industry itself. Transactions may be conceived of as a set of interactions between client and firm, where the ultimate goal is the purchase and consumption of a hospitality product or service. There is not a binding customer–firm relationship inherent in the transaction itself; although if the service or product experienced by the customer is satisfactory, the customer might choose to transact with the firm again at a future time, ultimately committing to a long-term relationship. Indeed, the marketing literature has strived to build a theoretical connection between service transaction quality, customer satisfaction and the retention or economic value of customers over time (Bejou et al. 1996; Bhagat and Williams 2002; Goodman et al. 1995). Nonetheless, transactions between customers and hospitality companies are an interesting source of data and should be inspected for their inherent influences on the nature of customer participation.

Weick (1976: 5) states 'given the context of most organizations, elements both appear and disappear over time … The question of what is available for coupling and decoupling … is an eminently practical question for anyone wishing to have some leverage on a system'. Brass (1981: 332) posits that work teams take the form of 'an arrangement of differentiated task positions into an integrated workflow … that may cross formal group boundaries or even organizational boundaries'. In the context of Weick's definition, we can define transactions as situationally constrained tight couplings of persons, technologies, resources and tasks that need not artificially separate or permanently bond organizational employees from/to organizational clients. These couplings or interactions between clients and service employees may take many different shapes; they may be finite, repeated or continuous; serial or phasal;

episodic or periodic; long or short in duration; they may occur among the same individuals or groups or among changing partners. One characteristic of transactions in particular can impact the degree to which customer participation takes place in a hospitality service blueprints: transaction duration.

The premise that different categories of products and services have distinct expected or natural durations for the average length of transaction is reflected in Hume's (2000) three types of transactions: episodic, extended and continuous, furthering earlier definitions of discrete versus continuous transactions (Lovelock 1983). It is appropriate to distinguish among three service delivery durations, since some purchases have clear beginnings and endings, and others are longer if not indefinite in nature. Table 4.3 offers examples of service industries that might fall into each of three ordinal categories which we have rephrased from Hume's work as finite, renewable and continuous.

Continuous services are essentially delivery systems that extend over time without noticeable cessation of service, e.g. signing up for a bank account or club membership that promises rendering of service over an extended period of time and is billed to the customer on a periodic basis. Industries selling continuous services often have an easier time retaining customers due to the psychological and time costs customers encounter when trying to switch banks, doctors and so on. Hospitality firms, such as hotels and restaurants, whose services are generally conducted as finite encounters have to work harder to retain customers, since there is a clearly identifiable ending to each transaction at which point the clients may reconsider their affiliation with that particular hospitality firm and seek alternative sources of service. Given that the natural duration of hospitality transactions is shorter than in some industries, hospitality companies have a harder time developing the competencies of their customers who participate

Table 4.3 Transaction durations exemplified

Duration of transactions	Service examples
Finite	Making a purchase at a fast food outlet
Renewable	Enrolling in a college
Continuous	Signing up for utilities

in their service blueprints because they may not stick around long enough to learn the ins and outs of any locale's particular operational blueprint. Moving customers from finite to renewable transaction status is a goal when increasing the presence of knowledgeable or 'trained' customers will help the firm reduce costs of service and the need to continuously orient new customers.

Interestingly, anomalies in actual transaction durations can be positive or negative for either the customer or the firm. For example, sport club customers that renew contracts year after year may be positive influences on the organization, incurring lower costs and exhibiting higher satisfaction with services due to increased familiarity with club operations and facilities. Conversely, students who take longer to graduate from a high school or college due to system or personal constraints may exhibit dissatisfaction or disruptive behaviours. Retention strategies are most appropriately applied when the actual transaction duration is shorter than the expected duration, and extending it would bring increased marginal utility to both transaction partners. Another consideration with respect to profiling transactions is that of significant interaction patterns that may be observed in any industry or firm.

Types of client–firm interaction patterns

Transactions can be further categorized in terms of the density, predictability and clustering of the couplings or interactions between the client and the service firm. The interaction patterns compared across transactions (comparing across firms or across industries) may vary due either to variation in service firm blueprints or policies or to the fact that situational and interpersonal elements drive the pattern and behaviours of interactions as well.

Much like measuring cell density in a tissue sample, transaction density or the total number of client–server couplings during a selected observation period can be measured. Both the hospitality firm and the client can affect the number of couplings, the former through service design (Shostack 1987) and the latter by service usage. Low-density service designs are those where the number of couplings between the service firm and the client are expected to be few. For instance, a carwash transaction involves an average of six discrete encounters with people or equipment: queuing up, requesting service level, paying for the service, interacting with vending machines in the waiting room, tipping the attendant and exiting safely from the parking lot. High-density transactions can comprise a vast number of possible client–firm interactions, for instance, transacting a hotel stay with reservations, valets, front desk, housekeeping, guest shop, health spa and room service or enrolling in college which requires orientation, course selection, class attendance, library visits and so on. Since density reflects the number of 'moments of truth' (Carlzon 1987) embedded in the service blueprint, hospitality companies should be aware of the potential for service failure points in transactions involving extended service blueprints. It will also require more effort on the part of customers to sail through the many interactions embedded in a high-density hotel visit than it would during a lower-density fast-food transaction.

Often the client–firm interactions in a transaction correlate with serial occurrence or phasal interdependence (Johnston 1995) among service tasks in a service blueprint, for example calling for a reservation occurs prior to the actual restaurant visit or hotel stay. Many times, defects in the transfer of persons, their possessions or their data across service firm employees or units compromise later encounters and reduce overall perceptions of service quality. Requiring the customer to be the one transferring the data – such as relying on them to give a drink ticket to a banquet server, to keep their parking or coat check stub with them or to give a confirmation code to the front desk – is always rife with potential for service failure. So hospitality companies that build customer participation into these serial tasks should be aware of the potential consequences.

Knowing when the client–service firm encounter will take place is another issue. A predictable service firm–client encounter is one where both the service firm and the client have a mutual expectation for its eventuality – whether the precise time and place are known or not. For instance, a dentist will expect to see patients every 6 months for a routine examination. Predictability is enhanced when the firm has power to apply sanctions in the case of no-shows or cancellations, as when there are credit card charges for hotel no-shows. Periodicity of encounters may also reflect the cyclical demand for services, such as annual visits to the tax accountants, summer rentals of the same beach house year after year or hair sessions at the beauty salon every 3 weeks. Different customers will have different levels of episodic usage of a facility or service firm as well – for example restaurant guests stopping on the highway for a quick bite en route to their destination. Random events can generate the need for unanticipated service firm–client interaction, as in terrorist acts prompting increases in the purchase of travel insurance or a dead battery sparking a call to AAA. Such interactions are often associated with increased customer stress levels. Planning for customer participation is obviously harder in the face of uncertainty regarding when and if customers will make contact with the firm. Developing self-service options may be one way to sustain perceptions of responsiveness when customer visits are hard to predict (Walker and Craig-Lees 1999).

Clusters of interactions may be built into the service process, such as when the service firm requires numerous encounters during new patient or student registration or facility, equipment or software orientation. Subsequent transaction phases may exhibit fewer interactions that are firm-driven – e.g. an occasional mailing to a dental patient or optional nutrition seminar offered to a health spa member. Moreover, clustering of unanticipated interactions can occur around client problems with the product or process in the service delivery system resulting in repeated contacts with service representatives to seek remedy or recovery. The administrative expense of managing interaction clusters is expected to be higher, due to increased costs of customer education and socialization or the need to process information and preserve customer goodwill in complaint handling. Clustered interactions may also augment time, communication and travel costs for clients, diminishing customer perceptions of value.

Transaction duration and interaction patterns infer moments of truth in a quality sense, but also infer vital opportunities for creating relationship bonds between firm and clients through the process of social obligation. Revisiting the concepts in Table 4.1, we see they range from the behavioural (*interaction*) to the affective (*attachment* or *emotional loyalty*). Customers can demonstrate a wide range of affective responses to an individual employee in the firm, to the firm and its values or practices (such as Starbucks versus Enron) or to the industry (such as the entertainment or tobacco industry). Pleasant or successful interactions with employees have been seen to increase customer liking of or loyalty to the firm (Schneider et al. 1980), particularly in the case where attitudes of positive employee attachment to the firm are exhibited to the customer (Ulrich et al. 1991).

Degree of perceived obligation

Customers may transact with a service firm on the basis of transience (no commitment), implicit or social obligation or explicit contractual obligation (see Table 4.4). The feeling of social obligation or bonding is enhanced during interactions between the employees of the firm and customers (Wilson 1995). Customers perceive linkages with individual boundary spanners to be stronger and more critical than an abstract relationship with a faceless company (Albrecht and Zemke 1985; Zeithaml et al. 1990; Berry 1995). This is particularly true when customers believe these employees possess knowledge and skills that are unique in the firm and well matched to their needs, especially if the client's tie to that employee is viewed as more exclusive than ties experienced by other customers (Burt 1997).

Research on the quality of service (Bitner et al. 1990; Parasuraman et al. 1985; Scheuing and Edvardsson 1994) has underscored the importance of moving beyond the merely tangible or material aspects of customer purchases to incorporate such measures as assurance and empathy experienced in service encounters. Estimating consumer-side utilities for new products or service elements by deciphering customer ratings is a die-hard decision activity in most businesses. Utility functions or measures must include client responses to interpersonal and environmental features as well as the technical elements of a product (Easton and Pullman 2001) to fully grasp the motivations for transaction initiation and closure and customer perceptions of value. As seen in the case of obligation, customer rationalization for staying in relationships with firms can derive from non-economic benefits such as genuine liking of personnel, facilities or even other customers (Bendapudi and Berry 1997).

Firms may also use marketing tactics to promote a pseudo or actual membership (Lovelock 1983) with the firm. Such tactics can include bonus cards or points for increased purchases, perquisites or corporate-labelled giveaways for good customers, or regular mailings or other communications implying that the customer is one of the 'family'. De Wulf et al. (2001)

Table 4.4 Types of obligation exemplified

Obligation	Service examples
None/transient	Having a drink in a bar whilst on holiday
Implicit/social	Using the same restaurant regularly
Explicit/contractual	Joining a health club

have determined that investment in activities that promote the perception of consumer–firm relationships can add to customers' perceptions of value and increase their demonstration of loyalty behaviours. However, as with strategies for extending transaction duration, firms need to be cautious in their deployment of tactics to increase the perception of obligation to the firm. Obligation in the face of boredom or unsatisfactory service encounters can lead to organizational costs in terms of the customer's decreased attachment, negative appraisal and word-of-mouth.

Additionally, Feld (1997) found that contact with multiple persons in a network is associated with persistence of social ties over time. Lovett et al. (1997) suggest that client trust in the organization has a positive correlation with the number of connections to the firm. Determining the benefits versus costs of a client interacting with more than one service agent in an organization is a key managerial activity. This is supported by evidence that 'employee quit rates partially mediate the relationship between [high-involvement] human resources practices and sales growth' (Batt 2002: 587). Methods to offset the customer satisfaction consequences of a key contact employee leaving the firm include staff rotation, employee service teams, informal networking with multiple employees and one-stop shopping (Bendapudi and Leone 2001).

Summary and conclusion

In summary, the literature calling for an examination of customer relationships and participation in service blueprints of hospitality firms has been reviewed. A framework of customer roles has been proposed with the expectation that hospitality firms need to have a broad understanding of the roles customers take on and how customers interact with all parts of the organization. The enactment and mastery of these roles by the customer conceivably impacts the productivity and profitability of the firm. The framework forces managers to think of customer participation as cost in almost every strategic decision, not only those related to marketing or purchase decisions. Other strategic uses of the framework include helping the service firm acknowledge its own role in the development of customer competency and avoid single-minded focus on employee-based human resource strategies. Customer task motivation is likely to vary across the different customer roles due to variations in customer skill levels and preference for different types of work. The types and costs of communication modes employed are also influenced by the work tasks embedded in each customer role. The ability to discriminate among customer roles and associated competencies may stimulate managerial action to develop customers as significant human capital for the service firm.

This was followed by insights on managing customer participation which has both operational and strategic implication for the design and implementation of service blueprints including customer work. The discussion on the transaction duration, interaction patterns and social obligation is particularly fruitful in that it captures the need to discriminate among diverse profiles of customer transactions with the firm and provides insight into additional factors that impact the degree to which customers may participate in the service blueprint.

Future research endeavours may seek to answer the following questions:

- What are the core customer roles and required competencies that define customer participation in specific industries?
- What types of customer–firm task interdependence are found in each of the various roles?
- In *what contexts* and *how* do organizations orient and develop customers to perform each of their determined roles?
- How do competing strategies for customer role assignments, and planned shifts in role responsibilities from the service firm to the customer impact productivity of the firm or satisfaction of the customer?

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