Welcome to the 2019 Frontiers in Service Conference
18 - 21 July 2019, SINGAPORE
www.frontiers2019.com
WELCOME to the Frontiers in Service Conference 2019! The National University of Singapore is excited to host the arguably world’s leading conference on service research.

Themed “Sharing Economy, Platforms and New Technologies”, the 28th Frontiers in Service Conference explores a wide variety of service topics, including service management, service operations, service marketing, service strategy, service design, service engineering, service science, service IT, and AI and robotics as related to service.

The Frontiers in Service Conference has grown from strength-to-strength and this year, we are pleased to host over 280 attendees from 36 countries. Over the course of the 3-day conference, a total of 11 keynotes, 163 oral presentations and 23 posters will be presented.

Frontiers in Service Conferences are about sharing knowledge, debating ideas, and strengthening our community. As a multiracial city-state fuelled by passion and pride, we hope that Singapore will provide the ideal setting for this blending of opinions and ideas.

To this end, we have lined up a series of social activities with the aim of providing you with the opportunities to interact with each other and enjoy Singapore at the same time. Be “snake-charmed” by one of the traditional trades originally from the Singapore streetscape while you sample distinctive local fruits at the welcome reception. Tuck into the specially arranged thematic lunches that would introduce you to the unique and mouth-watering Singapore hawker fare and local multi-ethnic cuisines. Get to wine & dine at the Marina Bays Sands, one of the most recognisable icons in Singapore’s skyline, during the Awards Dinner, and enjoy a leisurely sunset cruise down the Singapore River before heading to the social dinner at the Asian Civilisation Museum, a museum devoted to exploring the rich artistic heritage of Asia.

Finally, we would like to express our sincere gratitude to the National University of Singapore Business School for hosting the conference, our sponsors, the organising committee and to you for supporting and joining us at the conference.

We wish you a wonderful stay in Singapore and hope you will bring home fond memories of this conference!

Roland Rust, Bart Larivière & Jochen Wirtz
Founded in 1992 by Roland Rust, the Frontiers in Service Conference is considered by many to be the world’s leading annual conference on service research. The conference is global and draws attendees from dozens of countries from all over the world. It is sponsored by INFORMS, the American Marketing Association, and the Center for Excellence in Service at the University of Maryland and is hosted by various organizations worldwide. The conference is held outside the United States every third year. In recent years the conference has been held in Taiwan, Australia, and the Netherlands.

The Frontiers in Service Conference features a unique international mix of business people and academics, and a cross-functional list of topics, including service science, service innovation, service marketing, service operations, service human resources, service information technology, e-service, service innovation, and customer relationship management. Speakers at the conference include many of the world’s leading service experts, including high-ranking executives and prominent academics.
ORGANIZING COMMITTEE

Co-Chairs

Roland Rust
Robert H. Smith School of Business, University of Maryland, USA

Bart Lariviére
KU Leuven, Belgium

Jochen Wirtz
National University of Singapore, Singapore

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National University of Singapore, Singapore

Raymond Fisk
Texas State University, USA

Dhruv Grewal
Babson College, USA

Ming-Hui Huang
National Taiwan University, Taiwan

Ron Kaufman
UP! Your Service Pte Ltd, Singapore

Paul Messinger
University of Alberta, Canada

Jim Spohrer
Almaden Services Research, IBM, USA
## Overview

### Friday 19 July

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### Thursday, 18 July

**Welcome Reception & Registration**

**Atrium, Mochtar Riady Building**

Sway along to the bewitching tunes of snake charmer Mr. Ula and marvel over the hypnotically elegant dance of Mr Bean, his albino python.

While enjoying the show, help yourself to the array of tropical fresh fruit, right at the peak of their season and bursting with flavour.
OVERVIEW
SATURDAY
20 JULY

08:30 - 09:15 am  
Keynote 5  
HSS Auditorium

09:15 - 10:00 am  
Keynote 6  
HSS Auditorium

10:00 - 10:30 am  
Break  
Atrium, MRB

10:30 - 10:55 am  
Concurrent sessions 8  
Seminar Rooms, MRB

11:00 - 11:25 am  
Concurrent sessions 9  
Seminar Rooms, MRB

11:30 - 11:55 am  
Concurrent sessions 10  
Seminar Rooms, MRB

12:00 - 01:15 pm  
Lunch & Poster Session  
Atrium, MRB

01:15 - 02:00 pm  
Keynote 7  
HSS Auditorium

02:00 - 02:45 pm  
Keynote 8  
HSS Auditorium

02:45 - 03:15 pm  
Break  
Atrium, MRB

03:15 - 03:40 pm  
Concurrent sessions 11  
Seminar Rooms, MRB

03:45 - 04:10 pm  
Concurrent sessions 12  
Seminar Rooms, MRB

04:15 - 04:40 pm  
Concurrent sessions 13  
Seminar Rooms, MRB

04:45 - 05:10 pm  
Concurrent sessions 14  
Seminar Rooms, MRB

05:30 - 06:15 pm  
Bus to Singapore River

06:30 - 7:30 pm  
Singapore River Cruise

07:30 - 10:00 pm  
Social Dinner  
Asian Civilization Museum

OVERVIEW
SUNDAY
21 JULY

08:30 - 09:15 am  
Keynote 9  
HSS Auditorium

09:15 - 10:00 am  
Keynote 10  
HSS Auditorium

10:00 - 10:30 am  
Break  
Atrium, MRB

10:30 - 10:55 am  
Concurrent sessions 15  
Seminar Rooms, MRB

11:00 - 11:25 am  
Concurrent sessions 16  
Seminar Rooms, MRB

11:30 - 12:15 pm  
Keynote Panel  
HSS Auditorium

12:15 - 01:15 pm  
Lunch

End of Conference
**KEYNOTES**  
**FRIDAY**  
**19 JULY**

08:30 – 9:15 am  
**Managing an International Air Hub – the Changi Airport Experience**  
Mun Leong Liew  
Chairman  
Changi Airport Group, Singapore

09:15 – 10:00 am  
**Singapore Airlines’ Digital Transformation Journey**  
Campbell Wilson  
Senior Vice President, Sales & Marketing  
Singapore Airlines, Singapore

01:15 – 02:00 pm  
**Applying Enterprise Artificial Intelligence to Service**  
Pascal Bornet  
Leader, Artificial Intelligence and Process Automation  
McKinsey & Company, Singapore

02:00 – 02:45 pm  
**Reimagining Banking: Journey of the World’s Best Bank***  
David Gledhill  
Group Chief Information Officer, Head Technology and Operations  
DBS Bank Ltd, Singapore

***Global Finance, The Banker, 2018

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**KEYNOTES**  
**SATURDAY**  
**20 JULY**

08:30 – 9:15 am  
**Monetizing Data: A Roadmap for Mastering Data-Driven Service Growth**  
Wolfgang Ulaga  
Professor of Marketing  
INSEAD Fontainebleau, France

09:15 – 10:00 am  
**Transitioning from Social Commerce**  
Kapil R. Tuli  
Professor of Marketing, Director Retail Centre of Excellence  
Lee Kong Chian School of Business, Singapore Management University, Singapore

01:15 – 02:00 pm  
**The Feeling Economy: Managing Service in the Next Generation of AI**  
Ming-Hui Huang  
Distinguished Professor of E-Commerce  
Dept. of Information Management, National Taiwan University, Taiwan

02:00 – 02:45 pm  
**Services Research and the Aging Population: Threat or Opportunity**  
John Bateson  
Visiting Professor of Management  
Cass Business School, City University, London, UK
KEYNOTES
SUNDAY
21 JULY

08:30 – 9:15 am
Delightful Employee Experiences

Avi Liran
Chief Delighting Officer
Delivering Delight,
Singapore

09:15 – 10:00 am
Emotion in Service Operations:
New Technological Opportunities

Anat Rafaeli
Professor of Industrial
Engineering Technion
Israel Institute of Technology,
Israel

11:30 am – 12:15 pm
Staging a Service Revolution: Turnaround, Innovation & Differentiation

Paul Jones
Chief Executive Officer
The Lux Collective,
Singapore

Ron Kaufman
Customer Experience &
Service Culture Expert
Co-founder
UP! Your Service Pte Ltd.,
Singapore

Jochen Wirtz
Professor of Marketing & Vice
Dean Graduate Studies
NUS Business School,
National University of Singapore,
Singapore
For over 50 years, NUS Business School has offered a rigorous, relevant and rewarding business education to outstanding men and women from across the world. The School remains distinctive among the world’s leading business schools by offering the best of global knowledge with deep Asian insights, preparing students to lead Asian businesses to the forefront of the world economy and to help global businesses succeed in Asia.

Today, the School continues its tradition of attracting a diversity of smart and talented students to its broad portfolio of academic programmes, including BBA, MBA, Executive MBA, MSc and PhD programmes. It also offers a wide range of customised and open enrolment programmes in its Executive Education courses. Admission to NUS Business School is remarkably competitive, and we are proud of the exceptionally high quality of our students.

VISION
To be the leading business school in Asia, globally recognised for excellence in education and research

MISSION
To advance knowledge and develop leaders so as to serve business and society

CORE VALUES
Excellence
Care
Innovation
Integrity
Teamwork

GLOBAL RANKINGS
2019
Financial Times Global MBA Rankings 17th
QS Global Executive MBA Joint Programmes Rankings (UCLA - NUS EMBA) 6th
Times Higher Education World University Rankings 23rd

ASIA RANKINGS
2018/2019
Financial Times Asia Pacific Business Schools 3rd
QS Global Executive MBA Rankings Asia Pacific 3rd
Times Higher Education Asia University Rankings 2nd
QS Asia University Rankings 1st
QS World University Rankings by Subject (Business & Management Studies, Accounting & Finance) 1st
KEYNOTES 1 & 2 | 08:30 – 10:00 am
Hon Sui Sen Auditorium

KEYNOTE 1 | 08:30 – 09:15 am
Managing an International Air Hub - the Changi Airport Experience
Mun Leong Liew
Chairman
Changi Airport Group, Singapore

The aviation industry is experiencing a huge boom as a result of the need for increased connectivity and globalisation. Improved affordability of air travel due to the entry of low-cost carriers, increasing wealth of middle-income consumers, and rising interest in tourism among the younger generation have also contributed to the strong growth prospects of the industry.

In aviation parlance, an air hub is an important transport strategy to move passengers from one part of the world to another. At the same time, an air hub is a very complex public infrastructure to design, build and operate, especially given that passengers are now more demanding of the levels of service that an airport can provide. It has to be efficient, safe, convenient and comfortable (especially for passengers with long transfer times). An air hub must also provide a good spread of F&B, retail and entertainment offerings in order to be attractive to passengers.

In addition to designing an efficient “system of systems”, an air hub must also have the people, processes and discipline in place to deliver first-class service to the travelling public. This presentation will discuss how Changi Airport has been able to consistently deliver the “Changi Experience”, which has allowed it to become one of top air hubs (7th busiest in terms of international passengers), as well as the most awarded airport in the world (600 Best Airport awards).

KEYNOTE 2 | 09:15 – 10:00 am
Singapore Airlines’ Digital Transformation Journey
Campbell Wilson
Senior Vice President, Sales & Marketing
Singapore Airlines, Singapore

Get an insider’s look into the digital transformation happening within the Singapore Airlines Group. What is the overall strategy? What’s behind the various initiatives SIA has taken – from loyalty and blockchain, to chatbots and new technology - and through it all, how does SIA continue to deliver the superior customer experience SIA is known for? This presentation will cover SIA’s digital transformation story, the overall strategy and alignment of the different parts, which includes what needs to be changed and how the SIA Group has been encouraging innovation and entrepreneurial thinking in their staff to be the leading digital airline in the world. Learn more about SIA’s digital innovation lab that will be launched in January 2019, where new ideas are developed and experimented with, with the aim to resolve business challenges SIA faces. Most importantly, how is SIA innovating while holding on to traditional core values?
| Seminar Room 2-1 | Closed Loop Systems or Running in Circles?  
**The Current State of Enterprise Feedback Management**  
Timothy Keiningham (St. John’s University, USA), Lerzan Aksoy (Fordham University, USA), Sabine Benoit (University of Surrey, UK), Shreekant Joag (St. John’s University, USA), Jay Kandampully (The Ohio State University, USA), An Yan (Fordham University, USA)  
SR 2-1 |
|---|---|
| Seminar Room 2-2 | Re-defining Business Strategy in a Tech-driven Service Era  
Gopi Natarajan (Omega Healthcare Management Services Pvt. Ltd., India)  
SR 2-2 |
| Seminar Room 2-3 | The Digitalization of Retail Store Through the Integration of Online Store through Mobile Apps and Interactive Kiosks  
Nathalie Demoulin (IESEG School of Management, France), Gwarlann de Kerviler (IESEG School of Management, France)  
SR 2-3 |
| Seminar Room 2-4 | Service Recovery is No Laughing Matter  
Paul Patterson (UNSW Sydney, Australia), Christine Mathies (UNSW Sydney, Australia)  
SR 2-4 |
| Seminar Room 2-5 | Brainwaves and Behaviour: Understanding Digital Social Support Tools and Customer Engagement Behaviour  
Helen Bocking (Queensland University of Technology, Australia), Rebekah Russell-Bennett (Queensland University of Technology, Australia), Kate Letheren (Queensland University of Technology, Australia)  
SR 2-5 |
| Seminar Room 2-6 | Fostering ‘Mango-Moments’ – Developing and Evaluating a Health Care Management Tool to Improve Patients’ Experiences through Small Gestures  
Maarten Volkers (University of Hagen, Germany)  
SR 2-6 |
| Seminar Room 3-1 | Cheating on AI  
TaeWoo Kim (University of Technology Sydney, Canada), Hye Jin Lee (Indiana University, USA), Yoo Sun Kim, Adam Duhaichek (Indiana University, USA)  
SR 3-1 |
| Seminar Room 3-2 | Communal Financial Orientation as a Platform to Improve Financial Inclusion of Consumers in Banking Deserts  
Martin Mende (Florida State University, USA), Linda Salisbury (Boston College, USA), Gergana Nenkov (Boston College, USA), Maura Scott (Florida State University, USA)  
SR 3-2 |
| Seminar Room 3-3 | Emulating Success or Learning from Failure? The Role of Personal Saving Orientation, Implicit Self-Theories, and Peer Persuasion on Financial Behaviors  
Shashi Matta (Catholic University Eichstätt Ingolstadt, WFI Ingolstadt School of Management, Germany), Grazi Pia Palmiotti (Catholic University Eichstätt Ingolstadt, WFI Ingolstadt School of Management, Germany), Natalia Rogova (Catholic University Eichstätt Ingolstadt, WFI Ingolstadt School of Management, Germany)  
SR 3-3 |
| Seminar Room 3-4 | Will they Sign? Win Prediction Modeling  
Aly Megahed (IBM Almaden Research Center), Paul Richard Messinger (University of Alberta, Canada), Hamid R. Motahari Nezhad (IBM Almaden Research Center)  
SR 3-4 |
| Seminar Room 3-5 | “You Look So Attractive!”: The Role of Interpersonal Attraction in Driving Customer Citizenship Behavior in Service Coproduction Process  
Kimmy Wa Chan (Hong Kong Baptist University, Hong Kong S.A.R. (China), Piyush Sharma (Curtin University, Australia)  
SR 3-5 |
| Seminar Room 3-7 | Capable to Change: Service Design and Dynamic Capabilities in Technology-driven Firms  
Ana Kustrak Koper (Linköping University, Sweden), Lia Patrício (University of Porto, Portugal), Stefan Holmblid (Linköping University, Sweden), Lars Witell (Linköping University, Sweden)  
SR 3-7 |
Session 01-01

Friday, July 19 (10:30 – 10:55)

Closed Loop Systems or Running in Circles? The Current State of Enterprise Feedback Management

Authors
1. Timothy Keiningham - St. John’s University, USA
2. Lerzan Aksoy - Fordham University, USA
3. Sabine Benoit - University of Surrey, UK
4. Shreekant Joag - St. John’s University, USA
5. Jay Kandampully - The Ohio State University, USA
6. An Yan - Fordham University, USA

Abstract

Enterprise Feedback Management (EFM) systems have dramatically changed the way firms collect, measure, and manage customer feedback. Moreover, the recent acquisition of Qualtrics—one of the leading EFM providers—by SAP for eight billion dollars clearly demonstrates how strongly the technology sector believes that EFM systems will play in companies’ operations going forward. Without question, EFM platforms have become prominent fixtures within many of the world’s largest firms. This results in large part from the promises made by EFM platform providers to their customers: closed loop feedback, enterprise distributed and easy to use customer data, and near real time smart analytics to guide decision making, better customer experiences. But is that the view of EFM systems by those that actually use them?

This investigation provides the first in depth examination of how EFM systems are currently being used within companies. We surveyed marketing managers from 127 US firms to gauge how these systems are used with regard to their companies’ voice of customer and customer experience management efforts. We also linked the data for each firm to examine the relationship between EFM platform usage and firm financial performance.

Our investigation shows little relationship between EFM platform usage and the performance of the firm. This should not be taken to mean that enterprise feedback management systems are not useful. Rather, our findings identify weaknesses in how firms are currently using these systems to identify opportunities for improvement. It is clear from our findings that while EFM platforms may offer many new features and benefits for managers to improve the customer experience and enhance financial performance, simply applying the technology will not result in competitive advantage. Therefore, managers must not delude themselves into believing that the system will identify and solve strategic and tactical issues—that remains the critical role of management.
Re-defining Business Strategy in a Tech-driven Service Era

Authors
Gopi Natarajan - Omega Healthcare Management Services Pvt. Ltd., India

Abstract
Omega Healthcare is a leading provider of Revenue Cycle Management (RCM) & Healthcare Solutions, including Payer, Pharma, Analytics and related technology solutions to large US-based healthcare companies. We are a wholesale business model and work only with industry aggregators, thus making us unique in the industry. In order to sustain a CAGR of around 30% and remain a leader in a highly complex and volatile industry, an agile service strategy is essential. At Omega, the primary focus of this strategy has been on the golden triad of People, Process and Technology.

People are the building blocks of any organization – even more so in a service industry, and Omega has focused on nurturing talent from within to remain a front-runner. A group of seasoned leaders who have grown along with the organization form Omega’s team of 12 certified coaches. They currently groom 220 high performers, mentoring them to become world class leaders. With 45% of our staff being women, a special focus is also given to cultivate women leadership in our organization. This has already resulted in a 20% increase in women opting to take up management positions.

Being a pioneer in the healthcare KPO sector, we listen very keenly to our customers and constantly work on improving our processes. To remain their preferred vendor, we needed to understand how well equipped we are to propel our growth. The internally-christened Project New Horizon – kicked-off in partnership with a leading consulting firm – was based on a maturity model to understand the as-is state of multiple functions, and then define the key drivers. The resulting deep insights helped us restructure Quality and optimize the supervisory layer (among other factors), yielding a projected cost benefit of over 12% across two years.

Technology is now omnipresent and has been making rapid inroads in the healthcare service industry. With greater emphasis on quality, economies of scale and value-based care in the healthcare industry, it is Omega’s backbone for delivering state-of-the-art services and solutions to our clients.

Leveraging the business process expertise and harnessing the benefits of the latest technology such as RPA (Robotic Process Automation), AI ( Artificial Intelligence) and newer technology stacks, we have been able to automate many processes improving the quality up to 99%+ while also optimizing costs for our clients. Our smart solutions platform has processed 1.3+ billion transactions and our BI (Business Intelligence) & analytical solutions have also helped many of our clients improve strategic decisions, thus benefiting their overall performance.

As a leader in the healthcare industry, constantly re-inventing our business strategy is pivotal to staying ahead while still being resilient to the dynamics of the industry.
Session 01-03

Friday, July 19 (10:30 – 10:55)

The Digitalization of Retail Store through the Integration of Online Store through Mobile Apps and Interactive Kiosks

Authors
1. Nathalie Demoulin - IESEG School of Management, France
2. Gwarlann de Kerviler - IESEG School of Management, France

Abstract

Mobile devices and interactive kiosks enable to integrate retailers’ website in brick-and-mortar stores (Bodhani, 2012). The digitalization of physical stores provides extensions of offerings through asymmetrical integration because the online store has more assortment options than physical stores (Emrich et al., 2015). Indeed, the combination of online and offline stores is an opportunity for physical stores to extend the range of products and services offered by retailers (Bhatnagar and Syam, 2014). Digitalization of retailing may strongly impact consumers shopping behaviour in-store (Hagberb, Sundstrom and Egels-Sandén, 2016). Despite a large body of research channel integration, no studies have investigated the conditions under which asymmetrical channel integration has a positive impact on the shopping behaviour. This research examines the impact of offline-online asymmetrical integration, defined as access to a larger online assortment in-store by enabling customers to order online while being in-store via kiosks. Even though channels integration is a key challenge for retailers trying to provide customers with a seamlessness shopping, the effect of offline-online integration is still unclear.

Our theoretical model proposes that digitalization of outlets increases the purchase intention of products unavailable in-store and reduces switching behaviour. This effect is mediated through perceived service quality, convenience and perceived variety and is moderated by the type of goods, and individual characteristics such as impulsiveness, delay gratification, self-control...

Several between-subjects experiments have been conducted to demonstrate that digitalization of retail stores creates cross-channel synergy (Verhoef et al., 2007). The first study investigates the effect of the integration of online store in physical stores on the customer basket size, purchase intention, brand switching and advocacy. The second study provides a better understanding of the process by which the offline-online integration affect customer’s behavior through the perception of service quality, convenience and perceived assortment variety. Finally, we also consider moderating variables such as the product types (search versus experience goods) and individual variables such as impulsiveness, self-control and delay gratification. Results demonstrate that the digitalization of a physical store is beneficial because it increases the purchase intention and decreases retailer switching behavior through increased service quality, convenience and perceived variety of assortment. Further results will be presented during the conference.
Session 01-04

Friday, July 19 (10:30 – 10:55)

Service Recovery is No Laughing Matter

Authors
1. Paul Patterson - UNSW Sydney, Australia
2. Christine Mathies - UNSW Sydney, Australia

Abstract
Humour has been purported to be an effective communication device (e.g., Bippus et al., 2012) and an important driver of individual behaviour and interpersonal relationships. Many firms recognise the effectiveness of humour usage for engaging customers and as a source of competitive advantage (Heil et al., 2010). In electronic and interpersonal service encounters alike, employees’ humour use increases enjoyment and encounter satisfaction (van Dolen et al., 2008; Chiew et al., 2018). Given that good personal interactions and ongoing rapport boost service recovery outcomes and dampen the negative effects of service failures (DeWitt and Brady, 2003), it is surprising that the use of humour has not, to date, been examined in a service failure/recovery context. Humour can contribute to successful service recovery because it softens emotional reactions as it makes a message less serious or threatening (Lefcourt et al., 1995), reduces negative emotions (Kuiper et al., 1995), and offers a mechanism to deliver critiques and explanations without negative interpersonal effects (Grugulis, 2002). Humour can also enhance a sender’s credibility (Meyer, 2000), which is important for a frontline employee addressing a service failure.

The purpose of this study is to examine the impact of an apology and/or compensation delivered in a humorous way on customers’ recovery satisfaction and word of mouth, and in how far these effects are mediated by perceptions of distributional justice and employee credibility. The results from an 2x3 (serious vs humorous apology; no compensation vs serious vs humorous compensation) experimental study (n=255) using video stimuli of a service failure/recovery in a restaurant setting indicate that humour should be used with caution. An apology coupled with humour has a consistently negative impact on recovery satisfaction and word of mouth. A humorous compensation decreases recovery satisfaction only where service criticality is high. Distribute justice mediates the effect of humour apology and compensation on recovery satisfaction and word of mouth, whereas employee credibility only affects word of mouth.

We add in a small but important way to the service recovery and communication literatures. From a managerial perspective, an apology is the first step in successful service recovery; customers clearly prefer a non-humorous apology communicated with a sense of seriousness that shows their complaint is being taken seriously. Compensation (a measure of distributive justice) then typically follows an apology. Our results suggest that service criticality determines whether humorous compensation is appropriate and can aid in restoring customers to a state of satisfaction.
**Session 01-05**

Friday, July 19 (10:30 – 10:55)

**Brainwaves and Behaviour: Understanding Digital Social Support Tools and Customer Engagement Behaviour**

**Authors**
1. Helen Bocking - Queensland University of Technology, Australia
2. Rebekah Russell-Bennett - Queensland University of Technology, Australia
3. Kate Letheren - Queensland University of Technology, Australia

**Abstract**

Social support plays an important part in transformative services for maintaining customer engagement in the behaviour change process (Parkinson, Schuster, Mulcahy and Taiminen, 2017; Saunders, Barrington & Sridharan, 2014). Examples of behaviour change contexts are preventative health (healthy diet and exercise), environment (electricity use) and safety (domestic violence). Customer engagement consists of three components; cognitive, emotional and behavioural (Hollebeek et. al. 2014) and each component is important for continued use of a service. Social support elements include emotional, informational, instrumental, appraisal and social networks (Lefebvre, 2012). Despite the presence of multiple forms of social support, existing research on digital support tools in a transformative service often only explore one or two social support elements. As such there is a lack of empirical evidence which explores how consumers perceive elements of social support when delivered through a digital medium and specifically when in applied across multiple behaviour change behaviours.

While there is research on digital support tools such as chat rooms, forums and blogs (see Avery et. al. 2015), there is little research on more advanced digital support tools that are underpinned by AI such as chatbots and digital assistants. We therefore do not know how consumers engage with the variety of digital tools available in transformative services to achieve behaviour change for wellbeing. In particular we do not know which component of customer engagement component is affected by different types of social support offered by digital tools or if it matters whether all three components are activated or only one. Thus, this research addresses RQ1: How can Digital Support Tools provide different types of Social Support in a behavioural change context? and RQ2: How do consumers cognitively, emotionally and behaviourally engage with different types of Digital Support Tools?

This research uses qualitative interviews with 25 participants and neuroscience brainwave scans of 25 participants to address the research questions. The EMOTIV headset was used to measure emotional and cognitive engagement with selected digital support tools while behavioural engagement was measured using digital analytics (e.g., duration, stickiness, number of pages). Preliminary findings of the interviews and the brainwaves will be presented at the conference.
Fostering ‘Mango-Moments’ – Developing and Evaluating a Health Care Management Tool to Improve Patients’ Experiences through Small Gestures

Abstract

A journalist asked Viviane, an enervated cancer patient, if she could do anything to make her feel better. Viviane answered: „I would like to taste a mango again.“ The journalist brought a mango, and Viviane said: „I will never forget this“ (Vanhaecht, 2018).

Based on this story, researchers adopted the term ‘mango-moments’ to describe small and unexpected gestures by health care workers towards a patient. Such gestures go beyond general medical care but cost little time and resources. Mango-moments are performed spontaneously during normal day-to-day care activities, which distinguishes them from external care programs such as ‘make a wish’ (Vanhaecht 2018).

Mango-moments performed by health care workers can have a positive impact on multiple levels:

- **First**, mango-moments increase patients’ psychological well-being by giving them hope, joy and warmth (KU Leuven 2018).
- **Second**, mango-moments increase a patient’s trust in health care staff. Previous research suggests that trust is crucial for patients to participate effectively in the health care process (Berry 2017; Hall et al. 2001).
- **Third**, enabling a mango-moment may feel rewarding for health workers and can therefore increase job satisfaction (Vanhaecht 2018).

However, enabling mango-moments is a type of extra-role customer service (Bettencourt und Brown 1997) that not all health care workers can perform intuitively (Grove et al. 2004). It requires them to be receptive for patients’ preferences and act spontaneously and creatively (Daly et al. 2009). Moreover, health workers usually have limited time and resources to spend on a single patient and sometimes need to deal with stressful circumstances. Hence, performing such gestures requires training as well as a supportive organization climate (Morrison 1996).

Research on how patient experiences can be improved is limited to communication skill training, which mainly concerns general medical care, e.g. delivering bad news and setting up health care plans (e.g. Haidet et al. 2009). Not much is known regarding the improvement of patient experiences through non-medical interactions. Literature regarding extra-role customer service has generated useful insights regarding general organizational climate factors that support such behaviors (e.g. Coelho et al. 2011; Maxham and Netemeyer 2003). However, research regarding how service providers, and particularly health care providers should foster and train such “creative extra-role service” is lacking (Wilder et al. 2014).

We aim to fill this gap by answering the following research question: How can mango-moments be fostered within health care organizations? To answer this question, we conduct a case-study in various hospital departments, consisting of observations, interviews and focus groups with health care workers, managers and educators as well as interviews with patients. The goal is to harness health workers’ and patients’ experiences as well as experts’ knowledge in order to develop, implement and evaluate a management tool that helps fostering mango-moments.
Cheating on AI

Abstract

Building on the burgeoning literature of consumer dishonesty, the current research examines whether consumers’ dishonest behaviors amplify when interacting with non-human artificial agents (e.g., AI or robots). Prior research has shown that unethical behavior is suppressed by personal or situational inhibitory factors such as guilt feelings (e.g., Ekman, 1985). That is, consumers forgo cheating opportunities for incentives when the action carries more anticipatory guilt. Based on prior work that artificial (vs. human) agents are considered to lack the ability to feel (Waytz and Norton 2004), we hypothesize that consumers would perceive cheating on non-human agents less harmful and feel less guilty, leading to greater engagement in unethical behavior. The hypothesis was supported by three experiments.

In Study 1, participants (N = 138 undergraduate) were told that they would get into a lottery to win $100 in case the number they chose matches with the number that an agent would randomly choose. The result shows that individuals cheat more when an AI Alexa (vs. human confederate) was introduced as the officiating agent. This study shows that people tend to behave more dishonestly when they are interacting with an AI (vs. human).

In extension of this finding into a marketing context, participants in Study 2 (N = 83 undergraduate) were provided with a hypothetical scenario in which they were selling a used car to a car dealer on the internet. For a car that has true mileage of 80,000 miles but showing an incorrect odometer reading of 60,000 miles, they were asked to indicate the mileage that they will inform to a potential buyer of the car. The result shows that individuals reported lower mileage when they believed that they are reporting to an AI (vs. human) car dealer.

In Study 3, participants (N = 234 undergraduate) were instructed to imagine that they decided to return a product they bought online because they changed their mind and they will have to pay for the shipping cost. They were incentivized to choose a false reason (e.g., size doesn’t fit) for a free return. As predicted, higher proportion of individuals chose a false reason for economic incentive when interacted with an AI (vs. Human) service representative in the return process. This effect is mediated by a lower expected guilt.

The implication of the current research extends to various other contexts. In the future, AI will be involved in many decisions such as legal judgments, tax return calculation, loan application decisions. It was shown that individuals act more dishonestly when they are interacting with non-human agents. Thus, the current research suggests to various business institutions that AI should be utilized cautiously because it can increase dysfunctional behaviors which can increase costs to the institutions.
Session 01-08

Friday, July 19 (10:30 – 10:55)

Communal Financial Orientation as A Platform to Improve Financial Inclusion of Consumers in Banking Deserts

Authors
1. Martin Mende - Florida State University, USA
2. Linda Salisbury - Boston College, USA
3. Gergana Nenkov - Boston College, USA
4. Maura Scott - Florida State University, USA

Abstract

Financial exclusion of vulnerable consumers from mainstream banking resources is a serious societal problem often linked to banking deserts (vulnerable communities lacking access to mainstream financial service providers [FSPs]). This research proposes a new approach to promote financial inclusion in banking deserts – via a consumer’s communal financial orientation, which emphasizes the interconnectedness between the consumer’s financial engagement and his/her community’s well-being.

In cooperation with an FSP in the United States, we conducted two field studies with their customers. In Study 1, we test the moderating effect of living in a banking desert on the relationship between individuals’ communal financial orientation and their perceptions and engagement with the FSP. In Study 2, we test whether emphasizing (i.e., manipulating) communal versus agentic financial orientation in FSP communication materials affects banking desert consumer perceptions and intentions differently than those of consumers in other communities. The two field studies show that communal financial orientation bolsters financial participation by consumers in banking deserts. Specifically, among consumers in banking deserts, it increases consumer-perceived benefits of the FSP and consumers’ financial engagement intentions (e.g., patronizing the FSP).

This research demonstrates that emphasizing communal benefits of an individual’s financial participation is a vital step toward consumer financial well-being and offers an incentive for mainstream FSPs to better serve consumers in banking deserts. Our findings illustrate the broader relevance of social class for transformative service research and for financial service companies. We posit that beyond individual social class differences, where consumers live is also an important factor in understanding social disparities that can be used to improve financial inclusion. Specifically, we demonstrate that the distinct psychological force of a communal financial orientation influences consumers living in banking deserts; thereby, our results illustrate the usefulness of banking desert residency as a segmentation criterion that scholars, marketers, and policy makers can use to design financial inclusion efforts.

For managers, our results demonstrate that a communal-oriented approach to serving consumers in banking deserts can benefit FSPs (e.g., favorable patronage intentions and positive WOM). This suggests a non-trivial incentive for FSP’s to serve vulnerable communities, as it is an opportunity to broaden their customer base. For policy makers, our research shows that communal financial orientation contributes to both consumer well-being on an individual level and on a community level (e.g., linking an individual’s financial participation to community well-being and incentivizing mainstream FSPs). Our results suggest that FSPs and policy makers would be well-advised to make the content of financial inclusion programs more communally-oriented (beyond just promoting them as such).
Session 01-09

Friday, July 19 (10:30 – 10:55)

Emulating Success or Learning from Failure? The Role of Personal Saving Orientation, Implicit Self-Theories, and Peer Persuasion on Financial Behaviors

Authors
1. Shashi Matta - Catholic University Eichstätt Ingolstadt, WFI Ingolstadt School of Management, Germany
2. Grazia Pia Palmiotti - Catholic University Eichstätt Ingolstadt, WFI Ingolstadt School of Management, Germany
3. Natalia Rogova - Catholic University Eichstätt Ingolstadt, WFI Ingolstadt School of Management, Germany

Abstract

Consumers’ financial behavior (saving, spending, investing) has significant import for financial service firms, policy makers, and researchers. In this research, we investigate the effect of personal and social factors, as well as message source characteristics, on consumers' spending and saving intentions. We aim to answer three key questions on consumers' financial behaviors when exposed to a persuasive message from a peer: (1) How do consumers' personal saving orientation and their implicit theories of the self affect their intentions to save and invest? (2) How do consumers' intentions to save and invest vary when the persuasive message is from a financially successful peer versus a financially unsuccessful peer? (3) How can financial service firms tailor their communication to motivate better saving and investing behavior from their consumers? We conducted two experiments to answer these questions.

Study 1 (N = 326) measured respondents’ personal saving orientation and their implicit theories of the self and exposed them to one of two persuasive messages on social media – a social media message about the benefits of saving and investing from a financially successful peer or from a financially unsuccessful peer. Dependent measures included respondents' evaluations of the message and their intentions to save and invest. Results showed that consumers with a malleable view of the self and a low personal saving orientation responded more favorably to the message from the unsuccessful peer than consumers with a malleable view of the self and a high personal saving orientation, and consumers with a fixed view of the self. In contrast, consumers with a malleable view of the self and a high personal saving orientation responded more favorably to the message from the successful peer than consumers with a malleable view of the self and a low personal saving orientation, and consumers with a fixed view of the self. Study 2 (N = 237) experimentally manipulated implicit theories of the self, while retaining the rest of study 1’s design. In addition to replicating study 1 results, we found evidence for the underlying process by measuring consumers’ dominant motivations in each condition.

Given the abundance of positive self-presentational stimuli on social media, our research makes a novel contribution by examining the effect of a negative self-presentational message (the message from an unsuccessful peer) on consumers’ intentions to save and invest. Further, it contributes to the rich body of behavioral research on financial well-being by investigating how personal saving orientation and implicit self-theories interact with the source of a persuasive message. Finally, our results have strong implications for the design of marketing tactics of financial service firms and public policy interventions.
Session 01-10

Friday, July 19 (10:30 – 10:55)

Will they Sign? Win Prediction Modeling

Authors
1. Aly Megahed - IBM Almaden Research Center
2. Paul Richard Messinger - University of Alberta, Canada
3. Hamid R. Motahari Nezhad - IBM Almaden Research Center

Abstract

Problem definition: Many companies compete for highly-valued contracts in lengthy tender processes. Our problem is to predict, relatively early in the engagement cycle, whether prospective deals will result in signed contracts.

Academic/Practical relevance: We address four issues of practical and academic relevance related to this fundamental business-to-business problem: (a) How can one predict whether a company will win a prospective deal? (b) What is the relative contribution to predictive accuracy of static prospect features (about the project, client, and competitors), dynamic measures of milestones achieved, and subjective reports from sales teams (analyzed through natural language processing)? (c) How can the analysis account for endogeneity issues and form counterfactual predictions? And (d) how can a company encourage truthful reporting from sales teams?

Methodology: We propose a recursive system to predict whether prospective deals will result in signed contracts. This model combines measures of prospect features, milestones achieved, and a qualitative summary score of the sentiment from weekly sales team reports. We compare our model with machine learning techniques. Our analysis of the text data involves unsupervised and supervised learning with a novel semantic extension of key words. At the end of the paper, we also discuss incentive compatible designs, drawing from the mechanism design literature in game theory.

Results: Client geography, client industry, past relationship with client, and a milestone index are important features for model prediction. Adding a qualitative index of the text data of weekly sales reports (using natural language processing) yields mean accuracy of 77% for a parsimonious probit model and 81% for the best of ten machine learning techniques using more predictor variables. This represents an improvement in accuracy of ten and twelve percentage points over the associated model using only structured data. Counterfactual analysis indicates that the number of (and revenue from) won contracts would be 23% - 53% higher if the entire dataset came from the geographic region that is most receptive to the focal company’s services. By contrast, the number of signed contracts would be 7% to 18% fewer if all the prospects came from new clients (v. coming from existing clients). This provides some indication of the value of an existing client. Our models were deployed at a large IT service provider resulting in significant impact.

Managerial implications: 1. Combining structured and unstructured data significantly enhances prediction accuracy and produces a prediction superior to subjective human predictions. 2. Collecting seller comments and updating achieved prospect milestones can significantly enhance the prediction accuracy. 3. Managers can use our approach to better manage sales resources across their contract pipeline.
Session 01-11

Friday, July 19 (11:00 – 11:25)

“You Look So Attractive!”: The Role of Interpersonal Attraction in Driving Customer Citizenship Behavior in Service Coproduction Process

Authors
1. Kimmy Wa Chan - Hong Kong Baptist University, Hong Kong S.A.R. (China)
2. Piyush Sharma - Curtin University, Australia

Abstract

Practitioners’ and scholars’ interest in the service-dominant logic of marketing has increased sharply in the last decade (Vargo and Lusch 2004). Customer participation (CP), as one of the foundational premises of this service-dominant logic, enables service employees to cocreate customize services with customers to suit their needs (Auh et al. 2007; Chan, Yim, and Lam 2010; Yi, Natarajan and Gong 2011). Extant research on the impact of CP is considerable, but with a dominant focus on taking from an extrinsically motivated perspective to examine the impact of CP on customer satisfaction or employees’ in-role performance through mechanisms of improved service quality, reduced costs, and enhanced control. However, the question of how CP might drive customers’ citizenship behaviors has not been well addressed. This question is important; firms experience remarkable challenges in their efforts to manage customer participation and cultivate more citizenship behaviors would help enhance their competitive advantage.

This paper uses social exchange and reinforcement theories to explore the mediating role of interpersonal attraction, a crucial but under-researched relational construct that both parties can develop during the co-production process, in the impact of customer participation on customer citizenship behavior. Moreover, this research further examine the moderating roles of shared interpersonal similarity and coproduction task outcome on the relationship between customer participation and interpersonal attraction.

With a large-scale survey data collected from customer-designer dyads from an interior design institution with multiple waves, results show that customer participation in the coproduction process with the employee will increase their citizenship behaviors through enhanced interpersonal attraction toward the employee. Particularly, such positive effect exists when the customer perceived a higher similarity with the employee, as supported by the positive reinforcement theory. Nevertheless, the moderation of perceived similarity is further altered by the coproduction task outcome such that the positive moderating effect of perceived similarity with the employee only functions well when the coproduction outcome is better than expected. This research extends the existing literatures in CP and value co-creation by studying customer citizenship behaviors as a more enduring and impactful outcomes for firm’s profitability and sustainability, which represents an important step in the effort to examine value co-creation processes more fully. It also enriches existing marketing literature by applying reinforcement theory to investigate the impact of CP on the creation of interpersonal attraction and customer citizenship behavior in a services context. Particularly, it explores the moderating roles of interpersonal similarity and co-production task outcomes on customer citizenship behaviors. Taken together, this research advances understanding of the complex relationship between CP and customer citizenship behaviors by showing that CP is a necessary, but not the only condition, for developing interpersonal attraction and customer citizenship behaviors and this process is moderated by other factors.
Session 01-12

Friday, July 19 (10:30 – 10:55)

Capable to Change: Service Design and Dynamic Capabilities in Technology-driven Firms

Authors
1. Ana Kustrak Korper - Linköping University, Sweden
2. Lia Patrício - University of Porto, Portugal
3. Stefan Holmlid - Linköping University, Sweden
4. Lars Witell - Linköping University, Sweden

Abstract

Service innovation has become increasingly important to technology-driven firms that often relied on technology-push approaches to innovate. However, due to the complexity of service systems, they are now looking for new ways of resource integration and reconfiguration to achieve the competitive advantage (Akaka, Vargo, & Schau, 2015; Spohrer & Maglio, 2008). Thus, in service innovation domain service design became a valuable multidisciplinary approach addressing these complexities in a holistic, systemic and human-centered way (Patrício et al., 2011). Empirical studies in service design and innovation often focus on its role in the innovation process and contribute by establishing new service design models (Grenha Teixeira et al., 2017; Patrício et al., 2011). Although some studies address service design role in design capability building (Holmlid & Malmberg, 2018), little is known of its broader influence to organizational capabilities, especially in a technology-driven context where technology-push approaches to innovation are more common (Patrício, Gustafsson, & Fisk, 2018).

This study aims to investigate how technology-driven firms are integrating service design to build innovation capabilities that can support change. This study uses the dynamic capability framework as a theoretical lens to understand service design influence on change practices and capability building in the organization (Helfat & Peteraf, 2009; Teece, 2007). The framework can provide a comprehensive insight into microfoundations related to service design that have the ability to reconfigure the service systems of such firms and delineate the changes for the firm’s dynamic capability. This research is conducted using a multiple case study methodology. Case selection includes established international companies with strong technology component that have at least three-year experience working with service design. Through in-depth semi-structured interviews, observation and archival documentation, rich data was collected and analyzed to answer the research questions.

Preliminary findings point to different ways of integrating service design in organizational practices. These results indicate a relation to the organization’s strategic positioning of service design as a function and its potential to become tightly embedded in organizational culture and routines of both design and non-design units. This study aims to contribute to the literature by focusing on the change aspect of service design integration provided by the dynamic capabilities framework. It also contributes to broadening the framework towards service innovation facilitated by service design. Managerial implications aim to reveal opportunities and challenges of service design integration for more adaptive innovation practices.
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Abstract

During the early 2000’s, the Telesure group found that more women were taking out their own short-term insurance policies. 1stfor Woman Insurance was launched in 2004 to provide insurance specifically designed for women. The brand focus of FFW is on inspiring confidence in women and aims to be a consistent reminder to encourage women to realise their inherent greatness, resolve and power.

After the brand’s initial success, a decline in growth occurred. External metrics showed that where the brand was initially a leader in customer satisfaction, it had lost this initial lead.

The 1stfor Woman (FFW) short term insurance brand promise was tailored to the specific needs of modern woman and thus created a very specific customer expectation amongst the woman target market. This challenged the Telesure group to deliver to the exceptionally unique customer expectations of a niche target market.

The case study will show how Telesure and more specifically FFW have aligned their Customer Centricity, Customer Experience delivery and Brand message to ensure that FFW regain the recognition as a specialist tailored brand worthy of the unique brand values of celebrating woman in their uniqueness, inherent greatness, resolve and power.

The 2016 South African Customer Satisfaction Index (Sa-csi ) results showed that FFW customers have the highest expectations of all Telesure brands, coupled with a below-industry perceived quality rating. This resulted in the biggest negative gap between customer expectation and customer experience within the Telesure group. The challenge identified by the SAcsi results for FFW was to urgently close this gap.

The case study will show how FFW addressed the gaps and proposed interventions that assisted the business in achieving its CX targets, whilst further work was conducted on the refinement of a Customer Experience Strategy.

Some of the initiatives included:

- Historically, the tracking basically used NPS and CES internally. These metrics did not provide enough direction and insights for the required changes to the customer journey to link the experience to the brand promise. Between Consulta and FFW the measure was changed to a more comprehensive multivariate metric (which was called the CXI – Customer Experience Index)
- The insights and deeper understanding gained with this measurement approach directed focus on: A more tailored communications strategy showing the unique CX initiatives implemented such as an unique vehicle assist service (called Guardian Angels) Development of a connected app (recently launched)

The success of the CX interventions and strategy was clearly seen in significant improvements in the SA-csi Short Term Insurance Benchmark from 2016 to 2017. The gap between expected and perceived experience was closed and the score puts the brand among the top brands in the industry.
How can Product Companies Excel in Service?

Author
Bala Shankar - Ideatum Pte Ltd, Singapore

Abstract
The dominance of services is visible everywhere – from economies to companies to sales channels to customers’ doorsteps. Several companies have specialised in the past almost exclusively in ‘products’. They may excel in technology or design or materials or manufacturing related advantages without the required sophistication in ‘services’. This was par for the course in a certain era. Unfortunately, not anymore. Service has not only proved to be a business with better margins, it has also gradually become the chief source of competitive advantage where products tend towards commoditisation. Thus, the new value engine is ‘service’. Services have also expanded in scope, thanks to customers’ spoken and unspoken demands.

How can the product companies migrate to an effective service strategy and delivery?

Companies have already started responding to this trend in many industries. Some have made decisive shifts and others have stumbled along the way. In order to jumpstart to a service identity, many companies have opted for the acquisition route. Does that change the DNA of the company sufficiently? What new challenges are to be tackled when service revenues start to overtake the product streams or worse, when product divisions lose the star status that they may have enjoyed? What are the resulting organisational and people dynamics? How does one decode the full range of service scope in a given context? How should such companies develop the service edge and keep evolving? These are several interesting questions.

The paper will dwell into this subject in four areas – strategic intent, organisational transformation, new frontiers of customer management and high performance service culture. Appropriate conclusions will be drawn from the arguments and examples leading to broad recommendations. Case studies and anecdotal illustrations will be brought into support the hypotheses propounded in the paper. The scope of discussions will be industry and market agnostic, although there will be a gentle bias towards B2B landscape. The concepts will apply equally to companies that are yet to embark on this journey as well as those who have implemented a service transformation strategy for some years with varying degrees of success.
Customers increasingly use multiple channels for shopping, including smartphones, tablets, and desktop computers, besides traditional brick-and-mortar stores (Kannan et al. 2016). They expect retailers nowadays to provide them an excellent shopping experience when combining different channels during the shopping process. The provision of this experience has become more difficult for retailers. Grewal et al. (2017) stress that digital technologies like smartphones foster the transformation of retailing. Hence, the present study contributes to a better understanding of the antecedents of an excellent customer experience across the different stages of the shopping process. Specifically, the study intends to shed light on the customer’s experience during the entire customer journey, encompassing pre-purchase, purchase, and post-purchase stages (Lemon and Verhoef, 2016). To address this issue, it uses two approaches including (1) in-depth interviews and (2) customer survey.

First, we employed a qualitative research approach using interviews with 20 retail customers and managers. These interviews show that different channels play a different role during the customer journey. For example, the interviewees stress the importance of the mobile phone in omni-channel retailing. They indicate that they often use smartphones simultaneously while visiting retail stores to collect additional information, making the lines between physical and digital retailing environments blur. This study provides first insights into customers’ use of different channels across the different shopping stages which informed the next study.

Second, we then conducted a quantitative study to assess the role of the mobile device during the customer journey in depth. Using survey data from 302 shoppers, the study finds that customers assess mobile retailers regarding the (1) ubiquity of service, (2) mobile store design, (3) mobile order fulfillment, (4) mobile customer service, and (5) security/privacy of the mobile store. Shoppers were discussed to show different needs depending on the phase of the customer journey. The pre-purchase stage represents the first stage and is characterized by need recognition, search, and consideration. While we assumed that the pre-purchase stage may increase the importance of ubiquity and mobile store design, results of our study do not support these effects. Contrary, our study suggests that customer needs differ for other stages. Further, the results show a positive interaction effect of purchase stage with mobile store design on customer experience, and a negative interaction effect with ubiquity. The last stage includes the product usage, post-purchase engagement, and service requests. The results indicate a positive interaction effect of post-purchase stage with security/privacy on customer experience.

The findings provide retailers insights how to provide customers an excellent shopping experience across multiple channels, and how to particularly integrate the mobile channels into the customer journey. References available on request.
Session 02-04

Friday, July 19 (11:00 – 11:25)

Service Recovery Performance: The Role of Internal Market and Technology Orientations

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3. Heyam Almoosa - College of Business Administration, King Saud University, Saudi Arabia

Abstract

Although managers and staff are well acquainted with the idea of external customer recovery, what the organisation does to contain the negative feelings internal customers, who have recovered external customers from service failure, may experience in recovery situations is not well understood (Bowen and Johnston 1999). Employees differ in the degree to which they are and feel supported in their task of dealing with complainers, depending on the extent to which the organization invested in the service recovery (Vaerdenbergh and Orsingher, 2016). Research in marketing has extensively explored how acquiring and developing valuable assets and capabilities affects business performance, assessed on a variety of financial dimensions (e.g., profitability, growth) and non financial dimensions (e.g., quality and customer satisfaction). However, prior research was mainly conducted in noncritical context. This study, raise the question whether the many and broadly recognized benefits of capabilities persists in an adverse situation particularly in a service failure recovery encounter. Firms need to develop particularly internal orientation (IO) and technology orientation (TO), as capabilities, simultaneously because both provide a foundation for sustained competitive advantage. Nevertheless, resources are limited, and firms are faced with the challenge of balancing the two orientation. These two sets of capabilities requires substantial resource commitments and management attention. Firms are forced to prioritize their resources and determine the extent to which they will emphasize one strategic orientation over another. While some organizations may focus on either technology or human resources capabilities, other can put less emphasis on one type over the other. Whereas both theoretical prediction and empirical evidence suggest that TO and IO matter, it remains unclear how technological and human resources capabilities affect employee satisfaction and loyalty in service recovery encounter. To address these gaps, this research address the ways knowledge based intangible assets contribute to employee performance in service recovery encounter. Based on data collected from managers with primary responsibility of complaint management from 100 service firms, we test our posited hypotheses using PLS. The results showed that the relationships between IO and recovery capability, job satisfaction and employee loyalty were significant. The relationship between recovery capability and job satisfaction and employee loyalty were significant. The mediating effects test shows a significant mediating effect in the relationship between IO and job satisfaction and employee loyalty. Interestingly, the TO relationship with recovery capability and job satisfaction were not significant. Meanwhile, there is no mediating effect in the relationships between TO and job satisfaction and employee loyalty. These findings provide support to the suggestion that IO do not directly lead to better performance, rather the link depends on recovery capability and underscore the need for managers to focus more on management behaviors and actions that are related to employees’ well-being.
Session 02-05

Friday, July 19 (11:00 – 11:25)

When does “We try harder” Make a Difference? The Role of Outcome Value and Service Seamlessness in the Relationship of Employee Effort with Customer Satisfaction

Authors
1. Dana Yagil - University of Haifa, Israel
2. Hana Medler-Liraz - Academic College of Tel-Aviv-Yaffo, Israel

Abstract

Service organizations make extensive efforts to satisfy customers' needs. Research suggests that customers appreciate employees' efforts to provide high quality service (Bell & Menguc, 2002; Hee Yoon & Suh, 2003; Hsieh et al., 2015). Yet, not much is known about conditions that moderate the impact of service providers’ efforts on customers’ evaluation of the service. The paper presents two scenario studies exploring the impact of efforts made by service providers under different conditions of service outcomes and service seamlessness. Study 1 explored the moderating effect of financial gain on the customer gratitude and satisfaction. Study 2 explored the moderating effect of service failure on the relationship of perceived effort with gratitude and satisfaction. The data of both studies were analyzed with Multivariate Analysis Of Variance (MANOVA).

Study 1

In a 2X3 between-subject design, we manipulated the customer's financial gain involved in the service (low, high) and employee efforts (no extra effort, extra role behavior; making a personal sacrifice) and measured gratitude and satisfaction. The sample consisted of 366 undergraduate students in business management courses. The results show that when employee effort is perceived as high, customer experience more gratitude and satisfaction. However, a significant interaction effect suggests that perceived employee effort affects service evaluation and gratitude only under a low level of customer's financial gain.

Study 2

In a 2X3 between-subject scenario study, we manipulated service failure (yes/no) and employee effort (no extra effort, extra role behavior; making a personal sacrifice) and measured gratitude, satisfaction and tipping intentions. The sample consisted of 150 undergraduate students in business management courses. Perceived high effort had a positive effect on customer gratitude and tipping intentions. A significant interaction effect suggests that employee effort increases customers’ tipping intentions, but only when service is seamless.

Taken together, the results suggest that while customers appreciate service employees’ efforts, this aspect of service is taken into consideration mainly when “bottom line” aspects—service outcomes and seamlessness—are less salient. The results imply that communicating the effort involved in service provision to customers is mainly beneficial in mundane service situations.
Session 02-06

Friday, July 19 (11:00 – 11:25)

Collaborative Strategies and Tools Enabling Change in the Healthcare Ecosystem: A Brazilian Exploratory Study

Authors
1. Ana Claudia Lavaquial - Berlin School of Creative Leadership, Germany
2. Claudia Araújo - COPPEAD/UFRJ, Brazil

Abstract

The research articulates Collaborative Economy, Service-Dominant Logic and Healthcare to understand how collaborative strategies and tools could help align the actors’ purposes in order to improve the Healthcare ecosystem’s sustainability. It considers the challenging Brazilian context which has the biggest public healthcare system in the world but suffers with funding and access inequalities and poor service quality.

Collaborative Economy is a multidimensional movement, based on distributed networks connecting individuals and communities through technology-intensive tools, transforming the way we operate, favoring access over ownership, decentralizing power and catalyzing businesses’ growth as service ecosystems. The research proposes that S-D Logic premises, its multilevel ecosystem vision and value cycle are embedded in collaborative players’ culture. It also supports traditional incumbents, as Healthcare, to reveal and address social-economic challenges through collaborative lenses, suggesting a new set of competences, strategies and tools to equip its actors to effectively and efficiently integrate resources and build relevant value propositions aiming viability. The work discusses the role of collaboration, technology and leadership as change enablers in Healthcare towards reframing its Product-Dominant mindset and value creation cycle from physician and disease-centered to a patient and health-centered S-D Logic perspective.

The exploratory qualitative research applies a zoom out/zoom in perspective following a four-phase process: (1) design the ecosystem and its actors, (2) build a value matrix to map the actor’s main purposes, exchanges and expectations towards each other, (3) understand main misalignments among dyadic relations and (4) evidence collaborative enablers to act upon identified drivers helping mitigate misalignments and build collaborative outcomes. Desk research is complemented by participant observations and interviews with 15 Healthcare leaders in Brazil, including providers, payers and patients.

The scenario shows it is improbable that collaboration happens organically, revealing systemic conflicts of interests, intense fragmentation, information asymmetry and a silos mindset based on disease as value generator, favoring providers, not in health or wellbeing, benefiting patients and payers. Technology is seen as a collaborative enabler to end the perverse zero sum cycle. Digital platforms can mediate resource integration, boosting the ecosystem’s viability cycle, decentralizing execution and shifting power from centralized organizations to the crowd. They scale assertive access to health, bring transparency, data interoperability and accountability, promoting dialog through new negotiation agendas more based on trust and collaboration, fostering social wellbeing as desired collaborative outcomes.

Despite its impact, there is no significant academic work articulating S-D Logic, Collaborative Economy and Healthcare. The research bridges theory and practice by proposing a process and frameworks to help a traditional environment to adopt a collaborative mindset and be prepared to address changes led by agile insurgents.
Session 02-07

Friday, July 19 (11:00 – 11:25)

The Role of Platforms and New Technologies in the Scaling Up of Innovative Service Ecosystems

Authors
1. Bo Edvardsson - University of Karlstad, Sweden
2. Maria Francesca Renzi - University of Roma Tre, Italy
3. Laura Di Pietro - University of Roma Tre, Italy
4. Javier Reynoso - Tecnologico de Monterrey – EGADE Business School, Mexico

Abstract

Scaling-up of innovative service ecosystems is a hot topic for both managers and scholars. Since every service ecosystem has a distinctive set of actors, resources, norms, rules and habits, Barile et al. (2016, p.663) argue that the viability of an ecosystem “depends on its ability to adapt to a changing environment by identifying a role to play in each context”. Scaling-up represents a special role for actors to play when adapting to and taking advantage of changing environments (Edvardsson et al., 2018).

Paina and Peters (2012, p. 367) refer to scaling up as “a set of processes that lead to expanded and sustainable coverage of services, and involves strengthening the capacity of delivery organizations, increasing diversity and robustness of funding and management arrangements, and growing the system’s overall capabilities to add more services or to integrate services”.

Despite the use of the scaling-up concept in various streams of literature, few conceptual models and empirical studies (i.e., Subramanian et al. 2011; Di Pietro et al., 2017) present models that explain how the scaling-up process is initiated, emerge and become institutionalized. Thus, it emerges a need for both conceptual and empirical research into this phenomenon (Wright and Stigliani, 2013).

Innovation evolves by exploring and exploiting changes and emerging opportunities (Bacon et al., 2008), that requires entrepreneurial abilities and strategies to make the process unfold, become institutionalized and successful (Adner, 2006). A crucial role is also played by information technologies (IT) and platform, which create novel opportunities through the integration of digital components (Lusch & Numbisan, 2015). This, in turn, generates new institutional arrangements (Westley and Anadze, 2010), but can we explain how service ecosystems scale-up? Which is the contribution of IT and platform to the scaling up of service ecosystem?

The aim is to explain how innovative service ecosystems scale up, using a service-dominant logic lens. Moreover, according to Lusch and Numbisan, (2015), we intend to investigate the role of IT in fostering the scaling up. The focus is on identifying empirically grounded phases that describe the scaling-up process as the basis for an extended conceptual framework on the scaling up of service innovations informed by effectuation theory. A reflexive research design is used together with empirical data from eight fast-growing business ecosystems. The study builds on a conceptual framework (Di Pietro et al. 2017) of drivers, explaining why innovations scale up.

The article contributes with an extended conceptualization and empirically grounded drivers, explaining how scaling-up phases emerge and form the scaling up process, emphasizing the role of ICT and key actors, often referred to as the entrepreneur.
Improving Wellbeing through Technology-mediated Crowdfunding Platform: Value Congruence as the Main Concept of Transformative Service Research

Author
Nila Armelia Windasari - School of Business and Management, Bandung Institute of Technology, Indonesia

Abstract

Transformative service research (TSR) is currently gained a lot attention in service research, particularly about how to improve societal wellbeing. Several approaches are highlighted, such as service design and community action research (Fisk et al., 2016), dehumanizing service interactions (Rayburn, 2015), as well as transformative technology.

We extend the notion of transforming lives through charity participation (Rapp et al., 2015) by using the case study of Kitabisa.com, the largest online crowd funding platform for social project in Indonesia. We examine how technology-mediated platform enable social intervention through the interactions between actors. This research focus on how charitable experience, not merely about monetary needs and satisfaction, but also value arise from interactions between beneficiaries strengthen the bonds between actors in the service system and improve actors’ overall wellbeing.

Prior study examined improved wellbeing through the perspective of volunteer workers and hands on or direct intervention (Rapp et al., 2015). In the technology-mediated platform, previous research by Aprilia and Wibowo (2017) indicates network effect, story effect, and campaign as potential trigger mechanism to enable value cocreation. We further introduce a model of value congruence, that is value proposed through the platform and value acceptance by the customer, enables co-creation activities as shown on the Figure 1.

Figure 1 Research Framework

A donator and campaigner have their own initial value perception before engaged in the social crowdfunding platform. Kitabisa as service provider, with its platform, only can propose a value propositions to meet the donator and campaigner. Interactions between donator and campaigner occurs will subsequently enable resource sharing (funds, stories, experiences, and networks). When the value congruences achieved, it will enhance their engagement and improve their wellbeing accordingly, such as happiness, life satisfaction, and social relationships.

We use semi-structured interview to connect value perceived by stakeholders and understand the value congruence. As value cocreation requires the actions taken by actors in the networks, it is important that all stakeholders within the ecosystem be the subjects for interview (Windasari, Lin, and Chen, 2017) which are; the content creator, donator (individual and organization), and the recipients. The interview data are further analyzed with open coding approach through iterative process to derive the major points to determine the value congruence constructs.

We expect the result to fill the gap on how to improve charitable experience through technology-mediated platform, not only for the donator but also all beneficiaries. We also suggest that online platform can address larger benefit for transformative service research for people in the bottom of pyramid by enabling interactions between beneficiaries. Further research directions can address the cultural differences (i.e. collectivism) and altruism behavior as potential moderators.
Why Customers and Peer Service Providers do not Participate in Collaborative Consumption

Abstract

Recent technologies and shifting customer needs fostered the emergence of a new business model called collaborative consumption (Benoit et al. 2017). Collaborative consumption, characterized by an intermediating digital platform facilitating exchanges among a network of actors (customers and peer service providers), is receiving significant attention. Yet despite its promising prospects, many firms have failed to build a critical mass of supply and demand for their collaborative business model (Andreassen et al. 2018). For instance, the accommodation sharing platform Stayzilla announced its closure in 2017 because of the difficulties to develop both market sides. The lack of adoption of collaborative consumption by both customers and peer service providers highlights the need to better understand the diffusion of this innovation.

Prior research provides relevant insights on the factors that drive customer acceptance of collaborative consumption (e.g., Guyader 2018). Yet, understanding the reasons why actors from both sides—customers and peer service providers—do not adopt collaborative consumption is equally important. Individuals disproportionately evaluate losses compared to benefits in their decision-making processes, and platforms must develop both sides to successfully compete in the collaborative economy. Accordingly, this research aims to develop a comprehensive framework capturing the barriers perceived by both customers and peer service providers that impede the diffusion of collaborative consumption.

Using a mixed-method qualitative approach—including 6 focus groups, 7 interviews, and 375 critical incidents—and integrating complementary literature, we propose a conceptual framework showing actors reject collaborative consumption because of a complex set of multidimensional functional and psychological barriers. In particular, actors may perceive barriers related to complexity, value, risks, compatibility, contamination, image, and responsibility, which prevent them from participating in collaborative consumption. With this effort, this research contributes in two main ways. First, by focusing on collaborative consumption, considered as a unique service innovation (Kumar et al. 2018), this study extends the research stream on innovation rejection, which has mainly focused on product (e.g., Heidenreich and Kraemer 2016) or dyadic service innovations involving B2C exchanges (e.g., Hazée et al. 2017). While some findings overlap with prior research, several other results seem to be specific to triadic business models like collaborative consumption. Second, this research addresses Andreassen et al.’s (2018) observation that insights into the barriers perceived by peer service providers remain limited, and accordingly contributes by providing a fine-grained analysis of the dual rejection of collaborative consumption. Given the growth of new work arrangements (Subramony et al. 2018), this study shows that peer service providers need to be attracted and managed differently from “regular” workers, as firms also need to help them overcome the barriers associated with this type of professional activity. Platform providers can use these findings to understand more fully actors’ decision making process in collaborative consumption.
Identifying Segment-Specific Key Drivers from Unstructured Online Service Review Data: Analytics Methodology and Application in Service

Author
Sunghoon Kim - Arizona State University, USA

Abstract
Customers are talking about, sharing, and complaining about their service experiences on online review sites. As such, large amounts of review data about service experiences (e.g., numerical star ratings, textual reviews in natural language) are publicly available, and these data are being updated every moment. These reviews include the direct but heterogeneous experiences of customers about services and/or products. As challenges for applying various statistical methods (e.g., segmentation analysis) to the review data, the data includes unstructured text reviews evaluating multiple service attributes and so we need to transform such qualitative, unstructured texts to quantified, structured format. In addition, the transformed data tend to be high-dimensional, correlated and sparse. Thus, there are needs for new analytics methodology to resolve such challenges.

We propose an integrated machine-learning algorithm to extensively apply a classic model-based segmentation method in marketing (e.g., latent class regression) to the unstructured online service review data. The proposed procedure extracts a quantified independent variables (IVs) matrix from unstructured textual reviews by developing a set of text analytics algorithms and then identifies segment-level key drivers by applying a suggested segmentation method with variable selection. Given the textual review data in service are typically highly dimensional, correlated, and sparse, we resolve this issue using simultaneous variable selection technique in the segmentation method. With the proposed method, firms or policy makers can focus on key drivers per each segment in their marketing activities (e.g., online banner advertising, search advertising) to improve resource allocation efficiency; this method will help them systematically keep track of periodic patterns of segment-level key drivers, which can be especially useful for service marketing.

We apply the proposed algorithm to two different kinds of unstructured review data: (1) reviews for rating 46,340 university professors, and (2) reviews for rating 10,876 restaurants in Arizona and Nevada states in the U.S. Through the two application studies, we show that the extracted IVs matrices are valid with several evidences. Next, we demonstrate that the proposed algorithm provides better predictive performance with out-of-sample data compared to two existing benchmark procedures (e.g., ordinal regression with a IVs matrix yielded by the deep-learning neural network approach, and collaborative filtering recommendation approach), which might help improve recommendation system. Finally, we discuss the key drivers across derived segments: E.g., “lecture quality,” “class materials,” “care by professors,” etc. across the three segments for the study 1, and “food quality,” “service quality,” “worth (money for value),” etc. across the four derived segments for the study 2.
The Forgiving Will Be Forgiven: The Effect of the Provider's Empathy for a Customer-caused Failure on the Customer's Forgiveness for a Provider-caused Failure

Authors
1. Sunmee Choi - Yonsei University, South Korea
2. Sooyun Kim - Yonsei University, South Korea

Abstract

When sharing services with other customers in the peer-to-peer (P2P) sharing service context, peer customers play diverse roles that were traditionally performed by service employees due to non-existence of service employees during the service delivery process. Consequently, customers have become more prone to causing service failures. In the meantime, peer service providers (PSP) are not professionally trained service providers and therefore are also prone to making mistakes which cause customer dissatisfaction. Hence, it may not be rare that customers experience both types of failures, one caused by themselves and another one caused by PSP during one purchase experience. In this case, how PSP handles the situation when the PSP has to make customers realize that the failure was caused by customers might affect customer reactions to the later-occurring failure caused by the PSP. This study aims to address this situation unique to P2P sharing service and examine the effect of empathetic communication style by the PSP during the first stage of customer-caused failure on customer reactions to the second state of PSP-caused failure.

We conducted our study in two stages. In stage 1, we examined the impact of the perceived cause of service failure (customer vs. PSP) and the severity of service failure on customer’s attribution (locus and controllability) to the PSP and also to platform provider (PP). In stage 2, we tested (1) the impact of making customers aware that the cause of failure lies with the customer on customers’ reaction (anger), (2) the impact of PSP’s communication style (empathic vs. unempathic) on customer reactions (anger and forgiveness) to the subsequent failure caused by the PSP and customers’ overall responses to the PSPs (satisfaction, intention to give a good review score, intention to write a review about each failure incident, and repurchase intention). We collected data necessary to test our hypotheses through two scenario-based surveys.

This study contributes academically to the stream of research on improving sharing-service quality, on better understanding sharing-service customers’ reaction to service failure, and on developing effective coping strategies for sharing-service failure. This study is distinguished from existing studies in that this study addresses the dynamics in customer reactions to consecutive failures which are caused by different parties. Managerially, the findings of this study help realize the importance of communication style in handling service failure situations, particularly when the failure is caused by customers.
Session 02-12

Friday, July 19 (11:00 – 11:25)

Competitive Advantage in the Service Economy

Authors
1. Michael Ehret - Nottingham Trent University, UK
2. Jochen Wirtz - National University Singapore, Singapore

Abstract

Reflecting on the rise of the service economy, a growing range of researchers is questioning the value of asset-ownership for businesses (Lovelock & Gummesson 2004; Wittkowski, Möller, Wirtz, 2012; Quinn 2000). Service researchers show rationale and evidence for the value of nonownership services enabling clients to enjoy benefits like transportation without bearing the burdens of assets used for service provision like cars. Authors have been identifying platforms as enablers for asset-light business models offering services at historically unprecedented scale. In the field of strategy, a growing range of world class service providers empowers companies to substitute almost any asset or activity with unbeatable cost-quality ratios. Taken as whole, this growing body of literature shows strong rational and evidence for the nonownership value of services, where providers offer services as substitutes reducing the burdens of ownership, calling researchers to reconsider the role of ownership if not assume ownership as obsolete.

However, service researchers have yet to consider both evidence and rationale for the contribution of ownership in forming value propositions of service businesses. World-leading platform companies are intensifying their investments in communication and information infrastructures, positioning them as owners of hubs for the configuration of nonownership value propositions like ride-hailing, use of accommodation or facilities or industrial services. Economic theories offer strong arguments for positive impact of asset ownership, especially as an efficiency condition for transactions or its capacity to empower entrepreneurs to direct ventures and appropriate profits (Grossman & Hart 1986; Foss, Foss, & Klein 2007; Mises, 2007, 2008). Thus, economic perspectives have yet to consider the role of ownership in enabling mutually beneficial modes of value creation and to consider ownership configuration a key element of service strategies unlocking mutual value propositions for providers and clients.

The purpose of this article is to demonstrate the role of ownership in enabling mutually beneficial modes of value creation in service transactions and explore its implications for service strategies. On the theory level, the article explores the role of ownership as institution of uncertainty sharing for the mutual benefit of providers and client in value cocreation. As a major implication, we are able to identify the contribution of ownership configurations in value cocreation. We further explore three types of cocreation advantage building on ownership configurations in theory-building case study approach (Eisenhardt & Graebner, 2007; Ridder, 2017; Siggelkow, 2007);(1) uncertainty consolidation through asset championship, with the case of Indigo consolidating airplane ownership (2) cocreation of opportunities, with the case of Qualcomm, offering the world largest pool of mobile technology for the industry (3) meta-ownership of cocreation infrastructures as cocreation assets, with the case of Amazon, operating the front-end retailing and the back-end webservices as infrastructures for digital services.
FRIDAY, 19 JULY

CONCURRENT SESSION 3  |  11:30 – 11:55 a.m
Seminar Rooms @ Mochtar Rady Building

Customer Service from the Inside Out - Servant Leadership.
Carla Carvalho Dias (Top Service Academy, Portugal)  SR 2-1

Transforming Organisational Culture in the Age of Artificial Intelligence: Implications for Services Industry
Ajit Mathur (Right Culture, India)  SR 2-2

Experiential Retail for Luxury Brands: Using Non-Traditional Stores to Reach Untapped Customer Segments
Anne-Sophie Riegger (EBS Universität für Wirtschaft und Recht, Germany), Jan Klein (Tilburg University), Katrin Merfeld (EBS Universität für Wirtschaft und Recht, Germany), Sven Henkel (EBS Universität für Wirtschaft und Recht, Germany)  SR 2-3

Understanding Complaining, Service Failure Identification and Service Recovery Systems via Social Media.
K. Jones (Aston University, UK), A. Lawson (University of Derby, UK), A. Hanlon (Evonomie & University of Derby, UK)  SR 2-4

"He’s Too Much of a Man to Do That": The Role of Masculine Identities and Self-conscious Emotions in Men’s Help-seeking in Preventative Health.
Jacquie Cherie McGraw (Queensland University of Technology, Australia), Rebekah Russell-Bennett (Queensland University of Technology, Australia), Katherine Marie White (Queensland University of Technology, Australia)  SR 2-6

Pervasive Computing as a Platform for Service Analytics
Hannah Sophie Schmitt (School of Business and Economics, Maastricht University, The Netherlands), Benjamin J. Lucas (Nottingham University Business School, University of Nottingham, UK), Jos G.A.M. Lemmink (School of Business and Economics, Maastricht University, The Netherlands)  SR 3-1

Funding Platforms for Digital Content: The Determinants of Persistent Contribution
YeeHeng Tan (Tokyo International University, Japan), Srinivas K Reddy (Singapore Management University, Singapore)  SR 3-2

City Administrations’ Facilitation Role in Sharing Participation for Sustainable Shared City Living: A Co-creation Perspective
Dominik Georgi (Lucerne School of Business, Switzerland), Tom Chen (The University of Newcastle, Australia), Matthes Fleck (Lucerne School of Business, Switzerland)  SR 3-3

How the Level of Servitization Influences on Big Data Use in Organizations
Heli Hallikainen (University of Eastern Finland, Finland), Tommi Laukkanen (University of Eastern Finland, Finland)  SR 3-4

Is Technology-enabled Mobility Service Socially Sustainable?
A Look at On-demand Workforce Well-being through Human Needs Theory
Markus Hartono (Department of Industrial Engineering, University of Surabaya, Indonesia), Hendry Raharjo (Chalmers University of Technology, Sweden), I Made Ronyastra (Department of Industrial Engineering, University of Surabaya, Indonesia)  SR 3-5

Stakeholder-Specific Outcomes of Airlines Mergers and Acquisitions: Policy Implications from an Empirical Examination
Leon Gim Lim (Tilburg University, Netherlands), Kapil R. Tuli (Singapore Management University, Singapore)  SR 3-7
Great Customer service is something all the companies need and want to have but are they willing to change behaviours?

This study explores the relationship between the internal culture of a company and leadership style with the customer service.

It is important to consider the beliefs and behaviors of the Portuguese, as this study was conducted in Portugal. The word “service” is often perceived as “servility” throughout all layers of the organizations that, often, ends up with a wrong service mindset.

This research took place during an organizational culture redefinition of a fast food chain with around 3,000 employees and 156 restaurants, during the years of 2016 and 2017. The company is based on a result-oriented and detail-oriented organizational culture and needed to change to a more customer-oriented culture.

On the first year we focused on 19 pilot restaurants and on the second year we setup a training program for 137 restaurants and all the management teams. This training program focused not only on the already existing check lists and procedures, but it also provided employees with knowledge about hospitality and humanization.

We collected data from both employees and customers through 4 different surveys.

On year one we collected answers from 2,466 customers making personal interviews on site, based on 3 questions and we collected data from 721 employee’s through confidential surveys with 8 questions to understand and measure the emotional connection to the company and restaurant and the maturity of their customer service perception.

On year two we collected 20,550 answers from customers and we trained and coached all the restaurant managers and sub-managers on how to do the internal survey, give feedback and implement behavioral changes.

The goal was to bring to the company a human dimension through leadership, from the inside out, knowing that changing internal habits would be of a great value not only for the final Customer Service satisfaction and loyalty but also for employees’ commitment with the company.

We found, on year one, a direct relation between the employees’ emotional connection with managers and the company and customer satisfaction. Restaurants with servant leaders were having an amazing difference on customer satisfaction when compared with restaurants with a non servant leadership style. When measuring the Net Promoter Score (NPS) on the 19 restaurants on year one, the biggest gap between restaurants was from a NPS of -14% to a NPS 78%. After implementing new ways of leadership on the negative NPS restaurants we raised up to +30%.

We concluded that when leaders manage their teams with a service mindset that translates into a higher employee engagement and authenticity and thus a higher customer satisfaction.

Key Words: Service Culture; Leadership; Servant Leader; Customer Service; Organizational Culture
Session 03-02

Friday, July 19 (11:30 – 11:55)

Transforming Organisational Culture in the age of Artificial Intelligence: Implications for Services Industry

Author
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Abstract
With AI knocking our doors, many organisations are beginning to recognise its growing dominance. However, not many may be thinking about its likely assault on organisational culture—one of the key pillars of organisational performance. Traditionally, people have always been at the core of services. In the AI-era, the key question is: Will people remain at the core or will machines slowly displace them? This has some profound implications for culture. How should organisations, especially in the services industry, transform their culture to leverage AI and not be swept aside by its disruptive wave? This paper explores four key AI-led challenges, and the corresponding new cultural values organizations should consider, for staying relevant:

1. Machine Friendliness
Over time, in many services, the boundary where humans leave and machines take over would get blurred (e.g., airline pricing already belongs to algorithms; diagnostics could be next). Challenge: On one side, organizations could face tech talent crunch, while on the other, non-tech individuals might stare at a bleak future, both pulling down the performance.

Cultural response: Convert fear into opportunity; integrate tech into work; heavily invest in new learning initiatives; and reward learning. Let’s call this new core value as “Machine Friendliness”.

2. Respectful Co-existence
In services, excellence is synonymous with “working together”. But “AI-experts” could bring in their own occupational sub-culture and dominance, distancing themselves from the rest (non-AI colleagues), both in terms of behaviours and expectations. Challenge: Unless organisations are adequately prepared, the majority of employees, non-AI, could end up disheartened, badly impacting interpersonal trust and collaborative spirit throughout.

Cultural response: Cultivate empathy and kindness. Let’s call this as “Respectful Co-existence”.

3. Inspiring World-view
Services, especially tech-driven, are becoming large eco-systems. While technology/AI integrates the eco-system partners at a tangible level, they still need a common belief to cooperate (e.g., shared mobility will benefit the world). Challenge: Any cooperation amongst partners at a level less than the best could mean suboptimal performance.

Cultural response: Articulate and rally around a common world-view, a belief that transcends individual missions of partners. Let’s call this “Inspiring World-view”.

4. Human Centricity
With machines becoming smarter, employees could get tripped emotionally, leading not only to a personal crisis but a larger social crisis. Being largely people-driven, services organisations are especially vulnerable. Challenge: How to avoid pushing humans towards a hopeless, jobless future?

Cultural response: Allow humanity to prosper, by redesigning roles and relationships around our unique endowments of emotions, creativity, hope, and yearning. Let’s call this as “Human Centricity”.

As AI marches on, organisations need to proactively transform their culture by cultivating more relevant values such as the four mentioned above. They need to act now.
Session 03-03

Friday, July 19 (11:30 – 11:55)

Experiential Retail for Luxury Brands: Using Non-Traditional Stores to Reach Untapped Customer Segments

Authors
1. Anne-Sophie Riegger - EBS Universität für Wirtschaft und Recht, Germany
2. Jan Klein - Tilburg University, Netherlands
3. Katrin Merfeld - EBS Universität für Wirtschaft und Recht, Germany
4. Sven Henkel - EBS Universität für Wirtschaft und Recht, Germany

Abstract

Facing challenges such as an aging customer base and being perceived as antiquated and outdated, luxury brands need to identify novel ways of approaching new target groups. Specifically, among younger customers a shift in attitudes away from luxury consumption towards experiences can be observed. This goes hand-in-hand with a decreasing affinity for brands and an increasing demand for superior customer experiences. That is, younger customers expect memorable experience from the retail and service environments of brands.

Non-traditional retail and service formats are one strategy implemented by luxury brands to address this need. Specifically, luxury brands use experiential stores to reach the currently untapped potential of younger customers that are becoming increasingly distant to luxury brands. Experiential retail stores are a synthesis of a store and an event. These store concepts seek to provide interactive and memorable experiences with a brand by designing new store environments and by inviting artist to perform in the store. However, which elements of experiential stores might drive the engagement of new customer segments that are currently distant to luxury consumption is unclear. Specifically, setting up an experiential store might not only require a certain store atmosphere, but also a specific provision of services via the events.

As existing research on this topic is scant, we take a mixed-methods approach to identify and empirically tests key success factors of experiential retail stores in the luxury industry. We first conduct a qualitative study to identify the key factors of experiential stores. We interviewed 85 customers of an experiential store that was specifically designed to address new target groups. The store, for example, offered several events with artists that are targeted at a younger and hipper target group than the brand’s traditional luxury segment. We transcribed and analyzed the interviews. Our analysis reveals four factors of the store and events that are important for this new target group: (i) authenticity, (ii) inspiration, (iii) mystics, and (iv) exclusivity. First, the events and the experience need to be authentic to the culture of the new customer segment. Second, the events need to inspire customers to consider new ideas or to broaden their horizon. Third, the atmosphere should provide a novel feeling of mystique. Fourth, in line with more traditional luxury retail, the atmosphere should give the customers the feeling of exclusivity. Based on the insights from the qualitative study, we developed hypotheses on the effects of store and event characteristics on brand and behavioral outcomes (e.g., WOM). We are currently testing these hypotheses by collecting data from visitors of the same store and analyzing the data via structure equation modelling.
Session 03-04

Friday, July 19 (11:30 – 11:55)

Understanding Complaining, Service Failure Identification and Service Recovery Systems via Social Media.

Authors
1. K. Jones - Aston University, UK
2. A. Lawson - University of Derby, UK
3. A. Hanlon - Evonomie & University of Derby, UK

Abstract

The purpose of this research is to explore the motivations and characteristics of consumer complaining via social media and in turn provide a robust methodology for dealing with these online public complaints. Organisations cannot satisfy every customer and have learned the value of managing their complaints systems carefully. However, social media has been a game changer. User-generated content (UGC) has become the norm, with customers exhorted to be brutally honest to help other customers make better decisions. Many firms have embraced social media but are finding that they are being hijacked by irate customers online. This even affects those organisations with no or limited social media presence as their products and/or services are discussed irrespective, showing the importance of the issue for all customer-focused firms.

The study of customer dissatisfaction and complaining behaviour has received significant research to date, resulting in numerous service recovery models in the late 1990’s, which provided organisations with systems and mechanisms for managing such situations. However, these frameworks are all pre-social media, a medium which has not only created new channels for consumers to voice their complaints to the wider public, but has intensified the ramifications of this complaining behaviour. The central role of these newly empowered consumers has led to a need for both conceptual and empirical research exploring consumer complaining behaviour via social media.

The research design employed in this study is a mixed methods approach. Data from multiple sources, namely netnographic observations, online interviews and an online survey are triangulated to investigate the motivations and characteristics of consumers’ complaints on social media.

The major findings and implications of this research include: customers choose social media as a channel to complain as they recognise the public nature of the medium and expect success because of this. Conversely, they are conscious of their own online persona and can use humour including sarcasm to disparage the complaint in an effort to maintain and protect their own online reputation. Further, customers use social media as a channel of complaint as result of lack of service recovery in other more traditional channels (i.e. double deviation) and wish to escalate their grievance to a more public and potentially successful platform.

The implications of this research are firms need not only to identify and understand humorous social media complaints as an opportunity to publicly rectify service failures, but also as a chance to showcase brand personality and values to their online audience. Conversely, organisations must ensure other more traditional complaints management or service recovery systems and procedures are equally, if not more efficient, to ensure customer complaints do not escalate to the public and potential viral social media online arena.
Session 03-06

Friday, July 19 (11:30 – 11:55)

“He’s Too Much of a Man to Do That”: The Role of Masculine Identities and Self-conscious Emotions in Men’s Help-seeking in Preventative Health.

Authors
1. Jacquie Cherie McGraw - Queensland University of Technology, Australia
2. Rebekah Russell-Bennett - Queensland University of Technology, Australia
3. Katherine Marie White - Queensland University of Technology, Australia

Abstract

Despite lower life expectancy than women and higher likelihood of premature death from disease, men are reluctant to access preventative health services (AIHW, 2017, 2019; Baker et al., 2014). Such services are transformative and aim to improve consumer well-being, usually through the co-creation of value between the service and the consumer in an interactive process, such as consumer attendance at a cancer screening clinic and participating in a screening procedure (Anderson et al., 2013; Vargo, Maglio, & Akaka, 2008; Zainuddin, Previte, & Russell-Bennett, 2011). However, the potential value of some services is not always realised, for example when men reject bowel cancer screening services (Leo & Zainuddin, 2017; Plé & Chumpitaz Cáceres, 2010). Gender literature theorises that men demonstrate their masculinity through their health beliefs and behaviours, which are usually unhealthy or risky (Connell, 2005; Connell, 2012; Courtenay, 2000). Health literature has found that male consumers cite threat to masculinity and emotions like embarrassment and guilt as barriers to help-seeking and accessing preventative health services (Consedine, Ladwig, Reddig, & Broadbent, 2011; Harmy, Norwati, Noor, & Amry, 2011; Leone, Rovito, Mullin, Mohammed, & Lee, 2017). Emotions such as embarrassment, guilt and shame are examples from a set of emotions known as self-conscious emotions and are usually triggered by self-representations or identity goals (Lewis, 2000; Tracy & Robins, 2011). Self-conscious emotions are important in social marketing for transformative services as they motivate people’s feelings, thoughts and behaviours (Lewis, 2000; Tracy & Robins, 2011). To date, there is sparse literature that examines the role of different masculine identities for men’s help-seeking and the role of self-conscious emotions and masculine identities in mature men’s help-seeking for preventative health. Through thematic analysis of five focus groups with mature men (N=39), this research identified seven key masculine identities for men’s help-seeking from 12 Jungian male archetypes, particularly the Thinker, the Caregiver and the Innocent for positive help-seeking, and the Outlaw, the Ruler and the Explorer for negative help-seeking, while the Regular Guy could have both positive or negative help-seeking (Mark & Pearson, 2001). Three key themes of masculinity for the key masculine identities and their help-seeking behaviours were identified: role in family, normative influences and stoicism and self-reliance. The research also found three themes of masculinity that triggered self-conscious emotions for the key masculine identities; head of family role, agency and power, and toughness and stoicism. The themes of masculinity also lead to regulation of self-conscious emotions through either positive or negative help-seeking behaviours. The contribution of this research includes traditional masculine identities that: obstruct or promote healthy men’s help-seeking behaviour, regulate self-conscious emotions for men’s positive or negative help-seeking, and regulate self-conscious emotions through negative help-seeking behaviours because of masculine ideals of agency and power.
Pervasive Computing as a Platform for Service Analytics

Authors
1. Hannah Sophie Schmitt - School of Business and Economics, Maastricht University, Netherlands
2. Benjamin J. Lucas - Nottingham University Business School, University of Nottingham, UK
3. Jos G.A.M. Lemmink - School of Business and Economics, Maastricht University, Netherlands

Abstract

Pervasive computing is giving rise to new opportunities for service organizations to gain insights into different social and economic activities and behaviors across large geographic areas (Sobolevsky et al., 2016; Zhou et al., 2017). Within this sphere, a number of major works have explored concepts such as urban analytics and human mobility analytics (Gonzalez et al., 2008; Barbosa-Filho et al., 2017; An et al., 2018; Xia et al., 2018). These bodies of research encompass a variety of unique perspectives and different focal outcomes. For example, Mohamed et al. (2017) used smart card data to understand urban mobility patterns in general, while D’Silva et al. (2018) used crowd-sourced mobile location data to predict demand for new physical businesses, and Zhou et al. (2017) used location-based social media data to examine the impact of government investment in cultural initiatives on economic development. What is not currently known however, is how pervasive computing technologies can be leveraged at the level of individual service firms as a basis for service analytics and ‘analytics as a service’.

The aim of this study is thus threefold. First, we review major developments in the pervasive computing domain and link these to major developments in service technologies. Second, we highlight some of the main areas in which pervasive computing platforms can be leveraged to provide insights for specific individual service firms. This spans what digital mobility patterns ‘say’ about different types of service consumers (in terms of their characteristics), as well as why different mobility patterns matter for different types of services. The latter is anchored in understanding the literal, ‘physical’ customer journey and the ‘metaphysical’ customer journey and service consumption experience. Third, we present results of a longitudinal field study, involving passive mobility tracking (with strictly opt-in participation) via a smartphone app in two European cities. We present preliminary results arising from this study based on unsupervised machine learning optimization techniques. Specifically, insights here are distilled through a combination of automated feature selection and subset selection based primarily on graph topology.

To support these goals, we also briefly introduce concepts from sensor fusion and algorithmic approximation as a basis for human activity recognition and mobility tracking. We also discuss important ethical and legal dimensions of human behaviour tracking at scale: a cornerstone of best-practice in digital service development, deployment and user acceptance in general. This focuses on GDPR and related data privacy requirements in the context of scaled technological infrastructure in general, including overlaps with considerations in the internet-of-things domain (Wachter, 2018). We conclude with a broad discussion of citizen-centric, data-enabled ecosystems, with an emphasis on using existing resources, including data, for improving quality of life (Delmastro et al., 2016; Ramaswami et al., 2016; Pereira et al., 2017; Yeh, 2017).
Funding Platforms for Digital Content: The Determinants of Persistent Contribution

Abstract

Most forms of crowdfunding are one-time contributions to projects or causes. Some new crowdfunding platforms have evolved for backers to provide recurring support (patronage) to projects. Such platforms are unique in that the funding of a project has no fixed duration and has no fixed funding goal. The number of backers (patrons) and their contributions to these projects can evolve across time very differently, with some projects accumulating backers and contributions rapidly, some growing at a steady pace, while others declining over time. These varied dynamics of patronage funding presents us with a rich set of research questions to understand the performance of projects in the recurring crowdfunding model. For example, what role does the project, project creator characteristics and type of incentives play in determining the different funding patterns, and do these factors have a temporary or a persistent impact over different stages of the life of the project. Using data (3229 projects launched between June 2014 and May 2015) from a leading patronage crowdfunding platform, we identify how several project type properties, incentives, project presentation characteristics and project categories impact patrons and their contributions over time. Our findings highlight the difference in the timing and persistence of crowdfunding factors, with factors such as the number of perks and amount of exclusive content having a persistent effect on patron and contribution growth rates while other factors such as the number of milestone goals having a temporary effect in different stages of the patronage crowdfunding process. Recurring crowdfunding platforms can make use of the information provided by our research by emphasizing, through the platform architecture, on factors that motivate a potential patron to contribute. Managing their website interface and directing users' attention either to or away from these factors would in turn increase successful platform interactions as well as their revenues.
Session 03-09

Friday, July 19 (11:30 – 11:55)

City Administrations’ Facilitation Role in Sharing Participation for Sustainable Shared City Living: A Co-creation Perspective

Authors
1. Dominik Georgi - Lucerne School of Business, Switzerland
2. Tom Chen - The University of Newcastle, Australia
3. Matthes Fleck - Lucerne School of Business, Switzerland

Abstract

The increased popularity of both commercial sharing services and non-commercial sharing services has led to the global expansion of the sharing economy. Given the rising popularity of sharing services such as Airbnb and Uber around the globe, city administrations, therefore, must decide how to address sharing in their cities. This raises the question of whether and how to regulate sharing services. Their options range from letting the ‘sharing economy’ flow to actively regulating sharing by restricting the sharing economy. Another option might be to actively design and manage the city’s sharing economy. Regardless, city administrations must understand the different motives for sharing to develop consistent policies around the various facets of sharing and the business models of the sharing industries. This active approach is a valid strategic option given that the potential effects of sharing in the areas of ecological, social and economic sustainability fall within the purview of cities’ common objectives. Therefore, the idea that guides our research is how cities structurally use sharing principles to support their objectives.

Little to no attention has been paid to the question of how cities and local authorities should respond to the increasing importance of the sharing economy in service literature. Specifically, we examine how city administrations actively manage the sharing economy to support their objectives from a co-creation perspective. Our study addresses the following questions:

1. What are the effects of sharing participation on sustainable city development?
2. What are the drivers of sharing participation?
3. What are the policy options for cities?

A two-step research design was employed to ensure that multiple stakeholders and perspectives relevant to public policy-making are considered. To guarantee the relevance of the studies, all the research was conducted in cooperation with a city government. Firstly, to understand the nature of sharing within a public policy-making context, we conducted expert interviews. To understand personal motives for sharing, we asked individuals about their sharing motivations and intentions for use in various sharing scenarios. The results indicate that cities and urban areas can benefit from the sharing economy through the smarter use of resources. Secondly, we conducted a survey study which identifies major factors that support a sharing economy in a public context. We contribute to the theory by proposing four propositions to inform city administrations’ facilitation role in responding to the determinants of sharing participation in the sharing economy. To facilitate the achievement of sustainability goals, we also provide three strategic approaches in responding to sharing participation, i.e. restricting, feeding and living in a sharing economy, for city administrations to derive sharing strategies.

We believe our research has the ability to make a significant contribution to our understanding of service failure/recovery within a CC/triadic exchange context by providing insights into how consumers view these failures differently from more traditional dyadic exchanges. In addition, our research has the potential to provide guidance to companies involved in this new form of exchange regarding how they might alter responses to service failures.
How the Level of Servitization Influences on Big Data Use in Organizations

Abstract

In 2015, Ostrom et al. (2015) nominated the use of big data to advance service as one of the top research priorities. Three years later, it seems that a paucity still exists regarding the use of big data in the service context, with only few academic articles addressing the issue from the viewpoint of the service industry (e.g. Cohen, 2018; Lehrer et al., 2018). In recent years, several success stories have evolve based on data-driven applications to enhance service, and several companies have embraced service as an engine for the company’s growth (Barrett et al., 2015). Real-time personalization, targeted promotions and campaigns, identification of patterns and trends and predictive modeling represent some examples of the mechanisms through which big data can be leveraged to advance service (Cohen, 2018). Further, with the utilization of big data, companies can enhance their dynamic and adaptive capabilities, which should eventually lead to a sustainable competitive advantage (Erevelles, Fukawa & Swayne, 2016).

The study attempts to understand differences in the extent, and the way in which companies utilize big data in their operations, and as a driver of company’s financial performance. We test if the level of servitization in organizations (i.e. the share of turnover generated by services) influences on the organizations’ big data use and, further, how the big data use influences on sales. Using a sample of 551 responses from company CEOs in Finland, we find that, overall, the greater the proportion of turnover consists of services, the less organizations utilize big data in their operations ($\beta=-0.156$, $p<=0.001$). With a detailed look at specific operations, we find that this appears to be the case especially in procurement, manufacturing, distribution, pricing and yield management, merchandising and store operations, while the effect is statistically not significant in product development, marketing and sales. These results are alarming for the service companies, as we further find that big data use generates growth in sales among the participating companies ($\beta=0.167$, $p<0.001$). This is supported by, for example, Wamba et al., 2017 and Ren et al., 2017, who argue that big data use operates as a driver for the company’s financial performance. For this reason, we encourage service companies to focus on the opportunities that big data and data analytics can provide.
Is Technology-enabled Mobility Service Socially Sustainable? A Look at On-demand Workforce Well-being through Human Needs Theory

Authors
1. Markus Hartono - Department of Industrial Engineering, University of Surabaya, Indonesia
2. Hendry Raharjo - Chalmers University of Technology, Sweden
3. I Made Ronyastra - Department of Industrial Engineering, University of Surabaya, Indonesia

Abstract
Technology-enabled mobility service offers flexible, personalized, and often lower fees for people to traverse the urban environment. For the workforce, it offers freedom and increased autonomy. However, Goldkind and McNutt (2018) argued that such service system seems to have a vampire-like effect, sucking resources and protections out of the economic ecosystem while benefitting only a very small group of people. Is this alternative work arrangement an oppression in disguise and thus increasing income inequality in sharing economy (Schor, 2017)?

In this research, we look at this phenomenon through the perspective of human needs ERG (existence, relatedness, and growth) theory by Alderfer (1969). It does not assume lower-level satisfaction as a prerequisite for the emergence of higher-order needs as in Maslow’s theory. Does the use of technological platform for mobility service lead to better workforce’s well-being? We collect empirical data through in-depth interviews and questionnaires from both the traditional taxi company and the on-demand mobility service provider company (Go-Car). It is an online based car ridesharing service run by Indonesian first unicorn start-up company called Go-Jek. As of December 2017, there are approximately 15 million active users and more than 100 million transactions per month.

We did a preliminary study involving 10 Go-Car drivers and 7 traditional taxi drivers ranging from 20 to 68 years old. With respect to existence needs, we found that the income of Go-Car drivers is remarkably higher than the traditional taxi drivers. One Go-Car driver who is 68-year old and retired said that “I do not chase the income, I just do this as a sideline. Since I can earn money, this is better than doing nothing at home. I have and can drive a car anyway. I can go home whenever I feel tired”. Another interesting finding is that most Go-Car drivers have their full-time job and see Go-Car as a sideline job. On the other hand, quite a number of the full-time traditional taxi drivers have a sideline job.

With respect to relatedness needs, we could not find a strong contrast between the two groups. One Go-Car driver said “my relationship with superiors and other drivers is good, we help each other through the WhatsApp group. We treat each other like a family”. Such good relationship also exists among the traditional taxi drivers. Most of them think that their job is important because it helps them provide a living for their family. With respect to growth needs, interactions with passengers, including information exchange and emotional labour, are part of their daily learning experience. Go-Car drivers perceived their job as very prospective at least for the next 2 years, despite no basic salary, health insurance, pension scheme as in the case of traditional taxi drivers.
Session 03-12

Friday, July 19 (11:30 – 11:55)

Stakeholder-Specific Outcomes of Airlines Mergers and Acquisitions: Policy Implications from an Empirical Examination

Authors
1. Leon Gim Lim - Tilburg University, The Netherlands
2. Kapil R. Tuli - Singapore Management University, Singapore

Abstract

This paper integrates the consumer, employee, senior manager, and investor perspectives, to explore the consequences of mergers and acquisitions (M&As) in the airlines industry by adopting a stakeholder-specific approach. Using a unique longitudinal dataset assembled from multiple secondary data sources, results from the stacked generalized difference-in-difference analysis show that following a M&A, acquiring airlines offer higher prices, lower service quality and fewer choices for consumers. In addition, whereas the employees of these airlines face reduction in headcounts, lower salaries and lower benefits after the M&A, senior managers of these airlines enjoy higher salaries post-merger. Finally, from an investor perspective, M&As result in higher operating margins and lower operating costs. However, the revenue passenger miles (RPM), an indicator of an airline’s growth potential, decreases after a M&A. Interestingly, further analyses show that higher prior service emphasis of an acquiring airline softens the negative impact of M&As for consumers and employees. In addition, acquiring airlines with higher prior service emphasis also provide smaller increases in senior managers’ salaries after a M&A. From an investor perspective, these airlines also accrue smaller gains in operating margins, and smaller reduction in operating costs following a M&A. Importantly, acquiring airlines with higher prior service emphasis experience a smaller reduction in RPM following a M&A. Taken together, results of the current study provide policy makers with empirical evidence to reconsider the future approvals of M&As in the airline industry.
SINGAPORE: THE FOOD PARADISE
IT’S TIME TO DIG IN.

FRIDAY, 19 JULY
12:00 - 01:15 PM

LUNCH & POSTER SESSION*

ATRIUM, MOCHTAR RIADY BUILDING

TGIF! Feast on Nyonya Laksa, a spicy, coconutty broth served with springy rice noodles, fresh seafood, and aromatic spices.

Cool down after with a popular local dessert, Cheng Tng.

Refreshing with a hint of sweetness, it’s a healthy and delicious way to beat the heat with something sweet.

*Please refer to page 36 and 37 for the list of posters.
FRIDAY, 19 JULY

KEYNOTES 3 & 4 | 01:15 – 02:45 pm
Hon Sui Sen Auditorium

KEYNOTE 3 | 01:15 – 02:00 pm

Applying Enterprise Artificial Intelligence to Service
Pascal Bornet
Leader, Artificial Intelligence and Process Automation
McKinsey & Company, Singapore

New digital technologies and concepts are significantly changing services. From front to back office, across industries and functions, chatbots, robotic process automation, analytics, machine learning, computer vision and artificial intelligence are bringing services to the next level. Typical impacts for the companies which have started their journeys are significant cost reduction, improvements in quality and compliance, and enhancement of customer experience. By integrating these technologies and their teams of experts, businesses create synergies, boost innovation and ensure sustainability.

This keynote addresses a number of important questions: What is a framework to help understand these new trends? What are the key use cases that we currently see on the market and what are the benefits they deliver to businesses? What are the critical success factors in implementing such transformations? How should businesses design and implement their transformation roadmaps? What can we expect as future trends?

KEYNOTE 4 | 02:00 – 02:45 pm

Reimagining Banking: Journey of the World’s Best Bank*
Dave Gledhill
Group Chief Information Officer,
Head Technology and Operations
DBS Bank Ltd, Singapore

From modernising its core technology to prime itself for the shift to digital, to embracing a complete culture change, DBS has transformed itself to enable its customers to “Live More, Bank Less”. Hear from David Gledhill, Group CIO and Head of Technology & Operations of DBS Bank, on the bank’s efforts of digitising to the core, reimagining banking for its customers, and transforming itself into a 26,000-person start-up. A 10-year transformation journey which won itself the awards of World’s Best Bank*.

*Global Finance, The Banker, 2018

BREAK | 02:45 – 03:15 pm
Atrium, Mochtar Riady Building
FRIDAY, 19 JULY | 03:15 – 03:40 pm
CONCURRENT SESSION 04
Seminar Rooms @ Mochtar Riady Building

The Impact of Data Analytics on Patient Flow Management and Resource Allocation: A Resource-Based View
Sidney Anderson (Texas State University, USA)

Service Robots: Trends in Acceptance and Factors behind Readiness to Adopt
Charles Colby (Rockbridge Associates, Inc., USA), Sunil Mithas (University of South Florida (On Leave: Robert H. Smith School of Business, USA), A. Parasuraman (University of Miami, USA)

Bringing about Social Innovation through Service
Lerzan Aksoy (Fordham University, USA), Linda Alkire (Texas State University, USA), Sunmee Choi (Yonsei University, South Korea), Peter Kim (Auckland University of Technology, New Zealand), Lu Zhang (Michigan State University, USA)

How Complaint Process Recovery Enhances Trust after Double Deviations
Katja Gelbrich (Catholic University of Eichstätt-Ingolstadt, Germany), Sarah Voigt (Catholic University of Eichstätt-Ingolstadt, Germany), Cristiane Pizzutti dos Santos (Federal University of Rio Grande do Sul, Brazil)

Male or Female Frontline Employees? The Impact of Gender Choice on Customers' Emotions
Nanouk Verhulst (VUB, Belgium), Hendrik Slabbinck (UGent, Belgium), Iris Vermeir (UGent, Belgium)

What It Takes to Transform Patients into Advocates?
Rodoula Tsiotsou (University of Macedonia, Greece)

Increasing Contribution in Service Research: Fresh Thinking about Theorizing
Roderick J. Brodie (University of Auckland, New Zealand), Linda D. Peters (University of Nottingham, UK)

Artificial Intelligence in Services – Determinants of an Ideal Human-Technology Mix in Service Encounters
Marah Blaurock (University of Hohenheim, Germany), Marion Buettgen (University of Hohenheim, Germany)

ServCollab: Creating Humane Service Systems through Research Collaborations
Raymond Fisk (Texas State University, USA), Linda Alkire (née Nasr) (Texas State University, USA), Laurel Anderson (Arizona State University, USA), David Bowen (Thunderbird, the American Graduate School of International Management, USA), Thorsten Gruber (Loughborough University, UK), Amy Ostrom (Arizona State University, USA), Lu Patricio (Universidade do Porto, Portugal)

Smart Timing for Smart Products? Complementor Multihoming in Nascent Platform Markets
Senem Aydin (Northeastern University, USA), Fernando Suarez (Northeastern University, USA), Yakov Bart (Northeastern University, USA), Dirk Libaers (University of South Florida, USA)

Impact of the Value-Based Purchasing Program on Hospital Operations Outcomes: An Econometric Analysis
Seung Jun Lee (Chung-Ang University, South Korea), Siriram Venkataraman (University of South Carolina, USA), Gregory R. Heim (Texas A&M University, USA), Aleda V. Roth (Clemson University, USA), Jon Chilingian (Brandeis University, USA)

The Future of Car-Sharing: Improving the Understanding of Its Adoption via the Customer Experience Lens
Scott G Dacko (University of Warwick, UK), Julia Passenberger (Gartner)
The Impact of Data Analytics on Patient Flow Management and Resource Allocation: A Resource-Based View

Author
Sidney Anderson - Texas State University, USA

Abstract

Given the proliferation of healthcare information systems, electronic medical records (EHRs), smart devices, wearables, and mobile apps, the healthcare industry is experiencing an increasingly rapid digital transformation. As a result, healthcare organizations now possess enormous amounts of digital health services-related data that has enormous potential to improve the delivery of care. Unlike industries such as banking and retail industries, most healthcare organizations have traditionally not viewed their data as “a central asset source for competitive advantages” (Murdoch and Detsky, 2016). Considering the increasingly competitive nature of the healthcare industry, healthcare organizations have recently begun to rely on analytics to transform raw data into actionable insights (Goli-Malekabadi et al., 2016). Analytics is generally referred to as the “systematic use of technologies, methods, and data to derive insights and to enable fact-based decision-making for planning, management, operations, measurement, and learning” (Deloitte, 2015). A Deloitte Center for Health Solutions (2015) report indicates that fewer than 50% of healthcare organizations “have a clear, integrated analytics strategy,” while the vast majority (approximately 80%) recognize analytics as key to delivering value-based care (VBC).

The purpose of this research project is to examine how data analytics can be used to optimize patient workflow management and resource allocation in hospitals in an effort to enhance their performance. The theory used for this study is Resource-Based View (RBV) theory, which has been effective in analyzing the impact of process improvement initiatives in healthcare (Burton and Rycoft-Malone, 2014). In addition, this study employs a conceptual framework developed by Yang and Hajli (2017), which has been effectively applied in prior investigations into various health technologies. The measures used in this study come from two data sources, the Centers for Medicare and Medicaid Services (CMS) and American Hospital Directory (AHD). The CMS database provided the initial sample of approximately 4,600 hospitals and was matched to the AHD database. Using a unique CMS identifying number that exists in both databases, approximately 3,200 hospitals were matched in the CMS and AHD sources.

To conduct this study’s empirical examination, Tableau Business Intelligence software is being used to analyze and “visualize” the two sources of secondary data mentioned above. This research design uses a multi-step approach to conduct the empirical analyses, which begins with analyzing patient flow using hospital-level data (e.g., EHRs, level of care, arrivals, length of stay, discharges), followed by an analysis of patient flow on resource allocation. The preliminary results suggest that hospitals can improve on both performance dimensions, which is visualized by a dual performance efficiency frontier figure that plots hospitals’ efficiency across both performance dimensions. Managerial implications are provided by identifying the unique characteristics possessed by hospitals that are achieving dual efficiency on both patient flow and resource allocation.
Session 04-02

Friday, July 19 (15:15 – 15:40)

Service Robots: Trends in Acceptance and Factors behind Readiness to Adopt

Authors
1. Charles Colby - Rockbridge Associates, Inc., USA
2. Sunil Mithas - University of South Florida (On Leave: Robert H. Smith School of Business)), USA
3. A. Parasuraman - University of Miami, USA

Abstract

Robots that perform services or are used in services businesses are promising technologies that are already shaping the world. This presentation on service robots is a continuation of research shared at Frontiers in 2016 and includes trending data and new insights. We define “robots” as technology that can perform physical tasks, operate autonomously without needing instruction, and are directed by computers without help from people (i.e., artificial intelligence). Examples of robotic services covered in past research and the current effort include interacting with a robotic server at a restaurant, having manual housework performed by a robotic servant, owning a self-driving vehicle, riding in a taxi cab without a driver, and receiving a package delivered by air by a pilotless drone. In this latest research, we also included a social robot that fills requests like making recommendations or taking pictures. This presentation shares trends from the U.S. market on consumer acceptance of robotic services from 2015 to 2018. An additional goal of the research is to test a new method for gauging technology acceptance that mirrors the theoretical framework behind the Technology Readiness Index 2.0 by Parasuraman and Colby (2015). After first testing this acceptance instrument in 2015, we made improvements in 2018 that have resulted in greater scale reliability and show promise for measuring acceptance in other technology-based service contexts.

The presentation will reveal interesting topline findings on general acceptance of robotics in addition to a causal analysis of factors behind acceptance, including perceptions of positive and negative consequences of robots, technology readiness, and demographics. Our study shows, for instance, that consumer acceptance of robotic services correlates highly with perceptions that equate with robotic optimism (increased productivity and control), robotic innovativeness (first to adopt and interest in learning about robots), robotic comfort (easy to make them work, anyone can use them), and perceptions robots are safe. Acceptance of robots and robotic services correlates with technology readiness, measured by the TRI 2.0 scale, particularly the “motivating dimensions’ of optimism and innovativeness.

The basis for our study is the 2015 and 2018 National Technology Readiness Survey waves, conducted by Rockbridge Associates, Inc., A. Parasuraman, and sponsored by Center for Excellence at the Robert H. Smith School of Business and Intuit. The 2018 survey includes a representative sample of 1,053 U.S. adults.

References


Bringing about Social Innovation through Service

Abstract

The world today is facing immense challenges that not just impact the quality of our lives—some even impact the long-term habitability of our planet itself. The challenges are sweeping in their scope and complexity, such as poverty, hunger, lack of education, and gender inequality. These challenges will not be solved with government action alone. Rather, significant progress requires the meaningful involvement of organizations—particularly for-profit enterprises. Nevertheless, managers need guidance and rigorous frameworks to efficiently and effectively make progress in providing solutions to these systemic challenges. In the pursuit of this cause, we argue that academic researchers—specifically service researchers—are uniquely positioned to contribute to this cause.

The goal of this paper is to provide a framework for guiding social innovation in service (SIS), defined as the creation of novel, scalable, and sustainable market-based service offerings that solve systemic societal problems. Through a review and synthesis of transdisciplinary literatures, we establish a basis for the conceptual framework proposed for SIS. It is argued that the primary unit of SIS is the service firm and that there are micro, meso, and macro level actors and enablers in the ecosystem that can help bring about and implement social innovation in service. Actors are the individuals, groups or entities that are involved in initiating, influencing and/or implementing SIS while enablers are those factors that facilitate initiation, influence and/or implementation of SIS.

The micro level actors encompass individuals within a company who are catalysts for SIS. These individual actors bring forth and use their resources in interacting with other actors at the micro-level or higher levels. The roles of these individuals may range from front-line service employees to managers to C-level executives within the company. The proposed individual level enablers that facilitate SIS are: psychological capital, risk-taking, and compassion.

The meso level actor describes the company and enablers describe company characteristics and processes that are the catalyst for SIS. The latter is what enables effective social innovation processes within the company. The proposed company level enablers that facilitate SIS are: organizational culture, institutional elements, empowerment, and leadership.

At the macro level, actors are organizations or groups external to the company and consisting of various entities such as service organizations, communities, non-governmental organizations (NGOs) and governments that the company interacts with. The proposed macro level enablers that facilitate SIS are: economic factor, government policy and technology.

This paper contributes to the social innovation and service literature by: (a) offering a new, scientifically supported view of corporate social innovation; (b) providing managers with a framework to guide social innovation within their company; and (c) directing service scholars to research issues necessary to advance corporate social innovation in service.
How Complaint Process Recovery Enhances Trust After Double Deviations

Abstract

After service failures, firms often fail to recover customers resulting in double deviations. This combination of a service failure plus a recovery failure is particularly harmful as it deteriorates customers’ trust and promotes their rage and retaliatory behavior. Some studies already examine how to restore customer satisfaction and trust after double deviations. Yet, they draw on traditional recovery tactics known to be effective for single deviations, such as apology, compensation, and promises. Just one study goes beyond these tactics, unveiling the importance of process recovery communication. Specifically, it finds that firms should inform customers how they adapt their service processes in order to avoid service failures in the future. Although such reworking of service processes is desirable, some problems may be persistent (e.g., power outages), and firms need to address these failures properly to prevent another double deviation in the future. Specifically, a different process recovery tactic is needed that aims to remedy the recovery failure, rather than the service failure. We call this tactic complaint process recovery (CPR), defined as improvements of complaint handling processes in order to avoid unsatisfactory service recoveries.

Drawing on the stereotype content model, we examine effects of CPR on trust recovery. Three experiments across different service contexts are conducted, using apology and compensation as baseline reactions in order to show the effects of CPR beyond these traditional recovery tactics. Study 1 demonstrates the positive effect of CPR communication (i.e., informing customers about improvements of the complaint handling process) on trust recovery, mediated by perceived competence, not by perceived warmth. Study 2 replicated the main effect of CPR communication on trust recovery. Drawing on construal level theory, we also show that concrete (vs. abstract) CPR communication is more effective for high relationship quality customers. For low relationship quality customers, no significant difference is found. Study 3 is a field experiment testing the effect of CPR implementation (i.e., actually improving the complaint handling process) following CPR communication. Results show that a good implementation is more effective than bad or no implementation, again mediated by competence perceptions. Interestingly, a good implementation only maintains the trust levels after CPR communication, whereas a bad or no implementation deteriorates trust.

This research makes the following contributions. First, it is the first article that addresses the particularity of double deviations as it remedies the recovery failure, not the initial service failure. Second, in establishing perceived competence as mediator, we show that customers appreciate firms’ ability to adapt complaint handling processes. Third, we provide recommendations on how to fit CPR communication to different customer groups. Fourth, we show the importance of actually changing organizational processes to keep the promise made in the CPR communication.
Male or Female Frontline Employees? The Impact of Gender Choice on Customers’ Emotions

Authors
1. Nanouk Verhulst - VUB, Belgium
2. Hendrik Slabbinck - UGent, Belgium
3. Iris Vermeir - UGent, Belgium

Abstract

Nowadays a world without customization and customer choice is unthinkable. When thinking about customization, we mostly think about different service offerings or products that customers can choose from. However, it is also possible to customize the service provider (e.g., a customer can choose to book his/her favorite hairdresser), yet academic research on this approach is under-researched. This paper focusses on customers’ choice in selecting a service provider, specifically by centering on the service provider’s gender.

From the literature it is expected that having a gender choice could elicit different emotions and impact service performance outcomes (e.g., satisfaction, return intention) due to for instance, stereotypes, expectations about men/women being better suited for certain jobs, or in-group bias.

This paper is designed to better understand the benefits of offering customers a choice between a male or female service provider, thereby adopting a multi-method approach: experimental survey design and real-life interactions, neuro-scientific tools and open-ended questions. Specifically, two studies investigate the impact of this choice on customers’ emotions and service performance outcomes. The participants either had a choice to be served by a male or female employee before the service started (choice condition) or gender was randomly assigned (no choice condition). After the (no) choice, participants ordered a concert ticket. After participants went through this service ‘scenario’ they answered self-report items on experienced emotion and service performance outcomes (e.g., service satisfaction, return intention), next to several open-ended questions.

Study 1 made use of a scenario-based experiment with retrospective self-report items to measure experienced emotion during the service, whereas Study 2 also adopted neuro-scientific measures (changes in galvanic skin responses and facial muscles), which allow measuring emotions while the service is happening. Furthermore, in this study, participants interacted with a real employee instead of reading a scenario.

Study 1 shows that emotions and service performance outcomes do not differ between the conditions. Study 2 replicates these results; however, the neuroscientifc results suggest that woman have more positive emotions while served by a woman in the no choice condition. Interestingly, the answers on the open-ended questions in both studies did suggest a clear preference for women service providers, irrespective of their own gender. Taken together, these findings have implications for both theory and practice.

In addition, we are currently collecting additional data by means of focus groups to get a broader picture on choice of gender of the service employee. These results will be integrated in this project.
Session 04-06

Friday, July 19 (15:15 – 15:40)

What It Takes to Transform Patients into Advocates?

Author
Rodoula Tsiotsou - University of Macedonia, Greece

Abstract

Word of mouth is a well investigated area in marketing and has been distinguished into negative and positive communications of evaluations of products or services from one customer to another (Anderson, 1999; Singh, 1988). Advocacy is a particular type of word of mouth communication (Harrison-Walker, 2001) that refers to the willingness of the customer to give strong recommendations and praise to other consumers on behalf of a product or service supplier (Fullerton, 2011, p. 93). Advocacy has been proposed not only as a “soft” measure of loyalty but also of customer’s lifetime value. That’s it the value of a customer does not reside only on what he/she buys and how much money he/she spends but also on the ability to bring in profitable new customers (Kumar et al. 2007). Despite the growing acknowledgement of the value of advocacy in services and in health care services, there is limited available research in the literature. Therefore, the purpose of the study is to predict customer advocacy based on customer-based variables. Specifically, the objectives of this research are twofold. First, the study aims to contribute to the services marketing and to the health services literature by identifying key predictors of advocacy in health services. Second, several of the proposed variables have not been used before in the services and health services marketing literature as predictors of customer advocacy (e.g. Customer and Service Provider Responsible Behavior). Thus, this investigation examines the role of these variables in conjunction with other important concepts such as “Service Expertise”, “Information Sharing”, “Accepting Information from Service Provider”, and “Customer Engagement” in predicting Customer Advocacy Behavior. The target population for this research is health service customers (patients). Data were collected from a questionnaire distributed to a convenience sample of a Southeast European country. A total of 460 completed questionnaires were collected. All measures of the study were adapted from previous research. Specifically, Service Expertise and Accepting Information from Service Provider were adapted from Sharma and Patterson (2000). Information Sharing, Customer and Service Provider Responsible Behavior as well as Customer Advocacy were adapted from Yi and Gong (2013). Customer Engagement was measured with 4 items derived from Bettencourt (1997) and Lengnick-Hall et al. (2000). A five point Likert scale anchored by Strongly Disagree (1) to Strongly Agree (5) was used in all measures. Structural Equation Modeling shows the relationships between the variables under investigation as well as their predictability of advocacy. The findings of the study provide significant theoretical and practical implications.
Increasing Contribution in Service Research: Fresh Thinking about Theorizing

Authors
1. Roderick J. Brodie - University of Auckland, New Zealand
2. Linda D. Peters - University of Nottingham, UK

Abstract

While much has been achieved with theory development in service research, further progress will be seriously hampered unless more attention is given to the process of theorizing and knowledge development. Academic service research has been based on large numbers of single, qualitative case studies and quantitative studies, with little attention to the issue of verification of the theory. Thus empirical investigations tend to be ad hoc with little systematic attention given to advancing theory relating to the broader general theoretical structures. In addition, the general theoretical structures that inform service research are by their nature are more removed from the empirical world. This inevitably leads to a greater level of abstraction in terms of the conceptualizations and disconnection with the concepts and language that are used by practicing managers. Thus the contribution to managerial knowledge is limited.

Of concern is that both academics (Reibstein, Day & Wind, 2009; Starkey & Madan, 2001; Jaworski, 2011) and practitioners (Kristof, 2014) have stated that the theory-praxis gap is widening. Service management and other management practices progressing at an unprecedented pace and academia are struggling to keep up. This widening of the theory-praxis gap is poignant, as it is taking place despite decades of academic literature addressing this issue. For example, Fendt, Kaminska-Labbê and Sachs (2008) sample 60 articles from management literature on the topic and identify 19 explanations why the theory-praxis divide exists and 17 alternative proposals that academics have provided to remedy this issue.

In order to help bridge the theory-praxis gap, we suggest fresh thinking is needed about theorizing and knowledge development. In particular highlight the importance of including practitioners in the research process as active, reflective and empowered participants. Even though most academics seem to concur that in principle bridging the theory-practice is something to aspire towards, most discussions restrain themselves to an “if” question, arguing whether or not it is possible to create sufficiently rigorous knowledge in collaboration with the practitioners. This leaves the ‘how’ question unanswered, i.e., how should such gap-bridging research be conducted in practice.

The contribution of the research comes from elaborating on a theorizing approach to theorizing that increases both academic knowledge and managerial relevance and from directly addressing outlining how theorizing should happen. Thus we go beyond the extensive academic literature which provides a plethora of explanations and remedies but little guidance about things should happen. A second major contribution of the paper comes from grounding the theorizing process in the philosophy of science by undertaking extensive literature work. By addressing these philosophical issues we extend the recent research by Nenonen et al. (2017) and Brodie (2017).
Session 04-08

Friday, July 19 (15:15 – 15:40)

Artificial Intelligence in Services – Determinants of an Ideal Human-technology Mix in Service Encounters

Authors
1. Marah Blaurock - University of Hohenheim, Germany
2. Marion Buettgen - University of Hohenheim, Germany

Abstract

Artificial Intelligence (AI) and AI-based service robots are increasingly adopted in service encounters (Teixeira et al., 2017) which have significant impact on customer experience during service provision (Larivièrè et al., 2017; Ostrom et al., 2015). Although replacing human employees with AI-powered machines has several advantages such as increased efficiency (Huang & Rust, 2018; Wirtz & Zeithaml, 2018), customers loose the opportunity to obtain human service (i.e., contact to employees) which has been related to positive customer outcomes (e.g., customer delight) (Collier et al., 2018) and is relevant for customers’ evaluation of a service encounter. (Collier et al., 2018; Gremler & Gwinner, 2008). Moreover, in several service settings human service is preferred over technology (Rafaeli et al., 2017) and artificial agents that resemble a human too closely could be perceived as creepy and cold (van Doorn et al., 2017).

Hence, service firms face trade-off challenges when replacing human employees with AI (Matzner et al., 2018), begging the question what factors determine an ideal human-technology mix in service encounters (Larivièrè et al., 2017). Drawing on Service Encounter Needs Theory (SENT) (Bradley, et al., 2010) and the Robot Acceptance Model (RAM) (Wirtz et al., 2018), we develop three research questions:
1. What distinguishes the application of AI-based technologies in service encounters in the eyes of the customer compared to other technological innovations?
2. Which psychological needs are fulfilled by AI-based service agents and what characterizes services which specifically require human service?
3. Which customer individual (e.g., technology anxiety) and contextual (e.g., service type) factors determine an optimal human-technology mix in AI-enabled service interactions?

We address these questions, following a comprehensive research agenda: First, we conducted four focus group interviews and second, twenty in-depth interviews using the think aloud method. Therefore, participants interact with a digital, speech-based service robot to solve a given problem and describe their interaction experience. Results reveal that customers’ highly value the convenience aspects (e.g., 24/7 customer service), however they are sceptic in terms of use of and trust in AI-based agents. Third, we will conduct a quantitative study investigating attitudes of corporate clients towards AI-based services of a digital service agency. By the conference date we will be able to present results from both, qualitative and quantitative studies.

We aim to make a three-fold contribution to literature. First, we unfold customer attitudes towards AI-based service agents. Secondly, we develop a framework for an ideal human-technology mix and reveal which individual and contextual factors shape customers’ perception, introducing new and context-specific antecedents and outcomes for AI-based service interactions. Lastly, we expand theory about SENT and RAM. Researchers might use our results to develop new and adapt existing models on service interactions, practitioners to strategically balance the application of AI-based agents.
Session 04-09

Friday, July 19 (15:15 – 15:40)

ServCollab: Creating Humane Service Systems Through Research Collaborations

Authors
1. Raymond Fisk - Texas State University, USA
2. Linda Alkire (née Nasr) - Texas State University, USA
3. Laurel Anderson - Arizona State University, USA
4. David Bowen - Thunderbird, the American Graduate School of International Management
5. Thorsten Gruber - Loughborough University, UK
6. Amy Ostrom - Arizona State University, USA
7. Lia Patrício - Universidade do Porto, Portugal

Abstract

This interactive session will introduce ServCollab to the service research community, discuss its major human rights goals, and propose collaborative research directions.

A Call for Justice in Human Service Systems

Every human is born and lives within nested service systems. These systems start with the family and continue in complexity to cities, states, and nations. Such service systems are crucial to the meaning of our lives and our wellbeing. While many people benefit from these human service systems, many others are excluded or neglected by design.

The United Nations (2016) proposed 17 Sustainable Development Goals for 2030. These goals are centered around many unjust service human service systems. Such systems are quite common, especially for those born female, a minority, or into poverty. Inequality is pervasive even in many advanced economies. Inequity is the most difficult fairness problem in the world. For example, many advanced economies offer equal access to an education but only offer poor children the most meager educational training. Every child needs adult assistance but not every system provides girls, minority children, and poor children with the proper assistance.

Humane service systems should be designed for inclusion (Fisk et al. 2018). To create such inclusive service systems, we propose building upon methodologies such as action research (Reason and Bradbury 2013) and design science (Van Aken 2004). Creating humane service systems is difficult because of the embedded and intersectional nature of service systems, but mainly because solutions cannot be imposed on people in need. Just human service systems must respect human dignity by working with those in need to co-create self-sustaining, measurable, and scalable solutions.

Improving wellbeing through transformative service is a major service research priority (Ostrom et al. 2015). To improve wellbeing for all, we propose a service research platform focused on reducing global service system injustices. As such, we advance ServCollab as a service research collaborative for diagnosing and treating humanity’s service system problems.

ServCollab Has Three Goals

Serve - To serve all humans with research that respects their dignity and supports their rights. This includes advocating for fair and inclusive access to service, fair and inclusive service experiences, and the fair and inclusive ability to exit the service.

Enable - To enable collaborations among researchers and service organizations that span disciplinary and national boundaries in pursuit of diagnosing and treating humanity’s many service system problems. To enable and disseminate knowledge and training that propagates humane service systems.
**Measure** - To seek measurable reductions in human suffering and measurable improvements in human wellbeing. To foster and measure humane standards of service justice that are adaptable to different service systems.

Please help us serve humanity through service research collaborations that reduce human suffering and improve human wellbeing.
Smart Timing for Smart Products? Complementor Multihoming in Nascent Platform Markets

Authors
1. Senem Aydin - Northeastern University, USA
2. Fernando Suarez - Northeastern University, USA
3. Yakov Bart - Northeastern University, USA
4. Dirk Libaers - University of South Florida, USA

Abstract

Complementor multihoming is becoming pervasive in platform-mediated markets populated by multiple platforms. In a study of the nascent “smart home” industry, we use a novel dataset to examine complementor strategies regarding timing of entry and timing of multihoming, with their corresponding performance implications. We find that early entrants to a platform market multihome faster than later entrants. While early entrants achieve lower performance than later entrants, this negative performance effect is mitigated for complementors that multihome fast. This implies that multihoming is an effective hedging strategy for early entrants in multi-platform markets characterized by high uncertainty. Also, multihoming scope (number of platforms a complementor joins) is associated with higher complementor performance and shorter time to the next platform adoption.
Session 04-11

Friday, July 19 (15:15 – 15:40)

Impact of the Value-Based Purchasing Program on Hospital Operations Outcomes: An Econometric Analysis

Authors
1. Seung Jun Lee - Chung-Ang University, South Korea
2. Siriram Venkataraman - University of South Carolina, USA
3. Gregory R. Heim - Texas A&M University, USA
4. Aleda V. Roth - Clemson University, USA
5. Jon Chilingerian - Brandeis University, USA

Abstract

The Hospital Value-Based Purchasing (VBP) Program, one of several federal regulations mandated by the Patient Protection and Affordable Care Act, uses Medicare payment and financial incentives to encourage hospital administrators to improve performance in four domains: clinical processes; patient outcomes; patient experiences; and efficiency. Prior to the VBP Program’s introduction, some practitioners claimed it would have little impact, while others feared well-off hospitals would be rewarded at the expense of previously poor-performing hospitals. We examine VBP Program financial penalties to determine whether and how they change the operating outcomes of healthcare providers in hospitals. In order to estimate impacts of VBP Program penalties, we combine secondary data sets from the U.S. Centers for Medicare and Medicaid Services (CMS), Dartmouth Atlas, and Healthcare Information and Management Systems Society (HIMSS) Analytics. We find empirical evidence that hospitals with prior-year VBP penalties exhibit positive associations between the magnitude of penalty and certain care process improvements in the current year. The penalized hospitals also are likely to increase patient case mix metrics, ostensibly to increase revenue, and thereby, counteract the VBP Program penalty. As a side benefit, we conjecture these efforts also may enable future process improvement initiatives. Our theoretical contribution indicates contingencies in framing contextual differences in hospital operating activities when facing VBP Program pressure. Counter to VBP Program aims, we demonstrate that hospitals may operate in a manner that is not entirely consistent with the intended policy outcomes.
Session 04-12

Friday, July 19 (15:15 – 15:40)

The Future of Car-Sharing: Improving the Understanding of Its Adoption Via the Customer Experience Lens

Authors
1. Scott G Dacko - University of Warwick, UK
2. Julia Passenberger – Gartner

Abstract

Mobility services such as car-sharing distinctly widen the customer experience (CX) spectrum between customers and brands. From a dynamic CX perspective, all points of contact between a customer and a brand impact on current and future experiences (Lemon and Verhoef, 2016; Verhoef, Lemon, Parasuraman, Roggeveen, Tsiros and Schlesinger, 2009). Hence, ensuring a positive CX through mobility services has the potential to impact on future awareness and purchase intention of car brands. In order to develop such a positive CX, the entire customer journey across pre-purchase, purchase and post-purchase stages of the buying process must be considered (Kranzbühler, Kleijnen, Morgan and Teerling, 2018; Lemon and Verhoef, 2016; Rosenbaum, Otalora and Ramirez, 2017). As car-sharing involves a clearly different customer journey and CX from the traditional car purchase, but can yet impact on the latter in a future CX interaction, developing an initial understanding of the customer journey and crucial touchpoints as well as concerns involved in car-sharing is an area that is of high interest for investigation. This can give valuable insights into the areas of the journey that should be focused on when developing a superior CX for existing and new customers.

Accordingly, key among the aims of study is to improve understanding of the car-sharing CX throughout the customer journey, highlighting critical touchpoints for CX. As such, the study seeks to extend current academic literature in the area of car-sharing adoption and CX and contribute to the provision of managerial insights relevant to the marketing of car-sharing and understanding expectations regarding car-sharing CX.

Triangulation of qualitative and quantitative methodologies enabled in-depth understanding as well as quantifiable insights. 12 semi-structured interviews were conducted with car-sharing users and non-users from European countries. The results informed the development of a survey of 135 users and non-users in Europe. A more exploratory approach through in-depth data from the interviews and descriptive data from the survey shows how car-sharing experiences can potentially impact on future CX in the automotive industry and which touchpoints, throughout the customer journey of car-sharing, appear to be crucial for customers to influence CX.

Overall, this research develops multiple insights into car-sharing adoption and CX. Multiple advantages and problems with car-sharing are found from which implications for car-sharing adoption are derived. Insights about the customer journey, critical touchpoints and, importantly, CX expectations are drawn from the data. This highlights areas for prioritisation across the customer journey that are critical aspects for a positive CX. This research contributes to the growing body of car-sharing literature by unveiling concerns hindering wider adoption and by developing a first customer journey map that illustrates critical aspects in car-sharing CX.
FRONTIERS IN SERVICE 2019

FRIDAY, 19 JULY | 03:45 – 04:10 pm
CONCURRENT SESSION 05
Seminar Rooms @ Mochtar Rady Building

Service Robots and Human-Robot Interaction - The Past, Present and Future: An Interdisciplinary Systematic Scoping Review
Daniela Berg (The University of Queensland, Australia), Nicole Hartley (The University of Queensland, Australia), Linda Alkire (Texas State University, USA)

Mapping the National Library Board’s (NLB) Service Transformation Journey to Achieve Service Excellence and be Future-ready
Akshata Patkar (National Library Board, Singapore), Yogeeta Dhansukhlal (National Library Board, Singapore), Cheng Yong Quah (National Library Board, Singapore), Alicia Yeo (National Library Board, Singapore), Dr. Narinder Kaur (National Library Board, Singapore)

Smart Services, Smart Factories, Smart Cities, and now Smart Nations: A Research Agenda on Effects of Compulsory Embeddedness
Sven Tuzovic (QUT Business School, Australia), Gabriela Beirão (School of Engineering, University of Porto, Portugal)

The Effects of Relationship Length on Customer Profitability after Service Recovery
Mathieu Béal (IAE Lyon, France), William Sabade (IAE Lyon, France), Yany Grégoire (HEC Montréal, Canada)

Frontline Employee Test-driving Roles in Service Practices - a Service Innovation Perspective
Maria Akesson (Karlstad University, Sweden), Jenny Karlsson (Karlstad University, Sweden)

Modelling Multiparty Choices in Healthcare Using Discrete Choice Experiments
Janet R. McColl-Kennedy (The University of Queensland, Australia), Lilliemay Cheung (The University of Queensland, Australia), Leonard V. Coote (The University of Queensland, Australia)

The Key Role of Communal Identification for Collaborative Consumption Platforms
Hugo Guyader (Linköping University, Sweden), Lars Witell (Linköping University, Sweden), Sabine Benoit (Surrey Business School, UK)

A Service Design Approach to Developing Resilient Value Networks
Vanessa Esperance Rodrigues (Linköping University, Sweden), Stefan Holmlid (Linköping University, Sweden), Dominik Mahr (Maastricht University, The Netherlands), Gaby Odekerken-Schröder (Maastricht University, The Netherlands)

Conceptualising Service Thinking - Seeking the Virtues of Human Wellbeing
Rebekah Russell-Bennett (Queensland University of Technology, Australia), Raymond Fisk (Texas State, USA), Linda Alkire (Texas State, USA), Josephine Previte (University of Queensland, Australia)

Why did Uber Fail in China? A Service Science Perspective
Christoph Breidbach (The University of Queensland, Australia)

Customer Integration in Separated Digital Services: Fairness Perceptions and Relational Outcomes
Mario Scharrschmidt (University of Koblenz-Landau, Germany), David Dose (Aston Business School, UK), Sonja Christ-Bendemühl (University of Koblenz-Landau, Germany), Gianfranco Walsh (FSU Jena, Germany)

Business Models in the Sharing Economy
Jochen Wirtz (National University of Singapore, Singapore), Makarand Mody (Boston University, USA), Stephanie Liu (The Ohio State University, USA), Helen Chun (Cornell University, USA), Kevin So (University of South Carolina, USA)
Session 05-01

Friday, July 19 (15:45 – 16:10)

Service Robots and Human-Robot Interaction - The Past, Present and Future: An Interdisciplinary Systematic Scoping Review

Authors
1. Daniela Berg - The University of Queensland, Australia
2. Nicole Hartley - The University of Queensland, Australia
3. Linda Alkire - Texas State University, USA

Abstract

Services are increasingly shaped by the adoption of automation, virtual agents, artificial intelligence, and service robots signalling the era of Human-Robot Interaction (HRI) in service (Hollebeek et al., 2017). Service researchers have acknowledged that our current understanding of service robots and HRI in service is still in its infancy and that knowledge is fragmented with various terms, definitions, approaches and theories being discussed (van Doorn et al., 2017; Wirtz et al., 2018). The purpose of this paper is to explore what we know and do not know regarding service robots/HRI in service, untangle and unify our understanding of HRI/service robots, and present a comprehensive research agenda.

The research design employed in this paper is an interdisciplinary Systematic Scoping Review (SSR) pertaining to service robots and HRI in the context of service, including, and not limited to, a review of academic peer-reviewed literature in business, information systems, robotics, engineering, health, psychology and social sciences. The SSR methodology utilizes the Preferred Reporting Items for Systematic Reviews and Meta-Analyses guidelines (Moher et al., 2015; Peters et al., 2015). A transparent and replicable predetermined search plan with clear inclusion/exclusion criteria identified articles and conference proceedings. A two-stage selection process (conducted by two independent reviewers) ensures interrater reliability, screening 1487 publications by title and abstract, and 266 publications by full-text, resulting in a final sample of 95 publications.

The SSR indicates that the field of service robots/HRI is not theory driven with the majority of studies lacking a theoretical framework or lens. Inductive thematic analysis uncovers emerging themes from the SSR and informs a model of service robots/HRI in service. This model highlights that HRI in service is increasingly impacting a wider variety of service settings including tourism, hospitality, retail, frontline service, elderly care, healthcare and education as well as a variety of consumer-based outcomes including service attractiveness, consumer perception, acceptance, engagement and satisfaction at various points.

This paper constitutes three main contributions. It unifies the current fragmented terminology and knowledge of HRI/service robots in service by clarifying the working definitions, conceptual boundaries and methodologies used to understand service robots/HRI in service through an extensive review and synthesis of 20 years of interdisciplinary literature. It develops a model of evolution of service robots/HRI in service, questioning what the future holds and what implications and impacts this evolution will have for service. It proposes a clear research agenda for future service robot/HRI research.

This paper helps service researchers, managers, organizations, policy-makers and roboticists to better understand how social robots and HRI are impacting service and urges all stakeholders to consider such implications in their ventures.
Session 05-02

Friday, July 19 (15:45 – 16:10)

Mapping the National Library Board’s (NLB) Service Transformation Journey to Achieve Service Excellence and be Future-ready

Authors
1. Akshata Patkar - National Library Board, Singapore
2. Yogeeta Dhansukhlal - National Library Board, Singapore
3. Cheng Yong Quah - National Library Board, Singapore
4. Alicia Yeo - National Library Board, Singapore
5. Dr. Narinder Kaur - National Library Board, Singapore

Abstract

The National Library Board (NLB), Singapore oversees a network of 26 public libraries, the National Library and the National Archives of Singapore (NAS), and strives to inspire people to be readers for life, create learning communities and build a knowledgeable nation. Its firm commitment to customer service ensures that it works alongside its patrons and partners to co-create new service innovations and models to deliver a world-class library and archives system which is convenient and accessible. This conference paper maps NLB’s service transformation journey to achieve service excellence and to be future ready.

NLB has been at the forefront in innovating to reinvent patron experiences. To achieve this, NLB adopted a strong focus on information technology in 1997 and implemented innovative services. The first-of-its-kind Radio Frequency Identification (RFID) technology was deployed in 1998, allowing library patrons to self-checkout and self-return books. Innovations such as the AutoSorter system that automatically sorts returned library items into specific categories, and the Reservation Lockers which enables patrons to self-collect reserved items and make payments for library fees and fines, have ensured resource optimisation, efficiency and convenience for patrons. Patrons can explore NLB’s eResources content through the OneSearch online portal launched in 2014. The NLB mobile app also enables patrons to borrow books, download eBooks, recommend titles and pay outstanding fees. Citizens have been engaged to collaborate on projects such as NAS’s Citizen Archivist Project (launched in 2015) to transcribe archival records.

Various user-centric service models have been introduced by NLB. Co-creating libraries started in 2004 with the Verging All Teens programme at Jurong Regional Library that was created for teens by teens. It extended to the library@esplanade (2012) that engaged the arts community to conceptualise Singapore’s first performing arts library, and the library@chinatown (2013) whose panel of experts helped design it as a Chinese arts and culture library. The library@chinatown was also the first in Singapore to experiment with a self-service model fully run by volunteers.

To ensure that NLB achieves its goal of service excellence, checks are in place. These include the annual Customer Satisfaction Index of Singapore, Compliments-to-Complaints Ratio, NLB’s Customer Satisfaction Index, NLB’s Mystery Customer Audit, and Public Service Division’s (PSD) Minimum Service Standard Adherence Audits. These indicators have shown that NLB’s patrons have seamlessly transitioned with the organisation on its digital and self-discovery service journey. NLB has also won numerous national and international awards for service delivery, the most recent being the 2018 Singapore Quality Award with Special Commendation. This continuous process of co-creating libraries and its services with technology as a facilitator for service innovation ensures that NLB is well-positioned to meet the needs of future generations.
**Session 05-03**

Friday, July 19 (15:45 – 16:10)

**Smart Services, Smart Factories, Smart Cities, and now Smart Nations: A Research Agenda on Effects of Compulsory Embeddedness**

**Authors**
1. Sven Tuzovic - QUT Business School, USA
2. Gabriela Beirão - School of Engineering, University of Porto, Portugal

**Abstract**

Advancements in digital technologies have been transforming the way consumers live, work, and play. In recent years, we have witnessed a rapid proliferation and use of so-called smart technologies. A technology is referred to as “smart” when it is an electronic device or system that can be connected to the Internet and used interactively (Foroudi et al., 2018). Service researchers have recently addressed the emergence of “smart services” (Wuenderlich et al., 2015). Smart services are seen as an important factor in the development of “Industry 4.0” (the fourth industrial revolution) and the creation of smart factories (GTAI, 2018). In urban planning, the topic of “smart cities” has gained increasing attention in order to provide solutions to the challenges of growing populations. A “smart city” uses data and technology to enhance economic development and performance, reduce costs and resource consumption, and improve sustainability and quality of life for its citizens (Snow et al., 2016). While many cities around the world are now labeled as smart city (Chong et al., 2018), Singapore has become the first country to introduce the concept of a “smart nation” which is a Singaporean government initiative introduced in 2014 with the goal to empower citizens and energize businesses (Smart Nation Singapore, 2018).

However, with the gradual implementation of the Smart Nation initiatives, there are new concerns raised by security experts that ubiquitous surveillance with extensive facial recognition technology, in particular with the new proposed “Lamppost-as-a-Platform” (LaaP), could undermine individual privacy (Aravindan, 2018). Given recent trends in China which is trying to implement a pervasive system of algorithmic surveillance in order to develop a “citizen score” of behavior, commentators have warned of the possibility of “gamified authoritarianism” (Stanley, 2015). However, the “sinister creep toward an Orwellian world” (Mitchell and Diamond, 2018) is not just emerging in Asia. Consider for example the increasing prevalence of wearable technologies in commercialized domains (Lupton, 2014; Tuzovic and Mathews, 2017). John Hancock, one of the largest North American life insurers, will soon stop underwriting traditional life insurance and instead sell only interactive policies that track fitness and health data through wearable devices (Bartyn, 2018). Moreover, existing customers will be transferred onto the new policies beginning in 2019.

The evolution of smart nations raises important questions. For instance, how can citizen well-being be increased if individuals are neither adequately informed regarding the scope of the data collection, transfer, and use, nor are they adequately protected from potential exploitative behavior. Research on smart services has called for the need to investigate consumers’ perceived embeddedness (Wuenderlich et al., 2015). This on-going project pursues the goal to go a step further and develop a research agenda to study compulsory embeddedness of smart government services.
Session 05-04

Friday, July 19 (15:45 – 16:10)

The Effects of Relationship Length on Customer Profitability After Service Recovery

Authors
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Abstract

Academic evidence and meta-analyses (Gelbrich & Roschk, 2011; Orsingher, Valentini, & de Angelis, 2010) clearly establish that successful service recovery effectively enhances customers’ intentions (e.g., retention, word of mouth), yet little research investigates the effects of service recovery on customer profitability or real behavior. This gap is surprising; the use of financial and objective metrics is a high priority in services literature in general (Ostrom, Parasuraman, Bowen, Patrício, & Voss, 2015; Van Vaerenbergh & Orsingher, 2016). Furthermore, prior research indicates that relational variables influence customer responses after a service recovery in different manners. Two different schools have emerged. On the one hand, the “love is blind” effect implies that customers with a strong relationship are more forgiving in the aftermath of any recovery (Grégoire & Fisher, 2006; Umashankar, Ward, & Dahl, 2017). On the other hand, the “love becomes hate” effect predicts that customers with a strong relationship have higher expectations, which make them respond more negatively (Grégoire & Fisher, 2008; Grégoire, Tripp, & Legoux, 2009). Relatively substantial evidence confirms the first school of thought, but unfortunately, researchers have not established an effective framework that might reconcile both perspectives. To address this second gap, the current research relies on archival data and real behaviors.

In response to these two research gaps, the current study offers two core contributions. First, we investigate the influence of satisfaction with the service recovery on real behaviors and financial outcomes, such that we propose and formally test the sequence SSR àcross- buying variation (over a 1.5-year period) àcustomer profitability variation (over the same period). Second, building on the recently introduced theory of transformation relational events (TRE) (Harmeling, Palmatier, Houston, Arnold, & Samaha, 2015), we investigate the moderating role of relationship length (i.e., duration of the relationship between a customer and a firm) on the effect of SSR on cross-buying variation. This theory is relevant by suggesting that service recovery may be viewed as a “turning point” that affects relationship trajectories in different ways, depending on the nature of the event (positive or negative) and the length of the relationship. By applying TRE theory, we can anticipate both rival explanations. When a service recovery is dissatisfying, relationship length acts as a buffering variable, consistent with a “love is blind” effect. After such a negative recovery, customers with longer relationships exhibit greater cross-buying variation than customers in shorter relationships. In contrast, when the service recovery is satisfying, the opposite effect arises, and customers with longer relationships reveal lesser cross-buying variation than those with short relationships. For customers in shorter (longer) relationships, a satisfying service recovery exceeds (meets) their relational expectations, which should result in more (similar) cross-buying patterns over time.
Frontline Employee Test-driving Roles in Service Practices - A Service Innovation Perspective

Authors
1. Maria Akesson - Karlstad University, Sweden
2. Jenny Karlsson - Karlstad University, Sweden

Abstract

Previous research argues for the importance of involving actors, such as frontline employees (FLEs) and customers, in service innovation. Through their day-to-day work, FLEs take part in shaping the service practice and value cocreation with customers. In service innovation processes FLEs have shown to contribute positively by conducting “value proposition test-driving”, that is the “process by which frontline employees try out different ways of integrating resources in order to create new, or to modify existing, value propositions” (Åkesson et al., 2016, p. 340). However, when new value propositions (VPS) are initiated by the management, FLEs’ existing roles become outdated and need to be changed. This study therefore aims to identify FLEs’ roles in the service practice, how FLEs test-drive new and existing roles in relation to the introduction of new VPS and how the test-driving process contributes to shape these VPS.

The research reported in the present study is taken from a management led change initiative at a customer center in the service industry of public transport. The empirical material is based on a multi-method approach including field observations, employee and management interviews, focus group sessions, customer survey data, and mystery shoppers; hence a rich material of employee-customer interactions.

Our findings indicate that FLEs test-drive different roles when a change initiative is implemented. The findings reveal that FLEs enact different roles depending on the context and the situation in their strive for creating value for and with customers, both in real time and for future value creation. When new VPS are initiated, the roles sometimes need to be changed. Often, only a slight adaptation is needed, but depending on the value proposition, completely new roles need to be enacted by the FLEs. This study highlights three new roles: Judge of character, Mediator, and Interpreter. The role “Judge of character” typically use cognitive resource integration practices. The “Mediator” typically uses practical resource integration practices in their mediation with or between customers. The “Interpreter” typically uses discursive resource integration practices, a role that is often enacted when interacting with vulnerable customers. When it comes to these customers, the FLEs have great power in guiding the customers hence they constitute a large part of the process and outcome of value cocreation.

The paper shows that FLEs take part in the creation and shaping of new roles in order to offer the new VPS to customers, and by doing so they also contribute to develop and modify these VPS, in relation to the service practice, but also generating ideas for new VPS. Hence, important findings emerging from the study concern the managerial issue of how to implement change initiatives that includes new VPS.
Modelling Multiparty Choices in Healthcare Using Discrete Choice Experiments

Abstract

Every day customers make hundreds of choices, many being relatively simple. Some choices, however, are particularly important as they will have significant effects on future outcomes, such as an individual’s health and wellbeing (Seiders et al. 2015). Traditionally, many of these important decisions were made by “experts” for customers, such that individual customers played a relatively passive role (Berry and Bendapudi 2007; Payne et al. 2008).

In healthcare, choices are often difficult requiring considerable effort and trade-offs. This is the case with chronic diseases such as Cystic Fibrosis (CF) where there is no cure, and the onus is being placed on the healthcare customer to manage their health options (McColl-Kennedy et al. 2017; Sweeney Danaher and McColl-Kennedy 2015). Yet, not all healthcare customers want to have an active role, nor do they undertake the same types of activities, as some involve considerable effort (Sweeney et al. 2015).

While McColl-Kennedy et al. (2017) and Sweeney et al. (2015) highlight that healthcare customers engage in activities and interactions with clinicians and family members, their work does not investigate the decision-making process, nor the influence of these other key parties on treatment plan choices.

Decision-making requires healthcare customers to trade-off between alternatives and consider short and long-term consequences, often in contexts of uncertainty (Turner and Coote 2017). To do so, healthcare customers draw on a repertoire of knowledge, skills and abilities. Despite advancements, and recognition of the need to involve patients in decisions, shared decision-making, if implemented at all, is limited to the expert-customer dyad (Joseph-Williams et al. 2014), with little consideration of the influence of others. Hence, multiparty decision-making is not well understood. That is where our two-study research program contributes.

In Study 1 we conducted 25 in-depth interviews with adolescents and adults with CF and their respective parents/partners. This study identified the complexity of choices required to maintain or improve health and wellbeing and a series of choice sets was devised for Study 2 that related to the health treatment plans including use of prescription drugs, exercise therapy, airway clearance regimes, alternative medicines and diet selections.

Pilot work is underway for the discrete choice experiment designed to model multiparty decision-making in health treatment plans (Louviere et al. 2000). The decision partners are the healthcare professionals, parents, partner or others significant to the person with CF. The multidimensional choices are the attributes of the health treatment plans. In this first study of choice modelling in CF, the discrete choices of adults are recorded separately and then jointly with doctors, parents, partners, and friends. This modelling enables better understanding of the preferences of each party in choices and the role others play in influencing the decision. Implications for theory and practice are discussed.
Session 05-07

Friday, July 19 (15:45 – 16:10)

The Key Role of Communal Identification for Collaborative Consumption Platforms

Authors
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2. Lars Witell - Linköping University, Sweden
3. Sabine Benoit - Surrey Business School, UK

Abstract

Collaborative consumption is a peer-to-peer (P2P) exchange of goods and services facilitated by online platforms. Anchored in the “access paradigm” (Lovelock and Gummesson 2004), this phenomenon strengthens the platform providers role of service enabler, not directly involved in the interactions and transactions between peer providers and consumers (Benoit et al. 2017). Contrary to traditional access-based services where customers use the resources owned by a firm (Schaefers et al. 2016), the interactive characteristic of collaborative consumption emphasizes the social aspects of P2P exchanges. For instance, individuals physically meet each other when renting an accommodation via Airbnb or ridesharing via BlaBlaCar—not when carsharing with Zipcar.

Whereas the “sharing economy” was heavily debated in the popular press, empirical service research on P2P exchanges is scant. Particularly debated are “sharewashing” practices when rental (monetary transaction) is disguised as sharing (non-monetary) and community ideals are over-used by platform providers in the semantics of the “sharing economy” (Price and Belk 2016). For example, social interactions (e.g., connect to people, make new friends) and “living like a local” is portrayed as one of the main advantages for collaborative consumption by the platform providers (e.g. Airbnb). However, it is unknown whether these advantages really encourage ongoing usage and how vital they are for the sustainability of platform business model (Kumar et al. 2018). Thus, the aim of this research is to test the role of communal identification among platform users and authenticity for the sharing ethos for active participation in collaborative consumption.

The study is situated in the context of ridesharing (US: carpooling), and based on an original dataset (n = 495) composed of survey responses and platform usage metrics (active participants). The conceptual model was tested using PLS-SEM and the results show high reliability and validity. In particular, the results show that there is a competitive partial mediation of communal identification between satisfaction and platform usage. Participants who are satisfied with their collaborative consumption experience are more likely to use the platform if they feel like belonging to a community. Additional analyses (i.e. first stage moderated parallel multiple mediation, Hayes 2015) show that sharing authenticity (i.e. true sharing vs. “sharewashing”) strengthens the mediating effect of communal identification; at higher levels of sharing authenticity, communal identification is more important for the relationship between satisfaction and platform usage (while controlling for traditional measures of attitudinal loyalty, which mediating effect is weakened by sharing authenticity).

This study contributes to a greater understanding of collaborative consumption by showing the influential roles of communal identification and sharing authenticity for platform usage—which is different from access-based services characterized by self-interests and a lack of brand or communal identification (Bardhi and Eckhardt 2012; Schaefers et al. 2016).
A Service Design Approach to Developing Resilient Value Networks

Abstract

Given the rapidly changing, complex service environment, value cocreation increasingly occurs through multifaceted interactions between customer networks and provider networks. Service-dominant (SD) logic theorizes that in such a networked context value creation transpires collaboratively. As such, service organizations need to shift from a dyadic relational perspective to determining their role and how they influence value cocreation in a many to many context. In the same vein, any disturbance or disruption affecting value cocreation processes in a network would require collaborative and coordinated action amongst actors to surface resilience and mitigate value (co)destruction.

Resilience as a term has been defined in several ways within different literature streams. Amongst others, it can refer to being proactive or reactive when recovering during and after events or both, to bouncing back to a previous state, or bouncing forward to a new state, or both. Nevertheless, a resilience perspective acknowledges the unpredictability of the events a system may generate. Thus, safeguarding against predictable disruptions and putting recovery mechanisms in place alone is not enough. Given the emergent nature of the phenomena, resilience in the service context would translate to the preservation of value requiring the participation of all actors in the network.

Recent service research spotlights the crucial role service design plays in creating novel ways of value cocreation amongst network actors. Through more active engagement in the design process, service design draws on actors' experiences as a vital resource to imagine future services. This can be beneficial in forming a shared understanding as actors in different organizations may lack knowledge of the ancillary impact of their actions. When faced with a challenging situation, actors can draw on this shared understanding to guide their consequent service actions. Prior research on service design for value networks addresses the challenge of network level services by developing a set of models that enhances the understanding of the interactions, inter-related activities and goals of the actors and designs services to support the achievement of these goals with balanced centricity. Taking this a step further, this paper builds on extant research to explore how a service design approach might surface and enhance the resilience of value networks. In doing so it responds to the call for research on how service design can progressively evolve to involving multiple network actors and addressing possible synergies and conflicts in a balanced way. While further empirical investigation is needed, this research allows for some managerial implications. Firms adopting a service design approach for the development of services would gain from the coordinated efforts of multiple network actors to achieve value cocreation in a balanced way.
Session 05-09
Friday, July 19 (15:45 – 16:10)

Conceptualising Service Thinking – Seeking the Virtues of Human Wellbeing

Authors
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2. Raymond Fisk - Texas State
3. Linda Alkire - Texas State
4. Josephine Previte - University of Queensland, Australia

Abstract

The primary goal of Transformative Services Research (TSR) is improving human wellbeing through service. However, many of the human wellbeing related problems are embedded in complex and interdependent service systems. Most service researchers were trained in parsimonious research tools that investigate one problem at a time with one lens – often due to research constraints and the need for specificity. It is only more recently that ecosystems frameworks emerged in the service literature (Vargo and Lusch 2010; Akaka and Vargo, 2015), and has not been addressed within TSR. To date, the research domain of TSR remains strongly focused on a very specific unit of analysis (e.g. customer, employee, etc) measuring specific variables (e.g., healthcare, finance). This somewhat myopic view prohibits TSR from achieving its true transformative potential. TSR requires new research approaches that engage and cope with complex and interdependent phenomena.

In this paper, we propose an ecosystem framework for service thinking. The concept of service thinking was first introduced in 2013 (Russell-Bennett et al. 2013). We expand the concept of service thinking by defining it as a human-centred, inclusive perspective that all people deserve just service systems. Our service thinking framework builds on the notion of a human ecosystem that is based on biological ecosystems with an emphasis on social interactions (Likens et al. 1977).

We propose that service thinking is the next stage of human social evolution based on the transmission and mutation of imitated virtues. Unlike the general transmission of ideas that become memes whether good or bad, virtues are ideas that elevate the progress of human civilization. A difference between a meme and a virtue is that virtues must be practiced. Such social virtues include dignity, tolerance, fairness, empathy, kindness, and humility.

We propose that these social virtues should be at the core of the human ecosystem. Machlis et. al. (1997) advanced the concept the human ecosystem as a coherent system of biophysical and social factors capable of adaptation and sustainability over time. The six components of a human ecosystem are natural resources, socio-economic resources, cultural resources, social institutions, social cycles and social order. These components form the structure of our service thinking framework. From the framework, a set of service standards can be outlined to demonstrate the service thinking approach.

Deepening knowledge about service thinking will guide service managers and practitioners to design and manage services that improve wellbeing, potentially across the ecosystem of actors involved in a system of change; it will also guide TSR toward achieving its full potential.
Why did Uber Fail in China? A Service Science Perspective

Author
Christoph Breidbach - The University of Queensland, Australia

Abstract

Three years after commencing operations in China, ride-sharing platform ‘Uber’ announced its takeover by local incumbent ‘Didi Chuxing’ and exit of the market. The business press immediately linked Uber’s failure to sustain its Chinese operations to local government interference. Our present work, however, presents a different perspective and argues that Uber’s inability to succeed in China can be linked to repeat instances of service failure, as well as the firm’s inability to co-create the service experiences Chinese individuals are accustomed to. We draw on findings from two complementary empirical studies that cover the entire process of Uber’s service internationalization from the perspectives of local (e.g., Chinese) customers. Specifically, study 1 provides insights into how Chinese customers perceive Uber and Didi’s service experiences through a content and sentiment analysis of over 20,000 microblog postings uploaded between 2013-2016 on the Chinese social media site ‘Sina Weibo’. Study 2 reports provides complementary insights through a qualitative phenomenological inquiry involving 32 Chinese customers of Uber and Didi, reporting in-depth insights into the lived experiences and context of these individuals. As such, our present work contributes to service theory and practice by responding to Ostrom et al.’s (2015) call for service research to understand interactions and value creation in rapidly-changing and dynamic information communication technology (ICT)-enabled environments. We inductively build theory drawing on the concepts of service platforms, actor engagement in ICT-mediated contexts, as well as engagement platforms, thereby offering new insights into how service platforms set in the sharing economy context may facilitate actor engagement and value co-creation in culturally and regulatory diverse service ecosystems set in the context of the sharing economy.
Customer Integration in Separated Digital Services: Fairness Perceptions and Relational Outcomes

Authors
1. Mario Schaarschmidt - University of Koblenz-Landau, Germany
2. David Dose - Aston Business School, UK
3. Sonja Christ-Brendemühl - University of Koblenz-Landau, Germany
4. Gianfranco Walsh - FSU Jena, Germany

Abstract

More and more people-intense services are being replaced by so-called self-services, many of them provided through digital channels. While the advantage of such types of services seem obvious for service providers – an increase in operational efficiency – we do still not fully understand how people react to being pushed into self-services, especially when alternatives are available.

The authors conducted 44 initial interviews with customers concerning separated (i.e., service provision and service consumption are separated) and unseparated services. The goal of this pre-study was to identify 1) which factors affect fairness perceptions in service provision and 2) which forms of services are suitable for the experimental design. Based on these qualitative findings, the authors conducted two experimental studies. Study 1 was an experimental, scenario-based 2x2 between-subject-design study among consumers (N=356). The authors manipulated whether customers are in a situation with a banking service or an airline service and distinguish self-services from services, where service personnel is available. Study 2 again was an experimental study. The authors employed a 2 (self-service / no self-service) x 2 (price separation / no price separation) x 2 (reputation good / reputation bad) experimental study-design. The design was pretested based on a set of 153 Amazon Mechanical Turk workers. For the main study, an online, scenario-based survey with N=342 people was utilized. In both studies, fairness perceptions, positive word-of-mouth, willingness to co-create services and silent endurance function as relevant customer outcomes that are potentially affected by the type of service.

The findings suggest that both procedural and distributive fairness (measured with three items each) differ between self-services and the people-intense alternative, and mediate the relationship between the experimental condition of various forms of voice (i.e. positive word-of-mouth, silent endurance). The differences become even more prevalent, when self-services and people-intense services are priced equally. The authors aim for presenting their results as well as a design for a potential Study 3, in which more recent forms of self-services will be considered (e.g. service robots).
Session 05-12

Friday, July 19 (15:45 – 16:10)

Business Models in the Sharing Economy

Authors
1. Jochen Wirtz - National University of Singapore, Singapore
2. Makarand Mody - Boston University, USA
3. Stephanie Liu - The Ohio State University, USA
4. Helen Chun - Cornell University, USA
5. Kevin So - University of South Carolina, USA

Abstract

There has been a dramatic explosion of platform business models, fuelled by the Internet and mobile technologies, and rapid advances in analytics (e.g., Wirtz and Zeithaml, 2018; Wirtz et al., 2018). The success of platforms like Airbnb and Uber has resulted in a proliferation of research that examines the characteristics of platform business models; characteristics that differentiate them from traditional pipeline business models and that provide platforms with competitive advantages (e.g., Benoit et al., 2017; Kumar et al., 2018; Parker et al., 2016; Wirtz et al., 2019). While such research is undoubtedly useful in building theory, in practice, there is increasing evidence of a phenomenon we refer to as the convergence of business models. To competitive effectively in a rapidly changing environment, businesses are recognizing that the characteristics associated with their primary business model—pipeline or platform—need to be dynamic and malleable. For example, while platform businesses have flourished due to the benefits they derive from the ability to scale exponentially through direct and indirect network effects, ignoring the potential benefits associated with pipeline business models would be limiting to a platform’s future growth trajectory. Similarly, pipeline business have recognized that to stave off the threats to their positions as dominant incumbents, they must leverage the characteristics of platform business models.

Using case studies from the service industry, we explore how two contrasting processes—integration and hybridization—are contributing to the convergence of business models. We argue that the simultaneous integration of pipeline-like characteristics into platform business models and hybridization of pipeline business models by incorporating the characteristics of platform business models is fundamentally altering how value is created and co-created in the new economy. In view of Andreassen et al.’s (2018) recognition that value creation in the new economy is not about a choice of either platform or pipeline business model, but rather a continuum, we explore and put forth thought-provoking questions about the nature, dynamics, and optimal configurations of convergence business models, their impacts on the nature of competition within an industry, and wider consumer, societal, and economic impacts. In the end, we hope to identify key characteristics that contribute to the success of such convergence. Our study has significant theoretical implications for the strategic management of service businesses, emphasizing the need for embedding strategic agility to accelerate business model renewal in a rapidly changing business environment, and identifying the key determinants of business model synergy and sustainable competitive advantage. From a practitioner perspective, our study points to the key aspects of business model development that leaders must consider in strategic decisions pertaining to product development, business process management, customer engagement, innovation, and strategic partnerships.

References


Are we Forever Chasing Rainbows? Measuring the Impact of Telepresence and Complexity of Virtual Reality on Hedonic Adaptation in Service Experiences
Daniel Zimmermann (Ludwig-Maximilians University Munich, Germany)

Creating Optimistic Change in Challenging Times
Kenneth Kwan (Deep Impact Pte Ltd, Singapore)

A Synthesis of Nine Years of Transformative Service Research (TSR)
Hoang-Linh Vu (NEOMA Business School, France), Volker Georg Kuppelwieser (NEOMA Business School, France)

Coalitions, Social Exclusion and Recovery in Trilateral Service Failure Constellations
Christina-Franca Feyertag (Alpen Adria Universität, Austria), Holger Roschek (Alpen Adria Universität, Austria), Nilüfer Aydin (Alpen Adria Universität, Austria)

Dealer Tweets Effect on Customer Engagement: An Application to the Spanish Context
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Megan Godwin (Queensland University of Technology, Australia), Rebekah Russell-Bennett (Queensland University of Technology, Australia), Uwe Dulleck (Queensland University of Technology, Australia)

Orchestrating the Co-creation of Value in P2P Lending Platforms: An Agent-based Modelling Study
Maria Veronica Torres Pena (The University of Melbourne, Australia), Christoph F. Breidbach (The University of Melbourne, Australia), Andrew Turpin (The University of Melbourne, Australia)

Engaging Customers along the Smart Services Journey - A Network Perspective
Bieke Henkens (Ghent University and KU Leuven, Belgium), Katrien Verleye (Ghent University, Belgium), Bart Larivière (KU Leuven and EMLYON Business School, Belgium)

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King Yin Wong (Nanyang Technological University, Singapore), Tsz-Wai Lui (Ming Chuan University, Taiwan)

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Frederica Marlene Frank (Catholic University Eichstätt-Ingolstadt, Germany), Jens Hogreve (Catholic University Eichstätt-Ingolstadt, Germany)
Session 06-01

Friday, July 19 (16:15 – 16:40)

Are we Forever Chasing Rainbows? Measuring the Impact of Telepresence and Complexity of Virtual Reality on Hedonic Adaptation in Service Experiences

Author

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Abstract

Nowadays, customers are constantly searching for experiences in service consumption (Pine & Gilmore, 1999). Based on the theory of hedonic adaptation, however, individuals adapt to a positive stimulus in a way that emotional altitude of the effect decreases over time, reducing the effect of favourable circumstances (Frederick & Loewenstein, 1999). Thus, managing services to provide new experience has become one essential strategic component in an area where hedonic experiences are the basis for value creation (Higgins, 2006; Verhoef et al., 2009). The prerequisite for successful management of experiences, however, is the understanding of the creation and its influencing variables (Klaus & Maklan, 2012).

In order to manage and enhance service experiences, many providers are integrating digital technologies, such as virtual reality (VR) into their service delivery process (Barrett, Davidson, Prabhu, & Vargo, 2015). In the case of VR, defined as “a communication medium that seeks to perfect an immersive experience of being present in a three-dimensional environment, allowing interaction in real-time” (Zimmermann, 2018, p. 14), researchers have limited insights into how consumers immerse into VR and how differently they are affected by the virtual experience (Papagiannidis, See-To, & Bourlakis, 2014). Therefore, and relating especially to telepresence, the research project investigates whether (1) VR can entirely reface a service experience to avoid hedonic adaptation, (2) telepresence is able to absorb the hedonic adaptation in repetitive service usage and (3) whether complexity of the VR design influences the evaluation of a service experience over time.

Two studies were conducted in the context of a hedonic service experience (i.e. a water park), where visitors were able to experience the same service (i.e. a waterslide) both with and without the usage of VR. In a first, qualitative study 23 interviews have been analyzed by the means of a qualitative content analysis (Mayring, 2010) to find that participants indeed experienced the original service entirely new when adding a virtual environment and hence avoiding the effect of hedonic adaptation. The second study comprised a longitudinal experiment with a 2x2 between-subject design with 151 participants. Firstly, the results prove that VR allowed customers to avoid hedonic adaptation through novelty. Furthermore, it showed that even during repetitive usage of VR, hedonic adaptation was absorbed by an increasing level of telepresence, keeping the level of enjoyment constantly high. Lastly, the effect of complexity in the VR design influenced the effect of hedonic adaptation. The studies contribute to the current service research on the meaning of new technologies and experiences in services (Lemon & Verhoef, 2016; Barrett et al., 2015) and the findings allow managers to renew an existing experience through telepresence to overcome the process of hedonic adaptation and thus support the customers on their chase of rainbows.
Creating Optimistic Change in Challenging Times

Abstract

Imagine what will happen if your people become forward thinking in their conversations and thought patterns, instead of focusing on problems? What if your team consistently worked on the small steps that contribute to positive business outcomes, rather than get stuck in today’s operational problems?

By focusing on positive goal orientation and what is already working well, this approach leverages on the positive drivers that initiate change. Small Steps To Big Changes® has helped many people to be more engaged at work, create possibility thinking and develop the ability to take quick action steps to create more success for themselves.

In this talk, we will examine what creates “possibility thinking”, what-works and how to move people solution-focused thinking. We will also talk about what creates motivation and forward momentum, how to get unstuck in challenging situations.
A Synthesis of Nine Years of Transformative Service Research (TSR)

Authors
1. Hoang-Linh Vu - NEOMA Business School, France
2. Volker Georg Kuppelwieser - NEOMA Business School, France

Abstract

Purpose - The main purpose of this paper is to synthesize what scholars have studied about TSR over nearly the last decade, from 2010 to 2018. The synthesis discusses the development of TSR including trends of research topics and the evolution of applied methodologies and analytical techniques. An inclusive literature review of TSR aims at systemizing, assessing the state of published research on TSR and making suggestions for further research.

Design/methodology/approach - We presented a theoretical paper that looked at the growth of TSR according to 5 main criteria: conceptual definition, research topics, study contexts, study design and sampling and analytical approach. We collected and analyzed 56 TSR publications.

Findings - After ten years of research, TSR is still underdeveloped in several aspects. Besides the formal definition issues, the vast majority of TSR studies is conceptual and focuses on health care, financial and social services. The relationship between service and well-being in TSR seems unexplored on a broad basis due to missing research regarding the impacts of endogenous and exogenous factors on well-being enhancement. Applications of TSR in service design are still not generalized, because the published case studies and the strong focus on individuals, not groups and societies, hinder its development. From a methodological perspective, the TSR research stream has recently seen a shift towards qualitative studies since 2017.

The published papers identify room for theoretical improvements, such as TSR and the formation or co-creation of value and well-being; the interrelations between TSR, service-dominant logic and customer-dominant logic; TSR, negative well-being outcomes and value co-destruction; TSR and service design.

Research limitations/implications - The authors excluded TSR publications in conference proceedings.

Further research - This paper suggests specific research directions on how to expand TSR in response to recognized research gaps. It calls for additional, especially empirical research and conceptual studies to explore this concept in more depth. Future research should also study ways to make the findings of previous TSR articles readily transferrable to other service contexts than finance, health care and social services.

Originality/value - After a decade, TSR is still in its infancy stage and requires a lot more research efforts should we want it to survive. Until now, there has not been any article which gives a thorough clarification of what researchers have learned about TSR and what remains unknown. This study contributes to service marketing literature by offering a comprehensive review of all publications on TSR over the past decade, synthesizing it and figuring out open questions and research gaps. It can thus build a fair basis for further and rigor research on TSR.

Key words: transformative service research (TSR), well-being, co-creation.

Article classification: Literature review.
Session 06-04

Friday, July 19 (16:15 – 16:40)

Coalitions, Social Exclusion and Recovery in Trilateral Service Failure Constellations

Authors
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2. Holger Roschk - Alpen Adria Universität, Austria
3. Nilüfer Aydin - Alpen Adria Universität, Austria

Abstract

This research introduces coalition forming and social exclusion as novel behavioral phenomena into service recovery. For that we focus on triadic constellations (i.e., complainant, co-customer, service employee). Researchers so far focused on bilateral relationships, most prominently between the complainant and the firm. Also, group settings have been analyzed. However, the group has been considered as one entity, again forcing a bilateral approach (Du Fan and Feng 2014). A behavioral phenomenon idiosyncratic to triadic relationships is coalition forming (Thibaut and Kelley 1959), which yields two coalition possibilities for the failure context: the complainant may need support from the co-customer to achieve a desired failure reparation (complainant–co-customer coalition); the service employee may need support to oppose a quarreling customer (service employee–co-customer coalition). However, who is supported has serious consequences, as one of the triad members gets left out and experiences social exclusion. Especially if the complainant stands alone with the failure and fights against an opposing coalition, it may turn into a hostile social dynamic that affects his emotional state and behavioral responses.

We therefore explore coalition forming and its consequences by addressing three research questions: (1) Do coalitions occur in a systematic manner? (2) Do coalitions due to social exclusion cause harmful effects? (3) How can those negative effects be counteracted? To answer our research questions, we conducted four consecutive experiments from the perspective of the complainant, using video and photographic material for our manipulations. The first experiment (2x2x2x3) showed that coalitions are formed in service failure situations due to high emotional contagion and relationship strengths with the supported person. The second experiment (3x1) revealed higher negative emotions, feelings of betrayal and retaliation, compensation demands and negative Facebook ratings in case of the complainant’s social exclusion (vs. inclusion). The third experiment (2x2) evidences that the service employee’s rejection (vs. acceptance) to ally with the co-customer mitigates the negative reactions but not the complainant’s perceived social exclusion. Finally, the fourth experiment (2x2) shows that the firm not only needs to compensate for the original failure, but also the exclusion transgression.

Our results contribute to the literature in three ways: First by presenting coalition forming as a novel behavioral pattern, it allows a deeper understanding of the social dynamics in service failure settings. Second, besides various established harmful phenomena such as customers’ opportunistic claiming (Wirtz and McColl-Kennedy 2010), and the ‘love becomes hate effect’ (Grégoire, Tripp and Legoux 2009), we find social exclusion to be the driving force behind deviant customer behavior. And third, we introduce a novel mechanism to the service recovery literature that represents a foundation for preventive and reactive strategies counteracting exclusion-driven negative effects.
Session 06-05

Friday, July 19 (16:15 – 16:40)

Dealer Tweets Effect on Customer Engagement: An Application to the Spanish Context

Authors
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2. Nora Lado - University Carlos III de Madrid, Spain
3. Ángel García-Crespo - University Carlos III de Madrid, Spain

Abstract

From the perspective of social media management, there is a dilemma between the adoption of centralized, standardized content generation and the use of general channels for its diffusion vis-à-vis adopting a decentralization orientation at country level or even a more local level by local distributors accounts. We find a tension between two trends; on the one hand, social media implies co-creation and power-sharing between the firm, distributor and their customers, while practices such as global integrated marketing communications follow precisely the opposite route. The advertising and marketing literature both display a lack of knowledge regarding the role of multiple-type corporate accounts (i.e., main, country, special, or dealer accounts, in the case of the automobile market) on customer engagement.

In this empirical research we focus on various topics relating to firm-dealer-created content (FCC) applied to the automobile sector and Twitter. The aims of the article are twofold: (a) to analyse if there are differences among content generated and sent by distributor accounts and the content sent by corporate or country account of carmakers in terms of their effect on customer engagement; (b) to estimate these effects, controlling for topic, and other tweets characteristics.

For these purposes, we develop an empirical study applied to 14,488 Twitter posts from a set of ten representative global brands from automobile market. We use a Poisson regression model to test the effects of types of sender accounts on the number of retweets. To do this rigorously, we include the following variables: brand, type of sender account (main, country, dealer or special), and time fixed effect (hour, day-of-week, week), as well as taking into account several control variables (topic of tweet, follower, hashtag, length, link, attribute, product, competing for attention, exclusivity window, brand post strategy).

The results suggest that posting tweets from a dealer account has a negative and significant effect on customer engagement with respect to the country account. In the case of tweets that include reference to attributes, use of a dealer account makes the negative affect on customer engagement even deeper. This negative effect is attenuated with tweets focused on topics related to distribution, post-sale service, and product topics.

For settings with topics related with distribution and post sale service, the use of decentralized channels (such as dealer and special accounts) tends to reduce the negative effect on customer engagement. This result could be explained, according to Li et al (2013), by the level of perceived specialization and credibility of the source. These type of topics are better managed (with less ineffectiveness) through a reliable and decentralized sender because of the specific domain of the topics and the expertise of the dealers.
Session 06-06

Friday, July 19 (16:15 – 16:40)

Women in the Sandwich Generation: The Relationship between Health Behaviours and Wellbeing

Authors
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2. Rebekah Russell-Bennett - Queensland University of Technology, Australia
3. Uwe Dulleck - Queensland University of Technology, Australia

Abstract
A key outcome of transformative service research (TSR) is achieving citizen and social wellbeing (Anderson et al. 2013). Behavioural scientists seek to understand human lived experiences and their subjective wellbeing (Diener, Oishi & Tay, 2018). The modern concept of wellbeing is fluid and develops around economic, political and social structure changes. A key segment in many developed countries that is suffering low wellbeing are 35-55 year olds (Generation X) or ‘The Sandwich Generation’ (squeezed between teen children and ageing parents). In the 1980’s these women heard the catch cry of “You can have it all!” however this contrasts with their lived experience of a decline in wellbeing health behaviours and the creeping consumption of alcohol (mummy wine time), less physical activity, poor diet and poor sleep. There are multiple health behaviours that are monitored by the Australian Government as indicators of health wellbeing across different population groups, such as substance use, physical activity, tobacco and obesity (AIHW, 2018). Alternative surveys (Jean Hailes Women’s Health, Australian Women’s Longitudinal Health Survey) highlight another pertinent health issue of sleep. Typically, the behaviours addressed in both TSR and at a policy level are considered separately in both analysis and interventions. However, given the evidence that these behaviours appear to be related there is need to investigate the empirical relationship between these behaviours and wellbeing. Currently we do not know about the inter-relationship between these behaviours. For instance, do some behaviours cluster together to affect wellbeing or are they separate? The decline in women’s wellbeing behaviours is not constant, some women have high wellbeing indicating they are coping with life’s stressors while others have low wellbeing (they are cracking at life stressors). However, as we do not know which of these wellbeing behaviours is related to high and low levels of wellbeing it is difficult to design transformative services aimed at improving women’s wellbeing. This research combines services marketing with behavioural economics to answer the research questions of RQ1: What is the relationship between health behaviours and wellbeing for Gen X women? and RQ2: Which health behaviours are associated with high (coping) and low (cracking) levels of wellbeing. The method for this research is analysis of up to 10,000 Australian women from the Housing, Income and Labour Dynamics in Australia (HILDA) survey (Melbourne Institute). The HILDA survey is a household panel data set that begun in 2001 and contains subjective wellbeing (e.g. health, QOL) and objective wellbeing (e.g. perceived financial prosperity, education status) measures. The results of this analysis will be presented at the conference. This research will provide a useful base about the relationships of health behaviours and wellbeing.
Orchestrating the Co-creation of Value in P2P Lending Platforms: An Agent-based Modelling Study

Authors
1. Maria Veronica Torres Pena - The University of Melbourne, Australia
2. Christoph F. Breidbach - The University of Melbourne, Australia
3. Andrew Turpin - The University of Melbourne, Australia

Abstract

Firms need to coordinate and facilitate value-creating processes for their customers in order to succeed in increasingly competitive marketplaces. This orchestrating role of the firm has traditionally been achieved through dedicated frontline employees. Today, however, digital service platforms orchestrate value co-creation processes by connecting other interdependent actors. One example is the context of peer-to-peer (P2P) lending, where service platforms enable and guide interactions between prospective borrowers and lenders in financial service transactions. However, despite being a key priority for service research, limited attention has been paid to investigating how digital technologies orchestrate value co-creation processes.

This study aims to address this important gap in knowledge by exploring (1) how digital technologies orchestrate interactions between economic actors in service ecosystems, and (2) to assess the performance implications for service ecosystems where digital technologies are deployed as a service orchestrator. We address these questions through agent-based modeling (ABM) simulations set in the context of P2P lending, using data from the P2P lending site LendingClub.com. ABM enables us to capture fundamental service ecosystem properties like self-organizing practices and structure emergence, thus explaining service ecosystem assemblage, behavior, and evolution.

This study offers three important contributions to service research. First, we analyze the effects of digital orchestration mechanisms on service ecosystem performance. Specifically, we provide empirical insights that service orchestration through platforms has on actors’ interactions, resource integration, and resource density. Second, we offer a methodological contribution to service research by introducing and demonstrating the applicability of ABM for the study of value co-creation in platform-based service ecosystems. Specifically, we provide future service researchers and practitioners attempting to investigate value co-creation and digital orchestration with a blueprint on how to use ABM as a new research method. Finally, our findings have design implications relevant for the orchestration of value co-creation on digital platforms and, in particular, P2P lending platforms.
Engaging Customers along the Smart Services Journey - A Network Perspective

Authors
1. Bieke Henkens - Ghent University and KU Leuven, Belgium
2. Katrien Verleye - Ghent University, Belgium
3. Bart Larivière - KU Leuven and EMLYON Business School, Belgium

Abstract

Smart services – which are services provided by or to smart, connected objects with the ability to sense and communicate – are increasingly being adopted in myriad industries. An illustration concerns smart fridges allowing customers to consult fridge inventories and make shopping lists via an app and order items through the fridge directly at connected grocery stores. Smart service literature has focused primarily on conceptualizing smart services and its technical aspects, thereby referring to the Internet-of-Things defined as the network that connects smart objects, users, service providers, and other actors during the delivery of smart services through sensors and smart technology. To date, extant research merely focused on the implementation of smart services from a provider perspective, while the customer acceptance and adoption only recently gained attention. To better understand the long-term implications of offering smart services to customers, the present study aims to provide insight into customer engagement defined as customers’ interactive, cocreative experiences with the network of actors along the smart services journey. Drawing on social exchange theory and self-serving bias, we investigate how this type of customer engagement is influenced by the level of service smartness defined as the degree to which customer participation is required for the delivery of services. Specifically, the level of service smartness is inversely related to the level of customer participation, considering that a higher (lower) level of smartness implies customers to participate in less (more) tasks in the smart services journey. Along this journey, customers may interact with not only smart object providers (e.g., smart fridge brand) but also service partners at different points in time (e.g., telecom providers in the pre-purchase phase and grocery stores in the (post-)purchase phase). As such, customers may show engagement towards the network of actors involved in the smart services journey. To investigate our research objective, we conduct scenario-based surveys with validated scales and items. This research contributes to the smart service and engagement literature in three important ways. First, by adopting an engagement perspective along the smart services journey, we gain insights into long-term benefits (engagement) beyond short-term gains (adoption). Second, we contribute the literature by focusing on networks and complex ecosystems, considering the introduction of an engagement perspective in a smart service context entailing multiple actors involved in the smart services journey. Third, we gain insights into the level of customer participation linked to the level of smartness of the service and its implications on customer engagement. This research helps managers to gain insights in how the level of service smartness impacts customer engagement towards a multitude of actors along the smart services journey, thereby enabling managers to enhance customer engagement by advancing smart service designs and by managing their position towards other actors.
Buying to Share: How Peer-to-Peer Sharing Promotes Product Purchase

Abstract

Due to its accelerating growth, the “sharing economy” has evolved into a crucial priority for managers and researchers alike. Initially, sharing services were provided by firms, which acquired, owned and shared the assets with consumers for a monetary compensation. This form of sharing is labeled “access-based” or “collaborative” consumption in research. However, this traditional business-to-consumer (B2C) model has changed with the advent of peer-to-peer asset sharing. In peer-to-peer sharing, consumers own and share products with other consumers via a sharing platform. Examples of well-known peer-to-peer sharing platforms include Airbnb (hospitality), Zilok (tools) and Getaround (cars). Carsharing in particular takes a leading role in this development as 50% of car owners in Europe and North America are willing to share their cars.

Despite growing interest in the sharing economy, research has thus far predominantly focused on the relationship between sharing platforms and renters in a traditional B2C context. As a result, existing research commonly position and investigate sharing as an alternative to product purchase and ownership. Specifically, sharing is seen as a way for renters to reduce the burdens of ownership by accessing products on a needs-basis. However, due to increasing availability of peer-to-peer sharing, consumers cannot only take part as renters but also as providers of products in the sharing economy. This new role of consumers as product-owners and providers in the sharing economy might change their decision whether or not to buy a product initially. In fact, surprisingly little is known how the opportunity to partake in peer-to-peer sharing as a provider affects consumer’s purchase decision.

The objective of this paper is to investigate how sharing affects consumer’s willingness to purchase products. Due to limited research on the role of providers in peer-to-peer sharing, we apply a mixed methods approach. We first conduct three focus groups to guide the development of our hypotheses. Subsequently, we test our hypotheses using two experimental studies involving 673 participants. In Experiment 1, we test the effect of peer-to-peer sharing on consumer’s purchase intention. Contrary to conventional wisdom that sharing decreases product purchase, we find that peer-to-peer sharing increases consumer’ purchase intentions – particular for more expensive products. Conducting a mediation analysis, we show that this effect is driven by the reduction of burdens of ownership that peer-to-peer sharing provides for product owners. In Experiment 2, we further validate this mechanism by illustrating that provider’s product purchase decisions are not only based on provider’s own brand preferences but are directly influenced by renter’s brand preferences. Our paper contributes to existing literature on the sharing economy and offers a new perspective on the role of burdens of ownership. We also provide guidance for manufacturers and outline avenues for further research on the sharing economy.
Can We Provide Access to Ownership? How Ownership Perceptions Threaten Product Reconfiguration Services

Authors
1. Janina Garbas - University of Passau, Germany
2. Sebastian A. Schubach - University of Passau, Germany
3. Jan H. Schumann - University of Passau, Germany
4. Martin Mende - Florida State University, USA
5. Maura L. Scott - Florida State University, USA

Abstract

Augmenting physical products with digital services is an increasingly important marketplace phenomenon (Kannan & Li, 2017). Driven by emerging technologies (e.g., the Internet-of-Things), physical products are not static anymore. Rather, they evolve into dynamic service platforms that allow for customization through internal product reconfiguration throughout their lifecycle (Ng & Wakenshaw, 2017). For example, carmakers like Tesla and Audi increasingly transform cars into such platforms: They sell models with artificially limited add-on features (e.g. more battery power, adaptive headlights) and enable customers to reconfigure their cars by offering fee-based access to those features.

Whereas firms might profit from customers’ additional purchases, there are also potential risks associated with this new revenue model that marketers need to understand and manage. Specifically, customers might draw inferences from the base-product and transfer its ownership status to the internal add-on feature, even if they do not actually own it. Thus, they might perceive the fee-based access to hardware in a purchased product as limiting the access to their property, which might have negative consequences for how consumers assess the add-on features and the relationship to the firm. Despite the growing relevance of service-based product reconfiguration in the marketplace, research on this phenomenon is scarce. To date, research has focused on product reconfiguration through external add-on features (i.e. separate items like external memory cards) (Bertini et al., 2009). However, those findings may not generalize to internal product reconfiguration since the external feature is not already part of the product the consumer owns. Drawing on literature on perceived ownership (Brasel & Gips, 2014; Reb & Connolly, 2007) and betrayal perceptions (Grégoire & Fisher, 2008), our research investigates how internal product reconfiguration affects customer perceptions and behavior regarding (1) the focal add-on and (2) the relationship to the firm.

Two experiments, in different settings ($n_1=330$, $n_2=304$), compare product reconfiguration through internal add-on features to those with external add-on features. Results demonstrate that internal features do indeed entail higher feelings of ownership. Consequently, consumers’ willingness-to-pay and purchase intentions are lower for internal add-on features. Examining the impact on the relationship to the firm, we show that consumers are less loyal and more likely to spread negative WOM. The effects result from deflations of benefit perceptions regarding the internal add-on feature. Furthermore, consumers feel betrayed when features are already part of the product, but not accessible from the beginning.

Our research responds to calls for more work on the emerging topic of products as dynamic service platforms (Ng & Wakenshaw, 2017). Furthermore, we expand literature on product reconfiguration by investigating internal add-on features. Overall, we provide insights for scholars and managers by shedding light on the negative consequences of internal product reconfiguration.
Session 06-11

Friday, July 19 (16:15 – 16:40)

Marketing Travel Experience through Virtual Reality

Authors
1. King Yin Wong - Nanyang Technological University, Singapore
2. Tsz-Wai Lui - Ming Chuan University, Taiwan

Abstract

The tourism industry is one of the fastest growing industries worldwide. In order to compete in this dynamic and global industry, industry players are constantly looking for new ways to provide better customer experience. Tourism products are generally considered to be “confidence goods” which do not allow customers to try and test before making the purchase. Customers’ purchase decisions on “confidence goods” greatly depend on their confidence in the quality provided by the service providers. It is common nowadays that tourism service providers rely on 2D interfaces such as brochures and multimedia video clips to disseminate product and service information to customers. These 2D marketing materials aim to increase customers’ confidence by offering them a better idea on what to expect as services are highly intangible and variable. The advancement of information technology, however, enables service providers in the tourism industry to further boost customers’ confidence in a much more effective way. The emergence of virtual reality (VR) technology provides prospective customers an opportunity to “sample” the products before making their purchase decision. Over the past few years, industry players have seen the potential of VR and tried to adopt it in selling and promoting tourism products.

Previous study has suggested that experiencing a tourism destination in VR may positively influence one’s attitude toward the destination and also the intention to visit the destination. However, there is a lack of empirical studies testing and comparing the effects of VR marketing and traditional marketing in 2D form. Given the high cost of developing VR content, it is important to understand the effects of VR marketing and its underlying mechanism. This paper intends to fill this void. The objectives of this research are threefold: 1. To test the marketing effectiveness of 2D and 3D interfaces used in the tourism industry; 2. To explore the best fit between these interfaces and levels of product complexity (e.g., a 3-night accommodation at a 3-star city hotel vs. a 3-night all-inclusive package at a leisure farm resort); 3. To provide guidance to the firms in terms of investing in VR marketing.

Through the lenses of Media Richness Theory and Embodied Social Presence Theory, we develop a research model to explicitly test the outcome of different marketing tools with different level of media richness and social presence. Furthermore, we examine the marketing effectiveness of these tools at different levels of product complexity. The theoretical contribution of this research is to extend the literature in service marketing and empirically validate the relationships between different marketing tools and marketing outcomes. This research also offers managerial implications regarding marketing planning to practitioners.
Session 06-12

Friday, July 19 (16:15 – 16:40)

The Restorative Effect of Automation – Do Automated Driving Technologies Improve Subjective Well-being?

Authors
1. Frederica Marlene Frank - Catholic University Eichstaett-Ingolstadt, Germany
2. Jens Hogreve - Catholic University Eichstaett-Ingolstadt, Germany

Abstract
The stress of commuting has serious implications on individual and public health and its reduction is of substantial interest for individuals, policy makers and society at large. Comparing stress across different travel modes, Legrain et al. (2015) found that individual driving, which requires constant focused attention, is the most stressful mode of transportation. However, when cars learn to drive autonomously, drivers will turn into passengers. In this new role, they will have the opportunity to engage in other, potentially stress relieving, tasks. In addition, it seems possible that autonomous vehicles with their isolated space and automated driving functions provide an opportunity for consumers to let go of everyday hassle. This raises the question whether traveling in automated vehicles will help reduce stress of commuting and thereby increase overall individual well-being.

To date, research on the well-being impact of travel time, especially focusing on automated vehicles, remains scarce. Based on attention restoration theory, a growing stream of research in environmental psychology provides evidence that both natural and urban environments, by providing a sense of being away, can affect individual well-being – from mitigating stress to reducing mental fatigue and restoring directed attention (Rosenbaum & Masiah, 2011; Newman & Brucks, 2016). It might be the case that automated vehicles provide similar effects. To investigate potential restorative qualities of automated vehicles, it is first necessary to explore consumers’ willingness to divert their attention from traffic to other tasks, as this is a compulsory prerequisite to fully benefit from automation. Therefore, we address the following research questions: (1) Are users willing to engage in non-driving related tasks, (2) does travelling in a fully automated vehicle affect individual well-being, and, if so, (3) which stimuli and characteristics of the in-car environment can help foster restorative effects?

We employ a multi-method approach. First, we conduct a qualitative pre-study using focus groups and problem-centered interviews to explore consumers’ willingness to turn their attention from driving to performing secondary tasks. Drawing from attention restoration theory, we investigate potential restorative qualities of automated vehicles as well as measures that can be implemented to support their stress-relieving effects by conducting experiments in a high-fidelity driving simulator. We expect this set-up to provide results with higher validity as participants will be able to experience what driving in automated vehicles might be like.

Theoretically, we advance understanding of well-being impacts of innovative travel modes. To our knowledge, this is the first study to investigate empirically the restoration and well-being effects of automated vehicles, thereby contributing to the fields of transformative service research, consumer behavior and traffic psychology. From a practical perspective, we provide indications for car manufacturers on how to support acceptance of automated vehicles by creating an environment that fosters recreation.
FRIDAY, 19 JULY | 04:45 – 05:10 pm

CONCURRENT SESSION 07
Seminar Rooms @ Mochtar Rady Building

**Does C3PO Really Understand Me? – Extending the Service Robots Acceptance Model**
Stefanie Paluch (RWTH Aachen University, Germany), Jochen Wirtz (National University of Singapore, Singapore), Werner Kunz (University of Massachusetts Boston, USA), Paul Patterson (University of New South Wales, Australia), Thorsten Gruber (Loughborough University, UK), Vinh Lu (Australian National University, Australia), Anje Martin (University of Queensland, Australia)

**Influencing in Engineering and Maintenance Services — Winning Practices for Team-Selling as a Process**
Bertil A. Brandin (ABRICO)

**How Culture Affects Innovation Adoption: An Integrative Framework**
Leonard Lee (National University of Singapore, Singapore), Jasper Teow (National University of Singapore, Singapore), Yating Wang (National University of Singapore, Singapore), Michael Frese (National University of Singapore, Singapore)

**A Preliminary Investigation into Service Failure and Recovery in a Collaborative Consumption Context**
Tom Baker (University of Alabama, USA), Kristina Lindsey-Hall (Louisiana State University, USA), Christine Ringler (University of Alabama, USA)

**Gamification or Socialization? Which Better Encourages Higher Consumers’ Loyalty**
Rungting Tu (Shenzhen University, China), Wenting Feng (Shenzhen University, China), Peishan Hsieh (Tunghai University, China)

**Convenience over Concern - The Value of Application-Based Service Experience**
Heiko Holz (RWTH Aachen University, Germany), Stefanie Paluch (RWTH Aachen University, Germany)

**Developing a Service Taxonomy for Transformative Service Marketing Insights**
Ilias Danatzis (Freie Universität Berlin, Germany)

**Solicited Online Product Reviews**
Nevena T. Koukova (Lehigh University, USA), Rebecca Jen-Hui Wang (Lehigh University, USA), Keith Botner (Lehigh University, USA)

**Voluntary Stewardship of Service Interventions**
Lucas Lunt (Texas Tech University, USA), Mayukh Dass (Texas Tech University, USA), Piyush Kumar (University of Georgia, USA), Guy Loneragan (Texas Tech University, USA)

**The Effect of Elevation in Competition on Markets for Credence Goods: An Investigation on the NYC Taxis**
Iman Ahmadi (Warwick Business School, UK)
Session 07-01

Friday, July 19 (16:45 – 17:10)

Does C3PO Really Understand Me? – Extending the Service Robots Acceptance Model

Authors
1. Stefanie Paluch - RWTH Aachen University, Germany
2. Jochen Wirtz - National University of Singapore, Singapore
3. Werner Kunz - University of Massachusetts Boston, USA
4. Paul Patterson - University of New South Wales, Australia
5. Thorsten Gruber - Loughborough University, UK
6. Vinh Lu - Australian National University, Australia
7. Anje Martin - University of Queensland, Australia

Abstract

The infusion of service robots in conjunction with artificial intelligence and machine learning in service deliveries across different service industries and settings has attracted significant attention from business practitioners (Lelieveld and Wolswinkel, 2017; Beck and Libert, 2017; McKinsey and Co, 2017; Microsoft, 2018) and service scholars (Wirtz et al. 2018; Huang and Rust, 2017; Marinova et al., 2017; van Doorn et al., 2017). While there are significant cost and productivity advantages to organizations in introducing service robots to replace people on the frontline (Grewal et al., 2017, marketers, policy makers and society at large have understandably expressed concern at the impact of such technological advances on employees. However little consideration has been given to how the consumers will be impacted, and indeed accept the technology (Wirtz et al. 2018).

Calling the new paradigm ‘Service encounter 2.0”, Larivière and colleagues (2017) suggest customers must develop new skills and competences so that they can be ready, together with service employees, to undertake the role of enabler (i.e., supporting employees and/or technology in the service encounter), innovator (i.e., partaking in new service development and delivery), coordinator (i.e., being a resource integrator), and differentiator (i.e., innovating services and technology for individual needs). However, a critical issue remains unanswered – that is, how can service organizations best develop, capture and deliver an engaging customer experience in the new world where customers interact with robots on a regular basis across multiple service contexts?

Therefore, this research analyzes consumer perceptions of service robot infusion at the frontline in various service contexts. Moreover, we examine in how far these perceptions contribute to the overall service robot experience. To explore this topic, we use qualitative interviews to collect in-depth insights into consumers’ perceptions, attitude and evaluation of service robots and their application in different service settings (Patton 2015). Based on insights from literature and the results of the 70 qualitative interviews, we propose the service robot acceptance model (sRAM) that reflects customer experience (encompassing customers’ cognitive, emotional, behavioural, sensorial, and social responses to their interactions with employees, technology, and the organization; Lemon and Verhoef, 2016), and ultimately better understand customer service-robot adoption, which is driven by not only reliable delivery of the core service (functional or outcome quality), but also the manner in which the service is delivered (technical or process quality). The sRAM combines functional elements (ease of use, perceived usefulness and social norms), social-emotional elements (humanness, social interactivity, social presence), relational elements (trust, rapport) and individual characteristics (technology anxiety, need for personal contact, privacy concerns) to explain consumer adoption of service robots. Theoretical and managerial implications will be discussed.
Two important trends are currently affecting industry worldwide:
1. Industrial players are increasingly focusing on engineering and maintenance services as a lever for them to remain competitive.
2. Because of the commoditisation of their products and solutions, equipment manufacturers supporting industrial customers are under pressure to (a) develop their engineering and maintenance services business with advanced and comprehensive service offerings, and (b) improve the size and effectiveness of their sales teams.

These trends are resulting in a strong need for skilled, and well-trained service salespeople able to sell complex service offerings as a team, systematically, and based on value.

Note: The industrial service market is estimated at $3 trillion worldwide. A wide array of engineering and maintenance services are needed today by industrial customers, ranging from spare parts and consumables, all the way to complex services such as the outsourcing of the customer complete maintenance operations.

This article proposes a process-based approach to influencing and selling for service people (managers, sales, and technical) confronted with the challenge of influencing the development of in-house maintenance operations or selling engineering and maintenance services to third parties.

The approach is based on value and supports selling as a team, considers in detail customer selection, pursuit preparation, customer meeting management, and pursuit management, and provides a comprehensive checklist of all the sales activities to be carried out, their preferred sequence, and the tools needed.

The selection of potential customers involves developing a good understanding of the customer installed base, customer business potential, relationship, and service culture. Simply put, one wants to select those who both need and want your help.

Service pursuit preparation means:
- Analysing and understanding the customer’s requirements regarding production processes and installed equipment.
- Analysing and understanding the customer’s organisation.
- Understanding and presenting the service portfolio.
- Developing a strong value proposition and qualifying, quantifying and differentiating it.
- Developing a comprehensive pursuit strategy and action plan.

Customer meeting management means meeting with the customer and generating positive outcomes:
- Preparing and positioning the visit.
- Exploring the opportunity and demonstrating the value proposition.
- Managing the negotiation process, deal design, and negotiation alternatives.
- Implementing proven face-to-face negotiation tactics while avoiding negotiation mistakes.

Service pursuit management includes sales pipeline management and service-sales campaign management. Proper pursuit management is critical, especially when several pursuits are running in parallel.

Over 400 service sales people of a leading OEM adopted this process-based approach in South Asia resulting in the development of a new healthy pipeline and their success rate increasing by an additional 10 to 15%.
Even though this article is largely based on experience acquired in an industrial setting, the approach presented can be used in other settings, requiring only minor modifications to the corresponding service sales-process, tools and methods.
How Culture Affects Innovation Adoption: An Integrative Framework

Authors
1. Leonard Lee - National University of Singapore, Singapore
2. Jasper Teow - National University of Singapore, Singapore
3. Yating Wang - National University of Singapore, Singapore
4. Michael Frese - National University of Singapore, Singapore

Abstract

In today’s world awash with technological advancements, innovation occurs at a rapid rate, resulting in smarter and more integrative technologies, and transforming virtually all service sectors (Wirtz et al. 2018). Big data, artificial intelligence, and smart technologies entangle consumers within complex networks, permeating interactions between consumers and service providers on a global level. It is therefore crucial to understand the factors affecting consumers’ attitudes toward service innovation from both a cross-cultural and psychological perspective.

Research on how consumers respond to innovation has largely focused on constructs such as novelty seeking (Hirschman 1980), consumer creativity (Moreau and Dahl 2005), and the role of social influence in the diffusion of new products (Leonard-Barton 1985; Rogers 1976). On the other hand, research on culture in consumer behavior has focused on examining isolated constituents of culture (e.g. holistic thinking) on particular marketing outcomes (e.g. brand extension, impulsive buying) (Monga and John 2006). Research attempting to integrate these two paradigms are largely piecemeal and scattered, focusing on specific cultural dimensions (Ma, Yang, and Mourali 2014) and often firm-centric in nature (Dewar and Dutton 1986). Our research thus contributes to the literature by providing an integrative and holistic approach of examining culture’s impact on service innovation adoption, integrating both the perspectives of the consumer and innovation-type (Arts, Frambach, and Bijmolt 2011).

From the consumer’s perspective, we propose a novel approach in conceptualizing culture by utilizing the Globe framework (House et al. 2004) to explore new dimensions by which culture can be viewed (e.g. performance orientation), as compared to Hofstede’s dimensions (Hofstede 2001) – often the barometer for analysing culture in current research. Additionally, we adopt an Asia-centric approach in our research paradigm and sampling strategy. From a service-innovation perspective, we move away from the firm-centric approach prevalent in current marketing research, and instead focus on consumers’ attitudes towards adopting different types of service innovations, for instance, radical (vs. incremental) innovations.

Integrating these two perspectives, we draw upon consumer psychology to illuminate the underlying processes and mechanisms explaining cross-cultural differences in consumers’ propensity to adopt and/or try out new services or service initiatives rather than adhering to previous consumption patterns, e.g., exploring the role that openness to experience or perceived locus of control plays in one’s culturally determined attitude towards innovative services.

By highlighting specific propositions based on our framework, our research allows service-marketing and innovation researchers to develop future research agendas and questions relating to cross-cultural differences. For instance, one could posit a positive relationship between both openness to experience and performance orientation with consumer attitude towards service-innovation adoption, attenuated for incremental (vs. radical) innovation types. Our conceptual framework thus provides a different lens to view the rapidly evolving landscape of service marketing and service-innovation adoption.
A Preliminary Investigation into Service Failure and Recovery in a Collaborative Consumption Context

Abstract

Over the past decades, service researchers have learned a great deal about managing service delivery including best practices for recovering from service failures. However, with the development and continued growth of collaborative consumption (CC) there is reason to question the extent to which our current understanding of failure/recovery practice is applicable in this collaborative exchange context. The primary reason has to do with the fact that, to date, service research has largely focused on dyadic exchange relationships while CC is characterized by at least triadic relationships consisting of platform providers (e.g., Airbnb), contributors (e.g., apartment owners), and consumers. As movement towards CC continues, there has been little research designed to assess how current service marketing thought translates to this new economic model.

Therefore, the goal of this research is to provide an initial investigation into service failure and recovery in a triadic CC context. We propose that when failures occur in a collaborative exchange the additional actors involved in the service delivery will lead to consumers having greater degrees of “attributinal ambiguity” concerning the failure, which will manifest itself in consumers having lower levels of confidence in their attributions regarding the failure. Furthermore, we suggest the lower level of confidence will be driven by perceptions of greater psychological distance. Here we draw on construal level theory (CLT) which proposes that consumers use higher levels of construal as objects become more distal. As this distancing occurs, and consumers think of objects at a higher level of construal, the object is considered in more abstract terms with features being omitted compared to objects perceived to be near. This results in low-level construals characterized by perceptions of using more concrete features. It should be noted that CLT suggests there are four types of distance: temporal, spatial, social, and probabilistic.

Preliminary results provide support for the notion that when compared to dyadic exchange relationships, consumers have greater attributional ambiguity and lower confidence when involved in CC (triadic) exchanges. Our next series of studies will investigate how psychological distance helps explain this finding and which of the four types of psychological distance plays the greatest role. Finally, we will investigate how CC platform providers (e.g., Airbnb) should work to overcome the unique nature of service failures that might occur within a CC context.

We believe our research has the ability to make a significant contribution to our understanding of service failure/recovery within a CC/triadic exchange context by providing insights into how consumers view these failures differently from more traditional dyadic exchanges. In addition, our research has the potential to provide guidance to companies involved in this new form of exchange regarding how they might alter responses to service failures.
Gamification or Socialization? Which Better Encourages Higher Consumers’ Loyalty

Authors
1. Rungting Tu - Shenzhen University, China
2. Wenting Feng - Shenzhen University, China
3. Peishan Hsieh - Tunghai University, China

Abstract
To help consumers to improve health, mobile applications (apps) are developed to motivate users to engage in physical exercises. For instance, some app developers invest heavily in gamification, rewarding users with game elements such as “badges” and “points”, hoping to make the apps more fun when consumers conduct physical/fitness activities. Interestingly, increasing the “fun” of the apps does not seem to successfully motivate consumers; a recent report even shows that 75% of the users stop using the apps two weeks after downloads. In the meantime, with the increasing importance of the social media, the potential benefits of sharing on social media can sometimes be quite effective in motivating consumers. For example, some gym fanatics are willing to work out every day just to have great selfies to post on Facebook. Seeing the value of socialization, app developers such as Strava took a different approach: instead of making fitness apps more “fun”, they focus on making the apps more “social”, often by enabling consumers to interact with one another (e.g., sharing their achievements and/or getting “likes”). For consumers, their sustaining effort in using the fitness apps to help them engage in physical activities is essential to their health; and for app developers, consumer’s continuing usage (loyalty) in the app is the key to the success of the service the app provided. Question arises as to which one of the two approaches, gamification or socialization, can better encourage consumers to keep using the fitness apps.

In this study, we draw inference from self-determination theory, and argue that gamification and socialization may trigger two different types of motivations: while gamification focuses on using game elements as external rewards and provides more extrinsic motivation, socialization focuses on enhancing interactions among users and provides more intrinsic motivation, and intrinsic motivation is more effective in encouraging consumers. We further propose that a gamified fitness app can stimulate consumers in participating in early stages, but the effects may wear off; in contrast, a socialized fitness app may provide the values that satisfy consumers’ social needs and motivate consumers to continue using the app more effectively.

A longitudinal field study will be conducted, in which participants will be randomly assigned to use one of the two fitness apps: a gamified app, or a socialized app. The goal is to test the difference in subjects continuing usage (i.e., loyalty) of the apps. Changes in participants’ daily step counts and other items of the related behavioral intentions will be tracked and compared. Participants using the socialized app (vs. gamified app) are expected to show higher loyalty and future behavioral intentions.
Convenience over Concern - The Value of Application-Based Service Experience

Authors
1. Heiko Holz - RWTH Aachen University, Germany
2. Stefanie Paluch - RWTH Aachen University, Germany

Abstract

Recently, enhancing the customer experience (CX), defined as the sum of customers' perceptions of customer-firm interactions (Court et al., 2009), has been claimed to be top priority for corporate decision makers (Accenture, 2015). With a constantly increasing number of touchpoints between service provider and customers across a multitude of channels, exploring (scholars) and managing (practitioners) the service experience has become more and more complex. Consequently, the Marketing Science Institute names CX one of the major research challenges for the next years and identifies two research areas to be particularly promising: the influence of mobile technologies on consumer decision-making and behavior (MSI, 2016) and the design of an integrated omni-channel, multi-device service experience (2018).

With 35% of all online-transactions worldwide being processed via mobile devices (Accenture, 2016), mobile service environments deserve significant academic attention. But despite scholarly demands to investigate the mobile experience (MSI, 2016+2018; Lemon&Verhoef, 2016), the technology-based service delivery channel has not yet attracted significant academic attention. With most experience-oriented research focusing on retail (Grewal et al., 2009) or online (Rose et al., 2011) experience, it has been McLean and colleagues (2018) who have recently initialized experience research in the mobile area.

We address this newly discovered area of research opportunities by introducing a framework to disentangle the mobile shopping experience (MSX). Our scientific approach is shaped by a mixed-methods, multiple study (I-IV) design. Our conceptual background bases on the two relevant literature streams on customer experience (Holbrook & Hirschman, 1982; Verhoef, 2009; Lemon&Verhoef, 2016) and mobile applications (Pantano&Priporas, 2016; Kim et al., 2017). Supportive literature is drawn from research on online shopping behavior (Novak et al., 2000; Rose et al., 2011) and omni-channel retailing (Verhoef et al., 2015). Our empirical setting is based on an explorative study (I) comprising 29 consumer interviews with mobile shoppers. Profound literature review and qualitative content analysis of the interviews then provide the building blocks of our MSX model. While our model evolves around the “convenience triangle” of accessibility, availability and functionality, consumer characteristics (prior experience, expectations and goals, involvement, trust) and perceptions (perceived risk, control) play a significant role in determining the overall mobile shopping experience. Therefore, our survey-based main study (II quantitatively tests the importance of our convenience triangle for the MSX. Experimental studies (III (perceived risk on experience) and IV (trust on experience) reflect the impact of manifestations of consumer concern on the service delivery experience through mobile applications. Ultimately, our findings help decoding the complex network of determinants affecting the MSX and thereby address the contemporary demand of research on technology-based service as well as on customer experience.

We end our paper with a discussion of our main contributions and comment on implications for academics and practitioners alike.
Developing a Service Taxonomy for Transformative Service Marketing Insights

Author
Ilias Danatzis - Freie Universität Berlin, Germany

Abstract
At its core, transformative service research (TSR) investigates how services impact the well-being of customers, employees, families, communities and society more broadly. Established service measures such as customer satisfaction, service quality, or behavioral intentions, however, hardly capture the way how services can create “uplifting changes” in the life of employees or customers. Instead, TSR focuses on different – and often novel – outcomes and indicators related to physical, mental, emotional, or financial well-being. Yet, much of TSR-related research is either qualitative or uses measures that are developed and tested in a specific context. The relevance, validity, and portability of those measures across different service settings consequently remains questionable, which often inhibits the generalization of study results and further quantitative empirical substantiation. Hence, to advance the area of TSR, this research develops an empirically-based service taxonomy using a sample of 558 U.S. customers. With the aim of systematically covering a comprehensive and updated set of services, a list of 90 general consumer services and nine service characteristics (used to classify services) are initially derived based on a literature review of prior service taxonomies and nine interviews with marketing faculty members. Using various qualitative and quantitative cut-off criteria, 57 commonly-used consumer services ultimately built the basis for the development of the service taxonomy. Different factor and cluster-analysis procedures are subsequently performed to derive a service taxonomy that subsumes those 57 services into four distinct service clusters.

To demonstrate the usefulness of the proposed service taxonomy, it is thereafter used to cross-validate the robustness of two scales central to TSR (i.e., customer stress and customer confusion) across multiple service contexts. To this end, this research draws on two additional samples of U.S. consumers (n = 186; n = 1002) and various first-order and second-order analyses, including reliability, convergent, discriminant, and external validity assessments as well as various multi-group assessments. The results provide support for the relevance and portability of both scales across all four service clusters, regardless of whether the services are rather technology-driven, knowledge-intensive, functional, hedonic, or characterized by high or low degrees of customer activity.

The proposed service taxonomy therefore contributes to service research as it can be used by researchers and practitioners to gain strategic and actionable insights into the validity and effects of central TSR constructs across different service settings. In contrast to prior service taxonomies, this taxonomy synthesizes insights of previous conceptual service classification schemes and crucially updates and expands the number of services covered as compared to the other, very few, empirically-derived taxonomies in the marketing literature. In doing so, this research contributes to the empirical substantiation of service and TSR-related research by crucially facilitating corresponding quantitative research efforts.\n

Solicited Online Product Reviews

Authors
1. Nevena T. Koukova - Lehigh University, USA
2. Rebecca Jen-Hui Wang - Lehigh University, USA
3. Keith Botner - Lehigh University, USA

Abstract
Product reviews are becoming increasingly important in consumer purchase decisions. Nearly 60% of consumers report product rating as the most important attribute considered in their purchase decisions; of those who read reviews, 46% pay attention to the number of reviews a product receives (Watson, Ghosh and Trusov 2018). As such, businesses like retailers, hotels, and restaurants actively solicit reviews, prompting customers to rate and write about the products or services purchased.

Although this practice is quite prevalent, it is still unclear whether soliciting reviews from customers is an effective strategy. How do solicited customers feel about the email prompts? What kind of reviews do solicited customers write, and are they influenced by product quality, perceived experience, and solicitor type? This multi-method research examines whether the solicitor, e.g., a retailer, a manager of retailers like a franchisor or community organization of local business, or a public forum like Yelp, affects consumers’ likelihood to post a review, the overall rating, sentiment, and valence, and ultimately, consumers’ purchase behavior.

Analyzing a secondary dataset of 50K reviews from an e-retailer’s website, we found that customers who posted reviews by clicking on the solicitation emails gave higher product ratings than those who posted directly on the website. However, the solicited reviews were shorter. Interestingly, products with more solicited reviews have lower prices, and their relationship to purchase conversion is an inverted U-shape. Further, in a laboratory setting, we investigated the effects of product quality (damaged versus undamaged), perceived product condition and solicitor type (a local company, a community manager, and Yelp) on consumers’ ratings and review sentiments. Within the undamaged product condition, customers perceived solicitations from the local company less negatively than those from the community manager and Yelp. However, the solicitations from the local company were perceived more negatively in the damaged than the undamaged condition. Regarding review sentiments, when posting to Yelp under the damaged condition, consumer reviews were logical but also written in a positive tone. When posting to the community manager’s website, reviews were more confident and formal. Regarding overall ratings, within the damaged condition, consumers gave higher ratings when they perceived the product to be in a poor condition when they posted to the local company’s website than when they posted to Yelp.

This research provides important insights on review solicitation, which may not always be the right strategy. Businesses whose products have inconsistent quality should solicit reviews through their own platforms instead of public forums. Depending on the contexts, solicited reviews have different sentiments and tones, which can influence other consumers’ perceptions of their persuasiveness. We recommend that companies evaluate their own capabilities of delivering positive experiences while deciding whether and how they should solicit reviews from their customers.
Voluntary Stewardship of Service Interventions

Authors
1. Lucas Lunt - Texas Tech University, USA
2. Mayukh Dass - Texas Tech University, USA
3. Piyush Kumar - University of Georgia, USA
4. Guy Loneragan - Texas Tech University, USA

Abstract

Introduction
Voluntary stewardship is defined as a set of coordinated interventions that are designed to improve the use of the object of stewardship by promoting the selection of optimal regimens (Barlam et al. 2016). The concept is now at the forefront of both research and practice and calls for regulation and stewardship programs are now being made frequently for critical services in diverse areas such as healthcare, air and water pollution management services. Recently, The Infectious Diseases Society of America and the Society for Healthcare Epidemiology of America have published guides for both the development (Dellit et al. 2007) and implementation (Barlam et al. 2016) of antibiotic stewardship programs. While the importance and popularity of voluntary stewardship programs in services has increased dramatically, the academic research on these programs is limited and focuses largely on their goals and their attainment, with virtually no research on the role of marketing in increasing intervention program adoption to improve its overall success rate.

Stewardship programs result in major changes across service providers, their owners and managers, consumers, and society at large, often leading to a resistance toward adoption. In some ways this is a quintessential marketing problem involving exchanges across multiple stakeholders (Bagozzi 1975) and a marketing-focused perspective can help improve the development, design, implementation, and adoption of stewardship programs across critical services. To combat changes in the marketplace, it is common to see firms enter into alliances. Alliances serve many purposes, including: to acquire resources (Gulati 1999), to achieve competitive advantage (Varadarajan and Cunningham 1995), and to shape environmental policy and market behavior (Milne et al. 1996). To this end, this paper focuses on three research questions: (1) what is a holistic model of voluntary stewardship program adoption in services, (2) how do marketing factors and interventions affect the adoption of stewardship programs, and (3) how can structuring the intervention as an industry-wide alliance increase adoption of a stewardship program?

Method
Given that this is early research into the stewardship of service programs, we use a grounded theory approach to address our research questions. We have collected data from key stakeholders involved in developing a new stewardship program for agri-services. These data pertain to the stewardship program creation, implementation, and adoption and are collected from service providers, consumer advocates, and public health experts.

Results
Based on these data, we propose a new model of voluntary stewardship adoption for critical services. The model incorporates the awareness, motivation, and capability of both potential adopters and those that influence adoption.
The Effect of Elevation in Competition on Markets for Credence Goods: An Investigation on the NYC Taxis

Author
Iman Ahmadi - Warwick Business School, UK

Abstract

Although conventional wisdom suggests that higher competition increases efficiency in markets, it may turn out to an opposite situation in the markets for credence goods in that higher competition may provoke unethical behavior from the sellers’ side to avoid losses (i.e., hypermotivation). We focus on credence goods due to their inherent challenge in being evaluated in terms of the quality of a good or service that a consumer receives (e.g., repair service, healthcare, and taxi market). In this study, we focus on the taxi market in NYC, and we investigate the effects of elevation in competition (i.e., the launch of green-color taxis) on the fraudulent behavior of existing sellers (i.e., yellow-color taxis). In particular, we examine whether (and consequently how) higher competition for pickups or post-dropoff pickups in NYC increases the distance of yellow taxi trips, indicative of the fraudulent behavior of yellow taxis. We investigate the effect in four competitive zones (CZs) depending on whether yellow taxis: (i) have a monopoly over pickups and post-dropoff pickups (CZ I), (ii) have a monopoly over pickups but compete with green taxis for post-dropoff pickups (CZ II), (iii) compete with green taxis for pickups but have a monopoly over post-dropoff pickups (CZ III), or (iv) compete with green taxis over pickups and post-dropoff pickups (CZ IV). In an empirical study of more than 190 million yellow taxi trips in NYC, we find that after the launch of green taxis and depending on the CZ, yellow taxis may increase the distance of trips subject to the two-part rate fare (i.e., trips that their fare is calculated based on distance and/or duration of the trip), suggesting an increase of fraudulent behavior among yellow taxis because of higher competition in the market. The (average) magnitude of increase in fraudulent behavior: (i) is highest among trips where yellow taxis compete with green taxis for both pickups and post-dropoff pickups (CZ IV), (ii) followed by trips where yellow taxis compete with green taxis only for pickups or only for post-dropoff pickups (CZ II and CZ III), which are indicative of both “current-looking” and “forward-looking” behavior of yellow taxis. Intuitively, these findings suggest that higher competition in the taxi market in NYC (due to the launch of green taxis), lead to hypermotivation among yellow taxis to compensate for their loss through an increase in the distance of trips, consequently, trip fare. We, however, do not find any evidence indicative of a significant change in the distance of yellow taxi trips subject to a flat rate fare (i.e., trips that their fare is fixed, which applies to trips between JFK international airport and Manhattan) after the launch of green taxis, providing incremental support for the validity of our findings.
FRIDAY, 19 JULY
07:00 - 10:00 PM

AWARDS DINNER

MARINA BAY SANDS
Level 4, Roselle Junior Ballroom

Sip on ice cold drinks as you take in the sunset view of the Marina Bay area, then light up the evening with a dazzling LED dance performance by JAZZ LuMen.
2. The city is made up of 63 islands
Singapore’s land area includes 62 offshore islands that surround the mainland. These include Sentosa, Pulau Ubin, St John’s Island, and Sisters’ Islands.

3. Singapore pioneered the F1 Night Race
Held annually since 2008, Grand Prix Season Singapore features a gamut of concerts, racing and entertainment activities. The Marina Bay Street Circuit boasts the most corners on the race calendar!

4. Unique neighbourhoods to explore
Besides the history-rich Chinatown, Kampong Glam and Little India cultural districts, there are more colourful enclaves for visitors to explore in Singapore. Rows of modern eateries and stores line the streets of Tiong Bahru and Everton Park, or head to Joo Chiat for the colourful shophouses and traditional food stalls!

5. The Lion City
You may have heard of the Merlion, the iconic mythical creature with a lion’s head and a fish’s tail, partly inspired by the city’s Sanskrit name, Singapura, which means ‘lion city’. While hunting, Sang Nila Utama spotted a strange creature which his advisors identified as a lion. However, there were no records of lions in Singapore, so it might have well been a tiger that he saw!

There is much to explore in Singapore, beyond the picture-skyline and bustling city centre. Read on for 5 fun facts!
KEYNOTES 5 & 6 | 08:30 – 10:00 pm

Hon Sui Sen Auditorium

KEYNOTE 5 | 08:30 – 09:15 am

Monetizing Data: A Roadmap for Mastering Data-Driven Service Growth

Wolfgang Ulaga
Professor of Marketing
INSEAD Fontainebleau, France

Many B2B companies today seek growth through new service business models, innovative service concepts and customer solutions. This trend is further fueled by the digital transformation of industries and markets. Yet, while the vast majority of B2B firms declare being engaged in one form or another of transformative digital initiatives, many still must come to grips with the imperative of turning data into dollars. Across the board, executives and managers seek insights on how to achieve excellence in marketing and sales of data-driven offers in business markets and knowledge on mastering data-driven service growth is still at its infancy. Against this background, my talk will discuss opportunities and challenges faced by B2B data monetization and will report on the success factors and critical milestones identified in our action research on the journey to successfully mastering data-driven service growth in business markets. These findings open up new research opportunities in this promising field.

KEYNOTE 6 | 09:15 – 10:00 am

Transitioning from Social to Social Commerce

Kapil R. Tuli
Professor of Marketing, Director Retail Centre of Excellence
Lee Kong Chian School of Business, Singapore Management University, Singapore

Whereas social media penetration continues to soar across the globe, integrating social channels into firm strategy remains a challenge. In particular, few firms have been able to transition from “social media as an advertising channel” to “social media as a commercial channel”. Drawing on in-depth case studies of four firms from different service sectors, this talk will outline two frameworks for managers. The first framework represents a “Utilization” perspective and allows managers to identify their depth and breadth of social media usage, and therefore benchmark themselves against the best in class firms. The second framework outlines the key structural, technological, and cultural attributes required for firms to transition to social commerce.

BREAK | 10:00 – 10:30 am

Atrium, Mochtar Riady Building
SATURDAY, 20 JULY | 10:30 – 10:55 am
CONCURRENT SESSION 08
Seminar Rooms @ Mochtar Riady Building

Sustainable Business Enabled by Digital Service Innovation
Minna Saunila (LUT University, Finland), Juhani Ukko (LUT University, Finland)  

Do Academia and Business World See Service Technology the Same Way?  
A Text-mining Approach
Ruud Wetzels (Maastricht, The Netherlands), Jos Lemmink (Maastricht, The Netherlands), Werner Kunz (University of Massachusetts Boston, USA), Kristina Heinonen (Hanken School of Economics, Finland), Martin Wetzels (Maastricht, The Netherlands)

Neuroscience in Service Research: An Overview and Discussion of Its Possibilities
Arne De Keyser (EDHEC Business School, France), Nanouk Verhulst (VUB - Ghent University, Belgium), Anders Gustafsson (BI Norwegian Business School, Norway), Poja Shams (Kartdal University, Sweden), Yves Van Vaerenbergh (KU Leuven, Belgium)

Market Shaping through Radical Technological Innovation
Julia A. Fehrer (University of Auckland, New Zealand), Julia M. Jonas (University Erlangen-Nuremberg, Germany), Suvi Nenonen (University of Auckland, New Zealand), Kaj Storbacka (University of Auckland, New Zealand), Roderick J. Brodie (University of Auckland, New Zealand)

How may Different Customer (Dis)engagement Behaviours Affect a Firm’s Performance within a Market Ecosystem? A Panel Data Analysis in an e-Market Context
Georgia D. Katsifaraki (University of Cyprus, Cyprus), Marios Theodosiou (University of Cyprus, Cyprus)

Complaint Handling to the Rescue: Customer Centricity from Within
Moshe Davidow (University of Haifa, Israel)

Designing Living Services for Pro-environmental Behavior in the Building Environment: KTH Live-in-lab Case Study
Elena Malakhatka (KTH, Sweden), Per Lundqvist (KTH, Sweden)

I Love You and I Won’t Leave You: Unpacking Customer Loyalty
Mohamed Zaki (University of Cambridge, UK), Janet R. McColl-Kennedy (University of Queensland, Australia), Benjamin Lucas (University of Nottingham, UK), Dalia Kandil (Concentra Analytics), Andy Neely (University of Cambridge, UK)

Computational Creativity in Marketing and Service: Applications, Acceptance and Challenges
Christine Marie Auer (LMU Munich, Germany), Silke Bartsch (LMU Munich, Germany), Daniel Zimmermann (LMU Munich, Germany)

Nudging as a Strategy to Achieve Cost Effective Service Excellence
Anna Louise De Visser-Amundson (Hotelschool The Hague, Netherlands), Mirella Kleijnen (VU University SEB, Netherlands)
Session 08-01

Saturday, July 20 (10:30 – 10:55)

Sustainable Business Enabled by Digital Service Innovation

Authors
1. Minna Saunila - LUT University, Finland
2. Juhani Ukko - LUT University, Finland

Abstract

Companies are more and more striving for sustainable development as it can bring operational benefits such as cost savings and waste reduction. As product innovation contributes to sustainability mostly in its environmental dimension (Chou et al., 2015; Djellal and Gallouj, 2016), services can deliver companies' sustainability values in a more comprehensive way (Chou et al., 2015; Saviano et al., 2017). Services can offer actual business value by increasing sales from products, building customer loyalty, enhancing profits, and maintaining a competitive advantage to companies (Shelton, 2009). In addition, services provide genuine opportunities to implement the two other dimensions of sustainable development, social sustainability and environmental sustainability (Chou et al., 2015).

The increase of digitalization has authorized novel, more socially, environmentally and economically influential services to burst into sight. Digitality allows resource-efficient services by providing for example connectivity and transparency. The most important advantage of using digital resources is their capability to create value in novel ways or to enhance the effectiveness of existing methods. This has resulted in the rise of research on digital service innovation that refers to digitally enabled new products, services, and business processes, which leads to novel value creation and competitive advantages to the companies.

Despite the growing interest and research, further research is needed whether service innovation and sustainability are linked (Ostrom et al., 2015; Holmlund et al., 2016; Saviano et al., 2017) especially in digital context. Thus, as the continuation of fast development of digital service innovation, there is a need to investigate the effects they have created, especially in terms of sustainability.

This study investigates if digital service innovation contribute to sustainable business among small companies. The study builds on the analysis of a survey of Finnish small businesses. The survey was aimed at collecting data on the managerial assessments of digital service innovation, and the dimensions of sustainable business. We examined digital service innovation through three dimensions: increasing digitality in products, services, and business processes. A multidimensional view of sustainable business was adopted by considering economic, social, and environmental sustainability. All of the scales were based on previous research and modified for this study through a pre-test in collaboration with experienced researchers. Statistical analyses were utilized to test the hypotheses.

The results show that digital service innovation contributes to the sustainable business of small companies. The role of digital service innovation is the most remarkable in economic sustainability, whereas the role of digital service innovation in social and environmental sustainability is not as straightforward. The results offer an interesting contribution to the digital service innovation literature: we consider digital service innovation as an enable of sustainable business, and investigate organizational factors under which the digital service innovation is the most influential.
**Session 08-02**

Saturday, July 20 (10:30 – 10:55)

**Do Academia and Business World See Service Technology the Same Way? – A Text-mining Approach**

**Authors**
1. Ruud Wetzels – Maastricht
2. Jos Lemmink – Maastricht
3. Werner Kunz - University of Massachusetts Boston, USA
4. Kristina Heinonen - Hanken School of Economics, Finland
5. Martin Wetzels – Maastricht

**Abstract**

In recent years, technology has radically transformed how individuals, businesses and society function. Technologies like artificial intelligence, robotics, internet of things, digital media, virtual and augmented reality improve companies’ capabilities and drastically change the customer experience. Whether one looks at business-to-consumer or business-to-business service settings, technology is taking center stage. The sheer speed of technological advancements is pushing both academia and business equally to reimagine their existing frameworks. To systematically benefit from these advancements, it is crucial to focus our research activities on these new service fields. In the last years, many calls have been voiced for more research on service technologies (Corsaro et al. 2018; Heinonen et al. 2018; Hollebeek et al. 2018; Hollebeek and Belk 2018; Huang and Rust 2013; Kunz et al. 2018; Kunz and Walsh 2018; Mele and McDavid 2018; Paluch and Wirtz 2018).

Given service technology’s relevance for academia and business, it is critical to explore whether the understanding of service technologies is aligned between academia and business or if researchers and managers develop their field in different directions. Therefore, we compare the content of articles in academic and business publication outlets from the last two years (Kunz et al. 2019). For the academic perspective, we filtered technology-related articles in 33 service- and non-service specific journals based on the SERVSIG Service Literature Alert System as well as proceedings of the Frontiers and SERVSIG conferences to get insights of future work in progress. For the business perspective, we focused on technology-related articles in *Harvard Business Review*, *Sloan Management Review*, *California Management Review*, and *Business Horizon* as well as more recent developments in business magazines like *The Economist*, *TED Talks*, and *Fast Company*. In total, we analyzed 5,118 technology-related articles.

We relied on text mining to develop a structured overview for 1) service journals, 2) service conferences, 3) business journals, and 4) business (technology) magazines based on article abstracts. Using this segmentation, it is possible to gain an overview of the current academic and business articles regarding service technology, but also to determine potential future trends based on conference papers and business (technology) magazine articles which are by nature more forward-looking. For instance, one of our results suggests that service journals seem to rather acknowledge the role of technologies instead of studying them in applied settings or discussing real implications of specific technologies. In comparison, business magazine articles address many more concrete technologies, but the discussion is less about actual managerial and consumer issues and consequences.

Our research shows clear differences in perspective on service technologies in academia and business. Our approach enables us to identify research areas that can help to align business and academia for mutual benefit. More implications are discussed in the paper.
Session 08-03

Saturday, July 20 (10:30 – 10:55)

Neuroscience in Service Research: An Overview and Discussion of Its Possibilities

Authors
1. Arne De Keyser - EDHEC Business School, France
2. Nanouk Verhulst - VUB Ghent University, Belgium
3. Anders Gustafsson - BI Norwegian Business School, Norway
4. Poja Shams - Karlstad University, Sweden
5. Yves Van Vaerenbergh - KU Leuven, Belgium

Abstract

To date, service research has mainly relied on (experimental) survey, company database, and qualitative interview-based data. While this data has been very informative, recent calls have been launched to expand the toolbox of service researchers and consider new data types. One promising field is that of neuroscience. Building on calls from previous scholars to fuse service research with neuroscientific insights (e.g., Lemon and Verhoef, 2016), the goals of this study are fourfold. First, we provide a historical overview of data usage in the service field and address several of their shortcomings and inherent biases (e.g., social desirability bias; recall bias; inability to measure un/subconscious reactions). Second, we offer an overview of the most important neuroscientific methods, along with a discussion of their advantages and disadvantages. Third, we discuss how and where this new toolbox can advance the service field (e.g., service experience; servicescape; service failure & recovery). Fourth, we conclude with a practical discussion on the various tools that can be used to collect neuroscientific data and introduce a ‘how to get started with neuroscientific tools/data’-manual for service researchers. To this end, we interviewed various practitioners currently applying neuroscientific tools in their research efforts.

As we are witnessing initial neuroscience applications in service articles (e.g., Boshoff, 2012; Huneke et al., 2015), we believe this paper can convince more service researchers to adapt these promising tools. Specifically, we seek to encourage service researchers to engage in multidisciplinary research efforts that adopt neuroscientific methods and provide them with the proper background to guide them in these efforts.

References:
For radical technological innovations markets are largely absent. This is because radical technological innovation often comes with a huge variety of application fields and outputs that are unpredictable and uncertain (Frishammar et al., 2016). Thus, we suggest to rethink markets by viewing them as systems, where versatile actors learn, discover, and acquire information from one another in the system (Vargo et al., 2015), and thereby shape this system (Nenonen and Storbacka, 2018). Radical technological innovation is particularly insightful and rich for understanding how markets evolve in perpetual reciprocal processes through the interplay of versatile actors, including founders, incubators, potential customers, universities, policy makers and investors. With this research project, we aim to understand how networks, centred in radical technological innovation evolve and how these networks shape ready markets.

We analysed two embedded case studies – displaying the New Zealand and the North Bavarian innovation ecosystem, including three deep-tech(start-up) cases each. We are using an abductive reasoning approach and systematically combine literature on radical innovation in networks (e.g. AarikkAAarikkka-Stenroos et al., 2014), entrepreneurial networks (e.g. Ferrary and Granovetter, 2009) and market innovation (e.g. Araujo, 2007; Kjellberg et al., 2012) with expert knowledge extracted from the cases (Dubios & Gadde; Nenonen et al., 2017).

To understand the complex innovative capability of New Zealand’s and the North Bavarian innovation ecosystems, we first mapped networks of influential actors. In drawing the relationships and putting them on a timeline, we got a grasp of the heterogeneity of actors and the multiplexity of ties that support the creation and development of deep-tech start-ups (Ferrary and Granovetter, 2009). We examined the multiplexity of ties on a dyadic level and on a system level. Particularly interesting seems the dyadic relationship between the visionary founding team and their mentors. Mentors – which are usually successful (serial) entrepreneurs or business angels – open their network to the founding team, speed up the transition process to position in a market and help to find or create the market. In order to attract mentors, founders need the ability and desire to scale fast; show openness and willingness to learn; and to develop ‘split’ personalities of tech-savvy engineers and confident marketeers.

On a system level, systemic learning appears to be one central process, including building up awareness and acceptance of an entrepreneurial culture; learning as a system to invest in start-ups and to deal with intellectual property; and developing an inclusive infrastructure. As a central contribution, we develop an alternative framework for entrepreneurs, managers, investors and public policy makers to assess the shaping potential of markets in the context of radical technological innovation.
How may Different Customer (Dis)engagement Behaviours Affect a Firm's Performance within a Market Ecosystem? A Panel Data Analysis in an e-Market Context

Abstract

In today’s market ecosystems, stakeholders engage in diverse co-creation activities to generate surplus value of various forms. Within these complex ecosystems, different customer engagement behaviours coexist; they encompass co-creation, and may affect each other and a firm’s performance, presumably in very different ways. According to extant literature, customers engage in co-creation activities that are scalable in terms of effort, can destroy value, and may be “just enough” for the transaction to be completed (in-role) or they may provide “over and above” (extra-role) value. In this paper we seek to research on the impact of such different coexisting customer engagement behaviours upon a firm’s performance, aiming at a more holistic view of co-creation. As our conceptual lens we adopt the S-D logic, which portrays the complex nature of modern market transactions and embeds the co-creation notion as its cornerstone. Considering that online reviewing is one of the most common manifestations of customer engagement, our work specifically looks at how the willingness of customers to engage to reviewing co-creation in different engagement levels relates with a shop’s performance within the ecosystem of the Etsy e-marketplace. We notably ask: ceteris paribus, how are the shop’s future sales and revenues affected, when more customers contribute with negative (positive) reviews in different engagement levels in terms of effort (i. stars only ii. plus comments iii. plus uploaded photos)? How are sales and revenues affected when more customers choose to disengage (i.e. not to review)? As our empirical context, we choose the Etsy online marketplace for vintage and hand-made goods, which greatly facilitates product customization and intense communication – making it a unique case for researching on co-creation. Aiming at high data quality, a rich longitudinal dataset of shop-related and reviewing data (of 1332 clothes shops, spanning 7 months) have been downloaded from Etsy and advanced econometric static and dynamic panel models have been applied. Overall, our results provide a number of insights related to the ambiguous effects of different coexisting online customer engagement behaviours within online markets, and further unveil the catalytic impact of the institutionalized “norms” governing reviewing systems upon actors’ behaviour: in these environments, positive reviews are expected; when however, either eWoM behaviours of positive reviews but of no proper explanation, or disengagement behaviours increase, these behaviours relate to deteriorating shop performance in the future, presumably as they signal mediocre overall service quality, or non-credible reviewing behaviour. Among others, this is the first large-scale empirical longitudinal research attempting to study engagement and its relation to performance in a more holistic way; it is further one of the first studies addressing the critical role of disengagement behaviour, which also highlights the effect of contextual institutions upon the actors of the ecosystem.
Session 08-06

Saturday, July 20 (10:30 – 10:55)

Complaint Handling to the Rescue: Customer Centricity From Within

Author
Moshe Davidow - University of Haifa, Israel

Abstract

Much has been made of Complaint Management as a profit center or even a strategic asset to the organization, but few companies have actually implemented the idea or even measure the ROI of Complaint Handling today.

This research project seeks to advance the idea from a different direction. We look at complaint management as the customer centric compass of an organization, an integral part of the customer centric culture and a fertile training ground for customer centricity. As the core customer centric capability in the organization, the complaint management department has strong ties with other departments.

Human Resources – All new employees start at complaint management. Here they learn the importance of fixing the customer first, and then fixing the problem. The relationship is much more important than the problem. The customer centric skills they learn here will help them serve customers better by learning to identify, understand and solve the customer's needs first.

All employees (including senior management) spend one week a quarter (one month a year), re-training in complaint management. This allows them to keep current on customer needs and issues. Having experienced people handling complaints increases the likelihood of actually solving the customer problem, thus preventing future complaints.

Marketing – Customer problems today are new market opportunities for tomorrow. Only one third of complaints are production related, so it is up to the organization to identify any source of misconception, just as much, if not more so than the source of an objective complaint.

Logistics – What problems are customers experiencing in doing business with the organization? How can the organization make it more convenient for the customers to do business with them?

Research and Development – Needs to work closely with the customers to see how customers actually use their products, and verify they are solving the important issues for the customer, thus increasing the share of customer.

Production – The organization needs to produce products that customers really want (fill a need). Focusing on the customer allows firms to focus on consciously trying to help the customer by creating value, while simultaneously trying to decrease value destruction.

Internal Marketing – Having senior management handling complaints sends a very clear message to everybody about the importance of solving customer problems and developing the customer relationships. What better way to break down silos, and get everybody working together to solve the assist the customer.

Customer Centricity starts with complaint management. Value is an emotional construct. Service quality and satisfaction are both determined by the customer, and their success is the organization's success. Being Customer Centric is the best way to ensure the customer's success. Complaint management is the best way to ensure customer centricity.
Session 08-07

Saturday, July 20 (10:30 – 10:55)

An Investigation into the Dimensionality and Drivers of the Collaborative Economy from a Service-Dominant Logic Perspective

Authors
1. Kris Lindsey Hall - Louisiana State University, USA
2. Thomas Baker - University of Alabama, USA

Abstract

While the idea of individuals engaging in sharing or collaborative behaviors is not new, recently there has been a significant increase of such behaviors (Belk 2007; Botsman and Rogers 2010). At its broadest, this emerging marketplace can be labeled the “collaborative economy” (Botsman 2014) and involves direct or mediated peer-to-peer resource exchanges, which can occur with or without compensation, and allows for ownership transfers as well as access to goods, services, and experiences. As such, the collaborative economy (CE) is made up of various types of exchange such as sharing, bartering, trading, gifting, renting, or buying among peers.

Although there has been both significant growth in the CE (e.g., an expected industry valuation of $335 billion by 2025; PricewaterhouseCoopers 2015) and interest by academic researchers, there has yet to be the development of a comprehensive framework that can be used to categorize the disparate forms of CE. The purpose of this research is to provide an initial attempt at developing such a broad-based conceptual and theoretical typology of CE.

Our research is grounded in S-D Logic (Vargo and Lusch 2004) as it explains, in its most basic form, how multiple actors integrate resources and engage in service-for-service exchange for the purpose of value co-creation. This logic has been subsequently developed (see Vargo and Lusch 2016) to include the mechanisms that bind and facilitate the service or resource exchange, institutions and institutional arrangements. Consequently, this theoretical lens allows us to improve our understanding of the complex evolution of CE ecosystems and to better explain the nature of these relationships and exchanges at multiple levels.

A comprehensive literature review was undertaken with the goal of (1) fully delineating the collaborative economy, (2) identifying dimensions that can be used to meaningfully categorize various types of collaborative activities, and (3) using these dimensions as attributes in the formation of a conceptual typology. Following this extensive process, we developed a conceptual typology of eight “types” of collaborative exchanges within four collaborative economy “marketplaces”, which are constructed across three primary dimensions. These dimensions focus on (1) whether or not there is some form of compensation (e.g., trade, barter, purchases, rentals) or no expectation of compensation (e.g., sharing, gifting, lending) provided for the resource exchange, (2) whether the service provision includes a transfer of ownership (e.g., exchange of goods as with Etsy or EBay) or allows for access to a product/service/experience (e.g., Airbnb), and (3) whether the peer-to-peer exchange is mediated by a third party (e.g., company platform like Uber’s application) or no mediation occurs (e.g., direct peer-to-peer exchange as with garage sales). A summary of the eight types of collaborative exchange behaviors identified by this research with corresponding marketplace examples are presented.
Me or We? The Effects of Independent and Interdependent Self-Construal on Access-Based Service Use

Authors
1. Martin Paul Fritze - University of Cologne, Germany
2. Tobias Schaefers - Copenhagen Business School, Denmark

Abstract
Sharing economy business models facilitate joint use of resources among customers. Most prominently, access-based services (ABS) have attracted increasing attention as an alternative to the consumption of material products through sole ownership. These services are only feasible if sufficient utilization of the shared goods is achieved. To drive usage, access-based service providers frequently promote the communal aspect of jointly sharing goods. However, the extant literature offers ambiguous findings about the role of the community for individuals’ behavior in the sharing economy. On the one hand, previous studies suggest that access-based service customers do not form any kind of community feeling (Bardhi and Eckhardt 2012). On the other hand, fostering a sense of community among sharing customers can have beneficial effects (Schaefers et al. 2016). Based on self-construal theory, and integrating the concepts of community identification and psychological ownership, we therefore examine how priming customers towards a more community-oriented or a more individual-oriented mindset influences their usage behavior.

In cooperation with a German car sharing company, we conducted a large-scale field experiment that combined experimental stimuli distributed via the company’s regular newsletters, two customer surveys (pre and post manipulation) and the observation of customers’ usage behavior across two time periods (2 months prior to survey 1 and 2 months after survey 2). Specifically, participants were randomly assigned to one of two experimental groups (independent vs. interdependent self-construal) or a control group and received a pretested newsletter that used visual and text elements (e.g., “Mobility for you...” vs. “Mobility for all...”) for the manipulation. The analyzed data comprises survey responses and behavioral observations from 2,113 customers which we analyzed using repeated-measures analyses of variance and structural equation modeling with lagged covariates.

The results reveal that, compared to an interdependent prime and the control group, an independent prime increases usage intensity (i.e., average length of bookings), but does not affect usage frequency (i.e., average number of bookings). On an attitudinal level, the independent prime increased participants’ psychological ownership of the used vehicles, as expected, which mediated the effect on usage intensity and indirectly exerted an effect on usage frequency. In contrast to our assumptions, the interdependent prime did not increase participants’ community identification, while the independent prime did have such an effect. However, community identification was unrelated to actual usage.

Our findings provide, to the best of our knowledge, a first test of the relevance of independent and interdependent self-construals for access-based service usage. Despite the idea of the sharing economy enabling community identification, our results suggest that the commercial success of such services depends on individuals’ self-interest.
Session 08-09

Saturday, July 20 (10:30 – 10:55)

Designing Living Services for Pro-Environmental Behaviour in the Building Environment: KTH Live-in-Lab Case Study

Authors
1. Elena Malakhatka – KTH, Sweden
2. Per Lundqvist – KTH, Sweden

Abstract

Living services design, tailored with the pro-environmental behaviour (PEB) modelling will systematically increase the motivation of the users to behave in the more environmentally-friendly way from the one side, and accelerate CO2 emission reduction, produced by the building from another side, what can lead to the more sustainable building operation.

A meta-study has found that PEB models, integrated into living services can create energy savings around 15%, but also highlights that the method of constant feedback through daily services significantly impacts potential savings without compromising with the user’s satisfaction and comfort level. Other studies have analyzed existing energy-saving services and have found that savings are affected by the user experience-oriented design and the human-centric quality of the service, the specific user group, and the social and cultural context. Despite numerous projects and studies the potential still appears to be untapped and several important questions are needed to be researched, such methods of the tailoring service design with the users’ data, user experience assessment, continuity of the motivation to behave in the more pro-environmental way, mechanism of the adaptation and scaling for the proposed tools and services.

This project has clear research objectives: theoretical - give a clear definition of the living services and pro-environmental behaviour modelling in the smart building environment context, methodological - step-by-step process description of living service design tailored with the pro-environmental behaviour modelling, metrical - defining KPIs for evaluation users’ pro-environmental behaviour improvement and case study - one living service will be designed, tested and evaluated at KTH Live-in-Lab - fully equipped testbed for smart living environment research and development with the actual users living there.

Our goal is not only to assist residents with their daily activities in indoor spaces but also contribute towards more sustainable cities through making sustainable behaviour integration into living services daily practice, which can follow towards the more efficient utilization of the resources such as energy, water, materials, and spaces.
Session 08-10

Saturday, July 20 (10:30 – 10:55)

“I Love You and I Won’t Leave You”: Unpacking Customer Loyalty

Authors
1. Mohamed Zaki - University of Cambridge, UK
2. Janet R. McColl-Kennedy - University of Queensland, Australia
3. Benjamin Lucas - University of Nottingham, UK
4. Dalia Kandil - Concentra Analytics
5. Andy Neely - University of Cambridge, UK

Abstract

Customer loyalty is a key strategic priority for organizations. It is argued that the greater the loyalty to a company, the more beneficial those customers are to the company. Accordingly, customer loyalty is considered a critical indicator of a company’s performance (Gupta et al. 2006, Oliver 1999). It is surprising then that so many firms rely on simplified, single-metric ways of measuring customer loyalty such as Net Promoter Score (NPS) and are unaware of what their customers really think of them. While such measures are easy to administer and provide a set of numbers that can be presented to the board, they fail to take into account the many dimensions to customer loyalty which cannot be measured by a single data point (Aksoy 2013; Huang and Rust 2013; Kandampully, Zhang, and Bilgihan 2015; Rust and Huang 2014, Zaki and Neely 2018, McColl-Kennedy et al. 2019).

Clearly, better conceptualization and better measurement is required (Rust and Huang’s 2004, Ostrom et al.’s 2015, McColl-Kennedy et al. 2015, McColl-Kennedy et al. 2019). To this end, the purpose of our work is to: (1) conceptualize customer loyalty as a multidimensional construct offering a novel conceptual framework that integrates prior research to unpack loyalty; (2) employ a machine learning model using multi-data sources (attitudinal and behavioral) to empirically test our conceptual framework that combines quantitative and qualitative measures over two years for a B2B service provider; and (3) provide a step-by-step guide for implementing the machine learning approach in practice, assisting managers to develop a much richer view of customer loyalty.

We employ both quantitative and qualitative measures which contains in total around 5000 records. Quantitative measures (quality, repurchase overall satisfaction, NPS, repurchase) are used as input to our machine learning model. We employ a linguistic text mining approach introduced by McColl-Kennedy et al. (2019) to analyze qualitative measures to determine the complaint status of each customer segmenting customers into four groups: (1) complaints (2) compliments (3) neutral or (4) providing suggestions. Customer transaction survey data is then transformed into profitability scores, facilitating the categorization of customers based on their purchasing behavior. Further, dimensionality reduction and clustering techniques are used to identify customer loyalty segments. Finally, our prediction model (using a supervised classifier algorithm) correctly predicted 80% of customers likely to be loyal, based on the results of the testing dataset. Our work contributes in two important ways. First, we provide a theoretically derived conceptual framework and second, demonstrate the strengths of this new approach relative to traditional averaged scores. Finally, we offer practical insights and lessons for management.
Computational Creativity in Marketing and Service: Applications, Acceptance, and Challenges

Authors
1. Christine Marie Auer - LMU Munich, Germany
2. Silke Bartsch - LMU Munich, Germany
3. Daniel Zimmermann - LMU Munich, Germany

Abstract
Artificial intelligence (AI) will shape the future of service in extraordinary ways (Wirtz et al., 2018). AI-based tools are increasingly affordable and can be empathetic, emotional and creative (Huang & Rust, 2018; IBM, 2018). They utilize what were previously considered distinctively “human” traits at an unprecedented rate and quality. This paper takes an outlook on computational creativity (CC) for marketing and service. It incorporates literature research and qualitative interviews in a threefold objective: Examining how CC is useful for marketing and service, how the acceptance of CC by consumers, marketers and service providers can be improved, and what potential challenges arise. The literature analysis provides definitions of AI, human creativity and CC (Siemon et al., 2015; Runco & Jaeger, 2012; Riedl, 2014; Colton and Wiggins, 2012), and categorizes the latter into “systems for artistic production” and “efforts for creative problem solving” (Besold et al., 2015a, p. 1). Based on an outline of current trends in marketing and service (Vargo & Lusch, 2017) and a discussion of the potential of CC applications in these fields, the first research question is derived: “(RQ1) How can machine-generated creativity be useful for marketing and service?”. The next section discusses human perceptions of CC. Drawing on anthropomorphism literature (Mori, MacDorman & Kageki, 2012; Epley, Waytz & Cacioppo, 2007), it leads to the second research question: “(RQ2) How can [CC’s] acceptance by consumers, marketers and service providers be improved?” The third part looks into AI-malfunctions (Bright, 2016), machine integration (Davis, 2013) and human replacement (Pophal, 2017), and introduces the final research question: “(RQ3) How can potential challenges that come with implementing [CC’s] use in practice be addressed?”. Additionally, this paper presents findings from qualitative interviews with experts from the fields of computer science, service, marketing and media, law and academia as well as with consumers. While CC provides autonomous creative solutions, these are still costly and face social resistance from marketers and consumers. Additionally, marketing and service professionals want to leave strategic matters in human hands and players with limited data access and more stringent privacy laws are disadvantaged regarding AI and CC applications. The subsequent research agenda opens up topics on applied aspects, brings into focus questions for consumer research and psychology as well as political, ethical and regulatory issues. By investigating AI for advertising and customer engagement, this paper reflects the MSI’s research priorities of 2018-2020 (MSI, 2018, p. 7) and is the first to address the potential of AI for content creation and creative problem-solving. It contributes to current research by examining possible application areas, by shedding light on the acceptance of AI usage for creative tasks from a company and a consumer perspective, by demonstrating key challenges, and by stimulating future research.
Nudging as a strategy to achieve Cost Effective Service Excellence

Abstract

The food service sector contributes to 14% of the total food waste in Europe. The kitchen is responsible for about 66% of this, with professional kitchens wasting 20%-25% of the food purchased (Boulden, 2017). While chefs are generally aware that reducing avoidable food waste has a positive impact on both the bottom line and the environment, it is common practise to accept food waste as an integral part of creating and delivering service excellence (Pirani & Arafat, 2016).

Service operations in general perceive cost reduction measures as a trade-off in service quality (Rust & Huang, 2012). While it is relatively easy for firms to ingrain service excellence with individual employees, asking them to be cost-effective at the same time is more difficult. However, research on Cost-Effective Service Excellence (CESE) (Wirtz & Zeithaml, 2018), suggests that firms can operate under a dual strategy of both cost effectiveness and service quality. Nudging is an effective strategy to trigger such behavioural changes on an individual level (e.g., Lehner, Mont & Heiskanen, 2016). Recent research demonstrates that specific nudges implemented in a real-life setting can break wasteful habits of kitchen employees and reduce kitchen food waste up to 25%-33% (De Visser-Amundson and Kleijnen, forthcoming). The current research builds on those findings, developing a field experiment in a professional kitchen that explores the effect of a commitment nudge in more detail.

Research shows that specific commitment messages trigger greater behavioural change than general messages (Baca-Motes et al., 2013; Locke and Latham, 2002). They are also more effective when strengthened by ‘token’ support (e.g., a pin or a bracelet) (Baca-Motes et al., 2013). We build on these findings by exploring the effect of a token that is specific of the cause versus a general token (e.g., a pin that highlights food waste versus a pin with a globe). Additionally, a token support that is private (versus public) is more effective in stimulating subsequent ‘meaningful’ support (e.g., time, cost or effort) to the cause (Kristofferson et al., 2014) which is, in this case, the kitchen brigade’s effort to reduce food waste. We expect the specific (vs general) token support to be more effective as it reduces ambiguity and idiosyncrasies of the support of cause (Locke and Latham, 2002) and specifically when privately (vs publicly) displayed as it then “activates consistency motives and increases perceived value alignment between self and cause” (Kristofferson et al., 2014, p. 1150). The dependent variable is measured by the actual kilos food waste in the kitchen (a baseline measure is set up before the nudges are implemented). The experiment has already been planned and will take place in January 2019. Data analysis will therefore be completed by the time of the conference.
### Saturday, 20 July | 11:00 – 11:25 am

**Concurrent Session 09**  
Seminar Rooms @ Mochtar Riady Building

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Session 09-01

Saturday, July 20 (11:00 – 11:25)

Conceptualizing the Collaborative Bond between Employees and Artificial Intelligence in Service

Authors
1. Khanh B. Q. Le - University of Auckland, New Zealand
2. Laszlo Sajtos - University of Auckland, New Zealand
3. Karen V. Fernandez - University of Auckland, New Zealand

Abstract

The emergence of artificial intelligence (AI) has started reshaping companies’ service strategy all over the world (Van Doorn et al. 2017; Huang and Rust 2018; Goudey and Bonnin 2016). Higher utilization of machines can help companies increase efficiency (Huang and Rust 2018; Di Pietro, Pantano, and Di Virgilio 2014; Wedel and Kannan 2016; Meuter et al. 2000), which view has underlined the notion of competition between humans (employees) and machines (AI) in service (e.g. Huang and Rust 2018; Van Doorn et al. 2017). However, service industries have long depended on skilled service employees as a point of differentiation (Wünderlich, Wangenheim and Bitner 2013). Hence, shifting the emphasis in service provision from humans to machines is likely to significantly alter customers’ perceptions of their experience with the firm (Chellappa and Sin 2005). In contrast to the ‘competition’ view, this research aims to explore the concept of human-machine bond and relationship (Daugherty and Wilson 2018). This study aims to shed light on the collaborative interaction between employees and computational systems (i.e. AI, robots), which, thus far, has been neglected in the services domain. In particular, this study focuses on employees’ perception towards AI, the types of relationships employees develop with AI, and finally, the performance (efficiency and effectiveness) implication of the employee-machine relationship for the business. Our literature review draws on from studies in both, the service research and computer science domains, and develops a framework for human-AI collaborative service provision. By underlining the collaboration (vs. competition) aspect, this framework can help companies harness the power of human-machine collaboration to develop effective service strategies.
Session 09-02

Saturday, July 20 (11:00 – 11:25)

Enhancing Comfortable and Enjoyable Service Experiences via Augmented Reality

Authors
1. Tseng-Lung Huang - College of Management, Yuan Ze University, Taiwan
2. Hui-Ying Chang - College of Management, Yuan Ze University, Taiwan
3. Hsin-Yen Wu College of Management, Yuan Ze University, Taiwan

Abstract

Augmented-reality (AR) is a suitable tool to enable such excellent service augmentation for consumers (Rafaeli et al., 2017). Based on a 2017 survey report, global revenues for the AR market in 2016 was US$5.2 billion, with an annual increase of 181.3%, and it is estimated to reach more than US$162 billion by 2020 (International Data Corporation, 2016). The reason is because 89% of service businesses attempt to use AR to create an intelligent, individualized consumer experience to facilitate service augmentation and shape differences in brand competition advantage and interactive marketing strategies (Gartner, 2014; Hilken et al., 2017).

However, owing to inflated expectations, there are concerns about the business reality of these market projections (Gartner, 2015). Consumers expect AR to deliver comfortable and enjoyable rapport experience (Hilken et al., 2017) while also empowering them to actively shape their own experience (Rafaeli et al., 2017); however, most extant research on AR focused mostly on generic technology acceptance models (Rese et al., 2016). As the opportunities to augment the service delivery reality abound (Huang, 2018), future research is needed on the psychological mechanisms that contribute to the transfer of technological functionalities to comfortable and enjoyable rapport experience (Hilken et al., 2017). It is essential for the effectiveness of AR that people continuously depend on advanced technology service to interact with an offering (Javornik, 2016).

Furthermore, compound annual growth rates for AR are estimated primarily using device types and industry segmentation, rather than specific online customer needs (e.g., manipulating their self-representation through AR) and concerns (e.g., comfortable and enjoyable rapport experience) (Hilken et al., 2017). Therefore, these projections may not be a bellwether for sustained success; firms face a clear risk of building AR solutions that consumers will not embrace and rely on. Service managers need a more in-depth understanding of which consumers are likely to engage with this advanced technology service, what constitutes a comfortable and enjoyable rapport experience, and how to enhance consumers’ reliance on advanced technology service through AR.

Drawing on the implicit self-esteem theory, this study evaluates the effectiveness of augmented-reality (AR) as a strategic potential to enhance online comfortable and enjoyable rapport experience by comparing it with a conventional website. Results show that AR-based service augmentation enhances stronger rapport experience perceptions by simultaneously providing audio-visual stimuli, synchronous sense of ownership control, and reprocessability, compared with web-based service. The resulting excellent AR service augmentation, manifested in rapport experience, functions as a mediator and predicts consumers’ sense of reliance on the technology service. Based on the above results, the implications for theory and practice for enhancing comfortable and enjoyable service experiences driven by AR are discussed.
A Neuroscientific Perspective of a Shopper’s Response to the Presence of Others in Enclosed Shopping Malls: Exposing the Terror Genie

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Abstract
Enclosed malls were initially built on the edges of U.S. metropolitan locales for consumers to escape the problems traditionally plaguing urban, central business districts (e.g., crime). By the end of the 20th century, malls were experiencing gang violence, abductions, car jackings, armed robberies, sexual assaults, homicide, and crimes by and against youth. Other researchers empirically demonstrated that mall shoppers’ concerns for personal safety and security, often stemming from concerns about terrorism, profoundly influence their shopping experiences and encourage avoidance. This fear of terrorism, often exaggerated and real, has been referred to in press as the ‘terror genie.’

Given that shoppers’ emotional responses to the presence of others may evoke emotions that transpire at implicit or unconscious levels, they may not be able to articulate the reasons for their emotions. To overcome this challenge, we draw on neuroscience using Emotiv mobile EEG systems and EmotivPro software to examine how the mere social presence of others in an enclosed mall influences six emotional states: excitement/arousal, interest/valence, stress/frustration, engagement, attention/focus, and relaxation/meditation.

Four hundred fifty participants took part in this study. Three groups, consisting each of 150 participants, were randomly assigned to watch one of three videos. Each video lasted 10 minutes. The first video, which represented “zero social presence,” featured a mall shopper’s journey through the mall without any other shoppers present. The second featured the same mall journey during midweek and showed a “few people” in terms of social presence. The third featured “many people” in terms of social presence.

We used the Emotiv EEG data to tabulate neural responses to the videos at 10 points in time; that is, at one-minute intervals over the duration of the video. We calculated an average for each emotional dimension based on the 10 measurements for each participant. This average ranged from a low of .00 to a high of 1.0.

We conducted a one-way multivariate analysis of variance to determine the effect of the three social presence conditions (zero, few people, and many people) on the six emotional dimensions. We found significant differences among the three social presence conditions on the dependent measures (Wilks’s $Λ = .09, F(12, 884) = 175.97, p < .001$). The multivariate $r^2$ based on Wilks’s $Λ$ was strong at $.71$. Table 1 lists the means and the standard deviations of the dependent variables for the three conditions.

The data obtained from mall shoppers reveal that the mere presence of other shoppers in an enclosed mall evokes high levels of stress, decreases excitement, and impedes a shopper’s ability to focus on a task. These findings imply that enclosed mall shoppers may avoid malls not because of online shopping options but because of the mere social presence of other people.
Market-Shaping Strategies: Shifting Loci of Exchange and Eliminating Resource Integration Bottlenecks

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Abstract
Markets are increasingly seen as complex systems (Arthur, 2015; Vargo & Lusch, 2011) or ecosystems (Adner, 2017; Lusch et al., 2016), suggesting that market change happens in a balance between deliberate shaping efforts by various market actors, and spontaneous emergent developments (Mars et al., 2012). However, many of the widely taught and used frameworks are based on a linear, dyadic and static view of markets, making them ill-equipped for the contemporary networked and dynamic operating environments.

Recently, Vargo and Lusch (2017, 59) called for more evidence-based research that integrates “frameworks and theories on strategy development and implementation with the complexity of service ecosystems”. Thus, the purpose of our research is to identify recurring patterns of market-shaping: what strategies do market-shaping actors use in order to influence service ecosystems?

Adopting exploratory case study as our method, we analyzed 84 in-depth semi-structured interviews from 21 case companies against the conceptualization of systemic markets put forward by Nenonen et al. (2018). Our analysis identified four recurring market-shaping strategies:
1. Shifting the loci of exchange. The first identified market-shaping strategy is based on relocating the interface where the monetized exchange takes place. This can take place through monetizing an activity that has been previously conducted outside monetized exchange, or by deliberately bundling or unbundling offerings into larger or smaller entities to be exchanged.
2. New resources for resource integration. The second market-shaping strategy relies on introducing new resources for resource integration. This can happen through commercializing technological inventions or by introducing new (often operant) resources to actors’ use environment through non-commercial means.
3. Increasing actor participation. The third market-shaping strategy was the most widely used, and it consists of various ways of encouraging more actors to participate in the market. Observed ways of implementing this strategy included turning non-users and non-payers to paying customers, using lower price points or ‘as-a-service’ pricing models that lower capital expenditure and/or align incentives among actors, and eliminating regulatory bottlenecks limiting actors to act as suppliers.
4. Increasing service ecosystem volume and efficiency. The fourth and final identified market shaping strategy focuses on increasing ecosystem volume and efficiency by using wider or safer methods of matching exchanging actors, scaling up cottage industries, and modifying outdated social norms to improve system efficiency.

Our research contributes to the on-going investigations on how the loci of market exchanges are renegotiated (Lusch & Watts, 2018) and the interplay between resource integration practices and actors’ agency (Taillard et al., 2016). The identified market-shaping strategies can also form a basis for managerial applications on how various market actors – including public actors – can broaden their strategic repertoire from reacting to market changes to inducing them.
What Makes ‘God’ Turn Into ‘Devil’? The Effect of Customer Engagement Behavior on Customer Misbehavior - Based on Moral Licensing Theory

Authors
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2. Xiaoyun Han - Sun Yat-sen University Business School, China
3. Shujie Fang - Sun Yat-sen University Business School, China

Abstract

Purpose
In today’s world, the development of internet makes it possible for customers to frequently interact with organizations and other customers. Since that, customer engagement behaviors (CEBs) become very important. CEBs refer to customer behaviors which are beyond purchases (Van Doorn et. al., 2010). There are both positively-valence and negatively-valence CEBs (Azer & Alexander, 2018). Positively-valence CEBs have long been considered as an important impetus of firm’s development. However, we aim to explain why and when positively-valence CEBs will be followed by customer misbehavior.

Moral licensing refers to a phenomenon that after doing something socially desirable, people will feel more comfortable doing something socially undesirable later (Miller & Effron, 2010). We draw on moral licensing theory to propose that by displaying engagement behaviors, customers will be apt to deliberately or unintentionally disrupt service in a manner that negatively affects the organization or other customers, which is called customer misbehavior (Lovelock, 1994). Furthermore, CEBs trigger customer misbehavior by increasing a sense of psychological entitlement. Being kind to do something may benefit service providers produces “a sense of entitlement to some moral laxity” (Zhong, Liljenquist, & Cain, 2009). We then theorize the moderating effect of psychological distance. The closer psychological distance that customer perceive, the more misbehavior will be conducted under the impact of psychological entitlement.

Design/methodology/approach & Findings
In order to test the research hypotheses, we conducted 3 studies. In study 1, we tested the relationship between positively-valence CEBs and customer misbehavior which is mediated by psychological entitlement in a scenario-based experiment with data collected from 65 students from a university in China. In study 2, we also conducted a scenario-based experiment but extended the scenario from hotel industry to catering industry, collecting data from 67 students. We tested the moderating mediation effect beside what we tested in study 1. Finally, in study 3, we used a field survey to improve external validity. Ultimately, results across the three studies supported our theoretical model.

Practical Implications
The findings of this paper suggest that service providers should be aware of the potential cost of CEBs, learning to manage the relationship with engaged customer especially the one who contributes to firm performance beyond purchase.

Originality/value
This research contributes the literature in following aspects. First, we extend moral licensing theory by lending support to its predictions regards the relationship between customers and service providers. Besides, we enrich moral licensing theory by demonstrating one of the possible underlying mechanisms. Second, the results of our studies extend the literature on the consequences of positively-valence CEBs. Third, we develop a moderated mediating model by exploring the boundary condition under which customer are more likely to conduct misbehavior when their psychological entitlement is activated.

Keywords: Moral Licensing, Customer Engagement Behavior, Customer Misbehavior, Psychological Entitlement, Psychological Distance
New Dynamics of Customer Complaints on Social Media: Introducing Data Mining Methods

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Abstract

When customers are dissatisfied with an organization or its service, they increasingly express complaints via social media. The viralness and possibility for follow-up comments increases the reach and impact of customer complaints. Thus, company’s social media efforts are becoming increasingly important.

In this paper we aim to gain a better understanding of the process of complaint recovery and factors that contribute to the recovery satisfaction. We address three major research questions: (1) What is the influence of the changed conversation structure due to the interference of other customers. Specifically, the influence of unaffected other users that virtually interact with the complainant, i.e. providing help, defending the company or confirming the complaint. (2) To what extent does recovery speed influence the satisfaction with recovery performance? (3) How to optimize the activity selection and process sequence of an online complaint conversation to satisfy complainers?

To address the research question (1), the Social Influence Theory (SIT) is used to explain how complainants are influenced by the presence and behavior of virtual others. In service recovery, virtual presence and interaction should enhance a complainant’s emotional and behavioral responses. To answer research question (2) we make use of the justice theory, assuming that fast responding to customers’ complaints can reduce customer anger and uncertainty and signals that the company cares about their customers’ comments. In order to address research question (3), we have used an innovative research approach. For the structured analysis of a large social media data set, we have used data mining methods to identify weak points or preferred sequences in the complaint handling.

We analyzed 1000 complaint-related twitter conversations of a big Chinese smartphone producer. The company’s recovery performance was coded as positive or negative, depending on whether the complainant responded that the problem had been satisfactorily solved or still existed without an updated solution. We used the well-known process mining software Disco.

Our preliminary analysis shows some interesting findings that can be used to cope with customer complaints. The results show that SIT is applicable to the service recovery context in virtual environments. The interference of other customers decreased the satisfaction with the recovery handling both due to follow-up complaints and answers by brand advocates. Which shows that customers prefer the complaint handling just with their company. Furthermore, firm’s high response speed and low number of events to achieve a solution is a crucial indicator for service recovery satisfaction. Finally, process path analyses revealed that there exist favorable sequences, but also activity pairs which should be avoided. Especially, loops and repetitions decreased the satisfaction with the complaint handling. Thus, recommendations for companies can be derived how to cope with customer complaints and how to take into account virtual interactions between customers.
Session 09-07

Saturday, July 20 (11:00 – 11:25)

**Authentic or Counterfeit Service? A Framework on the Complexity of AI Enabled Service Encounters**

**Authors**
1. Stacey Robinsons - University of Alabama, USA
2. Chiara Orsingher - University of Bologna, Italy
3. Linda Alkire - Texas State University, USA
4. Arne De Keyser - EDHEC Business School, France
5. Mike Giegelhausen - Clemson University, USA
6. Nadia Papamichail - Alliance Manchester Business School, UK
7. Poja Shams - Karlstad University, Sweden
8. Mohamed Sobhy Ahmed Hassan Temerak - Cairo University, Egypt

**Abstract**

Advancements in technology are continually transforming service encounters. As companies move from traditional interactive voice response (IVR) systems to artificial intelligence (AI) powered chatbots and virtual assistants, service encounters are reshaped. Customers or employees are increasingly replaced as AI technology powers multiple customer service channels. Examples of AI enabled, non-face-to-face, service encounters are abundant across multiple industries, with banks, hotels, and retailers employing the technology. Customers checking into a hotel might interact with a chatbot via a mobile phone text, or AI might read and respond to a retailer’s customer complaint emails. Innovations in AI (i.e., Google Duplex) provide a service whereby a customer’s “virtual assistant” may call a restaurant to make a reservation.

The increasing infusion of AI in non-face-to-face service encounters suggests it must be beneficial for customers and employees. However, a closer look reveals a more complicated picture in which the benefits and the drawbacks of AI coexist. Our research focuses on this complexity. We propose a framework that examines the consequences infusing the service encounter with AI agents on customers, employees, and on the firm. We examine non-face-to-face encounters in which the customer or the employee are aware vs. unaware that they are interacting with an AI employee or customer.

We advance that consumers have ambivalent feelings towards the service experience when AI is present, and so have employees. Although popular press argues that by letting AI performing routine tasks, employees can handle complex activities and increase engagement in their daily work, there are likely drawbacks associated with AI presence. Employees might perceive that the AI is doing the core of their job, and that the AI receives credit for the service encounter.

Undoubtedly, the complexity of AI enabled service encounters will increase as AI technologies continue to evolve, and become progressively more humanlike. According to 2016 HubSpot Global AI Survey 63% of customers use AI without being aware they are interacting with AI, and not a human. Efforts to design AI in the form of disembodied agents that are difficult or impossible to delineate from human, and potential lack of awareness regarding the presence of AI in dyadic service exchanges, may be problematic. We advance that humanlike AI creates a counterfeit service encounter, if the consumer or employee, is unaware they are interacting with a non-human partner. Consequently, counterfeit encounters may negatively affect both the employee, and customer experience, as well as the level of trust towards the service firm.
I MADE It or I Made IT: The Role of Regulatory Fit in Consumers’ Willingness to Pay for Cocreation Activities

Authors
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2. Lan Xia - Bentley University, USA
3. Qiuying Zheng - Beijing University of Chinese Medicine, China

Abstract

As consumption increasingly shifts to experience-based, offers of co-creation in product design, production, and even service recovery are on the rise. However, the effects of co-creation are not always consistent. In general, research shows that co-creation leads to a positive bias toward outcome evaluation (Norton, Mochon, and Ariely 2012; Troye and Supphellen 2012). However, a significant number of studies also reveal non-significant or even negative effects (Dong and Sivakumar 2017).

In this research, we provide a motivation-based framework which helps to reconcile such inconsistent empirical findings. We demonstrated by five experimental studies that consumers’ motivation (promotion-focused vs. prevention-focused) and shopping orientation of co-creation creativity (process-oriented vs. outcome-oriented) created a regulatory fit effect to enhance consumers’ willingness to pay. That was because promotion-focused consumers are more sensitive to the process experience while prevention-focused consumers are more sensitive to the attractiveness of the outcome. Specially, Study 1A & 1B found that promotion-focused consumers matched with a process shopping orientation and prevention-focused consumers matched with an outcome shopping orientation to enhance consumers’ willingness to pay (Study 1A& Study 1B). Moreover, co-creation task characteristics such as the degree of autonomy (Study 2), the complexity of the task (Study 3) and the completion of the task (Study 4) were proved to have opposite effects given different motivations, which provided further support for the proposed fit effect.

We make several contributions as follows. First, co-creation is a joint activity of the provider and the customer and includes both a process and an outcome. While research demonstrates either a positive or negative effect of co-creation, few studies have examined the relative role of the process and the outcome in evaluations. In response, we contribute by shedding more light on the nature of co-creation activities. Second, we conceptualize and demonstrate that co-creation can be a double-edged sword, as the effort input can be considered either a disutility or an opportunity depending on consumer motivations by delving into 45 effects from 22 papers mentioned in Dong and Sivakumar (2017)’s systematic. Third, we take a nuanced view to examine how customers’ regulatory focus as a typical motivation account (promotion-focused vs. prevention focused) influences their sensitivity to the process and the outcome of the co-creation activities, creating a regulatory fit effect. In addition, regulatory orientation interacts with various task characteristics, leading to different evaluations. Thus we contribute to the understanding of the subjective nature of consumer co-creation experiences and provide a framework to reconcile the inconsistent findings in the literature.
A Text Analytic Approach for Intelligent Customer Routing in Online Service Centers

Authors
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2. Guangzhi Shang - Florida State University, USA

Abstract
Customer service centers of medium-to-large sized firms commonly receive large volume of inquiries in a broad range of topics. At the same time, their service agents can resolve these inquiries at a higher speed and a better resolution rate when they are specialized in a narrow set of skills. These two characteristics of the service center business give rise to the need of a sorting mechanism that can help match customer inquiries with agent specialties and then route incoming customers to the correct agent departments. Unfortunately, these are not trivial tasks. Many real-world service centers are riddled with incorrectly routed customer inquiries due to a lack of understanding of the root causes of the problems and of agents' expertise. Customer-agent mismatches lead to inflated processing times and transferred rates that waste agent efforts, reduce service quality, and impair customer welfare. According to industry reports, these negative consequences could cost service centers tens of millions of dollars each year.

In this work, we develop a solution design for intelligent customer routing in online service centers. The proposed design emerges as a synthesis of computational linguistics and machine learning methods. At the core of this design is a text-analytic machine learning model that helps improve customer-agent matching and hence reduce transfer rates. The model utilizes customers' open-ended responses to a problem description request (e.g., "please briefly describe your problem") and combines five types of information – structural, stylistic, lexical, semantic, and sentiment, extracted from the raw input to automatically predict the correct agent department that can handle the customer’s problem.

To demonstrate the usefulness of the approach, we conduct a comprehensive case study on a dataset collected from an S&P 500 company. Our results indicate an over 15% accuracy improvement from the proposed solution over menu based routing. To assess the broader managerial implications of this improvement, we estimate potential reductions on agent service time and customer waiting time, as well as potential labor cost savings due to reduction in call transfer rates. We further benchmark the solution performance over a stylized human expert triage design using numerical experiments. Our work has implications for the design of routing policies in service centers, and more broadly for managing customer relations under emerging communication technologies such as live-chat, e-mail, and social media.
**Session 09-10**

Saturday, July 20 (11:00 – 11:25)

**Referral Rewards Programs: A Longitudinal Comparison of Customer Generations**

**Authors**
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2. Marc Linzmajer - University of St. Gallen, Switzerland
3. Jochen Wirtz - National University of Singapore, Singapore

**Abstract**

**Introduction**

Many companies incentivize existing customers to recruit new ones by offering signup bonuses to both the referring and the referred customer. These referral programs, however, carry the risk of motivating opportunistic or even fraudulent behavior. Customers can play this system by opening alias or even fake accounts with which to earn referral bonuses while not contributing to the company’s customer base (Fisk et al., 2010).

Research has discovered the relevance of opportunistic consumers and unethical customer behavior (Kum & Wirtz, 2003; Wirtz, 2011; Wirtz & Kum, 2004; Wirtz & McColl-Kennedy, 2010). Further behavioral research in the realm of referral rewards programs focused on identifying successful and beneficial referral behavior (Wirtz et al., 2018) as well as psychological drivers in referral reward programs (Orsingher & Wirtz, 2018).

We observe a research gap regarding the longitudinal analysis of referral behavior across multiple generations of customers. We pose the question whether first- or later-generation customers differ in terms of their interaction with a firm and other behavioral domains? We therefore ask whether a referrer’s referee is also automatically a good referrer or not, yielding further insights into the subject of referral reward programs.

**Data**

We attained longitudinal data of a peer-to-peer referral platform with 65'535 members from 11/2008 to 11/2018, where members can earn money for referring others to companies or services. The firm receives a commission from firms when users successfully refer others to sign up for Specialty Deals (SYD). These SYD stem from a variety of industries and product categories, ranging from banking and financial products to magazines and household services. 27% of all customers have purchased SYD over the past ten years. 3.5% of the platform members have successfully referred others for an SYD. The incentives for the referring customer ranged from USD 5 to USD 10. Any user activity, however, such as posting interesting deals, commenting or liking posts, as well as daily logins, is rewarded with Community Engagement Points (CEP). These CEP are an indicator of community activity and can be exchanged for vouchers and coupons.

**Results**

Our ANOVA observes significant differences in first- and later-generation customers regarding their profitability to the peer-to-peer referral platform. Later-generation customers purchase significantly more SYD (F(1, 65534)=204.10, MFirst=.72, MLater=1.36, p<.001), thereby generate significantly more commissions for the platform (F(1, 65534)=9.54, MFirst=18.12, MLater=22.01, p<.01), and enlist significantly more customers (F(1, 65534)=467.03, MFirst=.04 MLater=.27, p<.001). They are, however, also twice as likely to exhibit fraudulent behavior through self-referrals via alias or fake accounts (F(1, 65534)=39.07, MFirst=.01 MLater=.02, p<.001). Both customer generations do not significantly differ regarding CEP.

**Future Research**

With our research, we would like to contribute to an understanding of whether, how, and which behavior of referring customers transfers to referred customers.
Session 09-11

Saturday, July 20 (11:00 – 11:25)

Blockchain as a Service (Baas): A Multi-domain Perspective

Authors
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2. Shailesh Palekar - Queensland University of Technology, Australia

Abstract

This study conceptualizes Blockchain as a Service based on the premise that Blockchain performs valuable actions (e.g., distributive ledger, immutability) (Constantinides et al. 2018; Eyal et al. 2016), which fulfills specific demands (e.g., transactional security, fostering trust) (Iansiti and Lakhani 2017; Tapscott and Tapscott 2017). BaaS is observed disrupting incumbent processes and creating value exchanges across domains. Given its disruptive nature, different domains namely information technology (e.g., Information Systems [IS]), industry sectors (e.g., Law), economic entities (e.g., markets) offer differing etymological perspectives that reflect its use, impact and value. Through content analysis this study enhances understanding of BaaS diffusion by presenting these three domain perspectives. The diffusion of BaaS is captured through usability and acceptability elements.

In IS, Blockchain represents the Open-System Interconnection (OSI) model comprising of seven layers. It begins with a distributed database (Data), that is replicated across a set of nodes connected by a peer to peer network (Network) (Pilkington 2016). It is customizable through a communication messaging protocol (Transport) which uses cryptography (Session) for protecting users and value exchanges (Presentation and Application) (Glaser 2017). It ends with a hardware layer, viz. Internet connected device. Thus, the IS perspective reflects the integrative utilitarian value of BaaS.

Smart Contracts (SCs) (Lauslahti et al. 2017; Peters and Panayi 2016) represent rules coding in the Blockchain ecosystem designed for customizing the use. The economic parlance of Blockchain to mitigate uncertainty in trading and creating trust between market entities (e.g., buyers, sellers) (Riasanow et al. 2018) is achievable through SCs through (a) recording all valid transactions through a distributed ledger including consensus mechanisms and transactional histories making such records difficult to replicate or change (b) mitigating product uncertainty by enabling information availability and transparency between traders and consumers, and (c) executing SCs for making business dealings and networks less susceptible to fraud and misuse(Catalini and Gans 2017). Thus, market economies reflect the pragmatic value of BaaS.

The term “contract” caused significant confusion in terms of how SCs can potentially disrupt the legal profession (Lauslahti et al. 2017). All legal roles and agreements cannot be expressed digitally (i.e. codify). For example, courtrooms require subjective, human elements, which cannot be transacted via “if-then code strings”. Hence, claims of Blockchain creating redundancy of practicing lawyers and correcting asymmetric enforcement of rights is contestable (Beck et al. 2018). This study notes that legal contracts facilitate information flows between stakeholders, while SC’s automate such transfers, thereby protecting and sharing information stored therein. Thus, the law domain reflects the potential derivative value of BaaS.

The foundational (transaction guarantees) and disruptive aspects of Blockchain (e.g., powerful network effects) present opportunities and challenges to leverage BaaS. Hence, understanding the capabilities and potential value of BaaS, is invaluable for acceptance and use.
Customers Are Not Always Good Soldiers: A Meta-analysis on the Antecedents and Outcomes of Customer-related Social Stressors

Authors
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3. Stefanie Possemiers - Katholieke Universiteit Leuven, Belgium

Abstract

Customers are not always good soldiers, and too often frontline employees are confronted with uncivil, verbally aggressive and even physically aggressive customers. For example, The Union of Shop Workers in the UK (2017) informs, that over 12 months no less than two-thirds of frontline retail employees were exposed to verbal abuse and 42% of the workers reported at least one incident of threat of physical violence. Australian Union of Workers (2017) reports even higher numbers, with 85% of respondents experiencing verbal abuse over 12 months and 15% being subject to physical violence.

In the last decade, there has been a growing interest among researchers to understand the problem of customers as social stressors. Knowledge on customer-related social stressors (CSS) emerged in two literature streams. The first literature stream investigates the antecedents of CSS with the goal of outlining the conditions under which CSS might prevail (e.g., job resources, job demands). The second research stream has focused on the outcomes of CSS and examined its impact on several variables including burnout, turnover intentions or job satisfaction.

Despite that a significant body of knowledge has accumulated in both research streams, a closer inspection of the research findings reveals several limitations to our current understanding of the antecedents and consequences of CSS constructs. In particular, there is a proliferation (a) in terms of conceptualization of CSS, and (b) in the number of antecedents and outcomes linked to these concepts. Studies typically examine subsets of variables related to CSS, while a comprehensive overview of these relationships is lacking. This abundance of research findings makes difficult for researchers and practitioners to make claims about the absolute and relative strength of relationships between the different stressors, their antecedents and their outcomes. Thus, the aim of this paper is to meta-analytically synthesize previous findings of the scholarly work conducted on CSS and integrate them into an overall framework.

Our meta-analysis of 84 articles revealed six types of CSS (disliked customers, ambiguous customer expectations, disproportionate customer expectations, customer incivility, customer verbal aggression, customer physical aggression). Antecedents were grouped in four categories and outcomes were categorized in thirteen broad constructs. The results show that job demands are the strongest overall related antecedent of CSS, whereas emotion work and burnout are the strongest overall related outcomes. In general, job resources are rather weak indicators of the occurrence of CSS. Most research effects apply to customer verbal aggression, which is the most studied stressor. In the next stage, we will add about 50 additional articles to advance our understanding of these relationships and test several mediators and boundary conditions. We conclude with an agenda for future research on this important phenomenon that affects millions of frontline service employees around the world.
Together We Can Deliver: Frontline Employees and Robots Joining Forces
Gauri Laud (University of Tasmania, Australia), Sanjit Kumar Roy (University of Western Australia, Australia), Chatura Ranaweera (Lazartis School of Business, Wilfrid Laurier University, Canada), Cheryl Leo (Murdoch University, Australia), Sima Sedighadeli (Monash University, Australia)

Not Just Selling Data - How Companies Co-Create Value in Analytics-Based Service Innovation
Ronny Schüritz (Karlsruhe Institute of Technology, Germany), Killian Farrell (Karlsruhe Institute of Technology, Germany), Fabian Hunke (Karlsruhe Institute of Technology, Germany), Gerhard Satzger (IBM)

Multisensory Customer Service Experiences in New Service Scapes
Susan Stead (Maastricht University, The Netherlands), Gaby Odekerken-Schröder (Maastricht University, The Netherlands), Dominik Mahr (Maastricht University, The Netherlands)

Managing the Conversation: Shaping Valence and Online Engagement by Decreasing Customer Effort
Jonathan M Beck (Michigan State University, USA), Clay M Voorhees (University of Alabama, USA), Paul W Fombelle (Northeastern University, USA), Katherine N Lemon (Boston College, USA), Ryan Teal (Evolve Fitness)

Prognosis for Financial Health: Diagnosing Consumers’ Vulnerability to Financial Hardship
Dee Warmath (University of Georgia, USA), Genevieve O’Connor (Fordham University, USA), Nancy Wong (University of Wisconsin, USA), Casey Newmeyer (Case Western Reserve University, USA)

A Friend Laughs at Your Jokes when They’re Not So Good, and Sympathizes with Your Problems when They’re Not So Bad. The Effects of Perceived Service Failure Severity, Emotional Contagion Susceptibility and Interpersonal Relationship on Anger and Service Quality Inferences to Service Failure Depiction in Facebook Posts.
Svenja Widdershoven (Zuyd University Of Applied Sciences, The Netherlands), Josée M.M. Bloemer (Radboud University, The Netherlands), Mark Pluymaekers (Zuyd University Of Applied Sciences, The Netherlands)

Augmented Empathic Capacity: A New Perspective for Raising Prosocial Interactivity and Customer Engagement in the Automated Service Era
Mathieu Lajante (Laval University, Canada), Philip Jackson (Laval University, Canada)

How Other Customers Responses to Service Failure Affect Focal Customers’ Complaining Behavior: The Complaint Contagion Effect
Ke Chen (University of International Business and Economics, China), Jian cun Chen (University of International Business and Economics, China), Zhan Wu (University of Sydney, Australia)

Exploring the Role of Music on the Online Customer Experience
Sheilagh Resnick (Nottingham Trent University, UK), Ayane Fujwara Fujwara (Nottingham Trent University, UK), Abraham Brown (Nottingham Trent University, UK), Kim Cassidy (Edge Hill University, UK)

Who and When Will Consumers Choose Online Versus Offline Platforms: Omni-Channel Customer Service In a Digital Economy
Tuck Siong Chung (Essec business school, Singapore), Sharon Ng (Nanyang Business School, Singapore), Kim Huat Goh (Nanyang Business School, Singapore)

Revisiting Extended Service Experience Provider Activities: Peak Experiences Providers’ Wellbeing
Mario Giraldo (Universidad del Norte, Colombia), Oscar Naranjo (Universidad de la Costa, Colombia), Mark Rosenbaum (University of South Carolina, USA)

Aligning the Data Disclosure Process with Customer Benefits: Employing Gamification to Increase Willingness to Disclose Data for Personalized Services
Margarita Bidler (University of Passau, Germany), Jan H. Schumann (University of Passau, Germany)
Together We Can Deliver: Frontline Employees and Robots Joining Forces

Authors
1. Gauri Maria Laud - University of Tasmania, Australia
2. Sanjit Kumar Roy - University of Western Australia, Australia
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Abstract

The rapid development of artificial intelligence and corresponding novel digital technologies and devices such as smartphones, advanced robotics, intelligent agents and the internet of things are fundamentally altering the interplay between customers, employees and service firms (e.g. Schwab, 2017; Wirtz et al., 2018). Although service researchers emphasize the benefits of robotic infusion for customers, limited knowledge exist about how it will change the service workplace for frontline employees (FLEs) (Wirtz et al. 2018; Subramony et al. 2018). Acceptance of such technology begins with acknowledging robots as dynamic actors in service ecosystems, ones that have a social presence labelled, automated social presence (ASP). ASP is defined as machines that make consumers feel they are in the company of another social entity (Van Doorn et al., 2017). Emerging research suggests that service robots can work in conjunction with, or even fully substitute, human FLEs (Van Doorn et al., 2017; Marinova et al., 2017). In other words, service robots may be perceived as a co-creation partner that can work interactively with FLEs to create value. Yet the factors that may impact these perceptions of ASP among FLEs are still unknown. To address this gap, our study proposes a conceptual model that indicates the co-creation orientation of FLEs collaboration with ASPs will impact performance outcomes and well-being of both employees and customers.

Drawing on value co-creation, service operations and behavioural research (Bowen, 2016; Karpen et al., 2015), we define FLEs’ ASP co-creation orientation as an individual’s tendency to adopt a predictable behaviour towards the ASP during a co-creation encounter. We propose seven fundamental co-creation orientations, namely; interaction, learning, ethical, relational, empowerment, developmental, innovative and concerted. Understanding FLEs’ ASP co-creation orientation can reveal their assumptions, values, behaviours and artefacts when co-creating with the ASP.

We propose that FLEs’ strong ASP co-creation orientation will enable both service delivery efficiency and customised service experiences. To deliver both efficiency and customization will require an ambidextrous skill set. Consequently, we propose ambidextrous capability (Ting et al., 2018) as the mechanism that translates ASP co-creation orientation into performance outcomes. FLEs who work together with robots to create value will leverage their ambidexterity to positively influence both employee and customer level outcomes.

The study is ongoing. It contributes theoretically to highlight the significance of each FLE-ASP co-creation orientation for creating meaningful service experiences. Furthermore, the model proposes a novel mediating mechanism of FLEs ambidextrous capability with ASP, and moderating function of the technology’s perceived complimentary/substitute role. From a managerial perspective, practitioners can activate appropriate co-creation orientations that maximise cooperation with service robots through retraining and retooling of FLEs. The study will also help robotics design to further FLEs engagement with a service robot as a co-creating social entity.
Session 10-02

Saturday, July 20 (11:30 – 11:55)

Not Just Selling Data - How Companies Co-Create Value in Analytics-Based Service Innovation

Authors
1. Ronny Schüritz - Karlsruhe Institute of Technology, Germany
2. Killian Farrell - Karlsruhe Institute of Technology, Germany
3. Fabian Hunke - Karlsruhe Institute of Technology, Germany
4. Gerhard Satzger - IBM

Abstract

For decades, companies used the increased availability of data and the means of making sense of that data to make better decisions and drive operational efficiencies inside the company. Since then, the possibilities to collect and analyze data have come a long way. Today, companies are increasingly using analytics to connect with customers by helping their customers make decisions and solve problems. Heavy equipment manufacturers predict the failure of parts and proactively maintain equipment in order to reduce operational downtime for their customers; banks communicate to their account owners a breakdown of the spending in categories to increase transparency.

In our research, we interviewed 43 business and IT managers and surveyed 511 product managers responsible for an analytics-based services to analyze how companies apply analytics to innovate their service portfolio. We explore how companies connect with their customers to co-create value. Our analysis identifies that analytics-based services are not just about selling data. Instead, their maturity can be conceptualized analogously to the established data value chain: services create value by delivering data, by providing insights and by taking actions. Taking a service dominant logic perspective shows us that—depending on the design of the service—the data value chain is split between the provider and the customer and value is co-created to a different extent.

In some services the provider delivers data via reports, dashboards, APIs or visualizations— the customer being a mere recipient. In others, the provider clearly delivers insights by offering alerts, aberrational activities, benchmarks or suggested next steps. The customer enables this service by giving the provider a richer understanding of its processes, practices and access to data—value is co-created. In some cases, providers are enabled to act based on the insights they derived. They make decisions for their customer and change the situation in a favorable way (e.g. predictive maintenance). These analytics-based service innovations act in the form of automated tasks, manual interventions or self-service options—provider and customer are deeply linked. Growing from delivering data to automated action amplifies the value effectively co-created and the provider’s influence on the value creation process, increasing the value capturing potential for companies.

The findings from this research contribute to the understanding of analytics-based service innovation and inform practitioners who want to effectively use analytics to increase the value of their service portfolios. Furthermore, they contribute to the understanding of value co-creation by showing how stronger customer interaction can more reliably lead to value for the customer.
Session 10-03

Saturday, July 20 (11:30 – 11:55)

Multisensory Customer Service Experiences in New Servicescapes

Authors
1. Susan Stead - Maastricht University, Netherlands
2. Gaby Odekerken-Schröder - Maastricht University, Netherlands
3. Dominik Mahr - Maastricht University, Netherlands

Abstract

With rapidly changing service landscapes, the need to understand, manage and design better customer service experiences (CSE) becomes inevitable for service managers and researchers alike. Emerging technologies such as artificial intelligence (AI), virtual reality (VR), and augmented reality (AR) are reshaping the service industry and require new methods to understand their impact on CSE (Wirtz et al., 2018).

While these technologies accelerate the pace of innovations, it remains questionable to what extent customers are ready to adopt and change their behavior. In particular, new technologies are changing the traditional servicescape for all actors, postulating customers to connect novel information to existing knowledge and make sense of this new environment. This CSE formation is a critical moment since it not only determines the customer's current experience, but through its semantic storage also impacts future experiences.

While a large body of literature in service and marketing has investigated the role of CSE within both on- and offline servicescape, the process of connecting sensory information in form of stimuli in novel and unfamiliar servicescapes such as the interaction with emerging technologies, yet needs to be explored. These unfamiliar servicescapes require a higher cognitive involvement from customers, who create knowledge and understanding by linking sensory information within these servicescapes to existing experiences. To date, research has investigated the influence of the servicescape on customer perceptions and behavior (Bitner 1992; Nguyen 2006), however the actual sense-making process remains vaguely understood.

The goal of this paper is therefore to contribute to the servicescape literature by: (1) integrating and deepen the understanding of the role of sensory stimuli in shaping CSE in an increasingly technology-driven service environment; (2) to uncover the concept of sensory perception within novel servicescapes determined by emerging technologies; and (3) to establish a conceptual framework that integrates prior servicescape and experience research, to better understand, manage and improve CSE in these novel servicescapes.

The authors find that existing studies usually focus on CSE as an outcome that is determined by customer perceptions, rather than investigating the actual sense-making process and formation of CSE. In addition, analysing a large body of literature outside the service and marketing domain (i.e. from psychology, neuroscience, and computer science) allows to generate a more comprehensive picture on this sense-making process. In particular, the conceptual framework shows the connection between sensory stimuli encountered in novel servicescape and their comparison to and integration with existing knowledge fragmentations that are stored in customer memories.

Managerially, the findings of this paper helps service organizations understand the role of sensory stimuli in a digital environment and hopefully guides them to leverage and design new technologies in such a way that customers require less cognitive effort to understand and adopt to these novel servicescapes.
Managing the Conversation: Shaping Valence and Online Engagement by Decreasing Customer Effort

Abstract

Digital word of mouth has taken over the online decision making process as 97% of consumers read reviews, 88% trust reviews as much as they would trust a friend, and services with excellent reviews experience 31% greater sales. Given the substantive impact of online reviews, many researchers have examined the value of reviews, but most studies treat reviews as a by-product of great service and leave managers to assume they are helpless and cannot proactively participate in generating this content.

However, some firms are testing new strategies for generating digital reviews in an effort to cash in on their benefits. For instance, the ride sharing app Lyft offers suggested comments when customers review a driver post-ride: “friendly driver,” “clean car,” “great conversation.” Following a purchase on newegg.com, a suggested tweet will be pre-generated for the customer: “I just bought: Dell Inspiron 11 via @newegg.” Customers can share their thoughts with one click, and this marketing tactic removes substantial cognitive effort on the customer’s part following a purchase. While this strategy is becoming prevalent online, no research has examined the effectiveness of suggested comments, nor has research determined if there are outcomes on customer perceptions and behavior following a suggestion from the firm. Our research answers two questions: First, will customers be more likely to share positive comments suggested by the firm (thereby reducing customer effort), and second, what are the perceptions of this marketing strategy by the customers? Specific to this research, we seek to assess the effectiveness of service firms suggesting positive comments to their customers following a service encounter, and what the consequences may be for firms attempting to put words in their customers’ mouths.

Across two separate field studies, including a gym with over 2,000 active members and an upcoming restaurant opening, as well as a series of controlled lab experiments, the authors demonstrate that suggesting positive comments to customers lowers cognitive effort and leads to increased online engagement—with no observable downside risk. Field results show that suggested positive WOM results in a 3X increase in posting frequency relative to when no comment is suggested. When examining potential backlash for suggesting only positive comments, results show that there is not a significant increase in desire for revenge or negative WOM intentions for dissatisfied customers, nor is WOM sentiment shared online for dissatisfied customers stronger if a positive comment was suggested to them. Finally, the authors find that consumer desire to self-enhance moderates the perception of suggested comments. This research has incredible implications for marketers, given that a positive tweet has been estimated to be worth $25.62 in revenue. If firms are able to increase positive WOM online even slightly by removing customer effort, revenue should increase substantially.
Session 10-05

Saturday, July 20 (11:30 – 11:55)

Prognosis for Financial Health: Diagnosing Consumers’ Vulnerability to Financial Hardship

Authors
1. Dee Warmath - University of Georgia, USA
2. Genevieve O’Connor - Fordham University, USA
3. Nancy Wong - University of Wisconsin, USA
4. Casey Newmeyer - Case Western Reserve University, USA

Abstract

The topic of financial wellness has increased in importance for academics, public policy officials, financial managers, and employers for good reason (e.g., Brüggen, Hogreve, Holmlund, Kabadayi, & Löfgren, 2017; Center for Financial Services Innovation [CFSI], 2015; Consumer Financial Protection Bureau [CFPB], 2015), as many U.S. households find themselves vulnerable to financial hardships with potentially serious economic and psychological impacts. Extant research on financial vulnerability has tended to focus on poverty and/or demographic characteristics to identify the financially vulnerable, with an emphasis on the social or structural reasons for vulnerability (Baker, Gentry, & Rittenburg, 2005). This socio-demographic and rather stereotypical approach tends to isolate financial vulnerability as a problem experienced by a certain type of person rather than the outcome of individual choices based on tradeoffs between this person’s resources and consumption needs or wants. Extant approaches, for example, shed little light on why people with similar socio-demographic profiles experience different levels of vulnerability.

The goal of this research was to identify forms or faces of financial vulnerability that reflect lived experiences rather than simply demographic profiles. Using the Bureau of Consumer Financial Protection’s National Financial Well-Being Survey (2017), we applied cluster analysis to investigate whether there are distinct patterns of risky behaviors that suggest different pathways to financial vulnerability and recovery. Results identified three new faces of financial vulnerability based on the types of financial behavior with which individuals are most likely to struggle: savings and other buffers to financial shocks, credit score management, and money management.

Analysis of demographic and attitudinal patterns associated with the behavior-based faces revealed distinct attitudinal and demographic patterns associated with these clusters. For example, individuals who are vulnerable due to their credit management skill are less likely to plan for money long-term and have lower levels of self-control. Individuals who struggle most with money management tend to be younger, male, and have higher incomes. Importantly, however, behaviors and not the demographic and attitudinal tendencies defined the financial vulnerability clusters.

These new faces of financial vulnerability allow us to shift our focus away from who the person is to the behavioral struggles they face. Our results serve as a guide for the financial service industry to the development of financial education programs designed around these core struggles. Such programs can be offered as preventive tools for individuals confronting a particular behavioral reason for vulnerability. Building financial resilience or prevention is not a one-size-fits-all solution. The approach we present allows for identification of specific areas of weakness or at-risk behaviors, thus allowing firms and policy initiatives to target prescriptive solutions to each face of financial vulnerability.
A Friend Laughs at Your Jokes when They’re Not So Good, and Sympathizes with Your Problems when They’re Not So Bad. The Effects of Perceived Service Failure Severity, Emotional Contagion Susceptibility and Interpersonal Relationship on Anger and Service Quality Inferences to Service Failure Depiction in Facebook Posts.

Authors
1. Svenja Widdershoven - Zuyd University of Applied Sciences, Netherlands
2. Josée M.M. Bloemer - Radboud University, Netherlands
3. Mark Pluymaekers - Zuyd University of Applied Sciences, Netherlands

Abstract
Service failures are known to evoke anger, an emotion that typically associated with negative behavioural responses. A negative behavioural response customers often display in this day and age is to use social networking sites to inform friends, acquaintances and others about the service failure they experienced (social eWOM), thereby attempting to persuade their network not to engage with the service provider. Service providers, knowing the influence that negative eWOM can exert on fellow consumers’ service quality inferences thus fear the effects that these negative messages can have with regards to those inferences.

According to the literature, two routes can be distinguished through which a message describing a service failure can influence fellow consumers’ service quality inferences: the direct, cognitive, route and the indirect, affective, route. Fox et al. (2018) demonstrated the existence of the two routes for negative eWOM spread via review sites but did not look at negative eWOM spread via social networking sites (social eWOM). Generally speaking, research on the effects of negative social eWOM is scarce, which is rather surprising since 1) social networking sites (SNS) have become an increasingly popular platform for sharing negative eWOM, and 2) the literature suggests that the mechanism through which negative eWOM affects service quality inferences may differ depending on the characteristics of the medium used. This is particularly the case for the affective route to service quality inferences, which is believed to rely on a process of emotional contagion.

The current study investigates the two routes from negative social eWOM to service quality inferences. Furthermore, we add the interplay between personal and interpersonal relationship factors, which, according to Kimura et al. (2008), influences the emotional contagion process and thereby possibly also the affective route to service quality inferences. The research questions we aim to answer are:

1. How does a negative eWOM message on a social networking site in which a customer expresses anger about a service failure, affect the service quality inferences of fellow consumers?
2. How does the interplay of the interpersonal factor ‘interpersonal relationship’ and the personal factor ‘emotional contagion susceptibility’ affect the impact of perceived severity of a service failure on anger and (consequently) service quality inferences of fellow consumers?

To answer these questions, a scenario-based experiment was conducted in which participants were shown a Facebook post describing a service failure. The results indicate that the cognitive route is more prominent for negative eWOM posted by a stranger, whereas the affective route is more prominent for negative eWOM posted by a friend. Moreover, the pervasiveness of emotional contagion depends mainly on emotional contagion susceptibility if the negative eWOM is posted by a stranger, which is not the case when the post is written by a friend.
Augmented Empathic Capacity: A New Perspective for Raising Prosocial Interactivity and Customer Engagement in the Automated Service Era

Authors
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2. Philip Jackson - Laval University, Canada

Abstract

The rise of automated service technologies (AST) offers an opportunity for service personalization, while simultaneously capitalizing on the benefits of service automation. However, this technological shift in service also upsets firm-customer interactions, and its net effect on customer engagement is still under scrutiny.

Here, we posit that AST may have a negative impact on customer engagement by degrading empathy. On the one hand, AST elicit loss in human interactions, which decreases the ability to share customers’ affective and mental states—the affective dimension of empathy. On the other hand, AST rely on computer-based solutions, which increases the ability to decode customers’ affective and mental states—the cognitive dimension of empathy. However, decoding without sharing affective and mental states can lead to egocentric behaviors solely aligned with the firm’s benefits, which we argue are reminiscent of those of a psychopathic individual: antisocial, lacking consideration for customers’ well-being, devoid of guilt. In the end, the firm’s psychopathic behaviors will negatively affect customer engagement. This potential threat highlights the importance of redefining the boundaries of empathy in the AST era.

Based on a neuroscience perspective, we introduce a new model—the augmented empathic capacity—which describes the firm’s capacity not only to decode, but also to share customers’ affective and mental states, in order to develop prosocial interactivity and an altruistic relationship. The model describes two routes that stem from the two main components of empathy: the socio-affective route and the socio-cognitive route. Since both routes are jointly required for the evaluation of customers’ affective and mental states, the model is executed by trained employees in empathic intelligence.

The socio-affective route relies on two emotional connection systems: a bottom-up and a top-down system. The bottom-up system refers to the establishment of a customer advisory group where customers share their affective and mental states, whereas the top-down system refers to the deployment of empathic squads in the field to “feel the heat” of in situ customers’ experience.

The socio-cognitive route relies on artificial intelligence applications throughout the customers’ journey to mentalize their affective and mental states through their emotional expression and motivators. Emotional expression refers to emotion labelling by means of sentiment mining and multi-modal emotional recognition such as facial expression and vocalization, whereas emotional motivators refer to the cognitive appraisal of emotion-eliciting events during customers’ experience.

The joint evaluation of the socio-affective and the socio-cognitive routes of empathy enables to deploy an empathic chain value—the roadmap for promoting prosocial interactivity and an altruistic relationship. Accordingly, the augmented empathic capacity model considers ATS as the firm’s prosocial, altruistic response to leverage customer engagement. Broadly, the augmented empathic capacity model suggests a promising avenue for improving customer relationship management in the AST era.
How Other Customers Responses to Service Failure Affect Focal Customers’ Complaining Behavior: The Complaint Contagion Effect

Authors
1. Ke Chen - University of International Business and Economics, China
2. Jiancun Chen - University of International Business and Economics, China
3. Zhan Wu - University of Sydney, Australia

Abstract

While it is important for service providers to understand and deal with customers’ complaint behavior, how other customers responses to service failure affect focal customers complaint intentions remains unclear in extant literature. Drawing on social information processing theory, this paper proposes that after a service failure affecting multiple customers, other customers complaint behavior (vs. noncompliant) will increase focal customers’ complaint intentions (the complaint contagion effect), which is mediated by the emotion of anger. Two characteristics of complaint others (social identification and credibility) and one factor about the service provider (prior relationship) are examined as moderators. Four experiments are conducted to test the contagion effect and its contingent factors. Study 1 is to examine the contagion effect of other customers’ complaint behavior across two service industries (retailing and transportation). The results show that in both service industries, after encountering a service failure with other customers together, if there are others complain to the service provider, focal customers feel angrier and have higher complaint intentions than if there are no others complain. Study 2-4 are conducted to test moderating effects of social identification, other customers’ credibility, and the prior relationship between focal customer and the service provider respectively. The results reveal that the contagion effect is salient when focal customers have high social identification with others, or the credibility of other customers is high, or focal customers prior relationship with service providers is weak. And vise versa, the contagion effect does not occur.

This paper provides several contributions. First, our findings contribute to the literature of service failure by including the research focus on the comparison between other customers different responses to service failure. Our findings extend the literature that the anger is affected not only by the interaction with group members but also by the observation on others complaint behavior. Second, our findings contribute to customer interpersonal influence in customer complaint research. To our knowledge, our study is the first to include other customers characteristics in examining focal customers’ complaint behavior. Our findings support the argument that social identification with other customers can occur in short-lived groups and even in the absence of a formal group and extend the effect of source credibility from the research of salespeople, advertising, public relationship, and online reviews to service failure and recovery. Third, our findings contribute to the literature of customer relationship and complaint behavior. Our results support the literature by identifying both the direct negative effect of prior relationship and the interaction influences of prior relationship and others complaint behavior on anger.
Exploring the Role of Music on the Online Customer Experience

Authors
1. Sheilagh Resnick - Nottingham Trent University, UK
2. Ayane Fujiwara - Nottingham Trent University, UK
3. Abraham Brown - Nottingham Trent University, UK
4. Kim Cassidy - Edge Hill University, UK

Abstract
Service literature has extensively acknowledged the experiential qualities of consumption (Holbrook and Hirschman, 1982). Customer service experiences, defined as a process for enabling hedonic consumption (McColl-Kennedy, et al., 2015; Jain et al., 2017) now encompass the online retail environment. Initially perceived as largely functional in design, retail websites frequently accommodate hedonic and experimental opportunities, positioned as platforms that offer enjoyable shopper experiences (Childers et al., 2001). The potential of web atmospheric stimulus, capable of inducing consumer emotional responses during the online shopping experience, has increased the importance of understanding their effects on both shoppers’ emotions and on cognitive evaluation (Hoffman and Novak 2009; Rose et al. 2012). Music, as a web atmospheric, has shown to trigger listeners’ cognitive and emotional processes, namely arousal and pleasure, which in turn influences shopper behaviour (Oakes, et al., 2013; Roschk et al., 2017). Although widely used as an aesthetic stimulus in a physical store environment, the understanding of music and its impact on shopper enjoyment in an online environment is limited (Wang et al., 2017). This research addresses this gap by exploring the impact of music as a web atmospheric on shoppers’ flow, a measure of online shopper enjoyment in an online fashion retail context. Flow is a ‘state occurring during internet navigation’ (Richard and Chabat 2016, p.542) created when consumers become immersed in, and feel in control of, the holistic online experience.

The research setting is the website of a UK vintage fashion retailer to replicate an authentic online shopping environment. Our first study used an online survey and intervention/control research design, to evaluate the relationship between the presence/absence of music as a web atmospheric on flow. Results indicated that music did not have a direct influence on shoppers’ state of flow but that it acts as a key moderating variable between arousal and flow.

A second qualitative study confirmed this result for some participants, who did not register the presence of music. For those participants, typical website browsing included simultaneous navigation of other sites, or social media links, which subsumed consciousness and reduced web atmospherics, such as colour, text design and music, to a subliminal level. For participants who registered the presence of music, results suggest they became immersed in the website browsing. The congruity of the music with other elements of the website design, and an appropriate volume of music, also enhanced a sense of shopping enjoyment. The qualitative findings support the view that when participants shop online, different cognitive elements are required to navigate a website and complete the shopping journey. Although both studies indicate that music as a web atmospheric may not directly influence shoppers’ enjoyment, our research offers a new understanding of the role of music as a web atmospheric.
Who and When Will Consumers Choose Online Versus Offline Platforms: Omni-Channel Customer Service In a Digital Economy

Authors
1. Tuck Siong Chung - Essec Business School, Singapore
2. Sharon Ng - Nanyang Business School, Singapore

Abstract
Organizations are providing more service touch-points, ranging from traditional channels (such as offline face-to-face customer service) to digital channels (such as online chats), to engage the customer—an approach known as omni-channel customer service. However, scant research has examined who and when consumers are likely to reach out to the firm via the different service platforms. Field studies conducted across multiple countries (Thailand, Malaysia and Bangladesh) show that consumers’ choice of service platforms depend on their past-orientedness, process-focusness, conflict avoidance and the extent to which the situation evokes spontaneous reaction (e.g., when there is a service failure). Results showed that in the event of a service failure, consumers are more likely to reach out to the firm via traditional channels, even when digital channels are available. In addition, consumers who are past-oriented, process focused or conflict avoiding have a higher propensity to contact the service provider via traditional (non-digital) platforms. Findings from this research highlight the nuances in how consumers approach the different service channels and can better help firms better plan their service platforms.
Revisiting Extended Service Experience Provider Activities: Peak Experiences Providers’ Wellbeing

Authors
1. Mario Giraldo - Universidad del Norte, Colombia
2. Oscar Naranjo - Universidad de la Costa, Colombia
3. Mark Rosenbaum - University of South Carolina, USA

Abstract

It can be shown that the evolution of extreme sports, such as Triathlon, is a product of modern consumption where consumers make efforts to escape the ordinary (McCarville 2007) and coping with personal difficulties (Liddell 2013). Furthermore, peak experiences, such as triathlon, often difficult to measure, need service providers deeply keen in keeping consumers not only satisfied with their services, but also enduringly involved (McGinnis et al 2008) and open to actively embark and assume co-constructive well-being transformation. Thus, motivation for consumers of sports to embark in constructive/destructive wellbeing activities are deeply influenced by the support of sports communities (Rosenbaum 2006), materials, and trainers (Maguire 2001). However, knowledge about how service providers cocreate their wellbeing with consumers in these extended, affectively charged, intimate (Arnould and Price 1993), but many times discomforting, service experiences is scarce.

Extreme sports are sources of activities where consumers and providers shape their wellbeing, both hedonic and eudaimonic. TSR researchers call for an agenda for that focuses on hedonic and eudaimonic well-being (Anderson et al 2013, Rosenbaum et al 2012), ideologies that are on juxtaposition (Ryan and Deci 2001). Moreover, studies on sociology of sports acknowledging the role of physical trainers in public health, call for studies which take into consideration the “wholeness” (i.e. cultural, social, economic factors) and complexities of the contexts in which trainers professionals’ work and consumer development takes place (De Lyon et al 2017). Thus while TSR studies have focused on improving wellbeing through solving society wicked problems (Blocker and Barrios 2015, Sanchez-Barrios et al 2015) this study focuses on a gap of generating knowledge about improving wellbeing on more mundane service consumer/provider situations.

The primary purpose of this investigation is to explore how service providers of peak experience services, co-create wellbeing with their service user’s at extended service encounters. This study has the objective of exploring the dynamics of wellbeing co-creation for trainers supporting non-professional athletes providing using ethnographic methods. By studying triathlon communities of non-professional athletes as a case study, the researchers explored how trainers’ wellbeing is formed as forms of active integration of competences, materials, communities, and images that help consumers reproduce their actual and recreate new consumption practices, which are sometimes abusive, opportunistic, mistrustful, cheating and discomforting, showing the vulnerability of service providers at extended service encounters. Nowadays researchers made a call to create inclusive service systems (Fisk et al., 2018; Ozanne et al 2015) that enable opportunities, offer choices, relieve suffering and foster happiness to all service entities. As a result, it is important for service designers to consider how service systems can affect employees identity, self-esteem, stress, feelings and wellbeing (Anderson et al., 2012; Chan, Yim, & Lam, 2010).
Session 10-12

Saturday, July 20 (11:30 – 11:55)

Aligning the Data Disclosure Process with Customer Benefits: Employing Gamification to Increase Willingness to Disclose Data for Personalized Services

Authors
1. Margarita Bidler - University of Passau, Germany
2. Jan H. Schumann - University of Passau, Germany

Abstract
Consumer data enables firms to deliver services according to consumers’ sociodemographic profiles and personal interests, making digital services more relevant. Research shows that when being confronted with data disclosure decisions, consumers conduct a “Privacy Calculus”, which is a risk-benefit trade-off. According to this theory, data disclosure occurs when the associated benefits outweigh the expected risks of privacy intrusion.

Due to the widespread proliferation of data collection, individuals increasingly express negative attitudes regarding data disclosure. This negative mindset can hinder consumers to appreciate the benefits of personalized services. Firms therefore need to become increasingly creative to develop techniques to counteract consumers’ risk perceptions, and thus increase disclosure intentions. One opportunity to do so is by aligning the disclosure process with customer benefits resulting from disclosure by e.g., visually demonstrating the potential of personalization during the disclosure process. Gamification, that is the employment of game-elements in non-game-settings, offers various opportunities for such an alignment, by means of direct feedback regarding a task or avatars. While both data disclosure and gamification literature have received considerable attention in recent years, so far, no study has considered employing gamification to leverage disclosure intention.

Our study addresses this gap by examining data disclosure-settings, in which consumers disclose data for personalization proposes by creating avatars. Such avatars are an example for the alignment of the disclosure process with the benefits of personalization; the direct visual feedback demonstrates the opportunities of personalization, fostering consumers’ perception of objective benefits of data disclosure. Results of our experimental study (N=229) confirm that consumers’ perception of personalization benefits are indeed higher in a gamified disclosure-setting. Moreover, risk perceptions of data disclosure are lower for gamified disclosure-settings. These effects were driven by consumers’ perception of hedonic benefits related to the disclosure-process itself (i.e., creating the avatar). Interestingly, potential risks of data disclosure show a subordinate role on disclosure intention compared to the process-related hedonic value and objective personalization benefits.

These results highlight the favorable outcomes from gamified data collection methods on consumers’ data disclosure. A gamified disclosure process does not only increase the appreciation of objective personalization benefits, but also creates a hedonic process-related value. Therefore, our study contributes to Privacy Calculus literature by introducing a new technique to enhance disclosure intention via the alignment of the disclosure process with the benefits resulting from disclosure. We also contribute to gamification literature, as we show, that prior findings of positive outcomes transfer to data disclosure contexts.

From a practical point of view, we provide a data collection process, which is superior to common ways of data collection for both consumers and firms as it not only fosters consumers’ perception of personalization benefits but also increases the hedonic benefit of the disclosure process.
NOTHING BRINGS PEOPLE TOGETHER LIKE GOOD FOOD.

TO UNDERSTAND A CULTURE, ONE MUST FIRST TASTE IT.

SATURDAY, 20 JULY
12:00 - 01:15 PM

LUNCH & POSTER SESSION*

ATRIUM,
MOCHTAR RIADY BUILDING

Savoury chicken curry baked into a buttery, flaky pastry, these Curry Puffs will have you coming back for seconds.

Don’t forget to save space for the Beef Rendang with its tender chunks of beef and robust gravy. Pro tip: soak up the aromatic sauces with rice and you won’t have to resort to licking your plate.

*Please refer to page 36 and 37 for the list of posters.
KEYNOTE 7 | 01:15 - 02:00 pm

The Feeling Economy: Managing Service in the Next Generation of AI
Ming-Hui Huang
Distinguished Professor of E-Commerce,
Dept. of Information Management
National Taiwan University, Taiwan

This talk addresses the impact of different generations of AIs on service. Specifically, the first generation of AI has focused primarily on performing human tasks that are physical, mechanical, or repetitive. This has given rise to the service economy and has resulted in an economy (the Thinking Economy) in which the most successful human workers emphasize cognitive skills, and physical workers, such as farmers and factory workers, are mostly left behind. Conventional wisdom currently assumes that workers can protect themselves from obsolescence by making themselves more analytical. This may not be the case. The second generation of AI, focusing on analytical thinking and even intuition, is quickly mastering an increasing number of cognitive tasks. This is causing human workers to emphasize feeling tasks to a greater degree. This has important service implications, such that employees need to enhance their feeling and empathetic skills to meet the demand of increasingly emotionally conscious consumers. The Feeling Economy will transform the existing way service is created and delivered, but also provide exciting new opportunities.

KEYNOTE 8 | 02:00 - 02:45 pm

Services Research and the Aging Population: Threat or Opportunity
John Bateson
Visiting Professor of Management, Cass Business School
City University, London, UK

For the first time in human history the number of people over 65 will soon outnumber those under 15. Within a single generation large parts of the world have already made the transition. People are aging healthier, feel younger than they are and want to continue their lifestyles. However, their minds, senses and bodies age even though they are healthy, and many changes start at 40 not 70. This presentation looks at the impact of an increasingly aging population on services research, particularly in technology and robotics.

Aging has important effects on consumer psychology and behaviors. For example, there is a 0.9 correlation between age and satisfaction ratings from over 200 companies. The healthy aged consciously avoid situations that could be unpleasant. They are more loyal to their service firms and known experiences, and less likely to experiment. They are more “emotional” and more prone to depend on their service providers. They are less able to hear instructions in noisy or distracting situations and less able to pick out one conversation amongst many. They are more sensitive to ambient light and glare in the real or virtual world. Less able to process complex decisions and more susceptible to information presented anecdotally. Technology offers the chance aid such decisions. All the senses change, as does the mind and body. All these changes impact service research and management.

BREAK | 02:45 - 03:15 pm
Atrium, Mochtar Riady Building
FRONTIERS IN SERVICE 2019

SATURDAY, 20 JULY | 03:15 – 03:40 pm
CONCURRENT SESSION 11
Seminar Rooms @ Mochtar Riady Building

Exploring the Attitudes of Frontline Employees towards Humanoid Service Robots in a Retailing Context
Laurens De Gaugier (Vrije Universiteit Brussel, Belgium), Malaika Brengman (Vrije Universiteit Brussel, Belgium), Kim Willems (Vrije Universiteit Brussel, Belgium), Nanouk Verhulst (Vrije Universiteit Brussel, Belgium), Albert De Beir (Vrije Universiteit Brussel & Flanders Make, Belgium), Hoang-Long Cao (Vrije Universiteit Brussel & Flanders Make, Belgium), Bram Vanderborght (Vrije Universiteit Brussel & Flanders Make, Belgium)

Keep on Keeping on: A Configurational Approach to Service Innovation Adoption and Continuance
Robert Ciuchita (Hanken School of Economics, Finland), Johanna Frösén (Hanken School of Economics, Finland), Dominik Mahr (Maastricht University, The Netherlands), Jaakko Aspara (Hanken School of Economics, Finland), Gaby Odekerken-Schröder (Maastricht University, The Netherlands), Martin Wetzels (Maastricht University, The Netherlands)

Alexa, Siri or Google versus Brand-specific Voice Persona – Who to Blame or to Credit?
Silke Bartsch (LMU Munich, Germany), Caroline Tian (LMU Munich, Germany)

Maximizing Brand Equity via Ambidextrous Frontline Employees
Dr Vida Siahtiri (Macquarie University, Australia), Professor Aron O’Cass (Macquarie University, Australia)

When Humanoid Service Robots Can Elicit Compensatory Consumer Responses: An Examination of Moderating Effects
Martin Mende (Florida State University, USA), Maura Scott (Florida State University, USA), Jenny van Doorn (University of Groningen, The Netherlands), Ilana Shanks (Florida State University, USA), Dhruv Grewal (Babson College, USA)

To Solicit or Not? Exploring the Effects of Soliciting Reviews in the Collaborative Economy on Review Content and Style
Thijs Johannes Zwienenberg (KU Leuven, Belgium), Tine Faseur (KU Leuven, Belgium), Yves van Vaerenbergh (KU Leuven, Belgium)

The Role of the Nationality of an Automated Social Presence
Julia Sarah Hagel (Catholic University Eichstaett-Ingolstadt, Germany), Katja Gelbrich (Catholic University Eichstaett-Ingolstadt, Germany), Lena Hiemeier (Catholic University Eichstaett-Ingolstadt, Germany)

Bridging the Gap between Technological Enhancement and Personal Expectations: A 360-degree View on Technology Deployment in the Restaurant Industry
Sonja Christ-Brendemühl (University of Koblenz-Landau, Germany), Mario Schaarschmidt (University of Koblenz-Landau, Germany)

Hub and Rim Strategy: A New Framework for Service Systems in the Age of Technology
Piyush Kumar (Terry College of Business, University of Georgia, USA)

André Haff (Paderborn University, Germany), Nancy V. Wünderlich (Paderborn University, Germany)

Offshoring of Accounting Services: Should I Tell My SME Client?
Sven Tuzovic (QUT, Australia), Rebekah Russell-Bennet (QUT, Australia), Rory Mulcahy (University of the Sunshine Coast, Australia)

Measuring the Impact of Customers and Noncustomers Influencer Value in Social Networks
Jaylan Azer (Edinburgh Napier University, UK), Chatura Ranaweera (Wilfrid Laurier University, Canada)
Session 11-01

Saturday, July 20 (15:15 – 15:40)

Exploring the Attitudes of Frontline Employees towards Humanoid Service Robots in a Retailing Context

Authors
1. Laurens De Gauquier - Vrije Universiteit Brussel, Belgium
2. Malaika Brengman - Vrije Universiteit Brussel, Belgium
3. Kim Willems - Vrije Universiteit Brussel, Belgium
4. Nanouk Verhuulst - Vrije Universiteit Brussel, Belgium
5. Albert De Beir - Vrije Universiteit Brussel & Flanders Make, Belgium
6. Hoang-Long Cao - Vrije Universiteit Brussel & Flanders Make, Belgium
7. Bram Vanderborght - Vrije Universiteit Brussel & Flanders Make, Belgium

Abstract

Humanoid service robots (HSRs) are drastically changing the servicescape, as they are capable of executing tasks previously only performed by frontline employees (FLEs). Currently, service providers shift from mainly relying on FLEs to including HSRs within the existing workforce. Rather than replacing the human workforce, HSRs have the capability of augmenting the work of FLEs. Yet, relatively little attention has been paid to FLEs’ attitudes towards HSRs applied in the context of service interactions. This study aims to explore two key questions: (1) How do FLEs perceive a HSR’s ability to perform technical and social tasks required in a customer-oriented service setting? and (2) How do FLEs experience working in an employee-robot team for providing frontline services?

This study was conducted in a branded chocolate store located at Brussels Airport. A HSR (Pepper robot) was posted alternately inside and in front of the chocolate store for a couple of days. Passengers could participate in an entertaining quiz via the HSR. After participating, the HSR provided a code to receive a coupon that could be redeemed at the counter. As such, the HSR was used to attract passersby and lure them into the store. Eleven FLEs (two males; age range 20-64) were interviewed regarding their attitudes towards the HSR.

The transcripts were content analyzed using NVivo. Considering both technical and social skills, expectations and concerns of the FLEs were addressed. Regarding technical skills, most FLEs expect the HSR to be an extra help for both basic service roles (e.g. providing general store information) and more complex service roles (e.g. giving product recommendations). While six FLEs were concerned about the HSR taking over too many tasks, they believed the HSR is not able to handle some physical tasks (e.g. filling storage racks). Regarding social skills, the FLEs perceive the HSR as an augmentation of the workforce. An employee-robot team is also perceived to work in two stages: the HSR can greet and build some initial rapport with the customer, which can subsequently be taken over by the employee who then becomes the main company representative. Still, the HSR is perceived to provide a dehumanized service experience, as it is currently unable to show genuine emotions. For the same reason, the HSR is (still) not perceived as a real colleague.

This study provides both theoretical and managerial insights. Theoretically, a categorization is provided of FLE’s attitudes towards HSRs’ technical and social service delivery skills. Managerially, the results are valuable to retailers who must leverage the qualities of both FLEs and HSRs for efficient employee-robot customer interactions.
Session 11-02

Saturday, July 20 (15:15 – 15:40)

Keep on Keeping on: A Configurational Approach to Service Innovation Adoption and Continuance

Authors
1. Robert Ciuchita - Hanken School of Economics, Finland
2. Johanna Frösen - Hanken School of Economics, Finland
3. Dominik Mahr - Maastricht University, Netherlands
4. Jaakko Aspara - Hanken School of Economics, Finland
5. Gaby Odekerken-Schröder - Maastricht University, Netherlands
6. Martin Wetzels - Maastricht University, Netherlands

Abstract
Consumers today face an abundance of competitive offers in the marketplace, rendering the initial adoption of a service innovation an uncertain indicator of continued usage and long-term market success. To illustrate, the majority of downloaded mobile applications are never used again three months after the initial adoption. Therefore, assessing the long-term market success of service innovation after initial adoption, remains a challenge. Consumers’ tendency to overestimate their likelihood to continue using innovations after adoption during market tests often leads to unreliable estimates to support go / no-go decisions related to large-scale market launches. This is particularly true for new-to-the-market services, which depend on a complex interplay of determinants related to the customer, the service provider, and the enabling service system.

To address this challenge, this paper (1) determines the attitudinal and behavioral drivers of continued usage of a newly introduced service innovation and (2) establishes configurations of drivers that lead to the success or failure of the service innovation among individual consumers. The study draws on a unique quasi field experiment relating to the introduction of contactless mobile payment as a new-to-the-market service. Specifically, we examine the usage behavior of 712 consumers who adopted mobile payment and were incentivized to use it over an initial market test period of 13 weeks. Subsequently, we follow their usage behavior for an additional period of 4 weeks during which they can continue using the service at their own volition. We complement the behavioral data with attitudinal data on how these consumers perceive the network of service providers supporting the new service and themselves as users of the new service, as well as their overall service experience.

We employ zero inflated negative binomial regression to show how behavioral drivers determine individual consumers’ decision to continue their usage of mobile payment, and the extent to which they employ it after the market test period. We then employ fuzzy set qualitative comparative analysis (fsQCA) to determine complex configurations of additional attitudinal and behavioral drivers of usage among diverse groups of consumers.

The findings of this study point to a differing, but complementary role of behavioral versus attitudinal cues in predicting the market success of a service innovation: whereas behavioral measures are better able to predict service innovation continuance, attitudinal measures play a larger role in determining the extent to which individual consumers use the service innovation after a market test. Consequently, this study provides guidelines for managers to better estimate the success of service innovations after a market test and suggests effective ways to tailor the marketing communications related to the test period to best support continued usage by diverse customer segments.
**Session 11-03**

Saturday, July 20 (15:15 – 15:40)

**Alexa, Siri or Google versus Brand-specific Voice Persona – Who to Blame or to Credit?**

**Authors**
1. Silke Bartsch - LMU Munich, Germany
2. Caroline Tran - LMU Munich, Germany

**Abstract**

Voice assistants are virtual service robots (Wirtz et al., 2018) and revolutionize the way consumers interact with their environment. According to Tractica (2016), the number of users of digital assistants has more than doubled between 2016 and 2018. Despite the high practical relevance, research on voice assistants is still in its infancy. Thus, our research investigates the impact of voice assistants on customer’s service perception and outcome attribution.

Research on brand humanization emphasizes the key role of anthropomorphism for developing a close consumer-brand relationship (Kim & Kramer, 2015). Anthropomorphism implies humanizing nonhuman objects by ascribing them with human-like features, personality traits and mind (Epley et al., 2008; Waytz et al., 2010). A brand persona, as a form of brand anthropomorphization (Dion & Arnould, 2015), impersonates human traits and presence even though it is invisible (Rossiter & Percy, 1987). Therefore, brands need to know if consumers prefer to interact with the non-brand-specific voice persona created by the OEM such as Alexa or with a brand-specific voice persona, which is created for a specific brand and may facilitate the consumer’s proximity to the brand. Nevertheless, research accentuates the adverse consequences of brand anthropomorphism such as the attribution of blame in the case of service failure. As consumers purchase goods and services to obtain consummatory affective gratification or for instrumental reasons (Batra & Ahtola,1991), the service evaluation can also be influenced by the service type (i.e. utilitarian or hedonic service). Based on the theory of social response (Nass & Moon, 2012) and attribution theory (Kelley, 1967), we investigate the impact of a brand-specific or non-brand-specific voice persona on consumer’s perception for both utilitarian and hedonic services. Therefore, we conduct two laboratory experiments with a 2x2 between-subject design manipulating the type of persona (non-brand-specific OEM persona vs. brand-specific persona) and interaction quality (high vs. low) – one for an utilitarian and one for an hedonic service context. Perceived humanness, e.g. through human voice, is especially important for complex emotional-social tasks, whereas for the execution of functional tasks, a robot-delivered service would be sufficient (Wirtz et al, 2018). Thus, in the context of hedonic services, we expect the interaction with a brand-specific voice persona to increase consumer loyalty more than the interaction with the non-specific voice persona. However, we hypothesize that the impact of low interaction quality on loyalty is stronger for hedonic services when interacting with a brand-specific persona compared to a non-brand-specific persona.

To best of our knowledge, our study is the first to investigate the impact of the design of voice personas for voice assistants. Based on our results, we will derive managerial implications for brand managers and voice designers and suggest further research areas.
Maximizing Brand Equity via Ambidextrous Frontline Employees

Authors
1. Dr Vida Siahtiri - Macquarie University, Australia
2. Professor Aron O’Cass - Macquarie University, Australia

Abstract

Frontline employees (FLEs) face constant pressure to deliver high quality service and also sell additional services to customers. Pursuing cross and up selling opportunities and fulfilling customer service requests simultaneously offers potential benefits (and pitfalls) for service firms and customers. While it is argued that integrating selling activities into traditional service delivery increase firms revenues (Reider, 2008) and streamline interactions for customers (Rapp et al., 2017), it has pitfalls (downsides). The downsides for frontline service employees can be seen in difficulties in managing ambidextrous behavior and placing significant demands on managers and FLEs as customer service requests can create inefficiencies and increase costs (Lee et al., 2012). The downside for customer can be seen in possible negative impact on their perceptions of the encounter/experience depending on how service-sales are delivered. Customers negative behavioral and psychological consequences can lower satisfaction/increase dissatisfaction, weaken final sales (see Schmitz and Ganesan, 2014), and damage brand.

With growing pressure on frontline stakeholders (FLEs-managers-customers) and inconsistency about positives and pitfalls from service-sales greater attention is needed to unpack a range of issues that these practices are raising. Adopting job demand resource (JD-R) theory, we unpack the role of contextual resources and FLEs’ personal resources in helping FLEs’ to undertake both service and selling and how this effects service brand equity. To test our theory, we use triadic data obtained from service firms’ branch managers, FLEs, and active customers, this research makes three specific contributions. First, we unpack the interactive effects of contextual resources including, transactional leadership, initiative climate, market knowledge sharing, customers’ participation and FLEs’ personal resources in the form self-regulatory mode orientations to model FLE service-sales behavior. Second, while studies focusing on ambidexterity have examined antecedents and consequences from a single level perspective, we offer a comprehensive explanation of the mechanisms behind resource deployment and demand control/management at branch level and FLE level to engage in service-sales ambidexterity. Third, research investigating the effects of ambidextrous behavior on organizational units, organizational performance and the customer is limited (Yu et al., 2012). FLEs behaviors play an important role in service brand success (Morhart et al., 2009), therefore we investigate the relative contribution of FLEs service-sales–ambidexterity to service brand equity. The results demonstrate that contextual resources positively influence an FLE’s assessment orientation, which subsequently interacts positively with their locomotion orientation to facilitate ambidextrous behavior, thereby impacting service brand equity. The study offers new theoretical and managerial insights into managing frontline contextual resources and the effects of ambidextrous behaviors at both the branch and FLE level.
When Humanoid Service Robots Can Elicit Compensatory Consumer Responses: An Examination of Moderating Effects

Abstract

Humanoid service robots are an emerging reality that will increasingly replace human service providers in numerous industries (Harris, Kimson, and Schwedel 2018). Accordingly, customer–humanoid encounters in the marketplace are not as futuristic as they might seem, and they represent a primary area for innovation in services and shopper marketing (Van Doorn et al. 2017). Although technology continuously influences customer service experiences (e.g., Giebelhausen et al. 2014; Huang and Rust 2013; Meuter et al. 2005), the emergence of humanoid robots is among the most dramatic evolutions in the service realm, and it is already underway.

To date, human reactions to robots have largely been empirically studied in the field of robotics. However, specific reactions to humanoid versus human service providers have not been widely examined (empirically). Furthermore, empirical studies of service robots from a customer perspective in commercial service settings are scarce. Therefore, it remains unclear whether humanoid service robots (compared with human employees) will trigger positive or negative consequences for service consumers and companies. It would also be important to understand what types of consumption-related behaviors humanoid service robots might evoke among consumers.

In this research, we report the results of a series of studies that use multiple distinct HSRs as stimuli and provide multiple contributions to the service literature. First, our research is among the first in service research to test empirically how customers respond to HSRs. We show that interacting with HSRs (vs. humans) both increases consumers’ discomfort with the service provider and elicits compensatory consumption (e.g., increased food intake). Second, we reveal important aspects of the process driving the compensatory effect. Consistent with the notion that a robot’s highly human-like appearance can backfire, we find that HSRs trigger discomfort, which functions as a mediator linking HSRs and customers’ responses (i.e., decreased favorability toward the robot but increased food intake). Third, after demonstrating our basic effect, this research identifies boundary conditions of the adverse response to HSRs. Taken together, these studies not only extend theoretical insights into the impact of technology on customer service experiences but also offer actionable managerial implications with regard to humanoid service robots.

Keywords: service, technology, robots, food, anthropomorphism, belonging, compensatory consumption
Session 11-06

Saturday, July 20 (15:15 – 15:40)

To Solicit or Not? Exploring the Effects of Soliciting Reviews in the Collaborative Economy on Review Content and Style

Authors
1. Thijs Johannes Zwienenberg - KU Leuven, Belgium
2. Tine Faseur - KU Leuven, Belgium
3. Yves van Vaerenbergh - KU Leuven, Belgium

Abstract

Organizations and consumers strongly rely on customer reviews and ratings. Consumers use reviews in their decision making processes, while organizations use the input of customer reviews to gather relevant insights and develop new or improve current products and services (Chevalier & Mayzlin, 2006; Ludwig et al., 2016). As organizations benefit from collecting as many reviews as possible, many organizations explicitly solicit reviews from customers. This practice is particularly prevalent in the collaborative economy, where consumers acquire temporary access to personal goods or services from peer-consumers via dedicated platforms. Apart from process and product improvement purposes, platform providers rely extensively on reviews to instill trust among the users. Platform providers explicitly ask customers to review the peer service provider. Any peer service provider who fails to reach a certain rating gets removed from the platform. This policy creates an abundance of reviews, yet researchers suggest that these reviews tend to lack informative value, underreport negative experiences and report inflated ratings.

To date, research on the consequences of explicitly soliciting reviews from customers is surprisingly scarce. Research shows a positive effect of explicitly asking consumers to spread traditional word-of-mouth, yet it remains unclear whether these results are also applicable in today's digital economy (Wirtz and Chew, 2002; Söderlund & Mattsson, 2015). The purpose of this research is to expand our knowledge on the consequences of explicitly asking customers to write a review by testing whether this practice influences the review content (i.e. what and how much is being said) and the review style (i.e. the way the review is written).

We gained access to about 7,500 online reviews from two car- and ridesharing organizations, which were either solicited (N=6,524) or unsolicited (N=1,045). The initial results of an automated text analysis reveal that the content of solicited (unsolicited) reviews are highly positive (negative), with the majority of customers providing a 5(1) on a 5-point rating scale, that solicited reviews were much shorter then unsolicited reviews, and contained less disclosures than unsolicited reviews. In terms of review style, solicited reviews were much more impersonal and contained more signs of dishonesty than unsolicited reviews. Additional analysis will be carried out and include more in-depth analyses of both review content (i.e. which aspects of the service are customers writing about) and review style (is there a difference in linguistic style features). In a second step, we will use this input to build a predictive model that can estimate the probability that a review was explicitly solicited or not. This model may assist customers in deciding the weight they attach to a particular review they have read. This research contributes to literature as it fills an underexplored gap in current literature regarding online reviews and collaborative consumption.
The Role of the Nationality of an Automated Social Presence

Abstract

Nowadays, it is possible for intelligent machines to perform tasks that used to require human competence, such as driving a car. As autopilots take over this job in autonomous vehicles, customers have to give up responsibility and rely on the abilities of the autopilot. Only if these abilities are considered to be sufficient, customers will perceive the ride as a satisfactory service encounter. Previous research has shown that endowing a technological service with an automated social presence (ASP), which “makes customers feel the presence of another social entity” (van Doorn et al., 2017, p. 43), can increase competence perceptions.

However, little is known about the optimal design of an ASP. In the context of autonomous driving, nationality attributed to the ASP could play a role. When people visit a foreign country, they tend to expect a local to know his or her way around town better than a stranger. Based on role theory, we hypothesize for autonomous vehicle usage that an autopilot that is presented as a local (vs. a stranger) increases competence perceptions, which in turn fosters customer’s satisfaction with the autonomous driving service.

A preliminary study is conducted to test this hypothesis. It is a scenario-based online experiment, based on a one-factorial between-subjects design, manipulating the nationality of the ASP (local vs. non-local autopilot) in an autonomous driving context. ANOVAs with the experimental factor nationality of the ASP as the independent variable and satisfaction with the service and perceived competence as dependent variables were performed. Results support that subjects in the local autopilot condition are more satisfied with the service ($M_{local} = 6.33 / M_{non-local} = 5.46, F[1,56] = 6.07, p = .017, \eta^2 = .10$) and perceive the autopilot as more competent, compared to the non-local autopilot condition ($M_{local} = 5.15 / M_{non-local} = 4.36, F[1,56] = 4.30, p = .043, \eta^2 = .07$). A mediation analysis (Process tool, model 4) confirms a full mediation through perceived competence, as indicated by the indirect effect being positive and significant, with the 95% confidence interval excluding zero ($b = .69, SE = .33, CI = [.06, 1.39]$).

This research makes three contributions to the service literature. First, it enhances knowledge on ASP, by examining nationality as a relevant facet of this construct. Further, we confirm that attributing a local identity to an ASP increases satisfaction with the service. Second, this research examines the role of competence perceptions as the theoretical anchor for the positive effect of ASP on satisfaction. Third, we enhance knowledge of role theory in the context of technological service research.
Bridging the Gap between Technological Enhancement and Personal Expectations: A 360-degree View on Technology Deployment in the Restaurant Industry

Authors
1. Sonja Christ-Brendemühl - University of Koblenz-Landau, Germany
2. Mario Schaarschmidt - University of Koblenz-Landau, Germany

Abstract

Digitization in the service sector is rapidly changing business models and the way companies interact with customers. Rather traditional service sectors with a high degree of personal customer contact, including the restaurant industry, have remained reluctant towards technology for a long time. Meanwhile, industry reports show that restaurants of every size increasingly invest in digital solutions. These solutions range from handheld ordering systems over online reservation platforms to rather advanced table top technologies and order cubes on restaurant tables.

However, to the authors’ knowledge no research has been conducted yet on how these new forms of digital technologies affect attitudes and behaviours of frontline-service employees (FLEs) and, equally important, merchant-customer relationships. Against this backdrop, this research uses a qualitative approach to discover the beliefs and opinions of technology providers, restaurant operators, FLEs and customers on digitization in the restaurant industry. In total, thirty-six in-depth interviews were conducted to achieve a 360-degree view on technology readiness and attitudinal patterns.

Eleven FLEs in restaurants were interviewed about technology-related job demands, job resources, drivers of motivation and their customer-facing behaviours based on Bakker and Demerouti’s job demands–resources (JD-R) model. Interviews with seven restaurant operators and three technology suppliers revealed an additional perspective on specific demands and resources. Additionally, the customers’ perspective was integrated by linking the use of technology interfaces to customer delight, recommend intentions and tipping behaviour by fifteen structured interviews. Oliver and DeSarbo’s expectancy-disconfirmation paradigm is applied to investigate customers’ perceptions of the service performance and to unravel optimal customer-to-employee/customer-to-technology ratios.

Following Straussian coding principles, qualitative data analysis software MAXQDA was utilised to analyse the transcribed interviews. Throughout the analysis, key categories and concepts were identified by open coding, followed by a process of axial and selective coding for all interviewee groups.

Results indicate that a vast majority of FLEs agrees with operators’ and suppliers’ certainty that technology makes them more productive in their work. Managerial commitment towards technology and employee engagement are key job resources that pave the way to increased employee motivation when digital solutions are deployed. Solely system downtime caused by internet breakdown or empty batteries was indicated to cause strain among employees.

From a customer’s perspective, the most prevalent finding is that satisfaction and delight with a service supported by technology are likely to turn into the opposite if customer expectations regarding the effectiveness are not fulfilled. Anger about slow service performance leads to a higher risk of negative word-of-mouth and lower loyalty intentions compared to slow service when less technology interfaces are in place.

In sum, this study contributes to organizational frontline research by providing a 360-degree view on outcomes of digitization in the service sector.
Session 11-09

Saturday, July 20 (15:15 – 15:40)

Hub and Rim Strategy: A New Framework for Service Systems in the Age of Technology

Author
Piyush Kumar (Terry College of Business, University of Georgia, USA)

Abstract

In this paper, we propose a fundamental shift in strategic thinking related to service strategies in response to the dramatic changes in both technology and data processing capabilities. We argue that these changes require us to re-evaluate the distribution of intellectual versus operational capacities across service organization, and propose a new, Hub and Rim Framework to enable organizations to strategize and execute their transition into becoming a modern service system in the digital era. The framework proposes dramatic changes and potential reversals to the current approaches to hiring service personnel, their development and deployment, work definitions, incentive and control systems, and the tradeoff between the roles of technology versus people. It provides a set of prescriptions that stand in stark contrast to existing service management models such as the Service Profit Chain, The Gaps Model, Service Dominant Logic, and a counter-intuitive perspective on the management of a service firm’s customer base. The ultimate goal of the paper is both challenge researchers to revisit the primitives of long-standing models of service strategy and to help practitioners chart a course towards creating smart service systems.


### Session 11-10

Saturday, July 20 (15:15 – 15:40)

**Putting the Human Touch Back in Self-Service: Exploring Customer Perceptions of Augmented Self-Services at Physical Touchpoints**

**Authors**
1. André Haff - Paderborn University, Germany
2. Nancy V. Wünderlich - Paderborn University, Germany

**Abstract**

Service providers aim to provide a seamless experience across the different channels a customer uses along his/her customer journey (Neslin et al., 2006; Lemon & Verhoef, 2016). Channel integration, the degree to which the channels of a provider interact, has been shown to positively impact service quality perceptions and to reduce perceived risk (Avery et al., 2012; Herhausen et al., 2015). Most recently, firms augment physical self-service channels with personal contact channels such as ATMs with the option of virtual teller assistance via live-video streaming (DBS, 2017).

Research on channel integration has focused primarily on the integration of online and offline self-service channels (Bendoly et al. 2005; Herhausen et al., 2015), but has not looked at the integration of self-services and personally delivered service types (Schumann et al., 2012) at physical touchpoints such as in video teller machines (DBS, 2017). Self-service and personally delivered services differ in the benefits they offer. Personally delivered services offer social value (Giebelhausen et al., 2014), self-services can increase the efficiency and productivity of the service task (Meuter et al., 2000). Studies indicate that technology infusion in service encounters can lead to lower rapport in employee-customer interactions (Giebelhausen et al., 2014). Also, individual preferences for personal service types have been shown to negatively impact self-service usage (Bitner et al., 2002). However, the customer perception and adoption of self-services that have been augmented with personal contact has not been explored. Thus, this research addresses the following questions: How do customers perceive augmented self-service terminals? To what extent do typical perceived downsides and benefits of personal and self-service persist?

We conducted semi-structured qualitative interviews regarding the newly implemented real-time video consulting service in a ticket vending machine (TVM) of a German railway company. To cover all stages of the implementation of the new service, we carried out a total of three studies. We interviewed 13 participants based on scenario-descriptions of the new feature of the TVM in January 2018. 11 participants directly after they used a prototype of the new TVM in November 2018 and 10 users of the technology after the official launch between January and February 2019. We analysed the audio-recorded transcripts using qualitative content analysis (Mayring, 2010). The results of the studies show that customers mainly have positive perceptions regarding the touchpoint-based channel integration, evaluating the introduction as innovative. However, some participants did not evaluate the integration as positive due to an expected loss of efficiency and unwanted social contact. We will conduct and analyse appr. 15 more interviews until April 2019. Results will be ready for presentation at Frontiers.
Session 11-11

Saturday, July 20 (15:15 – 15:40)

Offshoring of Accounting Services: Should I Tell My SME Client?

Authors
1. Noyan Ilk - Florida State University, USA
2. Guangzhi Shang - Florida State University, USA

Abstract

Offshoring of services, which refers to the subcontracting of service activities to offshore providers, has emerged as a relevant phenomenon in international business (Bunyaratavej et al. 2011; Grappi et al. 2013; Pisani and Ricard 2016). While prior to the turn of the century, offshoring was mostly confined to the manufacturing sector, services offshoring is a relatively new and growing phenomenon, and it is related to the evolution of global business services (Wirtz et al. 2015). According to macroeconomic research business services are the fastest growing segment in the world economy in terms of value added, employment, and trade (Wirtz et al. 2014). The phenomenon of outsourcing has also influenced the entire accounting industry which now offers wide range of services, from bookkeeping, accounts payable, debt collection, billing and invoicing, to complex tax returns preparation (Daley 2008; Mrsik 2017).

Research on offshoring has been conducted in a number of disciplines (e.g., economics, public policy, international business) as well as on different levels of analysis (Musteen et al. 2017). While much attention has focused on the drivers of offshoring (Vecina et al. 2012) and the impact on cost savings and productivity (Yoon 2014), less attention has been paid to the negative effects of offshoring business services on the provider-client relationship. Some researchers argue that offshoring practices can evoke ethical or moral reactions in the public (see Grappi et al. 2013). For managers it is thus critical to understand the mechanisms of why, how and when business clients might evaluate offshoring decisions and practices unfavourably. Furthermore, some scholars argue that only scant attention has been paid to the unique attributes of small firms (Musteen et al. 2017).

Based on moral theory, status quo bias theory, and literature on innovation resistance, this paper investigates customers’ objections to offshoring accounting services in a business-to-business context. Utilizing panel data from Qualtrics, we conducted an online survey among small and medium sized companies (SMEs) in Australia (n = 268). The model is tested by structural equation modeling methods.

Results indicate that B2B customers have predispositions about services offshoring. Transparency, animosity and perceived risks are negatively related to acceptance of offshoring. This research provides insights on consumers’ behavioral reactions (negative word of mouth, loyalty, switching intentions) towards offshoring in a business-to-business context. The study will help businesses to prevent customer backlash towards their offshoring strategies as they will better understand why clients evaluate offshoring strategies less favorably.
Session 11-12

Saturday, July 20 (15:15 – 15:40)

Measuring the Impact of Customers and Noncustomers Influencer Value in Social Networks

Authors
1. Jaylan Azer - Edinburgh Napier University, United Kingdom
2. Chatura Ranaweera - Wilfrid Laurier University, Canada

Abstract

Understanding the influence customers have on each other is of critical importance in service research. With consistently growing opportunities to influence other actors through social media, the relationships between a firm and its customers are ever evolving. Customers engage in repeated journeys with the firm and their social networks via online engagement behaviors that go beyond transactions (e.g. e-WOM). Recent research formalizes the value of this influence that a customer exerts on other actors in a network as customer influencer value (CIV); one of the components to assess customer engagement value (CEV). Although customer’s influence on actors across service ecosystems is well understood, little is known about how service firms can identify customers with potential high influencer value which is their main challenge to leverage CIV during acquisition efforts. Additionally, thus far, no research has investigated non-customers’ influencer value, especially, to assess whether they will continue to share firm-related posts, and also, whether their posts will continue to have an impact in their social network.

This research uses two experimental studies and an online survey. The first study (experiment) aims at identifying customers with potential high degrees of influence by measuring their impact in terms of not only the size of their social network, but also the strength of their online social ties conceptualized based on the close-exchange orientations. The second study (survey) investigates non-customers’ likelihood of sharing firm-related posts. Finally, the third study (experiment) measures the impact of non-customers with high influencer value on other actors. Results of the first study show that network size is not a unique identifier of customers with high degrees of influence, and that dependant on the strength of their online social ties, customers with large and even small network sizes will affect other actors’ attitudes and behaviors towards service providers, after accounting for perceived source credibility and motives for generating e-WOM. Our results suggest that service providers should avoid relying solely on large network size to identify customers with potential high influencer value. Customers with small network size and strong ties have a much stronger impact than those with large networks and weak ties. Furthermore, medium ties which have been overlooked in prior research, showed a significant impact on other actors whether accompanied with large or small network size. This study advances empirical research on CIV and contributes to marketing research by providing empirical results that identify customers with high influencer value. The online survey results reveal the likelihood of noncustomers continuing to share firm-related posts and subsequently, the third study (experiment) measures non-customers’ influence value (NCIV) on actors. Finally, this research also provides new insights to win back non-customers with high influencer value.
HealthCare Services: Nonprofit vs For-Profit Competition
Jihwan Moon (University of New South Wales, Australia), Steven M Shugan (University of Florida, USA)

The Interactive Effect of the Feature Types and Styles of Robotic Service Providers on Social Cognition of Customers
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Exploring Solo Consumption Experience in Service Settings
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The Impact of Campaign Personality on the Crowdfunding Project Success
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Session 12-01

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HealthCare Services: Nonprofit vs For-Profit Competition

Authors
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Abstract

Our large healthcare database reveals marketing strategies that help private nonprofit hospitals achieve higher prices and larger profits than for-profit hospitals. Prior theoretical research suggests that nonprofits forego better profits for greater output, achieved with lower prices. In contrast, our analytical and empirical analyses reveal that nonprofits obtain higher (not lower) prices and larger (not smaller) profits by expanding their service mix to high-priced premium specialty medical services (PSMS). However, nonprofits have lower prices for basic services. Unlike prior empirical research that explores nonprofit vs. for-profit quality, we consider differences in service mix. We find, contrary to prior research, that greater competition increases differences in output. We also find that nonprofits, with a broader PSMS mix, spend more on national advertising than for-profits because the PSMS (e.g., epilepsy, tomography, oncology, neurosurgery services) require larger geographic markets than basic services that tend to be local (nursing, laboratory, diagnostic, physician-assistance). Our empirical analysis benefits from exogenous heterogeneous state regulations restricting for-profit hospital entry, allowing unique identification. Service mix may be the key difference between nonprofits and for-profits. Some of our findings include:

- Our analytical predictions concerning how increased competition affects healthcare markets are consistent with our large integrated health-care database compiled from multiple sources.
- Like prior research, we confirm nonprofits seek greater output than for-profits and increased competition increases output.
- Contrary to prior research, we find nonprofits can achieve greater output with higher (rather than lower) average prices than for-profits. A changing service mix to PSMS explains the difference. However, nonprofit basic service prices remain lower.
- Contrary to prior research, our analytical analysis finds that nonprofits can achieve higher (rather than lower) profits than non-profits. Again, differences in service mix explains why.
- Contrary to prior research, increasing competition increases the differences between nonprofit and for-profits, because greater competition causes nonprofits to broaden their service.
- New to prior research, we find that the service mix influences advertising strategies as nonprofits use national media for PSMS while for-profits focus on local media for basic services.
- Cross-subsidization between basic and PSMS increase the nonprofits’ competitive advantage.
The Interactive Effect of the Feature Types and Styles of Robotic Service Providers on Social Cognition of Customers

Authors
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Abstract
The new applications of robotic technologies are expected to create a $1.5 billion market by 2019 (Business Insider 2015). Rapidly emerging robotic technologies have not only challenged the traditional frontline encounters (Parasuraman and Colby 2015), but also transformed customer service experiences (van Doorn et al. 2017). Despite those potential impacts of robotic technology, some robotic service providers (RSPs) have been introduced merely as a novel promotional tool rather than substitutes of service associates. For example, Mandarin Oriental hotel in Las Vegas recently introduced a humanoid RSP, named Pepper, to provide hotel information (utilitarian features) and to entertain its guests by dancing and telling a story (hedonic features) (Jones 2017). Once the novelty of RSP wears off, marketers may not know how to utilize RSPs strategically as substitutes of service associates. Recent study suggests that RSP feature types (utilitarian vs. hedonic features) are critical determinants of customers’ willingness to try a humanoid RSP, while this is not the case for a non-humanoid RSP (Fukawa and Huang 2018). However, we have not yet understood the underlying cognitive mechanism of this interaction effect of the feature types (utilitarian vs. hedonic) and RSP styles (humanoid vs. non-humanoid) on the willingness to try. In this paper, we aim to understand how social cognition may possibly mediate this interaction effect.

Social cognition reflects how individuals interpret information about a social entity (Fiske and Macrae 2012). As RSPs become more humanlike, customers may perceive them more as a social entity and see RSPs warmer, and more competent (Van Doorn et al. 2017; Kim, Park, and Sundar 2013). The warmth and competence are two dimensions of social cognition (Cuddy, Fiske, and Glick 2008; Fiske, Cuddy, and Glick 2007). While warmth is associated with RSPs being caring, competence is associated with RSPs being skilful (van Doorn et al. 2017). Because the perception of warmth is rooted in affective traits and affective experiences are closely associated with hedonic values (Chattalas and Takada 2013; Chattalas, Kramer, and Takada 2008), hedonic features of RSPs are more likely to trigger warmth perception than competence perception. On the other hand, because the perception of competence captures functionality of an entity and functionality is closely related to utilitarian values (Chattalas and Takada 2013), utilitarian features of RSPs are more likely to produce competence perception than warmth perception. In addition, we expect this effect of RSP feature types on social cognition to be moderated by the RSP styles and to explain the interaction effect on the willingness to try RSPs. Overall, this research provides implications for researchers and practitioners interested in understanding the application of robotic technology in frontline encounters.
Investigating the Service Quality of Artificial Intelligence Service Agents

Abstract

AI is projected to make significant impacts spanning global economy and broader society. A recent PwC survey reports that AI is expected to generate over US$15.7 trillion to the global economy by 2030. The service industry is a key sector that is expected to be affected through the proliferation of AI service agents (AISA). AISA are technology agents, such as software programs, machines and robots, that act autonomously in response to changing conditions in their environment to achieve service goals. Powered by machine learning, AISA can provide consumers with benefits such as human-like empathetic service that is effectively always available. Irrespective of these benefits, it is unclear how they contribute to consumer perceptions of service quality. The objective of this study is to develop a new scale (AISERVQUAL) for measuring the service quality delivered by AISA and investigate its impact on consumers.

Existing service quality scales are inadequate in explaining the emerging service environment in which customers experience AISA. Early service quality scales were proposed in contexts dominantly involving human service agents in the service interaction. With the rise of technologies and the internet, scale measurements have focused on electronic service systems. With this, the importance of affective components such as empathy, present in several human service quality scales, assumed less importance for online contexts. However, existing service agents are not fully comparable with AISA which can provide both human-like service experiences with the benefits of technology and internet-connected service systems. Arguably, the service quality scale for AISA should contain an adaptation of existing measures relevant for the AISA service environment as well as new attributes not captured by exiting service quality scales with human or non-AI technology service agents.

The research to develop the AISERVQUAL scale is consistent with the general guidelines for scale construction in the literature. From a preliminary literature review, 11 dimensions containing 109 measure items have been identified to be able to tap the domain of AISERVQUAL. Through a series of refinements, the final scale will be tested with US respondents who represent one of the top markets for AI applications. Chatbots and IPAs will be used as suitable AI applications for this study due to their wider consumer accessibility, high market adoption and diverse task capabilities required.

This study will contribute to the development of a new service quality scale for AISA. This is in line with the research stream in services marketing by developing service quality scales that address new technologies and environments. This new scale is also useful for future research investigating antecedents and consequences of AISERVQUAL. In addition, dimensions influencing AISERVQUAL can serve as a diagnostic tool for service professionals to develop better quality AISA.
Session 12-04

Saturday, July 20 (15:45 – 16:10)

Service–Sales Ambidexterity: Past, Present, and Future

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Abstract

The notion of organizational performance has moved beyond simply attaining sales targets, service quality thresholds, or efficient average handling times as distinct, key indicators. A broadened key performance indicator palette acknowledges that consumers expect an engaging experience across multiple touchpoints and solution offerings that cater to their needs. This paper extends current knowledge about the resulting need for service–sales ambidexterity in three ways. First, we offer a synopsis of current scholarly insights into how to blend service delivery with sales and identify contextual conditions that foster effective service–sales ambidexterity. In relation to the simultaneous pursuit of service and sales goals, several gaps emerge. For example, scant theorizing addresses the common ground for service and sales activities and its potential for combining service and sales activities as an interface, at individual and collective (organizational) levels. Previous research conceptualizes service–sales ambidexterity primarily in relation to employee orientations (e.g., service vs. sales) and shared beliefs (e.g., climate perceptions). In contrast with this general attitudinal perspective, elements of service–sales aptitude, such as feasible blending practices and behaviors at individual and team levels, have received insufficient research attention. Furthermore, it is not clear whether the servicing and selling interface should be interpreted as a capability outcome or a capability implementation practice. In addition to equipping frontline employees and channel partners with knowledge and skills, another research gap arises due to the rapid advances in artificial intelligence (AI)-based technologies and machine learning, which hold the promise of building service–sales ambidexterity capacity. That is, AI and human labor might work together to facilitate the service–sales interface, but insufficient research details how such collaborations might function. Second, turning to current practice, we use an empirical case study to demonstrate how a multinational company strategically deploys online learning to bridge structural knowledge and skills gaps within its reseller network to achieve ambidextrous capacity in its channels and thus support solution selling. Complementing this human learning approach, we explore recent advances in machine learning and their impact on the service–sales interface. Third, we blend the academic and practice perspectives to establish a service–sales interface agenda that identifies directions for research. We call for the further theoretical development of ambidexterity concepts, as well as for novel insights into how to blend technologies effectively at the service–sales interface to enable ambidexterity in practice.
Value of Social Robots in Services: Social Cognition Perspective

Authors
1. Martina Caic - Marketing and Supply Chain Management, Maastricht University, The Netherlands
2. Dominik Mahr - Marketing and Supply Chain Management and Service Science Factory, Maastricht University, The Netherlands
3. Gaby Odekerken-Schröder - Marketing and Supply Chain Management, Maastricht University, The Netherlands

Abstract

The technological revolution in the service sector is radically changing the ways in which and with whom consumers co-create value. Social robots—defined as fully or partially automated technologies that co-create value with humans through their social functionalities—represent a rapidly growing element of service industries. Robots have moved from industrial settings (e.g., factories) to public (e.g., retail, healthcare) and private (e.g., homes) user settings. Designing future robots to match user values (e.g., through increasing value co-creation and decreasing value co-destruction) and enhance users’ well-being thus represents a top priority for both academics and practitioners alike.

A social cognition perspective can reveal how humans perceive their human-like robotic counterparts in terms of two overarching dimensions that emerge during social interactions: competence (being skilful or efficacious) and warmth (being helpful and caring). The experiential, idiosyncratic nature of value demands accounting for both benefits of value co-creation (e.g., feeling of security, prolonged independence), but also risks of value co-destruction (e.g., lack of personal touch, privacy intrusion); which in turn could explain people’s lack of willingness to accept social robots. The complexity of value, together with the disruptive nature of social robots, creates unique challenges to existing service processes. So far, no research details how service providers can leverage robot’s affective and cognitive resources and design for effective human–technology interactions ensuring value realizations for multiple stakeholders.

The current study addresses this research gap by employing a social cognition lens, with two major contributions. First, our proposed conceptualization of social robots in services and their value propositions advances understanding of technology-enabled services. Extant research primarily emphasizes the appearance or feature-related characteristics of robots, such as their morphology and assistive tasks. In contrast, our value centric conceptualization introduces four robot types (i.e., mechanic, thinking, and feeling robots, and robo-sapiens) that distinguish affective and cognitive resources necessary for collaborative value realizations.

Second, this article argues that the acceptance of human-like technologies is determined by how value is proposed and realized through interactions of service actors and social robots. Our iterative framework proposes that prior personal values become salient during context-specific user-robot interactions before users assess the robot’s value co-creation/destruction potential. Integrating both advantages and disadvantages of technologies for different service actors addresses recent calls for better understanding of the influence of social robots on value co-creation.

In this paper, we present an illustrative case demonstrating our value-centric framework. In that way, we substantiate our conceptualization with the empirical data from the elderly care setting. Our data supports the process of personal values activation by the robot’s value proposition and the trade-offs of positive (i.e. value co-creation potential) and negative (i.e. value co-destruction potential) elements.

Keywords: Social robots in services, Social cognition, Cognitive and affective resources, Value co-creation/destruction potential
The Impact of Psychological Ownership on Value in Use and Relational Outcomes in Sharing Economy

Abstract

Services refer to transactions through which customers gain the right to use tangible or intangible resources of service providers (Wittkowski et al., 2013). As such, customers attain access to suppliers’ resources without the need to own them. Research in psychology has sufficiently proved that feelings of ownership have important behavioral, emotional, and psychological consequences (Pierce et al., 2001). However, such feelings of ownership can also occur when an individual is not the legal owner but only the user of resources. This so-called psychological ownership (PO) has received a great deal of attention in the organizational field (e.g. Van Dyne & Pierce, 2004; Rodgers & Freundlich, 1998; Pierce et al., 1991; Rodgers & Freundlich, 1998; Dirks et al., 1996). In line with this research tradition, this study’s first assumption is that the degree of PO also affects the behavior of service customers using supplier resources within the process of service provisioning without owning them, like in car sharing.

Moreover, Reb and Connolly (2007) show that a high degree of PO positively affects an individual’s endowment effect. Hence, people judge the value of certain objects as higher merely when they develop subjective feelings of ownership toward these objects. Thus, the second assumption is that PO also affects the value in use customers perceive in service, defined as all customer-perceived consequences arising from use that facilitate or hinder the achievement of goals (Macdonald et al., 2011; Woodruff, 1997). Moreover, as value in use is seen as an important driver of relational outcomes like satisfaction, commitment, and word-of-mouth (Bruns & Jacob, 2016; Lemke et al., 2011; Macdonald et al., 2011), we also assume that PO drives, mediated through value in use, such relational outcomes.

Based on these assumptions, this study investigates the effects of customer-perceived psychological ownership in the field of car-sharing services. Based on a qualitative pre-study in which relevant value-in-use dimensions were identified, a quantitative study was conducted (n = 152). It shows that psychological ownership has a significant positive influence on each of the identified value-in-use dimensions. Further, the study reveals how the various dimensions influence customers’ satisfaction, affective commitment and word-of-mouth intention.

The study thus contributes to the current state of knowledge in three ways. First, it provides additional conceptual and empirical insights into the relevance and impact of PO in the service field, especially in car sharing. Second, by transferring the theoretical foundation of PO to a practical service context, this study extends the service marketing literature, in that few studies in this field focus on the usage of specific objects to which PO relates. Third, this study helps guide firms in improving service design by empirically demonstrating how the degree of PO leads to increased customer-perceived value in use and thus relational outcomes.
More and more consumers are using smart products equipped with artificial intelligence. A recent survey forecasts that by 2022, 50% of US households will be equipped with voice-activated smart speakers such as Google Home or Amazon Echo (Juniper Research 2017). A recent Adobe study found that of the consumers owning such a smart speaker, 47% use integrated voice assistants for product search in their shopping process (Adobe 2018). Thus, an increasing number of consumers is already outsourcing or will outsource decision making tasks to such smart technologies in the near future. Such an outsourcing of decision making tasks might be very convenient to many consumers as it takes care of a potential choice overload. Especially with the rise of online shopping, there are literally endless options for many product and service categories that might lead to a decreased motivation to choose and lower levels of post-purchase satisfaction (Scheibehenne, Greifeneder, and Todd 2010). On the other hand, outsourcing shopping decisions to voice assistants might also have adverse consequences for the competitive landscape as algorithms (programmed by commercial parties) heavily influence market shares. Outsourcing shopping decisions to voice assistants thus constitutes a trade-off for consumers: they give up control in return for increased convenience. In this study, we will analyze (1) what motivates consumers to use such voice assistants in their shopping decision making in the first place and (2) how positive initial experiences with such outsourcing will transfer to other decisions in a consumer’s life. If a consumer is satisfied with the outcome of an outsourced shopping task, she might build up trust in the voice assistant. Just like consumers value and follow the recommendations of friends and family they trust (e.g., Hoerger and Howard 1995), they might increasingly rely on their voice assistant for decision support also in more complex contexts. Consumers already heavily rely on comparison websites for typically important and complex decisions for instance for mortgages or insurances. Completely outsourcing such decisions to voice assistants could be a logical next step that even further reduces decision complexity in return for limited control. Our results will provide insights for manufacturers of voice assistants into which other areas of consumer decision making might be interesting fields of application. Further, we will provide insights for society into whether consumers should be prevented from outsourcing complex life decisions to such voice assistants as it might lead to adverse consequences for their own lives or the competitive landscape.
Personal Service Eco-System and Virtual Personal Assistant: Decentralizing Service Delivery as a User-Centric Paradigm

Abstract

The ultimate goal of service delivery is to realize the “value” expected by customers. User demands are usually coarse-grained, i.e., a demand needs to be fulfilled by the collaboration of multiple services. However, current service delivery paradigm is “Service-Centric”, i.e., massive customers are aggregated around each service, and a customer has to select multiple services and coordinate them manually, which would be rather time-consuming and error-prone. And, it is rather difficult for a customer to completely and timely perceive all the services and their dynamic changes in the global service market in order to make the best choice of services and avoid unanticipated services (and their changes) that would damage his experience during value realization.

To address these issues, our work is to decentralize service delivery relationships by shifting to “customer-centric” paradigm where customers hold the initiative role and massive services are affiliated around each user. This is similar as the idea “Solid” launched by ACM Turing Award Laureate Tim Berners-Lee in October 2018.

We present a concept “Personal Service Ecosystem (PSE)”. Each user has a PSE, and services that he perceives and uses are considered as “species” in his ecosystem. Among these services there are competitions and collaborations. PSE delineates the “external service world” that a customer has explored in terms of his preference. PSE’s structural model and mathematical properties are demonstrated. A method for recovering/visualizing PSE from a user’s personal data is presented, and a method for identifying the evolution of PSE is proposed to detect the preference evolution of a user.

Based on PSE, Virtual Personal Assistant (VPA) is designed with four components: (1) Personal Date Cloud (PDC), a cloud-based location for storing personal data. (2) Personal Sensor (PS), a tool that constantly monitors PSE changes and extracts underlying changes of user preferences. It also monitors changes of user context and predicts implicit demands of the user. (3) Service Collaboration Planner (SCP), a tool that selects optimal services and coordinate them to fulfill an explicit/implicit demand. If services in PSE are insufficient, new external services are recommended to the user. (4) External Service Sensor (ESS), a tool that helps a user monitor changes of external service market and each service. Acquiring such changes timely helps the user adjust his behaviors accordingly and facilitate more accurate service selection.

In recent years ACM Turing Award Laureate Raj Reddy introduced two important concepts in his AI-related talks: Cognition Amplifiers and Guardian Angels. PDC, PS and SCP constitute a user’s Cognition Amplifiers, and ESS is considered as his Guardian Angels. The transformation from “Service-Centric” to “Customer-Centric” and the design of PSE and VPA would significantly improve user experiences by amplifying their cognitions and guarding them for avoiding unanticipated external service changes.
Agrifood Ecosystem: Exploiting Convergence between Artificial Intelligence and Blockchain

Abstract

The term “Artificial Intelligence” (AI) was used for the first time to describe “the science and engineering of the manufacture of intelligent machines” (McCarthy, 1956). All data that is collected via an artificial intelligence device is organized and transmitted; but most artificial intelligence applications have to handle large volumes of data and the flow of data collection speed. Blockchain technology relies on a peer-to-peer network facilitating the exchange of data, the access to transparent and shared information (Seebacher, S., Schüritz, R., 2017); it helps AI to decentralize data and validate it without the possibility of manipulation (Helbing, D. 2019). The Blockchain and Artificial Intelligence together with IoT devices are converging in many businesses that shows significant potential for elevating the use of data and other resources (Lin, et al. 2018; Vermesan, O., et al. 2017; Banafa, A. 2017). For example, agrifood sector (Samaniego-Cobo, T., et al. 2018) requires the higher standard of transparency and traceability to the exchange of information in the supply chain; the smart technologies are expected to contribute greatly to such efforts (Tripoli, M., Schmidhuber, J. 2018). Few scholars analyse the convergence between technologies to foster business and innovation opportunities (Ng, I. C. 2014; Lin, J., et al. 2018; Ng, I., & Wakenshaw, S. 2018) and often the studies are limited to some technical aspects such as safety and transparency of transactions (Siriram, R. 2011; Kim, J., & Lee, S. 2013). Recent studies within service-innovation literature have pointed to the service ecosystems perspective to cope with increasing complexity of market, technology and innovation (Vargo and Lusch, 2016; Ng, I., & Wakenshaw, S. 2018). Russo Spena and Mele, 2018). They have recently recognized the need to focus on how digitization functions as “a new layer of connected intelligence that augments the actions of individuals and organizations, transforms data, and improve value co-creation and well-being (Demirkan et al., 2015, Vargo and Lusch, 2019; Ng, I. C., Nudurupati, S. S., & Tasker, P. 2010). The topic is of fundamental importance both for business scholars and professionals, but the studies on the subject are still limited. This paper aims to better understand the emerging of the Agrifood ecosystem with respect to the convergence of new technologies to support innovation. The research adopts a case theory method useful for analyzing complex social phenomena and their dynamics (Gumnesson, 2017). The focus is on agrifood business and the way in which multiple actors became connected and integrate resources for value creation and innovation. The convergence between the two technologies brings a change in the ecosystem of traditional intelligent agriculture to solve wider aspects such as the certainty of the origin of food, and others that define a change in the actors involved in the food chain and therefore in the relationship between these.
Exploring Solo Consumption Experience in Service Settings

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2. Laurie Wu - Temple University, USA
3. Khoa T. Do - National Tsing Hua University, Taiwan

Abstract

There has been the trend of living alone around the world and the rise of singledom has received attention as it can have various impacts (e.g. sociological, economical, environmental and psychological well-being) on the society. In the context of service consumptions, the popularity of single lifestyle may possibly (though not necessarily) indicate that the number of solo customers will be increasing in service consumption settings, since single people might not always have “default” companions for activities. To put it in another way, the term “solo customer”, which refers to any customer consuming service as a unit of one, can be an important customer segment for companies to target at. As many service consumptions are social by nature, customers with or without companion(s) may differ in their behavior and evaluations of service experiences in many aspects, such as the choice of consumption places, content of purchase, and emotions experienced. Yet extant marketing and service literature provides only a partial picture of this solo consumption phenomenon in service settings, mostly about the solo customers’ shopping experience, tipping behavior and dining experience in restaurants.

The objective of this study is to investigate solo customers’ experience in the marketplace. Solo consumption could be disliked or desired by consumers and thus we focus on consumers’ both positive and negative solo consumption experiences. Through eight in-depth interviews and nearly two hundred respondents in data collected via the critical incident techniques (CIT), we develop an understanding about solo customers’ experiences in various service settings, types and attributes of service events that may lead to satisfying or dis-satisfying solo experiences. The findings suggest that solo consumers are situational rather than a static group to target at. A comfortable atmosphere and adequate amount of attention are what solo customers hope for during service encounters. Furthermore, managing other customers in the service setting may be equally important for solo customer’s experience as other customers’ possible stereotypes toward those being alone is fearsome for people to engage in solo consumptions. Meanwhile, as solo customers are not really seeking a place for solo only, managing an environment that can cater to both customers in solo and in groups may require extra efforts. With these insights, companies may better manage services toward solo customers.
The Impact of Campaign Personality on the Crowdfunding Project Success

Authors
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2. Ching-Chang Lin - Taipei City University of Science and Technology, Taiwan
3. Tsai-Hsuan Wu - National Chung Hsing University, Taiwan

Abstract
Crowdfunding is currently one of the most important fund raising platforms for individuals and organizations. Because of crowdsourcing's overwhelming success, the key factors underlying this model demand attention. At the most obvious level, crowdfunding projects succeed because they bring value to investors. Researchers have employed a number of different viewpoints in examining this topic, such as the relationships to project creators', Twitter followers, quantity of money raised as indicator of success, project descriptions, frequency of progress updates and project duration. Many previous studies use quantitative factors to analyze crowdfunding success, but the predictive power of such approaches is questionable. Aaker (1997) uses consumer association to brand, company image, and other relative attributes to evaluate brands—finding five different dimensions to evaluate brands. Brand personality is key in understand how brands affect consumers. Some researchers further show brand personality affects the perceived quality of a product, thus influencing purchase determination. The current study attempts to explore whether successful crowdsourcing projects have consistent brand personality within their campaigns. We conduct computer-aided scaled directed sentiment analysis of consumer’s comments (text) for 200 projects from two of the most popular categories, Design and Technology, on the crowdsourcing platforms FlyingV and Zece Zec in the year 2018. Previous research focuses attention on updates, duration, social media, and funding levels as predictor of success. We extract the salient features of the five dimensional brand personality, along with other numerical data of previous used. Logic regression and cutting edge ensemble algorithms of machine learning are employed to compare the reliability of prediction and the relative importance of features in determining project success. Ensemble methods train multiple learners to solve the same problems. In contrast to ordinary learning approaches that construct one learner from training data, ensemble methods construct a set of learners and combine them.

Results show sincerity, sophistication, and ruggedness significantly affect project success. While the traditional logic regression has around a 70% prediction rate, the ensemble machine learning algorithm, significantly improves on this with a prediction rate of up to 80%.
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Session 13-01

Saturday, July 20 (16:15 – 16:40)

Service Consumption during Prolonged Conflict: Consumer Resilience, Routine & Rapport

Authors
1. Treasa Kearney - University of Liverpool, UK
2. Ahmed Al—Abdin - University of Liverpool, UK

Abstract

“When there is so much chaos and destruction or your local market burns to the ground, you feel obliged to help others [...] it’s easy just to give up, fall back and crumble! [...] when you’re faced with daily struggles and have to feed your family, it [struggling] becomes a way of life! People realise that the extraordinary is actually just ordinary and despite all the violence, we still stand united!” (Extract of data collection; Hiba, Iraq)

Mass protests, demonstrations and armed conflict in which is now known as the ‘Arab Spring’ revolution has swept across countries such as Iraq and Libya. These, disruptive events are occurrences which change over time (Giesler and Thompson’s 2016) and uncover rich service encounters within a complex service ecosystem (Blocker and Barrios, 2015). However, our understanding of a consumer’s service norms and practices during these times of social conflict has received little attention. This paper argues that institutions (i.e. the norms, rules, meanings, symbols and practices which connected actors share) and how service ecosystems evolve in social conflicts warrant attention. The aim of this paper is to examine the role of consumption practices during a period of disruptive social conflict.

By taking an institutional lens, we are able to delve deeper into the daily lives, consumption practices and activities of actors (Baron et al. 2018). We conducted 36 semi-structured interviews with respondents during disruptive periods in Iraq and Libya. We asked our respondents: how they go about their daily consumption practices? How do they react to any boundaries/conflicts? And who do they interact with? We embed our analysis within social conflict theory and relate to incumbents (i.e. governments or regimes who draw on formal institutions which compromise official rules or laws) and challengers (i.e. groups of consumers who integrate resources and co-create value in order to push back against the norms). Through this process, this paper contributes to better understanding of inter-relationships, those between consumers and communities, and intra-relationships, those between communities, within a service ecosystem. Through this process we establish several key theoretical contributions. Firstly, we establish that social conflict theory can better contribute to understanding a service ecosystem across disruptive events. We found that three important concepts can help mediate conflict; namely community Resilience, maintaining Routines and building Rapport. For example, we found that consumers focused on these concepts to help themselves cope with stress, build community defiance (and challenge the incumbents) and establish ordinary lives. Secondly, through exploring the daily activities of various actors, we gained a deeper understanding of how the ordinary is made extraordinary during periods of conflict. Through this process challengers opposed incumbents in order to bring about a normality and well-being to themselves and the community.
How Anthropomorphic Design Cues and the Foot-in-the-Door Technique Affect User Compliance with Chatbots in Customer Self-Service

Authors
1. Martin Adam - TU Darmstadt, Germany
2. Michael Wessel - Copenhagen Business School, Denmark
3. Alexander Benlian - TU Darmstadt, Germany

Abstract

Recent technological advances in artificial intelligence have triggered a new hype around conversational agents (CAs) such as chatbots (i.e., written programs for turn-by-turn conversations with customers by means of textual or auditory inputs). These technological artefacts promise to be fast, convenient, and cost-effective technology-based self-service solutions to support customers in finding relevant information as well as performing routine tasks. Studies estimate that chatbots can reduce current global business costs of $1.3 trillion on 265 billion annual customer service calls by 30% (Reddy, 2017). In light of these technological advances, marketers need to rethink their service activities to meet contemporary customer expectations while achieving cost efficiency.

As user information processing is profoundly dependent on the presentation of information, the design of chatbots plays a vital role in influencing user decision-making. Though prior work on CAs offers valuable contributions, it focused primarily on embodied CAs with their majorly visual anthropomorphic design cues (i.e., physical appearance), whereas chatbots predominantly use verbal cues (e.g., language style) in their user interactions. Thus, with few exceptions, prior research has neglected the role of verbal cues in user interactions with disembodied CAs.

Moreover, with the rapid uptake of CAs as artificial sales and service personnel, the question arises whether previously abundantly used compliance tactics (i.e., intended influences that target user behavior) might be equally applicable in these new technology-based self-service settings. For instance, the continued-question procedure as a form of the foot-in-the-door compliance technique is characterized by a specific dialogue design of verbal interactions and has shown to be heavily dependent on the kind and number of requesters. Yet, although the application of anthropomorphic information agents seems to be a promising new field for research on compliance tactics, these tactics have been hitherto neglected.

Drawing on social response as well as commitment-consistency theory, we empirically examine through a randomized online experiment how verbal anthropomorphic design cues and the common foot-in-the-door compliance technique affect user request compliance with chatbots. Our results demonstrate that both anthropomorphism as well as the need to stay consistent significantly increase the likelihood that users comply with a request during chatbot interactions. Moreover, the results show that social presence mediates the effect of anthropomorphic design cues on user compliance.

Overall, this piece of research is an initial step towards better understanding the impact of CAs and contributes to the extant literature on the designs of customer self-service channels. For platform providers and online marketers, especially for those who consider employing CAs in customer self-service, we provide promising generalizable and easily implementable design recommendations by validating the efficacy of anthropomorphic design cues and the foot-in-the-door technique in enhancing user compliance in the context of chatbots.
Understanding Brand Co-creation in the Era of AI and Automation

Authors
1. Lorena Blasco-Arcas - ESCP Europe, Spain
2. Claudia Simoes - School of Economics and Management University of Minho, Portugal

Abstract

Value co-creation emerges from the value-formation process where both the company and the customer establish interactive and synchronised processes creation value both for the customer and the firm. Encounters and direct interactions between managers (firm) and customers (market) are conditions for value co-creation. The domain of value co-creation and its metrics have been established as entailing dimensions, such as, Dialogue, Access, Risk assessment, and Transparency or a combination of co-production (entailing Knowledge (sharing), Equity and Interaction) and value-in-use (entailing experience, personalization and relationship). Although there has been progress in the delimitation of the value co-creation realm, we need to further understand how co-creation emerges and is transposed to brand co-creation in different contexts, such as in the context of automated service interactions.

Recent contributions in the area of automated services and AI have focused in understanding robot acceptance in service interactions and in the impact of artificial intelligence in service workers. While these contributions shed light on adoption and the evolution of AI in service, a more in-depth look is needed in understanding how AI and automated services may influence customer co-creation activities and how it may have an impact in brand-related perceptions. As brand co-creation becomes a more fragmented and networked process where automated interactions and AI are becoming more common, we need to understand how the use of these techs may influence customer experiences, roles and involvement in co-creation activities. In this paper we develop a deeper understanding of branding and its scope, offering insights into the customer role in automation and AI settings and the brand co-creation process.
How to Engage Employees at Organizational Frontlines? A Response Surface Analysis of the Fit/misfit-engagement Model

Authors
1. Katrien Verleye - Ghent University, Belgium
2. Bart Lariviere - KU Leuven, Belgium

Abstract

In times of technological innovations of the organizational frontlines, companies face enormous challenges in terms of engaging employees. To generate a better understanding of employee engagement, this research adopts a regulatory fit perspective. Specifically, this research proposes that employees show more engagement towards the organization as their goal-striving orientations match the goal pursuit strategies required in the work environment (fit). In contrast, a mismatch between the employee goal-striving orientations and the goal pursuit means in the work environment (misfit) is proposed to lower employee engagement towards the organization. Based upon a response surface analysis of survey data from 722 employees, this research demonstrates that the level of fit is positively associated with cognitive, emotional, and behavioral manifestations of employee engagement. With regard to misfit, these employee engagement manifestations vary along the extent of misfit (i.e., the degree to which goal pursuit means in the work context deviate from employees’ goal-striving orientations) and the direction of misfit (i.e., underfit and overfit – whether employees’ goal-striving orientations are respectively weaker or stronger than the required goal pursuit strategies in the work environment). Taken together, this research contributes to regulatory fit theory, while giving specific guidelines of how to engage employees.

Key words: Employee Engagement, Regulatory Fit, Regulatory Misfit, Regulatory Focus, Organizational Frontlines, Response Surface Analysis
Robot or Human? The Effect of Robot-versus-Human Caused Service Failure on Firm Evaluation

Authors
1. Isabel L. Ding - National University of Singapore, Singapore
2. Miaolei (Liam) Jia - University of Warwick, UK

Abstract
The use of robots in frontline services has been rapidly changing service industries (Wirtz et al. 2018). For instance, hotel chains such as M Hotel Singapore and Hilton Hotel have introduced service robots to provide room and concierge services (Scott and Guglioccielo 2016; Street 2017). The benefits of using robots are widely acknowledged—consistent quality and performance, virtually endless memory and access, and high economies of scale and scope (Wirtz et al. 2018). However, could there be potential drawbacks in using service robots?

In this research, we study and found that when a service failure is caused by a service robot (vs. a human employee), consumers will evaluate the firm more negatively, experience more anger at the firm, blame the firm more, and are more likely to write a bad review of the firm. We propose that this effect could be explained by accountability. When a service failure is caused by a human employee, consumers tend to hold the employee accountable; however, when a service failure is caused by a robot, consumers cannot hold the robot accountable, and instead hold the robot’s owner (i.e., the firm) accountable. We tested our proposition in three studies.

Study 1 used a 2 (robot vs. human) × 2 (light vs. severe service failure) between-subjects design. Participants imagined that they were dining at a restaurant. In the human (robot) condition, a waiter (robot) served the food, and spilled a bowl of hot soup. In the light-failure (heavy-failure) condition, the participants were told that they were not scalded by the hot soup but their outfit was lightly stained (severely scalded by the hot soup and their outfit was heavily stained). Participants were asked to rate “How angry are you at the restaurant right now?”, “To what extent do you blame the restaurant?”, and “How likely are you to write a bad review of the restaurant online?” These three items (α = .844) were averaged to form an evaluation index. We found that the participants rated the restaurant more negatively when the failure was caused by a robot versus a human (M<sub>robot</sub> = 4.80, M<sub>human</sub> = 3.30; p < .001).

Study 2 conceptually replicated the effect in a hospital setting. We found that the participants evaluated the hospital more negatively when the service failure was caused by a robot versus a human (M<sub>robot</sub> = 4.87, M<sub>human</sub> = 3.96; p < .001).

Study 3 tested the accountability explanation in a hotel context. We found that the participants evaluated the hotel more negatively when the failure was caused by a robot versus a human (M<sub>robot</sub> = 4.35, M<sub>human</sub> = 3.65; p = .003), and that this effect was mediated by accountability.
It’s All About the Content: The Value Proposition’s Role in Selling Solutions

Authors
1. Pirmin Bastian Bischoff - Catholic University of Eichstaett-Ingolstadt, Germany
2. Jens Hogreve - Catholic University of Eichstaett-Ingolstadt, Germany

Abstract

Offering solutions is an increasingly popular strategy in B2B markets to sustain healthy profit growth (Eggert et al., 2014, p. 23). However, the success of offering services is far from being guaranteed and depends highly on the sales force capabilities to provide proficient justification for the solution offering (Worm et al., 2017). In order to communicate how solutions provide value to their customers the value proposition concept has enjoyed rapid attention among managers and scholars recently (Payne et al., 2017). Nevertheless, there is limited understanding on what value proposition dimensions and related value components should be highlighted by salespersons in order to address the differing customer needs. Our research addresses this apparent gap in literature by answering the following research questions: (1) How does the effectiveness of solution selling vary by value propositions? (2) How do the effects of value propositions vary across members of the usage center?

To answer these questions, we use a multimethod research design. First, we conduct qualitative in-depth interviews with 30 salespersons from four large firms operating in diverse industries. Based on these insights we develop a conceptual framework comprising different value dimensions. Following the qualitative phase, we conduct a field experiment to test the effectiveness of highlighting different value dimensions in a real purchase situation.

Our contributions to the service marketing literature are threefold: First, we expand on B2B value communication strategies by examining the effect of differential value propositions on customer purchase behavior, a topic that has been largely overlooked by empirical studies in the B2B context. When interacting with current or potential customers, salespersons can choose between several design characteristics for crafting their solution value proposition. They can highlight different value dimensions (i.e. economic, functional, emotional), communicate unidirectionally or reciprocally or stress the customer’s resource integrating role. Yet aside from some conceptual studies, there is a lack of understanding what constitutes a superior value proposition.

Second, to date the literature assumes a “one size fits all” approach without taking into account the multidimensional aspect of how value in use is perceived by business customers (Macdonald et al., 2016). Our innovative conceptualization of value propositions allows adapting the communication of value towards an individual customer level with its specific usage context. To our knowledge we are the first incorporating the heterogeneity across the different roles within usage centers into the content design of value propositions.

Third, whereas crafting value propositions has been mostly seen through the lens of a strategic marketing imperative, a more fine-grained approach has received limited attention in the literature so far (Eggert et al., 2018). However, our results highlight the importance of creating more granular value propositions in order to improve direct communication effectiveness.
Session 13-07

Saturday, July 20 (16:15 – 16:40)

Track Me If You Can – A Nuanced Perspective on Consumers’ Value Assessment of Data-based Insurance Tariffs

Authors
1. Nicole Jasmin Heß - Ludwig-Maximilians-Universität, München, Germany
2. Verena Rapp - Ludwig-Maximilians-Universität, München, Germany
3. Manfred Schwaiger - Ludwig-Maximilians-Universität, München, Germany
4. Antje Niemann - Ludwig-Maximilians-Universität, München, Germany

Abstract

The ongoing digitalization is accompanied by a plethora of new types of consumer data, enabling firms to deliver highly personalized services. Thus, data-based insurances (i.e., tariffs tailored to data collected about insurers’ behavior) gain increasing prevalence (Huang & Rust, 2013). However, these insurances remain challenging for firms, as they ground on consumers’ willingness revealing personal data, while consumers fear an intrusion of privacy (Mothersbaugh et al., 2012). Despite the growing need in understanding the key drivers of consumers’ adoption of these potentially intrusive tariffs (Ostrom et al., 2015), yet, extant literature focusses on data disclosure in e-commerce. However, prior research findings might not necessarily generalize to consumers’ value assessment and adoption of data-based insurances, as their revolutionary nature comes with a new variety of risks associated with data tracking. E.g., based on tracked health data via wearables (e.g., sleep rhythm), insurers may draw extensive conclusions about individuals’ lifestyles or health status.

Grounded on Privacy Calculus Theory (Culnan & Armstrong, 1999), two experimental studies show that type of compensation for disclosing data (non-financial [e.g., material gifts] vs. financial rewards [e.g., discounts]) interacts with the sensitivity of tracked data (low vs. high), thus altering cost-benefit assessments and subsequent behavior. Further, this interactional effect is contingent on the insurance context. Study 1 examines this interplay in a life insurance context, showing if financial rewards are provided, higher levels of data sensitivity increase purchase intentions of data-based insurances. Increased utility perceptions (due to an increased fit to consumers’ needs) are the underlying mechanism, mediating the positive effect of data sensitivity on purchase intention. Contrary, we find a negative effect of data sensitivity on purchase intention, if non-financial rewards are provided, driven by increased risk perceptions. Whereas study 1 focuses on a life insurance context, study 2 expands this perspective to car insurances. In contrast to health data, consumers can influence tracked driving behavior (e.g., braking behavior) more actively, hedonic motives are more salient, and the data give a less comprehensive picture of consumers’ lifestyles. Results show the mechanisms identified in study 1 are reversed in this new context. Study 2 demonstrates that higher levels of data sensitivity now increase purchase intentions, if non-financial rewards are provided. Enhanced utility and hedonic value perceptions are the underlying mechanisms. These benefits then outweigh risk perceptions and drive subsequent consumer response.

In sum, our findings provide service marketers with a nuanced understanding of key contributors to and inhibitors of consumer adoption of data-based insurances, as well as related underlying value assessments. This research contributes to the discussion about distinct rewards’ effectiveness for data disclosure (Hui et al., 2007) in a service context, and furthermore adds to the ongoing debates on boundaries of highly personalized, data-based services (MSI, 2016).
Session 13-08

Saturday, July 19 (16:15 – 16:40)

Marketing Strategies for Late Entry in a Mature Market

Author
Stephen Joseph Wilkins - The British University in Dubai, United Arab Emirates

Abstract

First-mover and late entry advantages have been considered by many marketing scholars but surprisingly little research has been concerned with service industries in international markets. This research fills a gap in the literature, as it seeks to determine whether late entrants in mature markets can survive, prosper and make sustainable economic returns.

The United Arab Emirates (UAE) has one of the world’s most competitive higher education markets. Using the UAE higher education market as a case example, the purpose of this research is to (1) identify the different positioning and differentiation strategies adopted by late entry institutions to gain a competitive advantage; and (2) assess the extent to which these positioning and differentiation strategies appear to have been effective in delivering competitive advantage. The sample comprised seven campuses established by foreign universities in the UAE between 2012 and 2018.

The analysis was based on information freely available in the public domain, such as institution websites, promotional materials and press releases, as well as wider media coverage. A content analysis procedure was implemented. The literature was used to identify key words and phrases (such as reputation, quality, and student experience), which were then counted and grouped into themes or categories. Institution employees were also interviewed.

The findings suggest that some late entrants made no attempt at product differentiation. In 2017, 59% of higher education students in the UAE studied business, leading several of the new entrants to focus on business programmes. Due to previous campus failures, institutions emphasized their large size or financially-strong UAE-based partners. As is the norm in higher education markets, several institutions attempted to differentiate themselves by emphasizing their heritage, reputation or positions in rankings.

However, it was found that the most effective differentiation strategy was not related to any part of the marketing mix but to the targeted market segment. Indians account for 28% of the UAE’s population and Pakistanis 13%. Amity, with 2,000 students and the largest of the late entrants, targets Indian expatriates living in the UAE, and Abasyn adopts a similar strategy, but targeting Pakistani students. Locating in Ras Al Khaimah rather than Dubai or Abu Dhabi has allowed Abasyn to have among the lowest levels of tuition fees in the UAE.

Late entrants in the UAE higher education market have faced a ‘chicken and egg’ dilemma. Constructing a university campus is hugely expensive and some institutions will not commit to doing this until there is proven student demand. However, students will often avoid institutions that do not have an attractive campus. The results of this study suggest that despite the risks, a ‘build it and they will come’ strategy can be hugely rewarding.
Session 13-10
Saturday, July 20 (16:15 – 16:40)

Sustainable EProcurement

Authors
1. Sriram Rajagopalan - Greatlakes Institute of Management, India
2. Venkataragahavan Krishnaswamy - Indian Institute of Management, Kashipur

Abstract

A key aspect of public procurement is sustainability. Government across the world are seized with the issue of sustainability. The UK Environment Department states that ‘Sustainable Procurement is a process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis in terms of generating benefits not only to the organization, but also to society and the economy, whilst minimizing damage to the environment. In the context of public procurement, Researchers identified that sustainable procurement in its various guises is a policy objective in public procurement and is the pursuit of sustainability objectives in the purchasing and supply process. Public procurement is a major economic stimulus and organizations involved in public procurement can enforce sustainable practices throughout the supply chain. For example, literature in manufacturing contexts has shown positive results for the environments as a result of communication and collaboration between partners. Further studies on the theme of “Sustainability and E-Procurement Systems” is scant and relationships between E-Procurement Systems and Sustainable procurement is unknown.

In the context of India, a research work studied disclosure practices relating to sustainability in public procurement in central public sector enterprises (CPSE’s) without dwelling upon E-Procurement aspects. Public procurement accounts for 15% of world’s GDP, and in India, its varies between 20%-30% of its GDP as per UNODC reports. Recognizing the need for better management of public procurement, the Government of India (GOI) has been actively promoting the use of e-procurement system (EPS). GOI has established two EPS namely https://www.eprocure.gov.in/cppp/ (EPROCURE) and https://gem.gov.in/ (GEM) for the use of various ministries, department and autonomous bodies functioning under the federal or provincial governments. Statistics from EPROCURE indicate an upward trend from $12.73 Bn in 2012-13 to $83.87 Bn in 2015-16. The uptake from GEM for an eight-month period since its deployment in August 2016 was $0.07 Bn. At $84 Bn after five years, only 19% of public procurement is processed through EPROCURE and GEM. This is in spite of the mandate of e-procurement described in the General Financial Rules, by the Department of Expenditure (GOI).

In summary, the key gaps in literature, which I propose to address in the project with specific reference to India are Adoption issues related to E-Procurement Systems in public e-procurement and The role of E-Procurement Systems in promoting sustainability in public e-procurement. There are several possible ways to address the gaps above. They require detailed investigation. For example, it is an established concept in IT literature that “perceived usefulness (PU),” “perceived ease of use (PE)” and “facilitating conditions (FC)” act as key drivers of system adoption. Another possible approach using the Design Science Research principles
Session 13-11

Saturday, July 20 (16:15 – 16:40)

Will Good Service Attitude Beautify Customers’ Sensory Evaluation? The Moderating Role of Uncertainty

Authors
1. Huifan Li - Nankai University, China
2. Xingyang Lv - Southwestern University of Finance and Economics, China
3. Xiucheng Fan - Fudan University, China

Abstract

Some anecdotal evidences (Lashley et al., 2007; Lugosi, 2003, 2008; Crang, 1994; Mody, Suess, & Lehto, 2018) show that such a service attitude as being enthusiastic, hospitable, and nuanced (e.g., helping customers develop travel strategies and carrying luggage when picking up customers), will allow customers to ignore the shortcomings of the service facilities and make more favorable sensory evaluations like sight, hearing, smell, taste, and touch. However, although previous research explored the influence of service attitude of employees on customers’ willingness to revisit from the angle of customer satisfaction (Schmit & Allscheid, 1995; Susskind, Kacmar, & Borchgrevink, 2003) and the impact of sensory experience on consumer behavior from the perspective of environmental psychology (Baker, Parasuraman, Grewal, & Voss, 2002; Zhu & Meyers-Levy, 2005, 2009; Chandon & Wansink, 2002; Krider, Raghuram, & Krishna, 2001), respectively, there is a lack of studies linking service attitude to customers’ sensory evaluation. Based on service research (Arnould & Price, 1993; Zomerdijk & Voss, 2009), psychological research on uncertainty (Van Horen & Mussweiler, 2014; Shen, Fishbach, & Hsee, 2015), and social thermoregulation research (Landau et al., 2010; Szymkow et al., 2013; IJzerman et al., 2015), we propose that good service attitude will reduce perceived psychological distance, and thus beautify consumers’ sensory evaluation. We also identify uncertainty is an important boundary condition of the relationship between service attitude and customers’ sensory evaluation.

Three studies using diverse data (real online data from xiaozhu.com, data from a field study, and controlled experimental data) test the above hypotheses. Study 1a and 1b use the web-scraping tool to get word-of-mouth reviews of homestays of Chengdu and Linzhi on the xiaozhu.com respectively. Results of study show that evaluation of host (service attitude) significantly affects guests’ sensory evaluation, psychological distance plays a partial mediating role in the above relationships, and environmental uncertainty is a significant moderator. Study 2 takes university orientation as a research object. Results of study show that the main effect of service attitude, the mediating effect of psychological distance, and the moderating effect of attachment style are all significant. Study 3, a scenario simulation experiment utilizing a 2 (service attitude: good vs. medium) x 2 (environment uncertainty: high vs. low) x 2 (attachment style: attachment anxiety vs. attachment avoidance) between-subjects design, is in progress.
Session 13-12

Saturday, July 20 (16:15 – 16:40)

The Customer Experience in a Primary Standard Breast Augmentation

Authors
1. Jessica Joan Castles - Queensland University of Technology, Australia
2. Rebekah Russell-Bennett - Queensland University of Technology, Australia

Abstract

The customer experience is a key element of service design, playing a fundamental role in determining customer preferences, and creating a new lever for value creation (Texiera, 2012; Gentile, 2007). Customer experience has been used as the theoretical foundation for research across services aimed at the mind and possessions (e.g., travel, online shopping, grocery retailing, hospitality and retail banking) yet there has been little done in services aimed at the body where expectations and outcomes are highly subjective and unpredictable and have physical consequences (Walden, Panagopoulous & Shrader, 2010; Dawn & Lee, 2004). Services aimed at the body increase the salience of customer experience dimension of sensorial which may alter the overall customer experience.

In the field of breast augmentation there is rising rates of dissatisfaction with technically successful surgery and the rates of re-operation are increasing (Cash, Dual & Perkins, 2002, Phillips 2017). One reason is the gap between the imagined customer experience of the surgery (the look and feel of the new breasts) and the reality. The role of virtual technology in enhancing the service experience has been widely acknowledged in fields such as fashion retailing, e-commerce and tourism (De Heras, 2012; Xin, 2013). The extant literature within the cosmetic medical field has considered the capabilities of 3D imaging within the context of surgical simulation as a planning aid to demonstrate potential breast implant outcomes for patients, thus facilitating better expectations management (De Heras et al, 2012). While the literature considers the role of 3D breast imaging as an aid in the customer experience (Scholz & Smith, 2016) and evaluates the breast simulation accuracy (Roostaeian & Adams, 2014; Mailey et al, 2013) there is little understanding of how and whether 3D breast imaging can bring the imagined goal closer to the reality to improve the customer experience. This research addresses two research questions:

RQ1: How do the breast augmentation service touchpoints influence the imagined customer experience for primary standard breast augmentation patients?

RQ2: How does 3D imaging software influence the expected customer experience to improve the actual customer experience for primary standard breast augmentation patients?

This research will report the findings of qualitative longitudinal interviews with 20 patients of a metropolitan breast surgery clinic. The interviews will be before and after surgery (40 interviews) with half the patients electing to undergo 3D breast imaging and half receiving the standard service (no imaging). The research has theoretical contributions for the customer experience, 3D imaging and medical literatures. There are also key practical contributions for medical practitioners through valuable insight into patient experiences, expectations management, and optimal usage of 3D imaging resources.
**SATURDAY, 20 JULY | 04:45 – 05:10 pm**

**CONCURRENT SESSION 14**

Seminar Rooms @ Mochtar Riady Building

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**Tendencies of Health Care Services - Based on the “Community Health Experience Model”**

Judit Simon (Corvinus University of Budapest, Hungary), Zoltán Lantos (Health Value Services cPlc)

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**Consumer Evaluation of Co-branded Services: The Importance of Bundling Effect**

Chia-Lin Lee (National Taiwan University of Science and Technology, Taiwan)

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**Stealing from Robots in Service Roles**

Paula Dootson (Queensland University of Technology, Australia), Kate Letheren (Queensland University of Technology, Australia)

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**Marginal Upselling: An Empirical Investigation in the Perishable Service Industry**

Aidin Namin (Loyola Marymount University, USA), Velitchka Kaltcheva (Loyola Marymount University, USA), Dinesh K Gauri (Loyola Marymount University, USA)

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**Exploring Salesperson Solution Involvement in Business-to-business Markets**

Franziska Maria Bongers (University of Passau, Germany), Gloria Kinateder (University of Passau, Germany), Jan Hendrik Schumann (University of Passau, Germany), Dirk Totzek (University of Passau, Germany)
**Session 14-01**

**Saturday, July 20 (16:45 – 17:10)**

**Tendencies of Health Care Services - Based on the "Community Health Experience Model"**

**Authors**
1. Judit Simon - Corvinus University of Budapest, Hungary
2. Zoltán Lantos - Health Value Services cPLc

**Abstract**

The general tendencies of the health care services are changing in the following directions: in the past fifty years the effectiveness-based approach is increasingly taken over by efficiency-seeking efforts. This requires a new—adequate and more regulated—behaviour from service providers, very recent expectation of the patient is to be engaged in the therapy; individual medical treatments provided by subordinates are replaced by health care services that are based on team work and horizontal collaboration. It means, that collaboration is of the vital importance in the health care sector at present will be in the future.

Health care also needs to have a service strategy, with a general starting point of it is to define a business or businesses in which the service provider wants to compete. The health care service market should behave similarly, despite the fact that service providers rarely think of themselves as business actors, although they are also actors of a service market, the health economy.

In the system of health care services, value for patients can only be defined relative to their disease or medical condition. The practice units of health care services have to be organized around disease groups that include the whole therapeutic and health care management process. This is called care delivery value chain by Porter and Teisberg (2006). The care delivery value chain as a model also provides a conceptual framework to consider goals and activities of health care and public health care coherently, and additionally to implement health-related collaboration extensively and consistently. The ‘Community-based health experience model’, based on the care delivery value chain, provides a framework to analyze, develop and manage competences available in the health-ecosystem, to implement a person-centred network, and to increase individual health value.

The practical usefulness of model development was investigated on a test market, and trial outcomes proved that the community-based health experience model can provide a substantial additional amount of health value generation even in a three-month period.

As a result of the network-based collaborative service approach, we present the case of fall prevention in osteoporosis. In the investigation participated 137 doctors and 932 female patients. As a result of the application of the model the fall risk decreased by 11.8% and the number of falls decreased by 4.5% within three months. Regarding the major health experience outcomes, self-evaluated condition-specific health literacy improved from 7.85 to 8.26 (an improvement of 0.41), while self-evaluated condition-specific self-management capability changed from 7.25 to 8.06 (0.81 improvement).

In conclusion, the proposed Community Health Experience Model is a novel and promising approach to designing the structure of more effective and efficient health services and collaborative networks.
Session 14-03

Saturday, July 20 (16:45 – 17:10)

**Consumer Evaluation of Co-branded Services: the Importance of Bundling Effect**

**Author**
Chia-Lin Lee - National Taiwan University of Science and Technology, Taiwan

**Abstract**

Numerous types of co-branded services exist in the business world. Global examples of co-branded services include, among others, the Barnes & Noble bookstores that accommodate Starbucks and the Uniqlo and Bic Camera shopping mall in Tokyo. Many marketing scholars have attempted to provide rules for distinguishing different types of co-branding service alliances, and one important rule is the level of integration.

Existing co-branding studies show that, when the level of integration is low, consumers can easily identify which brand in a co-branded service alliance to praise or criticize; thus, the value of one brand is not influenced by the other partner. However, previous studies have totally neglected the “bundling” effect. This research bridges this critical gap.

This research utilizes the analytical modeling approach to prove three theory-driven propositions for highlighting the importance of the “bundle-as-a-whole” effect and the concept-combination impact. First, in a highly-integrated co-branded service, the post-alliance value of one brand can influence that of the other. Second, in a lowly-integrated co-branded service, the value of one brand is very likely to be not affected by that of the other, when consumers consider the services provided by each of the brands to be a bundle. Thirdly, in a lowly-integrated scenario, if consumers do not consider the co-branded service as a bundle, the post-alliance equity of the partnering brands will not influence one another.

To the best of our knowledge, this research is the first to identify the bundling effect in the co-branded service context. Practical implications are provided as well.
Stealing from Robots in Service Roles

Authors
1. Paula Dootson - Queensland University of Technology, Australia
2. Kate Letheren - Queensland University of Technology, Australia

Abstract

Consumers increasingly use technology to make their everyday lives more efficient, including how they engage with and experience services. Yet, with the introduction of these technologies into the marketplace, we also observe new ways consumers can cheat, lie, steal, or misuse the technologies for their own benefit. These are all examples of deviant consumer behaviour (DCB), behaviour that violates laws, policies, or accepted norms of conduct (Daunt & Harris, 2012; Dootson et al., 2017). DCB can be directed towards an organisation’s employees (e.g. verbal abuse), merchandise (e.g. theft), financial assets (e.g. all types of fraud), physical or electronic premises (e.g. vandalism; computer virus), or other consumers (e.g. jumping queues; hostility). For instance, theft at the self-checkout is a billion-dollar problem around the globe (Mortimer & Dootson, 2017; Taylor, 2016). With businesses increasing rates of self-service technology adoption, new modes of deterrence need to be explored.

While the reasons to introduce technologies into the servicescape are, for the most part, economically compelling, there is little consideration in literature and practice for the unintended consequences of DCB. These could include damage to the technology, misuse, cost of reprogramming, or cost of shrinkage linked to use of the technology. DCB impacts whether the organisation can realise the full potential of the technology they invest in.

Past research demonstrates humans are the greatest defence against DCB for two reasons: they increase the perceived likelihood of being caught and punished (Greer & Daunt, 2015), and they can engender empathy (Jenni & Loewenstein, 1997) from a possible deviant consumer. Humans are thus able to trigger both cognitive and affective responses in consumers to deter DCB. So, if humans are the greatest defence against deviance then what happens when we replace them with technology? Can the same cognitive and affective inhibitors – risk of detection/punishment and empathy – still be triggered when no human is present?

This research draws on criminology, psychology, marketing, and human-computer interaction. Three studies were conducted across Australia and the United States, in the financial services context. The findings demonstrated consumer propensity to steal from technology varies based on the perceived humanness of the technology. Participants were more likely to steal from an ATM than a robot, but were more likely to steal from a robot than a human. The relationship between perceived humanness and DCB is mediated by participant’s empathy towards the technology, such that higher empathy strengthens the negative relationship between perceived humanness and DCB. Preliminary findings, however, do not find perceptions of risk (probability of being caught and punished) to mediate the perceived humanness and DCB relationship.

Theoretical and practical implications are presented for the development of technology to reduce instances of DCB, while still offering customers efficient service delivery.
Marginal Upselling: An Empirical Investigation in the Perishable Service Industry

Authors
1. Aidin Namin - Loyola Marymount University, USA
2. Veilichka Kaltcheva - Loyola Marymount University, USA
3. Dinesh K Gauri - Loyola Marymount University, USA

Abstract
This paper investigates, and empirically validates, advertising strategy and policies in the cruise industry for different cruise cabin types. An experiential good, cruises are one of the major offerings in the marketing, service, and hospitality fields. We model advertising strategy as share of advertising expenditures by the focal company relative to total ad expenditures in the cruise industry over weekly time periods. We estimate our demand model (i.e., number of bookings over time) using a Poisson regression setting. Our model’s major variables include different cabin types, weeks left between booking and departure, and share of advertising, as well as several interaction terms and covariates, including, traveler’s income, and travelers’ distance from sailing point. Using a proprietary dataset, which covers booking information from a leading cruise company in the United States, we empirically test our model.

Empirically validating the effect of marginal upselling, our findings indicate that for the closest three weeks to cruise departure, increasing share of advertising by the focal company would result in an increase in the number of bookings for suite and ocean-view (with a higher impact for the latter), but would result in loss of bookings for balcony and upper/lower cabin types. Such loss of demand is expected to be higher for balcony. For those weeks which happen to be 2 to 26 weeks from the departure date, increasing share of advertising expenditure contributes positively to number of bookings for suite and ocean-view cabin types with a similar effect for either. While it harms demand for upper/lower and balcony cabins, with a considerably larger negative effect on upper/lower cabins. If the increase in share of advertising happens between 26 to 52 weeks before cruise departure, then it would result in an increase in demand for ocean-view cabins only, causing reduction in demand for all three other cabin types, relative to our baseline. The negative impact on upper/lower is remarkably higher than the other two, where the impact is very similar for them. Finally, if increase in advertising expenditure share occurs during the farthest two weeks from departure, the company should expect demand elevation for upper/lower and ocean-view cabin types, with a stronger impact on the latter, while they should anticipate demand reduction for suite and balcony types, with a larger reduction for suites.

From the academic point of view, to the best of our knowledge, our analysis is among the first studies in the literature which investigates the impact of upselling for different cabin types in the service industry. From the practitioners’ perspective, our unique results have important managerial implications for cruise-ship managers and shed light on advertising decisions made in this growing industry.
Session 14-12
Saturday, July 29 (16:45 – 17:10)

Exploring Salesperson Solution Involvement in Business-to-business Markets

Authors
1. Franziska Maria Bongers - University of Passau, Germany
2. Gloria Kinateder - University of Passau, Germany
3. Jan Hendrik Schumann - University of Passau, Germany
4. Dirk Totzek - University of Passau, Germany

Abstract

Effectively selling solutions to business-to-business (B2B) customers is challenging and requires specific sales activities. Solutions comprise four relational processes, i.e. “(1) customer requirements definition, (2) customization and integration of goods and/or services and (3) their deployment, and (4) post deployment customer support” (Tuli, Kohli, & Bharadwaj, 2007, p. 5). Recently, research has shown that the salesperson’s solution involvement (SSI), which encompasses the enactment of these four processes, significantly increases sales performance (Panagopoulos, Rapp, & Ogilvie, 2017). In this study, we clarify which mechanisms drive SSI-related sales performance increases. This notion is of particular importance for solution providers: Despite the performance-related benefits of SSI (Panagopoulos et al., 2017), involvement in solution selling could also imply costs that possibly impede sales performance. For instance, extant research has suggested that commitment could represent a reason for exaggerated – and thereby detrimental – levels of customer orientation (Homburg, Müller, & Klarmann, 2011). By boosting positive and mitigating negative mechanisms mediating the positive effect of SSI on sales performance, solution providers can increase the efficiency of their sales activities and, thus, the overall market success of their solution offerings.

This research explores both positive (i.e., customer loyalty, cross buying) and negative (i.e., sales resource costs, discounting behavior) mechanisms mediating the SSI-sales performance relationship as well as a comprehensive set of managerially relevant moderators. Thereby, our study contributes to the literature on solutions (e.g., Macdonald, Kleinaltenkamp, & Wilson, 2016; Panagopoulos et al., 2017; Tuli et al., 2007; Worm, Bharadwaj, Ulaga, & Reinartz, 2017) and enriches customer relationship management (CRM) research (e.g., Homburg, Droll, & Totzek, 2008; Verhoef, 2003). In addition, we derive important practical implications for managers in sales and CRM departments.

As part of an ongoing research project, we conducted an experimental pre-test with MBA students. In this scenario experiment, we assigned the participants with the role of a B2B purchasing agent, who was in charge of purchasing a solution from a specific salesperson. We manipulated SSI by describing the salesperson as more versus less involved in selling the solution. However, to increase the generalizability and robustness of our results, we will validate them with a large-scale study with salespeople from a cross-industry sample of solution providers in early 2019.
SATURDAY, 20 JULY
06:30 - 07:30 PM

RIVER CRUISE
Clarke Quay

Enjoy an idyllic cruise down the Singapore waterfront, set against the breathtaking grandeur of the skyline, and learn about the rich history of this young city.

SATURDAY, 20 JULY
07:30 - 10:00 PM

SOCIAL DINNER
Asian Civilisations Museum
River Room

Get acquainted with your fellow delegates over dinner and drinks at the Asian Civilizations Museum. Let loose, hop on the dance floor, and jive along to the sweet tunes of the live band.
HOW TO: SPEAK LIKE A SINGAPOREAN

Don’t speak Singlish?
No biggie, as long as you have the important phrases down pat.

TRAVELLING
TOMPANG: HITCH A RIDE
“Eh, can tompang your car?”

ULU: REMOTE, OUT OF THE WAY
“It’s very ulu, you’d better tompang”

DINING
MAKAN: MALAY TERM FOR EATING
“I’m hungry, lets go makan?”

CHOPE: TO RESERVE SOMETHING
“Chope the seat for me, I’m still on the way!”

MISCELLANEOUS
LIM KOPI: GRAB COFFEE
“Wanna go lim kopi after the presentation?”

JIO: TO INVITE
“Boss jio you to lim kopi!”

Don’t be shy, peppering your speech with a little Singlish is a quick way to break the ice!
PROGRAMME
SUNDAY
21 JULY

KEYNOTES 9 & 10 | 08:30 – 10:00 pm
Hon Sui Sen Auditorium

KEYNOTE 9 | 08:30 – 09:15 am
Delightful Employee Experiences
Avi Liran
Chief Delighting Officer
Delivering Delight, Singapore

We are living in a digital world and I am a delightful girl” could have been a fun remix of Madonna’s song.

Leading and managing a service organization in the era of digital transformation and AI is a challenging and demanding job, requiring a winning balance between the machine and the human intelligence.

In today’s world driven by selfish goals, cut throat competition and looking at anything and everything in terms of ‘business potential’, Avi’s sincere, and simple delightful recipes, invite the audience to connect with the underlying humane principles of spreading happiness, authentic joy, genuine care and simply delighting the people around you will stay with you as guiding lights in life.

In this interactive session, Avi will share a few delightful tips, how to nourish yourself by igniting your “inner-delight” and develop an awareness to your “Delight Settings, so you can lead with values, purpose, joy and care, and have fun while delivering delight, superior results.

Together we can delight the world, one person, one workplace, one community at a time.

KEYNOTE 10 | 09:15 – 10:00 am
Emotion in Service Operations: New Technological Opportunities
Anat Rafaeli
Professor of Industrial Engineering
Technion – Israel Institute of Technology, Israel

Emotion is clearly a part of service delivery. But studying it is extremely difficult. My talk will describe some foundational research on emotion in service interactions, and limitations of such research. I will highlight how these limitations can be overcome with new technologies. I advance turning to Digital Traces data that are routinely retained by technology-mediated service platforms. I will describe new tools that allow automated detection and analyses of customer emotion, and illustrate how they can be used to study service interactions. New technologies can provide unobtrusive insights into service interactions, and can show patterns of customer emotion, their dynamics within service conversations, and their effect on customer satisfaction and on agent behavior. For the first time we can test the nature of emotions that customers and service agents really express. I will describe findings about extent to which customers really express positive and negative emotion, and studies of the effects of customer emotions on agent responses. Emotion dynamics come out of this new research as important to customer satisfaction, service efficiency and service effectiveness. The talk will open up new methods, resources and directions for both research and practice of service delivery.

BREAK | 10:00 – 10:30 am
Atrium, Mochtar Riady Building
**SUNDAY, 21 JULY | 10:30 - 10:55 am**

**CONCURRENT SESSION 15**

Seminar Rooms @ Mochtar Riady Building

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**Brandjacking and the Hotel Sector - Fact or Fiction?**

Peter O’Connor (Essec Business School, France)

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**Luxury Services**

Martin Paul Fritze (University of Cologne, Germany), Jonas Holmqvist (Kedge Business School, France), Jochen Wirtz (National University of Singapore, NUS Business School, Singapore)

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**Shaping the Global Network for Technology-Assisted Welfare Service Systems**

Kentaro Watanabe (AIST, Japan), Marketta Niemelä (VTT, Finland), Masaaki Mochimaru (AIST, Japan)

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**For the Love of the Game: Intrinsic Motivation as a Source of Demand**

Dee Warmath (University of Georgia, USA), Susan Myrden (University of Maine, USA), Andrew Winterstein (University of Wisconsin-Madison, USA)

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**SUNDAY, 21 JULY | 11:00 - 11:25 am**

**CONCURRENT SESSION 16**

Seminar Rooms @ Mochtar Riady Building

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**Alliance Orientation and Service innovation Effect to Business Firm Performance. Case Study of SMEs Hotel in Phitsanulok, Thailand.**

Sareeyapon Prasertsri (Naresuan University, Thailand), Laphasrada Changkaew (Chulalongkorn University, Thailand)

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**From Artificial Intelligence to Service intelligence: Evidence from Luxury Department Stores**

Eleonora Pantano (University of Bristol, UK), Nikolaos Stylos (University of Bristol, UK)

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**Gameful Experience Questionnaire: Measuring the Gamefulness of Service Use**

Johan Högberg (Karlstad University, Sweden), Juho Hamari (Tampere University, Finland), Erik Wästlund (Karlstad University, Sweden)
Brandjacking and the Hotel Sector – Fact or Fiction?

Author
Peter O’Connor - Essec Business School, France

Abstract

Four out of five travellers consult Google during their search and booking process (Beldona et al, 2012). Since hotels have limited ability and budget to play the paid search marketing game, generic search results are dominated by online intermediaries (May, 2018). But surely the situation is different when someone explicitly searches for a specific hotel? After all, since they are explicitly entering the hotel’s name, they should be taken directed to the relevant website? Unfortunately, this is not always the case. ‘Brandjacking’ occurs when third parties make unauthorised use of hotel names in search, diverting highly qualified traffic away from the hotel’s website (Paraskevas et al, 2011).

While accusations of brandjacking are often levied at OTAs, there is little factual evidence that such companies currently bid on brand names. Other potential culprits include affiliates of these companies, whose fluid legal status allows them to engage in questionable marketing practices (Tooke-Marchant, 2015). In any case, there is sentiment that traffic is being stolen. To address this issue, this paper empirically investigates whether brandjacking is prevalent in hotel searches today; to investigate which types of companies engage in such practices and identify the characteristics of properties most susceptible to abuse.

A random sample of 2000 two- to five- star European properties was used for this analysis. Nearly half (45.2%) were branded and part of a hotel chain, with an average of 46 bedrooms. Automated searches were performed for the hotel’s brand name in Google.co.uk. Web scraping software extracted the title, copy text and URL of the first five listings from each result. Paid listings were analysed to establish if they were placed by the trademark holder or a third party. Further analyses (by star-rating, branded vs unbranded, geographical location, type of bidding company and size) are currently being performed and will be included in the final presentation.

Initial results indicated that non-branded properties, smaller properties and properties in Southern European locations are the worst affected by brandjacking. One could speculate that this is because such properties lack both the expertise and the time to fight such practices. Recommendations as to how to counteract such actions by third parties will also be presented.

Bibliography


Luxury Services

Abstract

Luxury research attracts increasing attention from practitioners and researchers. Much of the academic research focuses on luxury goods whereas luxury services are still under-researched. The pivotal differences between luxury goods and luxury services marketing remain to be explored to understanding what luxury services mean for customers and how managers can sell and deliver luxury consumption experiences.

Experiences as the pivotal object of luxury have become more important in recent years (Miller and Mills 2012). Given the increasing importance of experiences there is no luxury without service anymore. As Atwal & Williams (2008, p. 338) put it “the experience is everything” in luxury marketing and determines individual luxury perceptions. However, the analysis of luxury services is underrepresented in current luxury research, with only a few studies exploring contextual differences between luxury goods and services (e.g. Yang & Mattila, 2016; Yang & Mattila, 2017). Extant knowledge still relies heavily on a goods-centric view on luxury (Cristini et al., 2017) although pivotal differences of goods and services marketing have long been acknowledged in marketing literature (e.g. Bateson, 1979; Beaven & Scotti, 1990; Wirtz & Lovelock, 2016).

Addressing this situation, we here focus on the research question ‘what constitutes a luxury service experience’? First, we review extant luxury research to provide an integrated view of what is known about luxury services to date, as well as the various theoretical frameworks for luxury goods research to provide a contrast with luxury services. Second, we report results from exploratory interviews conducted with luxury service consumers to understand how they perceive differences between luxury and non-luxury services. Our qualitative study aims to enhance current theoretical insights on luxury services. Accordingly, we conducted semi-structured interviews, using a set of pre-determined, open-ended questions to explore specific themes. This approach provides flexibility to explore various personal opinions and views (Edwards and Holland 2013). We cooperated with a German luxury restaurant and approached customers at a summer party. Guided by our open-ended questions related to luxury services in general and this specific luxury restaurant, the interviewees broadly discussed their motives and their customer experiences. Finally, we conclude with a proposed framework that differentiates luxury services from ordinary services, and luxury services from luxury goods along key consumer behavior dimensions in the search, decision, consumption and post-consumption states. This framework provides important insights for both academics and practitioners, and research propositions with concrete direction for further investigations.
Shaping the Global Network for Technology-Assisted Welfare Service Systems

Authors
1. Kentaro Watanabe - AIST, Japan
2. Marketta Niemelä - VTT, Finland
3. Masaaki Mochimaru - AIST, Japan

Abstract

Growing aged population causes serious impacts toward social welfare in multiple countries and the long-term sustainability of welfare services has been questioned. Recent technological advancement in ICT and robotics domains attracts more attentions as a potential solution toward this challenging situation. However, technology integration to social welfare services has not been realized as effectively and efficiently as was expected. To clarify the requirements for assistive technology and its integration process, it is necessary to better understand how social welfare services are organized from the systemic perspective. In addition, an international study on social welfare services and the role of assistive technologies are required to tackle the global challenges caused by aging.

We first introduce the findings and remarks from the comparative study of Japanese and Finnish elderly-care service systems for successful technology integration. For this study, we have applied the theoretical framework of service system, which is characterized by multi-actor, socio-technical and institutional perspectives. The analytical targets cover a wide range of stakeholders such as the elderly, their family, care professional, manager of care service provider and municipality. We have applied a mixed method approach including individual / focus group interview, web questionnaire, work study at care facilities and case studies to test various assistive technologies. Applying these methods, we analyzed the characteristics of welfare service systems and the expected roles of technologies in Japan and Finland from multiple perspectives. The result of this study implied common basic needs and also various different requirements for welfare services and assistive technologies in each service system. Interrelated local institutions such as lifestyle, work culture and policy affect assistive technologies and their usages. This result emphasized the importance of understanding each local welfare service system more.

Therefore, we propose a concept of the global network for technology-assisted welfare service systems. This network consists of local hubs, which are organized by different kinds of actors, such as research organizations, technology developers / integrators, welfare service providers, policymakers and citizens. Each hub accumulates knowledge on assistive technologies and local welfare service systems through continuous research activities. Then the accumulated knowledge can be shared among the actors, which promotes service innovation. In addition, the local hubs share general knowledge and experiences on technology integration with the other local hubs for the best use of technologies in each welfare service system. We introduce the ongoing activities to develop such local hubs and discuss experienced / observed / foreseen benefits and challenges of the international collaboration within the global network.
Session 15-05

Sunday, July 21 (10:30 – 10:55)

For the Love of the Game: Intrinsic Motivation as a Source of Demand for a Voluntary Need-Based Service

Authors
1. Dee Warmath - University of Georgia, USA
2. Susan Myrden - University of Maine, USA
3. Andrew Winterstein - University of Wisconsin-Madison, USA

Abstract

The concept of proactive healthcare has been studied largely from the provider’s perspective with an emphasis on the use of data science to anticipate the need for care (Raghupathi and Ragupathi 2014) versus from the perspective of the individual who may need such care. One exception is the study of concussion reporting. Sport-related concussions are a complex injury where the challenge involves a willingness of the injured athlete to voluntarily inform someone of their symptoms (McCrory et al. 2016). It is estimated that more than 50 percent of concussions go unreported (Baugh et al. 2015) with consequences for the individual, their team, and society.

This study applies Self-Determination Theory (SDT) to examine the role of motivation in a willingness to volunteer for or proactively pursue health services. The central question asked is: what is the role of sport motivation in the decision to seek diagnosis and care for a potentially life-altering injury? Previous studies have examined the role of motivation in persistence or performance in a sport. We seek to understand the role of motivation to play the sport in whether the individual seeks services external to the sport that would prolong participation and/or increase performance in the long-run.

In study one, a national sample of 1,491 athletes (18 to 24), we examined the relationship between an individual's level of intrinsic motivation to play their sport and their intention to report a concussion, controlling for competitiveness and perceived risk of injury. It was found that the higher one’s intrinsic motivation, the more likely they are to report a possible concussion (voluntarily seek service) ($B = 28.821$, $p < .001$). In study two, an experiment with 160 young adults, we found causal evidence that priming intrinsic motivation increased an individual’s intention to report by 10 points on a 100-point scale ($Intrinsic = 82.99$, $Extrinsic = 73.91$, $t = 2.046$, $p = .042$).

This study contributes to SDT and service research as it informs us of the impact of motivation on an individual’s proactive pursuit of a need-based service. Our results suggest that motivation should be considered in the design of programs to encourage concussion reporting. For example, incorporating learning goals into the athlete’s training and practices may encourage higher levels of intrinsic motivation and, in turn, willingness to report (Heyman and Dweck 1992). From a practical perspective, the sports motivation scale (Pelletier et al. 1995) may be a useful device to indicate which athletes are more intrinsically, versus extrinsically, motivated as an indication which athletes may require a proactive approach to ensure that concussions are not being concealed.
Session 16-02

Sunday, July 21 (11:00 – 11:25)

Alliance Orientation and Service Innovation Effect to Business firm Performance. Case Study of SMEs Hotel in Phitsanulok, Thailand.

Authors
1. Sareeyapon Prasertsri - Naresuan University, Thailand
2. Laphasrada Changkaew - Chulalongkorn University, Thailand

Abstract

The AEC was launched in 2012, consisting of 10 countries in South East Asia. One benefit in the tourism sector for all members is visa free travel between Asian member states, so hotel entrepreneurs have to prepare for this situation in areas such as new competitors, price wars, and providing the offer of new services. For entrepreneur to survive in the high competition world of the hotel industry .That is the problem which hotel entrepreneurs have to overcome. To build service innovations for the service sector is interesting issue. The purpose of this study is to evaluate the relationship between alliance orientation and service innovation that has a positive affected on business performance in the service sector with specific focus on SMEs Hotel in Phitsanulok Thailand. Due to the SMEs Hotel have limited of manpower, specific expertise and funding so make it necessary for the entrepreneurs to find new service strategies to meet their consumer needs. Hence, the alliance orientation as the answer of small and medium-sized hotel entrepreneur will survive in the present situation. And the three dimension of alliance orientation based on alliance scanning, alliance coordinator and alliance learning. The methodology of this paper is divided into 2 stages. The first one is based on analyses from review literature from related research and documents of domestic and foreign literature. The paper will describe the development of the theories, and then review previous literature that provides empirical evidence on factors affecting marketers and entrepreneurs to plan for marketing strategies. The second one uses the qualitative research was conducted by in-depth interviews with 5 SMEs hotel entrepreneur in order to investigate the importance of service innovation as the key success factor for the hotel industry. From this study was found that alliance orientation and service innovation has a positive effect on firm performance. And also show that the entrepreneurs focused on the business partners in the same business category first because it directly impacts the firm performance which show that alliance with business partners in the same industry must be trusted and must have a good relationship with each other. Then they will share the customer information with each other through the technology platform. And in the part of the different industry’s business partner are often based on customer needs and cause service innovation in the hotel and moreover the entrepreneur also focus on alliance scanning first to create new service innovations.
Session 16-03

Sunday, July 21 (11:00 – 11:25)

From Artificial Intelligence to Service intelligence: Evidence from Luxury Department Stores

Authors
1. Eleonora Pantano - University of Bristol, UK
2. Nikolaos Stylos - University of Bristol, UK

Abstract

Automation is increasingly becoming of fundamental importance in marketing and, more generally, in the service domain (Rust and Huang, 2014). The scope is to expand integration of the technology in marketing activities, with emphasis in artificial intelligence and machine learning algorithms. This would render higher customized services, involving the learning process of consumers' preferences and behavior, as well as relevant responses (Grewal et al., 2017; Huang and Rust, 2017). Indeed, relational technologies, such as learning technologies and Artificial Intelligence (AI) can adaptively interact with customers (Huang and Rust, 2018). Thus, the way marketing managers and retailers might use these technologies to collect and manage big data and adjust marketing strategies accordingly is an emerging retail topic (Bradlow et al., 2017; Pantano et al., 2017); the effects on store and customer-level strategies exemplify the importance of the technological forecasting and the big data emergence (Kumar et al., 2017). In fact, understanding customers and markets is of particular value in relation to segmentation and targeting as they allow marketing programmes to be personalized and support the maximisation of a consumer’s life time value to an organisation. Therefore, there is much interest towards big data and how to make use of it to gain a competitive advantage. To this end, new metrics to analyze this data are encouraged by recent studies (Ailawadi and Farris, 2017; Bradlow et al., 2017).

Although luxury sector is largely recognized as one of the fastest-growing sectors characterized by the challenge of creating a brand experience for consumers, it has not yet benefited enough from big data analytics (Hennig-Thurau et al., 2015). Indeed, luxury retailers are moving towards a smart retailing approach to maximize the benefits emerging from the technological integration, which also allows them to collect more detailed information on consumers (Pantano et al., 2018; Priporas, Stylos & Fotiadis, 2017). A new “intelligent” approach would improve consumers’ service while diffusing brand content that conveys the uniqueness of brand intangibles (Bo, 2014).

The aim of this study is to show how AI leads to the new service intelligence, by analyzing the case of luxury industry in general, and luxury department stores in particular. This study identifies consumers’ insights through the systematic analysis of consumers’ shared tweets.

The contribution of this paper is primarily methodological in nature. It proposes a novel approach for evaluating the emerging phenomenon of service intelligence as prompt by the increasing usage of machine learning algorithms, drawn upon the sentiment analysis and thematic analysis of tweets in a systematic way. This is based on salient word associations related to luxury products, and the relevant marketing strategies. Practically, it allows managers to effectively monitor consumers’ voice through systematic tools, integrated into the marketing strategies.
Gamification refers to transforming services to be more game-like in order to evoke similar experiences and motivations that games do for the purpose of affecting behavior. Systems and services increasingly include affordances for gameful experiences (Hamari, Hassan, & Dias, 2018; Vesa, Hamari, Harviainen, & Warmelink, 2017) and gamification is implemented in many different contexts for example, commerce, health, sustainability, software development, and research (Hamari, Koivisto, & Sarsa, 2014; Seaborn & Fels, 2015). Hunting for Pokémons in Pokémon Go is one example of gamification that helps battle physical and social inactivity in the general population (LeBlanc & Chaput, 2017). The gameful experience is of seminal importance for the effect of gamification since it acts as a mediator between the motivational affordances of gamified services and the target behavioral outcome (Huotari & Hamari, 2017). Consequently, aiming at such experiences must be the goal, otherwise there is no reason to gamify.

However, despite of its importance, within gamification research there is a lack of instruments for measuring this experience. Therefore, with this research we aim to address the research problem of how to measure the gameful experience.

For this purpose, we have developed and validated GAMEFULQUEST, an instrument that can be used to measure the user’s gameful experience in systems and services. To do this, we used a mixed-methods approach. First, a model of the gameful experience was developed in a qualitative study using a questionnaire with open-ended questions targeting users of Zombies, Run!, Duolingo, and Nike+ Run Club. Second, the instrument was developed and validated using data from users of Zombies, Run!. In a third study, the instrument was further developed, validated and finally confirmed, using data from users of Duolingo.


PROGRAMME
SUNDAY, 21 JULY
KEYNOTE PANEL | 11:30 am - 12:15 pm
Hon Sui Sen Auditorium

KEYNOTE 11 | 11:30 am - 12:15 pm
Staging a Service Revolution: Turnaround, Innovation & Differentiation
Paul Jones
Chief Executive Officer
The Lux Collective, Singapore

Ron Kaufman
Customer Experience & Service Culture Expert, Co-founder
UP! Your Service Pte Ltd, Singapore

Jochen Wirtz
Professor of Marketing & Vice Dean Graduate Studies
NUS Business School, National University of Singapore
Singapore

Paul Jones, Ron Kaufman and Jochen Wirtz will present in an integrated 45-minutes session on how service organizations can rapidly improve their customer experience, service culture and team engagement while, at the same time, drive innovation and differentiation.

First, Jochen will discuss what is different in change management in the context of service organizations. Next, Ron will focus on key lessons learned from working with over 20 service organizations in service revolution projects. Finally, Paul will explain how he managed to move LUX* Resorts & Hotels from deep financial and cultural trouble to outstanding customer ratings. Today, LUX* Resorts & Hotels is a highly successful and fast growing resort chain.

SUNDAY, 21 JULY
12:00 - 01:15 PM
LUNCH & FAREWELL

ATRIUM, MOCHTAR RIADY BUILDING
Tender, juicy Tandoori Chicken nestled on a bed of crisp, young lettuce, accompanied by a side of warm ciabatta and tangy mango chutney.
FRIDAY 19 JULY & SATURDAY, 20 JULY
POSTER SESSION | 12:00 – 01:15 pm

01 The Impact of Customer-directed Resources on Service Employee's Customer Service Self-efficacy: An Exploratory Study
Bee Leng Seow (Continuum Learning Pte Ltd, Singapore)

02 The Effect of Customer Perceived Justice on Customer Rage in Taiwan. From the Perspective of Cognitive Appraisal Theory.
Kohsuan Chang (Industrial Technology Research Institute, Taiwan)

03 Understanding the Roles of Different Categories of Front Office Staff in Complaints Management: A Role Theory Perspective
Dilip Subramanian (Neoma Business School, France), Fanny Reniou (IGR-IAE, University of Rennes, France)

04 How to Achieve Service Excellence by Servitization in Manufacturing
Tamao Miura (Institute of Business and Accounting Professional Graduate School Kwansei Gakuin University, Japan), Shoji Yamamoto (Institute of Business and Accounting Professional Graduate School Kwansei Gakuin University, Japan)

05 When Time Flies - The Role of Passive and Active Innovation Resistance for Discontinuous Usage of Service and Product Innovations
Tobias Kraemer (University of Koblenz-Landau, Germany), Sven Heidenreich (Saarland University, Germany), Martin Obschonka (Queensland University of Technology, Australia), Jan Millemann (Saarland University, Germany), Kristina Wittkowski (Aalto University, Finland), Tomas Falk (Aalto University, Finland)

06 The Relationship Between Customer Engagement Behavior and Firm Promotional Activities in a Loyalty Program
Rebecca Jen-Hui Wang (Lehigh University, USA), Lakshman Krishnamurthi (Northwestern University, USA)

07 The Adoption of Technological Innovations in a B2B Context and Its Impact on Firm Performance: Perspective of Ethical Leadership in Services
Woon Leong Lin (University Putra Malaysia, Malaysia), Nick K. T. Yip (University of East Anglia, UK), Jo Ann Ho (University Putra Malaysia, Malaysia)

08 Creating Consumers' Sustainable Relationships with New Mobile Banks
Tseng-Lung Huang (Yuan Ze University, Taiwan), Hui-Ying Chang (Yuan Ze University, Taiwan), Hsin-Yen Wu (Yuan Ze University, Taiwan)

09 Data for Fun: The Role of Hedonic Perception on Disclosure of Personal Data to Mobile Apps
Carla Freitas Silveira Netto (UFRGS, Brazil), Simoni F Rohden (UFRGS, Brazil), Marina Lugoch (UNISINOS, Brazil), Natália Englert (UFRGS, Brazil), Valentina Ortiz Ubas (Unipampa, Brazil)

10 What can Big Data and Text Analytics Tell Us about the Relationship between the Weather and Customers' Experience of Restaurant Service?
Ming-Yi Chen (National Chung Hsing University, Taiwan), Hsiu-Yuan Tsao (National Chung Hsing University, Taiwan), Chih-Hsin Chuang (Taiwan)

11 Coaching of Poorly Qualified Individuals as a Transformative Service – A Qualitative-empirical Study
Philipp K. Görs (University of Rostock, Germany), Friedemann W. Nerdinger (University of Rostock, Germany)
12 The Global Mind Monitor: A Tool to Develop Intercultural Competencies of Service Employees
Armand Odekerken (Zuyd University, The Netherlands), Joris Boonen (Zuyd University, The Netherlands), Ankie Hoefnagels (Zuyd University, The Netherlands), Mark Pluymaekers (Zuyd University, The Netherlands)

13 Self-ordering Systems and its Impact on Customer Satisfaction in the Food and Beverage Sector: Findings from the Customer Satisfaction Index of Singapore
Yongchang Chen (Singapore Management University, Singapore), Bertram Goh (Singapore Management University, Singapore)

14 Exploring Factors Affecting Consumer Intention to Participate in Service Recovery
Chia-Yi Chen (National Pingtung University of Science and Technology, Taiwan)

15 Competitive Showrooming: Do Consumers’ Moral Considerations Matter?
Janina Kleine (University of Augsburg, Germany), Michael Paul (University of Augsburg, Germany)

16 Tourist-To-Tourist (T2T) Interaction and Co-Creation Experiences in Tourism Destination
Amjad Shamim (Universiti Teknologi PETRONAS, Malaysia), Subarna Sivapalan (Universiti Teknologi PETRONAS, Malaysia), Janfry Shite (Universitas Mercu Buana, Indonesia), Zulkipil Ghazali (Universiti Teknologi PETRONAS, Malaysia)

17 Soul of Service - the Enduring Frontier
Emmanuel David (Tata Management Training Centre, India), Radha Ganesh Ram (Tata Management Training Centre, India), Ravishankar Mani (Tata Management Training Centre, India)

18 Assessing the Effectiveness of Host-Guest Interaction on Value Co-creation: An Empirical Study in the Context of Peer-to-Peer Accommodation
Xiaoyi Wu (Xiamen University, China), Xuemin Zhang (Xiamen University, China)

19 Impact of Social Media Marketing Strategy on Accommodation Selection of Sri Lankan Domestic Travellers
Chathura Bimali Wijesundara (University of Kelaniya, Sri Lanka), Chathurika Probodhini Kularathne (University of Kelaniya, Sri Lanka), Lalith Sanjaya Thilakaratne (University of Ruhuna, Sri Lanka)

20 Discovering the Personality Traits of Opinion Leaders in Social Networks
Wei-Lun Chang (Tamkang University, Taiwan)

21 When Time is Running Out - A Conceptual Approach to Time Pressure in Services
Sabine Ries (University of Hagen, Germany), Sarina Renninger (University of Hagen, Germany)

22 How Social Media Can Contribute to Wellbeing Amongst Autists and Their Families - A Study based on Virtual Communities Content
Wilian Ramalho Feitosa (IFSP, Brazil)

23 Value Co-Creation Patterns in Multi-Actor Service Interactions: A Framework for Collaborative Consumption Platforms
Maren Purrmann (Paderborn University, Germany), Nancy V. Wünderlich (Paderborn University, Germany)
The Impact of Customer-directed Resources on Service Employee’s Customer Service Self Efficacy: An Exploratory Study

Author
Bee Leng Seow - Continuum Learning Pte Ltd, Singapore

Abstract

While considerable research has been devoted to identifying what organizational resources can enhance employee self-efficacy, this has invariably examined how employee-directed resources, such as training, rewards and supervisory support are related to increased performance and employee self-efficacy. No research to our knowledge, has examined how organizational efforts directed at customers can enhance employee self-efficacy. This is most salient to front line service employees. Our research therefore seeks to identify a range of organizational human resource practices directed towards customers, and their role in the customer-employee interaction that may enhance the service role of employees who are in direct contact with customers. We call these front line service employees. This research aims to address this gap. Four focus groups were conducted with service employees from a wide spectrum of the service sector in Singapore, who had boundary-spanning roles and spend time directly interacting with customers. Based on content analysis, three core themes relating to organizational efforts directed at customers were identified: customer education, customer organizational socialization and encouraging customer feedback on the service.

Design/methodology/approach

Four focus groups were conducted with service employees who had boundary-spanning roles and spent time directly interacting with customers for transactions as well as responding to their requests and problems. Groups ranged in size from five to seven and were conducted during weekend mornings and lasted for an hour and a half on average. The participants represented a wide spectrum of the service sector in Singapore, for example airlines, banking, community service, education, electronics, government, healthcare, hospitality, information technology and retail. Prior to the start of the focus group, the moderator explained the procedures and the purpose of the session. A semi-structured approach was used, in which the moderator followed a topic guide that allowed an exploration of specific issues at the moderator’s discretion as they arose. Questions addressed the employee’s perception of the customer’s role in delivering quality service and how they felt that the organization can support the customer’s role. Projective techniques such as sentence completion were used to fully explore the range of possible responses.

Findings

Three core themes representing organizational efforts directed at supporting customers’ roles in service delivery were identified, including customer education, customer organizational socialization and encouraging constructive customer feedback on the service. These three resource themes were found to impact service employees’ customer service self-efficacy.

Practical implications

The study has several practical implications for managers, suggesting they need to educate and socialise their customers in line with the organization’s norms and culture, and find ways to encourage constructive customer feedback. Through such organizational efforts, customers are likely to be effective and efficient ‘partial employees’ impacting positively on service employees’ CSSE.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

The Effect of Customer Perceived Justice on Customer Rage in Taiwan. From the Perspective of Cognitive Appraisal Theory

Author
Kohsuan Chang - Industrial Technology Research Institute, Taiwan

Abstract

The services industries have experienced rapid growth all around the globe. A US National Customer Rage Study in 2017 found out that 56% of customers encountered service rage. The challenge nowadays is how to deal with a service failure effectively; this includes dealing with customer’s negative emotions, rage, and complaints. However, the factors causing in the different degree of customer rage are less studied. Based on the cognitive appraisal theory, three types of perceived justice are identified, namely, procedural justice, interactive justice and distributed justice. Moreover, three types of customer rage involving in different degree of harmful behavior are discussed, called (1) rage emotion, (2) exit and (3) revenge. Three major research hypotheses are proposed to examine the relationships between types of perceived justice and types of customer rage. Via a questionnaire survey, a dataset of 205 valid Taiwanese respondents were collected. The regression results revealed that three types of perceived justice are all negatively correlated to different types of customer rage. The paper concludes that providing sufficient customer perceived justice prevent customers from raging. Thus, some managerial implications for reducing customer rage are suggested.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

Understanding the Roles of Different Categories of Front Office Staff in Complaints Management: A Role Theory Perspective

Authors
1. Dilip Subramanian - Neoma Business School, France
2. Fanny Reniou - IGR-IAE, University of Rennes, France

Abstract

Because of the multiplication of contact channels established by firms to enable customers to voice dissatisfaction in the case of service failure, customers can address complaints to a wide range of front-office employees operating either in retail branches or at headquarters. Their differing task responsibilities and goals mean that these employees are likely to entertain different conceptions of how to handle and settle the complaint. This raises two key interlinked questions. First, what roles do the diverse categories of front office staff play in the service recovery process? Second, and more substantially, what coordination problems can arise as a result, thereby impeding a speedy and satisfactory resolution of the complaint?

In this paper, we explore the division of labour between specific categories of front office staff that lies at the heart of complaint management. Adopting a role theory perspective to examine the scope of their activities and the nature of the interactions between these different groups of employees, we shall show that this underlying division of labour has profound implications for customer satisfaction. The paper is based on 30 semi-structured interviews with two specific groups of contact staff employed in a large French high street bank: sales staff in the various retail branches, or non-specialists, and staff from a dedicated complaints department, or specialists.

We argue that while the existing scholarship has emphasized the central role played by contact staff in handling client complaints, it has tended to treat these employees as an undifferentiated category, ignoring the occupational and skill distinctions, degree of expertise and legitimacy, and differential access to resources that characterise them. Consequently, it becomes essential to examine the precise nature of their activities and understand how these are articulated. Our findings highlight eight types of role configurations for dealing with complaints (responsibilization, retention, consulting, transfer, delegation, disengagement, legitimation, and consultation), but also several ‘blockage points’ which stem both from variations in the nature of responsibilities assigned to non-specialist and specialist contact staff, and the dynamics of their interactions.

Role theory can usefully illuminate the work of customer contact employees. In effect, our paper sheds light on the varied role demands experienced by specific groups of front office staff, making it possible to evaluate their effectiveness in dealing with customer complaints. It underlines the gap that can exist between role expectations and role behaviour thereby causing severe disruption to the complaint management process. Second, by examining the work of different categories of front office staff, our research seeks to extend the debate beyond the traditional opposition between front and back office. Scholarship focusing on internal organizational operations have tended to concentrate on the interdependencies linking the front and back offices, but attention to vertical linkages has resulted in neglecting lateral relations.
How to Achieve Service Excellence by Servitization in Manufacturing

Authors
1. Tamao Dilip Miura - Institute of Business and Accounting Professional Graduate School
   Kwansei Gakuin University, Japan
2. Shoji Yamamoto - Institute of Business and Accounting Professional Graduate School
   Kwansei Gakuin University, Japan

Abstract
Servitization in manufacturing has been actively discussed. However, a systematic understanding of servitization that would help relevant manufacturers has yet to be established. In the meantime, the European Committee for Standardization (CEN) has been working to standardize service excellence for organizations to delight customers with unexpected and outstanding customer experiences, which are essential for a competitive advantage and business success (CEN/TS [Technical Specification] 16880:2015). This research proposes a theoretical typology of customer relationships to define servitization and connect it to service excellence for manufacturers to enhance servitization.

Service Logic proposes that servitization is a transition from a transaction-based model to a relationship-based model (Grönroos 2015). Drawing on previous studies, this research proposes two axes to classify the customer relationship. One is the view from either companies or customers. The other is during one of the steps of ‘design’, ‘producing-exchanging’, or ‘usage by customers’ where companies and customers engage in value formation or creation. Customer relationships can be divided into nine elements: ‘products without services’, ‘after sales’, ‘rights to use’, ‘pay per use’, ‘tailored’, ‘operations’, ‘co-creation during exchange’, ‘co-creation during R&D’, and ‘co-creating value in use’. These nine elements describe the customer relationship, which is a tiered during the servitization process, to elucidate the transition from a transaction-based model to a relationship-based model. Thus, servitization is defined as a transition from ‘products without services’ to ‘tailored’, customer relationships where companies engage in ‘usage by customers’, or co-creation with customers. The higher the co-creation, the greater the servitization.

Service excellence in TS 16880 consists of Individual service (Level 3) and Surprising service (Level 4), which are closely related to Desired Service (Zeithaml et al. 1993) and Customer Delight (Alexander 2010), respectively. These are built on Core value proposition (Level 1) and Complaint management (Level 2), which are closely related to Objective Quality and Perceived Quality (Zeithaml 1988), respectively. Level 2 is related to Customer Satisfaction/Dissatisfaction (Oliver 1993). But Level 1 and 2 are not emphasized in TS16880. Service excellence will result in delighted customers, leading to customer loyalty and distinguished business success (Gummesson 1991; Heskett et al. 2003).

Of the nine customer relationship elements, ‘product without services’, ‘rights to use’, or ‘pay per use’ represent Level 1, while ‘after sales’ and ‘co-creation during exchange’ represent Level 2. Customers perceive ‘tailored’, ‘operations’, or ‘after sales’ as tailored services, and the interaction with customers as ‘co-creation during exchange’, ‘co-creation during R&D’, or ‘co-creating value in use’ enables the delivery of service excellence at Levels 3 and 4.

Manufacturers aiming for servitization should establish more customer relationships to achieve service excellence. Service marketing studies could help facilitate this as providing only Levels 1 and 2 is no longer competitive.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

When Time Flies – The Role of Passive and Active Innovation Resistance for Discontinuous Usage of Service and Product Innovations

Authors
1. Tobias Kraemer - University of Koblenz-Landau, Germany
2. Sven Heidenreich - Saarland University, Germany
3. Martin Obschonka - Queensland University of Technology, Australia
4. Jan Millemann - Saarland University, Germany
5. Kristina Wittkowski - Aalto University, Finland
6. Tomas Falk - Aalto University, Finland

Abstract

For service innovations, continuous usage after initial adoption is of utmost importance as the business model of most services relies on a constant stream of profits generated by a continuous usage of the respective service. Yet, retention rates of service innovations are strikingly low. In the area of digital services for instance, retention rates for newly introduced mobile applications range around 25% after initial usage, even further declining to 10% after 10 days of usage. Getting users across the line from initial usage of a service innovation to becoming a regular purchaser by achieving continuous usage represents the necessary condition for market success of most service innovations. Hence, knowledge about why customers do or do not progress from one stage in the adoption process to another, such as from first confrontation with the innovation, to initial usage and continuous usage seems of utmost importance for reducing the probability of discontinuous usage and thus for ensuring market success. Yet, previous studies on consumers’ adoption behavior were mostly cross-sectional in nature, examining passive and active innovation resistance as main inhibitors for favorable new product evaluation or initial adoption, rather than explaining their role in the progress leading to discontinuous adoption. Thus, it still lacks longitudinal studies that provide empirical evidence and insights into the importance of both resistance types for the course of the adoption process over time.

In order to address the above-mentioned research gaps, conducted two longitudinal studies with 3 waves (t0 = before adoption, t1 = 4 weeks after adoption and t2 = 8 weeks after adoption). The first longitudinal study (n=352) examines the relative importance of passive and active innovation resistance in determining the course of the adoption process from developing an adoption intention, over initial usage to continuous usage of service innovations. The second longitudinal study (n=153) replicates the findings of Study 1 for product innovations and illustrates the differences in the course of the adoption process for product compared to service innovations.

Our findings point out, that active innovation resistance has a negative but limited negative effect in early stages of the adoption process which gets stronger in later stages. Passive innovation resistance, on the other hand, exerted a strong and negative effect in early stages of the adoption process that even turns positive in later stages of the adoption process. Hence, while active innovation resistance is always detrimental for the course of the adoption process, passive innovation resistance can also be beneficial for continuous usage in case it is overcome in early stages. Accordingly, companies might focus on convincing passive innovation resistors in early stages as these consumers might even turn into loyal consumers over time once they got convinced to initially adopt a new product.
The Relationship Between Customer Engagement Behavior and Firm Promotional Activities in a Loyalty Program

Authors
1. Rebecca Jen-Hui Wang - Lehigh University, USA
2. Lakshman Krishnamurthi - Northwestern University, USA

Abstract

Commercialized in 1995, the Internet has undergone the influences of a myriad of technologies such as electronic mailers, the interactive web, and mobile apps in merely two decades. Recognizing the impact brought forth by technologies on loyalty program (LP) management, we address the following managerially driven questions. When customers redeem rewards, do they accrue more points and engage more with the LP digitally? How does their behavior differ by reward type? How do customers respond to outbound promotional mailings, i.e., email offers and paper direct-mails (DMs), and is there a relationship between outbound marketing efforts and customers’ digital interactions? In today’s digital world, we seek to understand whether firm-initiated activities can influence customers’ engagement, or vice versa, i.e., whether customer engagement can influence a firm’s promotions’ effectiveness.

The data for our research inquiry comes from a large dataset of LP customers and their point accruals, reward redemptions, and digital interactions and receipts of emails and DMs. We find that customers accrue more points during and after both cash and non-cash reward redemptions. However, with cash redemptions, accruals are the highest during the week of redemption, and they drop off in subsequent weeks. With non-cash redemptions, the decrease in point accruals between the week of redemption and its subsequent weeks is more gradual.

Customers choose the platform with which to interact strategically – when they want to redeem cash, they are more likely to engage using mobile apps, and when they want to redeem non-cash, they interact with LP’s PC website. Depending on customers’ preexisting digital platform preference and habits, outbound mailings have different effects on their subsequent digital interactions and point accruals. Sending offers has a positive correlation with inbound digital interactions, and the effect is greater for customers who use the offers. For emails, customers who respond by using the offers show greater subsequent PC web engagements and accrual increase than those who do not. Customers who use the LP’s app interact more than non-adopters upon receiving email offers.

To the best of our knowledge, this is one of the first papers that examine an LP and its different kinds of reward offerings, inbound digital interactions, and outbound promotional mailings. We recommend that as reward redemptions have a positive effect on customers’ point accruals and thereby spending levels and revenues, an LP should evaluate whether its services and offerings provide fit to its customers. Since customers use digital channels when they redeem different types of rewards, an LP can promote redemptions or interactions depending on its customers’ digital channel and reward preferences or send mailers when it predicts members are about to redeem rewards.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)


Authors
1. Woon Leong Lin - University Putra Malaysia, Malaysia
2. Nick K. T. Yip - University of East Anglia, UK
3. Jo Ann Ho - University Putra Malaysia, Malaysia

Abstract

The introduction of the digital “sharing economy” and “collaborative consumption” in the market place has opened much discussion on the various business models that challenges traditional thinking in service marketing. Technological innovation in the digital space has brought about theoretical changes in the way service marketing is applied, more so in the B2B environment where communication is essential in the alignment of the various stakeholders. Yet, not all new technological innovations lead to success and it is critical to establish which innovative technological activities improve competitiveness and growth (Agnihotri et al. 2016, Lacka and Chong 2016, Itani et al. 2017, Nunan et al. 2018). However, as digital technologies increasingly improve information flow, so is rampant use of misinformation to gain strategic advantage in an increasing crowded and competitive market. Edson et al (2017) suggests that popular social media websites and mobile applications have morphed into perfect platforms to “produce, consume and exchange different types of information” aimed at marketing to a very wide and discerning audience. It has been argued that such misinformation (fake news) impedes on the firms’ ability to connect with its consumers as “facts and fiction” can often be tied to one another. It can be argued then that the information economy has also given rise to the misinformation age and if not addressed, is expected to escalate exponentially.

Discussions on ethical leadership in the digital economy has provided some insights into answering this challenge. Its multi-attributes coupled with its complex relationship management are important in order to “predict outcomes” (Brown et. al 2005). But more importantly, this implies that value co-creation in the digital and knowledge economy is essential as the rules of engagement with consumers (and customers) have changed dramatically. Leaders are now frequently and repeatedly asked about their roles in managing ethical issues as greed, dishonesty and unscrupulous behaviour. Furthermore, the notion of increased complexity in society where markets are connected (physically) yet disconnected (proximity) have lead marketing practices astray. Strategies such as “paid social” and “pay per click” (Hanna et al. 2011) have encouraged a multitude of the consumer’s privacy invasion on the B2C platform. However, little research has explored the role of ethical leadership in managing digital technologies within the B2B platform in services.

Our paper proposes the relevance of ethical leadership and its role in the application of technological innovation. We argue for a conceptualisation of a framework on ethical leadership framework and its impact on performance in a B2B services by developing several hypotheses. Using secondary data from 1,000 IT service companies, we empirically demonstrate that ethical leadership plays a critical role as it enables service innovation through technology, and this has an impact on the firms’ performance.
Creating Consumers’ Sustainable Relationships with New Mobile Banks

Authors
1. Tseng-Lung Huang - College of Management, Yuan Ze University, Taiwan
2. Hui-Ying Chang - College of Management, Yuan Ze University, Taiwan
3. Hsin-Yen Wu - College of Management, Yuan Ze University, Taiwan

Abstract

According to transaction cost analysis (TCA), specific assets must be invested while consumers are interactive; they can be invested when consumers interact with physical technology or personnel; and because invested intangible or tangible assets are not easy to imitate, consumers rely on service providers. Consumers can perceive the value and benefits of specific assets only when they have invested considerable time and money with the service provider and will stand to lose these competitive benefits if they switch to other service providers. Knowing this, consumers will choose to maintain their relationship with the bank to continue receiving the benefits. The literature on relationship marketing has emphasised that researchers should focus not only on consumers’ intent to use interactive technology in the future but also on their willingness to enter into a relationship and use interactive technology. Based on previous relationship marketing literature, relational behaviour, relationship investment and repatronage intentions are three gradations in sustainable relationship behaviour (which is believed to predict continued using interactive technology). Yet, empirical research on consumers’ sustainable relationship behaviour is limited. Therefore, this study explores whether specific assets influence consumers’ willingness to build a sustainable relationship with a new mobile banking service and to engage in sustainable relationship behaviour.

However, there must be a filtrated system before customer made a decision of invested specific assets; only in satisfaction, consumers will want to invest specific assets. Creating and offering unique value and special benefits are key factors in attracting consumers. Berry et al. (2006) also argued that engaging in service innovativeness is the best way to attract consumers. According to previous cases, all of these organisations successfully developed new market niches owing to service innovativeness. Yet, little research has focused on what kind of new mobile banking services increases consumers’ invested specific assets. Hence, an important topic for study is how organisations can create innovative, special and valuable services to attract investment of specific assets by consumers.

Drawing on TCA, this study integrates the works of literature on specific assets and service innovativeness to predict consumers’ sustainable relationship behaviour while using new mobile banking services and to explore the essential factors that affect consumers’ willingness to invest in a sustainable relationship with a new mobile bank. The empirical results indicate that different types of service innovativeness (e.g., personnel service innovativeness and technology service innovativeness) compose different specific assets in various banking service channels and that these specific assets can encourage consumers to invest in a sustainable and close relationship with new mobile banking. The implications for theory and practice for enhancing consumers’ sustainable relationships with new mobile banks driven by different cross-channel-specific assets and service innovativeness conditions are discussed.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

Data for Fun: The Role of Hedonic Perception on Disclosure of Personal Data to Mobile Apps

Authors
1. Carla Freitas Silveira Netto – UFRGS, Brazil
2. Simoni F Rohden - UFRGS, Brazil
3. Marina Lugoch - UNISINOS, Brazil
4. Natália Englert – UFRGS, Brazil
5. Valentina Ortiz Ubal – Unipampa, Brazil

Abstract

Consumers give personal data in exchange for mobile apps. Three different between-subject experimental studies tested the relation between hedonic perception and disclosure. Scenarios described an app's download from an unknown company that required disclosure of personal information. Manipulation involved the kind of app (budget manager vs. game) and presence of endorsement (studies 2 and 3). Mturk respondents were randomly assigned to conditions. The first study confirmed the influence of trust, which was expected, and familiarity, that was not expected. Mediation analysis showed that trust mediates the relation of hedonic perception and disclosure. Hedonic perception had a positive impact on trust and disclosure. Study two confirmed previous results, and a moderation analysis of endorsement and trust was also significant, positively influencing disclosure. The finding that lower levels of familiarity positively impacts disclosure could be related to individual’s being used to online environment (i.e., heavy users) and therefore presenting reduced levels of risk perception and privacy concerns [Tsay-Vogel et.al, 2018]. Study three verified these relations. The negative influence of risk perception and privacy concerns was significant, either meaning that MTurkers are not heavy users or that the relation does not hold to the app’s context. Differently from study two, endorsement moderation was not significant. Study three also allowed to confirm the mediation effect of risk in the relations of (1) hedonic perceptions and disclosure, and of (2) hedonic perceptions and trust. The relation between risk and disclosure is well established in the literature. The mediation of trust and risk on the relation of hedonic perceptions and disclosure is partially explained by prior studies. Van der Heijden (2004) asserts that perception of hedonism determines the use of information systems more strongly than the perception of utilitarianism. Jia et.al (2017) state that, after natural disasters, increase in use of hedonic apps reduced risk perception. Nevertheless, the relation between hedonism, trust and disclosure need further investigating. Results of the three studies confirmed the effects expected that trust positively affects disclosure and that it mediates the relation between hedonic perceptions of the app and disclosure. This is an intriguing result, since we expected that only familiar companies would be trusted and, because of that trust, the willingness to disclosure would be higher. One explanation could be the presence of cues such as endorsement, which was only partially confirmed and still needs to be considered in the future. Other studies could also explore the relation between hedonism and the privacy paradox. Hedonic apps may induce people to perceive the risk as more psychologically distant than utilitarian apps, helping explain the gap between privacy concern and disclosure behaviour (Hallam & Zanella, 2017).
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

What can Big Data and Text Analytics Tell Us About the Relationship Between the Weather and Customers' Experience of Restaurant Service?

Authors
1. Ming-Yi Chen - National Chung Hsing University, Taiwan
2. Hsiu-Yuan Tsao - National Chung Hsing University, Taiwan
3. Chih-Hsin Chuang – Company

Abstract

In the service field, there is a growing interest in utilizing customer-generated data to gain insights into research problems that have not been well understood through conventional methods. The goal of this study is to explore and demonstrate the utility of big data analytics by using it to study the core service variables that have been extensively studied in past decades, such as customers' emotions, because it contributes to customer satisfaction, loyalty, repeat purchases, favorable word-of-mouth recommendations, and ultimately higher profitability. Customers' emotions are a complex consumption experience within a restaurant service setting. Several factors may influence a customer's emotions or experience, including environment stimuli, employees, marketing mix, and so on. The weather, or temperature cues, are important factors with regard to environment stimuli, but limited research has discussed this in a service setting. Temperature cues are related to a sensory stimulus that is derived from embodied cognition theory, which explains how external stimulants influence consumers' perceptions, judgments, and behavior. There are inconsistent findings in the relationships between temperature and emotions. Thus, this research further considers three important boundary conditions, including the uncertainty of consumption in a restaurant service setting, the avatar of reviewers, and the expertise of reviewers. Through a big data analytics approach, customer-generated content on the Internet continues to grow and has an impact on the service industry. This study employed one of the most important types of consumer-generated content - i.e., online customer reviews of restaurants - to understand the experiences of restaurant customers and their relationship with temperature cues (i.e., the weather). Because of the popularity of e-commerce and social media, several consumers prefer to express their post-consumption thoughts on an online platform. A sentiment analysis, via text mining, was applied to first deconstruct a large quantity of customer reviews, using the Mozenda crawling tool to collect data from the iPeen.com website in Taiwan. The sentiment score was calculated from the review content and was regarded as the dependent variable (i.e., consumption emotion). The independent variable, namely the temperature data, was retrieved from the Taichung City Observatory from January 2010 to October 2017. The findings of a multiple regression analysis revealed that when the consumption setting is uncertain, and the reviewer is a novice who uses a virtual avatar, a higher temperature will lead to negative customers' consumption emotions. Conversely, when the consumption setting is certain, there was no interaction effect on consumption emotions. With an understanding of how external environment stimuli (e.g., the weather) affects consumption emotions in writing online review content, marketers could monitor the external environment to boost their service quality, which in turn should strengthen their consumption experience.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

Coaching of Poorly Qualified Individuals as a Transformative Service – a Qualitative-empirical Study

Authors
1. Philipp K. Görs - University of Rostock, Germany
2. Friedemann W. Nerdinger - University of Rostock, Germany

Abstract

Transformative service research (TSR) is one of the ten overarching research priorities in service sciences. It differentiates from the measurement of management-relevant constructs like satisfaction or loyalty in service research, by focusing on the improvement of well-being of both individuals and collectives through services. Disparities in the level of well-being are common in financial, health care and social services and mostly distinct among minorities and socially deprived people, who may find mainstream services inappropriate.

In this research study we analyse a general problem of the German labor market from a TSR point of view. Continuing changes through international division of labor have an impact on the German economy. Due to a growing disregard of people without job-based certificates, employee qualifications are increasingly required at the labor market. Further education services may have a great impact on the employability of poorly qualified people, who are well-known for their heterogeneity and individual educational experiences, inducing high complexity for guidance and coaching. Therefore, the research project focuses on the coaching of poorly qualified individuals (clients) as a transformative service, to improve well-being and to transform lives. This certainly requires the involvement of clients and their service or activity system. The empirical study investigates the interactive process of clients’ personal transformation, how it can be improved and its possible impact on the success of further education of low-skilled individuals.

Since there are only insufficient empirical findings available on this kind of service so far, the research follows the qualitative paradigm. The research design draws on qualitative interviews with participants and coaches from further education services, which will be analysed according to principles of content analysis. The first study (clients) was conducted in 2018 with a total of 17 interviews and initial results confirmed the assumed heterogeneity, for example in terms of situational causes and motivation. Contrary to the widespread belief of a general lack of motivation, many facets of motivation have been reported by the clients. In the next step, several frameworks were created in an inductive process in order to explain the process of value co-creation in the interaction between NFQs and coaches and to give recommendations for improving the transformative service of coaching. Subsequently, the second study involving interviews with coaches will take place in autumn of 2019. Results of both studies will be presented and in addition, initial insights into the service interaction and the reflection of the coaches from the second study will be given to answer the research questions.
The Global Mind Monitor: a Tool to Develop Intercultural Competencies of Service Employees

Authors
1. Armand Odekerken - Zuyd University, Netherlands
2. Joris Boonen - Zuyd University, Netherlands
3. Ankie Hoefnagels - Zuyd University, Netherlands
4. Mark Pluymaekers - Zuyd University, Netherlands

Abstract

As a result of increasing international travel, migration, globalization, and increased buying power of ethnic minorities the number of service encounters involving customers and service employees from different cultural backgrounds increases (Sharma et al., 2009; Stauss and Mang 1999; Furrer and Sollberger 2007). Therefore, intercultural competence of service employees becomes more and more important for creating satisfaction of both customers and service employees (Sharma et al., 2009).

The concept of intercultural competence can be defined as “the ability to communicate effectively and appropriately in intercultural situations based on one’s intercultural knowledge, skills and attitudes” (Deardorff, 2004, p.194). Based on this definition, Deardorff developed an intercultural competence development model in which (context) specific attitudes, knowledge and skills lead towards an internal outcome of personality trait development, for instance adaptability, openness and initiative. Deardorff’s model is comprehensive and overarches constructs such as 1) Cultural Intelligence, consisting of attitude, (meta) knowledge and behavior (Ang, Van Dyne et al., 2007) and 2) Multicultural Personality (Van der Zee and Van Oudenhoven, 2000) consisting of the personality traits openness, adaptability and social initiative.

One of the key challenges in studies on the benefits of education and training in the field of internationalization is the assessment of its effectiveness (Deardorff 2006, 2015; Peng & Wu, 2016). In this assessment, it is key that individuals are enabled to reflect on their learning experience and identify specific competences in which they have developed over time, taking into account the different aspects of intercultural competence (Leask, 2015).

To provide a tool that helps students and employees monitor and reflect on their learning experiences the Global Mind Monitor was developed. The Global Mind Monitor is a quantitative measurement instrument specifically developed to assess intercultural competence development on several dimensions (Global Mind Monitor, 2018). In the first place, the Global Mind Monitor is a reflection instrument developed for individual users, who can monitor their personal development on the different dimensions of intercultural competence over time in a user-friendly online environment. Moreover, the monitor provides institutes or companies in the service industry insights in the effectiveness of their education or training programs for intercultural competencies.

With the poster presentation we intend to introduce the Global Mind Monitor. Furthermore, we look forward to discussing the relevance of monitoring the intercultural development of service employees, sharing the results of the monitor so far, and exploring ways to integrate the Global Mind Monitor approach into service organizations for the benefit of increasing satisfaction of both customers and service employees.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

Self-ordering Systems and its Impact on Customer Satisfaction in the Food and Beverage Sector: Findings from the Customer Satisfaction Index of Singapore

Authors
1. Yongchang Chen - Singapore Management University, Singapore
2. Bertram Goh - Singapore Management University, Singapore

Abstract

Self-service technologies in the form of self-ordering systems have been increasingly adopted by F&B operators in Singapore to reduce manpower usage for the sector. These companies tend to be concerned about the willingness of customers to use these technologies as well as its impact on perception of service quality and customer satisfaction. Drawing upon data from the Customer Satisfaction Index of Singapore (CSISG), a national face-to-face study which measures customer satisfaction across a wide range of industries, we explore how frequent use of self-ordering technologies by customers impacts customer satisfaction, perception of service quality, as well as how preference for its use differs across F&B sub-sectors. Firstly, looking at Fast Food restaurants, where there has been increasing implementation of self-ordering kiosks, we find that while frequent users of such technologies do not have lower customer satisfaction or perceptions of service quality as compared to those who continue to engage service staff for these purposes, the proportion of such users remain lower. We next look at customers’ preference for the use of such technologies across other F&B sub-sectors. We find that preference for their use remains low and appears heterogeneously distributed across different sub-sectors and age groups. This suggests that at the moment, despite the potential benefits, customer adoption of these technologies at F&B outlets may vary.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

Exploring Factors Affecting Consumer Intention to Participate in Service Recovery

Author
Chia-Yi Chen - National Pingtung University of Science and Technology, Taiwan

Abstract

Customer participation in service recovery has been confirmed to enhance recovery satisfaction and tendency to repurchase in the future. However, exiting literature lacks studies exploring antecedents that influence customers' willingness to participate in service recovery after a service failure. Such negligence is regrettable because consumer intention to participate in service creation and delivery has been found a valid predictor of service performance and customer value. Some prior research even noticed that forcing customers to co-produce services may undermine perceived value and satisfaction if customers have little or no intention to participate in service processes. Thus, gaining a better understanding of factors affecting customer intention to participate in service recovery is crucial. To close the current research gap, this study proposed that the participation level in service is an important determinant to increase customers' willingness to participate in service recovery. The current study further suggested that the relationship between level of customer participation in service and customer intention to participate in service recovery is moderated by service failure types and stability of service failures. The enhancing effect of participation level on intention to participate service recovery is stronger under the outcome failure than the process failure. On the other hand, when the service failure is stable, the positive relationship between level of customer participation in service and customer intention to participate in service recovery is weaker, compared with when the service failure is unstable. Last, this study posited that the interactive effects among level of customer participation in service, service failure type and stability of service failure is mediated by expectancy of participating service recovery to influence customer intention to participate in service recovery. According to the proposed framework, the practical implications of this study was suggested.
Competitive Showrooming: Do Consumers’ Moral Considerations Matter?

Authors
1. Janina Kleine - University of Augsburg, Germany
2. Michael Paul - University of Augsburg, Germany

Abstract

Due to technological developments in retailing, consumers increasingly engage in competitive showrooming (e.g., Burns et al. 2018), which refers to gathering information at physical retailers but subsequently purchasing online from competitors (Gensler et al. 2017). As retailers invest resources in providing services (e.g., sales advice) without corresponding compensation, researchers and managers consider competitive showrooming as harmful for physical retailers and as morally questionable (Chiou et al. 2012). Thus, developing effective strategies against competitive showrooming is of superior managerial relevance. To develop such strategies, a detailed understanding of the underlying psychological process of competitive showrooming is warranted.

With our research, we contribute to a refined understanding of competitive showrooming by investigating a) which psychological process explains the underlying mechanism of competitive showrooming and b) how a consumer’s moral considerations influence the decision to competitively showroom.

Prior research indicates that higher perceptions of economic benefits of competitive showrooming (e.g., price savings) explain consumers’ competitive showrooming (Gensler et al. 2017). Drawing on switching literature (e.g., Bansal et al. 2004), we hypothesize that a consumers’ calculative commitment towards a physical retailer mediates the effect of economic benefits on competitive showrooming intention. In a showrooming context, calculative commitment towards a physical retailer results from the cognitive assessment of the economic benefits of competitive showrooming (e.g., Geyskens et al. 1996). To test these relationships, we carried out an initial one-factorial (economic benefits: high vs. low) between-subjects experiment. To manipulate economic benefits of competitive showrooming, we altered the price benefits of a laptop in an online store compared to a physical store. All constructs were measured using established multi-item scales.

With a second study, we replicate the mediation effect and test the moderating effect of perceived moral intensity on a consumer’s decision to competitively showroom. In particular, perceived moral intensity of competitive showrooming describes the relevance of competitive showrooming to a consumer’s moral decision process (Jones 1991). Research shows that perceived moral intensity reduces intentions to act unethically (e.g., Singhapakdi et al. 2001). As consumers weight the perceived costs and benefits of morally questionable behavior (Schweitzer et al. 2004), we hypothesize a less negative influence of the economic benefits on a consumer’s calculative commitment towards the physical retailer when a consumer’s level of perceived moral intensity is high. To test this hypothesis, we use a 2 (economic benefits: high vs. low) by 2 (perceived moral intensity: high vs. low) between-subjects experiment. To manipulate the economic benefits of competitive showrooming, we use the same stimuli of the previous study. We use fictitious newspaper articles about the consequences of competitive showrooming for physical retailers (positive vs. negative) to prime an individual’s level of perceived moral intensity.

We will present empirical results at the conference. References are available upon request.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

Tourist-To-Tourist (T2T) Interaction and Co-Creation Experiences in Tourism Destination

Authors
1. Amjad Shamim - Universiti Teknologi PETRONAS, Malaysia
2. Subarna Sivapalan - Universiti Teknologi PETRONAS, Malaysia
3. Janfry Sihite - Universitas Mercu Buana, Indonesia
4. Zulkipli Ghazali - Universiti Teknologi PETRONAS, Malaysia

Abstract

Due to the wider service to the service network in the tourism industry, the attainment of memorable tourism experiences and tourist satisfaction is challenging. When people travel to the tourists’ destination, in addition to their interaction with the various actors (such as service providers, transportations personnel, hotel staff), they encounter have enough opportunity to interact directly and indirectly with another tourist. Hence, in the tourism eco-system, the other tourists play important role in forming the tourism experience. This study explores how Tourist-to-Tourist (T2T) interaction form the co-creation experiences in the service to service network and how the co-creation experiences lead to tourist destination attachment and satisfaction. The Customer-Dominant Logic perspective serves as a foundation of this untapped phenomenon. The data for the study will be collected from the tourists visiting three most famous destinations in Malaysia namely Genting Highlands, Penang, and Melaka. It is expected that the findings of this study will serve as a foundation for T2T orientation for tourism ecosystem.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

Soul of Service - the Enduring Frontier

Authors
1. Emmanuel David - Tata Management Training Centre, India
2. Radha Ganesh Ram - Tata Management Training Centre, India
3. Ravishankar Mani - Tata Management Training Centre, India

Abstract

The era unfolding around us is full of debates and discussions on how technology in the form of Artificial intelligence, Robotics, and big data that is taking away focus from the sheer sensitivities and emotional intelligence that human touch brings, and machines lack. In this context, TMTC and its service orientation stands out!

As an outcome of Mr. JRD Tata’s vision to foster an educational institution that would assist, cultivate and contribute to the development of professional management for the economic development of the country, Tata Management Training Centre (TMTC) was established in 1956. India had about only 2-3 management training institutes back then. As the Learning and Development arm of the Tata Group’s Human Resources function, TMTC takes the pride of being the 2nd oldest corporate university in the world. The hallowed arches of TMTC have witnessed the infusion of fresh talent, and nurtured it, every year since the first batch of Tata Administrative Services (TAS). TMTC has had the honour of hosting leadership development programmes for officers of the Indian Administrative Services and other civil services.

Today, TMTC designs and delivers world-class leadership development interventions for 110 Tata Group Companies, with faculty drawn from premier institutions including Harvard Business School and Michigan University. The premises have residential as well as dining facilities for the participants and the faculty. While the quality of the programs is excellent because of these partnerships, each of the participant also has an experience of the hospitality and the stay at TMTC. This is due to the service rendered by the 35 staff members. Many of them are lifers in their current roles and have roles like butler, steward and cooks. Though they have the basic education, each of the participants go back with memory of their exceptional service and impeccable honesty. Second and third generation of these members continue to work at TMTC. Despite being the second and third generation, they carry the same set of strong values and principles towards discharging the important corporate and human value tenants.

The article while sharing anecdotes which demonstrates these qualities also discusses the inner motivation and the soul of this exceptional service orientation. In fact, this has significantly contributed to the service of the institute.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

Assessing the Effectiveness of Host-guest Interaction on Value Co-creation: An Empirical Study in the Context of Peer-to-Peer Accommodation

Authors
1. Xiaoyi Wu - Xiamen University, China
2. Xuemin Zhang - Xiamen University, China

Abstract

The peer-to-peer (P2P) accommodation industry has grown explosively worldwide in the past few years. It has been claimed that P2P accommodation provides a unique experience compared to traditional forms of accommodation. One typical feature is the meaningful and in-depth interaction that guests contact with hosts. Previous studies have mainly focused on the business model of P2P accommodation sharing, as well as the motivation and satisfaction of guest’s purchasing and consuming behavior. However, few studies have theoretically or empirically explored the host-guest interaction issue in the sharing economy context. From the perspective of service-dominant logic, the interaction between provider and customer is the prerequisite of their value co-creation. There is a urgent need to delicate the relationship between host-guest interaction and guest’s value co-creation behavior in the P2P accommodation context. To fill the research gaps, this study aims to identify the dimensions of host-guest interaction and explore their relationships with guest’s value co-creation behavior.

This research consists of two studies. Study 1 conceptualizes host-guest interaction and develops its scale. Guests who purchased sharing accommodation service and the hosts were interviewed. And the online customer reviews were analyzed using content analysis as an alternative way to generate the initial items of host-guest interaction. Exploratory and confirmatory factor analyses were conducted to establish scale reliability and validity using separate samples. The results showed that host-guest interaction is a multi-dimensional construct including three components, namely, service interaction, information interaction and interpersonal interaction. Study 2 is a survey design to explore the relationship between host-guest interaction and guest’s value co-creation behavior. The results showed that the guest perceived trust mediates the relationship between host-guest interaction and guest’s value co-creation behavior. Compared with the other two types of interaction, interpersonal interaction exerts greater influence on guest’s trust towards the host. In addition, the guest’s sociability moderates the effect of host-guest interaction on trust such that the effect is stronger when the guests have high tendency of interacting with others.

This study will contribute to the existing literature in the following ways. First, it develops a theory-grounded, conceptual host-guest interaction model and a reliable host-guest interaction scale in the P2P accommodation context. Second, it enriches the research findings of value co-creation in P2P accommodation field by clarifying the linking mechanism between host-guest interaction and guest’s value co-creation behavior.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

Impact of Social Media Marketing Strategy on Accommodation Selection of Sri Lankan Domestic Travellers

Authors
1. Chathura Bimali Wijesundara - University of Kelaniya, Sri Lanka
2. Chathurika Probodhini Kularathne - University of Kelaniya, Sri Lanka
3. Lalith Sanjaya Thilakarathne - University of Ruhuna, Sri Lanka

Abstract

Communication platforms provided through social media have challenged basic assumptions regarding the purchasing process. The consumer decision journey is reevaluated here to highlight the extent and implications of these changes for travel and tourism marketing. This research is conducted to investigate the relationship amid the social media management strategy of travel accommodations affects and domestic travelers travel accommodations selection. Sri Lanka, tourism is an important sector which provides an immense contribution to the county GDP. Tourists in Sri Lanka can be categorized into foreign and domestic. With the end of civil war, domestic tourism has increased where every corner of the country has become a paradise of local travelers. Travel accommodations such as hotels, boutique hotels, hostels, apartments, villas, bungalows, rooms, camping sites also emerging day to day to cater to growing tourism demands.

Marketing has become key factor in the tourism in Sri Lanka. Social media marketing is popular among travel accommodations because it can implement using free social media platforms. Social media has extended reachability and it is less cost. But blindly investing on the social media management will not provide the results as expected. Therefore, this research investigated four different factors of social media and how they affect in travelers. After conducting a literature review, research hypothesis was derived to investigate the relationship. Then a quantitative research design was implemented which was conducted as an online survey. The primary research instrument of data collection was a questionnaire. The questionnaire distributed among online communities and responses were collected respectively. The results were analyzed using descriptive analysis and regression analysis and results were discussed in the discussion section which was led to several new insights in social media involvement of consumer. Further recommendations on how to implement a social media profile of consumer which will attract more travelers was provided in the research conclusion.

Key words: Social media marketing, Sri Lanka tourism, Travel accommodations, Review & Recommendations, Content quality
Discovering the Personality Traits of Opinion Leaders in Social Networks

Author
Wei-Lun Chang - Tamkang University, Taiwan

Abstract
The concept of opinion leaders was originally from the two-step flow of communication, proposed by Lazarsfeld and Katz in 1948. Opinion leader was proposed to observe the citizens' participation in public activities. The communication of information is passed to the opinion leaders through the mass media, and then passed on to the public through the opinion leaders, and the interpersonal communication can more effectively change the attitude of the audience than the public communication. However, the content providers on the Internet have also shifted from network service providers to network users to initiate and share because of the rise of the Internet. This transformation has created many influential bloggers with numerous followers and the rise of web celebrities, which also enable the opinion leaders to spread opinions rapidly in the social network and is increasingly valued and trusted by online users. However, there may be several opinion leaders within a network. Hence, understanding the areas of influence of opinion leaders and the qualities of opinion leaders are often more important than understanding how powerful they are, and it can bring more competitive advantages to the organizations. This study selects five different types of social network groups the strength of the linkages among social network members and the different centralities of the members within the network will be analyzed through the analysis of UCINET. In addition, it can help determine who the opinion leaders are in the social network. Next, we analyze the personality traits and behaviors to discover whether opinion leaders of different groups have differences in personality traits and related behaviors. The results showed that opinion leaders of different groups have the personality traits of agreeableness and extraversion; moreover, opinion leaders from professional-based groups have the characteristics of conscientiousness. Our findings can help organizations understand the leaders in the groups and have the basis and reference for the selection of appropriate managers or opinion leaders for information dissemination in the future.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

When Time is Running Out – A Conceptual Approach to Time Pressure in Services

Authors
1. Sabine Fliess - University of Hagen, Germany
2. Sarina Nenninger - University of Hagen, Germany

Abstract

Time pressure has been a well-researched topic in various disciplines (e.g. psychology, social sciences, marketing and management). Research has yet been limited to the provider sphere as well as the customer sphere (e.g. Dhar/Nowlis 1999, Suri/Monroe 2003, Godinho et al. 2016). It either examines activities that customers (e.g. processing provider information) or providers perform autonomously. We propose that time pressure is furthermore relevant in the joint sphere, which is characterized by the interaction between the customer and the provider. Understanding the perception of time pressure in the joint sphere is crucial as the customer is an integral part of service provision and both the customer and the firm together co-create value (Grönroos 2011). As the customer has the ability to influence the service process, research needs to go one step further and has to consider perceived time pressure during service use.

When customers sense a cognitive discrepancy between the time available and the time required for performing specific tasks or activities (Hornik 1984, Lin/Wu 2005) they perceive time pressure. While this may be conducive to some customers by increasing their efficiency (Locke/Latham 2002) other customers will feel hurried, stressed or impatient (Maule et al. 2000, Thomas et al. 2010) during service use. Potentially, they might not enjoy the service and might even affect service personnel or other customers.

We address this issue through a systematic review. Based on this review we integrate existing theories and empirical findings across the disciplines of psychology, marketing, management and retail into a framework that conceptualizes time pressure in the context of services.

Customers differ from each other in the extent to which they perceive time pressure. During service provision, this depends on conceptual factors (e.g. motive for service use) and service characteristics (e.g. the number of sequences in the service encounter). Existing research proves customers to show cognitive as well as affective reactions when perceiving time pressure. Especially negative emotions like anger exert influence on the interaction with service personnel. Few studies show that the perception of time pressure negatively influences service evaluation (e.g. Strombeck/Wakefield 2008). We propose that reactions to time pressure also affect the overall experience (Verhoef et al. 2009).

This article makes three contributions. Firstly, we systemize the concept of time pressure by means of an extant literature review and by bridging the works conducted in different fields. Secondly, the article provides a conceptual approach to time pressure in the context of services, thus extending the existing literature on experienced temporality in service processes and its outcomes as called for by various authors (Lovelock/Gummesson 2004, Woermann/Rokka 2015). Thirdly, this approach paves the way for creating avenues for further research.
Poster Session

Friday & Saturday, July 19 & 20 (12:00 - 13:15)

How Social Media Can Contribute to Wellbeing Amongst Autists and Their Families – A Study based on Virtual Communities Content

Author
Wilian Ramalho Feitosa - IFSP, Brazil

Abstract

A challenge for public policies is the inclusion of different people in the production process or in the most diverse aspects of life. Communication, for example, is something basic and highly necessary for coexistence. From the dawn of humanity, the human being transmits ideas and desires through various means, among which speech, gestures, and expressions, to live in the community. In recent years, communication has gained new contours with the advent on the internet and written communication through cellular devices. Language written in these media has become more accessible to those who might otherwise be excluded from the process of communication and living in society. This is the case with ASD - autism spectrum disorders. Autism is a term that designates different degrees and types of disorders, all linked to the way people communicate and perceive the world.

This paper aims to know how social media can contribute to ASDs individuals and their families.

We sought to analyze the content of seven different virtual communities linked to autism on Facebook. The selection of communities took place in two ways: the number of community members on the Facebook platform and the appearance of it in search rankings on Google. Data collection took place between June and August 201 and, from this, a list of 300 posts from each of these communities.

Virtual communities related to autism were created to encourage the promotion of support and enlightenment to those in need. Some of them are maintained with the support of hospitals, clinics or laboratories, supporting the disclosure of these brands directly, by offering specialized products or indirectly through public relations, with the appearance of doctors directly clarifying the doubts of potential patients or people or through sponsorship of events or even the NGO's own website.

Because of this, the content of the type “take your doubts with the doctor” are highly shared and are among those that have greater repercussion and engagement. Content that generates clarification and eliminates myths that the commonplace cultivates.

Virtual communities are important tools to increase wellbeing amongst autists and their families, by accessing good content and creating a collaboration network, which allows them to get and generate the warning and inspirational content from themselves and specialists.

Furthermore, phrases like "parents of autistic will understand" and "only for parents of autistic" are highlighted. Social networks have given voice especially to parents who seek to defend their children from the many aggressions. Among the concerns of the members of the communities are still: early diagnosis, better treatments, school inclusion, social inclusion, laws that guarantee rights to autistic. Finally, it is evident the emotional support that these communities offer their members, making them more welcomed, informed and identified with their peers.
Value Co-Creation Patterns in Multi-Actor Service Interactions: A Framework for Collaborative Consumption Platforms

Abstract

Collaborative consumption (CC) platforms like Airbnb, Uber or TaskRabbit particularly expedite service interactions among a multitude of versatile actors (Figueiredo & Scaraboto, 2016). The platform provider acts as a network orchestrator (Larivière et al., 2017) by connecting customers and peer service providers (Benoit et al., 2017). Sharing and interaction of actors is typically a major part of the CC platform’s offering (Lusch et al., 2016), leading to the development of dynamic service ecosystems for value co-creation (Fehrer et al., 2018). Although it is well-known that value is co-created by multiple actors (Vargo & Lusch, 2016), we lack a systematic understanding of value co-creation patterns, meaning which value dimension individuals co-create when and with which actor in a dynamic network on CC platforms. Economic value may emerge for Airbnb guests for getting a low-cost accommodation from hosts, while interactions with other travelers may lead to social value. Knowledge about value co-creation patterns on CC platforms would enable platform providers to adequately manage and foster value co-creation across all actors.

While research has already focused on understanding how value is co-created and which activities lead to value co-creation (Grönroos & Voima, 2013; McColl-Kennedy et al., 2015), literature has not looked on distinctive patterns of value co-creation within a network of multiple, different actors. Thus, this research aims to explore value co-creation patterns in collaborative, platform-based networks. Specifically, we take on the perspective of platform participants and focus on answering the following research questions: (1) Which actors co-create value jointly on CC platforms? (2) Can we identify patterns of value co-creation which distinctively describe which value dimension a participant creates with which actor? (3) Which CC context factors influence these value co-creation patterns?

To address these questions, we conducted 57 semi-structured interviews with participants of five CC platforms between April and August 2018, leading to 553 single-spaced pages of transcript that we are analyzing qualitatively (Miles et al., 2014). The findings suggest that platform participants co-create five value dimensions (efficiency, support, social, moral, and hedonic value) mainly with two actors: the platform provider and peer-participants. The still ongoing analysis reveals three value co-creation patterns for CC platform participants: the social collaborator, efficiency seeker, and cautious sharer. While the social collaborator co-creates social value primarily with peers and moral value with the platform brand, the efficiency seeker co-creates efficiency and financial benefits through the interaction with primarily the platform provider, but also with peer-participants. The cautious sharer co-creates social, hedonic and moral value primarily with peer-participants, but simultaneously needs the co-creation of support value with the platform provider. Our results indicate, that these patterns may depend on the platform industry or individual participant characteristics such as their degree of professionalism and CC experience.
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GRAB ride hailing app is available in Singapore (UBER is not in operation).

Taxis can be hailed using the app and cash payment is often accepted.
More details on: https://www.grab.com/sg/taxi/

Complimentary Bus Services to/from Conference Venue

<table>
<thead>
<tr>
<th>Date</th>
<th>Route A</th>
<th>Route B</th>
<th>Route C</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Marina Mandarin - NUS</td>
<td>Village Hotel Albert Court - Rendezvous - NUS</td>
<td>Village Hotel Bugis - Mercure Bugis - NUS</td>
</tr>
<tr>
<td></td>
<td>To NUS</td>
<td>From NUS</td>
<td>To NUS</td>
</tr>
<tr>
<td>18 JUL (Thu)</td>
<td>06:00 pm</td>
<td>08:00 pm</td>
<td>05:45 pm (Albert Court) 06:00 pm (Rendezvous)</td>
</tr>
<tr>
<td>19 JUL (Fri)</td>
<td>07:30 am</td>
<td>05:15 pm</td>
<td>07:15 am (Albert Court) 07:30 am (Rendezvous)</td>
</tr>
<tr>
<td>20 JUL (Sat)</td>
<td>07:30 am</td>
<td>05:15 pm</td>
<td>07:15 am (Albert Court) 07:30 am (Rendezvous)</td>
</tr>
<tr>
<td>21 JUL (Sun)</td>
<td>07:30 am</td>
<td>01:15 pm</td>
<td>07:15 am (Albert Court) 07:30 am (Rendezvous)</td>
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<table>
<thead>
<tr>
<th>Date</th>
<th>NUS to Official Hotels</th>
<th>Official Hotels to Dinner Venue</th>
<th>Dinner Venue to Official Hotels</th>
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<tbody>
<tr>
<td>Awards Dinner</td>
<td>05:15 pm</td>
<td>06:30 pm</td>
<td>10:15 pm</td>
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<tr>
<td>19 Jul (Thu)</td>
<td></td>
<td></td>
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<tr>
<td>Social Dinner</td>
<td>05:30 pm</td>
<td>N.A.</td>
<td>10:15 pm</td>
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<tr>
<td>20 Jul (Fri)</td>
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