Relationships of ‘complicity’ between customers as an emotional service recovery strategy (applied to leisure and catering)

Dominique Antonini

Received: 06/08/2009

1 Marketing Lecturer, Euromed Management, Marseilles, France; tel: +33-660-99-58-05, e-mail: d.antonini@ac-aix-marseille.fr
* Corresponding author

Supervisor: Véronique Cova
Institution awarding the Ph. D. Degree: Faculté d’Economie Appliquée, Université Paul Cézanne - Aix-Marseille III
Date of defence: 8th June 2009

Goal and objectives of the dissertation
The economic context of the last thirty years in Europe has changed the consumer into a real expert on consumption, so much that now his knowledge of markets, goods and services makes him suspicious of what firms offer. To adapt to this new consumer, firms strive to establish, maintain and enhance customer relationships. From this relationship context a word emerges: ‘complicity’ (meaning, ‘close relationships’). This ‘complicity’ is rooted in commercial narratives used in customer destined contacts with the aim of making the latter feel an ‘accomplice’.

The purpose of this dissertation is to introduce the concept of ‘complicity’ relationships between customers, as a means of compensating for service failures.

The aim is to answer the question: to what extent can relationships of complicity take the form of coalition between customers, and have a positive impact on consumers and companies? The objective is to model complicity in terms of antecedents, dimensions and consequences.

Methodology
This dissertation mobilizes both qualitative and quantitative methods. Though there is a vast theoretical background to the field of complicity relationships, to date there is a lack of conceptual clarity and definition. Therefore, two exploratory studies are carried out. The first one consists of twenty semi-structured personal interviews with ‘experts’. The second one is an ethnographical study, based on participant and non-participant observations. Then, to validate the hypotheses and model, quantitative methods are utilized. A theoretical model of complicity is created, in terms of antecedents, complicity and consequences (stopgaps). A service failure or insufficiency triggers a need for social links. Combined with the cognitive proximity of
consumers they bring about the relationship of complicity. The latter entails palliative actions both practical and emotional. These service recovery actions have a positive impact on the overall perceived satisfaction. The following step consists of inferring eighteen hypotheses. Eighteen hypotheses are inferred. Three existing scales of measure are utilized: service failures, emotions, satisfaction. Four scales of measure are created: the need for social links, cognitive proximity and functional palliative complicity, and complicity itself. Then a research protocol is elaborated and validated. To collect data, a questionnaire is created, consisting of forty-eight questions classified into four sections. Churchill’s Paradigm, and Gerbin and Anderson’s updated paradigm are followed. The pre-test aims at testing the psychometric properties of measurement tools. An exploratory factor analysis is conducted by means of principal component analysis. Validity is tested with SPSS through usual indices: Communalities, KMO test, the percentage of variance, Cronbach’s Alpha. The methodology of the main research hinges upon the validation of the external model of measure. Dimentionality is tested, through three sets of indices: absolute indices (RMSEA, GFI, AGFI), incremental indices (NFI, CFI) and parsimony indices (X²/df). Then confirmatory factor analysis is conducted; reliability and validity are tested with Cronbach’s Alpha and Dillon-Goldstein Rho, less sensitive to the number of items. Convergent validity is tested by means of the T test associated with each factor contribution, the factor weight and the convergence Rho. Discriminant validity is tested through the method of split variance.

Subsequently, the structural model is tested through the three sets of indices above mentioned, with LISREL. Three steps were followed: specification, identification and model estimation. Finally we confirmed ten hypotheses, by means of the Student’s T and standardized coefficients. This methodology is applied in several grounds of research, encompassing a large number of service companies mainly experiential, tourist and international ones: a ski resort, hotels, restaurants, a sporting centre, a national railway company. The total amount is five places and forty seven activities.

This choice was made in order to avoid likely biases linked to a specific context, to meet a great number of consumers from different social background, likely to form coalitions subsequent to a service failure and try to find out the different sources of service incidents posited in the model.

Results
The exploratory phase providing numerous examples of complicity, reveals how this relationship sets up and what its components and dimensions are. Accordingly, a definition of complicity is posited: ‘The relationship of complicity is a spontaneous and close social relationship between customers, which takes the form of reactive coalitions for or against a third party and is likely to make up for a breakdown or a failure in service delivery. It is a source of value both for the customer and the firm’.

The main results of the research are the validation of scales of measure, and the validation of hypothesis and structural model. The existing scales utilized to measure the antecedents of complicity are validated as follows: the scales of service failures caused by contact personnel receive ten items; the service provision, four items; the servicescape and the other customers, eight items. The created scales of need for social links and cognitive proximity are validated with four and five items respectively.

The scales measuring the consequences of complicity give twelve items for the existing scales of emotional palliative complicity and seven items for the created scales of functional palliative complicity. The scales of complicity are validated in three dimensions and sixteen items. Complicity as an implicit and irrational agreement gives 6 items and an Alpha of 0.91. Complicity as a spontaneous game receive 6 items and an Alpha of 0.86, and complicity as a triad gives 4 items and an Alpha of 0.79. Dimentionality gives results
within standards values for all the scales utilized.

The structural model is validated through the values obtained: 0.0272 RMSEA, 0.9708 GFI, 0.97 AGFI, 0.9946 NFI, 0.99 CFI and 25 $\chi^2$/df.

At the end of the research ten hypotheses are validated: the service failure caused by the provision, the servicescape and the other customers triggers a need for social links. The latter originates the 'agreement' dimension of complicity, while the cognitive proximity impacts on the other two dimensions- 'spontaneous game' and 'triad'. The relationship of complicity has mainly an impact on the emotional palliative and in turn produces a positive impact the overall satisfaction.

In conclusion, it can be said that complicity is an emotion, which makes up for a breakdown or a failure in service delivery.

**Theoretical conclusions**
The research introduces a new concept in Management, that of 'complicity'. The results of the research reveal the understanding of relationships of complicity in a commercial context: what it is, how it is triggered and what its impact is on the consumer and firm, i.e.- an emotion which makes up for a service failure or insufficiency. The research brings new scales of measurement and a model of complicity.

**Practical application of the dissertation**
Complicity may be a source of value, for both the firm and the customer. The customer makes up for a service failure by himself, either because the firm has no service recovery function or because it takes time to set up. This service recovery strategy is carried out by the customer himself though normally this should be within the firm's responsibility as a response to a service failure on its part. That means cost savings for the company: there is no service recovery action to undertake and customers are satisfied despite the service failure.

However the impact on firms may be negative in terms of corporate image or profit. The risk of relationships of complicity is that consumers spread negative comments and rumours by word of mouth, resulting in the increase in the number of complaints. Consumer strength may be created erroneously by assuming numerous citations of the same time, specific service failure as complex mass failures.

Due to the fact that services are vulnerable activities, companies should utilize the servicescape to foster relationships of complicity between customers, and reward customers who exhibit relationships of complicity. Relationships of complicity cannot be established in all type of service environment. Conditions need to be met, such as physical proximity, verbal interactions, waiting or leisure time, as well as, the agreement of participants to commit themselves to interpersonal interactions.

In any case, the winner is the customer: he carries out a genuine strategy of recovery as an emotional palliative to a service incident, often in form of a game; he makes pleasurable encounters and can easily get out of the relationship. Thereof relationships of complicity may exert a positive impact on consumer loyalty. Complicity is a new managerial tool.

**Content of the dissertation**

*Abstract of chapter one*
This chapter sets out the conceptual framework in a post-modern approach and displays the two conceptual approaches of complicity: legal and social – i.e. participation in a wrongful act, and close and privileged relationship. Then a comprehensive literature review is presented. The lack of specific literature in Management leads to an interdisciplinary approach and a non-conventional presentation, founded upon three relationship stages (B2B, B2C and C2C), and two conceptual categories: profit and self interest-based relationships and feelings/altruism-based relationships.
Abstract of chapter two
In this chapter, the results of two exploratory researches are given. Experts are interviewed to obtain a better understanding of the concept, define and explain it. An ethnographical study provides examples of complicity.

The studies reveal that a break-down or a failure in service delivery has a negative effect on customer satisfaction but also that relationships of complicity between customers have the role of a service recovery strategy.

Abstract of chapter three
This chapter presents the epistemological positioning of the dissertation: moderate positivist.

Abstract of chapter four
This chapter examines the nature and dimensions of complicity, describes the construction of the theoretical model of complicity and presents the hypothesis inferred. Afterwards, hypotheses are operationalized and scales of measures are created.

Abstract of chapter five
Chapter five hinges upon the elaboration and validation of a research protocol: questionnaire and pre-test, particularly the quality of data collection, validity and reliability of the scales of measure.

Abstract of chapter six
This chapter provides the results of the research. Section 1 deals with the description of the sample and variables. Section 2 presents the validation of the structural model and hypothesis. Section 3 examines the results from the previous research.

Abstract of chapter seven
This conclusion chapter synthesizes the key findings. Theoretical, methodological and substantive contributions and managerial implications are described; recommendations for future research are made.