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The Role of Emotional Relational Behaviors on Interpersonal Consumer Service Loyalty

Bernadette P. Njoku
Cleveland State University

THE ROLE OF EMOTIONAL RELATIONAL BEHAVIORS ON INTERPERSONAL CONSUMER SERVICE LOYALTY

BERNADETTE P. NJOKU

Bachelor of Arts in Chemistry

University of Dallas

May, 1982

Master of Business Administration in Marketing

Pace University

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This dissertation has been approved

for the Department of MARKETING

and the College of Graduate Studies by

Dissertation Chairperson, Dr. Thomas W. Whipple

Department of Marketing, Date

Committee Member, Dr. Rama Jayanti

Department of Marketing, Date

Committee Member, Dr. Ashutosh Dixit

Department of Marketing, Date

Committee Member, Dr. Kim Neuendorf

School of Communication, Date

Dedication

This dissertation is dedicated to my mother and father (deceased) “the Educator” for instilling in me the importance of higher education. Most importantly, I thank God – the ultimate reason that I am receiving this degree – for giving me purpose, a passion for marketing, creativity, and music.

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ABSTRACT

This study seeks to examine factors that enhance the development of interpersonal service relationships between consumers and service employees. It focuses on interpersonal service relationships that are extended in duration, affective or emotionally charged, and intimate in distance (EAI), or those which appear to be boundary open (Price and Arnould 1999; Price et al. 1995a, 1995b). It thus emphasizes relationships that are similar to personal acquaintances and friendships, rather than ones that are non-affective, and consist of little or no emotional content, such as professional relationships and casual acquaintances (Johnson and Selnes 2004; Coulter and Ligas 2004). Based on a review of the literature, five factors, namely, mutual understanding, personalization, authenticity, problem-solving behavior, and specialized treatment, are combined to form a parsimonious group of relational behaviors (RBs) that are expected to promote friendship-like relationships. A conceptual model is portrayed that shows interrelationships between the relational behaviors and relationship outcomes, including service quality, satisfaction, emotional trust, and loyalty (Sirdeshmukh et al. 2002).

In order to collect data, this study utilizes a self-report survey and cross-sectional design, within the context of hair care service. Additionally, web-based survey and sampling are utilized. The sample consists of individuals who are

members of a professional business organization, whose occupation requires a professional appearance. Thus, they are expected to patronize hair care services. Additionally, the sample consists primarily of African-American females (65.4% African-American, 80.6% female), who have unique hair care needs. Thus the sample is homogeneous with respect to various salon behaviors and demographics. The final study consists of 191 usable surveys.

Using confirmatory factor analysis (CFA) and AMOS software, scales are assessed for unidimensionality, reliability, and validity. Results show, however, that this measurement model is not theoretically supported. Thus, an empirical approach is undertaken by performing CFA on the relationship outcome variables and exploratory factor analysis (EFA) on the relational behavior scale items. Results show that the revised relationship outcome measurement model is unidimensional, reliable, and valid. A revised, or emotional, relational behavior (ERB) measurement model is shown that consists of three constructs that are unidimensional, reliable, and valid, and include social communication, personable behavior, and customer care. These behaviors are expected to promote friendship-like relationships and may be distinguished from non-affective, cognitive relational behaviors (Sirdeshmukh et al. 2002).

A structural model is formed by combining the two revised measurement models. The new hypotheses are examined and results show that personable behavior and customer care are positively and significantly related to service quality. Service quality is positively and significantly related to satisfaction and emotional trust, and satisfaction and emotional trust are positively and signify-cantly related to loyalty.

Results also show that social communication and service quality are not significantly related, and satisfaction and emotional trust are not significantly related.

Based on the results of this study, four (4) paths are suggested for increasing loyalty and developing friendship-like interpersonal consumer relationships in EAI services. The implications are that managers of EAI services may train employees to utilize either path, displaying ERBs, such as personable behavior and customer care, in order to increase loyalty. Future research may examine the role of these behaviors in other EAI and non-EAI service contexts, using other samples.

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CHAPTER I

INTRODUCTION

Ms. B smiles as she greets the first customer of her new salon, and thinks, "How can I be sure that this customer returns over the long run."

Like most businesses, Ms. B depends on repeat patronage for long-term success. So she asks, "What behaviors should my employees and I exhibit, especially when we come in direct contact with customers, so that we provide quality service, and retain them, especially the ones that are emotionally attached to us. We want them to become like our best friends, our fans.

Whatever we do, we must ensure that our customers are satisfied with their hair care experience, but satisfaction may not be enough. We need to be sure that they develop emotional attachment, emotional trust, and emotional commitment to us. Then there is a greater chance that they will return and tell others about us, instead of switching to our competitors.

Unfortunately, there is too much literature about relationships and loyalty. I don't know what to do. Specifically, which behaviors should my employees and I use to build loyal relationships with customers? It is very confusing.

This scenario is not unusual for many firms, new or established. Repeat business is not only necessary, but repeat business from loyal customers is most important for a firm's survival. Thus understanding which behaviors enhance loyalty development is crucial for managers and academicians alike.

According to this scenario, the problem is that managers and employees of service firms fail to have a clear understanding about which behaviors they should exhibit during service performance in order to develop strong interpersonal relationships, and hence, loyalty with consumers. This scenario focuses on services, such as hair care, or those that are characterized as extended in time, affective and social in nature, and close in physical distance (EAI encounters) (Price and Arnould 1999; Price et al. 1995a, 1995b).

Previous studies focused on service exchange characteristics and classifications (Zeithaml 1991; Lovelock 1983). Except for the abundance of literature examining service quality, few studies focused on actual behaviors that positively promote service exchange and service relationships (Sirdesmukh et al. 2002). Moreover, existing literature that discusses relationship-enhancing behaviors is in its early stages, with many studies occurring at the exploratory stage.

Yet, several behaviors are proposed in marketing literature for developing interpersonal relationships. For instance, Price et al. (1995b) suggested three dimensions that are derived from social psychology – temporal duration, affective content, and physical proximity. They asserted that these dimensions are key ingredients for social relationships and may be beneficial in understanding interpersonal consumer relationships (McCroskey et al. 1986). While many services are interpersonal and social in nature, these dimensions are largely ignored in services literature. Price et al. (1995b) devised a continuum categorizing service encounters from extended, affective, and intimate (EAI) at one end to short, non-affective, and public at the other, and asserted that EAI encounters are likely to develop into informal, harmonious, symmetrical, and social, boundary-spanning interpersonal consumer relationships that resemble a "meeting between friends" (p. 85). Behaviors displayed by service providers in EAI encounters include mutual understanding, authenticity, extras, minimum standards of civility and competence. More knowledge about these behaviors may enhance our understanding about how to develop loyalty in interpersonal service exchanges.

Additionally, Sirdeshmukh et al. (2002) described three trustworthy behaviors of service providers and management that influenced trust and loyalty in consumer exchanges. These behaviors include operational competence, operational benevolence, and problem-solving orientation. They too may be beneficial in understanding relationship building. Further, researchers have shown that factors that influence relationship development may derive from service quality, which include tangibility, assurance, reliability, responsiveness, and empathy (Parasuraman et al. 1991).

With the availability of several relational behaviors, and little in depth examination, it is difficult to determine what behaviors to exhibit in different situations. Although popular, trade and academic literature proclaim the benefits of having customer relationships, knowledge about how to successfully create and manage them remains ambiguous. Literature states that it is important for customers to feel as if they receive quality and satisfactory service. Yet, satisfaction may not be enough. Satisfaction and loyalty are not perfectly correlated. Dis-/satisfaction may be influenced by several factors of which managers have little or no control. Moreover, trust and commitment are important factors for long term relationships.

Research that examines which behaviors are best for encouraging repeat patronage and developing relationships with consumers remains equivocal. A firm's ability to capture and retain customers is limited by time, cost, and human resource and technology constraints. Firms must therefore take advantage of every encounter in order to lay the groundwork for building relationships. Thus, managers need clarity about which specific behaviors to display within the time that they are given to capture a potential relationship. Service employees are often a firm's best resource for building relationships. Employees' displays of behaviors such as personalization and social support may provide tangible evidence of service quality, which enhances affective exchange with consumers and hence relationship development (Yim et al. 2008; Spake and Bishop 2009; Palmatier et al. 2007). Managers must therefore provide employees with the proper tools, or behaviors, so that they know which ones to exhibit and in which situations, in order to develop effective long-term relationships.

This study thus seeks to identify a parsimonious group of relational behaviors of service providers that promotes the development of interpersonal consumer relationships in EAI-like exchanges. It has been shown that these types of relationships are highest in satisfaction and loyalty (Coulter and Ligas 2004; Johnson and Selnes 2004). To date there is no consensus about which behaviors are best for developing them.

Problem Statement

Research that empirically examines how to develop long-term interpersonal consumer relationships in EAI encounters remains equivocal and relatively sparse. Closing this gap in marketing literature would provide academicians and practitioners with a better understanding about how to allocate limited resources, including optimizing employee training, time, and utilization of emotional and affective effort, as they seek to encourage repeat patronage and develop loyalty. This study therefore poses the following research question: Which behaviors in EAI-like interpersonal consumer services – that are extended in duration, social and emotional in nature, and intimate in distance – should service providers utilize during service performance in order to influence consumers' perceptions of service quality, satisfaction, trust and loyalty, and hence promote relationship development?

Contribution of the Study

This study contributes by pooling together a parsimonious group of relational behaviors of service providers that include mutual understanding, personalization, authenticity, problem-solving behavior, and specialized treatment, and examining their influence on service quality, satisfaction, emotional trust, and loyalty in the context of boundary open, interpersonal consumer exchange. Based on further analysis, a new and revised parsimonious group of emotional relational behaviors of service providers is identified that consists of social communication, personable behaviors, and customer care, and examined for their influence on service quality, satisfaction, emotional trust, and loyalty. A review of marketing, social sciences, sociology, and social psychology literatures, using *ProQuest Online, ProQuest Dissertations and Theses*, and other social sciences databases, was conducted. While knowledge about their potential roles in building tighter relationship bonds would be beneficial, to date, no study, working paper, or dissertation has been found that identifies and pools together this group of relational behaviors and links them with these relationship outcomes.

While dyadic interactions between consumers and service providers are emphasized in relationship development, this study focuses on consumers' perspectives alone. It thus takes the perspective that firms seeking to benefit from successful relationships with consumers should be proactive in devising strategies and tactics by which to develop and maintain them.

Organization of the Dissertation

The remainder of this study is organized as follows. Chapter Two consists of a review of literature applicable to building EAI-like interpersonal consumer relationships. An integrative model of service loyalty is presented in Chapter Three with an explanation of the interrelationships and hypotheses that are examined. In Chapter Four, the methodology is provided with a discussion about the sampling procedure and survey instrument. Statistical techniques for analyzing data and testing the hypotheses are also discussed. Lastly, results of the study and discussion of the implications are presented in Chapter Five.

CHAPTER II

LITERATURE REVIEW

Consumer relationships are as important as organizational ones and contribute as much to the field of marketing (Bell et al. 2005; Johnson and Grayson 2005; Leisen and Hyman 2004; Narayandas and Rangan 2004; Sirdeshmukh et al. 2002; Price and Arnould 1999, Price et al. 1995a; 1995b; Zeithaml and Bitner 2000). As a result of unique characteristics of services, services marketing literature is abundant in research that examines interpersonal consumer relationships. Literature suggests that factors, such as inseparability, create marketing contexts in which consumers and service providers interact regularly and thus have opportunity for relationship development (Price and Arnould 1999; Bendapudi and Leone 1997). Thus, service employees may be a key element in retaining customers and gaining loyalty (Czepiel 1990).

According to Hartline and Ferrell (1996), the attitudinal and behavioral responses of customer-contact employees are important because of the interactive nature of service delivery (p. 53). These assertions are observed when service firms become vulnerable when key contact employees depart, because of the critical role and the strength of their relationships over customers' relationships with the firm itself (Palmatier et al. 2007; Bendapudi and Berry 1997). Researchers agree, moreover, that consumers' perceptions about service exchange are likely to be affected by service providers' displays of friendliness, enthusiasm, and attentiveness (Johnson and Grayson 2005; Price et al. 1995a, p. 34; Price et al. 1995b, p. 91; Zeithaml 1991). Yet, our understanding about behaviors that service providers should perform to foster loyalty and create successful interpersonal consumer relationships remains ambiguous and sparse. It would be beneficial to academicians and practitioners if a comprehensive group of service provider behaviors were identified that would increase the probability that interpersonal consumer relationships would develop.

This study draws first from Price et al.'s (1995b) study on river rafting that emphasized extended, affective, and intimate (EAI) or friendship-like, boundary open encounters. It is based on concepts from social psychology literature that focus on social friendship relationships and extends them to the field of marketing to identify factors that are necessary for building similar types of exchanges between consumers and service providers (Koermer and McCroskey 2006; Koermer 2005; McCroskey et al. 1986). Then it ties in factors from Sirdeshmukh et al.'s (2002) study of trustworthy behaviors in interpersonal consumer exchanges and Parasuraman et al.'s (1991) study on service quality to pool together a parsimonious group of behaviors, which are referred to as relational behaviors of service providers. Then, it examines linkages between the relational behaviors and relationship exchange outcomes.

In this study, the term 'service provider', is used to describe employees who interact directly with consumers during interpersonal service exchange. Behaviors examined further emphasize actions or active behaviors, and not passive characteristics, such as service providers' similarity to consumers, which are inherent and fail to reflect one's actual performance. In the next sections, a review of literature begins with a discussion about dependent variables examined in this study, including loyalty, trust, satisfaction, and service quality. Then, it is followed with a discussion of independent variables or factors that influence relationship development.

Relationship Outcomes

Loyalty

"Despite the complex issues associated with customer loyalty and RM, it is clear that creating and maintaining loyalty and building relationships remains a strategic priority in today's highly competitive service markets" (O'Loughlin and Szmigin 2006, p. 270). Customer loyalty is viewed by many researchers as a valuable asset as it has a powerful impact on firm performance and may be a source of competitive advantage (Yim et al. 2008; Rust et al. 2002; Dick and Basu 1994; Zeithaml 1981). Central to relationship-building, it is at times used interchangeably with relationship commitment, which is described as "an enduring desire to be in a valued relationship" (Lam et al. 2004, p. 294; Morgan and Hunt 1994; Moorman et al. 1992). According to Johnson and Selnes (2004), it is a necessary and sufficient condition for relationship development.

Loyalty, however, may not result in positive benefits for firms in all instances. Firms may create loyalty by utilizing financial incentives, or structural bonds based on contractual conditions. Yet these methods fail to ensure that customer satisfaction and quality performance are provided, and may eventually lead to negative word-of-mouth and loss of future revenue. Service characteristics, such as intangibility and heterogeneity, create greater risks and reduce customer switch to competitors (Javalgi and Moberg 1997). Zeithaml (1981) thus notes that brand loyalty may be more important for services. Still, it does not ensure customer satisfaction and quality service.

Marketing researchers have given much attention to consumer loyalty, however, most studies have focused on product-related or brand loyalty (Bloemer and de Ruyter 1999; Bloemer et al. 1999; Dick and Basu 1994). Although marketing literature on consumer relationships has increased (Johnson and Grayson 2005; Sirdeshmukh et al. 2002; Price and Arnould 1999; Colgate and Danaher 2000; Reynolds and Arnold 2000; Bloemer and de Ruyter 1999; Reynolds and Beatty 1999a, 1999b; Macintosh and Lockshin 1997; Naidu et al. 1999; Price et al. 1995a, 1995b), more conceptual and empirical studies are necessary to account for their distinctive attributes. Service loyalty, for instance, appears to be applicable to understanding interpersonal consumer relationships since they are characterized by intangibility and inseparability, thus making the service provider a critical aspect of the exchange (Javalgi and Moberg 1997; Czepiel 1990). Therefore, understanding service employees' behaviors such as social rapport (Yim et al. 2008) and social support (Mittal and Lassar 1996) and their influence on the development of service loyalty, is useful to this study.

Loyalty is defined on behavioral terms that measure frequency of purchase, with little attention to explaining why consumer choose what they do and little attention to attitudinal measures of loyalty that incorporate customers' preferences towards brands. Dick and Basu (1994) thus developed a framework that incorporates both attitudinal and behavioral measures. They described loyalty on four categories, namely, loyalty, which is characterized by high repeat patronage and high relative attitude; latent loyalty, characterized by strong attitude but low repeat patronage; spurious loyalty, which is described by high repeat patronage and low relative attitude; and no loyalty which is described by both low repeat patronage and low relative attitude. Javalgi and Moberg (1997) utilized this schematic to emphasize its strategic usefulness for service marketers. They prescribed that firms must first identify the type of loyalty associated with their brand, then, implement strategies relevant to the conditions of loyalty. Oliver (1999) defined customer loyalty as a buyer's overall attachment or deep commitment to a product, service, brand, or organization. Yet, O'Loughlin and Szmigin (2006) assert that loyalty found in many organizations today may be characterized as spurious in nature, that is, founded only on behavioral loyalty, dependent on tangible rewards, and not on positive attitudinal loyalty.

Researchers have thus operationalized loyalty as a behavioral construct, utilizing measures such as repeat purchasing and purchasing sequence. Others have operationalized it as an attitudinal construct, using willingness to recommend the service provider to other customers. Still others have operationalized loyalty as a cognitive construct with measures such as product or service that first comes to mind when making a purchase decision (Bloemer and de Ruyter 1999; Bloemer et al. 1999). Similar to loyalty in organizational exchange, two key manifestations have been considered for loyalty in consumer service contexts, including recommending the service provider to other customers and repeatedly patronizing the provider (Lam et al. 2004; Sirdeshmukh et al. 2002; Reynolds and Arnold 2000; Reynolds and Beatty 1999a; MacIntosh and Lockshin 1997; Dwyer et al. 1987).

In Bloemer et al.'s (1999) study, behavioral, attitudinal, and cognitive aspects of service loyalty were taken from Zeithaml et al.'s (1996) behavioral intentions battery and applied to take into consideration affective aspects of interpersonal exchanges. They described service loyalty on four dimensions: word-of-mouth communications, purchase intentions, price sensitivity, and complaining behavior. Still, affective loyalty emphasizes emotional aspects of loyalty that move customer-\service firms beyond financial bonds and towards the development of social and structural bonds or relational bonds that are based on social characteristics of interaction and customization benefits, respectively, for building stronger, tighter bonds that are necessary in interpersonal relationships (O'Loughlin and Szmigin 2006; Hsieh et al.2005).

Service providers are major participants in service exchange and subsequently important in building loyalty in interpersonal consumer relationships. Thus, service provider behaviors that are useful in building relationships should be useful in reducing switching behavior and encouraging service loyalty, even when consumers find evaluation of a service exchange quite challenging (MacIntosh and Lockshin

1997; Javalgi and Moberg 1997). In these situations, consumers may utilize behaviors of service providers to assess satisfaction and service quality, even when technical performance cannot be understood. Regardless, relational behaviors of service providers may strengthen loyalty, more specifically attitudinal and affective loyalty, and hence the development of relationships that share the characteristics of friendships (O'Loughlin and Szmigin 2006).

Studies have further shown that consumers may form dual loyalty toward the service employees and the service firm (Sirdeshmukh et al 2002; Beatty et al. 1996) that may in some cases benefit and in other cases potentially harm the firm (Palmatier et al. 2007). For this reason, demonstrating the role of behaviors such as social support, personalization (Mittal and Lasser 1996), social rapport (Yim et al. 2008); closeness (Spake and Bishop 2009), mutual understanding (Price and Arnould 1999) and social disclosure (White 2004) in interpersonal consumer exchanges would be beneficial to managers and academicians who may utilize this knowledge in attempts to develop strategies with positive outcomes. Service loyalty is thus emphasized in this study in order to gain an understanding of behaviors that influence the development of interpersonal consumer relationship.

Trust

Trust is a major concern for firms because it enhances competitiveness, reduces transaction costs, and encourages partners to have long-term relationship focus. It increases motivation to make relationships work and preserves customer commitment, especially during difficult business times (Johnson and Selnes; Doney and Cannon 1997; Smith and Barclay 1997; Morgan and Hunt 1994; Dwyer et al. 1987). According to Berry (1996), trust is the "single-most powerful relationship marketing tool available to a company" (p. 42). It may lead to high-risk coordinative behaviors in expectation of very rewarding outcomes (Dwyer et al. 1987). Trust is a precursor of commitment that plays a significant role during the exploration stage of relationship development, as parties develop expectations about future exchanges, and grows as parties become more committed. It is useful in sustaining relationships, even when they are asymmetrically dependent (Kumar 1996; Geyskens et al. 1998, 1996), such as in consumer-service firm and consumer–service provider exchange (Iacobucci and Ostrom 1996). According to Roloff (1981), trust forms the basis of social exchange, which encourages reciprocal exchange implying that trust leads to more trust (p. 16).

Morgan and Hunt (1994) defined trust as a party's confidence in the exchange partner's reliability and integrity (p. 23), which is associated with qualities such as consistency, competence, honesty, fairness, responsibility and helpfulness. This definition is consistent with Ganesan (1994) who described two distinctive components of trust: objective credibility and benevolence. Objective credibility refers to the extent that a retailer believes that a vendor has the required expertise to perform the job effectively and reliably and thus focuses on one's expertise and reliability. Benevolence focuses on motives and intentions of an exchange partner that are beneficial towards the other party, particularly when new situations arise for which no prior commitment was made (p. 3). In Moorman et al.'s (1992, p. 315) agency view, trust refers to the “willingness to rely on an exchange partner in whom one has confidence.”

In the field of social psychology, Rempel et al. (1985) modeled interpersonal trust in three stages that involves predictability, dependability, and faith, asserting that trust evolves through past experience, prior mutually satisfying interactions, and increasing confidence as the relationship matures. Trusting partners are thus considered to be reliable, dependable, and concerned with providing expected rewards. Trust involves a willingness to put oneself at risk, whether through intimate disclosure, reliance on another’s promises, and sacrificing present rewards for future gains. It is defined by feelings of confidence and security as displayed in the caring responses from exchange partners and strength of the relationship (p. 96). Similarly, Giffin (1967) defines interpersonal trust as “the reliance upon the characteristics of an object, or the occurrence of an event, or the behavior of a person in order to achieve a desired but uncertain objective in a risky situation (p. 105).” Thus, trusting exchanges involve reliance on some object, event or person, and risk and some degree of confidence that the risky goal can be achieved by placing trust in the object. Several marketing researchers have used these social psychological views to describe interpersonal trust as well as trust in organizational exchange. For instance, Sirdeshmukh et al. (2002) draw from organizational exchange definitions of trust that stem from social psychology and define interpersonal consumer trust as “the expectations held by the consumer that the service provider is dependable and can be relied on to deliver on its promises” (p. 17).

As a result of the general reciprocity concept, theoretical challenges, a multi-staged view of relationship development, and issues concerning its dimensionality, ambiguity exists about how trust is derived. Thus, in certain situations some factors of trust may serve as antecedents while in others, they may serve as consequences (Dwyer et al. 1987). According to Raimondo (2000), ambiguities arise from a dynamic view of trust, which she refers to as the "evolutive path of trust relationship" (p. 9) that stem from "circular causal links and concern crucial factors in defining the construct and its main causal links" (p. 9). The roles of trust antecedents such as communication and opportunistic behavior and trust consequences such as cooperation may depend on the stage of the relationship (Morgan and Hunt 1994; Dwyer et al. 1987).

Ambiguities about how trust is derived may further stem from inabilities to properly define context-specific attributes of the exchange under examination (Singh and Sirdeshmukh 2000). According to these authors, trust is situationally determined in that "situations will vary by the degree to which they evoke the relevance of trust and trigger mechanisms that are affected by the level of trust." Trust-relevant exchanges are characterized by (a) a high level of performance ambiguity in which consumers may not be able to make accurate evaluations, (b) significant consequentiality, for instance, service performance has significant consequences for the value derived by the consumer, and (c) greater interdependence, for instance, when the consumer participates in value creation (p. 154).

Leisen and Hyman (2004) agreed that trust is context-specific, referring to a meta-analysis of trust and marketing relationships that identified 60 antecedents and consequences of trust in organizational contexts and 80 in sales contexts (p. 991). They identified antecedents of trust in physician-patient relationships, such as service provider's incentives for opportunistic behavior, number of previous encounters, and customer satisfaction. They further asserted that less-studied relationships suggest other antecedents and consequences, and thus renders our understanding about trust somewhat challenging. An intermediate level of connotative specification of salient trust attributes thought to be desirable would be preferable (Singh and Sirdeshmukh 2000).

In order to properly address the development of trust in interpersonal consumer relationships researchers must therefore identify appropriate antecedents that lead to trust and suitable consequences that derive from it. Utilizing similar techniques as Dabholkhar et al. (2000), researchers may examine whether factors of trust are better conceived as antecedents, consequences, or components, and determine which provides greater power in predicting outcomes such as commitment and loyalty in order to increase our understanding of trust. This type of investigation is beyond the scope of this study and is thus recommended for future research. In the next section, dimensions of interpersonal consumer trust are discussed since understanding them provides some knowledge about how trust antecedents may be derived.

<u>Dimensions of Interpersonal Trust</u>. Traditionally, researchers have described a cognitive dimension of trust, which consists of a partner's reliability,

trustworthiness, and credibility that are determined by motivation and knowledge, and a behavioral dimension, which refers to behavioral intentions or consequences that involve the act of placing trust in an exchange partner and exhibiting one's vulnerability and uncertainty in the trusting party (Raimondo 2000). Consistent with previous studies on organizational buyer-seller exchange, Singh and Sirdeshmukh (2000) specified dimensions such as credibility, or competence, and benevolence (p. 155). Sirdeshmukh et al.'s (2002) study identified two unique dimensions of interpersonal consumer trust: namely, trust in service providers and trust in management policies and procedures. Unlike previous views which state that consumers' evaluations about service firms are highly dependent on evaluations about service providers with whom they interact (Bendapudi and Leone 2002; Reynolds and Beatty 2000, 1999a, 1999b; MacIntosh and Lockshin 1997), Sirdeshmukh et al. (2002) found that consumers can distinguish trust at these different levels even though they may be prevalent within the same exchange. Further, they identified "observable" service provider behaviors, namely, operational competence, operational benevolence, and problem-solving orientation, as key influencers of consumers' trust in service providers and the firm.

Recently, Johnson and Grayson (2005) described a dimension of trust that is largely ignored in marketing literature. In addition to cognitive and behavioral trust dimensions, they examined the role of affective trust in interpersonal consumer exchanges and noted its critical role in developing interpersonal relationships that may involve emotional and social characteristics. This view is supported by salesperson literature, which states that both cognitive and affective dimensions are reasonable, since human thought includes both (Swan et al. 1999). It is further supported by social psychologists that modeled interpersonal trust with an affective dimension (Rempel 1985), and organizational management literature that has portrayed its significance in developing effective inter- and intra-organizational interpersonal exchange (Chowdhurry 2005; McAllister 1995).

Affective trust refers to the confidence consumers place in a service provider on the basis of feelings experienced during interaction generated by the level of care and concern demonstrated by the service provider (Johnson and Grayson, p. 501). It is further defined as the extent that a customer feels secure or insecure about relying on a salesperson (Swan et al. 1999). McAllister (1995) describes affective trust as consisting of emotional bonds between individuals, emotional investments, expressions of genuine care and concern for the welfare of partners, and belief in the intrinsic virtue of the relationship and belief that such feelings are reciprocated (p. 26). Drawing from previous literature and measures of interpersonal trust, he demonstrates that affective trust is a unique dimension, different from cognition-based trust (McAllister 1995), and from calculative trust and identification trust, although it shares some similarities with knowledge-based trust (McAllister et al. 2006; Lewicki and Bunker 1995). Additionally, McAllister et al. (2006) find that, similar to other dimensions, affective trust is high in relationships in which partners are most trusting.

Our understanding about the role of affective trust in developing interpersonal consumer relationships is at its early stages. Yet, understanding affective trust is important because it addresses the unique role of emotional bonds within trust development processes of interpersonal exchange that become more salient as trust relationships mature. Additionally, affective trust increases the potential for disclosure when relationship partners are bound together by reciprocated care and concern (McAllister et al. 2006). More empirical research is thus needed that not only examines the role of affective trust in interpersonal consumer exchanges, but also examines employee behaviors that influence it, so that a better understanding may be gained about how EAI-like relationships are developed. These relationships involve affective content that further develops as a result of extensive duration and intimate distance of the exchange. Emotional consequences, such as affective trust and loyalty, may thus be allowed.

Satisfaction

In addition to the latter constructs, it was demonstrated that customer satisfaction impacts corporate strategy (Homburg et al. 2005) and has strong positive effects on trust, loyalty, repurchase, and financial performance (Reynolds and Arnold 2000; Reynolds and Beatty 1999a, 1999b; MacIntosh and Lockshin 1997; Bendapudi and Berry 1997; Ganesan 1994; Heskett et al. 1994; Rust and Zahorik 1993). These results are found across a wide range of products and services (Fornell 1992). Researchers have shown that satisfaction correlates with service quality (Dabholkar et al. 2000; Cronin and Taylor 1992) and trust (Ganesan 1994). Some have demonstrated that satisfaction mediates the effects of product quality on loyalty (Gustafsson et al. 2005; Dabholkar et al. 2000; Bolton and Lemon 1999). Others argue that it serves as a mediator in some cases while in other cases it serves as an antecedent to service quality (Cronin and Taylor 1992). Researchers have found, moreover, that customer, relational, and marketplace characteristics may moderate the relationship between satisfaction and repurchase behavior (Gustafsson et al. 2005; Seiders et al. 2005; Mittal and Kamakura 2001). Thus, the correlation between satisfaction and post-purchase behavior may be challenging.

Some challenges relevant to understanding the role of satisfaction in marketing exchange arise from its theoretical and conceptual basis. Marketing literature, for instance, distinguishes between cumulative satisfaction and transaction-specific satisfaction. Cumulative, or overall, satisfaction refers to a customer's overall evaluation of a product or service to date; an overall evaluation that is built up over time (Gustafsson et al. 2005; Homburg et al. 2005; Fornell 1992); "an overall evaluation based on the total purchase and consumption experience with a good or service over time" (Anderson et al. 1994, p. 54). It is distinct from transaction-specific customer satisfaction, which is an immediate post-purchase evaluative judgment or an affective reaction to the most recent transactional experience with the firm (Garbino and Johnson 1999, p. 71; Oliver 1993); a customer's evaluation of his/her experience to a particular product transaction, episode, or service encounter (Homburg et al. 2005). Parasuraman et al. (1988) described satisfaction as a psychological state resulting when the emotion surrounding disconfirmed expectations is coupled with the consumer's prior feelings about the consumption experience. They distinguished between transaction-specific satisfaction, which is situationally oriented, and attitude that is general. According to these authors, attitude is a relatively enduring affective orientation for a product or service while satisfaction is an emotional reaction following a disconfirmation experience that acts on the base attitude level and is consumption-specific (p. 16).

These definitions are consistent with Churchill and Suprenant (1982) who define customer satisfaction as an outcome of purchase and usage, resulting from the cognitive process of comparing what customers receive, or rewards, against what they give up to acquire the product, or costs. Others have defined it as an emotional state that occurs in response to the evaluation of a product (Westbrook 1981). Combining the two perspectives, some researchers described customer satisfaction as an emotional response that results from a cognitive process of evaluating rewards against costs (Tam 2004). Customer satisfaction/dissatisfaction (CS/D) is operationalized in several ways, one of the most popular being the difference between consumers' expectations and perceived performance of the product. Thus, consumers may be satisfied or delighted, namely, confirmation and positive disconfirmation, when performance meets or exceeds expectations. They will be dissatisfied, or negative disconfirmation occurs, when perceived performance is less than consumers' expectations (Wirtz and Lee 2003).

Similarities in conceptualization and operationalization have further led researchers to argue whether satisfaction is distinct from service quality (Parasuraman et al. 1985). They contend that perceived satisfaction and service quality may be one of many forms of expectancy-disconfirmation judgments that have unique measurement challenges themselves (Cronin and Taylor 1994; cf. Oliver 1993). Attempting to unravel ambiguities about service quality and customer satisfaction, and relationships between them, Cronin and Taylor (1994) defined service quality as a specific long-term attitude at a single point in time and claimed that performance-based measures may better reflect long-term service quality attitudes in cross-sectional studies (p. 126). They described satisfaction, on the other hand, as a transitory judgment made on the basis of a specific service encounter (cf. Bolton and Drew 1991; Cronin and Taylor 1992).

They stated that service quality perceptions reflect a customer's evaluative perceptions of a service encounter at a specific point in time, whereas customer satisfaction judgments are experiential in nature, involving an end state and a process that reflects both emotional and cognitive elements. Satisfaction judgments are thus expected to degenerate into overall service quality judgment over time (p. 127). Although some studies have not found distinctions between service quality and customer satisfaction, few have empirical results to support their differences. Yet, Dabholkar et al. (2000) showed that satisfaction and service quality are distinct constructs. In a previous study, they found that they were distinct for recent customers, yet overlapped in meaning for long-term customers, as satisfaction evaluations grew increasingly cognitive over time (p. 143). In this study, satisfaction is viewed as an important factor in the process of developing relationships with consumers. It is viewed as distinct from service quality although both are relevant to consumers' evaluations and mediate the correlation between service provider performance during service exchange and relationship exchange outcomes, such as, trust and loyalty.

Service Quality

Service quality influences customer retention and determines the growth and success of competing firms (Dabholkar et al. 2000). Thus it is a relevant construct in understanding relationship development. Researchers have demonstrated that service quality influences satisfaction, behavioral intentions, service loyalty, and profit (Rust et al. 2002; Zeithaml 2000; Cronin et al. 2000; Zeithaml et al. 1996; Heskett et al. 1994). While it may have significant impact on firms' success, service quality presents many challenges to firms. Much debate stems from how service quality is defined and measured (Dabholkar et al. 2000; Taylor and Cronin 1994; Cronin and Taylor 1994, 1992; Parasuraman et al. 1994, 1991, 1988; Teas 1993). Service quality is defined in the following paragraphs. Additionally, a brief description of some research issues surrounding it is provided.

Service quality is defined as a gap between customers' expectations and perceptions about SERVQUAL (Parasuraman et al. 1985), which represents a combination of dimensions on which service delivery is measured. Consumers assess service quality by comparing what they want or expect to what they actually get or perceive they are getting (Parasuraman et al. 1988). In an exploratory study, they identified 10 dimensions that described criteria used by customers to assess service quality, including tangibles, reliability, responsiveness, communication, credibility, security, competence, courtesy, understanding/knowing the customer, and access.

With further analysis and purification, the service quality scale (SERVQUAL) was developed that included 22 scale items and five distinct dimensions – namely, tangibles, reliability, responsiveness, assurance, and empathy. Service quality dimensions that may be translated into service provider performance or behaviors include the latter four, such as displays of responsiveness and empathy, and is the focus of the discussion in the following paragraphs. Briefly, reliability refers to the firm's ability to perform the promised service dependably and accurately; responsiveness describes the willingness to help customers and provide prompt service; assurance is defined as knowledge and courtesy of employees and their ability to inspire trust and confidence, and; empathy refers to caring and individualized attention the firm provides to its customers. The assurance and empathy dimensions contain items representing seven dimensions that did not remain distinct after scale purification (p.23).

According to gap theory, service quality is measured by comparing consumers' expectations with perceptions about performance on the 22 scale items (Zeithaml et al. 1990; Parasuraman et al. 1985). This method of measuring service quality is highly debated by marketing researchers. Some researchers argue that gap theory lacks theoretical or empirical basis. Cronin and Taylor (1994, 1992) showed that using a performance-based only measure, or SERVPERF, which combines expectations and perceptions into a single measure outperformed SERVQUAL in reliability and validity. Similarly, Brown et al. (1993) investigated the reliability and validity of the SERVQUAL scale, arguing that calculating the reliability of difference scores shows high correlation between its expectations and perceptions components. Eventually, these scores lead to attenuation of the reliabilities of the components, which lead to decreased reliability of the difference scores (Taylor and Cronin 1994, p. 56). Low reliabilities of difference scores subsequently lead to the appearance of discriminant validity by reducing correlations between constructs. This problem calls construct validity into question. Furthermore, some researchers found that the dimensionality of SERVQUAL could not be replicated (Taylor and Cronin 1994; Brown et al. 1993).

Teas (1993) argued that SERVQUAL suffers from conceptual and operational problems. It is not clear whether expectations refer to normative expectations, ideal expectations or desired expectations, thus it is challenging to operationalize (p. 19). Subsequently, each type of expectation may result in different SERVQUAL scores. Inexperienced consumers, or those lacking "well formed expectations" may further show lack of validity with the expectations measure. Variance in response to expectations may thus result from variance due to "respondents' interpretations of the question being asked rather than variance in respondents' attitudes" (p. 21).

Dabholkar et al. (2000) re-examined some conceptual and measurement issues concerning SERVQUAL. They investigated whether service quality should be measured as perceptions only or disconfirmation, or the difference between perceptions and expectations; whether disconfirmation should be calculated or measured directly, and; whether it is valid to measure disconfirmation cross-sectionally or longitudinally, whereby expectations are measured before service is delivered and perceptions are captured after service delivery (p. 141). They showed that measuring perceptions alone is better than service quality measured as computed disconfirmation in which perception and expectations measures are taken. Measured disconfirmation, operationalized by asking respondents, "Compared to what you expected, to what extent did Company X do the following _____" on all service quality scale items, was found to be better than computed disconfirmation. Partial support was found that measures capturing perceptions alone is superior to measured disconfirmation. The R^2 value for computed disconfirmation was lower than the value for measured disconfirmation and perceptions alone. The ability for computed disconfirmation to predict behavioral intentions showed mixed results. They further contended that researchers must collect twice as much data for computed disconfirmation than for perceptions alone and measured disconfirmation. It was thus considered to be inferior to perceptions alone or measured disconfirmation. Additionally, cross-sectional rather than longitudinal research designs were superior.

Dabholkar et al. (2000) further examined whether factors of service quality, namely, reliability, tangibles, and empathy, serve as dimensions or antecedents; whether factors that serve as components versus factors that serve as antecedents of service quality have a greater ability to predict behavioral intentions; and the usefulness of overall service quality measures in serving as a mediator between factors and behavioral intentions. They found that reliability, personal attention, comfort, and features performed better as antecedents of service quality rather than dimensions or components, with overall service quality mediating the correlation between them and behavioral intentions. Similar linkages are proposed for this study.

Perceived Service Quality. In spite of several challenges concerning service quality, researchers agree that consumers' perceived service quality is influenced by service provider performance (Parasuraman et al. 1988). Dimensions of service quality are thus potential factors of service providers' behaviors that may influence consumers' expectations about exchange (Dabholkar et al. 2000; Bendapudi and Leone 1997; Hartline and Ferrell 1996; Bitner 1990) and their perceptions about development and maintenance of relationships (Bolliger et al. 2005; Tam 2004; Lam et al. 2004; Liang and Wang 2004; Cronin et al. 2000; Rust and Oliver 1994; McAlexander et al. 1994; Cronin and Taylor 1992). Cronin et al. (2000) further acknowledged the significance of service quality on exchange outcomes in asserting that practitioners have found a way to tie quality, value and satisfaction to service employee evaluations and compensation.

Still, unique service characteristics, such as intangibility, challenge firms to understand how consumers perceive services and evaluate quality (Parasuraman et al. 1985). Hence, understanding the role of service quality in relationship development may be challenging. Yet, inseparability allows consumers to utilize the performance of service providers on SERVQUAL dimensions to evaluate service performance (Zeithaml 1991). Additional relational cues may be required to assist consumers when making evaluations that are not easily understood, as in credence-based services (Zeithaml 1991; Czepiel 1990). They are discussed in the following section.

Factors of Interpersonal Consumer Exchanges – EAI Service Encounters

According to Price et al. (1995b), temporal duration, affective or emotional content, and spatial proximity are essential dimensions for understanding the development of commercial relationships. They are consistent with dimensions of social interpersonal communication and relationships drawn from the social psychology field, such as, variability, duration, frequency, revelation, meshing, support, anxiety reduction, and proximity (McCroskey et al. 1986). Based on these dimensions, Price et al. (1995b) classified service encounters on a continuum ranging from brief duration, non-affective, and impersonal to extended in duration, affective, and intimate (EAI). Extended, affective, and intimate (EAI) encounters are boundary open, and consist of shared experiences and active involvement, like friendships.

Subsequently, researchers have shown that friendships are relatively higher in satisfaction and loyalty than other relationship forms (Coulter and Ligas 2004; Johnson and Selnes 2004). In these encounters, the communication of responsiveness, empathy, and assurance are important in encouraging self-revelation (Price and Arnould 1999; Price et al. 1995a, 1995b; Siehl et al. 1992; McCroskey et al. 1986). According to Dorsch and Carlson (1996), relationships that are based on social resources such as friendship, loyalty, and trust have greater probability of achieving long-term profitability through increased value gained from long-term customers. This study thus considers variables that characterize EAI encounters for understanding the development of interpersonal consumer relationships.

In Price et al.'s (1995a, 1995b) studies, five underlying factors that characterize EAI encounters – including mutual understanding, extra attention, authenticity, competence, and minimum standards of civility are identified. Briefly, they described mutual understanding as the extent to which verbal and non-verbal messages between exchange partners are accurately exchanged, received, and comprehended (McCroskey et al. 1986, pp. 217-218). Extra attention referred to the extent that one gives special attention to an exchange partner (Price et al. 1995a, 1995b). Authenticity referred to the extent that employees appear genuine, behave as their own person, and unique in displaying spontaneous responses to environment, activities, and interactions with consumers (Price et al. 1995a, 1995b). They described minimum standards of civility as the extent that customers perceive employees to behave or perform as expected, meet customers' needs, and refrain from violating proper behavior. Lastly, Price et al. (1995a) defined competence as the skills, expertise, and ability salespeople bring to their relationships with customers.

Drawing from social relationships and interorganizational relationships, Sirdeshmukh et al. (2002) identified three variables of consumer-firm exchanges as important in developing consumer trust and loyalty in interpersonal consumer service exchanges. They utilized experience-based service contexts, which often show similarity to extended, social and emotional encounters, to examine the extent that trustworthy-behaviors of front-line employees and trustworthy behaviors of management influence relationship development. Briefly, these variables included operational competence, which is described as "service in action" that involves more than simply knowing how or knowing what is required to be competent in any given service exchange, but also involves operational, observable, demonstration of competent behaviors. It further consisted of operational benevolence, which refers to visible and observable indications about frontline employees' knowledge, skills, and expertise in effectively performing job-related tasks during consumer-service provider exchanges that must be manifested in visible "behaviors that reflect an underlying motivation to place the consumer's interest ahead of self-interest (p. 18) Lastly, these behaviors included problem-solving orientation, which is defined as "the consumer's evaluation of [frontline employee (FLE)] and management motivations to anticipate and satisfactorily resolve problems that may arise during and after a service exchange (Sirdeshmukh et al. 2002, p. 18)."

Combined with behavioral aspects of SERVQUAL, these variables were reduced and utilized to form a parsimonious group of relational behaviors, referred to as relational behaviors that are deemed necessary for influencing the development of EAI- or friendship-like consumer relationships. They are discussed in the next sections. A summarization of literature thus far is provided in Table I.

Relational Behaviors of Service Providers

Relational behaviors of service providers are defined as behaviors that increase the probability for the development of long-term relationships, rather than transactional ones. They are based on literature about social relationships in order to seek better explanations for interpersonal, relational interaction during commercial consumer exchanges (Zeithaml et al. 2006; Koermer and McCroskey 2006; Koermer 2005; McCroskey et al. 1986; Rempel et al. 1985; Thibaut and Kelley 1957). They emphasize the importance of social resources found in friendships (Reynolds and Arnold 2000; Price and Arnould 1999; Dorsch and Carlson 1996; Blattberg and

Deighton 1996; Price et al. 1995a, 1995b) and thus acknowledge distinctions in different types of marketing relationships, such as those categorized by social, relational factors versus those categorized as non-affective, non-social, and professional (Coulter and Ligas 2004).

The relational behaviors of service providers (RB) proposed for this study consist of five factors – namely, mutual understanding (MU), personalization (PRN), authenticity (AU), problem-solving behavior (PSB), and specialized treatment (SpT). As discussed in the review of literature above, they are derived from factors of extended, affective, intimate (EAI) service encounters (Price et al. 1995a, 1995b), service provider trustworthiness (Sirdeshmukh et al. 2002), and service quality (Hartline and Ferrell 1996; Parasuraman et al. 1991). Definitions of the relational behaviors and details about their derivation are provided in the following sections and summarized in Table II.

Derivation of Relational Behaviors of Service Providers

Drawing from social psychology, McCroskey et al. (1986) described eight useful but incomprehensive factors for developing social relationships. Price et al. (1995a) suggested three of these factors – namely, mutual understanding, authenticity, and extras – as influencers of interpersonal relationships. Later, they added two additional factors, namely, competence and failing minimum standards of civility (Price et al. 1995b). Sirdeshmukh et al. (2002) proposed three dimensions, while Parasuraman et al.'s (1988) SERVQUAL proposed five factors that influence the

TABLE I. Summary of Literature Review

EAI and EAI-related factors			
Authors	**Factors**	**Context**	
Johnson and Selnes (2004)		organizational buyer-seller	Conceptualization of three types of relationships based on value creation.
Coulter and Ligas (2004)		Healthcare, financial, hair care, and automotive service	Typology of customer-service provider relationships and role of relational factors in classifying them.
Price et al. (1995a)	EAI encounters: mutual understanding, authenticity, extras	River-rafting Expedition, EAI Service Encounter	Dimensions of temporal duration, affective content, and spatial proximity explored as factors necessary for examining relationships in service exchange; examined their influence on satisfaction.
Price et al. (1995b)	EAI encounters: mutual understanding; authenticity, extras, minimum standards of civility, competence	Brief, non-personal to extended, personal service encounters	Influence of factors compared in brief, non-personal and extended personal service encounters.
Price and Arnould (1999)	Mutual understanding	Hair care service	Role of mutual understanding in developing trust in commercial friendships.

TABLE I (continued). Summary of Literature Review

EAI and EAI-related factors			
Authors	**Factors**	**Context**	
Mittal and Lassar (1996)	Personalization	Car repair facility (physical possession processing) and healthcare facility (people-processing) services	SERVQUAL scale streamlined and personalization incorporated to examine their roles in consumers' evaluations of service quality.
Koermer and McCroskey (2006); Koermer (2005)	Sociality: courtesies, pleasantries, sociabilities, and privacies	Professional (doctor, hairdresser) or nonprofessional (convenience store clerk, fast food employee)	Role of sociality on customer satisfaction and service loyalty explored.
Hennig-Thurau et al. (2006)	Authenticity (emotional labor) and emotional contagion	Simulated video rental service	Authenticity, or emotional labor, and emotional contagion examined for their influence on consumer positive affect, satisfaction, and future loyalty intentions.
Grayson (1998)	Emotional labor	Hotel service environment	Role of emotional labor compared in discrete versus relational exchange.
Sirdeshmukh et al. (2002)	Trustworthiness and trustworthy behaviors: operational competence, operational benevolence, problem-solving orientation	Clothing retailer and airline	Trustworthiness defined on two dimensions each with three facets and examines its influence on trust, value and loyalty in consumer relationships.

TABLE I (continued). Summary of Literature Review

Service Quality			
Authors	**Factors**	**Context**	
Dabholkar et al. (2000)	Service quality: reliability, personal attention, comfort, features	Churches, institutional customers of pictorial division of a national photographic company	Comprehensive re-examination of service quality.
Cronin and Taylor (1992)	SERVQUAL		SERVQUAL scale re-examined.
Parasuraman et al. (1991, 1988)	Service quality: tangibles, reliability, responsiveness, assurance, empathy	Various services	Dimensionality of service quality; develops SERVQUAL scale and examines it in various service contexts determined.
Satisfaction			
Gustafsson et al. (2005)	Satisfaction	Telecommunications company	Satisfaction – retention relationship moderated by situational and reactional triggers.
Bolton and Lemon (1999)	Satisfaction	Various services	Satisfaction mediates service quality-loyalty relationship.
Fornell 1992	Satisfaction	Various service categories	Cumulative, or overall, satisfaction defined as a customer's overall evaluation of a product or service to date.

TABLE I (continued). Summary of Literature Review

Churchill and Suprenant (1982)	Satisfaction		Customer satisfaction defined as an outcome of purchase and usage, resulting from the cognitive process of comparing what customers receive, or rewards, against what they give up to acquire the product, or costs.
		Trust	
Authors	**Factors**	**Context**	
Leisen and Hyman (2004)	Trust in service provider	Primary care health facility	Trust viewed as context-specific; different antecedents found to influence patients' trust in primary care physicians than in organizational exchanges. Similar views proposed by Raimondo (2000) and Singh and Sirdeshmukh (2000).
Sirdeshmukh et al. (2002)	Consumer trust: trust in FLE behaviors and trust in MPP behaviors	Clothing retailer and airline	Trust in frontline employee behaviors and trust in management practices and policies viewed as two separate facets of consumers' perceptions of trust; findings showed that trustworthiness from both facets influenced consumer trust and hence loyalty in the firm.
Johnson and Grayson (2005)	Affective and cognitive trust in consumer service relationships	Consumer financial wealth management	Role of affective trust emphasized in interpersonal marketing relationships.
McAllister (1995)	Affective and cognitive trust	Social psychology; organizational setting	Affective and cognitive trust explored in supervisor-subordinate setting.

TABLE I (continued). Summary of Literature Review

Loyalty			
Authors	**Factors**	**Context**	
Oliver (1999)	Loyalty		Challenges organizational goals of satisfaction achievement versus loyalty achievement. Defines various facets of loyalty: Cognitive, affective, conative, and action loyalty.
Bloemer and de Ruyter (1999)	Service Loyalty	6 different services: municipal service delivery, railway company, fast food restaurant, full service restaurant, holiday camp, and travel agency	Challenges the relationship between satisfaction and loyalty in service contexts. Service loyalty comprised of cognitive, attitudinal, and behavioral dimensions. Found that in extended services that are characterized as high involvement, the relationship is moderated by positive emotions. The interaction is not found for low involvement services.

Table II. Definitions of Proposed Dimensions of Relational Behaviors of Service Providers (RB)

Construct	Definitions
Mutual Understanding	The extent that verbal and non-verbal messages are accurately exchanged, received, and comprehended between exchange partners (McCroskey et al. 1986, pp. 217-218); the extent that service providers take on the roles of and shares cognitive similarity with consumers (Mohr and Bitner 1991). Drawing from Price et al.'s (1995a, 1995b) research, mutual understanding involves self-revelation or self disclosure, which refers to the extent that exchange partners reveal information about themselves, from basic product needs to in depth information about their preferences, tastes, lifestyle, and personal information unrelated to marketing exchange (Jacobs et al. 2000; White 2004).
Personalization	"The social content of interaction between service employees and their customers" (Mittal and Lassar, p. 96); involves friendliness and personability (Suprenant and Solomon 1987). As a result of personalization, opportunities are available for partners to engage in social communication, for service providers to display socialities (Koermer and McCroskey 2006; Koermer 2005), and to develop friendships and partnerships with consumers (Johnson and Selnes 2004; Coulter and Ligas 2004).
Authenticity	The extent that service providers demonstrate unique behaviors and spontaneous responses to environment, activities, and interactions with consumers (Price et al. 1995a, 1995b); requires displays of emotional effortlessness, or similar front-stage and backstage behaviors, so that service providers behave as their true selves, demonstrating true- rather than false-self behaviors (Neff et al. 2006); displaying appropriate emotions with consumers in ways that do not differ from their reactions in contexts of everyday life (Grayson 1998).

Table II (continued). Definitions of Proposed Dimensions of Relational Behaviors of Service Providers (RB)

Construct	Definitions
Problem-Solving Behaviors	A service provider's ability to create satisfaction and influence relationship development by properly anticipating and resolving customers needs that may arise during and after service exchange (Sirdeshmukh et al. 2002). Although this study focuses on the development of friendship-like relationships, the presence of problem-solving behaviors is necessary for the development of all types of business relationships. Problem-solving behaviors is thus relational when it refers to service providers' responsiveness, including their motivation and willingness to help consumers and provide prompt service that addresses consumers' product and lifestyle needs, and ; motivation and willingness to resolve consumers' complex and detailed problems that may at times require extensive time and effort (Parasuraman et al. 1988, p. 23).
Specialized (or Customized) Treatment	The utilization of specific knowledge, resources, and information systems to provide customized product offerings that are adapted to consumer's specific and changing needs and thus move consumers towards final stages of relationship development, involving higher levels of trust, value creation, and commitment (Johnson and Selnes 2004; Dwyer et al. 1987).

development of interpersonal relationships. Similar to these studies, this study proposes that relational behaviors consist of more than one variable. This view is consistent with Altman and Taylor's (1973) social penetration theory.

The original pool thus consisted of 13 variables, comprised of mutual understanding, authenticity, extras, competence, and minimum standards of civility (Price et al. 1995a, 1995b); operational benevolence, operational competence, and problem-solving orientation (Sirdesmukh et al. 2002); and reliability, responsiveness, assurance, empathy, and tangibility (Parasuraman et al. 1988). Subsequently, tangibility was dropped because it failed to depict service provider behavior. Next, while competence may be necessary for marketing exchange, it appeared to have greater relevance for service providers' role behaviors, which may or may not be relational. Although researchers have demonstrated that competence influences trust (Sirdeshmukh et al. 2002; Price et al. 1995a; Doney and Cannon 1997), most studies measured cognitive rather than affective trust. In Johnson and Grayson's (2005) recent study, competence was not hypothesized to influence affective trust, which is emphasized in this study. Thus, competence (Price et al. 1995a) and operational competence (Sirdeshmukh et al. 2002) were eliminated from the original pool of variables.

The remaining 10 variables were then utilized to form relational behaviors so that factors that shared similar meaning were combined into one variable and those that showed little or no relevance to relationship development were eliminated. The result was a parsimonious group of five behaviors that represent relational behaviors of service providers and thus include mutual understanding, personalization, authenticity, problem-solving behavior, and specialized treatment.

Mutual understanding (MU). In this study, mutual understanding is defined similarly to its original counterpart (Price et al. 1995a, 1995b). It is thus defined as the extent to which verbal and non-verbal messages between exchange partners are accurately exchanged, received, and comprehended (McCroskey et al. 1986, pp. 217-218). Pre-requisites of mutual understanding include role-taking, which refers to one's ability to understand how another person views the external world, and cognitive similarity, which indicates the extent of commonality in cognitive categorizations between interacting individuals (Mohr and Bitner 1991). Understanding thus refers to the accuracy or reduction in uncertainty of retained information. It characterizes the reliability of previously acquired messages and meaning intended by the source of the messages. While retention of information that one receives is a necessary indication of understanding, it alone is insufficient in determining whether understanding has occurred. Understanding requires that one processes the message or information in a way that the intended meaning is accurately assigned. Thus, accuracy is both a necessary and sufficient condition of understanding.

Mutual understanding suggests that each exchange partner not only retains but also processes and applies appropriate meanings to one another's message in an accurate fashion (McCroskey et al. 1986). At the basic or transactional level of employee-consumer exchange, mutual understanding is essential for consumers to properly convey their needs to employees and for employees to convey product-related information to customers. Subsequently, mutual understanding based on consumers' degrees of information acquisition and interaction with service providers may increase the potential for customer satisfaction and loyalty (Reynolds and Beatty 1999a; Gwinner et al. 1998; Price et al. 1995a, 1995b). At a relational level, mutual understanding is necessary for continued communication and deepened understanding of exchange partners and is thus expected to influence interpersonal, long-term social exchanges (Price et al. 1995b, McCroskey et al. 1986).

Mutual understanding further requires self-revelation, which captures the extent that exchange partners reveal information about themselves, from basic product needs to in depth information about their needs, preferences, tastes, lifestyle, and personal information unrelated to marketing exchange (Price et al. 1995a, 1995b). Service providers must encourage consumers to reveal something of themselves, which in a social setting might require revealing something of oneself in return. According to McCroskey et al. (1986), revelation refers to the extent to which partners reveal thoughts and feelings to each other. It is determined by duration and frequency of relationships and increases as relationships become long-term (p. 162).

Similar to self-revelation, self-disclosure involves providing others with personal information about oneself. It refers to verbal communication that involves any information referring to the self, including current, past and future events (Jacobs et al. 2000). Revealing of oneself to another leads to relationship as partners gradually increase the intimacy, content, and time spent in self-disclosure. Thus, "self-disclosures become more intimate as personal relationships develop, with the norms for disclosure depth, breadth, and duration changing accordingly" (p. 49). According to these researchers, self-disclosure is a two-dimensional construct comprised of exchange-specific self-disclosures that are essential to a pending exchange, and social self-disclosures, which are incidental to a pending exchange and focus on relationship building (p. 48). They posited that these self-disclosures affect customer-salesperson relationships differently and asserted that training programs for salespeople should address self-disclosure, similar to training programs for counselors and therapists (p. 57).

White (2004) argued that although disclosing personal information may help consumers to better achieve product needs, disclosure has perceived consequences, or perceived disclosure consequences (PDCs). Thus, consumers may make deliberate decisions about whether and how much personal information to reveal to marketers based on the perceived benefits of disclosing versus the perceived losses. White (2004) further contended that although individuals are more likely to engage in intimate or risky self-disclosure with close relationship partners, sometimes they do not readily relinquish such information to close partners for fear of loss of privacy or loss of face. It would therefore be useful for marketers to place emphasis on relationship building that minimizes the potential downside risks of negative outcomes of self-disclosure for consumers.

Without distinguishing between exchange-specific and social self-disclosure and without in-depth consideration of benefit or loss outcomes of disclosure, this study proposes that self-revelation increases between service providers and consumers during interpersonal exchange as relationships become more like friendships. At later stages, this type of understanding leads to further potential for boundary-open exchanges to occur and thus more disclosure, given the priniciple of reciprocity (Price et al. 1995a, 1995b; Siehl et al. 1992). Displays of mutual understanding subsequently provide relational benefits to consumers, motivating them towards loyalty and commitment towards relationships, rather than switching to competitors. As mutual understanding increases as relationships move through stages, consumers and service providers are expected to increasingly share one another's perspectives or common views about the environment as they become more familiar with each other (Mohr and Bitner 1991). Sharing contributes to the development of boundary-open transactions or friendship-like relationships (Price et al. 1995a, 1995b), which leads to more reciprocal self-disclosure, an important factor for satisfaction in social relationships as well as in commercial exchanges (Price and Arnould 1999; McCroskey et al. 1986).

From a practical standpoint, firms bear the responsibility of orchestrating and nurturing mutual understanding so that shared scripts emerge between customers and employees (Price et al. 1995b). Retail service firms may thus benefit by initiating and nurturing mutual understanding with consumers. In a social sense, service firms must understand consumers' needs for social support and self-disclosure, especially if they seek to foster loyalty. Firms must make efforts to meet consumers' emotional needs and provide social support in manners that are genuine, so that consumers may recognize and reciprocate these efforts (Price and Arnould 1999; Reynolds and Beatty

1999a).

Personalization (PRN). Drawing from Mittal and Lassar's (1996) study, personalization is defined as "the social content of interaction between service employees and their customers" (p. 96). Personalization involves friendliness and personability (Suprenant and Solomon 1987). It requires interaction opportunities and differs from factors such as customization and responsiveness that may not require interpersonal interaction, which would be nonsocial at best. According to Mittal and Lassar (1996), personalization is notable for extended, interpersonal encounters, for instance, with regular hair stylists, in which several opportunities for service providers to interact with consumers are provide. In these contexts, positive social interactions, as well as a variety of social support outcomes, such as alleviation of mild boredom and satisfaction of being liked, may occur between service providers and consumers.

Services that are performed on customers themselves (Lovelock 1983), including health care facilities and educational seminars, provide ample interaction opportunities. Thus, through personalization, opportunities are available for service providers to develop friendships and partnerships with consumers. Mittal and Lassar (1996) showed that personalization significantly influences consumers' evaluations of service quality and patronage and that its influence is greater for people-possessing services.

Because personalization is based on social content of interaction, it is relevant to displays of socialities or sociality communication (Koermer and McCroskey 2006; Koermer 2005). Sociality communication refers to "performance that encourages a cooperative, social smoothness, void of intense interactions with others" (Pacanowsky and O'Donnell-Trujillo, 1983, pp. 139-140). It includes four dimensions: courtesies, pleasantries, sociabilities, and privacies. Courtesies consist of greetings, politeness, or friendly displays. Pleasantries involve small talk, while sociabilities include disclosures that lack serious conversational implications, such as sharing gossip and joking. Lastly, privacies entail intimate revelations about oneself to others (Pacanowsky and 'Donnell-Trujillo 1983). Further analysis showed that socialities consist of two dimensions, namely, courteous expressions and personal connection, which is a compilation of pleasantries, sociabilites, and privacies (Koermer et al. 2003, 2000).

Mittal and Lassar (1996) derived personalization by modifying SERVQUAL dimensions (Parasuraman et al. 1991), which consists of tangibles, reliability, responsiveness, assurance, and empathy. Subsequently, Mittal and Lassar (1996) formulated a four-dimensional SERVQUAL-P by dropping the assurance and empathy dimensions, since their items appeared to be already captured in the reliability and responsiveness dimensions. The reliability, responsiveness, and tangibility dimensions were retained. The personalization dimension then incorporated items taken from assurance and empathy and added new items, capturing the friendliness and personability aspects of service providers. SERVQUAL-P thus forms the foundation of the personalization construct utilized in this study. One item from Price et al.'s (1995a) minimum standards of civility that captures displays of courteousness and proper civil behavior is added to formulate personalization.

Authenticity (AU). According to Price et al. (1995a, 1995b), authenticity is a factor of extended, affective, and intimate (EAI) encounters that require large amounts of emotional labor as a result of the duration, and physical and psychological distance required of the exchange. Emotional labor, sometimes used interchangeably with authenticity, and the engineering of emotions thus require that employees' roles be expanded (Winsted 1999; Arnould and Price 1993). Although costly for firms, the proper management of emotional labor is crucial because synthetic compassion can be more offensive than offering no compassion at all (Price et al. 1995a, 1995b). They defined authenticity as the extent to which employees appear genuine, behave as their own person, and behave uniquely in displaying spontaneous responses to environment, activities, and interactions with consumers. Authentic behaviors require displays of emotional effortlessness, or similar front-stage and backstage behaviors, so that service providers behave as their true selves, demonstrating true- rather than false-self behaviors (Neff et al. 2006). These views are consistent with various studies found in marketing, management literature, and social psychology that examine and operationalize authenticity. Therefore, they formulate the basis of this construct in this study (Hennig-Thurau et al. 2006; Neff et al. 2006; Grayson 1998; Price et al. 1995a, 1995b).

Authenticity goes beyond simply speaking the truth. It involves vulnerability in displaying self-comprehension and self-expression. It is further characteristic of one's strength and weakness in expressing conviction when participating in an exchange (Walsh and Cashman 1999). Other researchers have described the usage of uncanned scripts versus canned service provider scripts during service exchange. Still, others have described the negative and positive effects of emotional labor and emotional effortlessness, respectively, of boundary spanning service providers on consumers' perceptions of relational exchange (Bagozzi et al. 1999; Grayson 1998; Winsted 1999).

When consumers interact with service employees in a social atmosphere, they often display what meets social expectations or supports a desired impression (Solomon et al. 1985). The impression management framework thus distinguishes social processes that occur in the front stage, which is shown as part of the focal interaction, from the back stage (Grayson 1998). He defines perceived emotional labor as "a customer's perception that the service provider's emotional expressions in the front stage are incongruent with his/her expressions in the back stage. Perceived emotional effortlessness is a customer's perception that the service provider's expressions in the front stage are congruent with those in the back stage" (p. 131), which is consistent with Hochschild (1983, p. 7) and Price et al.'s (1995a, 1995b) definition of authenticity. While marketing researchers portray a limited perspective of the social process of front and back stage activities than do sociologists, several important phenomena are derived.

Marketing researchers refer to 'perceived' front/back stages to recognize that one customer may designate different front and back stages from other customers, and from what management and employees expect, and subsequently make evaluations based on their perceptions. Authentic self-presentation for instance is described for the Japanese and Yoruba individuals of West Africa, which are characterized by collectivistic cultures, as when the front stage is congruent with social norms. Their perceptions of authenticity thus differ from western cultures. Winsted (1999) further suggested that American service providers behave more genuinely than Japanese service providers.

These views are consistent with Hennig-Thurau et al.'s (2006) conceptualization, which portrays emotional labor as a potential driver of customers' emotional states that influences their assessments of service exchange. They contend that understanding the role of emotional labor may assist service organizations in managing employees' positive displays of emotion to customers. According to these authors, emotional labor refers to the "effort, planning, and control needed to express organizationally desired emotions during interpersonal transactions (Morris and Feldman 1996, p. 987). Drawing on Hochschild's (1983) notion of emotional labor, distinctions are made between surface acting and deep acting. Surface acting refers to the "act of displaying an emotion that is not felt and could involve both suppression of felt emotions and faking of unfelt emotions" such as in putting on a smile and pretending to be cheerful without feeling any emotions, when dealing with an angry customer (p. 59). Deep acting refers to expressing expected emotions by attempting to create the emotion within oneself, creating self-induced true emotions, in some cases by putting oneself in the shoes of the customer, similar to the theatrical technique of method-acting (pp. 59-60). They assert that this is consistent with "service-as-theater", or the dramaturgy concept in which service exchange is viewed as a performance between service employees and customers occurring on stage (Grove and Fisk 1991).

According to Cashman (1998), the survival of long-term relationships requires that managers display authenticity in how they listen, express themselves, and behave toward employees. Employees who exhibit authenticity are thus expected to create a climate of trust by symbolizing openness for consumers to whom they attend (Grayson 1998). Authentic expression derives from one's deeply held beliefs and life experiences. It is characterized by personal meaning, is self-expressive and purposeful. If authenticity is viewed as a benefit of exchange, it may provide consumers with value that influences them to maintain long-term relationships with the firm (Walsh and Cashman 1999).

<u>Problem-solving behavior (PSB)</u>. This variable is drawn from Sirdeshmukh et al.'s (2002) study that defines problem-solving orientation as "the consumer's evaluation of FLE and management motivations to anticipate and satisfactorily resolve problems that may arise during and after a service exchange (p. 18)." Consistent with previous discussions, service providers and management may differ in their knowledge about how to solve problems and satisfy customers' needs. They may further differ in their actual problem-solving behaviors. This dimension captures service provider and management's abilities to sense and resolve problems throughout the service consumption process. Thus, possessing knowledge and skills to address customers' needs is not enough. Service providers must be able to demonstrate their

skills and abilities. Then, consumers' perceptions about the problem solving behaviors of service providers may influence relationship development.

While this study focuses on developing friendship-like relationships, it is believed that, in the least, the presence of problem-solving behavior is necessary for the development of all commercial relationships. In other words, possessing the knowledge and demonstrating the skills and abilities to properly address customers' needs form the basis for the development of all commercial relationships. It is central to the marketing concept, which emphasizes building sustainable relationships by addressing the needs of target customers (Kotler and Keller 2006). Yet, problem-solving behavior includes the motivation of and actual action of resolving problems, which demonstrates relational behavior (Sirdeshmukh et al. 2002).

By definition, problem-solving behavior requires the service provider to demonstrate responsiveness in addressing consumers' needs. Responsiveness refers to service providers' willingness to help consumers and provide prompt service that addresses consumers' product and lifestyle needs and the ability and willingness of service providers to resolve consumers' complex and detailed problems that may at times require extensive time and effort (Parasuraman et al. 1988, p. 23). Responsiveness therefore requires motivation or willingness from the service provider to resolve consumers' problems and address their needs, which may enhance the development of relational exchange. In this study, problem-solving behavior is developed by combining portions of responsiveness from SERVQUAL, which were not added to the personalization construct (Parasuraman et al. 1988), and problem-solving orientation (Sirdeshmukh et al. 2002).

Specialized treatment (SpT). In this study, specialized or customized treatment is based on Price et al.'s (1995b) definition of extras and Gwinner et al.'s (1998) customized benefits. Customers perceive encounters in which they are given special attention to be memorable and emotionally positive (Price et al. 1995a; Bitner 1990). Extra attention in social, interpersonal relationships indicates that one likes, is interested in, open to, and perhaps empathic towards another (McCroskey et al. 1986).

Several methods of providing specialized treatment, special attention, or extras, are noted. One method is through the direct use of verbal messages. Comments such as "tell me more" or "I see what you mean", for instance, indicate that one is open to the views of another. Another method is through indirect applications, using non-verbal messages such as certain gestures, body movement, voice, touch, facial expression, eye movement, space, time and responsiveness. These verbal and non-verbal methods of showing special attention indicate immediacy, which describes the level of physical and psychological closeness perceived by individuals who come in contact with each other (McCroskey et al. 1986, pp. 143-145). Further, they are signs of openness or friendship.

Additionally, specialized treatment may range from providing simple products at no costs, such as product samples, to highly complex products or services, or specialized techniques designed to fit the specific and changing needs of a consumer. In either case, specialized treatment must appropriately match consumers' needs, or be perceived as such, or it has little, no, or negative influence on exchange outcomes (Johnson and Selnes 2004). Price et al. (1995b) explains that the use of extras in promoting relationships is different than its use in service recovery in compensation for some service deficiency, or to adjust perceptions of fairness and equity. Rather, the "provision of extras in a context of generalized reciprocity is a good way to demarcate the existence of boundary open relationships in business" (p. 92). In a market setting, retailers provide specialized attention by being attentive to customers' needs, by fulfilling requests for customized treatment, and by demonstrating unsolicited, unexpected exemplary behaviors that are beneficial to the customer (Price et al. 1995a). The use of specialized attention is thus aimed at moving economic interactions towards relational exchange (Price et al. 1995a; Christopher et al. 1992; McKenna 1991; Berry 1983).

Special attention is further distinguished from problem-solving behaviors, which focus on resolving problems or addressing consumers' needs as they arise during and after service delivery (Sirdeshmukh et al. 2002), thus serving as the major thrust of marketing exchange. Like problem-solving behaviors, which require the willingness and motivation to solve customers' problems, specialized treatment focuses on building relationships. It however goes a step further than problem-solving behaviors in that addressing consumers' needs requires customized solutions.

Using in-depth interviews, Gwinner et al. (1998) identified three dimensions of relational benefits, including, confidence benefits, social benefits and special treatment benefits, that consumers perceive as necessary for maintaining relationships with service firms. They originated from social, economic, psychological, and customization benefits. According to these authors, customization and special treatment benefits refer to customization of service offerings and tailoring of services to meet customers' specific needs. They may be viewed as preferential treatment that loyal customers receive and other customers do not; extra attention and personal recognition through additional services and considerations and service upgrades or augmentation; and the development of history that allows service providers to utilize customer knowledge to customize service offerings and make service exchange easier. Thus, the primary purpose of specialized treatment is to move consumers towards final stages of relationship development, involving higher levels of trust, value creation, and commitment (Dwyer et al. 1987) as in friendships and partnerships (Johnson and Selnes 2004).

Berry and Parasuraman (1991) developed a framework for explaining retention strategies that focus on developing ties that bind customers closer to the firm. They distinguished between financial bonds, social bonds, customization bonds, and structural bonds. Social bonds are developed through forming continuous and interpersonal relationships between service providers and consumers, or relationships between consumers. These bonds alone may not be strong without financial incentives. Customization bonds develop through customer intimacy, mass customization, and structural bonds that combine integrated information systems with the formation of joint investments from exchange partners and shared processes that are required to tighten relationships and retain customers. Firms may thus utilize customization and structural bonds strategically as tools for gaining sources of, and displaying, specialized treatment towards consumers for building relationships (Zeithaml et al. 2006).

In Hsieh et al.'s (2005) description, it appears that customization bonds and structural bonds are combined. They define structural bonds as the value-added services designed into the website, such as knowledge and information about the industry and product customization that are not available elsewhere and are expensive for customers to supply if the relationship is terminated. They include professional knowledge, information, and personal data that explain customers' preferences. According to Berry (1995), a service marketer practices relationship marketing that depend on structural bonds when solutions to the customers' problems and needs are designed into the service-delivery system, rather than being dependent on the skills of the service provider (pp. 240-241). Since service providers are key factors in service delivery, especially for EAI service encounters, their role is necessary in initiating the gathering of specific information and ensuring its availability when needed by consumers or during interactions, or in providing input in designing systems for gathering and dissemination of specific information. With proper training, service providers may become key initiators and distributors of key customer value-added services and hence key contributors to firms' relationship-building efforts.

From an industrial buyer-seller exchange standpoint, Johnson and Selnes (2004) described the utilization of customized value in transitioning relationships from friendships to partnerships. They asserted that the key to profitability is the supplier's ability to organize and use knowledge and information about customers via information systems in order to deliver highly personalized and customized offerings better than competitors. According to these researchers, the utilization of customization benefits through information systems for relationship building is not limited to business-to-business contexts. It plays a role in building end-user relationships as well, especially since the popularity of database marketing and customer relationship management has increased. Thus, the importance of extras, customization, or specialized treatment in building relationships is noted in consumer and business-to-business services. Still, most studies are conceptual or exploratory and fail to provide statistical support for its role in developing interpersonal consumer relationships.

Lastly, operational benevolence, as described in Sirdeshmukh et al.'s (2002) study, has not yet been addressed. According to researchers, it is a significant factor for trust in consumer and organizational relationships (Sirdeshmukh et al. 2002; Doney and Cannon 1997; Ganesan 1994). It refers to visible and observable indications about frontline employees' knowledge, skills, and expertise in effectively performing job-related tasks during consumer-service provider exchanges and must be manifested in visible "behaviors that reflect an underlying motivation to place the consumer's interest ahead of self-interest" (Sirdeshmukh et al. 2002, p. 18). Benevolence, or putting consumers' interests ahead of self-interest, is necessary for relationship development. Conceivably, it should be a factor of service providers' relational behaviors. In this study, however, it is posited that benevolence is captured through specialized treatment and problem solving behaviors. In other words, in exhibiting problem-solving and specialized treatment behaviors, service providers are perceived as having customers' best interests at heart. Thus, benevolence is not treated as a separate variable and is dropped.

Items from extras (Price et al.'s 1995a, 1995b) and items from customization benefits (Gwinner et al.'s (1998) are thus combined to form scale items for specialized treatment. Additionally, the scale item "went out of his/her way" from extras (Price et al. 1995a, 1995b, p. 41) is combined with a similar item from problem-solving orientation, "goes out of the way to solve customer problems" (Sirdeshmukh et al. 2002, p. 34) to form one item. The difference between "going out of one's way" and "went out of one's way to solve customers' problems" is based on English language distinctions between "to go" and "went", suggesting an action that has already occurred. Consumers may view these differences as minimal, especially since they are asked to think about their last visit to the service firm. These items are thus considered duplicates and collapsed into one item. In the next chapters, a model is provided, followed by a description of the hypotheses and methodology.

CHAPTER III

OPERATIONAL MODEL

Introduction

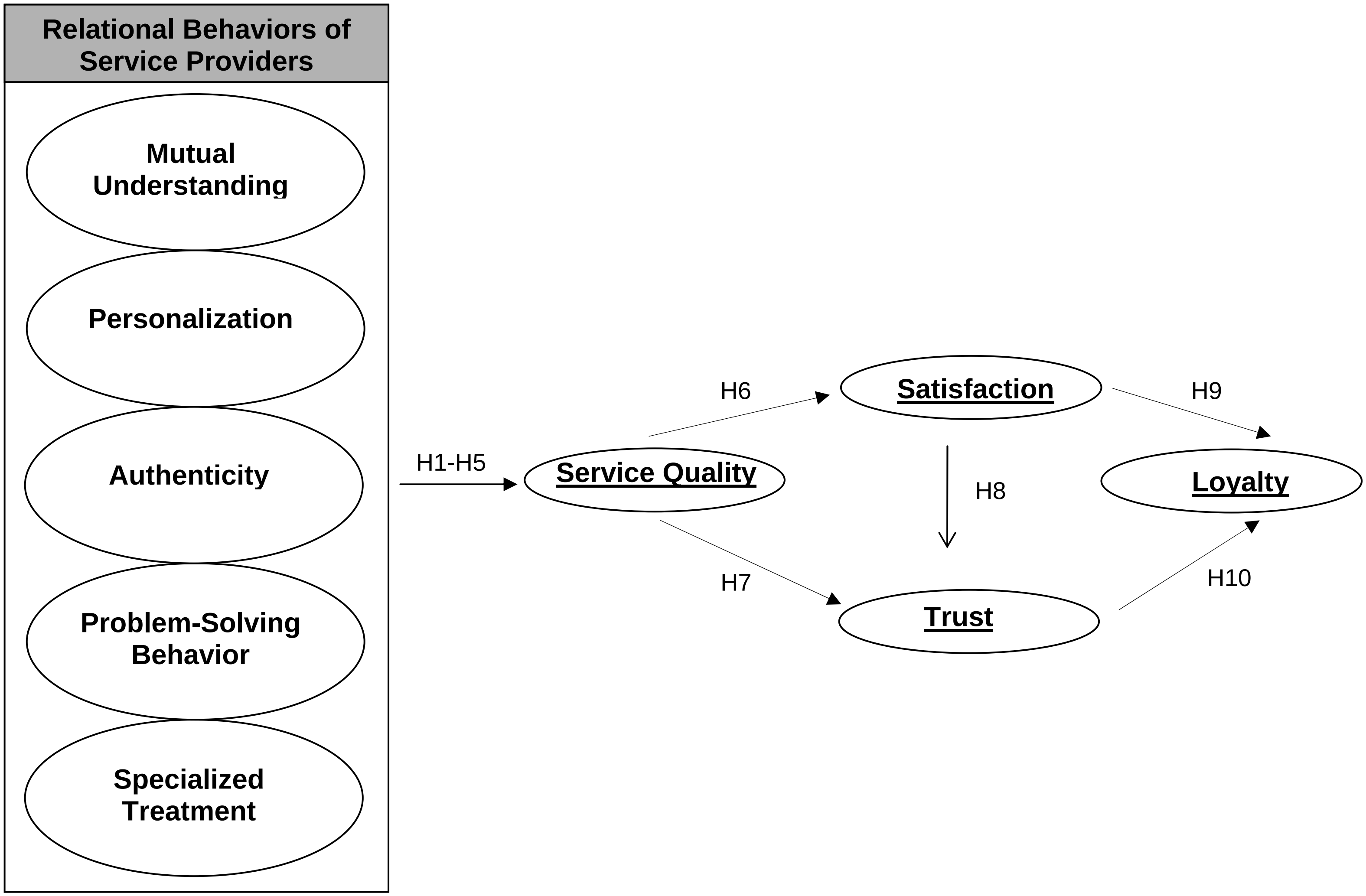
After careful investigation of the marketing and sociology literature, five relational behaviors were identified and recommended for service providers to utilize in developing interpersonal consumer relationships in EAI–like encounters. They include mutual understanding, personalization, authenticity, problem-solving behavior, and specialized treatment. By recognizing variables that consider the combined influence of both service providers and consumers, the dyadic nature of developing interpersonal consumer relationships is emphasized (Gassenheimer et al. 1998, p. 323; Beckett-Camarata et al. 1998; Iacobucci and Ostrom 1996). The focus of this study is however on consumers' perceptions alone, since it is assumed that firms hold the primary responsibility for retaining consumers and creating loyalty (Bitner et al. 1990; Czepiel 1990; Solomon et al. 1985).

In figure 1, an integrative model of service loyalty for EAI services is presented that serves as a framework for describing interrelationships between relational behaviors of service providers and relationship development. The model suggests that service providers who seek to develop friendship relationships with consumers in EAI-like encounters should use relational behaviors in order to enhance consumers' perceptions of service quality and satisfaction, and influence trust and loyalty in the firm.

Service firms seek to develop relationships with consumers and utilize service providers as key resources for doing so because of unique characteristics, such as inseparability and intangibility, which make services ideal environments for relationship-building (Czepiel 1990). Subsequently, it is assumed that relational behaviors of service providers are performed simultaneously to service providers' role behaviors. While role behaviors are specific to service providers' job-related functions, relational behaviors, such as social communication and authentic emotion, promote relational outcomes that include consumers' willingness to develop and maintain friendship relationships and partnerships with the firm.

Based on this model, service quality and satisfaction serve as mediators between relational behaviors and relational outcomes, trust and loyalty. From there, three potential paths that lead to loyalty are suggested: (1) one that portrays service quality leading to satisfaction, which then leads to loyalty; (2) another that shows service quality leading to trust, then trust leading to loyalty, and (3) a path that shows service quality leading to satisfaction, satisfaction leading to trust, then trust leading to loyalty.

Figure 1. Integrative Model of Service Loyalty



Not surprisingly, similar linkages are proposed about service providers' role behaviors throughout marketing literature. This study however asserts that relational behaviors are distinct from role behaviors. Relational behaviors function specifically to promote relationships, which in this case include those that are interpersonal and boundary spanning. Service providers must appropriately perform their role behaviors, or must not fail to perform their role tasks, otherwise consumers perceive service quality to be low. Appropriate performance of role behaviors is thus necessary, but insufficient, for developing interpersonal relationships of this type. Relational behaviors, on the other hand, are required for the establishment of interpersonal trust and loyalty in commercial friendship relationships, which are emotional and social in nature. Utilization of relational behaviors creates value for consumers who seek to maintain relationships with firms, rather than switch to competitors due to potentially high costs of reestablishing idiosyncratic knowledge about needs and preferences (Hsieh et al. 2005; Johnson and Selnes 2004; Berry 1995). Thus, relational behaviors are significant as they may profoundly affect a firm's ability to retain consumers and enhance profitability. In the following sections, hypotheses for the linkages proposed in the model, between relational behaviors of service providers and relationship outcomes, are presented.

Hypotheses

<u>The Influence of Relational Behaviors of Service Providers on Service Quality</u>

<u>Mutual Understanding and Service Quality</u>. Because service providers must create atmospheres for consumers to reveal their economic and social needs, mutual

understanding is required in developing interpersonal consumer relationships. In Price et al. (1995b) study, mutual understanding was shown to positively and significantly influence satisfaction in a consumer-service provider river-rafting expedition, or EAI encounter. Across all service categories, from brief, non-personal services to extended personal ones, Price et al. (1995a) demonstrated that mutual understanding was significant in explaining variance in consumers' positive emotional responses to service encounters. While they found that significantly higher levels of mutual understanding were reported in EAI than non-EAI encounters, results did not show that mutual understanding is more important for consumers' positive emotional responses for EAI than non-EAI encounters. In a later study, Price and Arnould (1999) showed that mutual understanding positively and significantly influenced consumers' perceptions about trust in hair care service contexts.

In a study involving insurance agents and marital spouses, Jacobs et al. (2000) found consumers' social self-disclosures to be positively and significantly correlated with their beliefs about sales agents' trust and satisfaction. Yet, they found that consumers' exchange-specific self-disclosures are negatively and significantly correlated to beliefs about salesperson trust and satisfaction. They concluded that greater exchange-specific self-disclosures may damage customer-salesperson relationships, while greater social self-disclosure may improve them. Thus, mutual understanding that encourages social and emotional exchange that occurs as in boundary-open or friendship-like relationships is encouraged for the development of trust and loyalty.

White (2004) further showed that relational depth and type of information solicited influence consumers' willingness to disclose information. The relationship by information type interaction was significant. Thus, consumers in deep relationship conditions were more willing to reveal privacy-related information than those in shallow relationships, while those in deep relationships were less willing to disclose embarrassing information than those under shallow relationship conditions. Additionally, White (2004) hypothesized that loss of privacy versus loss of face, or perceived disclosure consequences (PDCs), may mediate the interactive effect of relational depth and type of information requested from consumers. As hypothesized, they found that deep relationship consumers perceived more negative consequences of revealing embarrassing information than those in shallow relationships, whereas deep relationship consumers did not perceive negative consequences with revealing privacy-related information than shallow ones. In comparing the effect size for the relationship by information type interaction, White (2004) found that the interaction effect was greatly reduced in a model that included perceived negative consequences versus a model that did not include perceived negative consequences, and thus concluded that PDCs partially mediate the interaction.

White's (2004) study was conducted in a grocery store and drug story delivery service context. Compared with the Jacob et al. (2000) study, which involved EAI, insurance agent-consumer service relationships, these studies support Price et al.'s (1995a) findings that mutual understanding is prevalent across EAI to non-EAI service categories. Nonetheless, both studies portray consumers' willingness to disclose more intimate information about their needs, providing the perceived consequences of revealing such information is not negative, as relationships grow stronger and deeper, as in friendships.

In general, mutual understanding allows service providers to gain in depth knowledge about consumers' needs through self-revelation or self-disclosure. Through mutual understanding, open communication is enhanced that encourages consumers to express unique information about their specific needs. Thus, mutual understanding is a value-added benefit that may provide firms with sustainable competitive advantage through consumer knowledge that cannot be readily copied by competitors (Zeithaml et al. 2006). Social satisfaction is expected to increase and the potential for developing boundary-open commercial friendships between service providers and consumers expected to improve as mutual understanding between service providers and consumers increases (Price and Arnould 1999).

Consumers are expected to perceive service exchanges more positively when service providers demonstrate efforts to learn about them through encouraging self-revelation, and thus attempt to gain mutual understanding. Often this first requires service providers to reveal something of themselves in order to elicit consumers' self-revelation or self-disclosure responses. Consumers are expected to perceive service exchanges more satisfactorily and to be of higher quality as mutual understanding provides service providers' the opportunity to gain necessary information to address their specific needs and to know them on a personal level. This conceptualization of mutual understanding is consistent with Altman and Taylor's (1973) explanation of social penetration processes that describes interpersonal behaviors that occur during social interaction and involves cognitive and affective, verbal, nonverbal, and environmental behaviors, which occur before, during and after exchange.

Thus, while previous studies have found correlations between mutual understanding and satisfaction and mutual understanding and trust, this study posits that these interrelationships are mediated by consumers' perceptions about service quality. Thus, service quality serves as an evaluative process that occurs before establishing satisfaction and trust, as the relationship develops. Based on these contentions, the following hypotheses are put forth:

H1: Mutual understanding is positively and significantly related to consumers' perceptions about service quality.

<u>Personalization and Service Quality</u>. Mittal and Lassar (1996) showed that personalization significantly influences consumers' evaluations of service quality and patronage. They found that its influence is greater for people possessing services and is thus notable for extended, interpersonal encounters. For instance, in hair care services, several opportunities exist for service providers to interact with consumers. In these contexts, positive social interactions, as well as a variety of social support outcomes, such as alleviation of mild boredom and satisfaction of being liked, may occur between service providers and consumers thus providing ample interaction opportunities to develop friendships.

According to the literature review, personalization is based on the social content of interaction and is thus relevant to meeting minimum standards of civility.

Price et al. (1995a) found that meeting minimum standards is positively and significantly related to consumers' negative emotional responses to service encounters. Further, they showed that not only are higher levels of meeting minimum standards found in brief or extended non-personal encounters, but also consumers perceive it as more important in their positive emotional responses to these types of encounters than in extended personal ones.

Personalization is moreover relevant in displays of socialities or sociality communication that include courtesies, courteous expressions, and personal connection (Koermer and McCroskey 2006; Koermer 2005; Koermer et al. 2003, 2000; Pacanowsky and 'Donnell-Trujillo 1983). In an ethnographic study, Koermer et al. (1996) found that all dimensions of socialities, namely, courtesies, pleasantries, sociabilities, and privacies, played important roles in creating and sustaining service provider-customer relationships. Utilizing the two-dimensional structure, bivariate correlations revealed that both courteous expressions and personal connection are significantly related to customer satisfaction regardless of service provider occupational type (Koermer 2005). Further analysis showed significant interactive effects that indicated the relationship between courtesy expressions and customer satisfaction differed for professional services, doctors and hairstylists-barbers, versus non-professional services, such as convenience store clerks and fast-food employees. For both dimensions, they found that the relationship with customer satisfaction is significantly higher for professional services than non-professional services. Nonetheless, the relationships are significant for both service types. Additionally, Koermer and McCroskey (2006) showed that both dimensions of sociality predict customer loyalty with the service provider across professional and non-professional services. Halo effects were demonstrated. Thus, consumers who are loyal to their service providers are also likely to be loyal to the service organization.

Koermer and McCroskey (2006) showed that customers expect courtesies to be kept at a minimum when receiving service from fast food restaurants and convenience stores. Yet, customers expect them to be displayed in services that are extended in duration. Because sociality ranges from surface-level communication, common with greetings and small talk to deeper levels of more intimate disclosures involving verbal and nonverbal communication behaviors, it is expected to influence consumers' positive experiences and enhance positive affect in consumers (Koermer and McCroskey 2006, p. 56; Koermer 2005).

Based on these findings, this study posits that personalization is positively and significantly related to consumers' perceptions about service quality. While it was shown to correlate with satisfaction and loyalty, this study hypothesizes that this interrelationship is mediated by service quality. In other words, consumers first evaluate services and assess the level of quality prior to determining whether they are satisfied or dissatisfied or whether they trust or distrust the service provider. Although related, this study views personalization as going beyond minimum standards of civility. It is based on intentional, motivated efforts of service providers to initiate and encourage social communication and interaction. The following hypotheses are thus put forth for examination:

H2: Personalization is positively and significantly related to consumers' perceptions about service quality.

Authenticity and Service Quality. Schaefer and Pettijohn (2006) found that salesperson authenticity positively influenced job performance and affective professional commitment, although it did not positively influence intention to stay in the sales profession. Although they did not examine the influence of salespeople on buyers, several researchers suggested that employees' emotional states influence consumers' emotional states as well (Hennig-Thurau et al. 2006; Barger and Grandey 2006; Cote 2005; Pugh 2001). As proposed by Pugh (2001), Barger and Grandey (2006) showed that emotional contagions, such as employee smiling, predicted customer smiling during service encounters. They also showed that customer smiling predicted post-encounter mood, but that these effects were not a result of employee smiling. In Pugh's (2001) study, it was demonstrated that employees' positive displays directly affected customers' mood states. He suggested that ambiguity may exist among research findings as a result of different measurement scales and service contexts used by researchers.

It is expected that in extended interpersonal exchanges, such as EAI encounters, service providers and consumers have appropriate time and physical distance to develop some degree of knowledge about each others' unique behaviors and personal characteristics. As the relationship increases in length and frequency, exchange partners may have increased opportunity to gain more personal knowledge about each other, from increased communication or observation alone. Furthermore, exchange partners that are highly empathic towards each other are expected to know more their partners' likes, dislikes, emotions, and emotional expressions. It is thus likely to be noted when a service provider in an EAI exchange displays an emotion in a superficial rather than true manner. The consumer may thus perceive the exchange as dissatisfactory.

Various researchers have suggested that authenticity enhances trust and effectiveness in discrete or relational, interpersonal exchanges (Price and Arnould 1999; Walsh and Cashman 1999; Cashman 1998). Yet, empirical data were not provided. However, Price et al. (1995b) found that authenticity was positively and significantly related to satisfaction in EAI-like boundary-open relationships. Across all service categories, Price et al. (1995a) found that authenticity was significant in explaining variance in consumers' positive emotional responses to service encounters. Higher levels of authenticity were reported in extended, personal encounters than extended, brief non-personal encounters. Differences across service encounters were not found to be significant for correlations between service providers' displays of authenticity and positive emotional responses. Grayson (1998) found that in relational rather than discrete exchanges, customers evaluate services higher when they perceive congruence between service providers' front stage and perceived back stage, or emotional effortlessness, and when service providers' emotional expression is positive than when it is negative. Further, they found customers' evaluations of service exchange increase significantly for service providers' displays of emotional effortlessness in relational exchanges. No significant effect was found in discrete exchanges.

In operationalizing authenticity as deep acting, or greater laborious effort in demonstrating true emotion as in taking on a role, versus surface acting, or superficial demonstration of emotion, Hennig-Thurau et al. (2006) failed to show that higher levels of authenticity directly relates to higher levels of customer satisfaction than lower levels of authenticity. Their study showed, however, that higher levels of authenticity have indirect positive and significant effects on customer satisfaction, mediated through increased levels of customer positive affect. They further demonstrated that higher levels of authenticity indirectly influence future loyalty intentions.

In this study, it is thus posited that authenticity influences satisfaction, and the development of trust and loyalty in interpersonal consumer, or EAI-like, service exchanges similar to the studies above. Yet, these interrelationships are mediated by service quality. Consistent with Grayson's (1998) study, higher levels of authenticity are expected to result in higher levels of service evaluation. As authenticity increases, service quality is expected to increase. When service providers react appropriately and display appropriate emotions in ways that do not differ from their true reactions, consumers perceive them as authentic, natural, and genuine. Communication with consumers does not appear scripted or canned as expected in true friendships and partnerships where displays of emotion are genuine.

Consumers perceive lack of authenticity as unemotional, insincere, and lower in quality. Eventually, consumers' perceptions about trust and loyalty in the exchange decrease. When service providers behave authentically, consumers perceive them as vulnerable, giving and willing to give of themselves, to "show" themselves during service performance in ways that require risk. Uniqueness and vulnerability increase performance quality, such as when actors, musicians, or speakers give peak performances to their audience, the service consumer, in this case. When this occurs, consumers leave the service performance, or service exchange, feeling as if they have experienced a memorable, enjoyable and satisfactory, high quality performance. The following hypotheses are thus put forth for examination:

H3: Authenticity is positively and significantly related to consumers' perceptions about service quality.

Problem-Solving Behavior and Service Quality. Sirdeshmukh et al. (2002) showed that problem-solving orientation, which closely resembles problem-solving behaviors, has direct positive and significant correlations with trust and satisfaction. They found that across airline and retail contexts, front-line employees' displays of problem-solving orientation had positive, significant and direct effects on trust, although they focused on cognitive trust. For management policies and practices in retailing contexts, they found that problem-solving orientation positively and significantly influenced trust. For airline contexts, significant correlations were not found although they were positive. In all contexts for front-line employees and management, they found positive and direct influence of problem-solving orientations on satisfaction.

Problem-solving behavior is also consistent with service providers' responsiveness (Parasuraman et al.'s 1988). It is thus expected to show positive and direct correlation with service quality. In Dabholkar et al.'s (2000) study, for instance, they found that factors of SERVQUAL explained more variance in service quality than in behavioral intentions, thus suggesting that it functions better as a correlate of service quality than a correlate of behavioral intentions. Thus, service quality is expected to mediate the relationship between service provider behaviors and service exchange outcomes. In developing the SERVQUAL-P scale, Mittal and Lassar (1996) found additionally that service quality factors, which were utilized to form the personalization construct, positively and significantly correlate with service quality.

As stated in Sirdeshmukh et al.'s (2002) study, problem-solving behaviors are salient for consumers in experience-based service exchanges. Since many experience services may also be classified as EAI services, it is thus expected that problem-solving behaviors are salient cues for consumers to evaluate service quality. For instance, it is relatively easy for consumers to assess service providers' motivation and willingness to assist in addressing their needs perhaps in evaluating the promptness of service or service providers' responsiveness to their needs, even though they may not understand the technicalities of service delivery.

Furthermore, as a result of extended duration of service delivery and intimate distance in EAI services, consumers are expected to have time and closeness, or perceptions of one-to-one personal attention that may provide consumers with ample means to make service evaluations. Moreover, consumers may utilize the affective quality in these exchanges as process factors when the technical aspects of service are difficult to evaluate. As an example, most consumers are knowledgeable about the expected wait time and attentiveness to details of customers' needs as a waiter/waitress takes an order. Thus, they can assess the extent that service providers' displays of problem-solving behavior, or responsiveness, are performed as expected. Similarly, consumers have knowledge of their expected wait time for service and the willingness to help from employees in medical offices, even though they may not understand doctors' technical performance.

Problem-solving behaviors are thus viewed as salient attributes for consumers' evaluations of service quality in EAI services that are experience based. Furthermore, they provide ample cues that assist consumers' in forming perceptions in EAI services that are credence-based. When service providers' displays of problem-solving behaviors are enhanced, consumers perceive service quality to be high. The following hypotheses are thus put forth for examination:

H4: Problem-solving behavior is positively and significantly related to consumers' perceptions about service quality.

<u>Specialized Treatment and Service Quality</u>. Price et al. (1995b) demonstrated that extra attention is positively and significantly correlated with satisfaction in a river-rafting service, EAI encounter. They further demonstrated that extra attention was positively and significantly correlated with positive emotional responses to service encounters (Price et al. 1995a). Moreover, they found that significantly higher levels of extra attention were reported for EAI encounters such as those relating to medical doctors, waiters at sit-down restaurants, dentists, massage therapists, lawyers,

and hair stylists, than non-EAI encounters, such as sales clerks, musical groups, housecleaners, mechanics, and clergy. However, extra attention was not found to be significantly more important for positive emotional responses to EAI service encounters than non-EAI encounters. Extra attention is found to be prevalent in EAI encounters and shows positive influence on consumers' emotions and satisfaction.

Likened to extras, Gwinner et al. (1998) identified customized benefits as one of four unique relational benefits, which also included social, psychological, and economic benefits. These consisted of receiving preferential treatment, receiving additional services or consideration, and developing history with a particular service provider. In an exploratory study, they combined customized benefits with economic benefits, such as price breaks and faster service, to form a new factor, special treatment benefits. Similar to psychological, or confidence, benefits and social benefits, they found that special treatment benefits demonstrated strong positive correlations with relational marketing outcomes, such as loyalty, positive word-of-mouth, motivation to continue in relationships, and satisfaction with services.

Utilizing e-tailer contexts, Hsieh et al. (2005) found that structural bonds, which include professional knowledge and information that add value and competitive advantage, are positively related and significantly more important for credence and experience goods/services than for search goods/services. They further found that the impact of structural bonds on commitment was significantly greater for experience goods/services and credence goods/services, than for search goods/services. The impact of structural bonds on commitment however was not significantly greater for credence than for experience goods/services as hypothesized. Although empirical results are not definitive, several researchers have posited similar correlations between structural bonds and commitment (Hsieh et al. 2005; White 2004; Johnson and Selnes 2004; Berry 1995).

Since specialized treatment is more relevant to consumers' specific needs, the potential increases for the development of friendships and partnerships. In this study, it is thus expected that consumers' may use specialized treatment to evaluate services, even when they are difficult to understand. This evaluation occurs prior to relational trust and loyalty, as it may be necessary for consumers' to determine whether the specialized treatment provided suitably fits their needs. Moreover, the duration of time and closeness in physical proximity provided in EAI services relative to other services provides the necessary time for service providers to demonstrate specialized treatment towards consumers and for consumers to make such assessments about whether they are satisfied and whether service quality is high. It is, therefore, expected that service quality mediates the interrelationship between specialized treatment and loyalty. Thus, as specialized treatment increases, service quality increases. The following hypotheses are put forth for examination:

H5: Specialized treatment is positively and significantly related to consumers' perceptions about service quality.

Examination of the linkages between relational behaviors and service quality is important for academicians and practitioners because it draws attention to these behaviors as resources that firms may utilize to achieve service quality and success in building relationships. A comprehensive understanding about how relational behaviors influence service quality, satisfaction, trust, and loyalty may assist managers and service providers in making decisions about which relational behaviors service providers should display in order to increase efficiency in utilization of service providers' skills, resources and productivity (McDougall and Levesque 2000; Bolton and Drew 1991). In the next sections, hypotheses are provided about interrelationships among service quality, satisfaction, trust, and loyalty.

Interrelationships Among Service Quality, Satisfaction, Trust, and Loyalty

Service Quality and Satisfaction, Marketing researchers have conceptualized the correlation between service quality and satisfaction in different ways. In some studies, satisfaction is viewed as a consequence of service quality (Bolliger et al. 2005; Tam 2004; Lam et al. 2004; Liang and Wang 2004; Dabholkar et al. 2000; Cronin et al. 2000; Rust and Oliver 1994; McAlexander et al. 1994; Cronin and Taylor 1992; Parasuraman et al. 1988, 1985). In others, satisfaction is viewed as an antecedent of service quality (McDougall and Levesque 2000; Bolton and Drew 1991, pp. 375, 383-4).

Dabholkar et al. (2000) demonstrated that customer satisfaction mediates the interrelationship between service quality and behavioral intentions, thus supporting the latter view. They found this intercorrelation to be superior to the path showing service quality as a mediator between satisfaction and behavioral outcomes or that showing both satisfaction and service quality having independent effects on behavioral intentions (p. 161).

Correlations showing satisfaction mediating the relationship between service quality and behavioral intentions are further supported across several industries. Based on further review of the literature, Cronin et al. (2000) analyzed competing models that investigated various interrelationships between service quality, satisfaction, value, and behavioral intentions across six service industries. Their models hypothesized direct and indirect relationships among these variables, but described only correlations between service quality and satisfaction that involved satisfaction as a mediator between service quality and behavioral intentions. Across six service industries (spectator sports, participative sports, entertainment, health care, long distance, and fast food), they found that service quality significantly and positively correlated with satisfaction in all instances except long distance telephone service, which showed a non-significant correlation.

In a study using wealth management services, Bolliger et al. (2005) showed that service quality positively and significantly influenced satisfaction, in low dependence situations between wealth managers and financial analyst service providers. They failed to find support for this correlation in high dependence situations. Tam (2004) further showed that service quality positively and significantly influenced satisfaction for Chinese consumers (Hong Kong and the Republic of China) in the restaurant industry. In addition to other interrelationships, they hypothesized satisfaction as a mediator between service quality and post-purchase behavior.

Contrary to these studies, some evidence is available that satisfaction serves as an antecedent of service quality (Cronin and Taylor 1992). Bolton and Drew (1991) posited, for instance, that perceived service quality is a function of consumers' dis/satisfaction with the current service, which in turn depends on the perceived performance of service components, prior expectations about performance, and perceptions of the discrepancy between performance and expectations, or disconfirmation. Utilizing local telephone service that is comprised of a bundle of services, they found that consumer dis/satisfaction, measured as disconfirmation, showed a positive and statistically significant effect on overall service quality. While disconfirmation explained a larger portion of variance in overall service quality, they also found that performance directly influenced service quality. Based on these studies, bi-directional correlations are indicated between service quality and satisfaction. The direction, positive or negative, magnitude, and direction of correlations appear to depend on service context and extent of relationship formation.

Nonetheless, a unidirectional linkage from service quality to satisfaction is proposed in this study. Contrary to linkages that describe service quality as the mediator, Tam (2004) recommends satisfaction as a mediator because of the transactional level versus global level of analysis characteristic of service encounters. Thus, service encounters, which are examined at the transactional level, allow the process of evaluation to occur prior to determination of dis/satisfaction. In comparison to credence services, experience-based services provide consumers with opportunities to make quality assessments. The extended duration of EAI encounters compared to non-EAI encounters further allows consumers the time needed to make service evaluations, especially if the EAI service is experience-based. Thus, the view of satisfaction as mediator is supported.

According to Bolton and Drew's (1991) perspective, current service quality is determined by residuals of service quality and satisfaction from prior periods. Utilizing this view, examination of correlations between these two constructs at any point in time in a long-term service exchange, such as residential telephone service, or extended, but repetitive, service exchange such as hair care service, at the global level, may be viewed as bi-directional, with the strength of correlation in either direction determined by several marketing factors, including service context and stage of relationship. Yet, in examining service exchange processes at the transactional or encounter level, or by taking a snapshot of the processes when relational behaviors of service providers is expected to influence loyalty, service quality is modeled to precede satisfaction, especially when the service encounter is extended. This study therefore posits that as service quality increases, satisfaction increases. As it decreases, satisfaction decreases. The following hypothesis is thus put forth for examination:

H6: Perceived service quality is positively and significantly related to satisfaction.

Intercorrelations between service quality and service loyalty are demonstrated in marketing literature (Bloemer et al. 1999; Zeithaml et al. 1996). Recent studies demonstrated the existing, yet complex interrelationships between service quality and profitability (Rust et al. 2002; Zeithaml 2000). Similar to the studies mentioned thus far, this research proposes that service quality indirectly influences loyalty. It may be mediated by satisfaction as described above, by trust, or by satisfaction and trust. The latter two correlations are discussed in the following hypotheses.

Service Quality and Trust. Bolliger et al.'s (2005) study demonstrated partial support that service quality influenced trust. Specifically, service quality showed positive and significant correlation with trust "credibility: across dependence categories, but results were nonsignificant although positive for service quality and trust "benevolence." These researchers base their contentions on Dwyer et al.'s (1987) article that indicates that relationship-building factors positively influence perceived quality and satisfaction, which are short term and based on past interactions. These factors in turn influence trust, which takes longer to develop, and commitment, which is long term and future oriented. Subsequently, perceived quality, satisfaction, trust, and commitment influence relationship outcomes (p. 5). Thus, they posited direct and indirect relationships between service quality and trust. The indirect relationship between service quality and trust are described by hypotheses 6 and 8.

Similar to Bolliger et al. (2005), several researchers have portrayed these linkages in consumer and organizational relationship exchanges (Rust et al. 2002; Dabholkar et al. 2000; Cronin et al. 2000; Bloemer et al. 1999; Geyskens et al. 1999; Zeithaml 1996; Zeithaml et al. 1996). It is further implied by Heskett et al.'s (1994) service-profit chain. Kouthouris and Alexandris (2005) demonstrated the influence of service quality on behavioral intentions in the sports tourism industry. Based on reasoning derived from these studies, it is expected that as service quality increases, trust increases. When consumers' perceived service quality decreases, trust also decreases. The following hypothesis is thus put forth for examination:

H7: Perceived service quality is positively and significantly related to trust.

Satisfaction and Trust. Sirdeshmukh et al. (2002) showed that satisfaction significantly and positively correlates with trust in front-line employees and in management policies and practices for retail and airline consumer service. Bolliger et al. (2005) demonstrated that satisfaction significantly and positively influenced both credibility and benevolence dimensions of trust in high and low dependence situations of wealth managers and financial analyst relationships. In Liang and Wang's (2004) study, they utilized trust, commitment, and satisfaction as measures of relationship quality. They found that satisfaction showed positive and significant influence on trust in consumer banking exchanges across loan, deposit, and credit card services.

In Garbino and Johnson's (1999) study, differences in correlation among satisfaction, trust, and commitment were hypothesized based on the notion that these constructs play different roles along the transactional/relational continuum. They utilized individual ticket buyers and occasional subscribers of a New York off-Broadway repertory theater company to represent the low relational or transactional customer type. Consistent subscribers of the theater company represented high relational customers. According to these researchers, overall satisfaction served as a mediator between attitudes and future intentions in low relational or transactional situations. In high relational situations, trust and commitment functioned as mediating constructs between attitudes and future intentions. For both individual ticket buyers and occasional subscribers, or transactional, situations, they found that satisfaction is positively and significantly related to trust. Similar results were found in the high relational situation.

According to Agustin and Singh (2005), the theoretical foundation for positing specific hypotheses for the interrelationship between transactional satisfaction and trust is not strong. Yet, strong theoretical support may be found in social psychology literature (Price et al. 1995b; Altman and Taylor 1973). Thus, Agustin and Singh (2005) took an exploratory examination of this interrelationship and found that satisfaction showed direct and main positive and significant effects on trust in both retail, or clothing purchase settings, and services, or consumer airline travel. Moreover, they found that satisfaction behaved as a hygiene factor, thus demonstrating decreasing, or negative and significant, effects on trust in both service contexts. In other words, the absence of transaction-specific satisfaction demonstrated greater negative influence than the presence of satisfaction showed positive influence on trust.

Previous studies such as these often use cognitive attributes to measure trust, although it was not indicated whether they included an affective trust measure. In Johnson and Grayson's (2005) study, on the other hand, they found that satisfaction with previous interactions between financial advisors and consumers were positively and significantly associated with cognitive trust. They found, however, that satisfaction with previous interactions did not have significant influence on affective trust (p. 505).

Although Johnson and Grayson did not find support that satisfaction correlates with affective trust, examination of the role of affective trust in consumer exchanges is still in its infancy. Still, several researchers have conceptualized the role of affective trust in interpersonal exchanges in marketing, management, and socio-psychology as necessary. Moreover, it is expected to be a required component of EAI encounters, which are characterized as highly affective. This study thus posits that when satisfaction increases, affective trust also increases. As satisfaction decreases as a result of poor execution of relational behaviors, affective trust also decreases. The following hypothesis is thus put forth for examination:

H8: Satisfaction is positively and significantly related to trust.

<u>Satisfaction and Loyalty</u>. Several studies have supported the intercorrelation between satisfaction and commitment, loyalty, post-purchase behavior, repurchase intention and future intentions (Gustafsson et al. 2005; Bolliger et al. 2005; Agustin and Singh 2005; Yang and Peterson 2004; Tam 2004; Garbino and Johnson 1999; Liang and Wang 2004; Mittal and Kamakura 2001; Szymanski and Henard 2001). For instance, Macintosh and Lockshin (1997) found positive and direct influence of satisfaction on retail service loyalty. Reynolds and Beatty (2000, 1999a, 1999b) demonstrated that satisfaction and loyalty are positively and significantly correlated in high-end department store salesperson-consumer exchanges. Moreover, they found halo effects for the satisfaction-loyalty link between service providers and service firm. Recent studies described correlations between satisfaction and consumers'

willingness to buy more (Seiders et al. 2005), consumers' willingness to pay more (Homburg et al. 2005), and shareholder value (Gruca and Rego 2005).

Tam (2004) found direct positive and significant correlations between satisfaction and post-purchase behavior in the restaurant industry. Similarly, Bolliger et al. (2005) found direct positive and significant relationships between overall satisfaction and commitment across high and low dependence interactions between wealth managers and financial analysts. Across loan, deposit, and credit card consumer banking services, Liang and Wang (2004) portrayed indirect influences between satisfaction and behavioral loyalty, with trust/commitment serving as a mediator. In Yang and Peterson's (2004) study, results showed that satisfaction is directly correlated with loyalty. They questioned whether the role of switching costs in this correlation operates as expected by inhibiting customers from defecting to competing service providers across service exchanges. Using online banking in which customers may switch to competitors at relatively little cost, they found that switching costs serves as a mediator only when levels of satisfaction and value are high.

Agustin and Singh (2005) found that satisfaction has a positive but nonsignificant linear effect on loyalty intentions in both retail, or clothing, and service, or consumer airline, contexts. In addition, they found a significant quadratic effect of satisfaction on loyalty intentions for the retail but not the airline sample. While their hypotheses were partially supported, results of their study showed a value-satisfaction interaction that had positive and significant influence in both service contexts that indicated a mediation effect of value on the satisfaction-loyalty intentions link.

Sirdeshmukh et al. (2002) found nonsignificant effects of satisfaction on loyalty in similar service contexts.

Lastly, researchers demonstrated differential effects of the correlation between satisfaction and loyalty under various marketing conditions. Garbino and Johnson (1999), for instance, showed that in low relational, transactional situations for attenders of an off-Broadway theater, overall satisfaction served as a mediator between attitude components, such as satisfaction and familiarity with the actor, attitude towards the plays and the theater facility. Thus, overall satisfaction was found to be positively and significantly related to commitment and future intentions. In high relational situations of consistent theater subscribers, in which trust and commitment mediated the linkage between components of the service and commitment, they found that actor satisfaction was not significantly related to commitment.

Although the interrelationship between satisfaction and loyalty is a complex one, as indicated by the latter studies, it is typically significantly positive. This study does not propose curvilinear effects between satisfaction and loyalty. Nor does it propose moderating influences other than those displayed in the model, since the primary purpose of this study is to examine whether relational behaviors influence the development of relationships in EAI encounters. Therefore, loyalty is expected to increase as satisfaction increases, and decrease as satisfaction decreases. The following hypothesis is thus put forth for examination:

H9: Satisfaction is positively and significantly related to loyalty to the firm.

Trust and Loyalty. In Sirdeshmukh et al. (2002)'s study, partial support was found for the correlation between trust and loyalty to the firm. Specifically, they found that consumers' trust in management practices and policies was positively and significantly related to loyalty in the focal firm for both retail and airline service contexts. The relationship between consumer trust in service providers and loyalty was not supported. Similar to previous studies, the mediating effects of value between trust and loyalty were hypothesized, suggesting an indirect relationship between trust and loyalty (Sirdeshmukh et al. 2002; Gwinner et al. 1998). Sirdeshmukh et al. (2002) showed that trust in frontline employees and management policies and practices influenced value. However, results varied by context. In the retailing context, the influence of trust in management policies and practices on value was non-significant, whereas, in the airline context, the influence of trust in the frontline employee was non-significant. In all contexts, value showed significant influence on loyalty. Moreover, for the retailing context, they found that value mediated the effect of front-line employee trust on loyalty while, for airlines, the effect of management policies and practices was mediated by value.

While these findings support positive correlations between trust and loyalty, they focus on cognitive trust as do most traditional studies on relationship marketing. This study, however, focuses on affective trust. It is significant for interpersonal consumer relationships, especially those that consist of extended, affective, and intimate, or EAI, characteristics. In Johnson and Grayson's (2005) study, cognitive trust and affective trust were shown to positively and significantly influence anticipation of future interactions. Additionally, they found that cognitive trust positively and significantly influences affective trust. Although previous studies did not distinguish between cognitive and affective trust, these findings are consistent with several studies about interpersonal and organizational relationships, which showed that trust and loyalty are positively and significantly correlated (Boller et al. 2005; Liang and Wang 2004; Garbino and Johnson 1999; Swan et al. 1998; Morgan and Hunt 1994).

Johnson and Grayson's (2005) views about the critical role of affective trust are based in studies investigating supervisor-subordinate organizational relationships and socio-psychological studies in interpersonal trust (McAllister 1995; Rempel et al. 1985; Giffin (1967). As posited, McAllister (1995) demonstrated that affective and cognitive trust are two significantly distinct dimensions of trust in interpersonal relationships. Further, they found that both have significant and positive influence on positive relationship outcomes. Additional support for the role of affective trust is provided by Chowdhury's (2005) who demonstrated that both cognitive and affective trust influenced complex knowledge sharing, a factor that is necessary for exchange partners to pursue further collaboration and develop emotional openness. They found that affect-based trust positively and significantly correlates with complex knowledge sharing within dyads operating in a team environment. Similar results were found for cognitive-based trust. They further demonstrated that affective and cognitive trust operate independently of each other. In other words, the beta coefficient for the interaction between affective and cognitive trust was not significant.

Although the latter studies are grounded in intraorganizational behavior, similar phenomena may be observed in studies that examine consumers' willingness to share or disclose information as relationships grow in depth (White 2004; Price et al. 1995b). Affective and cognitive trust may thus be necessary to close gaps in information asymmetry between exchange partners under conditions of uncertainty as expressed in agency theory (Singh and Sirdeshmukh 2000; Moorman et al. 1992). Affective trust is thus expected to lead to greater commitment and loyalty as partners grow closer, as communication and shared values between partners increase, and as relationship benefits grow (Morgan and Hunt 1994).

Johnson and Grayson (2005) contend that customer relationship management via enhanced database marketing capabilities has limited ability in "stimulating emotional linkages necessary to consummate a relationship" (p. 500) because they fail to capture affective characteristics of interpersonal interactions that are necessary to build loyalty between humans and that, itself, has affective characteristics (Bloemer and Ruyter 1999; Swan et al. 1999). Particularly in EAI-like encounters, affective attributes are necessary to encourage interaction and elicit responses between partners that are social and like friendships. It is demonstrated that friendship relationships and personal acquaintances are more loyal than professional relationships and casual acquaintances. Further, emotional and social content is expected to be more prominent in friendships and personal acquaintances. It may thus be inferred that emotional and affective content within interaction leads to more loyalty, and is further important in understanding interpersonal relationships especially since humans are emotional beings that may not necessarily behave rationally.

In this study, a positive relationship is proposed between affective trust and loyalty. As affective trust in service providers increases, loyalty towards the focal firm is expected to increase. When it decreases, loyalty decreases. The following hypothesis is proposed for examination:

H10: Consumers' affective trust towards service providers is positively and significantly related to loyalty toward the focal firm.

In this chapter, a model and hypotheses were presented that portray linkages between relational behaviors, service quality, satisfaction, trust and loyalty as summarized in Table III. In the next chapter, methodological issues are discussed, with detailed explanations about measurement instruments, sampling method, and data analysis.

Table III. Hypotheses

Hypotheses	Independent Variable	Dependent Variable	(+/-)
H1	Mutual Understanding	Service Quality	+
H2	Personalization	Service Quality	+
H3	Authenticity	Service Quality	+
H4	Problem-Solving Behavior	Service Quality	+
H5	Specialized Treatment	Service Quality	+
H6	Service Quality	Satisfaction	+
H7	Service Quality	Trust	+
H8	Satisfaction	Trust	+
H9	Satisfaction	Loyalty	+
H10	Trust	Loyalty	+

CHAPTER IV

METHODOLOGY

Overview of Design

This chapter describes the methodology used to test the hypotheses in this study. The study is based on descriptive research and a cross-sectional design that requires respondents to provide one-time responses to a series of questions in a self-report survey (Spector 1981). Respondents are selected using web-based sampling (Aaker, Kumar, and Day 2004, p. 390). They are asked to provide information about their service experience (Walker et al. 1977). Various researchers such as Dabholkar et al. (2000) utilized similar techniques. Results are expected to offer useful insights into consumers' perceptions about the influence of relational behaviors on interpersonal relationship development.

The self-report survey is designed to reduce the effects of order bias. The sequence of questions is laid out so that it "gains and maintains" the respondent's cooperation, thus making the questionnaire easy to administer. This technique reduces the potential for prior questions to influence subjects' responses to subsequent questions (Aaker, Kumar, and Day 2004, p. 325). Attempts to reduce response biases, such as acquiescence and yea-saying or nay-saying, are made by providing an equivalent number of positively and negatively worded items within each scale (Aaker, Kumar, and Day 2004, p. 230; Baumgartner and Steenkamp 2001; Blunch 1984).

The sample for the final study is selected from a database of respondents who are members of a national, academic business organization, the KPMG PhD Project. An administrator of the PhD Project is asked to invite its members to participate in the survey by e-mail (Aaker, Kumar, and Day 2004, p. 390). The e-mail invitation includes a web link to the survey that is developed utilizing Survey Monkey (www.surveymonkey.com), a well-known online survey tool. The study is conducted using hair care, or EAI, services. In the following sections, the design for the study and sampling methodology are further described, followed by a discussion of measurement scales and statistical analysis.

Context of the Study: EAI Service Encounters – Hair Care

A primary focus of this study is to examine consumers' perceptions about the influence of relational behaviors of service providers on service quality, satisfaction, trust, and loyalty in EAI-like encounters (Price et al. 1995b, p. 84). Hair care services are categorized as EAI encounters (Price et al. 1995a, 1995b). Additionally, hair care services are categorized as experience-based, in which consumers are capable of making evaluations about service performance relatively easily (Zeithaml 1991). Moreover, an extensive amount of time is not required after service is performed in order for consumers to develop perceptions about satisfaction with their hair care experiences. Personal training and weight loss services were discarded as potential contexts for this study because consumers ordinarily do not see results of these procedures until a long period of time has passed after service delivery, thus making satisfaction evaluations challenging. Similarly, massage therapy was discarded. While it is classified as an EAI encounter, it is credence-based, and thus consumers have difficulty in making evaluations even after service delivery (Zeithaml 1991).

Various studies support the classification of services utilized in this study. In their examination of differential effects of core service quality, relational quality, and value on satisfaction, McDougall and Levesque (2000) categorized hair stylists and restaurants as experience-based and dentist and auto services as credence-based. Hair care service is consistent with Price et al.'s (1995a, p. 53; 1995b, p. 84) studies that classified medical doctors, dentists, waiters at sit down restaurants, massage therapists, teachers, psychiatrists, lawyers, and hair stylists as extended in duration, lasting 30 minutes or more, and intimate or personal in distance. Furthermore, hair care services are moderate-to-high in affect (Price and Arnould 1999), emotionally charged, and high in social content of interaction between service employee and consumer (Mittal and Lassar 1996, p. 96). Price et al. (1995a, 1995b) categorized masseurs, obstetricians, home remodelers, nail care professionals, hair stylists, and personal trainers as intimate/personal, but nail care professionals, hair stylists, and personal trainers as relatively low in affect. Like physical therapy, medical and dental treatment, hair care services compel intimacy and encourage self-disclosure and friendship formation (Price and Arnould 1999; Price et al. 1995a). Lastly, hair care clients were more accessible, or easier to contact, prior to the study, compared to massage therapy, personal training, medical or dental services, whose client lists were cost prohibitive and limited due to federal regulations regarding privacy. The classification of hair care and other EAI encounters (Price et al. 1995a, 1995b; Mittal and Lassar 1996; Price and Arnould 1999) are shown in Table IV.

Sampling Procedure

The Population

The population for this study includes individuals who are at least 18 years of age, regular clients of hair care salons/barber shops, and located in the United States. The sample elements consist of individuals who are at least 18 years old, while the sampling units consist of hair care clients. Respondents include individuals who are regular clients of hair care services for at least 6 months prior to administration of the survey and who have visited the same hair stylist/barber at least 3 times within the last 6 months.

The time period of 6 months is deemed appropriate for relationship building and based on the notion of frequent and regular visits to the service firm. Six months is considered to be adequate time for customers to develop relationships with service providers so that they are able to make appropriate inferences about their service experiences. Based on comments from the pretest sample and expert hair stylists at local salons, such as Rumors and Jean Paul Spa and Salon, Albany, NY, regular visits to hair salons/barbershops are based on clients' hair care needs. They are usually

Table IV. Study Context – Categorization of EAI Encounters

	Brief Duration		**Extended Duration**	
	High Affect	**Low Affect**	**High Affect**	**Low Affect**
Intimate/ Personal Distance	ems personnel surgical nurse	optician tailor dental hygienist	river guide masseur obstetrician **hair stylist ***	nail care **hair stylist** personal trainer
Social/ Public Distance	judge mortuary director	bank teller ticket clerk telephone sales	clergy performer – (entertainment)	realtor waiter flight attendant

Adapted from Price et al. (1995b).

* Hair care classified as affectively charged (Price and Arnould 1999, p. 41; Mittal and Lassar 1996).

defined as twice a month to once every 4 – 6 weeks. Therefore, three visits in the last 6-month period to the same stylist/barber is considered to be adequate for this study. It is consistent with Sirdeshmukh et al.'s (2002) study that utilized a period of 6 months for retail clothing and airline customers.

According to social psychology and communications literature, the strength and motivation for developing social, interpersonal relationships is based on proximity, recency, and frequency of interaction (McCroskey et al. 1986, pp. 160-163). Price and Arnould (1999) contend that regular and frequent interaction is an important correlate of friendship formation and maintenance (p. 39). Thus, consumers who engage in recent, frequent, and spatially proximal interactions with their service providers are expected to be more motivated to build and strengthen relationships. The probability further increases for service providers to influence consumers with their relationship development efforts.

Sampling Frame

In this study, the sampling frame is defined as the membership directory of the KPMG PhD Project, a professional business association headquartered in North America. "Participation in The PhD Project is available to anyone of African-American, Hispanic American and Native American descent who is interested in business doctoral studies (http://www.phdproject.org/)." The organization consists of approximately 1300 faculty and doctoral student members that include approximately 908 faculty and 400 students who are from the marketing, accounting, management, finance, and information systems disciplines, according to Tara Perino, a PhD Project Administrator. Because the PhD Project communicates regularly with members via e-mail, including memorandums about research studies, conferences, and job opportunities, e-mail distribution appears to be an appropriate method of contact.

Sampling Unit

The sampling unit includes regular clients of non-chain hair salons/barber shops. Chain hair care services, such as SuperCuts or Fantastic Sams, are described as shorter in duration and subsequently, and thus do not fit the requirements of this study. Clients of chain hair care services are expected to be less likely to develop characteristics of emotional content that are persistent in EAI encounters. Regular clients of non-chain hair care services are able to provide reliable opinions and evaluations about their experiences with the hair salons and barber shops that they patronize.

Sampling Method, Sample Size and Selection

Snowball sampling was utilized for the pretest. However, a different method was used for the final study because of privacy concerns and competing research conducted at firms under consideration. Based on recommendations from the dissertation chair and committee, the researcher thus sought to identify an organization, such as the KPMG PhD Project, that consisted of members whose jobs require a professional work appearance, and who are thus expected to regularly patronize hair salons/barber shops and other grooming services.

The final study thus uses a web-based sampling method, in which Ms. Tara Perino, administrator at the KPMG PhD Project, distributed to all members of the association by e-mail an invitation to participate in the study with a link to the survey. Similar to other sampling methods, web-based sampling has advantages and disadvantages. Some argue that since some individuals do not access the Internet, online research is not representative of the population (Malhotra 2004). Aaker, Kumar, and Day (2004, p. 390) contend that online and traditional research methods often yield similar results. They state that similar to random-digit dialing telephone samples and malls, that are representative of the universe from which they are drawn, the Web can be used as an effective means of studying people who might otherwise be too expensive to reach.

According to Susannah Fox (2008), an average of 73% of adults in the U.S. go online, while 88% of individuals 12 – 29 years of age go online (Fox 2006). She contends that these statistics vary by age, ethnicity and health status. The figures are however consistent with the *Internet World Stats: Usage and Population Statistics* shown in Table V, which indicates that there is 73.1% Internet penetration in North America, 47.7% Europe, 57.0% Oceana/Australia, and 21.1% for the World (Internet World Stats, 2008). It is thus expected that the Web is an appropriate method for conducting this study in the U.S. Although Internet usage and the sampling frame used in this study may result in an education bias, the utilization of web-based sampling with a professional business association increases the likelihood of reaching the desired population, reduces sampling variance, and is cost-efficient. E-mail distribution is thus utilized in this study. Additionally, the PhD Project affirmed that they utilize e-mail as a regular tool for disseminating information to members, including surveys. Moreover, e-mail usage is fairly common method of business communication.

Still, spam filtering and other issues may pose problems that prevent respondents from receiving the survey. "The validity of web-based surveys depends on the sample selection, survey design, response tendencies, and technology challenges. In e-research, the choice of sampling units is in the form of e-mail addresses, electronic subscription groups and heavily visited websites (Aaker, Kumar, and Day 2004, p. 258)." While they contend that web-based surveys are as appropriate as other research methods, outdated e-mail addresses may create selection bias, thus lowering the statistical validity of the survey. The way that the administrator selects final subjects may present further problems. However, this concern is alleviated since the survey is distributed to all 1300 faculty and doctoral student members of the KPMG PhD project. Lastly, attracting potential respondents to participate in the survey may be problematic. By utilizing this organization, it is felt that respondents may be more willing to participate since they are aware of importance of dissertation research.

Similar to other types of research, an incentive such as a contest or cash is offered to increase participation in this web-based study. A final sample size of at least 200 (Hair et al. 1992) or 15 cases per measured variable is recommended for the method of data analysis. Therefore, second and third wave invitations were sent in consecutive months by the PhD Project administrator via e-mail until the desired numbers of usable surveys were achieved.

Data Collection

Data was collected using a survey instrument that asked respondents to provide self-reported assessments about their experiences with hair care services and demographic information (see Appendix A). The survey method is appropriate for descriptive research and is further supported due to relative time and cost efficiency. Using surveys, researchers are further able to collect data from a large number of people (Aaker et al. 2004). Surveys are the major method of data collection used by studies that form the bases of this proposal (Johnson and Grayson 2005; Sirdeshmukh

Table V. INTERNET USAGE STATISTICS: World Internet Users and Population Statistics

World Regions	Population (2008 Est.)	Population % of World	Internet Usage, Latest Data	% Population (Penetration)	Usage % of World	Usage Growth 2000-2008
Africa	955,206,348	14.3 %	**51,022,400**	5.3 %	3.6 %	1030.2 %
Asia	3,776,181,949	56.6 %	**529,701,704**	14.0 %	37.6 %	363.4 %
Europe	800,401,065	12.0 %	**382,005,271**	47.7 %	27.1 %	263.5 %
Middle East	197,090,443	3.0 %	**41,939,200**	21.3 %	3.0 %	1176.8 %
North America	337,167,248	5.1 %	**246,402,574**	73.1 %	17.5 %	127.9 %
Latin America/Caribbean	576,091,673	8.6 %	**137,300,309**	23.8 %	9.8 %	659.9 %
Oceania / Australia	33,981,562	0.5 %	**19,353,462**	57.0 %	1.4 %	154.0 %
WORLD TOTAL	6,676,120,288	100.0 %	**1,407,724,920**	21.1 %	100.0 %	290.0 %

NOTES: (1) Internet Usage and World Population Statistics are for March 31, 2008. (2) CLICK on each world region name for detailed regional usage information. (3) Demographic (Population) numbers are based on data from the US Census Bureau . (4) Internet usage information comes from data published by Nielsen//NetRatings, by the International Telecommunications Union, by local NIC, and other reliable sources. (5) For definitions, disclaimer, and navigation help, please refer to the Site Surfing Guide, now in ten languages. (6) Information in this site may be cited, giving the due credit to www.internetworldstats.com. Copyright © 2001 - 2008, Miniwatts Marketing Group. All rights reserved worldwide.

et al. 2002; Dabholkar et al. 2000; Reynolds and Beatty 1999a, 1999b; Price et al. 1995a, 1995b; Hartline and Ferrell 1996; Parasuraman et al. 1988).

The PhD Project administrator thus distributed e-mails to association members that included a letter of invitation to participate in the survey, informed consent, information about the contest, and a link to the web survey. Screening questions were included to increase the probability that the respondents, or actual hair care clients, completed the surveys. These included questions about subjects' age, service patronage and type of salon, length of service patronage, frequency, and recency of patronage.

Advantages of web-based surveys are that they can be high quality, fast, and inexpensive. Interviewer bias is eliminated since there are no interviews. The researcher has more control over data quality since logic checks and questionnaire sequence can be built into the survey. The questionnaire is posted on a secure site, such as Survey Monkey (www.surveymonkey.com), an online survey tool used by business and academic professionals. Compared to telephone and mail surveys, the costs of data collection are greatly reduced. The respondent clicks on the web link and is taken directly to the secure website where s/he completes the survey. Web-based surveys have become a highly utilized method for conducting research (Aaker, Kumar, and Day 2004; Ray and Tabor 2003).

As mentioned in an earlier section, the validity of online surveys depends on the sample selection, survey design, response tendencies, and technology challenges. Poor translation of web-designed surveys into electronic versions may, for instance, lower the statistical validity of the survey. Poor design resulting in illogical question sequencing may lead to low response rates (Aaker, Kumar, and Day 2004).

The researcher moreover lacks control over the data-collection environment. Non-response bias thus becomes a critical concern. Like mail surveys, web-based surveys often suffer from poor response rates, or low percentages of total attempted interviews that are completed (Brace 2004). Since non-response bias increases as response rate decreases, this limitation may have serious effects on overall results of this study. As sample size decreases, the sample may become less representative and results may become unreliable.

In general, data collection using surveys does not permit in-depth questioning. This limitation may prohibit subjects from freely expressing their opinions and true underlying needs and motives for interacting with hair care services. Since responses are self-reported, simpler questions and structured response formats are more consistent for collecting data in a timely fashion. Web-based surveys can, however, incorporate open-ended questioning.

Lack of anonymity poses a potential problem since respondents are identifiable by e-mail address. Unwillingness error, respondents' unwillingness to provide accurate information, and the desire to provide socially acceptable answers or avoid embarrassment may present challenges because hair care services may be viewed as intimate and personal (Malhotra 2004). In this study, social desirability may pose a major problem since respondents are likely to be acquainted with the administrator, and in the least, may view the researcher as a colleague even if not personally acquainted (Malhotra 2004; Aaker, Kumar, and Day 2004, p. 230; Brace 2004). By assuring respondents that their responses remain confidential, and avoiding other identifying marks, the potential negative affects of this bias may be alleviated. Social desirability effects are tested for during data analysis.

The respondents were contacted via an e-mail that invited them to participate in a survey. A link to the web survey was included in the e-mail. The e-mail stated that respondents have the opportunity to participate in a raffle to win a $50.00 bank check if they complete the survey. Respondents who complete the survey had the option of including their e-mail addresses if they want to participate in the raffle. The e-mail stated that upon receipt of their survey, their e-mail addresses will be separated from the surveys, and that they are required only to enter respondents into the raffle for a $50 gift check in order to notify the winner. Lastly, the e-mail stated that only respondents with completed surveys would be entered into the raffle and that the raffle would be drawn during the fall of 2008.

Additionally, the survey booklet included a cover letter that attempted to put respondents at ease in order to increase the likelihood that they would provide accurate responses about their service experiences. The letter included statements to assure them that their responses would remain confidential. (See Appendix A to review the survey).

Survey Administration

The researcher contacted the PhD Project administrator who distributed the survey by e-mail to all 1300 faculty and doctoral student members of the organization.

Appropriate forms were submitted to the respective Institutional Review Boards (IRB) at the researcher's school of enrollment and school of employment prior to distribution.

Upon approval by the CSU Institutional Review Board, the survey was distributed in the fall of 2008. The respondents were notified that the deadline for returning the surveys is December 15, 2008 in order to tally the number of usable surveys in a timely fashion. A raffle was utilized to motivate respondents. A similar raffle was utilized for the pretest and resulted in the largest number of surveys gathered in the least amount of time. Lastly, the e-mail stated that only respondents with completed surveys would be entered into raffle. The raffle was held on December 23, 2008. The instructions clearly stated that only one survey is allowed per respondent so that respondents would complete the survey only once.

Survey Instrument

The survey consisted of an introductory page, including a cover letter and instructions, statements about confidentiality, and statements required by the Institutional Review Boards, a questionnaire pertaining to the subject matter, and questions pertaining to the subjects' demographic background. These steps were taken to reduce effects of social desirability and yea- or nay saying and to encourage subjects to provide honest and accurate information about their experiences with the services they patronize (Aaker et al. 2004). The cover letter instructed subjects not to disclose any information about the survey or their responses until after December 2008, or until all data are collected.

The questionnaire sequence and layout were set up in ways that increased subjects' willingness to respond and make administration easier. Starting questions were broad while the major portion of the survey included focused questions that are more complex. The last set of questions included background, personal or demographic questions (Aaker et al. 2004). Specifically for this survey, scale items pertaining to each construct were grouped together. In general, scale items for constructs representing dependent variables were placed before those representing independent variables so that it would reduce the potential influence on responses to subsequent questions. Additional attempts to reduce potential effects of order bias included incorporating as many positively worded scale items as negatively worded items without distorting the meanings of the items. In this way, the questionnaire was balance-worded (Baumgartner and Steenkamp 2001; Jayanti et al 2004; Sheluga et al. 1978; Blunch 1984). Twenty-five to thirty percent of scale items were thus negatively worded. Other methods of reducing order bias include counterbalancing the survey and administering different versions to different samples (Sheluga et al. 1978; Baumgartner and Steenkamp 2001). It is believed that the former method was sufficient for this study, even though position bias in multiple-choice questions may not be eliminated through rotation of options (Blunch 1984). According to Blunch, "that an answer alternative receives approximately the same support regardless of its position does not necessarily mean that bias is absent, only that the various subsamples are equally biased – in the usual meaning of "bias" – i.e., the expectation of an estimator is off the target by the size of the bias (p. 220)."

While fixed-response questions are used to reduce variability in results that may be caused by differences in interviewers, respondents may be unable or unwilling to provide desired information, especially if the information requested is sensitive or personal. For this study, a respondent's inability to provide accurate answers, or inability error, because of unfamiliarity, faulty recall, question format and content is expected since respondents are asked to provide evaluations days or weeks after they receive service. This problem was reduced by the use of qualifying or screening questions that attempted to eliminate non-users from taking the questionnaire. Additionally, the questionnaire asked subjects to provide evaluations of their last visit to their service firm. Moreover, the questionnaire was subjected to review from experts in the hair care industry in order to increase the potential that the survey would produce valid results. See the Appendix to review the e-mail notification, cover letter and survey instrument.

Measures

The questionnaire was developed from measures found in previous studies. They were adapted to fit the context of hair care services. In developing and adapting scale items, the researcher sought to ensure that content validity is adequate. It refers to a subjective and systematic evaluation of how well the content of a scale represents the measurement task at hand. It is assessed by examining the scale to determine whether items adequately cover the entire domain of the construct that is being measured (Peter 1981; Carmines and Zeller 1979). In this study, attempts to validate the content of the survey were made by having the survey instrument reviewed by experts, or actual hair stylists/barbers. Similar to Dabholkar et al.'s (2000) study, hair stylists/barbers were asked to identify scale items that appeared irrelevant to their respective contexts and to suggest items that may be missing from the survey (Dabholkar et al. 2000). Simultaneously, the survey was administered to a few university students to assess the ease of survey completion, including the timing, flow, consistency, and clarity of the wording of questions. The revised survey was pretested. Additional revisions were made for the final study based on pretest results and recommendations of the dissertation committee.

During the pretest data, which is described in the Appendix, scale items proposed to comprise the relational behaviors of service providers and those comprising the trust construct were examined using common factor analysis in order to seek preliminary support for unidimensionality. Common factor analysis, also known as principle factor analysis (PFA) and principle axis factoring (PAF), is a method that utilizes correlations between observed variables to estimate common factors and the structural relationships linking factors to observed variables. Unlike principle components analysis (PCA), a commonly used form of exploratory factor analysis, common factor analysis uses a priori communality estimates. The number of dimensions for the relational behaviors of service providers was theoretically predetermined, thus common factor analysis was used instead of PCA to determine whether scale items that comprise the relational behaviors of service providers and trust constructs load on each single factor or dimension as expected. Further examination of unidimensionality was assessed using confirmatory factory analysis

(CFA) and AMOS software for the final study.

Once scales are found to be unidimensional, reliability was assessed using internal consistency method, or Cronbach's alpha. According to Nunnally (1979), alpha scores of at least 0.60 are considered adequate. Malhotra (2004, p. 268) considers values of 0.60 or less to indicate unsatisfactory internal consistency reliability. Scores of preferably 0.80 or higher are more appropriate for widely used scales, according to Carmines and Zeller (1979). While some scales used in this study, such as satisfaction and loyalty, are widely used, others are not. Thus, reliability scores of 0.60 for these scales are considered to be adequate.

Measuring reliability allows researchers to identify items that form an internally consistent scale for each construct and eliminate those that do not (Spector 1992). An assessment of reliability further ensures whether scale items are properly adapted for the contexts of the study and properly worded. It assists in recognizing whether negatively worded items are reverse scored and the length of surveys is not excessive (Malhotra 2004, p. 301; Spector 1992, p. 29). Assessment of reliability and unidimensionality of scales include examination of item-total correlation, in which the researcher reviews the correlation matrix and identifies scores that contribute poorly to coefficient alpha (Nunnally 1978). Those that contribute poorly to coefficient alpha may be dropped in order to improve results.

Validity examines the adequacy of the measurement model. It was assessed as well using confirmatory factor analysis. Construct validity addresses the issue of whether a scale in fact measures the construct that it should be measuring. It is examined in part by determining whether convergent validity and discriminant validity are supported. Convergent validity determines the extent that scale items correlate positively with other measures of the same construct. It is supported if scale items load where they are expected to load, according to literature, and findings from original scales. Discriminant validity examines the extent that an item does not correlate with other constructs from which it is supposed to differ and is supported if scale items do not load where they should not (Anderson and Gerbing 1988). Structural equation modeling (SEM) statistics such as χ^2 goodness-of-fit, or likelihood-ratio chi-square statistic, and goodness-of-fit index (GFI), comparative fit index (CFI), normed fit index (NFI), nonnormed fit index (NNFI), root mean square residual (RMSR), and root mean square error of approximation (RMSEA) assist in determining the adequacy of measurement models (Sirdeshmukh et al. 2002; Hair et al. 1992, Anderson and Gerbing 1988; Fornell and Larcker 1981). In the next paragraphs, measures for each construct are described. If available, reliability and validity scores from previous studies are reported. These scores are compared to pretest and final survey reliability and validity scores.

Relational Behaviors of Service Providers

Derivation of the relational behaviors is explained in the literature review and summarized in Tables VI and VII. Measurement scales for mutual understanding, personalization, authenticity, problem-solving behavior, and specialized treatment are provided in the next section followed by measures for service quality, satisfaction, trust, and loyalty.

Mutual Understanding. Utilizing whole life insurance sales between agents and customers as the study context, Crosby et al. (1990) developed a mutual disclosure index that combined agent disclosure and customer indices. The scales included both exchange-specific and social disclosure measures, although they were not treated as separate dimensions. On the contrary, Jacobs et al. (2000) distinguished between the two dimensions, utilizing a coding technique to determine the extent that marital partners described both types of disclosure in a similar service context. Items reflecting exchange-specific disclosure for instance included: "I have confided in the agent/customer a lot of information about my financial situation" and "I have told the agent/customer about financial mistakes I've made in the past." Items reflecting social disclosure included: "I have confided in the agent/customer a lot of information about my values, religious beliefs, and political beliefs."

Both insurance sales and hair care service are classified as EAI, with interaction often involving a single insurance agent or stylist (Price and Arnould 1999; Price et al. 1995a; Crosby et al. 1990). It is thus expected that both types of disclosure may be prevalent in these contexts. Adapting from Jacobs et al.'s (2000) study, exchange-specific disclosure in hair care contexts may include questions such as "I told the hair stylist/barber a lot of information about my hair." Social disclosure may include questions such as "I confided in my hair stylist/barber a lot of information about my values, religious beliefs, and political beliefs."

Table VI. Original Constructs and Operational Measures for EAI and EAI-Related Variables

Construct	Dimension	Definition	Operational Measures	Cronbach's Alpha
SP performance behaviors in EAI encounters (Price et al. 1995a, 1995b)	Mutual understanding	Extent to which verbal and non-verbal messages are accurately received and comprehended from others (McCroskey et al. 1986, pp. 217-218); exchange partners retain, process, and apply appropriate and accurate meaning to each other's messages (McCroskey et al. 1986); sender and receiver understand each other's message; occurs in retail service exchanges when service employees and consumers share each others perspectives or common views about the environment (Mohr and Bitner 1991).	1. Connected to my life/experiences 2. Revealed personal information 3. Invited me to reveal personal information	0.84
	Authenticity	Extent to which employees appear to be genuine, their own person, unique in displaying spontaneous responses to environment, activities, and interactions with consumers (Price et al. 1995a, 1995b); involves vulnerability in displaying self-comprehension and self-expression, and is characteristic of one's strength and weakness in expressing conviction when participating in an exchange (Walsh and Cashman 1999); employees must be sincere in acknowledging consumers' unique emotional states; represents the extent to which an employee performs beyond expectations, beyond the ordinary, and beyond the requirements of his/her job (Price et al. 1995a, 1995b); authentic self-presentation is described as when interacting individuals bring front- and back-stage expressions and behaviors into consonance (Grayson 1998); the survival of long-term relationships requires that managers display authenticity in how they listen, express themselves, and behave toward employees (Cashman 1998).	1. Behaves truly out of the ordinary 2. Seemed like his/her own person 3. Genuine	0.79

Table VI (continued). Original Constructs and Operational Measures for EAI and EAI-Related Variables

Construct	Dimension	Definition	Operational Measures	Cronbach's Alpha
	Extras	Indicates that one likes, is interested in, open to, and perhaps empathic towards another (McCroskey et al. 1986); is provided through direct verbal messages, such as, "tell me more," "I see what you mean," or indirect non-verbal messages, such as, gestures, body movement, voice, touch, facial expression, eye movement, space, time and responsiveness that describes the level of physical and psychological closeness perceived by individuals who come in contact with each other (McCroskey et al. 1986, pp. 143-145) and are thus signs of openness or friendship; in a market setting, extras are provided by being attentive to customers' needs, fulfilling requests for customized treatment, and demonstrating unsolicited, unexpected exemplary behaviors that are beneficial to the customer (Price et al. 1995a); extras are aimed at moving economic interactions into the realm of relational exchange (Berry 1983; Christopher et al. 1992; McKenna 1991; Price et al. 1995a).	1. Paid special attention to me 2. Went out of his/her way 3. Gave me a break (something extra)	0.88
	Competence	The skills, expertise, and ability a salesperson brings to his relationships with customers (Price et al. 1995a, 1995b); reflects the extent to which an employee is organized, efficient, capable, and thorough (Swan et al. 1999).	1. Capable 2. Efficient 3. Organized 4. Thorough	0.95
	Minimum Standards of Civility	Extent to which customers perceive employees to behave as expected, meet customers' needs, and refrain from violating proper behavior (Price et al. 1995a).	1. Met my needs (R) 2. Violated proper behavior 3. Performed as I expected (R)	0.71

Table VI (continued). Original Constructs and Operational Measures for EAI and EAI-Related Variables

Construct	Dimension	Definition	Operational Measures	Cronbach's Alpha
Dimensions of Service Provider Trustworthiness (Sirdeshmukh et al. 2002)	Operational Benevolence	Visible and observable indications about frontline employees' knowledge, skills, and expertise in effectively performing job-related tasks during consumer-service provider exchanges; It must be manifested in visible "behaviors that reflect an underlying motivation to place the consumer's interest ahead of self-interest (p. 18)."	**Store/Airline** 1. Acts as if they value you as a customer. 2. Can be relied upon to give honest advice even if they won't make a sale/accurate information in the event of flight delays or cancellations. 3. Treats you with respect.	0.84
	Operational Competence	The competent execution of visible, observable, behaviors as an indication of "service in action" that is distinct from inherent competence (p. 18).	**Store/Airline** 1. Works quickly and efficiently. 2. Can competently handle most consumer requests. 3. Can be relied upon to know what they are doing.	0.91/0.87

Table VI (continued). Original Constructs and Operational Measures for EAI and EAI-Related Variables

	Problem-Solving Orientation	The consumer's evaluation of FLE and management motivations to anticipate and satisfactorily resolve problems that may arise during and after a service exchange (p. 18).	**Store/Airline** 1. Doesn't hesitate to take care of any problems you might have with clothing items purchased at the store/ arise during flight. 2. Goes out of their way to solve customer problems. 3. Is willing to bend company policies to help address customer needs.	0.72/0.82

Table VI (continued). Original Constructs and Operational Measures for EAI and EAI-Related Variables

Construct	Dimension	Definition	Operational Measures	Cronbach's Alpha
SERVQUAL **(Parasuraman, Zeithaml, Berry 1991)**	Perceived Service Quality (relative to service provider)	The degree and direction of discrepancy between consumers' perceptions and expectations (Parasuraman et al. 1988). The difference between customer expectations and perceptions of service (Parasuraman et al. 1990); Judgment of quality on specific quality-related attributes (Oliver 1993; Taylor and Baker 1994); Judgment of quality of service delivered by customer-contact employees (Hartline and Ferrell 1996).	**Reliability** 1. When XYZ promises to do something by a certain time, it does so. 2. When you have a problem, XYZ shows a sincere interest in solving it. 3. XYZ performs the service right the first time. 4. XYZ at the time s/he promises to do so. **Responsiveness** 1. Employees of XYZ tell you exactly when services will be performed. 2. Employees of XYZ give you prompt service. 3. Employees of XYZ are always willing to help you. 4. Employees of XYZ are never too busy to respond to your requests.	0.83 0.82

Table VI (continued). Original Constructs and Operational Measures for EAI and EAI-Related Variables

Construct	Dimension	Definition	Operational Measures	Cronbach's Alpha
SERVQUAL **(Parasuraman, Zeithaml, Berry 1991)**	(continued)	(continued)	**Assurance** 1. The behavior of employees of XYZ instills confidence in customers. 2. You feel safe in your transactions with XYZ. 3. Employees of XYZ are consistently courteous to me. 4. Employees of XYZ have the knowledge to answer your questions. **Empathy** 1. XYZ gives you individual attention. 2. XYZ has employees who give you personal attention. 3. XYZ has your best interests at heart. 4. Employees of XYZ understand your specific needs.	0.81 0.86

Table VI (continued). Original Constructs and Operational Measures for EAI and EAI-Related Variables

SERVQUAL-P **(Mittal and Lassar 1996)**	Personalization	The social content of interaction between service employees and their customers; concerns the manner in which service employees related to customers as people – cold and impersonal at the one end to warm and personal at the other; concerns the service employee's manner of relating to the customer at *a human level* (p. 96).	1. Everyone at XYZ is polite and courteous. 2. The XYZ employees display personal warmth in their behavior. 3. All the persons working at XYZ are friendly and pleasant. 4. The XYZ employees take the time to know you personally.	>0.75

Table VII. Proposed Dimensions of Relational Behaviors of Service Providers (RBs) and Operational Measures

1° Dimension(s)	Original Construct		Operational Measures
Mutual Understanding	Mutual Understanding (Price et al. 1995a)	MU1	1. My hair stylist/barber connects to my life/experiences.
		MU2	2. My hair stylist/barber reveals personal information about him/herself.
		MU3	3. My hair stylist/barber invites me to reveal personal information about myself.
	Additional Scale Items	MU4	4. I can talk about anything with my hair stylist/barber.
		MU5	5. My hair stylist/barber and I do not talk about personal things with each other. (R)
		MU6	6. I often tell my hair stylist/barber a lot of information about what's going on in my personal life.
	Mutual Understanding (Crosby et al. 1990)	MU7	7. I often confide in my hair stylist/barber a lot of personal information (e.g., about my lifestyle, family, values, and beliefs).
		MU8	8. I expressed to my hair stylist/barber that I like and respect him/her as a person.
Personalization	SERVQUAL – Assurance (scale items 16), Personalization, SERVQUAL – P (Mittal and Lassar 1996)	Prn1	1. My hair stylist/barber is polite.
		Prn2	2. My hair stylist/barber is courteous.
		Prn3	3. My hair stylist/barber displays personal warmth in his/her behavior.
		Prn4	4. My hair stylist/barber is unfriendly. (R)
		Prn5	5. My hair stylist/barber is pleasant.
		Prn6	6. My service provider takes the time to know me personally.
	Meeting minimum standards of civility (Price et al. 1995b)	Prn7	7. My service provider violated proper behavior. (R)

Table VII (continued). Proposed Dimensions of RBs and Operational Measures

1° Dimension(s)	Original Construct		Operational Measures
Authenticity	Authenticity (Price et al. 1995a)	Au1	1. My hair stylist/barber behaves truly out of the ordinary. (R)
		Au2	2. My hair stylist/barber seemed like his/her own person.
		Au3	3. My hair stylist/barber behaves insincerely towards me. (R)
	Additional Scale Items	Au4	4. My hair stylist/barber acted naturally towards me.
		Au5	5. My hair stylist/barber's behavior seemed genuine.
		Au6	6. My hair stylist/barber often told me that my hair looked great even when it looked bad. (R)
	Authenticity (Neff et al. 2006)	Au7	7. My hair stylist/barber tells me the truth about my hair, whether it looks bad or good.
		Au8	8. My hair stylist/barber acts like s/he is behaving like his/her true self.

Table VII (continued). Proposed Dimensions of RBs and Operational Measures

1° Dimension(s)	Original Construct		Operational Measures
Problem-solving Behavior	SERVQUAL – Responsiveness (scale items 10, 11, 12, 13)	PSB1	1. My hair stylist/barber tells me exactly when services will be performed.
		PSB2	2. My hair stylist/barber gives me prompt service. (OR I receive prompt service from my hair stylist/barber.)
		PSB3	3. My hair stylist/barber is always willing to help me.
		PSB4	4. My hair stylist/barber is never too busy to respond to my requests. (R)
	TW – Problem-Solving Orientation	PSB5	5. My hair stylist/barber takes care of any problems I might have with products and services I purchase at his/her firm. (R)
	SERVQUAL – Empathy (scale item22); Assurance (item 17)	PSB6	6. My hair stylist/barber understands my specific hair care needs.
		PSB7	7. My hair stylist/barber is incapable of answering my questions. (R)
	Additional Scale Items	PSB8	8. My hair stylist/barber anticipates my hair care needs before I do.
		PSB9	9. My hair stylist/barber took care of my hair care needs.
Specialized (or Customized) Treatment	Extras	SpT1	1. My hair stylist/barber paid special attention to me.
		SpT2	2. My hair stylist/barber gave me a break (gave me something extra, e.g., extra product, advice).
	TW – Problem-solving Orientation, Extras (Price et al. 1995a, 1995b)	SpT3	3. My hair stylist/barber goes out of his/her way to solve customer problems.
		SpT4	4. My hair stylist/barber is willing to bend company policies to help address customer needs. (R)
	SERVQUAL – Empathy (scale items 20 and 22)	SpT5	5. I receive personal attention about my hair care from my hair stylist/barber.
		SpT6	6. My hair stylist/barber tailors my hair care treatment to fit the specific needs of my lifestyle.

However, the utilization of Price et al.'s (1995a) measure of mutual understanding that provides a general representation of self-revelation, or self-disclosure, appears justified as it was developed to address a wide range of service encounters, from brief, non-personal to extended and personal. In their study, mutual understanding was measured using three scale items that reflect self-revelation. Respondents were asked to indicate the extent that the service provider (a) connects to his/her life, (b) reveals personal information, and (c) invites him/her to reveal personal information. These scale items were thus used for this study. Scales were measured using a seven-point Likert scale anchored by strongly disagree (1) and strongly agree (7).

Based on recommendations from expert judges, which comprised of doctoral and other qualified co-investigators, additional questions were added to the final study for each relational behavior construct in order to increase relevance to the context of the study, namely, hair care services. Furthermore, they were added so that each relational behavior construct includes at least six items, and results in at least three items in the final model (Hair et al. 2006). These questions were added after the pretest. The additional mutual understanding scale items included: (d) I can talk about anything with my hair stylist/barber; (e) my hair stylist/barber and I do not talk about personal things with each other (R); (f) I often tell my hair stylist/barber a lot of information about what's going on in my personal life; (g) I often confide in my hair stylist/barber a lot of personal information (e.g., about my lifestyle, family, values, and beliefs); and (h) I expressed to my hair stylist/barber that I like and respect him/her as a person. The researcher developed the first three items. The latter items were adapted from Crosby et al.'s (1990) study. These items were measured using a seven-point Likert scale anchored by strongly disagree (1) and strongly agree (7).

Personalization. As described in a later section, the personalization construct was added to the model upon further review of the literature, but after the pretest (Appendix). In Mittal and Lassar's (1995) study, the personalization scale, or SERVQUAL-P, was derived from a modified version of the SERVQUAL scale. It consisted of 4 items, one former item from the assurance dimension of SERVQUAL and 3 new items. In this study, a 7-item personalization scale was derived. It consisted of 4 items from the SERVQUAL-P scale that were expanded into 6 items by separating potentially confounded scale items. For instance, "everyone at XYZ firm is polite and courteous" became "everyone at XYZ firm is polite" and "everyone at XYZ firm is courteous." One item was taken from Price et al.'s (1995b) minimum standards of civility scale that captured the notion of proper behavior and courteousness, since it was felt that in the least, service providers should exhibit what is considered to be appropriate behavior on initial contact with customers. The 7-item personalization scale thus asked respondents to indicate the extent that (a) everyone at XYZ firm is polite; (b) everyone at XYZ firm is courteous; (c) the employees at XYZ display personal warmth in their behavior; (d) all persons working at XYZ are unfriendly (R); (e) all persons working at XYZ are pleasant; (f) the XYZ employees take time to know you personally; and (g) the service employee violated proper behavior (R). A seven-point Likert scale anchored by strongly disagree (1) and strongly agree (7) was utilized.

Authenticity. The authenticity scale was taken from Price et al.'s (1995a) study. A review of the literature found that most studies investigating authenticity or emotional labor utilized experimental research designs. These studies manipulated authenticity using role descriptions accompanied by role-play. In Hennig-Thurau et al.'s (2006) study, the low authenticity manipulation asked subjects to display a surface acting role. Thus, service employees were instructed to "adapt only his or her outward behavior to the customer's needs but not his or her inner feelings (p. 63)." For deep acting, or high authenticity, service employees were instructed to "create the appropriate emotions within him-or herself (p. 63)." Specific exercises using Stanislavski's (1965) acting technique were employed to train actors in how to express deep, authentic behaviors. Grayson (1998) similarly applied an experimental design and utilized actors and scripts to manipulate authenticity and examine its influence on exchange outcomes.

Few scales were found for measuring authenticity. Neff et al.'s (2006) study examined relationship styles between romantic partners and their parents across different cultures. Respondents were asked to indicate the degree of authenticity in their relationship styles using the question: "When you typically behave in this manner, do you feel as if you are being your true self, the real you, or does it feel false, as if you are acting that way, but it is not the real you (p. 576)?" Using a dichotomous response format, they were asked to check one of two boxes that indicated whether they felt their style showed (a) true-self behavior or (b) false-self behavior.

Overall, Neff et al.'s (2006) authenticity scale is similar in content to Price et al.'s (1995a) 3-item scale. Both scales capture the extent that subjects feel an exchange partner behaves and connects in a genuine fashion, as an individual, and not in a scripted, false, or canned manner. This study thus utilized Price et al.'s (1995a) authenticity scale that asked respondents to determine the extent that the service provider (a) behaves truly out of the ordinary (i.e., behaves unlike himself or does not behave like himself), (b) seems like his/her own person, and (c) is genuine. Scales were measured using a seven-point Likert format anchored by strongly disagree (1) and strongly agree (7).

In order to increase the number of scale items for the authenticity scale, additional items were added: (d) my hair stylist/barber acts naturally towards me; (e) my hair stylist/barber is insincere (R); (f) my hair stylist/barber often tells me that my hair looks great even when it looks bad, and are adapted from Neff et al.'s (2006) study. They further included items developed by the researcher, namely (g) my hair stylist/barber tells me the truth about my hair, whether it looks bad or good and (h) my hair stylist/barber acts like s/he is behaving like his/her true self.

Problem-Solving Behavior. Problem-solving behavior consists of a scale that measures the extent that service providers are responsive and able to solve consumers' problems. It is comprised of 9 items. Four items are derived from the corresponding responsiveness dimension in Parasuraman et al.'s (1991) SERVQUAL scale, one item adapted from Sirdeshmukh et al.'s (2002) problem-solving orientation scale, and one item each from the empathy and assurance dimensions of SERVQUAL. Respondents were asked to rate the following statements: (a) my service provider tells me exactly when services will be performed; (b) my service provider gives me prompt service; (c) my service provider is always willing to help me; (d) my service provider is never too busy to respond to my requests (R); (e) my service provider takes care of any problems I might have with products and services I purchase at his/her firm (R); (f) my service provider understands my specific hair care needs; and (g) my hair stylist/barber is incapable of answering my questions. The scale for problem-solving behavior was measured using a seven-point Likert scale anchored by strongly disagree (1) and strongly agree (7). Additional scale items from the researcher included: (h) my service provider anticipates my hair care needs before I do and (i) my hair stylist/barber takes care of my hair care needs.

Specialized or Customized Treatment. Items for measuring specialized treatment were taken from previous scales that captured the extent that service providers go out of their way to address customers' needs, which may be functional, social, and emotional (Sirdeshmukh et al. 2002; Price et al. 1995b). The six-item measurement scale for specialized treatment includes three items taken from Price et al.'s (1995b) extras construct, two from Sirdeshmukh et al.'s (2002) problem-solving orientation, and two items from the empathy dimension of Parasuraman et al.'s (1991) SERVQUAL. The second scale item from the extras measure was however collapsed and combined with the second item of problem-solving orientation to form one item, since they are similar to one another. The 6-item specialized treatment measure thus asked respondents to indicate the extent that service employees (a) paid special attention to me; (b) went out of his/her way to solve customers' problems; (c) gave me a break (something extra); (d) are willing to bend company policies to help address customer needs; (e) provided personal attention about to customers about hair care; and (f) tailored my hair care treatment to fit the specific needs of my lifestyle. It was measured using a seven-point Likert scale anchored by strongly disagree (1) and strongly agree (7).

Service Quality

When the primary purpose is to examine correlations between variables, measures for overall service quality are most applicable (Tam 2004). In this study, correlations are hypothesized between relational behaviors of service providers and overall service quality, thus the latter is appropriate. In Dabholkar et al.'s (2000) study, correlations were similarly examined between service quality antecedents and overall service quality. The overall service quality measure consisted of four Likert scale items that, depending on the assigned experimental group, captured either perceived service quality, which asked subjects their perceptions after service was provided, or service quality as measured disconfirmation, which asked subjects about their perceptions compared to their expectations after service was provided (p. 151). Scale items were measured on a five-point scale with endpoints of strongly agree/strongly disagree. They include "excellent overall service," "service of a very high quality," "a high standard of service," and "superior service in every way" (p. 151).

In Dabholkar et al.'s (2000) study, the overall service quality scale based on perceived service quality showed superior fit indices compared to service quality as measured disconfirmation or service quality as computed disconfirmation. First, the comparative fit index (CFI) for the perceptions measure of service quality was considered to be acceptable at 0.91 for the final version of the model testing correlations between service quality antecedents and overall service quality (p. 152). Confirmatory factor analysis for the full model was well supported showing acceptable CFIs that ranged between 0.91, for perceptions, to 0.95; acceptable non-normed fit index scores (NNFI) ranging between 0.90 and 0.94, and acceptable standard deviation of root mean residuals (SD RMR) ranging from 0.04 to 0.05 (p. 153). Evidence of discrimination among all constructs was thus provided. Additional evidence of discriminant validity between the perceptions and measured disconfirmation measures of service quality was indicated by the χ^2 difference test, which showed significance at $\rho < .001$, for both measures. Cronbach's alpha for the perceptions measure was 0.92. Reliability scores were adequate for other service quality measures and satisfaction measures as well.

Psychometric tests were performed for the second portion of the model that represented direct and indirect correlations between service quality and behavioral intentions. The χ^2 difference test was significant at $\rho < 0.001$, indicating that all constructs were independent. Discriminant validity was further supported. The variance inflation factor test (VIF), a test of collinearity, was performed for independent or exogenous variables. Results showed a lack of collinearity among these variables for all service quality measures, with perceptions measures showing the lowest VIF scores (ranging from 1.49 to 2.76) and the highest score being 4.97 for measured disconfirmation. Lastly, tests comparing perceived service quality to measured and computed disconfirmation measures of service quality showed the former to be superior, with good fit of the model. In short, perception measures showed no negative or nonsignificant gammas; higher R^2 values, and greater effects on endogenous variables. Additionally, perceptions measures and measured disconfirmation require less effort to collect data compared to computed disconfirmation.

This study thus utilized Dabholkar et al.'s (2000) measure of perceived service quality as a basis for measuring overall service quality and adapted it for hair care services. Using a 7-point Likert scale anchored by strongly agree/strongly disagree, the measure asked respondents to indicate the extent that (a) my hair stylist/barber gave me excellent overall service; (b) my hair stylist/barber gave me very high quality service; (c) my hair stylist/barber gave me superior service in every way, and; (d) my hair stylist/barber gave me a high standard of service.

Satisfaction

The measurement scale for satisfaction was adapted from Jones et al.'s (2000) study. It used a core-service satisfaction scale, which according to Reynolds and Beatty (1999a, 1999b), may confound previously used measures of satisfaction that focus on satisfaction with the service provider. Thus, these scales allow researchers to discriminate between core-service provided and interpersonal relationship strength.

Since the rationale of this study is to examine effects of service provider performance on service quality, measures of satisfaction should focus on service performance that is given by the service provider, and not on satisfaction of the service provider him/herself.

In attempts to support this contention, the authors examined a median split of core-service satisfaction and interpersonal relationship. They found that approximately "one-third of the respondents perceived (1) lower core-service satisfaction but stronger interpersonal relationship, or (2) higher core-service satisfaction but weaker interpersonal relationships (p. 265)." Therefore, core-service satisfaction was measured in this study by instructing respondents to evaluate the services provided rather than the person providing it. The measure consisted of five 7-point semantic scales using the following items: (a) very displeased/very pleased, (b) very unfavorable/very favorable, (c) disgusted with/contented with, (d) very dissatisfied/very satisfied, and (e) unhappy with/happy with.

Reliability and validity of the scale was assessed using exploratory and confirmatory factor analysis (Jones et al. 2000). Results of EFA supported unidimensionality of all scales with items loading properly on a single factor. Coefficient alpha and composite reliability for core-service satisfaction (0.98) were acceptable (Nunnally 1978). Variance extracted was 0.91. Support for validity was found using confirmatory factor analysis. The goodness-of-fit measure, or $\chi_{237}^2 = 769.98$ ($p < 0.01$), was significant and is thus considered unacceptable. Large values signify that observed and estimated matrices differ to a large degree (Hair et al. 1992,

p. 490), yet are common with large samples (Jones et al. 2000). However, goodness-of-fit indices (GFI), CFI, NFI, and RMR indicated acceptable model fit with scores of 0.88, 0.96, 0.94, and 0.05, respectively. Composite reliability exceeded 0.80 while variance extracted exceeded 0.50 (Fornell and Larcker 1981). Support was shown for convergent validity. Discriminant validity was also supported, including validity between core-service satisfaction and interpersonal relationships.

Trust

In this study, affective or emotional trust was utilized in order to capture the necessary characteristics of extended, affective, and intimate interpersonal service encounters (Johnson and Grayson 2005; Chowdhurry 2005; McAllister 1995; Price et al. 1995a, 1995b). According to Raimondo (2000), a third dimension, behavioral trust, is often conceived but operationalized as sales effectiveness and anticipated future interaction, and treated as a consequence rather than a dimension (Johnson and Grayson 2005, p. 501).

Sirdeshmukh et al.'s (2002) research is one of few studies that developed measures for consumer trust. Cronbach's alpha was 0.96 for trust in retail store managers, trust in retail employees, and trust in airline management and 0.97 for trust in airline employees. However, it failed to capture emotional aspects that are necessary for testing the hypotheses in this dissertation. Johnson and Grayson's (2005) trust measure was considered because it introduces affective trust in consumer exchanges, not cognitive trust alone, which is used in most marketing studies.

Their study draws heavily from McAllister's (1995) study that examined affect- and cognition-based trust in interpersonal exchange between organizational supervisors and subordinates and is based in social psychology. Johnson and Grayson (2005) found that both cognitive and affective trust measures have acceptable fit. Some scale items that showed poor discriminant validity, perhaps due to adaptation of the scale to the context of financial advisor relationships, were dropped. The utilization of affect- and cognition-based trust is further found in Chowdhury's (2005) study that examines trust in complex knowledge sharing between managers and subordinates. Ten out of eleven scale items were retained.

Since this study is conducted using the context of hair care services, items were taken from McAllister's (1995) original scale in order to prevent premature dropping of scale items. This measure consisted of 5 items for affect-based trust including: (a) We have a sharing relationship. We can both freely share our ideas, feelings, and hopes; (b) I can talk freely to this individual about difficulties I am having at work and know that (s)he will want to listen; (c) We would both feel a sense of loss if one of us was transferred and we could no longer work together; (d) If I shared my problems with this person, I know (s)he would respond constructively and caringly, and; (e) I would have to say that we have both made considerable emotional investments in our working relationship (McAllister 1995).

Cronbach's alpha for McAllister's (1995) affect-based trust scale was 0.89. Discriminant validity was supported. The model fit the data well, showing a comparative fit index (CFI) of 0.90. All factor loadings or lambda values on specified factors were positive and significant ($t > 1.96$). Chi-square (d.f. = 362) was reported at 681.64 ($\rho < 0.001$). As anticipated, intercorrelation between cognition- and affect-based trust was 0.63, providing some support for the hypothesized relationship between the two dimensions of trust. Similarly, Chowdhury's (2005) scales showed a high degree of internal consistency reliability with Cronbach alpha scores of 0.91 for cognition-based trust and 0.93 for affect-based trust. Using confirmatory factor analysis (CFA), the presence of these two trust dimensions was supported by convergent validity and discriminant validity.

In this study, trust is therefore measured using the affective dimension of McAllister's (1995) trust scale. Scale items included: (a) I can talk freely with my hair stylist/barber about my problems and know that s/he will want to listen. (b) I would feel a sense of loss if my hair stylist/barber left the hair salon and s/he could no longer do my hair. (c) If I shared my problems with my hair stylist/barber, I feel s/he would respond caringly. (d) I do not feel comfortable to freely share my thoughts and feelings with my hair stylist (reversed). (e) I feel that I, and my hair stylist/barber, have both made considerable emotional investments in developing a relationship with me as a customer.

Loyalty

Scale items used to measure loyalty were adapted from Sirdeshmukh et al.'s (2002) study. Convergent and discriminant validity was supported as demonstrated by goodness-of-fit. Model fit indices showed that $\chi 2 = 97.3$ (d.f. = 87, $\rho > .21$) (p. 27), NFI = 0.99, CFI = 0.99, RMSR = 0.03, RMSEA = 0.02, and 90% CI ranging from

0.000 – 0.037, which were acceptable (Marsh et al. 1996) and suggested that the hypothesized model fit the data reasonably (p. 28). Loyalty was measured using a four-item scale with a 10-point response format, anchored by (1) very unlikely to (10) very likely. Questions asked subjects how likely are you to (a) do most of your future shopping at this store/travel on this airline; (b) recommend this store/airline to friends, neighbors, and relatives; (c) use this store the very next time you need to shop for a clothing item/use this airline the very next time you need to travel, and (d) spend more than 50% of your clothing budget at this store/take more than 50% of your flights on this airline? Cronbach's alpha ≥ 0.90 in retail and airline service contexts, and service providers and management. Further, intercorrelations between loyalty and other factors provided additional support for validity, with values ranging from 0.19 – 0.66, significant at $\rho = 0.05$ (p. 24). These items were adapted for the hair care contexts in this study.

Scales utilized to measure the constructs examined in this study were described in the previous section. While response formats for scales used in the pretest ranged between 5- and 10-points, it was determined that 7-point response formats are adequate for all Likert and semantic differential scales in the final study. According to Preston and Coleman (2000), the issue of optimal number of response categories in rating scales remains unresolved. Most common rating scales contain either five or seven response categories (Bearden et al. 1993). Although several factors should be taken into account in deciding the number of categories, such as the respondent's memory and knowledge of the subject, and data collection method, traditional guidelines indicate that an appropriate number is seven plus or minus two, or between five and nine (Cox 1980). The response formats were thus revised for the final study.

Additional Questionnaire Items: Control Variables and Qualifying Questions

A few items were added to the questionnaire in order to ensure that respondents qualified as hair care customers of non-chain salons and to ensure that they met important criteria of long-term relationships, such as relationship length or duration, frequency, and recency of interaction with the service provider (Doney and Cannon 1997; McAllister 1995). These criteria coincide with characteristics of extended, affective, and intimate relationships. Questions included: (a) how long have you been going to a hair stylist/barber? (b) how long have you been going to your current hair stylist/barber? (c) in the past 6 months, how many times have you used the same hair stylist/barber; and (d) how long ago was your last visit to your current hair stylist/barber? Another question asked respondents to state some attitudinal reasons that they use the service. Respondents were asked to select reasons for patronizing the service from a list that was generated from five university students who had previous experience with hair care services, and from secondary information sources, such as the Internet, trade publications, such as *American Salon Magazine*, and popular magazines, such as *In Style* and *Marie Claire*. These questions allowed respondents to further elaborate about their hair care experiences.

Lastly, managers from hair care services were asked to review the entire survey before the pretest and final study to determine whether scale items were relevant to the context or whether any important aspects of relationship development were not addressed. Experts included stylists from Rumors hair salon and instructors from Austin's School of Spa Technology, Albany, New York, who specialize in cosmetology, nail, hair styling and barber services. Overall, they found the questionnaire to be appropriate. One stylist from Rumors advised that corporate policy prohibited their hair stylists/barbers from engaging in personal or private conversation, unless customers initiate conversation. Thus, capturing personalization may be challenging for these clients. Polite greetings and light conversation initiated by the stylist/barber is, however, permitted. This comment was noted and considered in the discussion. Further adjustments were made based on these suggestions and those of university students who completed the survey to determine timing, flow, consistency, and clarity of the wording of questions. Items that were irrelevant were dropped from the questionnaire. Scale items suggested by the hair care experts were added. Measures were thus purified during pretest (Appendix B) and subjected to further review prior to distribution.

After examining the pretest results, a few control variables were added that asked respondents about the number of years the hair salon/barber shop has been in business; the types of services purchased, which accounted for the amount of services and intensity of treatment a respondent receives; and, competence of the hair stylist/barber. Competence was added to examine any potential confounding effects. Scale items included: (a) my hair stylist/barber is incapable (R); (b) my hair stylist/barber is efficient; (c) my hair stylist/barber is thorough; (d) my hair stylist/barber is disorganized (R); and (e) my hair stylist/barber is incompetent in handling most customer requests (R). The first four items were derived from Price et al. (1995a) and the last item was derived from Sirdeshmukh et al. (2002).

Additionally, a six-item short version of the Marlowe-Crowne social desirability (SDR) scale was taken from Donovan et al. (2004) and to determine whether respondents were prone to answering in a socially desirable manner. Unlike the Marlowe-Crowne scale (Crowne and Marlowe 1960), which utilized a true/false response format, the Donovan et al. (2004) scale utilized a 6-point strongly agree/disagree response format with Cronbach's alpha = 0.74. Items included: (a) there have been occasions when I took advantage of someone; (b) I sometimes try to get even rather than forgive and forget; (c) at times I have really insisted on having things my own way; (d) I like to gossip at times; (e) I have never deliberately said something that hurt someone's feelings; and (f) I'm always willing to admit it when I make a mistake. Similar scale items were utilized in this study using a 7-point response format and adapted to a hair care context. Various studies that form the basis for this study utilized similar techniques (Dabholkar et al. 2000; Cronin et al. 2000; McAllister 1995).

Data Analysis

Unidimensionality, Convergent and Discriminant Validity of Scales. In order to assess unidimensionality and validity, scales were subjected to confirmatory factor analysis (CFA) and common factor analysis (PAF) as described in the methodology and pretest sections. If the number and identity of scale dimensions are not supported using CFA or PAF, exploratory factor analysis, or principle components analysis

(PCA) was utilized to determine where scale items load. Scales were adjusted, only after theoretical conceptualizations were considered. The resulting scales were then utilized to examine the hypothesis. Analysis was conducted for the pretest data and results are reported in the Appendix. Similar analysis was conducted for the final study and is discussed in the next chapter.

Examination of Hypotheses. Data was analyzed using structural equation modeling (SEM) with path analysis. Path analysis refers to the "process of employing simple bivariate correlations to estimate the "true" causal relationships between two variables or constructs in a system of structural equations. The method is based on specifying all possible effects that are contained in a correlation and then estimating the amount of correlation attributable to each effect" (Hair et al. 1992, p. 430). Path analysis is used by services marketing researchers to further explain correlations between variables (Liang and Wang 2004; Sirdeshmukh et al. 2002). It forms the basis of structural equation modeling (SEM), which is often utilized in current marketing studies. The path model is based on multiple regression:

(1) $Y = f\{b, \text{error}\}$

(2) $Y = a + bx + \text{error}$

Using this general model, structural equations relevant to this study are provided below. The first set of equations describes a direct path leading from relational behaviors (RBs) to service quality (SQ). Next, interrelationships are shown from service quality (SQ) to satisfaction (SAT) and TRUST, then for both variables to loyalty (LOY).

Interrelationship Between Relational Behaviors (RBs) and Service Quality (SQ)

(3) SQ = f {RB}

Dimensions of RB:

(4) RB = f {MU, PRN, AU, PSB, SpT}

where

MU = mutual understanding

PRN = Personalization

AU = authenticity

PSB = problem-solving behavior

SpT = specialized treatment.

Therefore,

(5) SQ = f {MU, PRN, AU, PSB, SpT}.

Interrelationship Between Service Quality (SQ) and Satisfaction (SAT)

(6) SAT = f {SQ}

(7) SAT = $\alpha_2 + \beta_{11}(SQ) + \varepsilon$.

Interrelationships Between Service Quality (SQ), Satisfaction (SAT), and Trust

(8) TRUST = f {SQ, SAT}

(9) TRUST = $\alpha_3 + \beta_{12}(SQ) + \beta_{13}(SAT) + \varepsilon$.

Interrelationships Between Satisfaction (SAT), Trust, and Loyalty (LOY)

(10) LOY = f {SAT, TRUST}

(11) LOY = $\alpha_4 + \beta_{14}(SAT) + \beta_{15}(TRUST) + \varepsilon$.

Bias Checks

For this study, gender bias is expected to influence results since women are expected to have tendency more than men to demonstrate emotional expression in friendship relationships and hair care services. White (2004) made similar assumptions. However, results showed that gender did not significantly contribute to variance. Jacobs et al. (2000) proposed that gender is a moderating variable. They asserted that there exists same-sex versus opposite sex interactions and preferences for self-disclosure (Derlaga et al. 1993). "Women talking to women disclose more on personal or sensitive topics, express more feelings, and are more emotionally supportive with each other. Men talking to men, other than about activities-related issues, tend to avoid self-disclosure (p. 49)." Jacobs et al. (2000) suggested further that bias may stem from cross-cultural differences in self-disclosure, while Grayson (1998) indicated cross-cultural bias in authenticity.

The influence of these potential biases on the proposed model may be analyzed. Analysis however depends on the number of respondents in each grouping of male versus female and United States versus other cultures. Further analysis may be performed to determine whether the categorization of hair care services as experience-based is consistent with respondents' judgments of their ability to evaluate the quality of the service before and after consumption/usage of the service (Hsieh et al. 2005, p. 78). While it is important to determine whether these and other factors confound the outcomes of this study, further analysis of the model may be limited due time and sample size constraints. Moreover, several researchers similarly categorized hair care services as experience-based in previous studies, as shown in Table IV (McDougall and Levesque 2000; Zeithaml 1991). This study thus examines the potential effects of gender, social desirability, relationship duration, and relationship frequency on the research model.

CHAPTER V

RESULTS

The surveys for this study were derived from scales found in literature and adapted to the context of hair care services. Based on the results of a pretest, previous scales were revised and new ones developed in order to conduct the final study. Surveys for the final study were distributed to a sample of 1,308 respondents, including business faculty and doctoral student members of the KPMG PhD Project. A total of 288 surveys were returned, resulting in a response rate of 22%. Sixteen (16) surveys were incomplete and thus deleted from the study. These surveys were from respondents who discontinued the study and completed only few questions, especially those that relate to the proposed emotional? relational behavior dimensions. Another sixty-eight (68) surveys were unusable and thus deleted because respondents did not meet the qualifications of the study. In other words, thirty-four (34) surveys were eliminated because respondents were less than 18 years of age (question 1-1) or did not patronize a hair salon/barber shop. Thirty-four (34) respondents were eliminated because they patronized a chain hair salon/barber shop. A total of 84 surveys were thus unusable.

Data analysis is thus based on two hundred and four (204) usable surveys. A sample size of 200, or 15 cases per measured variable, is generally recommended for SEM because it improves the probability of achieving an admissible solution and obtaining necessary statistical output to establish the fit of the model. A minimum sample size of 50, or 5 observations for each estimated parameter, is appropriate although this size could result in more convergence failures, improper solutions, including negative error variance estimates for measured variables, and lowered accuracy of parameter estimates (Stevens 1996; Hair et al. 1992; Bentler and Chou 1987; www.utexas.edu/its/rc/tutorials/stat/amos/). According to Hair et al. (2006), a sample size of 100 – 150 is suggested for "SEM models containing five or fewer constructs, each with more than three items (observed variables), and with high item communalities (0.6 or higher). If any communalities are modest (0.45 – 0.55), or the model contains constructs with fewer than three items, then the required sample size is more on the order of 200" (p. 743). The sample size of 204 is thus considered adequate to meet the criteria of sample size for this study.

The respondents consist of 35 (18.3%) males, 154 (80.6%) females, and 15 (7.4%) undetermined. Twenty (10.5%) are Caucasian/white; 125 (65.4%) Black/African American; 26 (13.6%) Hispanic; 3 (1.6%) American Indian; 0 (0.0%) Asian; 4 (2.1%) other, mostly consisting of mixed race; and 26 (12.7%) undetermined, or mixed race, as well. Twenty-eight (14.7%) respondents are between 18 – 25 years of age; 59 (30.9%) between 26 - 35; 62 (32.5%) between 36 –45; 35 (18.3%) 46 and above; and 11 (11.8%) undetermined.

In one question (question 1-4), respondents were asked to record the number of years they have been going to a hair stylist/barber. Responses to this question indicate the length or duration of the customer's relationship with a hair stylist. Forty-six (22.5%) respondents indicated that they have been going to a hair stylist/barber for five years or less; 19 (9.3%) respondents between 6 – 10 years; 138 respondents (67.6%) for over 10 years; and 1 (0.5%) undetermined respondent. Question 1-5 asked respondents to state how long they have been going to their current hair stylist/barber, which indicates the length or duration of their relationship with their current hair care provider. One hundred fifty-two (74.5%) respondents indicated that they have been going to their current hair stylist/barber for five years or less; 30 (14.7%) between 6 – 10 years; 20 (9.8%) for over 10 years; and 2 (1.0%) undetermined. Combining the latter two questions provides an indication of the duration of the relationship compared to the number of years the respondent has been utilizing hair care services. While a majority of respondents (≥ 67%) have been going to a hair stylist/barber for 10 years or more, 40% of them have been with their current hair stylist/barber for a similar amount of time. Approximately 75% of respondents have been with their current hair stylist/barber for 5 years or less. Thus, this sample meets the criteria of the study, which require respondents to be customers of their current hair stylist/barber for at least 6 months.

Question 1-6 asked respondents to indicate the number of times they have used the same hair stylist, referring to relationship frequency. Seven (3.4%) respondents indicated that they have never used the same hair stylist/barber in the past 6 months; 29 (14.2%) used the same hair stylist/barber one time; 37 (18.1%) used the same hair stylist/barber two times, and 131 (64.2%) used the same hair stylist/barber three or more times. Although 75% of respondents in the sample have been with their current hair stylist/barber for ≥ 5 years, a majority (64.2%) have the highest frequency of usage with their same hair stylist/barber. Lastly, question 1-7 asked respondents to indicate how long ago the last visit to their current hair stylist/barber was, which refers to relationship recency. One hundred ninety-two, or 94.1%, of respondents indicated that they made their last visit to their current hair stylist/barber up to 6 months ago, while 10 (4.9%) made their last visit over 6 months ago. Two (1.05%) respondents were undetermined. The majority of respondents thus meet the criteria of the study. In other words, they have been regular clients of hair care services for at least 6 months prior to administration of the survey, who visited the same hair stylist/barber at least 3 times within the last 6 months.

Linear Regression Criteria/Assumptions. For the final study, data are analyzed using SEM with the Analysis of Moment Structures (AMOS) software. Based on structural equation modeling (SEM) (Byrne 2001; Bagozzi and Yi 1988; www.utexas.edu/its/rc/tutorials/stat/amos/), certain conditions must be met. For instance, SEM is sensitive to the distributional characteristics of the data. Deviations from multivariate normality, such as strong kurtosis or skewness, may be problematic (Hair et al. 1992, p. 446; Bagozzi and Yi 1988). Dependent and mediating, or endogenous, variables must be continuously and normally distributed. Moreover, AMOS software utilizes the maximum likelihood (ML) method by default to estimate parameters. The following assumptions are thus made that: "(a) the sample is very large (asymptotic), (b) the distribution of the observed variables is multivariate normal, (c) the hypothesized model is valid, and (d) the scale of the observed variables is continuous" (Byrne 2001, p. 70). Thus far, the criteria for large sample sizes (n = 191-204), and continuous variables are met. In the next sections, normality, validity, and various steps taken to meet the remaining criteria of SEM are discussed.

Skewness and kurtosis scores are provided in SPSS and AMOS. These statistics examine the extent that the data are symmetrically and normally distributed around the mean. Histograms provide visual evidence of normality. In order to use the skewness statistic, the statistic value (z) is calculated as

$$Z_{skewness} = \text{Skewness}/\ (6/n)^{1/2}$$

where n is the sample size. Using the z distribution, a calculated value that exceeds the critical value of ± 2.58 indicates that distribution is non-normal, or that the assumption about the normality of the distribution can be rejected at the $\rho = 0.01$ significance level. The critical value of ± 1.96 indicates rejection at the $\rho = 0.05$ error level (Hair et al. 2006, pp. 81-82). Based on a final sample size of 191, skewness should range between ± 0.457 otherwise distribution is considered non-normal at the $\rho = 0.01$ significance level.

Results show that the distribution of most variables, including the covariates, deviate from normality. Overall, the mutual understanding (MU), specialized treatment (SpT) and trust scales fall within an acceptable range of normality. The distribution of only ten (10) individual scale items are normal, including six of the eight mutual understanding items except MU1 (connects to my life) and MU2 (hair stylist/barber revealed personal information) with skewness values between (-) 0.7 – (-) 0.9; SpT2 (gave me a break); two social desirability scale items, namely, SDR3 (things my own way) and SDR4 (like to gossip); and one affective trust scale item, $aT_{SP}5$ (considerable emotional investments). The remaining 57 individual scale items are primarily negatively skewed with values ranging from (-) 0.5 – (-) 4.5, and thus exceeding critical values at the 0.01 significance level, except one social desirability item SDR5 (never deliberately hurt someone's feelings) (+0.617) that was positively skewed. The assumption of normality is thus not met. Researchers argue that the issue of non-normally distributed variables may however be negligible for sample sizes of 200 or more (Hair et al. 2006, p. 81; www.utexas.edu/its/rc/tutorials/stat/amos/). For the final study, the sample size is 191-204. Additionally, a number of non-normally distributed items are deleted in order to improve the model, as is discussed in the following sections.

Kurtosis is a measure of the peakedness of the probability distribution of a real-valued random variable. Higher kurtosis means more variance is due to infrequent extreme deviations compared to frequent modestly-sized deviations. A z value can be calculated for the kurtosis value as

$$Z_{kurtosis} = \text{Kurtosis}/(24/n)^{1/2}$$

where n is the sample size. A high kurtosis distribution has a sharper peak and fatter tails, while a low kurtosis distribution has a more rounded peak with wider shoulders (Hair et al. 2006). According to Bagozzi and Yi (1988), one desires values near zero for the normalized estimate of multivariate kurtosis (p. 76). Distributions with zero kurtosis are called mesokurtic. Otherwise, large positive values indicate positive kurtosis, or leptokurtic, and large negative values indicate negative kurtosis, or platykurtic (Hair et al. 2006; Bagozzi and Yi 1988, p. 76). For the final study, kurtosis values that ranged from ± 1.0 with $n = 191\text{-}204$ were considered to be appropriate at the $\rho = 0.01$ significance level. Results showed that overall, the problem-solving (PSB), specialized treatment (SpT), emotional trust (emoTRUST), and social desirability (SDR) scales are acceptable at $\rho = 0.01$. Nineteen individual scale items fall within acceptable ranges, while kurtosis values for the remaining 48 items range between (-) 1.00 – (-) 2.00 and (+) 1.00 – (+) 22.00, far exceeding critical values. Their sharp peakedness, or leptokurtic characteristic, is further demonstrated by the histograms.

Moreover, SPSS provides results for specific measures of normality, such as the Kolmogorov-Smirnov and Shapiro-Wilks tests. These tests calculate the level of significance for differences from normal distribution. With small sample sizes (less than 30), they may be unreliable. For the final study ($n = 191\text{-}204$), significance is $\rho = 0.01$ for all variables with both tests, indicating significant differences from normality. Researchers argue that the issue of non-normally distributed variables may however be negligible for sample sizes of 200 or more (Hair et al. 2006, p. 81; www.utexas.edu/its/rc/tutorials/stat/amos/). Nonetheless, various scale items that are not normally distributed are deleted in order to develop measurement models that meet the criteria of SEM. These steps are described in further detail in the following sections.

Unidimensionality and Reliability Assessments

Confirmatory factor analysis (CFA) was conducted in order to assess the unidimensionality, reliability, and validity of the measurement model. As shown in Table VII, the hypothesized measurement model consists of 56 observed variables and 9 latent variables that include 5 relational behavior constructs, namely, mutual understanding (MU), personalization (PRN), authenticity (Au), problem-solving behavior (PSB), and specialized treatment (SpT), and 4 relationship outcome constructs, including service quality (SQ), satisfaction (Sat), emotional trust (TRUST), and loyalty (Loy). The measurement model is shown in figure 2.

The confirmatory factor analysis (CFA) shows that this model does not fit the data well (Table VIII). The overall goodness-of-fit statistics, χ^2, is 3607.800 at ρ = 0.001, and 1448 degrees of freedom. According to Hair et al. (2006), large χ^2 values and small ρ-values indicate that the observed sample and SEM estimated covariance matrices are not equal. With structural equation modeling (SEM), small χ^2 values and corresponding large ρ-values are desired (p. 746). Researchers suggest however that χ^2 should not be the only goodness-of-fit measure since it tends to vary with the sample size and number of indicators. As the sample size and the number of indicators increase, χ^2 increases (Hair et al. 2006, p. 747; Byrne 2001, p. 81). Thus, other goodness-of-fit statistics are recommended. For instance, the comparative fit index, or CFI = 0.786; the incremental fit index, or IFI = 0.788; and the Tucker-Lewis index, TLI = 0.773, indicating a poor fit. The relative fit index, or RFI, and normed fit index, NFI, are 0.671 and 0.69, respectively, further suggesting that the model does not fit the data well. Ordinarily, values range from zero to 1.00. Values > 0.90 indicate a well-fitting model, or close to 0.95 indicating a good fit, based on a revised cutoff value suggested by Hu and Bentler (1992).

The RMSEA, or root mean square error of approximation, is 0.089, suggesting that the model fits poorly. Usually, values less than 0.05 indicate good fit, while those as high as 0.08 represent reasonable errors of approximation in the population (Browne and Cudeck 1993). The PRATIO, or initial parsimony ratio, is 0.94. It relates to the issue of model parsimony (James et al. 1982). More appropriate parsimony indices, PCFI and PNFI, may show values as low as 0.50 (Byrne 2001). While PCFI and PNFI are expected to be less than the CFI and NFI, 0.739 and 0.649, respectively, they are consistent with the complexity of the hypothesized model. Lastly, Akaike's information criterion (AIC), which addresses the issue of parsimony in the assessment of model fit as well, is used in comparing two models. For the default model, AIC = 4015.8, much less than 11875.928 for the independence model, but higher than 3304 for the saturated model. Combined, these statistics indicate a poorly fit model. These findings are consistent with Hair et al. (2006) who state that when sample sizes < 250, the number of variables to be estimated is ≥ 30, significant ρ-values can be expected for χ^2. CFI, TLI, IFI, and NFI values ≥ 0.92 are expected,

Figure 2. Original Measurement Model

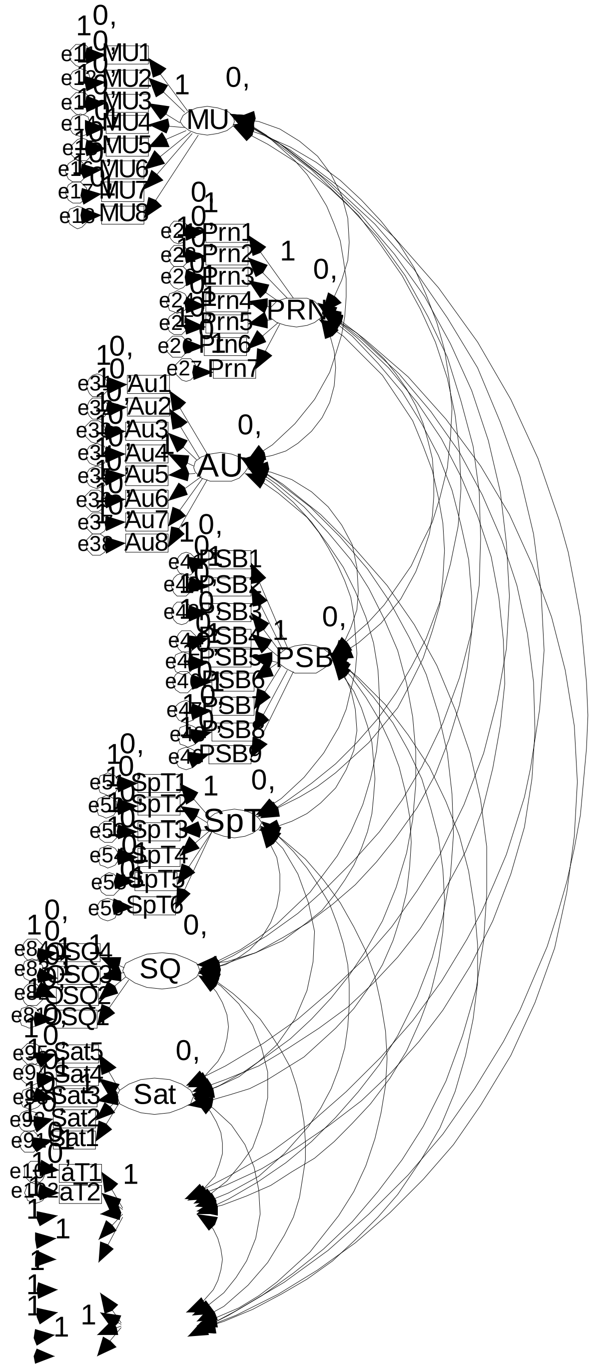


Table VIII. Goodness-of-Fit Statistics – Hypothesized Measurement Model

GOF Measure	
χ^2	3609.800
d.f.	1448
ρ	0.001
CFI	0.786
TLI	0.773
IFI	0.788
RFI	0.671
NFI	0.690
PCFI	0.739
PNFI	0.649
PRATIO	0.940
RMSEA	0.089

and RMSEA values < 0.08 (p. 753) are expected. In general, however, a cutoff of 0.90 indicates an acceptable model (Hair et al. 2006, p. 751; Byrne 2001).

Next, sources of misfit were identified to identify which scale items to delete in order to improve the measurement model. The following criteria were utilized. First, the critical ratios (C.R.) for the regression weights of individual scale items were examined. Then, standardized residual covariances (SRC) were examined. The critical ratios (C.R.) "represent the parameter estimate divided by its standard error," and operate as z-statistics in testing that the estimate is statistically different from zero (Byrne 2001, p. 76). The test statistic for the C.R. should be > ± 1.96 before the hypothesis that the estimate equals 0.0 can be rejected at ρ = 0.05. Scale items that fail to exceed 1.96 at ρ = 0.05 are thus deleted. Residual covariances represent the discrepancy between the "restricted covariance matrix implied by the hypothesized model and the sample covariance matrix" (Byrne 2001, pp. 88-89). Standardized residual covariances (SRC) > 2.58 are considered to be large and may be eliminated.

Thirdly, scale items corresponding to modification indices (M.I.) > 10 were eliminated. Then, items were considered for deletion based on recommendations from reliability analysis, using Cronbach's alpha. Finally, scale items showing low standardized loadings (λ) and low squared multiple correlations were deleted. These issues may result in the next concern, namely, failure to support convergent and discriminant validity (Hair et al. 2006). The list of deleted scale items are provided in Table IX with explanations about why they were deleted.

The revised measurement model shown in figure 3 thus consists of 9 constructs, each one associated with at least three indicator variables, which is acceptable according to Hair et al. (2006, p. 783). Subsequently, the goodness- of-fit statistics improve, although they remain inadequate (Table X). The χ^2 statistic decreases to 1076.260 at 491 d.f. and $\rho = 0.001$. The values for CFI and IFI improve to 0.907, while TLI, NFI, and RFI increases to 0.894, 0.843, and 0.821, respectively, although they are slightly less than the 0.90 cutoff (Hair et al. 2006; Byrne 2001). The parsimony statistics, PCFI, PNFI, and PRATIO, are 0.794, 0.738, and 0.875, respectively, suggesting that the model remains complex, although improved.

Results show that the C.R.'s in the revised measurement model are greater than 1.96. The SDRs are less than the 2.58, $\rho = 0.01$. Additionally, modification indices (MIs) are reasonable for the revised model. Although the covariance between error terms, e91 and e92, show the highest MI value (67.149), the expected par change

(EPC) does not warrant a change in the measurement model (Byrne 2001). Furthermore, none are theoretically supported. Thus, no further item deletion was made.

Scale items for the revised measurement model are shown in Table XI. Mutual understanding thus consists of three variables, personalization consists of three items, and authenticity includes four scale items. Problem-solving behavior consists of four items, while specialized treatment similarly includes four scale items. Cronbach's alpha for MU = 0.797, Prn = 0.934, Au = 0.860, PSB = 0.738, and SpT = 0.854 and are considered acceptable (Nunnally 1979).

Most items for the dependent measures, or relationship outcomes, were retained. Cronbach's alpha for service quality (SQ) is 0.972, satisfaction (SAT) is 0.931, and loyalty (LOY) is 0.896. Similar to Johnson and Grayson's (2005) affective trust measure, two items from the emotional trust scale (emoTRUST) were eliminated, resulting in 3 items that consist of emoT2 (can talk freely), emoT4 (shares problems), and emoT5 (considerable emotional investments). Reliability for the revised emotional trust scale (0.881) is thus considered acceptable (Nunnally 1979).

Co-Variates: Competence (CO) and Social Desirability (SDR). CFA was performed on the five-item competence (CO) measurement model. The χ^2 value is 46.481 at 5 degrees of freedom and $\rho = 0.001$. Other goodness-of-fit statistics, namely, CFI (0.824), IFI (0.828), NFI (0.811), RFI (0.622), TLI (0.648), and RMSEA (0.209) indicate that the model does not fit the data well. The PCFI, PNFI, and PRATIO are 0.412, 0.405, and 0.50, respectively, suggesting that the measurement model for this construct is parsimonious. The critical ratio (C.R.) and standardized residual covariance (SRC) associated with OC2 (incompetent) do not meet their respective criteria. Results of the reliability analysis indicate that Cronbach's alpha increases to 0.712 if PCo3 (thorough) is dropped. The revised competence (CO) measure thus consists of PCo1 (incapable), PCo2 (efficient) and PCo4 (disorganized).

Results of CFA show that χ^2 for the social desirability (SDR) measurement model is 43.380 at 9 d. f. and $\rho = 0.001$, indicating that this model does not fit the data well. Additionally, CFI (0.752), IFI (0.762), NFI (0.717), TLI (0.586), RFI (0.539), and RMSEA (0.142) indicate that the fit is poor. The C.R. for scale item SDR5 (never hurt someone's feelings) is 2.59 at $\rho = 0.01$. It is thus deleted from the model. Additionally, the SRC (4.336) associated with this item exceeds the critical score (2.58). Confirmatory factor analysis is therefore performed again with the elimination of SDR6 (never admit when I make mistake). Elimination of this item improves the fit of the model, although moderately. Various studies have shown mixed theoretical support for the SDR scale (Donovan 2004). Thus, the SDR scale is deleted from this study due to poor fit and low reliability.

Table IX. Deleted Scale Items

1° Dimension(s)	Original Construct	Scale Item	Operational Measures	Reason(s) Dropped
Mutual Understanding	Mutual Understanding (Price et al. 1995a)	MU1	1. connects to my life/experiences	High standardized residual covariance (SRC) (> z-score =2.58)
		MU2	2. hair stylist/barber reveals personal information	High SRC
		MU6	6. tells lot of information about personal life	High SRC
	Mutual Understanding (Crosby et al. 1990)	MU7	7. confide lot of personal information	High SRC
		MU8	8. like/respect him/her	High SRC
Personalization	SERVQUAL – Assurance (scale items 16), Personalization, SERVQUAL – P (Mittal and Lassar 1996)	Prn3	3. displays personal warmth	High SRC
		Prn4	4. unfriendly (R)	High SRC
		Prn6	6. takes the time to know me	High SRC
	Meeting minimum standards of civility (Price et al. 1995b)	Prn7	7. violated proper behavior (R)	High SRC
Authenticity	Authenticity (Price et al. 1995a)	Au1	1. behaves out of the ordinary (R)	High SRC
		Au3	3. behaves insincerely (R)	High SRC
	Additional Scale Items	Au6	6. told me hair looked great (R)	High SRC
	Authenticity (Neff et al. 2006)	Au7	7. tells me truth	High SRC

Table IX (continued). Deleted Scale Items

1° Dimension(s)	Original Construct	Scale Item	Operational Measures	Reason(s) Dropped
Problem-solving Behavior	SERVQUAL – Responsiveness (scale items 10, 11, 12, 13)	PSB1	1. tells me exactly when services performed	High SRC
		PSB4	4. too busy to respond (R)	High SRC
	SERVQUAL – Empathy (scale item22); Assurance (item 17)	PSB6	6. understands my specific needs	High SRC
		PSB7	7. incapable of answering questions (R)	High SRC
	Additional Scale Items	PSB8	8. anticipates hair care needs	High SRC
Specialized (or Customized) Treatment	TW – Problem-solving Orientation, Extras (Price et al. 1995a, 1995b)	SpT4	4. unwilling to bend company policies (R)	C.R. (for regression weights) = 1.917 (<z-score, critical value, 1.96, Byrne 2001)
	SERVQUAL – Empathy (scale items 20 and 22)	SpT5	5. receive personal attention	High SRC
Affective Trust	Affective Trust (McAllister 1995)	aT1	1. not comfortable sharing thoughts/feelings (R)	Recommended by reliability analysis
		aT3	3. sense of loss if hair stylist/barber left	Recommended by reliability analysis

Figure 3. Revised Measurement Model

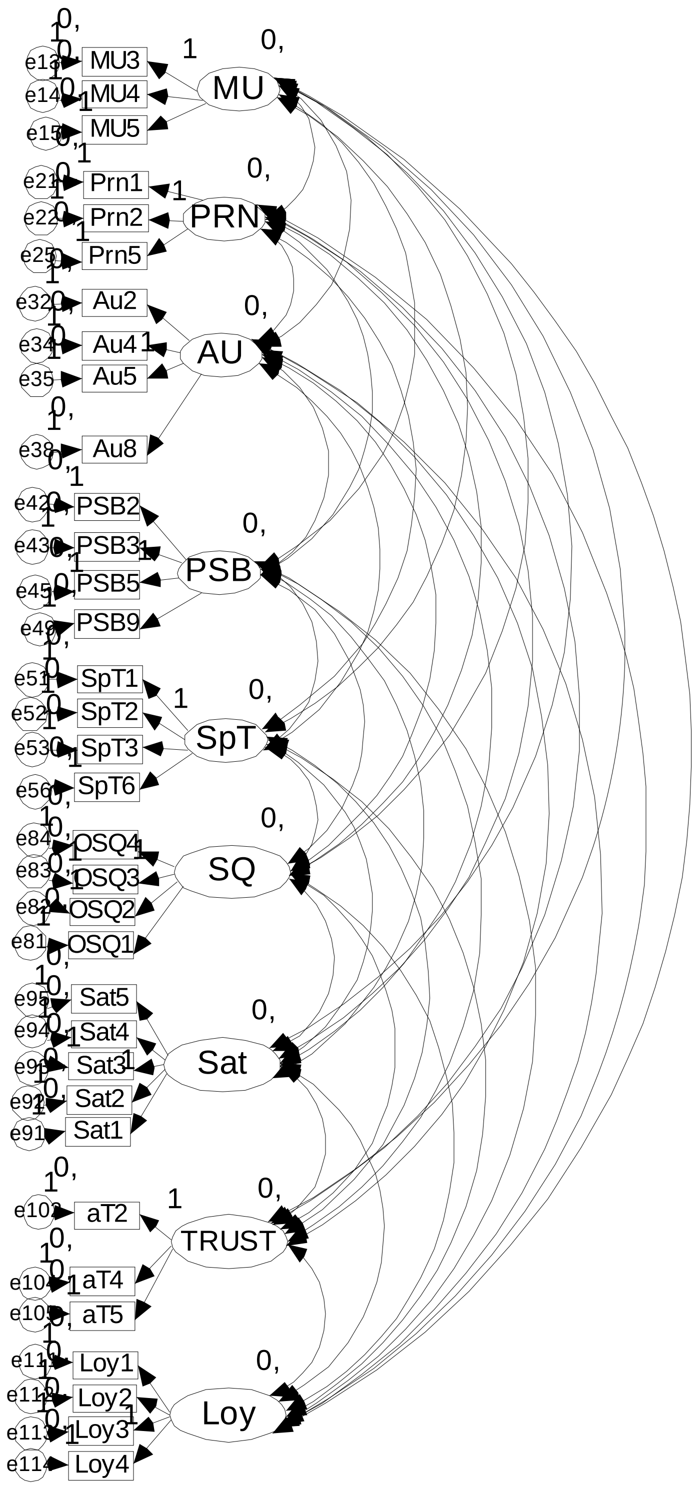


Table X. Goodness-of-Fit Statistics – Revised Measurement Model

GOF Measure	
χ^2	1076.260
d.f.	491
ρ	0.001
CFI	0.907
TLI	0.894
IFI	0.908
RFI	0.821
NFI	0.843
PCFI	0.794
PNFI	0.738
PRATIO	0.875
RMSEA	0.079

Assessment of Validity

Construct validity consists of four components, convergent validity, discriminant validity, nomological and face validity (Hair et al. 2006). It is described below.

Convergent Validity. Several methods are available to establish convergent validity. According to Hair et al. (2006), the size of factor loadings (λ), or standardized loading estimates, and variance extracted (VE) should be 0.5 or higher, and ideally, 0.7 or higher. Based on the revised measurement models described above, the loadings (λ) for most scale items (shown in Table XII) meet the requirement for convergent validity, except for PSB5 (doesn't take care of problems), which is 0.329.

Variance extracted (VE) is calculated as follows:

$$VE = \sum \lambda^2/n,$$

Table XI. Scale Items – Revised Measurement Model

1° Dimension(s)	Original Construct	Scale Item	Operational Measures	Cronbach's Alpha
Mutual Understanding	Mutual Understanding (Price et al. 1995a)	MU3	3. invites me to reveal personal information	0.797
	Additional Scale Items	MU4	4. talk about anything	
		MU5	5. do not talk about personal things (R)	
Personalization	SERVQUAL – Assurance (scale items 16), Personalization, SERVQUAL – P (Mittal and Lassar 1996)	Prn1	1. polite	0.934
		Prn2	2. courteous	
		Prn5	5. pleasant	
Authenticity	Authenticity (Price et al. 1995a)	Au2	2. seemed like own person	0.860
	Additional Scale Items	Au4	4. acted naturally	
		Au5	5. seemed genuine	
	Authenticity (Neff et al. 2006)	Au8	8. acts like true self	

Table XI (continued). Scale Items – Revised Measurement Model

1° Dimension(s)	Original Construct	Scale Item	Operational Measures	Cronbach's Alpha
Problem-solving Behavior	SERVQUAL – Responsiveness (scale items 10, 11, 12, 13)	PSB2	2. gives me prompt service	0.738
		PSB3	3. always willing to help	
	TW – Problem-Solving Orientation	PSB5	5. doesn't take care of problems (R)	
	Additional Scale Items	PSB9	9. took care of hair care needs	
Specialized (or Customized) Treatment	Extras (Price et al. 1995a, 1995b)	SpT1	1. paid special attention to me	0.854
		SpT2	2. gave me a break	
	TW – Problem-solving Orientation, Extras (Price et al. 1995a, 1995b)	SpT3	3. goes out of his/her way	
	SERVQUAL – Empathy (scale items 20 and 22)	SpT6	6. tailors hair care treatment	
Service Quality	Overall Service Quality (Dabholkar et al. 2000)	OSQ1	1. excellent	0.972
		OSQ2	2. very high quality	
		OSQ3	3. high standard	
		OSQ4	4. superior service	
Satisfaction	Core Service Satisfaction (Jones et al. 2000)	Sat1	1. dis-/pleased (R)	0.931
		Sat2	2. un-/favorable (R)	
		Sat3	3. Contented/Disgusted	
		Sat4	4. dis-/satisfied (R)	
		Sat5	5. Un-/happy	

Table XI (continued). Scale Items – Revised Measurement Model

1° Dimension(s)	Original Construct	Scale Item	Operational Measures	Cronbach's Alpha
Affective Trust	Affective Trust (McAllister 1995)	aT2	2. can talk freely	0.881
		aT4	4. shares problems	
		aT5	5. considerable emotional investments	
Loyalty	Loyalty (Sirdeshmukh et al 2002)	Loy1	**How Likely are you to . . .** 1. Get most future hair care service	0.896
		Loy2	2. Recommends	
		Loy3	3. Use very next time	
		Loy4	4. Spend > 50% budget	
Social Desirability	Social Desirability (Donovan 2004; Strahan and Gerbasi 1972)	SDR1	1. took advantage of someone (R)	0.608
		SDR2	2. try to get even (R)	
		SDR3	3. having things my own way (R)	
		SDR4	4. like to gossip (R)	
		SDR5	5. hurt someone's feelings	
		SDR6	6. willing to admit	
Competence	Competence (Price et al. 1995a)	PCo1	1. incapable (R)	0.712
		PCo2	2. efficient	
		PCo4	**3.** thorough	

where λ represents the standardized factor loading and n represents the number of scale items. It may be also computed as the total of all squared standardized factor loadings, or squared multiple correlations divided by the number of scale items. These statistics are provided with AMOS output (Hair et al. 2006, p. 777). The VE for all scale items exceeds 0.5 except for the problem-solving behavior (PSB) scale, which is 0.472. Convergent validity is thus supported for all relational behavior and relationship outcome scale except the problem-solving behavior scale.

Discriminant Validity. Evidence of discriminant validity is provided when variance extracted for any two constructs are greater than the square of the correlation estimate between the two constructs (Hair et al. 2006, p. 778). AMOS provides these statistics. As shown in Table XIII, discriminant validity is not supported between 5 or more construct pairs. Further examination indicates that PSB5 (doesn't take care of problems) is a major source of error as it is a common factor for each construct pair that lacks discriminant validity. Additionally, its low λ (0.329) and low squared multiple correlation (SMC=0.108) contributes to the low VE (0.472) for this construct.

Nomological Validity. According to Hair et al. (2006), nomological validity is provided when constructs in the measurement model correlate in a way that makes sense (p. 778). It is further demonstrated when constructs are theoretically related to other constructs not included in the model. Based on the literature review and hypotheses discussed in earlier sections, relational behavior variables are expected to intercorrelate with each other and the dependent variables. Additionally, interrelationships are hypothesized between dependent variables. As shown in Table

XIV, all construct correlations are positive and significant, ranging from 0.258 to 0.863. The descriptive statistics for the variables under investigation are provided in Table XV. Standard deviations range from 0.849 to 1.699, indicating that there is an adequate amount of variance in the responses. Three of the 5 relational behavior constructs, namely, personalization (Prn), authenticity (Au), and problem-solving behaviors (PSB), have the lowest variances with standard deviations < 1.0 (Morgan and Hunt 1994). Additionally, competence (CO) is positively and significantly related to all constructs in the measurement model.

Face Validity. Lastly, support is provided for face validity in the careful construction and examination of items during scale development, adaptation of borrowed scales, and scale purification. More details about the construction of scales utilized in this study are provided in previous sections.

Further Examination of Modification Indices to Improve the Model

Using the revised measurement model described in the previous section, further determination is made about whether to combine or eliminate additional scale items based on modification indices (MI), examination of their meaning, and continued examination of critical ratios (C.R.), standardized residual covariances (SRC), and other criteria described earlier, in order to improve the study (Byrne 2001).

First, modification indices (MIs) were re-examined. AMOS provides modification indices (MI) scores for each fixed parameter that is specified. They reflect the extent that the hypothesized model is appropriately described (Byrne 2001, p. 90). Large MIs may represent model misspecification that derives from cross-loadings or error covariances that may be due to an omitted factor, or respondent characteristics such as yea-/nay-saying and social desirability (p. 106). Thus scale items with large MIs were considered for elimination and further analyzed for similarity in content. These include three problem-solving behavior items, namely, PSB2 (gives me prompt service), PSB3 (always willing to help), PSB9 (took care of my hair care needs), and two specialized treatment scale items, SpT1 (paid me special attention), and q257SpT2 (gave me a break).

"Another type of method effect that can trigger correlated errors is a high degree of overlap in item content. Such redundancy occurs when an item, although worded differently, essentially asks the same question (Byrne 2001, pp. 106, 107)." Further analysis thus suggests that there is redundancy among the items from the problem-solving behavior (PSB) and specialized treatment (SpT) scales. Confirmatory factor analysis (CFA) was performed on this revised measurement model. Results provide confirmation that these scale items should be dropped. Additionally, the remaining scale items were combined to form one construct, namely problem-solving behavior-specialized treatment. One item of the service quality scale, namely, OSQ3 (high standard), and two items from the satisfaction scale, SAT3 (disgusted/contented with) and Sat5 (un-/happy), were dropped due to large MIs. Consequently, the fit of the revised measurement model to the data were adequate (χ^2 statistic = 450.72 at 247 d.f. and ρ = 0.001, CFI and IFI = 0.952, TLI = 0.941, NFI = 0.900, RFI = 0.878, PCFI = 0.783, PNFI = 0.741, and RMSEA = 0.066). Scale items are shown in Table XVI. According to the table, Cronbach's alpha for all, except the

Table XII. Standardized Factor Loadings and Square Multiple Correlations – Revised Measurement Model

Construct	Scale Items	Operational Measures	Standardized Factor Loadings (λ)	Square Multiple Correlations	Average Variance Extracted (VE)
Mutual Understanding (MU)	MU4	talk about anything	0.885	0.784	0.569
	MU3	invites me to reveal personal information	0.716	0.512	
	MU5	do not talk about personal things	0.642	0.412	
Personalization (Prn)	Prn5	Pleasant	0.954	0.911	0.837
	Prn1	Polite	0.837	0.700	
	Prn2	Courteous	0.949	0.900	
Authenticity (Au)	Au5	seemed genuine	0.757	0.574	0.618
	Au4	acted naturally	0.895	0.801	
	Au2	seemed like own person	0.735	0.541	
	Au8	acts like true self	0.746	0.557	
Problem-Solving Behavior (PSB)	PSB3	always willing to help	0.826	0.681	0.472
	PSB5	doesn’t take care of problems	0.329	0.108	
	PSB2	gives me prompt service	0.605	0.366	
	PSB9	took care of my hair care needs	0.857	0.734	

Table XII (continued). Standardized Factor Loadings and Square Multiple Correlations – Revised Measurement Model

Construct	Scale Items	Operational Measures	Standardized Factor Loadings (λ)	Square Multiple Correlations	Average Variance Extracted (VE)
Specialized Treatment (SpT)	SpT2	gave me a break	0.680	0.463	0.616
	SpT3	goes out of way	0.768	0.590	
	SpT1	paid me special attention	0.849	0.721	
	SpT6	tailors hair care treatment	0.830	0.689	
Service Quality (SQ)	OSQ1	Excellent	0.949	0.901	0.905
	OSQ2	very high quality	0.963	0.927	
	OSQ3	high standard	0.965	0.931	
	OSQ4	superior service	0.927	0.859	
Satisfaction (Sat)	Sat1	dis-/pleased	0.777	0.604	0.730
	Sat2	un-/favorable	0.871	0.758	
	Sat3	contented/disgusted	0.834	0.696	
	Sat4	dis-/satisfied	0.872	0.760	
	Sat5	un-/happy	0.912	0.832	
Emotional TRUST (emoTRUST)	emoT2	can talk freely	0.880	0.775	0.724
	emoT4	shares problems	0.868	0.753	
	emoT5	considerable emotional investments	0.802	0.644	
Loyalty (Loy)	Loy1	gets most service	0.847	0.717	0.695
	Loy2	Recommends	0.792	0.627	
	Loy3	use next time	0.885	0.784	
	Loy4	spend > 50% budget	0.806	0.650	

Table XIII. Correlations and Square of Correlation Between Two Constructs

Construct Pairs			**Correlation**	**Square of Correlation**	**Discriminant Validity Criteria Met (yes/no)**
PSB	↔	AU	0.843	0.711	**No**
PSB	↔	PRN	0.786	0.618	**No**
PRN	↔	MU	0.370	0.137	Yes
Au	↔	MU	0.480	0.230	Yes
PSB	↔	MU	0.471	0.222	Yes
MU	↔	SpT	0.665	0.442	Yes
PRN	↔	SpT	0.689	0.475	Yes
Au	↔	SpT	0.748	0.560	Yes
PSB	↔	SpT	0.928	0.861	**No**
Au	↔	PRN	0.878	0.771	**No**
SpT	↔	SQ	0.819	0.671	**No**
Sat	↔	SQ	0.921	0.848	**No**
Sat	↔	emoTRUST	0.585	0.342	Yes
Loy	↔	emoTRUST	0.468	0.219	Yes
PSB	↔	SQ	0.865	0.748	**No**
SpT	↔	Sat	0.752	0.566	Yes
emoTRUST	↔	SQ	0.656	0.430	Yes
Loy	↔	Sat	0.643	0.413	Yes
Au	↔	SQ	0.701	0.491	Yes
PSB	↔	Sat	0.800	0.640	**No**
SpT	↔	emoTRUST	0.728	0.530	Yes
Loy	↔	SQ	0.675	0.456	Yes
PRN	↔	SQ	0.721	0.520	Yes
Au	↔	Sat	0.606	0.367	Yes
PSB	↔	emoTRUST	0.640	0.410	Yes
Loy	↔	SpT	0.526	0.277	Yes
MU	↔	SQ	0.462	0.213	Yes
PRN	↔	Sat	0.649	0.421	Yes
Au	↔	emoTRUST	0.596	0.355	Yes
Loy	↔	PSB	0.596	0.355	Yes
MU	↔	Sat	0.375	0.141	Yes
PRN	↔	emoTRUST	0.590	0.348	Yes
Loy	↔	Au	0.548	0.300	Yes
MU	↔	emoTRUST	0.863	0.745	**No**
Loy	↔	Prn	0.513	0.263	Yes
Loy	↔	MU	0.233	0.054	Yes

Table XIV. Pairwise Correlations

Constructs	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(1) MU	1.00											
(2) Prn	.651**	1.00										
(3) Au	.410**	.757**	1.00									
(4) PSB	.493**	.736**	.744**	1.00								
(5) SpT	.602**	.694**	.648**	.782**	1.00							
(6) SQ	.489**	.730**	.659**	.791**	.730**	1.00						
(7) Sat	.390**	.648**	.671**	.744**	.684**	.863**	1.00					
(8) TRUST	.790**	.679**	.511**	.605**	.669**	.635**	.540**	1.00				
(9) Loy	.258**	.502**	.492**	.525**	.452**	.642**	.592**	.449**	1.00			
Individual Indicators												
(10) MU3	.821**	.491**	.243**	.331**	.452**	.313**	.234**	.543**	.136	1.00		
(11) MU4	.849**	.514**	.362**	.415**	.524**	.427**	.319**	.712**	.214**	.642**	1.00	
(12) MU5	.712**	.418**	.210**	.288**	.337**	.262**	.212**	.602**	.163*	.527**	.533**	1.00

MU = mutual understanding; Prn = personalization; Au = authenticity; PSB = problem-solving behavior; SQ = service quality; Sat = satisfaction; TRUST = affective trust; Loy = loyalty

Table XIV (continued). Pairwise Correlations

Constructs	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
(13) Prn1	1.00											
(14) Prn2	.794**	1.00										
(15) Prn5	.795**	.907**	1.00									
(16) Au2	.510**	.575**	.557**	1.00								
(17) Au4	.630**	.762**	.764**	.631**	1.00							
(18) Au5	.636**	.633**	.632**	.503**	.731**	1.00						
(19) Au8	.517**	.629**	.647**	.672**	.641**	.496**	1.00					
(20) PSB2	.378**	.468**	.457**	.534**	.441**	.375**	.363**	1.00				
(21) PSB3	.618**	.603**	.625**	.667**	.649**	.549**	.601**	.603**	1.00			
(22) PSB5	.220**	.224**	.204**	.183*	.225**	.205**	.128	.223**	.290**	1.00		
(23) PSB9	.593**	.635**	.632**	.526**	.588**	.471**	.515**	.486**	.687**	.270**	1.00	
(24) SpT1	.532**	.577**	.542**	.516**	.593**	.465**	.519**	.417**	.657**	.312**.	.651**	1.00

Table XIV (continued). Pairwise Correlations

Constructs	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)
(25) SpT2	1.00											
(26) SpT3	.531**	1.00										
(27) SpT6	.539**	.628**	1.00									
(28) OSQ1	.486**	.565**	.661**	1.00								
(29) OSQ2	.514**	.589**	.646**	.923**	1.00							
(30) OSQ3	.519**	.623**	.680**	.907**	.926**	1.00						
(31) OSQ4	.536**	.610**	.584**	.870**	.877**	.924**	1.00					
(32) Sat1	.436**	.391**	.460**	.638**	.656**	.617**	.618**	1.00				
(33) Sat2	.401**	.451**	.467**	.747**	.752**	.728**	.698**	.842**	1.00			
(34) Sat3	.405**	.512**	.597**	.752**	.772**	.740**	.708**	.592**	.661**	1.00		
(35) Sat4	.478**	.522**	.531**	.785**	.747**	.751**	.724**	.713**	.845**	.694**	1.00	
(36) Sat5	.509**	.554**	.628**	.841**	.872**	.833**	.804**	.652**	.745**	.825**	.761**	1.00

Table XIV (continued). Pairwise Correlations

Constructs	(37)	(38)	(39)	(40)	(41)	(42)	(43)
(37) aT2	1.00						
(38) aT4	.777**	1.00					
(39) aT5	.704**	.676**	1.00				
(40) Loy1	.356**	.327**	.375**	1.00			
(41) Loy2	.328**	.308**	.295**	.662**	1.00		
(42) Loy3	.297**	.367**	.281**	.750**	.722**	1.00	
(43) Loy4	.374**	.416**	.335**	.705**	.592**	.707**	1.00

Table XIV (continued). Pairwise Correlations

Constructs	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(13)	.411**	.838**	.671**	.606**	.550**	.656**	.602**	.469**	.436**	.288**	.354**	.213**
(14)	.416**	.869**	.713**	.645**	.567**	.667**	.571**	.463**	.482**	.286**	.303**	.191**
(15)	.391**	.862**	.712**	.635**	.570**	.651**	.569**	.485**	.451**	.289**	.290**	.174*
(16)	.391**	.616**	.720**	.630**	.530**	.515**	.420**	.419**	.406**	.251**	.338**	.201**
(17)	.445**	.763**	.747**	.644**	.577**	.639**	.521**	.468**	.492**	.334**	.372**	.208**
(18)	.385**	.706**	.660**	.538**	.479**	.498**	.410**	.427**	.374**	.278**	.303**	.248**
(19)	.404**	.605**	.743**	.540**	.507**	.461**	.395**	.422**	.319**	.232**	.353**	.261**
(20)	.318**	.474**	.498**	.684**	.426**	.531**	.493**	.309**	.337**	.226**	.247**	.140
(21)	.510**	.704**	.701**	.827**	.663**	.661**	.573**	.559**	.461**	.371**	.467**	.293**
(22)	.111	.281**	.259**	.505**	.310**	.245**	.304**	.219**	.126	.050	.075	.118
(23)	.385**	.658**	.635**	.790**	.715**	.759**	.680**	.506**	.511**	.273**	.263**	.175*
(24)	.596**	.670**	.591**	.725**	.866**	.682**	.589**	.638**	.417**	.462**	.493**	.339**

Table XIV (continued). Pairwise Correlations

Constructs	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(25)	.456**	.439**	.409**	.550**	.821**	.534**	.503**	.524**	.294**	.350**	.430**	.191**
(26)	.537**	.586**	.542**	.656**	.797**	.621**	.547**	.553**	.389**	.417**	.481**	.266**
(27)	.531**	.678**	.619**	.754**	.790**	.690**	.606**	.593**	.466**	..391**	.471**	.281**
(28)	.441**	.722**	.657**	.763**	.694**	.958**	.848**	.598**	.611**	.285**	.371**	.210**
(29)	.450**	.712**	.645**	.776**	.695**	.964**	.857**	.603**	.632**	.289**	.373**	.257**
(30)	.501**	.728**	.648**	.784**	.717**	.975**	.827**	.631**	.634**	.310**	.429**	.284**
(31)	.488**	.658**	.595**	.730**	.707**	.956**	.801**	.612**	.598**	.320**	.460**	.254**
(32)	.259**	.477**	.549**	.605**	.557**	.655**	.861**	.395**	.435**	.160*	.215**	.132
(33)	.360**	.580**	.579**	.652**	.566**	.757**	.922**	.502**	.485**	.226**	.285**	.235**
(34)	.345**	.593**	.608**	.669**	.591**	.769**	.852**	.449**	.571**	.194**	.263**	.180*
(35)	.356**	.554**	.557**	.628**	.635**	.780**	.900**	.504**	.503**	.208**	.312**	.207**
(36)	.414**	.668**	.678**	.738**	.686**	.868**	.899**	.547**	.629**	.251**	.342**	.191**

Table XIV (continued). Pairwise Correlations

Constructs	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)
(37)	.706**	.630**	.435**	.488**	.534**	.522**	.433**	.879**	.389**	.510**	.696**	.508**
(38)	.688**	.688**	.526**	.585**	.574**	.623**	.538**	.855**	.405**	.440**	.617**	.544**
(39)	.743**	.587**	.441**	.504**	.602**	.514**	.439**	.862**	.370**	.530**	.666**	.463**
(40)	.220**	.394**	.386**	.431**	.400**	.548**	.493**	.435**	.897**	.113	.183*	.151*
(41)	.230**	.416**	.422**	.491**	.431**	.572**	.523**	.366**	.844**	.120	.188*	.136
(42)	.194**	.434**	.455**	.460**	.380**	.550**	.503**	.358**	.899**	.068	.154*	.124
(43)	.256**	.513**	.467**	.458**	.373**	.577**	.554**	.405**	.863**	.169*	.219*	.157*

Table XIV (continued). Pairwise Correlations

Constructs	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
(25)	.349**	.346**	.373**	.330**	.366**	.281**	.293**	.252**	.412**	.253**	.526**	.678**
(26)	.484**	.478**	.488**	.396**	.502**	.399**	.429**	.370**	.569**	.273**	.586**	.677**
(27)	.555**	.590**	.566**	.563**	.553**	.462**	.503**	.454**	.723**	.191**	.735**	.653**
(28)	.645**	.676**	.665**	.552**	.650**	.495**	.469**	.519**	.662**	.249**	.732**	.648**
(29)	.686**	.656**	.662**	.483**	.626**	.489**	.453**	.496**	.646**	.272**	.766**	.659**
(30)	.637**	.668**	.643**	.510**	.627**	.510**	.456**	.544**	.636**	.229**	.742**	.680**
(31)	.571**	.581**	.551**	.448**	.566**	.429**	.403**	.488**	.608**	.202**	.690**	.643**
(32)	.445**	.400**	.410**	.278**	.358**	.275**	.256**	.348**	.444**	.350**	.509**	.443**
(33)	.522**	.466**	.492**	.309**	.426**	.321**	.285**	.441**	.482**	.276**	.547**	.501**
(34)	.576**	.561**	.548**	.438**	.475**	.420**	.411**	.472**	.534**	.272**	.657**	.517**
(35)	.478**	.458**	.441**	.334**	.446**	.337**	.320**	.394**	.477**	.209**	.553**	.547**
(36)	.643**	.642**	.627**	.499**	.604**	.462**	.476**	.528**	.600**	.230**	.744**	.610**

Table XIV (continued). Pairwise Correlations

Constructs	(13)	(14)	(15)	(16)	(17)	(18)	(19)	(20)	(21)	(22)	(23)	(24)
(37)	.446**	.439**	.474**	.376**	.410**	.340**	.365**	.247**	.486**	.176*	.355**	.501**
(38)	.558**	.542**	.566**	.437**	.497**	.439**	.473**	.323**	.562**	.186*	.543**	.536**
(39)	.362**	.388**	.381**	.346**	.418**	.395**	.363**	.240**	.473**	.181*	.437**	.581**
(40)	.342**	.383**	.358**	.345**	.373**	.289**	.232**	.255**	.371**	.100	.401**	.357**
(41)	.302**	.390**	.393**	.312**	.451**	.313**	.292**	.351**	.401**	.089	.448**	.393**
(42)	.420**	.442**	.396**	.395**	.469**	.383**	.298**	.286**	.429**	.136	.448**	.352**
(43)	.463**	.474**	.433**	.373**	.439**	.334**	.300**	.291**	.418**	.120	.495**	.359**

Table XIV (continued). Pairwise Correlations

Constructs	(25)	(26)	(27)	(28)	(29)	(30)	(31)	(32)	(33)	(34)	(35)	(36)
(37)	.407**	.443**	.485**	.498**	.498**	.512**	.503**	.332**	.418**	.343**	.402**	.428**
(38)	.462**	.486**	.539**	.568**	.621**	.622**	.591*	.381**	.499**	.472**	.474**	.563**
(39)	.472**	.507**	.512**	.472**	.467**	.521**	.513**	.302**	.403**	.372**	.421**	.456**
(40)	.280**	.337**	.394**	.519**	.524**	.552**	.515**	.355**	.392**	.485**	.447**	.509**
(41)	.303**	.350**	.426**	.528**	.573**	.567**	.537**	.385**	.436**	.487**	.443**	.565**
(42)	.232**	.329**	.410**	.520**	.548**	.546**	.508**	.384**	.397**	.511**	.368**	.558**
(43)	.211**	.344**	.403**	.570**	.571**	.555**	.532**	.401**	.472**	.518**	.491**	.574**

** Correlation is significant at the 0.01 level (2-tailed)

* Correlation is significant at the 0.05 level (2-tailed

Table XV. Descriptive Statistics

Constructs	Mean	Standard Deviation	Cronbach's Alpha (α)	Average Variance Extracted[a]
(1) Mutual Understanding (MU)	4.395	1.699	0.797	0.569
(2) Personalization (Prn)	6.186	0.891	0.934	0.837
(3) Authenticity (Au)	6.059	0.849	0.860	0.618
(4) Problem-solving Behavior (PSB)	5.820	0.954	0.738	0.472
(5) Specialized Treatment (SpT)	5.200	1.272	0.854	0.616
(6) Service Quality (SQ)	5.882	1.302	0.972	0.905
(7) Satisfaction (Sat)	5.931	1.088	0.931	0.730
(8) TRUST	4.835	1.620	0.881	0.724
(9) Loyalty (Loy)	5.961	1.440	0.896	0.695

[a] Variance extracted based on CFA of the measurement model

problem-solving behavior-specialized treatment (0.6390), scales are considered acceptable (Nunnally 1979). This score increases to 0.771 if PSB5 (doesn't take care of problems) is deleted, although this change results in a 2-item scale and the problem-solving behavior-specialized treatment (PSB-SpT) construct would be considered for elimination from the model.

Furthermore, support is lacking for the convergent and discriminant validity of several scales (Table XVII). For instance, the problem-solving behavior-specialized treatment (PSB-SpT) scale has the lowest the standardized factor loading ($\lambda = 0.281$). Thus, variance extracted (VE = 0.446) is not acceptable and convergent validity is not supported. Convergent validity is supported for all other measures. As shown in Table XVIII, discriminant validity is lacking for 5 construct pairs. Subsequently, eliminating scale items with high MIs does not correct the problems with reliability and validity. Another attempt is made to improve the measurement model using factor analyses, as described in the next section.

Using Factor Analysis to Improve the Measurement Models

A majority of scales used in this study were found from previous studies in marketing literature and other disciplines, such as social psychology, organizational behavior and communications. Some scales, however, were combined in ways different from prior studies. Still, the scales appear to be theoretically supported and appear to have nomological and face validity. However, the revisions to this point have not lead to major improvements in the hypothesized measurement model. Several issues in discriminant and convergent validity remained in spite of the item deletions and changes described above.

Therefore, an empirical approach is taken in order to improve the measurement model, and hence the structural model, using factor analyses. Since literature is abundant that theoretically supports the relationship outcome scale items, confirmatory factor analysis (CFA) was utilized in order to confirm their loadings. Exploratory factor analysis (EFA) was however performed on the relational behavior scale items in order to reduce the large number of individual scale items, and to allow them to load freely and identify potential latent factors that provide better explanations of the items than was possible with theoretical constructs. Then, unidimensionality, reliability, and validity were assessed for each revised measurement model, which are then combined to form a new structural model.

Confirmatory Factor Analysis of Relationship Outcome Variables

In this section, the unidimensionality, reliability, and validity of the relationship outcome variables are discussed. Confirmatory factor analysis (CFA) using AMOS software was performed on all scale items of these four variables constructs.

Unidimensionality. Initially, the hypothesized measurement model for the relationship outcomes consisted of a total of 18 observed items variables, which were derived from four constructs variables, namely, service Quality (SQ), satisfaction (Sat), affective trust (TRUST), and loyalty (Loy). Results of CFA show that each scale item loads on its respective construct. The previously proposed measurement model is shown in figure 4 below. The goodness-of-fit indices indicate that this model does not fit the data well (Table XIX).

A review of the critical ratios (C.R.) for each scale item shows that they exceed 1.96 and are thus considered acceptable (Byrne 2001). Further, standardized residual covariances (SRC) should be < 2.58, otherwise statistically significant discrepancies exist in covariance between the scale items (Byrne 2001, pp. 88-89). Results show that the SRC for 2 trust scale items, emoT1 (not comfortable sharing thoughts/feelings) and emoT3 (sense of loss if hair stylist/barber left), exceed 2.58. Additionally, these scale items contribute least to the variance explained (squared multiple correlations, or SMC, for emoT1 = 0.322 and emoT3 = 0.456) in the emotional trust construct, as discussed below. These items are thus deleted from the

Table XVI. Revised Measurement Model with PSB-SpT Construct

1° Dimension(s)	Original Construct	Operational Measures	Scale Item	Cronbach's Alpha
Mutual Understanding	Mutual Understanding (Price et al. 1995a)	3. My hair stylist/barber invites me to reveal personal information about myself.	q221MU3	0.797
	Additional Scale Items	4. I can talk about anything with my hair stylist/barber.	q223MU4	
		5. My hair stylist/barber and I do not talk about personal things with each other. (R)	q225MU5	
Personalization	SERVQUAL – Assurance (scale items 16), Personalization, SERVQUAL – P (Mittal and Lassar 1996)	1. My hair stylist/barber is polite.	q224Prn1	0.934
		2. My hair stylist/barber is courteous.	q226Prn2	
		5. My hair stylist/barber is pleasant.	q229Prn5	
Authenticity	Additional Scale Items	4. My hair stylist/barber acted naturally towards me.	q233Au4	0.826
		5. My hair stylist/barber's behavior seemed genuine.	q235Au5	
	Authenticity (Neff et al. 2006)	8. My hair stylist/barber acts like s/he is behaving like his/her true self.	q243Au8	

Table XVI (continued). Revised Measurement Model with PSB-SpT Construct

1° Dimension(s)	Original Construct	Operational Measures	Scale Item	Cronbach's Alpha
Problem-Solving Behavior - Specialized (or Customized) Treatment	TW – Problem-Solving Orientation	5. My hair stylist/barber takes care of any problems I might have with products and services I purchase at his/her firm. (R)	q251PSB5	0.639
	TW – Problem-solving Orientation, Extras (Price et al. 1995a, 1995b)	3. My hair stylist/barber goes out of his/her way to solve customer problems.	q260SPT3	
	SERVQUAL – Empathy (scale items 20 and 22)	6. My hair stylist/barber tailors my hair care treatment to fit the specific needs of my lifestyle.	q265SPT6	
Service Quality	Overall Service Quality (Dabholkar et al. 2000)	1. My hair stylist/barber gave me excellent overall service.	q215OSQ1	0.956
		2. My hair stylist/barber gave me very high quality service.	q216OSQ2	
		4. My hair stylist/barber gave me superior service in every way.	q217OSQ4	
Satisfaction	Core Service Satisfaction (Jones et al. 2000)	1. Very pleased/Very displeased (R)	q210Sat1	0.921
		2. Very favorable/Very unfavorable (R)	q211Sat2	
		4. Very satisfied with/Very dissatisfied with (R)	q213Sat4	

Table XVI (continued). Revised Measurement Model with PSB-SpT Construct

1° Dimension(s)	Original Construct	Operational Measures	Scale Item	Cronbach's Alpha
Affective Trust	Affective Trust (McAllister 1995)	2. I can talk freely with my hair stylist/ barber about my problems and know that s/he will want to listen.	q25aT2	0.881
		4. If I shared my problems with my hair stylist/barber, I feel s/he would respond caringly.	q27aT4	
		5. I feel that my hair stylist/barber and I have both made considerable emotional investments in developing a relationship with me as a customer.	q29aT5	
Loyalty	Loyalty (Sirdeshmukh et al 2002)	**How Likely are you to . . .** 1. Get most of your future hair care at this hair salon/barber shop?	q21Loy1	0.896
		2. Recommend this hair salon/barber shop to friends, neighbors, and relatives?	q22Loy2	
		3. Use this hair salon/barber shop the very next time you need hair care?	q23Loy3	
		4. Spend more than 50% of your hair care budget at this hair salon/barber shop?	q24Loy4	

Table XVII. Standardized Factor Loadings and Square Multiple Correlations – Revised Measurement Model with PSB-SpT Construct

Construct	Scale Items	Operational Measures	Standardized Factor Loadings (λ)	Square Multiple Correlations	Average Variance Extracted (VE)
Mutual Understanding (MU)	MU5	do not talk about personal things	0.644	0.415	0.569
	MU4	talk about anything	0.885	0.783	
	MU3	Invites me to reveal personal information	0.714	0.510	
Personalization (Prn)	Prn1	polite	0.836	0.699	0.837
	Prn5	pleasant	0.956	0.913	
	Prn2	courteous	0.948	0.899	
Authenticity (Au)	Au8	acts like true self	0.709	0.502	0.648
	Au4	acted naturally	0.919	0.844	
	Au5	Genuine	0.774	0.599	
Problem-Solving Behavior-Specialized Treatment (PSB-SpT)	PSB5	doesn't take care of problems	0.281	0.079	0.446
	SpT3	goes out of way	0.760	0.578	
	SpT6	tailors hair care treatment	0.823	0.682	
Service Quality (SQ)	OSQ1	Excellent	0.958	0.918	0.891
	OSQ2	very high quality	0.963	0.929	
	OSQ4	superior service	0.909	0.826	
Satisfaction (Sat)	Sat1	dis-/pleased	0.856	0.732	0.812
	Sat2	un-/favorable	0.967	0.935	
	Sat4	dis-/satisfied	0.877	0.769	
affective TRUST in Service Provider (aT_{SP})	aT2	can talk freely	0.883	0.779	0.724
	aT4	shares problems	0.895	0.753	
	aT5	considerable emotional investments	0.868	0.640	

Table XVII (continued). Standardized Factor Loadings and Square Multiple Correlations – Revised Measurement Model with PSB-SpT Construct

Construct	Scale Items	Operational Measures	Standardized Factor Loadings (λ)	Square Multiple Correlations	Average Variance Extracted (VE)
Loyalty (Loy)	Loy1	gets most service	0.847	0.717	0.695
	Loy2	Recommends	0.792	0.628	
	Loy3	use next time	0.886	0.785	
	Loy4	spend > 50% budget	0.805	0.648	

Table XVIII. Correlations and Square of Correlation - Measurement Model with PSB-SpT Construct

Construct Pairs	**Correlation**	**Square of Correlation**	**Discriminant Validity (yes/no)**
Problem-solving Behavior-Specialized Treatment (PSB-SpT) ↔ Authenticity (AU)	0.739	0.546	**No**
Problem-solving Behavior-Specialized Treatment (PSB-SpT) ↔ Personalization (PRN)	0.719	0.517	**No**
Personalization (PRN) ↔ Mutual Understanding (MU)	0.370	0.137	Yes
Authenticity (Au) ↔ Mutual Understanding (MU)	0.467	0.218	Yes
Problem-solving Behavior-Specialized Treatment (PSB-SpT) ↔ Mutual Understanding (MU)	0.653	0.426	Yes
Authenticity (Au) ↔ Personalization (PRN)	0.877	0.769	**No**
Satisfaction (Sat) ↔ Service Quality (SQ)	0.819	0.671	Yes
Satisfaction (Sat) ↔ TRUST	0.532	0.283	Yes
Loyalty (Loy) ↔ TRUST	0.467	0.218	Yes
Problem-solving behavior-Specialized Treatment (PSB-SpT) ↔ Service Quality (SQ)	0.826	0.682	**No**
TRUST ↔ Service Quality (SQ)	0.647	0.419	Yes
Loyalty (Loy) ↔ Satisfaction (Sat)	0.525	0.276	Yes
Authenticity (Au) ↔ Service Quality (SQ)	0.697	0.485	Yes
Problem-solving Behavior-Specialized Treatment (PSB-SpT) ↔ Satisfaction (Sat)	0.636	0.404	Yes
Loyalty (Loy) ↔ Service Quality (SQ)	0.671	0.450	Yes
Personalization (PRN) ↔ Service Quality (SQ)	0.725	0.526	Yes
Authenticity (Au) ↔ Satisfaction (Sat)	0.472	0.223	Yes
Problem-solving Behavior-Specialized Treatment (PSB-SpT) ↔ TRUST	0.723	0.523	**No**
Mutual Understanding (MU) ↔ Service Quality (SQ)	0.445	0.198	Yes

Table XVIII (continued). Correlations and Square of Correlation – Measurement Model with PSB-SpT Construct

Construct Pairs	Correlation	Square of Correlation	Discriminant Validity (yes/no)
Personalization (PRN) ↔ Satisfaction (Sat)	0.534	0.285	Yes
Authenticity (Au) ↔ TRUST	0.579	0.335	Yes
Loyalty (Loy) ↔ Problem-solving Behavior-Specialized Treatment (PSB-SpT)	0.561	0.314	Yes
Mutual Understanding (MU) ↔ Satisfaction (Sat)	0.337	0.114	Yes
Personalization (PRN) ↔ TRUST	0.590	0.348	Yes
Loyalty (Loy) ↔ Authenticity (Au)	0.541	0.293	Yes
Mutual Understanding (MU) ↔ TRUST	0.863	0.745	**No**
Loyalty (Loy) ↔ Personalization (Prn)	0.512	0.262	Yes
Loyalty (Loy) ↔ Mutual Understanding (MU)	0.233	0.054	Yes

model. Two satisfaction scale items, SAT3 (disgusted/contented with) and SAT5 (un-/happy), are deleted since they have the highest modification indices (> 10). The revised relationship outcome measurement model is shown in figure 4.

Reliability – Internal Consistency. Next, reliability is assessed using Cronbach's alpha. As shown in Table XX below, reliabilities are > 0.88 for all constructs, and are thus considered acceptable (Nunnally 1979).

Assessment of Validity. Convergent and discriminant validity are discussed in the following sections. Nomological and face validity have been discussed in a previous section and are not repeated here (Hair et al. 2006).

Figure 4. Measurement Model – Relationship Outcomes

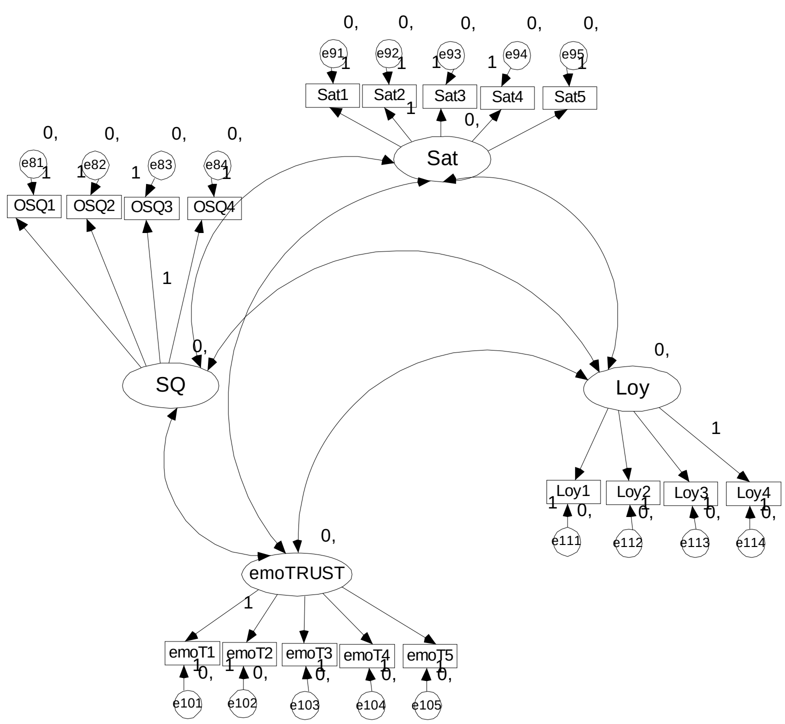


Table XIX. Goodness-of-Fit Statistics – Relationship Outcomes

GOF Measure	
χ^2	432.58
d.f.	129
ρ	0.000
CFI	0.915
TLI	0.899
IFI	0.916
RFI	0.862
NFI	0.884
PCFI	0.772
PNFI	0.772
PRATIO	0.843
RMSEA	0.111

Table XX. Descriptive Statistics

Constructs	Mean	Standard Deviation	Cronbach's Alpha (α)
Service Quality (SQ)	5.88	1.30	0.972
Satisfaction (Sat)	5.78	1.13	0.921
Emotional TRUST (emoTRUST)	4.76	1.76	0.881
Loyalty (Loy)	5.96	1.44	0.896

Convergent Validity. As shown in Table XXI, the standardized factor loadings (λ) are > 0.7 for the scale items comprising the revised relationship outcome measurement model. Additionally, VE $\geq$ 0.7 for all scales. Support is thus provided for convergent validity.

Discriminant Validity. All variance extracted (VE) for the constructs shown in Table XXI are greater than their corresponding square of correlations shown in Table XXII, indicating that discriminant validity is supported between all construct pairs.

Figure 5. Revised Measurement Model – Relationship Outcomes

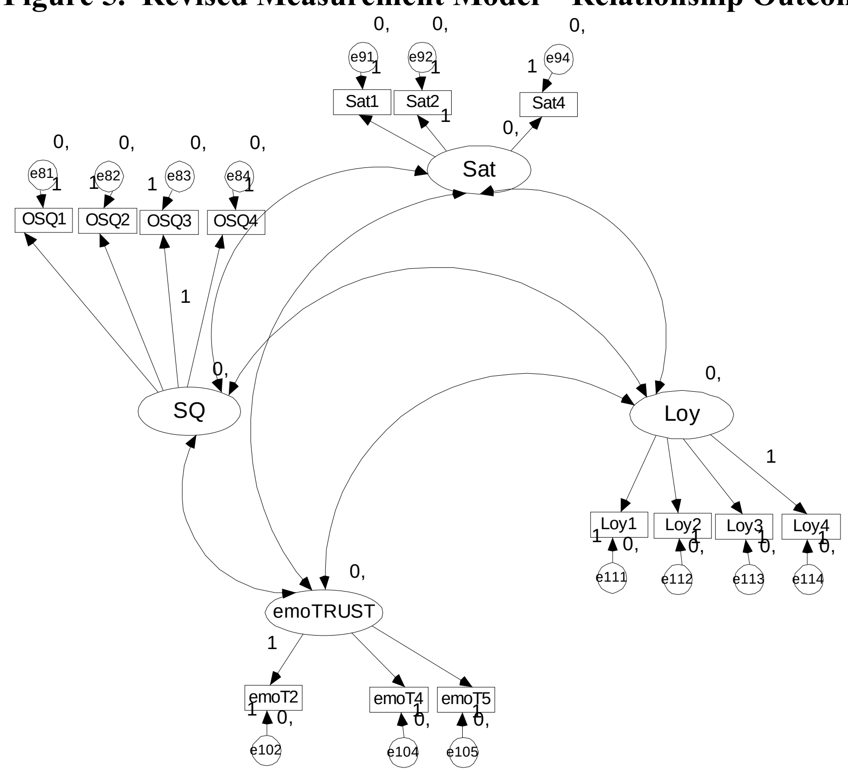


Table XXI. Standardized Factor Loadings and Square Multiple Correlations – Revised Relationship Outcomes Measurement Model

Construct	Scale Items	Standardized Factor Loadings (λ)	Square Multiple Correlations	Average Variance Extracted (VE)
Service Quality (SQ)	OSQ1 (excellent)	0.945	0.894	0.905
	OSQ2 (very high quality)	0.959	0.920	
	OSQ3 (high standard)	0.969	0.939	
	OSQ4 (superior service)	0.932	0.868	
Satisfaction (Sat)	Sat1 (dis-/pleased)	0.855	0.732	0.812
	Sat2 (un-/favorable)	0.968	0.937	
	Sat4 (dis-/satisfied)	0.876	0.768	
Emotional TRUST (emoTRUST))	emoT2 (can talk freely)	0.868	0.753	0.721
	emoT4 (shares problems)	0.895	0.802	
	emoT5 (considerable emotional investments)	0.779	0.607	
Loyalty (Loy)	Loy1 (gets most service)	0.851	0.724	0.695
	Loy2 (recommends)	0.792	0.628	
	Loy3 (use next time)	0.882	0.778	
	Loy4 (spend > 50% budget)	0.806	0.649	

Lastly, goodness-of-fit improves for the revised relationship outcome measurement model (χ^2 = 166.635, 71 d.f., ρ = 0.001; CFI = 0.966; IFI = 0.966; TLI = 0.956; NFI = 0.943; RFI = 0.926; PCFI = 0.754; PNFI = 0.735, PRATIO = 0.780; RMSEA = 0.084), shown in Table XXIII.

Exploratory Factor Analysis (EFA) of the Relational Behaviors (RB)

Thirty-eight (38) individual scale items from the relational behavior (RB)construct were subjected to EFA using various rotations. Results show a 7-factor solution using the equamax rotation, which provides the best solution with no cross loadings (Table XXIV). Approximately 71% of total variance is explained. The communalities for all scale items are > 0.5 as shown in the far right column of the table. Based on a detailed review of the scale items and loadings, the relational behavior construct is now referred to as the emotional relational behaviors (ERB) in order to distinguish it from non-affective, cognitive relational behaviors that are based on cognition and not affect (Sirdeshmukh et al. 2002). The factors are thus named as follows. Factor 1 is social communication and involves exchanging with another or others personal information about oneself in a social manner or atmosphere. Factor 2 refers to personable behavior that includes being pleasant, courteous, polite, warm and friendly, while appearing natural and genuine at the same time. Factor 3 is customer care, which includes paying special attention, giving something extra, or tailoring

Table XXII. Correlations and Square of Correlation – Revised Relationship Outcomes Measurement Model

Construct Pairs	Correlation	Square of Correlation	Discriminant Validity (yes/no)
Loyalty (Loy) ↔ Service Quality (SQ)	0.675	0.456	Yes
Satisfaction (Sat) ↔ Service Quality (SQ)	0.807	0.651	Yes
Satisfaction (Sat) ↔ Emotional TRUST (emoTRUST)	0.538	0.289	Yes
Loyalty (Loy) ↔ Emotional TRUST (emoTRUST)	0.469	0.220	Yes
Emotional TRUST (emoTRUST) ↔ Service Quality (SQ)	0.665	0.442	Yes
Loyalty (Loy) ↔ Satisfaction (Sat)	0.525	0.276	Yes

Table XXIII. Goodness-of-Fit Statistics – Revised Measurement Model

GOF Measure	
χ^2	166.635
d.f.	71
P	0.001
CFI	0.966
TLI	0.956
IFI	0.966
RFI	0.926
NFI	0.943
PCFI	0.754
PNFI	0.735
PRATIO	0.780
RMSEA	0.084

service to customers' specific needs. Factor 4 is problem-solving behavior, which involves understanding customers' specific needs, giving prompt services, and always being willing to help. Factor 5 includes the reverse scored items of factor 4, and is thus called incompetence, and factor 6 includes the reverse scored items from the authenticity scale, thus is named insincerity. Factor 7 was dropped since it contains only one scale item, SpT4 (unwilling to bend company policy). Subsequently, the loadings remain the same with a 6-factor solution.

Next, AMOS was utilized to assess the unidimensionality, reliability, and validity of the revised emotional relational behaviors measurement model (figure 6). The goodness-of-fit indices portrayed in Table XXV indicate that this model does not fit the data well. Thus, various scale items are deleted. Table XXVI provides the list of the scale items, new item names, and explanations for dropped items.

Subsequently, the insincerity construct was removed from the model as a result of the item deletions. Only 2 scale items each remain for the problem-solving behavior and incompetence constructs, and thus they are eliminated. The revised ERB measurement model consists of 3 constructs, namely, social communication, personable behavior, and customer care (figure 7). Standardized regression loadings (λ) for scale items and variance extracted (VE) for each construct is greater than 0.5, as shown in Table XXVII. Thus construct validity is supported. Further, VE for each construct is greater than the square of correlations between each construct pair (Table XXVIII), thus support is provided for discriminant validity. Reliabilities for social communication (0.922), personable behavior (0.934), and customer care (0.916) are

Table XXIV. Factor Loadings – Revised Emotional Relational Behaviors (ERB)

Items		Loadings 1	2	3	4	5	6	7	Communalities
MU6	tells lot about personal life	0.837	0.102	0.213	0.170	0.062	0.085	0.204	0.838
MU7	confide lot of personal information	0.808	0.147	0.227	0.142	0.076	0.118	0.213	0.810
MU3	invites me to reveal personal information	0.780	0.121	0.212	0.126	0.054	0.080	0.089	0.701
MU4	talk about anything	0.768	0.108	0.303	0.145	0.029	0.127	0.120	0.746
Prn6	takes time to know me	0.753	0.266	0.259	0.279	0.128	0.015	0.180	0.832
MU2	Hair stylist reveals personal information	0.731	0.241	0.209	0.196	0.204	0.110	0.048	0.731
MU5	do not talk about personal things	0.714	0.028	0.048	0.018	0.285	0.010	0.245	0.655
MU1	connects to my life	0.701	0.246	0.317	0.223	0.130	0.074	0.194	0.762
MU8	like/respect him/her	0.537	0.221	0.327	0.237	0.049	0.029	0.167	0.532
Prn5	pleasant	0.090	0.783	0.217	0.278	0.174	0.184	0.180	0.843
Prn2	courteous	0.123	0.771	0.216	0.297	0.183	0.181	0.159	0.836
Prn1	Polite	0.158	0.727	0.290	0.145	0.257	0.285	0.001	0.806
Au4	acted naturally	0.146	0.697	0.209	0.370	0.191	0.068	0.208	0.773
Au5	seemed genuine	0.150	0.672	0.087	0.204	0.303	0.018	0.244	0.675
Prn3	displays personal warmth	0.451	0.568	0.252	0.257	0.127	0.065	0.227	0.728
Au8	acts like true self	0.131	0.548	0.119	0.399	0.079	0.214	0.379	0.686

Table XXIV. Factor Loadings – Revised Emotional Relational Behaviors (ERB)

Items		Loadings							Communalities
		1	2	3	4	5	6	7	
SpT2	gave me a break	0.181	0.050	0.728	0.081	0.141	0.094	0.311	0.697
PSB8	anticipates hair care needs	0.242	0.116	0.663	0.265	0.010	0.063	0.280	0.665
SpT1	paid me special attention	0.282	0.275	0.620	0.271	0.217	0.058	0.341	0.780
SpT3	goes out of way	0.278	0.237	0.611	0.202	0.173	0.167	0.198	0.644
SpT5	Received personal attention	0.251	0.308	0.588	0.331	0.320	0.250	0.201	0.819
PSB9	took care of hair care needs	0.025	0.377	0.533	0.423	0.216	0.140	0.225	0.723
SpT6	tailors hair care treatment	0.228	0.310	0.529	0.425	0.180	0.173	0.194	0.709
PSB2	gives me prompt service	0.106	0.161	0.034	0.767	0.198	0.065	0.136	0.689
PSB3	always willing to help	0.210	0.379	0.328	0.581	0.242	0.151	0.184	0.747
Au2	seemed like own person	0.107	0.430	0.109	0.568	0.098	0.144	0.322	0.666
PSB6	understands specific needs	0.098	0.291	0.448	0.540	0.204	0.205	0.187	0.705
Au7	tells me truth	0.085	0.072	0.405	0.526	0.096	0.361	0.096	0.602
PSB1	tells me exactly when services performed	0.119	0.121	0.405	0.522	0.148	0.138	0.090	0.514

Table XXIV. Factor Loadings – Revised Emotional Relational Behaviors (ERB)

Items		Loadings 1	2	3	4	5	6	7	Communalities
PSB7	incapable of answering questions	0.022	0.073	0.038	0.088	0.742	0.348	0.193	0.723
PSB5	doesn't take care of problems	0.025	0.015	0.236	0.111	0.707	0.045	0.012	0.570
Prn4	Unfriendly	0.023	0.390	0.168	0.007	0.660	0.178	0.299	0.738
PSB4	too busy to respond	0.017	0.005	0.008	0.330	0.630	0.343	0.223	0.674
Au6	tells me hair looks great	0.184	0.012	0.198	0.132	0.046	0.716	0.083	0.613
Au1	behaved out of ordinary	0.032	0.092	0.130	0.147	0.067	0.684	0.059	0.523
Au3	behaves insincerely	0.089	0.358	0.021	0.100	0.253	0.670	0.149	0.681
Prn7	violated proper behavior	0.044	0.204	0.164	0.147	0.490	0.557	0.052	0.645
SpT4	unwilling to bend policy	0.064	0.139	0.030	0.157	0.107	0.049	0.865	0.811
% Variance		40.64	10.80	5.42	4.92	3.39	2.94	2.66	70.77
Total Eigenvalue		15.44 5	4.103	2.059	1.869	1.287	1.117	1.010	

Note: Factor 1 = Social Communication (SC); Factor 2 = Personable (Pe); Factor 3 = Customer Care (CC); Factor 4 = Problem-Solving (PS); Factor 5 = Incompetence (Inc); Factor 6 = Insincerity (Ins); Factor 7 = No Care (NC).

Figure 6. New Measurement Model – Emotional Relational Behaviors (ERB)

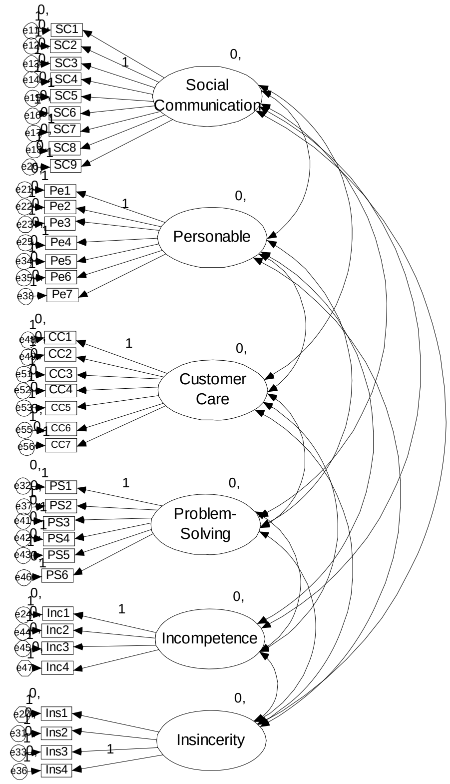


Table XXV. Goodness-of-Fit Statistics – Emotional Relational Behaviors (ERB)

GOF Measure	
χ^2	1481.576
d.f.	615
P	0.000
CFI	0.845
TLI	0.832
IFI	0.846
RFI	0.743
NFI	0.763
PCFI	0.779
PNFI	0.704
PRATIO	0.922
RMSEA	0.086

Table XXVI. Item History Table for Emotional Relational Behaviors

Old Name	New Name	Items	Reason(s) Dropped
MU6	SC1	tell lot about personal life	
MU7	SC2	confide lot of personal information	
MU3	SC3	invites me to reveal personal information	
MU4	SC4	talk about anything	c, e, g
Prn6	SC5	takes time to know me	b
MU2	SC6	Hair stylist reveals personal information	b
MU5	SC7	do not talk about personal things	b
MU1	SC8	connects to my life	b
MU8	SC9	like/respect him/her	b
Prn5	Pe1	Pleasant	
Prn2	Pe2	Courteous	
Prn1	Pe3	Polite	
Au4	Pe4	acted naturally	b
Au5	Pe5	seemed genuine	b
Prn3	Pe6	displays personal warmth	b
Au8	Pe7	acts like true self	e
SpT2	CC1	gave me a break	e
PSB8	CC2	anticipates hair care needs	c, e, g
SpT1	CC3	paid me special attention	
SpT3	CC4	goes out of way	c, e, g
SpT5	CC5	Received personal attention	
PSB9	CC6	took care of hair care needs	c, e, g
SpT6	CC7	tailors hair care treatment	
PSB2	PS1	gives me prompt service	e
PSB3	PS2	always willing to help	h
Au2	PS3	seemed like own person	b
PSB6	PS4	understands specific needs	h
Au7	PS5	tells me truth	e

Table XXVI (continued). Item History Table for Emotional Relational Behaviors

Old Name	New Name*	Items	Reason(s) Dropped**
PSB1	PS6	tells me exactly when services performed	e
PSB7	Inc1	incapable of answering questions	h
PSB5	Inc2	doesn't take care of problems	d, e
Prn4	Inc3	Unfriendly	b
PSB4	Inc4	too busy to respond	h
Au6	Ins1	tells me hair looks great	b
Au1	Ins2	behaved out of ordinary	d, e
Au3	Ins3	behaves insincerely	e
Prn7	Ins4	violated proper behavior	e
SpT4	NC1	unwilling to bend policy	h

Notes:
* SC = Social Communication; Pe = Personable; CC = Customer Care; PS = Problem-Solving; Inc = Incompetence; Ins = Insincerity; NC = No Care

** **Reason Codes:**
[a] critical ratio > 1.96 (Byrne 2001)
[b] standardized residual covariances > 2.58 (Byrne 2001)
[c] high modification index (Byrne 2001)
[d] Cronbach's alpha (reliability) improves if item is deleted.
[e] low standardized loadings (λ), low squared multiple correlations (SMC) (Hair et al. 2006)
[f] convergent validity not supported (Hair et al. 2006)
[g] discriminant validity not supported (Hair et al. 2006)
[h] less than 3 scale items per construct (Hair et al. 2006)

considered acceptable (Nunnally 1979). Further, the goodness-of-fit indices indicate that the revised measurement model for the ERBs fits the data well (χ^2 = 132.336, 62 d.f., ρ = 0.001; CFI = 0.968; IFI = 0.968; TLI = 0.960; NFI = 0.942; RFI = 0.927; PCFI = 0.769; PNFI = 0.748, PRATIO = 0.795; RMSEA = 0.077) (Table XXIX).

New Structural Model – Combining the Revised Measurement Models

This section describes the new structural model that is used to test the hypotheses posed in the study. The new structural model (figure 8) is derived by combining the revised measurement model for the emotional relational behaviors (ERB) portrayed in figure 6 with the revised relationship outcome measurement model

Figure 7. Revised Measurement Model – Emotional Relational Behaviors (ERB)

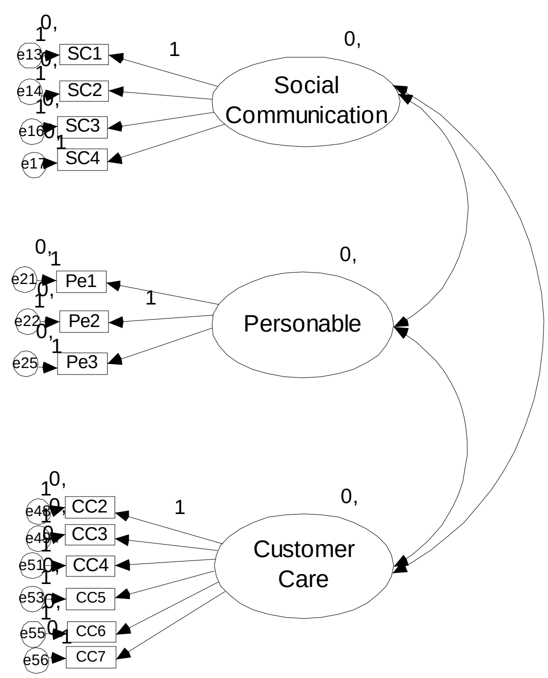


Table XXVII. Standardized Factor Loadings and Square Multiple Correlations – Revised Emotional Relational Behaviors (ERB) Measurement Model

Construct (Factor)	Scale Items		Standardized Factor Loadings (λ)	Square Multiple Correlations	Average Variance Extracted (VE)
Social Communication	SC1	tell lot about personal life	0.949	0.901	0.754
	SC2	confide lot of personal information	0.946	0.895	
	SC3	invites me to reveal personal information	0.736	0.542	
	SC4	talk about anything	0.824	0.678	
Personable	Pe1	pleasant	0.949	0.900	0.838
	Pe2	courteous	0.953	0.909	
	Pe3	polite	0.839	0.704	
Customer Care	CC2	anticipates hair care needs	0.720	0.519	0.660
	CC3	paid me special attention	0.840	0.705	
	CC4	goes out of way	0.766	0.587	
	CC5	Received personal attention	0.890	0.792	
	CC6	took care of hair care needs	0.796	0.634	
	CC7	tailors hair care treatment	0.850	0.723	

Table XXVIII. Correlations and Square of Correlation – Revised Emotional Relational Behaviors

Construct Pairs	Correlation	Square of Correlation	Discriminant Validity (yes/no)
Personable ↔ Social Communication	0.370	0.137	Yes
Customer Care ↔ Social Communication	0.583	0.340	Yes
Customer Care ↔ Personable	0.721	0.520	Yes

Table XXIX. Goodness-of-Fit Statistics – Revised Emotional Relational Behaviors Measurement Model

GOF Measure	
χ^2	132.336
d.f.	62
P	0.001
CFI	0.968
TLI	0.960
IFI	0.968
RFI	0.927
NFI	0.942
PCFI	0.769
PNFI	0.748
PRATIO	0.795
RMSEA	0.077

described earlier and shown in figure 5. In combining these measurement models, results show that the new structural model fits the data poorly, according to the goodness-of-fit statistics (Table XXX). Variance extracted (VE) is greater than 0.5 for each construct and thus provides some support for convergent validity, however, discriminant validity was not supported between personable behavior (Pe) and customer care (CC). In other words, the VE for customer care (0.658) is less than the square of correlations between personable behavior and customer care (0.724).

In order to improve the model fit and to establish discriminant validity between all construct pairs, additional scale items were deleted, namely, CC2 (anticipates hair care needs), CC6 (took care of my hair care needs), CC4 (goes out of way), and SC4 (talk about anything), because they have high modification indices (MI) and low squared multiple correlations (SMC). In doing so, convergent and discriminant validity were supported. Goodness-of-fit statistics for the final structural model are reported in Table XXXI ($\chi^2 = 525.075$, 219 d.f., $\rho = 0.001$; CFI = 0.935; IFI = 0.935; TLI = 0.925; NFI = 0.894; RFI = 0.877; PCFI = 0.809; PNFI = 0.774; PRATIO = 0.866; RMSEA = 0.086). Reliabilities for the revised scales of the final structural model range from 0.881 – 0.972 (Table XXXII) and are thus considered acceptable (Nunnally 1979). The final structural model is portrayed in Figure 9.

Figure 8. New Structural Model

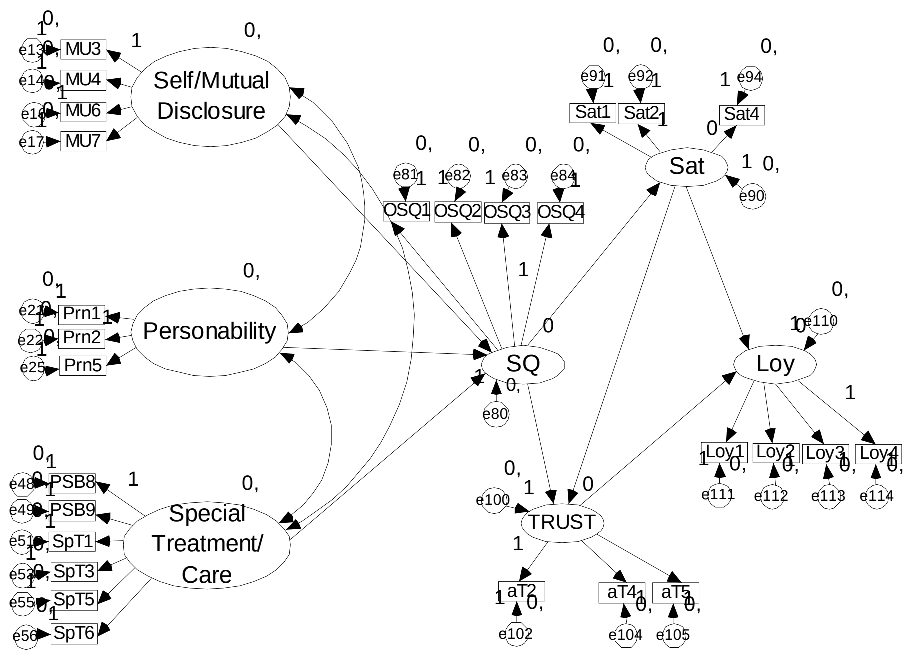


Table XXX. Goodness-of-Fit Statistics – New Structural Model

GOF Measure	
χ^2	750.730
d.f.	313
P	0.001
CFI	0.920
TLI	0.910
IFI	0.920
RFI	0.855
NFI	0.871
PCFI	0.820
PNFI	0.777
PRATIO	0.892
RMSEA	0.086

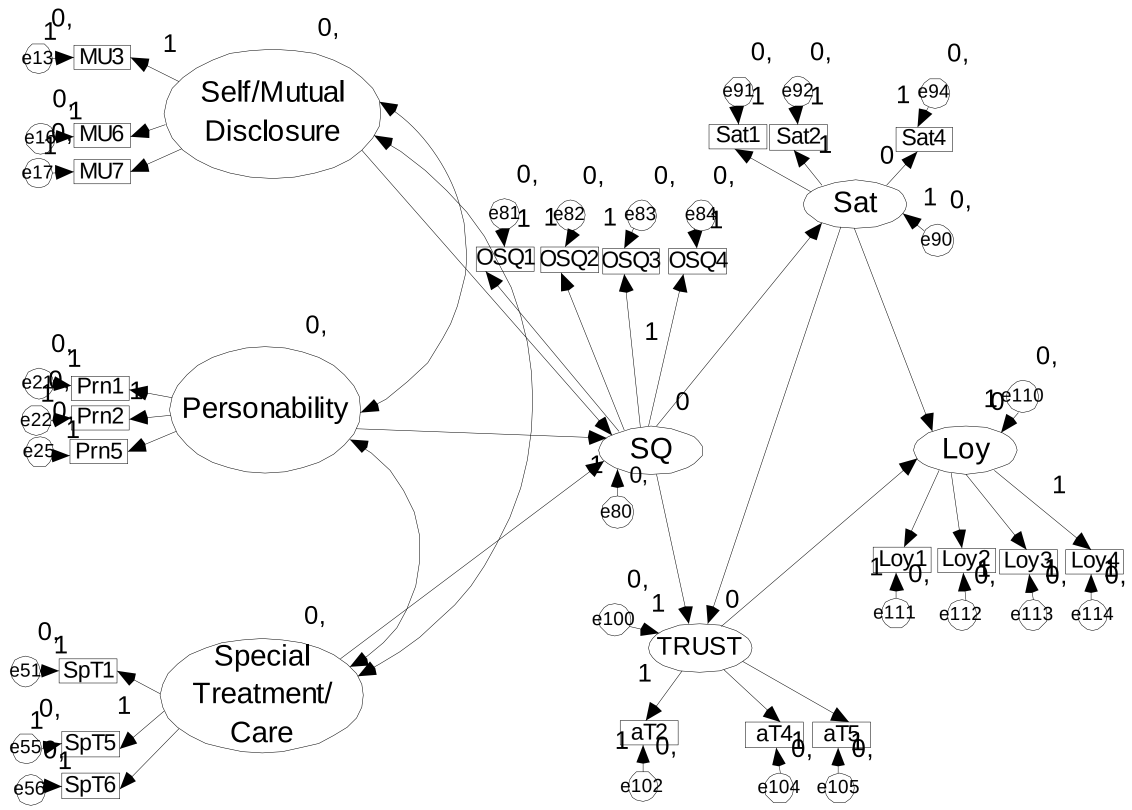
Table XXXI. Goodness-of-Fit Statistics – Final Structural Model

GOF Measure	
χ^2	525.075
d.f.	219
P	0.001
CFI	0.935
TLI	0.925
IFI	0.935
RFI	0.877
NFI	0.894
PCFI	0.809
PNFI	0.774
PRATIO	0.866
RMSEA	0.086

Table XXXII. Descriptive Statistics

Constructs	Mean	Standard Deviation	Cronbach's Alpha (α)
Self/Mutual Disclosure (factor 1)	3.98	2.00	0.906
Personability (factor 2)	6.41	0.97	0.934
Special Treatment/Care (factor 3)	5.56	1.39	0.889
Service Quality (SQ)	5.88	1.30	0.972
Satisfaction (Sat)	5.78	1.13	0.921
TRUST	4.76	1.76	0.881
Loyalty (Loy)	5.96	1.44	0.896

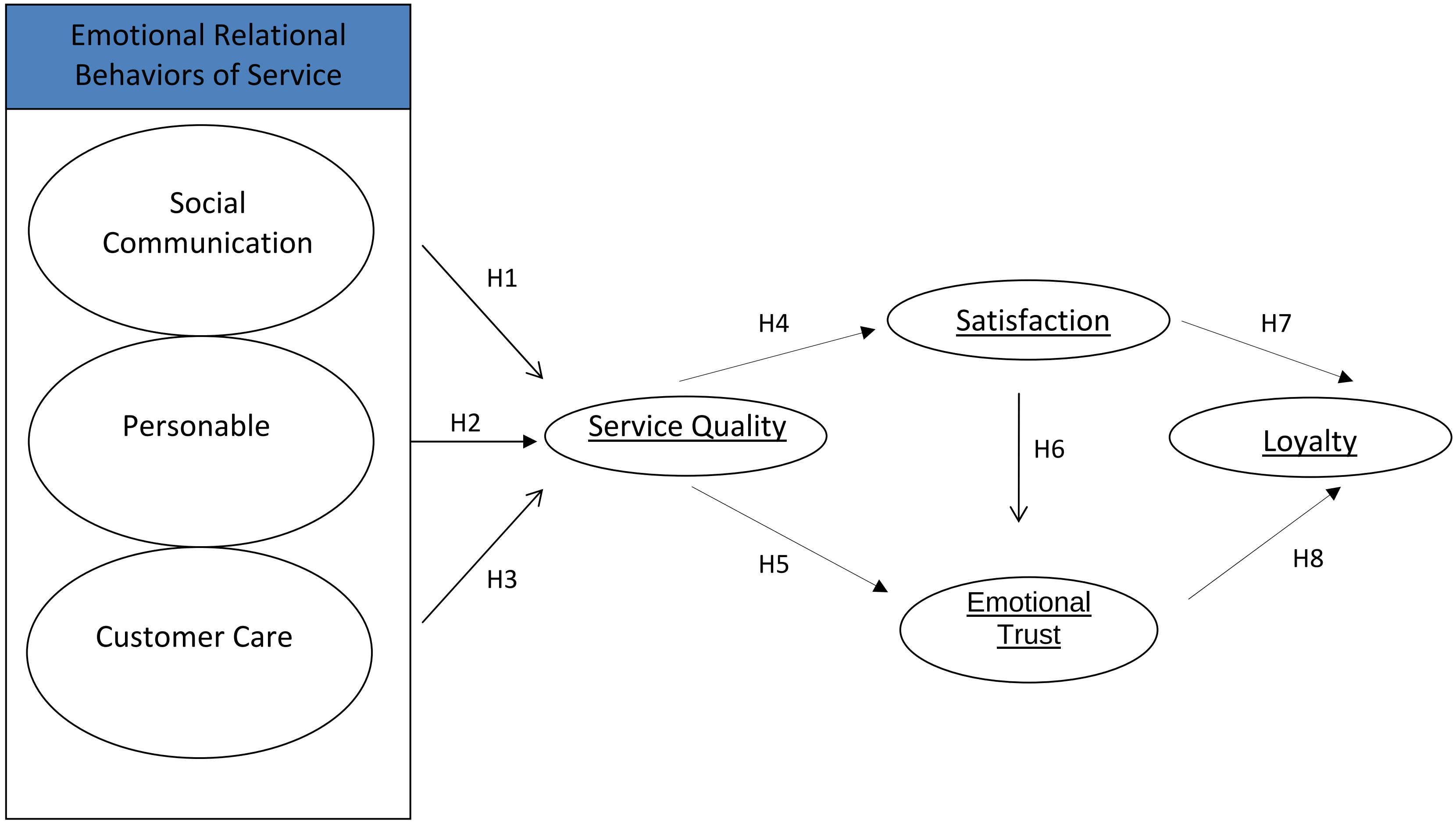
Figure 9. Final Structural Model



<u>Testing the Hypotheses</u>

A new model is portrayed below (figure 10) that describes the role of emotional relational behaviors (ERB) on interpersonal consumer service loyalty. Based on the model, eight (8) hypotheses are put forth for examination. The first 3 hypotheses state that the ERBs, namely, social communication (SC), personable behavior (Pe), and customer care (CC), directly influence service quality (SQ). The latter 5 hypotheses describe the interrelationships between the relationship outcome variables.

Figure 10. New Model – Role of Emotional Relational Behaviors (ERB) on Interpersonal Consumer Service Loyalty



Examination of the Hypotheses

According to the results (Table XXXIII), social communication (SC) is not significantly related to service quality, thus H1 is not supported. The results show that personable behavior (Pe) is positively and significantly related to service quality (β = +0.34; ρ = 0.001). Customer care (CC) is positively and significantly related to service quality (β = +0.67; ρ = 0.001) as well. Thus, H2 and H3 are supported. Service quality is positively and significantly related to satisfaction (β = +0.707; ρ = 0.001) and emotional trust (β = +0.947; ρ = 0.001). Therefore, H4 and H5 are supported. However, the relationship between satisfaction and emotional trust is not significant, and H6 is not supported. Satisfaction is positively and significantly related to loyalty (β = +0.489; ρ = 0.001), and emotional trust is positively and significantly related to loyalty (β = +0.224; ρ = 0.001). Thus, H7 and H8 are supported.

Finally, examination of the squared multiple correlations (SMCs) demonstrates that the revised structural model explains a substantial amount of variance in each outcome. Over half of the variance (SMC = 0.736) in service quality (SQ) is explained by the effect of personable behavior (Pe) and customer care (CC). More than half of the variance (SMC = 0.669) in satisfaction (Sat) is explained by the direct effect of service quality (SQ) and the indirect effects of personable behavior (Pe) and customer care (CC). Although less than half of the variance (SMC = 0.468) in emotional trust (emoTRUST) is explained by the direct effect of service quality (SQ) and the indirect effects of personable behavior (Pe) and customer care (CC), it is adequate. Similarly, an adequate amount of variance (SMC = 0.359) in loyalty (Loy) is explained by the direct effects of satisfaction (Sat) and emotional trust (emoTRUST) and by the indirect effects of service quality (SQ), personable behaviors (Pe), and customer care (CC) (Morgan and Hunt 1994).

Discussion

In this study, five relational behaviors (RB) – mutual understanding (MU), personalization (Prn), authenticity (Au), problem-solving behavior (PSB), and specialized treatment (SpT) -- were pooled from literature to examine their influence on interpersonal service relationships between consumers and service providers in encounters that are extended in duration, affectively or emotionally charged, and intimate in distance (EAI). According to Price et al. (1995a, 1995b), the dimensions of EAI encounters are derived from social psychology and other related disciplines, and may be useful in explaining how long-term interpersonal relationships are developed. Yet, these constructs have received little attention in marketing. Because the content of EAI encounters is emotionally based, emotional and not cognitive trust is emphasized. Furthermore, emotional trust has received little attention in marketing literature (Johnson and Selnes 2005). This study thus sought to gain a better understanding of the emotional characteristics of interpersonal consumer relationships and to determine how they may be utilized in order to influence relationship development.

Table XXXIII. Results for Revised Hypotheses

Hypotheses	Path	Path Estimate (β)	S.E.	ρ-value
H1	Social Communication (SC) → Service Quality (SQ)	(-) 0.013	0.049	0.794
H2	Personable (Pe) → Service Quality (SQ)	**(+) 0.34**	**0.097**	**0.001**
H3	Customer Care (CC) → Service Quality (SQ)	**(+) 0.67**	**0.084**	**0.001**
H4	Service Quality (SQ) → Satisfaction (Sat)	**(+) 0.707**	**0.043**	***
H5	Service Quality (SQ) → Emotional TRUST (emoTRUST)	**(+) 0.947**	**0.150**	***
H6	Satisfaction (Sat) → Emotional TRUST (emoTRUST)	(-) 0.088	0.170	0.606
H7	Satisfaction (Sat) → Loyalty (Loy)	**(+) 0.489**	**0.101**	***
H8	Emotional TRUST (emoTRUST) → Loyalty (Loy)	**(+) 0.224**	**0.068**	**0.001**
Goodness-of-Fit Statistics				
χ^2	525.075			
ρ-value	219			
d.f.	0.001			
CFI	0.935			
NFI	0.925			
RFI	0.935			
IFI	0.877			
TLI	0.894			
PCFI	0.809			
PNFI	0.774			
RMSEA	0.866			

First, the unidimensionality, reliability, and validity of the measurement scales found in this study were examined using confirmatory factor analysis (CFA). The CFA results showed that the measurement model that was originally proposed failed to fit the data, showed issues with reliability, convergent, and primarily discriminant validity. The structure of the original measurement model was therefore not theoretically supported. Various changes and item deletions were attempted in order to improve the fit. Still, problems with discriminant validity persisted. Since theoretical support was not found for the former model, an empirical approach was taken in attempts to develop a reliable and valid group of constructs that would meet the goals of this study. For this reason, exploratory factor analysis (EFA) analysis was performed on the relational behaviors portion of the original measurement model, and confirmatory factor analysis (CFA) was performed on the relationship outcome variables, separately. Nonetheless, the purpose of the study was maintained, namely, to identify a parsimonious group of variables that enhances the development of interpersonal consumer loyalty in EAI encounters.

Confirmatory factor analysis (CFA) was performed on the relationship outcome variables, namely, service quality, satisfaction, emotional trust, and loyalty. Except for emotional trust, the structure of most of these relationship outcome constructs have been highly researched and supported within the field of marketing. Therefore, confirmation of the structure was required. On the other hand, exploratory factor analysis (EFA) was conducted on the 56 scale items that comprise the relational behaviors (RB), since little to no support for its factor structure has been found in literature.

As shown in literature, the structure of the relationship outcome variables was supported. All scale items loaded where they were expected to and did not load where they were not expected to. Two (2) emotional trust scale items, namely, emoT1 (not comfortable sharing thoughts/feelings) and emoT3 (sense of loss if hair stylist/barber left), were deleted due to low standardized regression loadings as shown in Table XXVI. Subsequently, all scales in the resulting relationship outcomes measurement model showed reliability and validity.

Exploratory factor analysis (EFA) on the relational behavior scale items resulted in a 7-factor solution that was reduced to 6 factors since only 1 item loaded on the 7th factor. These new factors, namely, social communication, personable behavior, customer care, problem–solving behavior, incompetence, and insincerity, were then subjected to CFA in order to assess their unidimensionality, reliability, and validity. After various deletions of scale items that contributed to the poor fit of the relational behavior measurement model (Table XXVI), the relational behaviors, now referred to as the emotional relational behaviors (ERB), resulted in 3 factors that included social communication (SC), personable behavior (Pe), and customer care (CC).

Then, a structural model was devised by combining the two revised measurement models described above, namely, the revised measurement model from the emotional relational behavior (ERB) and the revised measurement model of the relationship outcome variables. The hypotheses were examined. Results showed that 2 of the 3 ERBs, namely, personable behavior (Pe) and customer care (CC), have direct and positive influence on service quality (SQ). Moreover, service quality (SQ) showed direct, positive influence on satisfaction (SAT) and emotional trust (emoTRUST), both of which showed direct, positive influence on loyalty (Loy). The study did not find any relationship between social communication and service quality. Additionally, it did not find any relationship between satisfaction and emotional trust.

Thus, this study identified 3 emotional relational behaviors (ERB), social communication (SC), personable behavior (Pe), and customer care (CC) and provided some evidence that the latter two ERBs enhance the development of loyalty in interpersonal consumer relationships within EAI contexts. This study thus emphasizes the importance of personable behaviors (Pe), or behaving pleasantly and politely, on consumers' perceptions about the quality of their service provider and the service exchange in EAI encounters. According to this study, when service employees display personable behaviors (Pe) in interpersonal EAI encounters with consumers, the potential for repeat patronage and developing friendship-like interpersonal consumer relationships increases. According to this study, the development of friendship-like interpersonal consumer relationships using personable behaviors (Pe) is mediated by consumers' perceptions about the quality of service provided by the service employee. Thus, service providers may utilize personable behaviors (Pe) in order to develop friendship-like interpersonal relationships with consumers in EAI encounters, such as those between hair stylists/barbers and hair care clients. These behaviors include displays of pleasant and courteous behaviors, such as greetings and politeness, friendliness, social content, and courtesies, that include small talk and light disclosures such as gossip and joking (Koermer and McCroskey 2006; Koermer 2005).

The personable behavior (Pe) construct is supported by Mittal and Lassar's (1996) study, which contends that personalization is based in social interaction, involving friendliness and personability, factors that are necessary for building friendship-like interpersonal relationships. These behaviors, such as simple, friendly, and polite greetings, are often taken for granted in the service industry. However, as this study shows, personable behaviors (Pe) may positively influence consumers' perceptions about service quality, which influences consumers' perceptions about loyalty. On the other hand, the lack of, inappropriate display of, or inappropriate types of, personable behaviors (Pe), especially in EAI service encounters, such as hair care services, may be uncomfortable for consumers, since these types of encounters are extended in duration and intimate in physical and psychic distance. Personable behaviors (Pe) may ease the discomfort of sitting through an extended while service is being performed, especially when the physical and psychic distance is close and intimate (Price et al. 1995a, 1995b).

Moreover, because EAI encounters are characteristically affective, service employees as well as consumers are likely to display emotions, which may be positive or negative. If performed properly, consumers may respond in emotional ways that positively influence loyalty and relationship development. EAI encounters are intimate or close in physical and psychic distance that again, if appropriate, may likely develop into positive emotional responses such as satisfaction (Price et al. 1995b) and emotional trust (emoTRUST). If inappropriate or negative, they may develop into dissatisfaction and emotional distrust. Then as suggested by the results of this study, increased satisfaction and emotional trust (emoTRUST) may enhance loyalty within the interpersonal consumer exchange.

This study further shows that when service providers demonstrate that they care about customers, or display customer care (CC), consumers' perceptions about service quality increase. Customer care (CC) involves paying special attention to customers and tailoring the service performance to their needs. Service employees are more capable of displaying behaviors such as customer care in service encounters that are extended in duration. In other words, extended time is required in order to properly give customers special and personal attention, and to tailor or customize the performance to customers' needs. Various studies have demonstrated the positive influence of customized benefits and relationship benefits (Beatty et al. 1996; Reynolds and Beatty 1999a) on satisfaction and loyalty. This study further shows that if consumers' perceptions about service quality increase, their perceptions about satisfaction and emotional trust increase, which in turn, positively influences loyalty, or the probability that consumers will return for future services and recommend the service to their friends and colleagues. Based on the outcomes of this study, there are four (4) paths for increasing interpersonal consumer loyalty that are described below.

Paths for Improving Loyalty in Interpersonal Consumer Service Relationships

While this study did not find any significant relationship between social communication (SC) behavior and service quality, it is important to note that social communication (SC) goes beyond polite greetings and small talk, found in personable behavior (Pe). It includes communication exchange between partners, in this case, consumers and service providers, or hair care clients and hair stylists/barbers, which may involve talking about personal things and revelation, or disclosure, of personal information. According to social science researchers, as individuals talk about personal things in social communication, they move towards further stages of the social relationship (McCroskey 1986; Altman and Taylor 1973). Similarly, Mittal and Lassar (1996) contend that personalization is a necessary step that gives consumers the opportunity to speak more freely, to disclose more personal information, including information about products that address the needs of their personal lives. Thus, personable behaviors such as polite greetings and small talk appears to be a first step towards initiating, or feeling comfortable enough to engage in, conversation on a personal level as in social communication. According to the model, as the levels of personable behavior increase, consumers' perceptions of quality service increases, which leads to increased levels of satisfaction and emotional trust, which in turn leads to increased loyalty. Realistically, high levels of personable behavior may be required to encourage social communication to take place between consumers and service employees. White (2004) contends that self-disclosure influences interpersonal relationship development, but cautions that service providers should be aware of perceived disclosure consequences (PDCs). In other words, hair care clients may engage in personal conversation, but they may not reveal intimate information to close partners for fear of loss of privacy or loss of face. Thus, marketers should place emphasis on relationship building that minimizes the potential downside risks of negative outcomes of self-disclosure for consumers. This precaution is exemplified by Rumors Salon, New York, which warns hair stylists/barbers against initiating conversation that consists of disclosures of personal, intimate information.

Although this study did not find any direct influence of social communication (SC) on consumers' perceptions about service quality, it is plausible that social communication (SC) behavior may directly influence satisfaction and emotional trust (emoTRUST), however, these interrelationships were not examined in this study. Price et al. (1995a, 1995b) demonstrated the influence of mutual understanding on satisfaction. Price and Arnould (1999) showed that mutual understanding positively influenced trust, yet they did not distinguish between cognitive and affective trust. Future research may examine the direct influences of social communication (SC) on satisfaction and emotional trust (emoTRUST), as well as the influence of social communication (SC) on consumer loyalty towards service providers as these propositions may provide further insight into understanding how interpersonal relationships with consumers are developed.

Additionally, this study did not find any relationship between satisfaction (SAT) and emotional trust (emoTRUST). It did, however, find a direct and positive relationship between satisfaction (SAT) and interpersonal consumer loyalty, and between emotional trust (emoTRUST) and interpersonal consumer loyalty. While satisfaction is directly related to loyalty, it is not indirectly related to loyalty through emotional trust (emoTRUST). Thus, emotional trust (emoTRUST) does not have any mediating effects between satisfaction and loyalty, contrary to figure 10.

Subsequently, there are four (4) independent, mutually exclusive paths that lead from the emotional relational behaviors (ERB) to interpersonal consumer loyalty as shown in figure 11 and Table XXXIV. Path 1 begins from personable behavior (Pe) and goes to service quality (SQ) to satisfaction (SAT) and then to loyalty (Loy). Path 2 begins from customer care (CC) and goes to service quality (SQ) to satisfaction (SAT) then to loyalty (Loy). Path 3 begins from personable behavior (Pe), then goes to service quality (SQ) to emotional trust (emoTRUST) and to loyalty (Loy). Finally, path 4 begins from customer care (CC), then goes to service quality (SQ), then to emotional trust (emoTRUST) and to loyalty (Loy). Each path is independent of the other. Neither path is a necessary condition for loyalty, since these paths are not linked through satisfaction and emotional trust, as the results showed. Each path leads to loyalty and can operate through satisfaction or emotional trust.

Then, if managers of EAI encounters such as hair care services seek to increase loyalty within their firms, they may utilize one of these four (4) paths, as the figure and table suggest. For instance, managers may train employees to display personable behaviors (paths 1 and 3). They may train employees to be pleasant and polite to clients as they enter and exit the hair salon/barber shop, and to politely escort clients and engage them in light conversation as they go through the hair salon/barber shop for different services, such as when they go from the hair perming station to the shampooing station, and then to the hair drying station. Managers may train employees on how and when to utilize small talk, such as light gossip, as well as on what types of small talk are appropriate compared to those that are considered inappropriate and should not be used.

Additionally, managers may train employees to utilize customer care (paths 2 and 4). They may show employees how to tailor their clients' needs by gathering information about their preferences and proactively using this information to offer client-specific services during the hair care exchange. They may train employees to be proactive in contacting clients for future appointments that are specific to their needs, or rescheduling future appointments, before the client leaves the hair salon/barber shop. Appropriate performance of these behaviors may lead to increased perceptions of service quality, such as feelings of receiving very high or high standards of service. In turn, high service quality may lead to customer satisfaction, which means that clients feel that the service exchange was favorable. Or, perceptions of service quality may lead to emotional trust, which means for instance that clients feel that they can talk freely with their hair stylist/barber and share their problems with their hair stylist/barber, who wants listen and will respond in a caring manner. Lastly, increased levels of both satisfaction and emotional trust may lead to loyalty, which means that clients will utilize the service the very next time they need hair care and make repeat purchases in the future. These paths are independent of each other. Thus either may be utilized to enhance loyalty in interpersonal exchanges between consumers and service providers. Most importantly, managers should demonstrate to employees the positive and negative consequences of displaying these behaviors so that employees may better understand the potential effects they have on the future success of their business.

It should be noted however that displays of customer care (CC) have nearly two times the influence on consumers perceptions about service quality ($\beta = + 0.67$, $\rho = 0.001$) than personable behavior ($\beta = + 0.34$, $\rho = 0.001$), according to Table XXXIII. Thus, given the time allowed within an extended service encounter, managers may make decisions about whether it is more effective or efficient for service employees to be trained on how to display one or both of these behaviors. Additionally, the results of this study show that service quality exerts almost as much influence on satisfaction ($\beta = 0.707$, $\rho = 0.001$) as it does on emotional trust ($\beta = 0.947$, $\rho = 0.001$). Thus, managers may opt to take either route. However, managers may suggest that employees utilize the path leading from satisfaction to loyalty ($\beta = 0.489$, $\rho = 0.001$) rather than the one between emotional trust and loyalty ($\beta = 0.224$, $\rho = 0.001$), as the former has twice as much influence on loyalty than the latter.

This finding is similar to Johnson and Grayson (2005) who demonstrated that affective trust contributes significantly to anticipation of future interactions in the financial services industry. However, they found this relationship to be modest and suggested that affective trust may have a more direct affect on processes such as customers' listening behavior and responses to persuasive attempts, which in turn affect sales effectiveness (pp. 505-506). It moreover suggests that while consumers may develop affective trust, based on their perceptions about service quality, the resulting influence on loyalty may be minimal. This situation is neither unusual in

Figure 11. Paths for Improving Loyalty

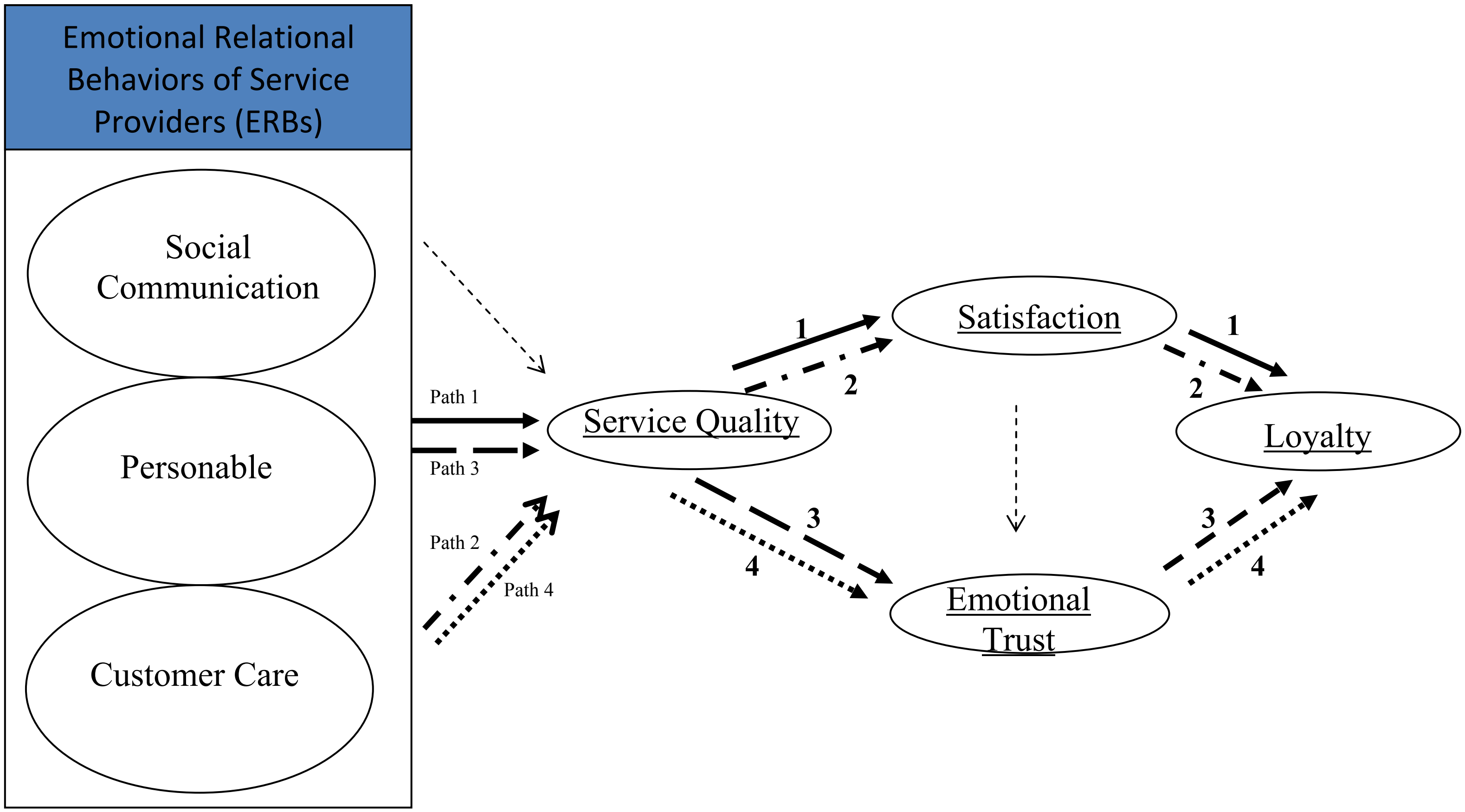


Table XXXIV. Four Paths for Improving Loyalty

Emotional Relational Behaviors (ERBs)	Path	Relationship Outcomes			
		Service Quality (SQ) (very high, high standard)	**Satisfaction (Sat)** (un-/favorable, dis-/satisfied)	**Emotional Trust (emoT)** (can talk freely, shares problems)	**Loyalty (Loy)** (use very next time, gets most service)
Personable (Pe) (pleasant, courteous, polite)	**1**	x	x		x
Customer Care (CC) (paid special attention, received personal attention)	**2**	x	x		x
Pe	**3**	x		X	x
CC	**4**	x		X	x

social nor business settings. In common terms, exchange partners are said to be deeply committed, or loyal, when there are strong emotional bonds between them and when emotional trust is achieved. Thus, consumers may develop trust based on feelings of liking towards a service provider at early stages of the relationship, although emotional commitment has not yet been developed. At later stages of the relationship, as emotional trust increases, its influence on emotional commitment may increase as well.

Indeed, path 2 is the most effective of the four paths. Nonetheless, managers must make trade offs and decide whether they will pay the additional costs of providing consumers with tailored services, which include the costs of training service employees on how to develop and utilize the appropriate customizations, or train service employees on the importance of small talk and, simple polite greetings, and how and when to apply them. Certainly, personable behavior (Pe) should not be taken for granted. Its impact, while potentially less than that of customer care (CC), is still significant. Nonetheless, budgetary and time constraints may determine the best paths for managers of these types of services to increase consumer loyalty. In the least, they will be considered.

The analysis for this study included only data from surveys in which respondents were patrons of non-chain hair salons/barber shops, and excluded chain retail establishments, in order to ensure that the emotional, affective, and intimate distance criteria of EAI services were captured. Using additional qualifying questions, the survey asked about the length or duration (q1-4 and q1-5), frequency (q1-6), and recency (q1-7) of the consumer's relationship with the hair salon/barber shop and hair stylist/barber. Analysis showed that only 3.4% of respondents had never used the same hair stylist/barber in the past 6 months (duration, q1-4); 94.1% made their last visit to their current hair stylist/barber within the past 6 months (recency, q1-7).

In order to examine whether interrelationships between the relational behaviors and relationship outcomes differed for consumes at early or late stages of the relationship, at low versus high frequency of consumer patronage, and for recent patronage, group analyses were conducted. For question 1-4 (How long have you been going to a hair stylist/barber?), respondents were divided into quartiles in order to compare high versus low duration groups. The resulting small group sample sizes did not permit AMOS to provide an admissible solution. So, the total sample was divided into two groups based on a median split (median = 240 months). Still, small group sizes resulted in inadmissible solutions. Comparisons were attempted for question 1-5 (How long have you been going to your current hair stylist/barber?), or duration with the current hair stylist/barber. Similarly, the solution was inadmissible due to sample size. Comparisons between respondents who have been to their current hair stylist/barber for the long versus short times thus could not be made, but are suggested for future research.

For q1-6 (In the past 6 months, how many times have you used the same hair stylist/barber?), respondents were divided into a low frequency group (1-2 times) and a high frequency group (4 or more times). Results showed that the interrelationships between the groups were not significantly different. Additionally, for q1-7 (How long ago was your last visit to your current hair stylist/barber?), or recency, group differences are non-significant, although each group shows few unique parameter estimates.

Nevertheless, the multi-staged view of relationship development (Dwyer et al. 1987; McCroskey et al. 1986; Altman and Taylor 1973) asserts that the duration, frequency, and recency of an exchange influences relationship outcomes. Stringent analysis is however not permitted in this study to compare differences at the extremes of each dimension, such as consumers who have been going to a hair stylist/barber for the longest versus the shortest amount of time. Larger sample sizes are thus suggested for future research to examine the potential influence of duration, frequency, and recency of displaying relational behaviors on emotional trust and loyalty.

Future research is suggested that examines the roles of cognitive versus and emotional trust in EAI exchanges, and their impact on relationship development and maintenance. Similar to Johnson and Grayson's (2005) research, this study found the relationship between satisfaction and affective trust to be nonsignificant. However, they found that the relationship between satisfaction and cognitive trust was significant, and the relationship between cognitive trust and affective trust was significant. To explain, several satisfactory transactions may be required before a consumer gains emotional or affective trust in the service provider, although cognitive trust may be present. Thus, while satisfaction may not influence affective trust in order for customers to become loyal to their hair care service provider, it may influence affective trust indirectly. Still consumers may develop loyalty through cognitive trust. In the next section, the limitations of this study are explained, and issues relating to the data and measurement model are further described.

Limitations

This study is faced with various limitations. First, it appears that multicollinearity may diminish the influence of the relational behaviors. The EAI variables proposed in Price et al.'s (1995a, 1995b) studies are highly correlated. Additionally, Table XIV shows that pairwise correlations are significant at $\rho = 0.01$ for all relational behavior pairs. Moreover, the distribution for several variables were skewed and leptokurtic. The sample size in this study ranged from 191 – 204 respondents, thus concerns about non-normally distributed variables were expected to be negligible (Hair et al. 2006). Additionally, structural equation modeling (SEM) assumes that relationships between exogenous and endogenous variables are linear in nature. This study is thus limited to the extent that the true nature of interrelationships among these variables is non-linear. Future research may examine the relationships posed in this study using non-linear methods of analysis and larger sample sizes.

The model shown in this study was further examined to determine whether competence covaried with the relational behaviors and thus influenced outcomes of the study (Sirdeshmukh et al. 2002). Results showed that low and high groups were not significantly different, although, some parameter differences did exist between groups. Future research may examine the potential effects of competence with a total sample size greater than 400, so that high and low competence groups may be better compared.

Another limitation of this study is that it attempts to capture emotional characteristics of service encounters. For the most part, the conceptualization and operationalization of emotional content is challenging for marketing researchers (Johnson and Grayson 2005). Similar to these authors, this study attempted to operationalize emotional trust in a quantitative fashion using a Likert-like scale, whereas it may be better captured using a qualitative technique. Additionally, it used a Likert scale to operationalize authenticity, whereas Hennig-Thorau et al. (2006) and Grayson (1998) operationalized authenticity by portraying a surface-acting versus deep-acting technique in an experimental study. Their studies found positive and significant relationships between authenticity and loyalty, whereas further analysis of the scale items utilized in this study showed that items from the original authenticity scale loaded with other scale items not found in the authenticity scale. Eventually, all authenticity scale items dropped out of the analysis, although marketing research suggests that it positively influences interpersonal consumer relationships (Hennig-Thorau et al. 2006; Price et al. 1995a, 1995b). Thus, the operationalization of authenticity utilized in this study may be problematic. Future research is needed that develops appropriate measures for emotional constructs, such as authenticity, so that they may be better studied, and emotional processes in interpersonal consumer exchanges may be better understood.

In addition to the emotional content of emotional, or affective trust, the trust construct is challenging due to its dynamic and context-specific nature (Raimondo 2000; Leisen and Hyman 2004). This study attempted to identify dimensions of trust specific to EAI encounters. Yet, several dimensions may be considered within different service contexts (Leisen and Hyman 2004). Therefore, the interrelationships involving trust in this study may not be generalizable to contexts outside of EAI encounters, and specifically, outside hair care contexts.

Furthermore, it is challenging to conceptualize the "evolutive nature" (Raimondo 2000) of affective trust. According to Raimondo (2000), trust is a dynamic construct so that over time, antecedents may become outcomes and outcomes may become antecedents. Therefore, in order to examine its impact on relationship development requires that one knows where, or at what level, the exchange partners are in the relationship. Nevertheless, marketing literature is abundant with research about cognitive trust. Yet, research concerning the conceptualization and operationalization of affective trust in marketing is in its early stages. In this and Johnson and Grayson's (2005) studies, few items from the affective trust scale were problematic and thus deleted. More research is needed that examines the concept of affective trust in marketing and addresses issues concerning scale development and the evolutive nature of trust. Then the impact of affective trust, at different stages of a consumer relationship, and on consumer's perceptions of total trust, or the combined influence of cognitive and affective trust, on loyalty may be better understood. Still, this study provides some evidence of its influence in emotionally-based encounters.

This study utilized the context of hair care services to represent EAI services, and to examine the role of emotional relational behaviors (ERB) in developing interpersonal consumer relationships. Not only is there concern that trust is context-specific (Leisen and Hyman 2004), future research is needed to examine the influence of these variables in other EAI service contexts, such as massage therapy, spa treatment, or personal trainer services, in order to determine the extent that the interrelationships are generalizable. Additionally, more research is needed to examine the hypothesized relationships presented here in non-EAI contexts in order to determine whether their influence on the development of interpersonal consumer relationships exists beyond EAI encounters, such as with bank tellers.

Further, gender and cross-cultural differences may have played a role in the outcomes of this study (White 2004; Jacobs et al. 2001). Approximately 80% of the sample in this study was female, thus it was difficult to test for potential gender effects since the study lacked equivalent numbers of male counterparts. Moreover, the sample consisted of 125 (65.4%) African-Americans. The remainder of the sample consisted of 10.5% Caucasian/white, 13.6 Hispanic, 3% American Indian, 4% mixed race, and 12.7% undetermined population groups. Thus, the sample utilized in this study consisted of a unique subset of the population of hair care customers, or African-American females, who have specific hair care needs. The results may therefore not be generalizable to other subcultural groups or to the general population.

Furthermore, they were taken from the members of a professional organization, the KPMG PhD Project, who are expected to utilize hair care services to maintain a professional appearance, but who are highly educated as well. Thus, an educational bias may exist in addition to gender and cultural biases. Additionally, the study was conducted using a unique type of EAI service encounter, specifically hair salons/barber shops (Table IV). Therefore, the results may not be generalizable to other types of EAI, or non-EAI services, such as massage therapy, personal trainer, private instruction, flight attendant, or bank teller.

An examination of long- versus short-term patrons may uncover differences in how consumers view relationship development. In this study, 138 (67.6%) of respondents indicated that they have been going to a hair stylist/barber for over 10 years. Forty-six, or 22.5%, have been going to a hair stylist/barber for five years or less. A comparison of these groups determined that the model remained consistent across groups, although differences in sample size limited the analysis. Still, only 20 (9.8%) have been going to their current hair stylist/barber for over 10 years compared to 138 (72.3%) who have been going to a hair stylist for over 10 years. These figures suggest that some customers may have switched to competing hair care firms over time.

Switching behavior may be due to a number of reasons and was not examined in this study. Since the age of respondents range from 18 – 46+ years, customers may have switched hair care service providers due to life changes, or changes in geographic location for family or occupational reasons. Future research may include a longitudinal study that examines the roles of the emotional relational behaviors (ERB) on consumer patronage, switching behavior, and relationship development, over time.

Moreover, future research should examine the influence of social communication on customer switching behavior. To the extent that social communication increases as the relationship grows, the level of idiosyncratic knowledge about needs and preferences also increases, thereby increasing consumer and service providers' relationship investments and reducing consumers' motivation to switch to competitors (Hsieh et al. 2005; Johnson and Selnes 2004; Berry 1995). Furthermore, social communication may increase value in the relationship thereby increasing relationship strength.

Future research may examine the influence of social communication in enhancing interpersonal consumer relationships. Price and Arnould (1999) showed that mutual understanding is directly related to trust. In this study, however, it was hypothesized to directly influence service quality. Contrary to its portrayal in this study, the ability of social communication to influence emotional trust and interpersonal consumer loyalty may not be mediated by service quality. Social communication may be directly related to emotional trust, and satisfaction, as well as loyalty. Lastly, there may be confounding effects between social communication and personable behavior that require more detailed examinations. However, these contentions were not examined in this study, and are thus recommended for future research.

Conclusion

Marketing research is abundant with theories and conceptualizations about how to develop relationships in several contexts ranging from industrial to consumer. Sirdeshmukh et al. (2002) argued that consumers' perceptions about trust and loyalty in service exchange are influenced by observable service provider behaviors, such as operational benevolence, operational competence, and problem-solving orientation.

Price et al. (1995a, 1995b) stated that exchanges must consist of extended duration, affective and emotional content, and intimate proximity (EAI) in order to develop interpersonal commercial relationships with consumers that appear like friendships. Yet, these dimensions have not received much attention in marketing literature. Several studies examined service quality in developing interpersonal relationships between service providers and consumers, which acknowledge the critical role of service providers in influencing interpersonal relationships with consumers. Yet, marketing managers lack a clear understanding about which behaviors service employees should display in order to develop interpersonal relationships with them.

The focus of this study was on extended, affective, and intimate (EAI), friendship-like, relationships because studies have shown that they consist of the highest levels of satisfaction and loyalty (Coulter and Ligas 2004; Johnson and Selnes 2004). Most firms, including hair salons and barbershops, seek to gain loyal customers since loyalty enhances a firm's profitability. Understanding which behaviors are most effective in developing friendship-like relationships, and the extent of their influence, would be thus beneficial to marketing managers of these and other services, and to academicians who study EAI services and relationships in general. This study sought to provide some evidence that the relational behaviors (RB), namely, mutual understanding, personalization, authenticity, problem-solving behaviors, and specialized treatment, are the necessary tools or behaviors for service providers to enhance interpersonal relationships with consumers. Theoretical issues limited the findings of the originally proposed model. Thus an empirical approach was taken to establish an appropriate and parsimonious group of revised, emotional relational behaviors (ERB), and to determine the extent that they enhanced interpersonal consumer relationships. This study thus provided some evidence that personable behaviors and customer care influence consumer loyalty in EAI, or friendship-like, interpersonal consumer relationships. While the study utilized a hair care setting to represent the EAI context, the extent that results are generalizable to other EAI contexts or to non-EAI contexts is not known.

While it is important for consumers to observe service providers' performance during exchanges that are central to the service being provided, in order for evaluation to occur (Sirdeshmukh et al. 2002), evaluation may be difficult due to intangibility and variability characteristics of services. Thus, consumers may find it difficult to develop perceptions about relationship development. It is further challenging when the relationship involves a significant amount of emotional content, as in the case of EAI-exchanges. Thus, consumers may make evaluations based on process factors, such as service providers' style in delivering service (Lovelock and Wirtz 2004). In this case, emotional relational behaviors (ERB) such as personable behavior and customer care may serve as process factors, providing cues for service evaluation when it is difficult to do so and enhancing the likelihood for the development of trust and loyalty.

Personable behavior is required to initiate interaction between service providers and consumers. It encourages further communication during encounters, especially when the encounter is extended in duration. It provides social interaction including courteousness and pleasantries, politeness and small talk, that are necessary for interpersonal exchange partners to perceive that the interaction is satisfactory, instead of cold, stale, and emotionless, especially during when the encounter is lengthy in duration. Social communication may further be necessary to maintain continuous shared communication between service providers and consumers, although its hypothesis was not supported. Then, if service providers display customer care within the exchange, the combined efforts of these emotional relational behaviors (ERB) may increase the potential for the service exchange to move from superficial levels to levels of greater depth, involving more communication and movement towards disclosure of personal information from both service provider and consumer, similar to that described in penetration theory (Altman and Taylor 1973). This movement from one layer to another towards greater intimacy may be necessary for service providers to better understand how to address customers' needs, to provide customer-specific solutions (Johnson and Selnes 2004). It is further necessary for consumers to develop emotional attachment, emotional trust, and emotional loyalty as the relationship progresses.

A better understanding of the relational behaviors and their influence on relationship outcomes would benefit managers who must monitor service provider performance, customer loyalty and company profitability on a routine basis. The issue of service provider performance is especially important because the service industry plays a prominent role in today's economy. Thus managers must gain a better understanding about performance behaviors that are effective and add value in order to capture the attention of consumers who are time-pressured and faced with many alternatives.

Managers may thus benefit by training employees on how to display appropriate types personable behavior and customer care, and assist them in understanding what levels of these behaviors are appropriate, in different situations, and different service contexts, in order for relationship development to occur. Poor displays of these behaviors from service employees such as hair stylists/barbers may translate into loss of customer patronage and revenue. Providing the appropriate types of customer care requires much information from the consumer in order to develop emotional trust and loyalty in EAI relationships. This information gathering may be initiated through personable behaviors, such as polite greetings and small talk, and further encouraged through exchange-specific or personal self-disclosures (Jacobs et al. 2001). Inappropriate displays of these behaviors may have potentially negative consequences and thus lead to switching behavior or relationship termination (White 2004). According to this study, managers need to train service employees on how to utilize personable behaviors and customer care as these behaviors impose time and opportunity costs on firms.

Thus, in response to the question posed at the beginning of this study by the hair salon owner, a parsimonious set of relational behaviors was provided that was demonstrated to enhance relationship development between hair care service providers and hair care clients. The study identified two, and potentially three emotional relational behaviors (ERB), namely personable behavior and customer care, and perhaps social communication, that may be utilized by service employees of EAI services to encourage repeat patronage and enhance consumer loyalty. Results of the study showed that managers of EAI services may train service employees to display personable behaviors or customer care which may lead to 4 potential paths or options for developing interpersonal consumer loyalty. Two paths begin from personal behavior, two begin with customer care. All paths go through service quality, with then may either pass through satisfaction or emotional trust, which may then to loyalty. This study thus provided some insight about various ways to increase loyalty in EAI service contexts, using a parsimonious set of emotional relational behaviors. The results may hopefully encourage more research that focuses on best ways to develop interpersonal consumer relationships. Future research is required in order to examine these interrelationships in other contexts, using other samples.

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APPENDIX

APPENDIX A

EXPEDITED REVIEW RESEARCH PROTOCOL FOR DISSERTATION RESEARCH

Revised Informed Consent – E-mail Memo Script

****

Participate in a Study for a Chance to Win $50.00!

Dear Respondent:

I would like to invite you to **participate in a study** and **a chance to win a $50.00 gift check.** You will be asked to complete the following survey. You must be at least 18 years of age to participate.

Informed Consent Statement

The survey asks you to describe some of your most recent hair care experiences at your hair salon/barber shop. You will also be asked some demographic questions. There are no risks involved in taking this survey beyond those of daily living. Participation is strictly voluntary. You may discontinue at any time during the study. The data will be used primarily for the completion of my doctoral dissertation requirements. Your responses will remain confidential. If you have any questions about your rights as a research subject, you can contact the Cleveland State University Institutional Review Board at (216) 687-3630. Proceeding to the link below signifies your consent to participate.

The survey should take **15 minutes** to complete. If you wish to proceed, please click on the link below or cut-and-paste it in the Internet address box above:

https://www.surveymonkey.com/s.aspx?sm . . . . .

Thank you for taking time to participate in this study!

Sincerely,

Bernadette P. Njoku
College of Saint Rose, (518) 337-4323 (office)
njokub@strose.edu
You may take the survey only once. Please do not discuss it with anyone until December 30th. The raffle will be drawn December 23, 2008 or when all data are received. Only completed surveys are eligible win.

APPENDIX B

SURVEY

Dear participant:

Please take a few minutes to complete the following survey. Your information will help us to better understand your experiences at your hair salon/barber shop so that we may provide you with service that meets your needs and fits your lifestyle. ***Please note that the hair salon/barber shop where you receive hair care service is not conducting this study. It is being conducted by an independent researcher and does not reflect the opinions of your hair care service provider.*** While you complete the survey, remember that there are no right or wrong answers. We just want you to give your personal and sincere opinions. Your responses will be treated with absolute confidentiality. The survey should take about **15 minutes** to complete. Thank you for sharing valuable information about your experiences with us.

(**Note:** Please **do not discuss** your responses with anyone until December 30, 2008 when all data have been collected. Adhering to this request will ensure that we get your own honest opinions about your experiences. Also, you must be **at least 18 years of age** to take the survey. Thanks again!)

Sincerely,

Bernadette Njoku
School of Business
College of Saint Rose
(518) 337-4323 (ofc)
(518) 458-5449 (fax)
njokub@strose.edu

General Instructions for Completing the Survey: This survey consists of three parts. **Part 1** contains qualifying questions. **Part 2** asks you about your experiences at your hair salon/barber shop and **Part 3** asks questions about your background. Please provide your answers to each question by **circling** the number that best represents your opinion.

Please begin on the next page. Complete the survey **only <u>ONCE</u>**. If you have already filled one out, **<u>DO NOT</u> fill out another one**.

Thank you again for taking time to share your valuable experiences with us!

PART 1.

Q1-1. Are you 18 years of age or older?

_____ yes

_____ no

Q1-2. Do you go to a hair salon/barber shop?

_____ yes

_____ no

If you answered **"YES" to these questions,** you may **go to the next question**. If you answered **"NO" to any of these questions,** please **STOP.** Return all materials to your research administrator and thank you very much for sharing your valuable information with us!

Q1-3. Do you go to a hair salon/barber shop that is part of a chain, such as Super Cuts,
Fantastic Sams, or Best Cuts? (A chain is a store owned and operated as a group
by a single organization. For instance, Best Cuts may have several hair salons located around your city.)

_____ yes

_____ no

If you answered **"YES" to this question,** please **STOP.** Return all materials to your research administrator and thank you very much for sharing your valuable information with us! If you answered **"NO",** please **CONTINUE** to the next question.

Q1-4. How long have you been going to a hair stylist/barber?

_____ years _____ months

Q1-5. How long have you been going to **your current hair stylist/barber**?

_____ years _____ months

Q1-6. In the past 6 months, how many times have you used the **same hair stylist/barber**? (*check one*)

_____ 1 time

_____ 2 times

_____ 3 or more times

Q1-7. How long ago was your last visit to **your current hair stylist/barber**?

_____ years _____ months _____ weeks

PLEASE CONTINUE …

Part 2. Experiences at Your Hair Salon/Barber Shop

INSTRUCTIONS: Part 2 consists of specific questions about your experiences at your hair salon and with your hair stylist/barber. In this section, please think about the **hair care services** that you have received, such as washing and styling, perming, coloring, cutting, to name a few. Think about **your last visit** to the hair salon/barber shop. It will **NOT** be necessary for you to reveal the name of your hair salon/barber shop or hair stylist/barber. Simply, your responses will help us better understand your needs.

Thinking about the **hair care experiences that you had on your last visit to the hair salon, circle** the responses that best represent your opinion.

For example,

Strongly
Strongly
Disagree
Agree

Q1: My hair stylist provides good service.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

Please respond to all questions and remember that there are **NO RIGHT OR WRONG ANSWERS**.

PLEASE CONTINUE …

INSTRUCTIONS: Answer the following questions about the **hair salon/barber shop** where your hair stylist/barber that you last visited is employed.

How likely are you to . . .		**Very unlikely**						**Very likely**
Q2-1.	Get most of your future hair care at this hair salon/barber shop?	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-2.	Recommend this hair salon/barber Shop to friends, neighbors, and relatives?	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-3.	Use this hair salon/barber shop the very next time you need hair care?	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-4.	Spend more than 50% of your hair care budget at this hair salon/barber shop?	**1**	**2**	**3**	**4**	**5**	**6**	**7**

INSTRUCTIONS: Next, thinking about the **hair stylist/barber that you last visited, please circle** the response that best represents your opinion.

		Strongly Disagree						**Strongly Agree**
Q2-5.	I can talk freely with my hair stylist/barber about my problems and know that s/he will want to listen.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-6.	I would feel a sense of loss if my hair stylist/barber left the hair salon and s/he could no longer do my hair.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-7.	If I shared my problems with my hair stylist/barber, I feel s/he would respond caringly.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-8.	I do not feel comfortable to freely share my thoughts and feelings with my hair stylist.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-9.	I feel that I, and my hair stylist/ barber, have both made considerable emotional investments in developing a relationship with me as a customer.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

INSTRUCTIONS: Continue to think about the service you received from the **hair stylist/barber that you last visited.** On each of the scales below, rate the service you received from your hair stylist/barber:

	Very pleased					Very displeased	
Q2-10.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

	Very favorable					Very unfavorable	
Q2-11.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

	Disgusted with					Contented with	
Q2-12.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

	Very satisfied with					Very dissatisfied with	
Q2-13.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

	Unhappy with					Happy with	
Q2-14.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

INSTRUCTIONS: Respond to the following questions about the **hair stylist/barber that you last visited, by circling** the response that best represents your opinion.

	Strongly Disagree						**Strongly Agree**
Q2-15. My hair stylist/barber gave me excellent overall service.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-16. My hair stylist/barber gave me very high quality service.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-17. My hair stylist/barber gave me superior service in every way.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-18. My hair stylist/barber gave me a high standard of service.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

INSTRUCTIONS: Here also, respond to the following questions about the **hair stylist/barber that you last visited, by circling** the response that best represents your opinion. Remember that there are **NO RIGHT OR WRONG ANSWERS**.

	Strongly Disagree						**Strongly Agree**
Q2-19. When I chat with my hair stylist/barber about my life and experiences, it seems like s/he connects to me (i.e., gets me).	**1**	**2**	**3**	**4**	**5**	**6**	**7**

		Strongly Disagree						Strongly Agree
Q2-20.	My hair stylist/barber revealed personal information about himself/herself.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-21.	My hair stylist/barber invited me to reveal personal information about myself.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-22.	My hair stylist/barber took the time to know me personally.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-23.	I can talk about anything with my hair stylist/barber.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-24.	My hair stylist/barber was polite.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-25.	My hair stylist/barber and I do not talk about personal things with each other.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-26.	My hair stylist/barber was courteous.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-27.	I often tell my hair stylist/barber a lot of information about what's going on in my personal life.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-28.	I often confide in my hair stylist/barber a lot of personal information (e.g., about my lifestyle, family, values, and beliefs).	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-29.	My hair stylist/barber was pleasant.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-30.	I expressed to my hair stylist/ barber that I like and respect him/her as a person.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-31.	My hair stylist/barber displayed personal warmth in his/her behavior towards me.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-32.	My hair stylist/barber was unfriendly.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-33.	My hair stylist/barber acted naturally towards me.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-34.	My hair stylist/barber behaved disrespectfully towards me.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-35.	My hair stylist/barber's behavior seemed genuine.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

	Strongly Disagree						Strongly Agree
Q2-36. My hair stylist/barber often told me that my hair looked great even when it looked bad.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-37. My hair stylist/barber truly behaved out of the ordinary.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-38. My hair stylist/barber is insincere about my hair care.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-39. My hair stylist/barber tells me the truth about my hair, whether it looks bad or good.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-40. My hair stylist/barber was incapable.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-41. My hair stylist/barber was efficient.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-42. My hair stylist/barber was thorough.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-43. My hair stylist/barber acts like s/he is behaving like his/her true self.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-44. My hair stylist/barber was disorganized.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-45. My hair stylist/barber is incompetent in handling most customer requests.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-46. My hair stylist/barber tells me exactly when services will be performed.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-47. My hair stylist/barber seems to behave like the same person, whether s/he is with a customer or not (like s/he is himself/herself).	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-48. I receive prompt service from my hair stylist/barber.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-49. My hair stylist/barber is always willing to help me.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-50. My hair stylist/barber is always too busy to respond to my requests.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

		Strongly Disagree						Strongly Agree
Q2-51.	My hair stylist/barber hesitates to take care of any problems I might have during my hair care appointments.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-52.	My hair stylist/barber understands my specific hair care needs.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-53.	My hair stylist/barber is incapable of answering my questions.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-54.	My hair stylist/barber anticipates my hair care needs before I do.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-55.	My hair stylist/barber took care of my hair care needs.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-56.	My hair stylist/barber paid special attention to me.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-57.	My hair stylist/barber gave me something extra (e.g., extra product, advice).	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-58.	There have been occasions when I took advantage of someone.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-59.	I sometimes try to get even rather than forgive and forget.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-60.	My hair stylist/barber goes out of his/her way to solve customers' problems.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-61.	My hair stylist/barber is unwilling to bend company policies to help address customers' needs.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-62.	At times I have really insisted on having things my own way.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-63.	I like to gossip at times.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-64.	I receive personal attention about my hair care from my hair stylist/barber.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-65.	My hair stylist/barber tailors my hair care treatment to fit the specific needs of my lifestyle.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

	Strongly Disagree						Strongly Agree
Q2-66. I have never deliberately said something that hurt someone's feelings.	**1**	**2**	**3**	**4**	**5**	**6**	**7**
Q2-67. I'm always willing to admit it when I make a mistake.	**1**	**2**	**3**	**4**	**5**	**6**	**7**

INSTRUCTIONS: Please respond to the following statements by giving your honest opinion. Respond to all questions and remember that there are **NO RIGHT OR WRONG ANSWERS**.

Q2-68. How many years has your hair salon/barber shop been in business? (check one)

_____ 1 to 4 years

_____ 5 to 9 years

_____ 10 or more years

Q2-69. Indicate the type(s) of services that you get at your hair salon/barber shop? ***(check all that apply)***

_____ Shampoo and Blowdry

_____ Hair Cut

_____ Deep Conditioning

_____ Set/Blowdry

_____ Chemical Relaxer

_____ Permanent Wave

_____ Color

_____ Highlights/Lowlights

_____ Retouch (relaxer or color)

_____ Scalp Treatment/Massage

_____ French Braid

_____ Men's Beard Shaping

_____ Hair Removal

_____ Facial Treatment

_____ Manicure

_____ Pedicure

_____ Other (specify) ____
____

Q2-70. Indicate the reason(s) that you go to hair salons/barber shops? ***(check all that apply)***

_____ The hair stylist/barber makes me look good.

_____ Doing my hair makes me feel good.

_____ The hair stylists/barbers are understanding and friendly.

_____ The hair stylists/barbers tell me about new products.

_____ The hair stylists/barbers give me coupons.

_____ I have a good relationship with the me stylists/barbers.

_____ The hair stylists/barbers have great skills in cutting, highlighting, and styling.

_____ The salon sells products that I prefer.

_____ The salon sells quality products.

_____ The hair stylists/barbers give me discounts.

_____ The hair stylists/ barbers are quick and reliable.

_____ The quality is worth the price.

_____ The hair stylists/barbers hair tell how to maintain my hair.

Part 3. Demographic Information

Q3-1. What is your gender?
_____ Male

_____ Female

Q3-2. How old are you?
_____ years old

Q3-3. What is your race/ethnicity?
_____ Caucasian

_____ Black/African American

_____ Hispanic

_____ American Indian

_____ Asian

_____ Other (specify) ____________

Thank you very much for providing your valuable information.
Please check again to make sure that you answered all the questions.
When you finish, please return the questionnaire to your research administrator
or by e-mail to* njokub@strose.edu*!

APPENDIX C

PRETEST PROCEDURE AND RESULTS

Pre-Test Procedure

Since scale items were adapted to service contexts utilized in this study from measures found in literature, it is necessary to assess whether constructs remained reliable, valid, and stable. A pretest was thus conducted in order to perform a preliminary examination of constructs and measures so that revisions could be made to the questionnaire prior to the final study. Further, pretesting the survey assists in reducing effects of non-sampling error that may be due to poor questionnaire design, such as ambiguous wording, complex wording that does not match the vocabulary of the subjects, leading questions, and other factors related to question format and content. Additionally, it helps the researcher identify errors that relate to the ordering of questions and respondent fatigue, as well as to determine the time required to complete the survey. Thus, adjustments may be made prior to administration of the final survey (Brace 2004). Lastly, the pretest was used to determine whether the relational behaviors of service providers and trust constructs were unidimensional so that reliability and validity of the measures could be assessed.

Pretest Sample**.** Snowball sampling was used for pretesting. In its most formal sense, an initial group of respondents is selected randomly, then subsequent respondents are selected using a nonprobability sampling technique based on the referrals or information provided by the initial respondents. The process can be carried out in waves by obtaining referrals from referrals, thus leading to the snowballing effect (Malhotra 2004, p. 324). For the pretest, the initial group of respondents, namely, managers and owners of hair care services, were selected from a local neighborhood in the Capital Region. Then, the survey instrument was distributed to the selected actual customers in person. The pretest was administered to a sample of 50 hair care clients. Data were analyzed and unidimensionality, reliability, validity, and stability of scales were assessed. Results of the pretest are presented below. Similar steps will be taken to analyze the data for the final study.

Pre-Test Results

Approximately fifty hair care surveys were administered to hair salon patrons in Albany, New York, or the Capital Region of New York, which includes the cities of Albany, Troy, Schenectady, and Saratoga. Using the snowball sampling method, the researcher solicited hair salon managers and owners to request their assistance in collecting data. Managers and owners then administered surveys to their clients. Of the five solicited firms, four agreed to assist with data collection. Specifically, one manager handled the majority of data collection because his/her firm had been seeking a researcher who could assist in gathering data for improved managerial decision-making. Additionally, the researcher distributed more surveys to a convenience sample of patrons not related to any specific firm in order to achieve the minimum sample size required for confirmatory factor analysis, for instance, structural equation modeling (SEM) requires at least 50 surveys. In general, a sample size of 200, or 15 cases per measured variable, is recommended for SEM since it improves the probability of achieving an admissible solution and receiving necessary statistical output to establish model fit. However, a minimum sample size of 50, or 5 observations for each estimated parameter, is appropriate although this size could result in more convergence failures, improper solutions, including negative error variance estimates for measured variables, and lowered accuracy of parameter estimates (Stevens 1996; Hair et al. 1992; Bentler and Chou 1987; www.utexas.edu/its/rc/tutorials/stat/amos/).

Data were collected over a period of 6 months and prepared for entry by coding scale items, including re-coding reverse scored items. Fifty-six surveys were returned from the hair salon managers. Fifty surveys were usable. Survey booklets H-MG25, H-ML00, H-1004, and H-EW01 were eliminated because they were incomplete. Subjects responded to very few questions in these survey booklets or did not respond at all to scale items relating to the proposed relational behavior dimensions.

Linear Regression Criteria/Assumptions. Structural equation modeling (SEM) with path analysis using the Analysis of Moment Structures (AMOS) software will be utilized to analyze the final data (Byrne 2001; Bagozzi and Yi 1988; www.utexas.edu/its/rc/tutorials/stat/amos/). Because SEM is based on linear regression, certain conditions must be met. SEM, for instance, is more sensitive to the distributional characteristics of data, such as the departure from multivariate normality or a strong kurtosis or skewness (Hair et al. 1992, p. 446; Bagozzi and Yi 1988). Dependent and mediating, or endogenous, variables must be continuously and normally distributed. Moreover, AMOS utilizes the maximum likelihood (ML) method by default to estimate parameters. Assumptions are thus made that "(a) the sample is very large (asymptotic), (b) the distribution of the observed variables is multivariate normal, (c) the hypothesized model is valid, and (d) the scale of the observed variables is continuous" (Byrne 2001, p. 70).

In this pretest, observed variables consisted of continuous data. Skewness and kurtosis statistics were used to examine the extent to which the data were distributed symmetrically and normally around the mean, or skewed and kurtotic. Histograms provided visual evidence. In order to use the skewness statistic, the statistic value (z) is calculated as

$$Z = \text{Skewness}/\ (6/n)^{1/2}$$

where n is the sample size. If the calculated value exceeds a critical value, then the distribution is nonnormal. Using the z distribution, a calculated value exceeding the critical value of ± 2.58 indicates that the assumption about the normality of the distribution at the 0.01 probability level can be rejected. The critical value of ± 1.96 indicates rejection at the 0.05 probability level (Hair et al. 1992, p. 43). Based on results of the pretest, skewness scores for hair care services ranged from (-) 1.513 to (-) 0.171. Even the most extreme values showed skewness statistics of PRN (-1.357), SQ (-1.316), SAT (-1.513) and Loy (-1.313) at $\rho = 0.01$ and $n = 50$. These variables therefore show some deviation from normal distribution.

Kurtosis is a measure of the "peakedness" of the probability distribution of a real-valued random variable. Higher kurtosis means more of the variance is due to infrequent extreme deviations, as opposed to frequent modestly-sized deviations. A high kurtosis distribution has a sharper "peak" and fatter "tails", while a low kurtosis distribution has a more rounded peak with wider "shoulders" (Hair et al. 2006). According to Bagozzi and Yi (1988), one desires values near zero for the normalized estimate of multivariate kurtosis (p. 76). Distributions with zero kurtosis are called mesokurtic. Otherwise, large positive values indicate positive kurtosis, or leptokurtic, and large negative values indicate negative kurtosis, or platykurtic (Hair et al. 2006; Bagozzi and Yi 1988, p. 76). Results of the pretest showed that for hair care data, kurtosis values for most variables ranged between ±1.0, except for RSP (1.681), SAT (1.574), and aT (1.177). These variables may be described as leptokurtic.

Additional measures of normality, such as the Kolmogorov-Smirnov and Shapiro-Wilks tests, which calculate the level of significance for differences from normal distribution, are available from SPSS. With small sample sizes (less than 30), these tests may be unreliable. For hair care surveys, significance was found at $\rho =$ 0.10 for all variables with both tests. As required by SEM, the Kolmogorov-Smirnov and Shapiro-Wilks tests will be re-calculated in the final study when sample sizes are larger, in order to overcome issues related to data that may be skewed, kurtotic, incomplete, or in some way non-normally distributed (Hair et al. 2006; Byrne 2001; Hair et al. 1992, p. 43; www.utexas.edu/its/rc/tutorials/stat/amos/).

Unidimensionality, Convergent and Discriminant Validity of Relational Behaviors and Trust Scales

Common Factor Analysis (PAF). Unidimensionality of the proposed constructs must be confirmed before proceeding with further analysis. In

Sirdeshmukh et al.'s (2002) study, exploratory factor analysis (EFA) was first used to analyze items separately for trustworthy behaviors of service providers and trust constructs for a clothing retailer and airline services. In this study, common factor analysis, or principle axis factoring (PAF), in SPSS is performed on scale items for the relational behaviors and trust constructs. It is a method of factor analysis, which utilizes a priori communality estimates and correlations between observed variables to estimate common factors and the structural relationships linking factors to observed variables.

Five relational behaviors of service providers, namely, mutual understanding (MU), personalization (PRN), authenticity (Au), problem-solving behavior (PSB), and specialized treatment (SpT), and affective trust were theoretically predetermined. Scale items for each variable were input individually to common factor analysis in order to seek support for convergent and discriminant validity of each construct. Common factor analysis (PAF) was conducted for the pretest data. This analysis will be conducted using AMOS in the final study in which a larger sample size is more attainable.

Thus, variables were allowed to load on factors using principle axis factoring. Orthogonal rotations were attempted. It was determined that these rotations, namely, varimax, equamax, and quartimax, would be preferred to oblique rotations since they minimize the number of variables with high loadings on a factor, thus enhancing the interpretability of the factors. Orthogonal rotations extract factors so that the factor axes are maintained at right (90^o) angles. Thus, factors will be uncorrelated or independent of each other (Malhotra 2004; Hair et al. 1992). Oblique rotations such as obliminal and promax, on the other hand, extract factors in ways that allow for correlation between variables. Although these rotations may be theoretically and empirically more realistic, they are not desirable since these constructs, or factors, will be subjected to further analysis (Hair et al. 1992, p. 235). However, if the hypothesized factor structure is not supported, the orthogonal restriction may be relaxed.

<u>5-Factor Relational Behavior Construct</u>. Analysis of the pretest data has some limitations since the model was updated after the pretest was conducted. For this reason, further analysis and adjustments will be made in the final study after more data are collected. Nonetheless, available data from the pretest were analyzed by factor analyzing each relational behavior individually, although more stringent analysis includes inputting relational behavior scale items together and extracting 5 factors. Nonetheless, factor analysis was run using scale items relative to mutual understanding separately; scale items relative to personalization separately, and scale items relative to problem-solving behavior separately, for instance. While theory indicated that scales utilized in this study are uni-dimensional, one-factor solutions were first sought for each relational behavior and outcome variables, then two-factor and 3-factor solutions to lend additional support to findings about the dimensionality of scales. Results of the factor analysis are provided below. Pretest results are summarized in Table XXXV.

Mutual Understanding – with a 1-factor solution, factor loadings were > 0.500

for MU2 at 0.967 and MU3 at 0.726, which is considered to be acceptable, but not for MU1 whose loading was slightly <0.500, at 0.491. Neither scale item was reverse-coded. With this solution, total variance explained = 67.9% and eigenvalue = 2.037. With extraction of a second factor, eigenvalue dropped to 0.681 or < 1.00, although it contributed 22.7% of additional variance, for a total of 90.61% variance. According to the latent root or eigenvalue criterion, however, factors showing eigenvalues > 1.00 are acceptable. According to the percentage of variance criterion, factor solutions accounting for 60% of total variance is acceptable in the social sciences (Hair et al. 2006). Thus, a one-factor solution was determined to be acceptable for mutual understanding. It is further supported by a priori research based on Price et al.'s (1995a) study and by the scree plot. Additionally, results of the 2-factor analysis showed that a one-factor solution was supported. With no rotation and quartimax rotation, however, factor loadings for all scale items was greater than 0.500. Cronbach's alpha was 0.762. Thus, the scale is found to be unidimensional, reliable, and convergent validity is supported.

Table XXXV. Summary Results for Pretest Reliability and Validity

Construct	# factors	# scale items	Reliability	Validity
Mutual Understanding	1	3	0.762	Convergent
Personalization	**N/A**	2; 5 final study	**N/A**	**N/A**
Authenticity	1	3	**0.384 - unreliable**	**Not determined**
Problem-solving Behavior	1	3;5 final study	0.643 – acceptable	Convergent
Specialized Treatment	1	5; 4 final study	0.796	Convergent
Service Quality	2	4	Not determined	Not determined
Satisfaction	1	5	0.949	Convergent
Trust	1	5	0.797	Convergent
Loyalty	1	4	0.943	Convergent
Note: All scale items will be retained for the final study. Common factor analysis will be re-run.				

Personalization – This construct was added to the model after the pretest was conducted. Scale items that are not reflected in the pretest were thus added to the survey. Factor analysis involved only two scale items – Ci2 (my service provider behaved properly towards me) and PSQ5 (my service provider is polite – R). Although a one-factor solution was supported with the existing items and loadings of 0.730 for both items, for total variance explained, and the scree plot, these results are not considered reliable since they are based on only two scale items that do not fully reflect the personalization construct. Further analysis will be conducted with the final data. Unidimensionality could not be determined, thus alpha score are not reported.

For *authenticity*, extraction of a one-factor solution showed factor loadings of 0.447 for Au1, 0.081 for Au2, and 0.868 for Au3. The first factor showed that 46.7%

of total variance was explained, whereas with 2 factors extracted, an additional 33.2% variance was extracted thus showing 79.9% total variance, although the eigenvalue of the second factor was 0.996, slightly below 1.00. Request of a two-factor solution found that Au1 and Au3 showed loadings >0.500 for no rotation and varimax, quartimax, and equamax rotations, whereas Au2 showed loadings < 0.300 on either factor. Both Au1 and Au3 thus loaded on one factor while Au2 did not load on either. Subsequently, Au1 and Au3 are reverse-coded while Au2 is not. Variance explained for a two-factor solution showed similar results as that for the one-factor extraction. Additionally, results were similar in the extraction of a three-factor solution. Cronbach's alpha, 0.384, indicated that authenticity is unreliable. With the deletion of Au2, alpha would increase to 0.561. However, deletion of this item will not be recommended until further analysis with the final sample.

Problem-solving behavior – Extraction of a 1-factor solution supported one factor and showed loadings of ≥ 0.500, or PSO1 (0.519), PSQ1 (0.724), and PSQ2 (0.645). Results further showed 59.59% of total variance was explained with this solution, and an additional 22.80% variance is explained with the addition of a second factor, although eigenvalue for the second factor was 0.684. Requesting two factors moreover supported a one-factor solution. This solution found that with no rotation and quartimax rotation, all scale items load on one factor. Factor loadings with quartimax rotation showed 0.553 for PSO1, 0.699 for PSQ1, and 0.658 for PSQ2. Similarly, 59.59% variance was explained with one-factor. The addition of a second factor showed eigenvalues falling well below 1.0. Cronbach's alpha is 0.643, which is considered to be acceptable according to Nunnally (1979). The scale is thus found to be unidimensional and demonstrates acceptable reliability. Convergent validity is supported.

Specialized Treatment – A one-factor solution was supported in requesting extraction of one- and three factors. Convergence could not be achieved on request of a 2-factor solution. The one-factor solution showed that four of five scale items, E1 (0.811), E2 (0.847), E3 (0.657), and PSO2 (0.782), loaded on one factor. The fifth item, PSO3 (0.342), did not load. This item was reverse worded. Similar results were found with the 3-factor solution. With quartimax rotation, scale items E1 (0.857), E2 (0.838), E3 (0.674), and PSO2 (0.801) loaded on one factor while PSO3 did not load on any of the three factors. Results were similar for a non-rotated solution. This factor showed an eigenvalue of 2.944, which explained 58.89% of variance. Eigenvalue for a second factor dropped to 0.880 although it explained an additional 17.60% of variance. Cronbach's alpha is reported to be 0.796. The scale is thus found to be unidimensional and reliable. Convergent validity is supported.

<u>Common Factor Analysis of Dependent Variables</u>. Similarly, each dependent variable was factor analyzed on an individual basis. One-, two- and three-factor solutions were sought.

Service Quality – With no rotation, a one-factor solution was supported. All scale items loaded together – OSQ1 (0.814), OSQ2 (0.720), OSQ3 (0.849), and OSQ4 (0.576). OSQ2 and OSQ4 were reverse coded. However, 2 factors were indicated, with the first factor showing an eigenvalue 2.646 and 66.16% of total variance explained and the second factor showing an eigenvalue of 1.025, which explained 25.61% of total variance. Convergence was not achieved upon request of a 2-factor solution. The 3-factor solution suggested 2 factors as well for all rotations, varimax, quartimax, and equamax. Subsequently, results showed that non-reverse worded items, OSQ1 and OSQ3, loaded together, while reverse-worded items, OSQ2 and OSQ4, loaded together.

Dabholkar et al.'s (2000) study indicated that overall service quality is a unidimensional construct, with reliability of 0.92 as measured by Cronbach's alpha. Although the pretest results suggest 2 factors, it may be due to the reverse coding of the scale items. Cronbach's alpha for this sample is 0.828. Further analysis will be conducted in the final study.

Satisfaction – Results showed that one factor was supported for satisfaction on requesting 1-, 2-, or 3-factor solutions. On extraction of 2 factors, a one-factor solution was found without rotation and with quartimax rotation. Results further showed that 83.93% of total variance was explained with one factor, which showed an eigenvalue of 4.20. Whereas the addition of a second factor would contribute an additional 11.10% of total variance, eigenvalue for this factor was only 0.555. The scale was thus found to be unidimensional. Cronbach's alpha was reported at 0.949.

Affective Trust – In specifying a one-factor solution, four of five scale items – namely, aT2 (0.961), aT3 (0.716), aT4 (0.688), and aT5 (0.793) – loaded on one factor while aT1 (0.294), a reverse worded item, did not load. The eigenvalue for 1 factor was found to be 2.979, and explained 59.58% of total variance. Eigenvalue for a second factor was 0.938 contributing an additional 18.76% to total variance. Convergence was not met on request of a 2-factor solution. Extraction of a 3-factor solution supported one-factor for affective trust with similar results. Scale item aT1 did not load on any of the three factors, although it would load on the second factor at 0.431 if loading cutoff ranged between ± 0.500. The remaining items, aT2 – aT5, showed loading of 0.905, 0.773, 0.676, and 0.838, respectively, on a single factor. It might thus be suggested that item 1 be deleted. However, no item will be considered for deletion until analysis of the final study is completed. Cronbach's alpha was found to be 0.797.

Loyalty – Similar to the satisfaction scale, results for loyalty showed that one factor was supported on requesting 1-, 2-, or 3-factor solutions. In extracting 2 factors, a one-factor solution was found without rotation and quartimax rotation. Further, one factor explained 86.19% of total variance, while addition of a second factor contributed 8.62% to total variance. Eigenvalues were 3.45 and 0.345 for the first and second factors, respectively. Unidimensionality was thus supported with a one-factor solution. Cronbach's alpha was found to be 0.943.

<u>Confirmatory Factor Analysis with AMOS</u>. Support of unidimensionality, reliability, convergent and discriminant validity of the indicator variables is necessary before attempting to evaluate the structural model so that the researcher can have confidence in findings related to the assessment of the hypothesized structural model (Byrne 2001, p. 147). Confirmatory factor analysis (CFA) using AMOS will be performed for the final study in order to confirm these results and provide additional

rigorous testing of dimensionality, reliability and validity. It is felt that the results produced by common factor analysis thus far are adequate for analysis of the pretest data. The measurement models, which provides a graphical representation of observed, latent independent, and latent dependent variables, used to determine fit, is specified in figures 12 and 13 (Byrne 2001).

Figure 12. Pretest: Measurement Model – Relational Behaviors

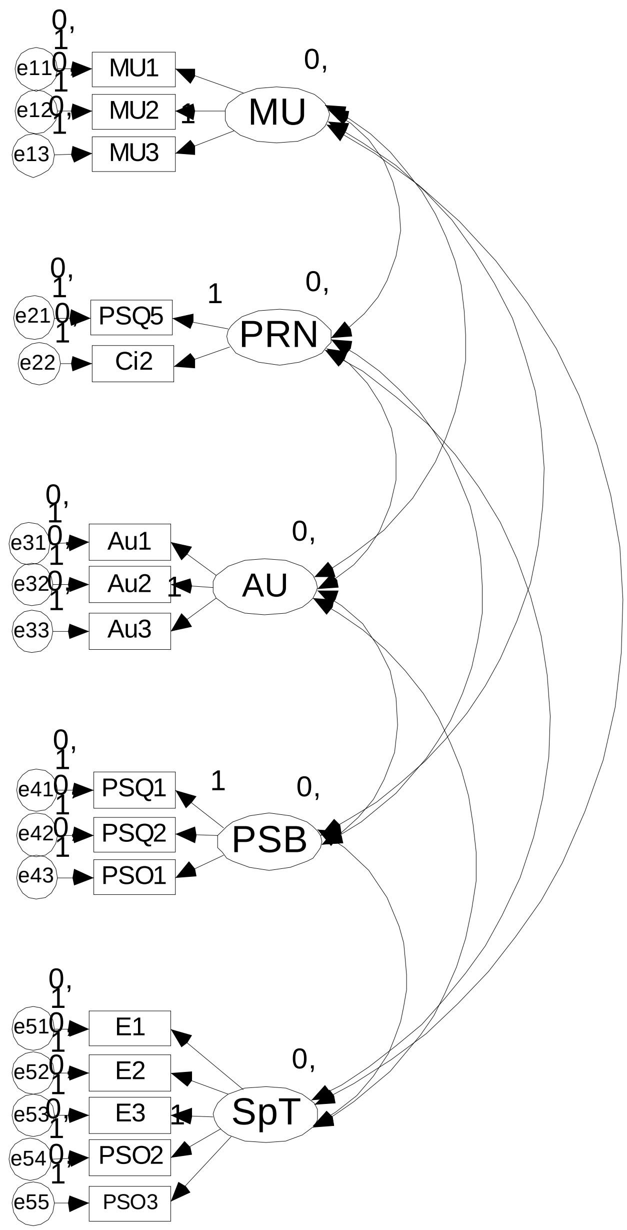

Figure 13. Pretest: Measurement Model – Affective Model