

AN EXAMINATION OF PROACTIVE RELATIONSHIP APPROACH  
WITH RETAIL CUSTOMERS

by

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## ABSTRACT

In the current era of intense competition, retailers are increasingly leveraging relationship marketing to attract, retain, and strengthen relationships with customers. Better understanding of the influence and efficacy of relationship investment strategies has therefore become critical to both marketers and retailers. While there are multiple studies of firms' interactions with customers, most of this research is on firms' reactions in retail contexts with relatively few studies evaluating the potential benefits of proactively interacting with customers. This study examines the age-old issue of whether it is better to "get to customers before they get to you" by assessing the relative efficacy of proactive and reactive relationship approaches in retail settings. Reciprocal reaction theory serves as the foundation for the dissertation that proactive interaction more favorably influences customers' emotions and behavioral intentions toward the firm than reactive interactions. Given that a proactive relationship approach may not be an optimal strategy in every situation, firm and customer-related moderators that may influence the effectiveness of proactive relationship approach are also assessed. The study hypotheses are tested with data from two scenario-based experiments. The study findings are expected to extend the relationship investment strategy literature and provide actionable guidance for retail organizations about effectively conducting interactions with customers.

## LIST OF ABBREVIATIONS AND SYMBOLS

<i>a</i>	Cronbach's index of internal consistency
<i>df</i>	Degrees of freedom: number of values free to vary after certain restrictions have been placed on the data
<i>F</i>	Fisher's <i>F</i> ratio: A ration of two variances
<i>M</i>	Mean: the sum of a set of measurements divided by the number of measurements in the set
<i>N.A.</i>	Not applicable
<i>N</i>	Number of subjects
<i>p</i>	Probability associated with the occurrence under the null hypothesis of a value as extreme as or more extreme than the observed value
<i>r</i>	Pearson product-moment correlation
<i>R</i> <sup>2</sup>	Coefficient of determination
<i>SD</i>	Standard deviation
<i>Sig.</i>	Level of significance
<i>t</i>	Computed value of <i>t</i> test
$\chi^2$	Chi-square
>	Greater than
<	Less than
=	Equal to
%	Percentage

z Sobel Test z-score for the indirect effect

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## **CHAPTER 1**

### **INTRODUCTION**

#### **Purpose of Dissertation**

In light of the competitive retail environment, increased recognition of relationship marketing's benefits to both firms and customers, and the advantages that come from being able to detect and utilize customer behavior patterns by maintaining relationships with customers, retailers and service organizations are increasingly focusing on relationship marketing strategies (Beatty et al. 1996; Berry 1995; Winer 2001). Both practitioners and academics consider relationship marketing an effective means for retailers to attract and retain customers and gain a competitive advantage in the marketplace (e.g., Bagozzi 1995; Berry 1995; De Wulf, Odekerken-Schröder, and Iacobucci 2001; Palmatier et al. 2009; Sheth and Parvatiyar 1995). Therefore, tremendous research effort has been devoted to assessing the influence and effectiveness of relationship investment, defined as a firm's investment of time, effort, spending, and resources focused on building a stronger relationship with customers (Palmatier et al. 2006, p. 138).

While various relationship investment strategies have been identified and shown to affect firm relational performance outcomes, researchers increasingly argue that managers should engage in proactive relationship investment strategies (Challagalla, Venkatesh, and Kohli 2009; DeWitt and Brady 2003; Palmatier et al. 2006). Maxham and Netemeyer (2002, p. 67) call for research on "how customers respond differently when firms proactively identify and successfully fix problems before customers complain." Even though proactive relationship investment

strategies may be better or assumed to be better than reactive relationship investment strategies, there has been little empirical research evidence demonstrating this, no theoretical investigations of the mechanisms by which it occurs, and no studies investigating potential moderators or boundary conditions for the effect. Furthermore, there is limited research on the effects of proactive and reactive relationship strategies on customers' emotional and behavioral intentions toward the firm. A notable exception is the work of Challagalla, Venkatesh, and Kohli (2009) in which the value of proactive post-purchase service was contrasted with customer-initiated reactive post-purchase service, and the dimensions of proactive post-purchase service were proposed based on focus group interviews with managers in both business-to-business and business-to-consumer settings. It should be noted, however, that in Challagalla, Venkatesh, and Kohli (2009), the scope of research is confined to the service provided after a sale is complete and more importantly the propositions are not empirically tested. The lack of research on proactive relationship investment is surprising because the development of proactive relationship investments with customers have the potential to make a significant positive impact on the firm's ability to build and maintain relationships with customers for future transactions.

In this dissertation, proactive relationship approach is broadly conceptualized as anticipating customer problems/issues and acting before the customer recognizes or reacts to head off such problems or issues (c.f. Challagalla, Venkatesh, and Kohli 2009). Given this definition, provision of extra information or assistance about the product or policy, addressing service failure before customers bring up an issue, or activities, such as firm-initiated post-purchase follow-up contact (i.e., phone call, mail or e-mail), would be considered examples of proactive relationship approach strategy. However, actions such as service recovery efforts made as a result of customer requests would not qualify because while the former involves the firm's

proactive relationship building effort with customers by approaching customers before they contact the firm, the latter involves the firm's subsequent response to customer requests or complaints.

The primary objective of this dissertation is to examine whether it is better to “get to customers before they get to you” by investigating the relative effect of proactive and reactive relationship approach in retail settings. This study also investigates the mechanism by which a proactive relationship investment strategy may achieve higher levels of firm performance. Even though current knowledge on proactivity is constantly evolving, no mechanism for favorable evaluation of proactivity versus reactivity has been conclusively proposed (Crant 2000). This study utilizes reciprocal action theory (Gouldner 1960) as a foundation for the proposal that the more favorable influence of a firm's proactive interaction with customers on behavioral intentions toward the firm is mediated by feeling of gratitude through the appraisals of firm's responsive actions. This is consistent with Palmatier et al.'s study (2009) that integrates gratitude, an emotional appreciation for benefit received, as a mediator between the firm's relationship investment and the customer's behavioral intentions. Several authors stress that relationship marketing practices are not effective in every situation (Challagalla, Venkatesh, and Kohli 2009; De Wulf, Odekerken-Schröder, and Iacobucci 2001; Kalwani and Narayandas 1995). Therefore, moderating roles of firm- and customer-related factors on relationship marketing investment effectiveness are also proposed and investigated to better understand the specific situations in which proactive relationship approaches may be most effective. The proposed hypotheses will be tested using two scenario-based experiments in a retail context.

This study is important for theory because it adds to the relationship investment literature by proposing and empirically assessing why and how proactive and reactive relationship

approach strategies differ in their efficacy and by examining boundary conditions under which proactive relationship investment strategy may be more effective. It is equally important for practice because it provides retail organizations with actionable strategies for building better relationships with their customers and developing a decision tree based on which moderators are useful and viable for which customers and situations.

### **Contribution of Dissertation**

This study makes both theoretical and managerial implications. First of all, this study adds to the relationship investment literature by extending the notion of proactivity into the retailing strategy domain. The main contribution of this study is to investigate the age-old issue of whether it is better to “get to customers before they get to you” by testing the relative efficacy of proactive and reactive relationship approach in retail settings. This study investigates the underlying mechanism for the effectiveness of proactive relationship approach, and assesses the moderating roles of firm- and customer-related factors to better understand the specific situations in which proactive relationship approach strategies are more effective.

Second, this study adds to the proactivity literature. Crant (2000) and Thompson (2005) both note that there has been a dearth of investigation of the mechanism through which proactivity may achieve heightened performance. This study is one of the first to investigate the underlying mechanism for favorable evaluation of proactive versus reactive relational approaches. Based on reciprocal action theory, this study proposes and empirically tests whether customers who receive a proactive interaction feel more gratitude for the firm’s responsiveness to the needs and wishes of the recipients than those who experience a reactive interaction.

Third, Palmatier et al. (2009) call for research into how their gratitude-mediated model of relationship investments may vary across other research contexts. The current study responds to

this call by (1) investigating the mediating role of gratitude in a new research context (retailing), (2) comparing the relative effect of proactive and reactive relationship approach, and (3) examining whether the effect of perceived relationship investment is contingent on different firm- (i.e., contact person motive and contact person status) and customer- (i.e., relationship quality and situational involvement) related factors.

Lastly, the findings of this study provide service managers with actionable guidelines to better manage customer experience in a retailing context in terms of the design of relationship investment programs. The results shed light on whether firms should expend proactive interaction with customers to achieve desired performance such as customer satisfaction, repurchase intention, word-of-mouth behavior, and intention to increase share of wallet. The findings also provide details about whether or not managerial interventions in proactive relationship investment strategies can generate heightened customer outcomes. In addition, the results of this study indicate whether or not segmenting proactive relationship marketing efforts may pay off in terms of increased effectiveness. Targeting proactive relationship marketing efforts toward relevant customer segments may be the most cost-effective method to keep existing customers.

### **Organization of Dissertation**

This dissertation is organized as follows. Chapter 1 provides an introduction to the topic area, purpose, contributions, and overall organization of the dissertation. Chapter 2 reviews the literature on proactivity and relationship investment. Chapter 3 presents the proposed model of relationship approach and customer outcomes, develops the research hypotheses, and offers logical arguments behind them. The hypotheses are tested in two scenario-based experiments in a retail context. Chapter 4 offers a description of Study 1, which tests the relative efficacy of

proactive and reactive relationship approaches on customer emotion and attitude through a main effect test with a single factor (one-way) experimental design. Details of the research design, data analysis, and results from Study 1 are also discussed. Chapter 5 outlines a description of Study 2, which tests the interactive effects of type of relationship approach and four moderating variables (contact person motive, contact person status, relationship quality, and situational involvement) respectively in four sub-studies, each using a 2 X 2 factorial experimental design. The research design, data analysis, and results from Study 2 are also presented. Finally, Chapter 6 provides a discussion of the findings, theoretical and managerial implications, limitations, and future research.

## **CHAPTER 2**

### **LITERATURE REVIEW AND THEORETICAL FOUNDATIONS**

#### **Proactivity**

The construct of proactivity has been investigated by scholars from many disciplines, including social psychology (e.g., Aspinwall and Taylor 1997), developmental psychology (e.g., Lewis and George 1999), organizational behavior (e.g., Bateman and Crant 1993; Crant 1995; Seibert, Crant, and Kraimer 1999), leadership (e.g., Crant and Batemen 2000), organizational management (e.g., Berry and Rondinelli 1998; Buysse and Verbeke 2003), healthcare management (e.g., Goldstein and Ward 2004; Naik et al. 2008), and marketing (e.g., Atuahene-Gima, Slater, and Olsen 2005; Challagalla, Venkatesh, and Kohli 2009; de Jong and de Ruyter 2004; Narver, Slater, and MacLachlan 2004; Smeltzer and Siferd 1998; Worsfold, Worsfold, and Bradley 2007).

These researchers suggest that in general employing a proactive approach results in a better outcome compared to a reactive approach, yet pinning down a precise definition of proactivity versus reactivity is not an easy task. The term itself has been conceptualized differently in a variety of studies (Crant 2000), so implications found in most research on the topic of proactivity are context-specific. For example, Bateman and Crant (1993) introduce the idea of “proactive behavior” as “a dispositional construct that identifies differences among people in the extent to which they take action to influence their environment” (p. 103). They consider proactivity as an individual difference in the context of organizational behavior. In other

research contexts, proactivity is described as “efforts undertaken in advance of a potential(ly stressful) event to prevent it or to modify its form before it occurs” (Aspinwall and Taylor 1997, p. 417) and as “an active facilitation of meaningful personal and/or environmental change” in employee behavior in organizations (Thomas, Whitman, and Wiswesvaran 2010, p. 276).

Unfortunately, the marketing literature also lacks a clear delineation of the proactivity construct. For example, Narver, Slater, and MacLachlan (2004, p. 336) define proactivity as “the attempt to understand and satisfy customer’s latent needs” to develop a new product as opposed to rely on customer’s expressed needs in the marketplace (Also see Atuahene-Gima, Slater, and Olsen 2005; Narver, Slater, and MacLachlan 2004), while Carr (1996) describes proactivity as willingness to take risks and to effectively use current knowledge to make decisions about the future in studying a purchasing risk management strategy. Finally, Challagalla, Venkatesh, and Kohli (2009) explain that the supplier using proactive postsale service “proactively reaches out to customers to avert potential problems, offer suggestions for using/consuming products, and seek feedback” (p. 74).” They also identified three key forms of proactive postsale service: proactive prevention, proactive education, and proactive feedback seeking based on the information they obtained from their literature review and from group interviews conducted with 94 managers.

Despite the lack of a clear definition of proactivity across different studies, there are some commonalities in the broad conceptualization of proactivity in the literature, specifically, a future focus (anticipation) and a change focus (taking control) (Bindl and Parker 2010; Grant and Ashford 2008). The conceptualization of proactivity as both a future focus and a change focus coincides with dictionary definitions such as *The Oxford English Dictionary*’s “creating or controlling a situation by taking the initiative and anticipating events or problems, rather than

just reacting to them after they have occurred; (hence, more generally) innovative, tending to make things happen.”

The first characteristic of proactive behavior is acting in advance. Proactive behavior entails anticipating and envisioning a future outcome, and selecting and modifying situations in order to favorably influence that outcome before future events occur. Therefore, proactive behavior is future-focused (Frese and Fay 2001). The second characteristic is taking an action. For example, proactive people do not sit back and wait for information and opportunities to come along. Instead, they will actively seek information and take challenges for improvement: “proaction involves creating change, not merely anticipating it” (Bateman and Crant 1999, p. 63). Therefore, proactive behavior is also change-focused (Bateman and Crant 1993; Bateman and Crant 1999; Crant 2000).

Consistent with Bindl and Parker (2010) and Grant and Ashford (2008), this study conceptualizes proactive relationship approach as (1) the anticipation of future outcome and (2) taking the initiative to change or control the future outcome. Therefore, in this study, proactive relationship approach strategies are defined as anticipating customer problems or issues and acting prior to customer recognition or reaction to head off such problems or issues. In contrast, reactive relationship approach strategies are defined as a firm’s reaction in response to a customer’s request. Despite differences between proactive and reactive relationship approach strategies, the notable similarity is the fact that both strategies aim for impeccable provision of customer services. Table 2.1 provides a summary of the characteristics of proactive and reactive relationship approach type.

Even though both proactive and reactive interaction strategies aim for and can create positive influences on customer perceptions, proactive relationship approach may be more

effective in creating customers' favorable emotional and behavioral intentions (e.g., Challagalla, Venkatesh, and Kohli 2009). Parker, Bindl, and Strauss (2010) call for research on proactivity in domains other than the work environment in order to establish a better link between proactivity and improved performance in other fields. They also encouraged researchers to continue to compare proactive behavior to reactive behavior. This study addresses these calls by extending the research on proactivity into marketing through a comparison of the effectiveness of proactive and reactive relationship approaches on customer's emotion and behavioral intentions toward the firm.

**Table 2.1 Proactive and Reactive Relationship Approach Type**

	Relationship Approach Type	
	<b>Proactive Relationship Approach</b>	<b>Reactive Relationship Approach</b>
<b>Focus of Relationship Investment</b>	Anticipating customer problems or issues and acting prior to customer recognition or reaction	Firm's reaction in response to a customer's request
<b>Contact Initiated By</b>	Firm	Customer
<b>Point of Customer-Firm Contact</b>	Before customer's recognition of an issue	After customer's recognition of an issue
<b>Expected Outcome of Relationship Investment</b>	Superior service provision	

Previous literature on proactivity also suggests that no integrated theory provides a useful argument for the mechanism through which proactivity may achieve superior performance (Crant 2000; Thompson 2005). This study responds to this research call by examining the mechanisms by which proactive relationship approaches result in customer's higher evaluations of the firm. Moreover, researchers also suggest that people may not always appreciate proactivity. In an organizational behavior context, Frese and Fay (2001, p. 141) point out that proactive behavior "is not always welcomed by supervisors or colleagues". Often high personal-initiative people are perceived as being tiring and strenuous. Every initiative 'rocks the boat' and

makes changes. Since people tend not to like changes, they often greet initiative with skepticism.” Grant and Ashford (2008, p. 21) therefore suggest that researchers need to investigate “whether supervisors evaluate proactive behavior as constructive versus destructive.” This study investigates context-specific moderators in the firm-customer relationship in a retail situation that may change the direction of customer reactions in response to a firm’s proactive relationship investment effort.

### **Relationship Investment**

Relationship marketing is increasingly perceived to be a primary business strategy for competitive advantage, customer acquisition, and customer retention purposes. The marketing philosophy focused on attracting the customer and building a relationship with that customer has been consistently highlighted as a paradigm shift since the 1990s (Grönroos 1994; Gummersson 1997). As Srinivasan and Moorman (2005) assert, relationship marketing (RM) has “experienced explosive growth” in the past decade.

The extant relationship marketing research identifies a variety of firm strategies that influence firm performance such as providing relationship benefits like convenience, friendship, or special treatment (De Wulf, Odekerken-Schröder, and Iacobucci 2001; Hennig-Thurau, Gwinner, and Gremler 2002; Morgan and Hunt 1994; Reynolds and Beatty 1999), imposing switching costs (Jones, Mothersbaugh, and Beatty 2000, 2002; Lam et al. 2004), demonstrating expertise or knowledge (Crosby, Evans, and Cowles 1990; Lagace, Dahlstrom, and Gassenheimer 1991), finding similarity with relationship partners (Crosby, Evans, and Cowles 1990; Doney and Cannon 1997; Morgan and Hunt 1994), and increasing communication (Anderson and Weitz 1992; Crosby, Evans, and Cowles 1990; De Wulf, Odekerken-Schröder, and Iacobucci 2001; Mohr, Fisher, and Nevin 1996; Morgan and Hunt 1994). Various

relationship marketing strategies are widely employed by firms, but a firm's particular act of devoting resources towards cultivating relationships with its customers is referred to as relationship investment in this study. In the literature, most definitions of relationship investment take into account the time, effort, and resources that firms invest in building stronger relationships with customers. However, the scope or boundary by which relationship marketing strategy is classified as relationship investment differs depending on the researchers (See Table 2.2).

For example, De Wulf, Odekerken-Schröder, and Iacobucci (2001) view any behavior displayed by the firm in strengthening relationships with customers, such as making a contact with customers, giving preferential benefits or tangible rewards to customers, or adding personal touch in communication, as relationship investment. Palmatier et al. (2006) fine-tune the concept, restricting the definition of relationship investment to a firm's particular investment of time, effort, spending, and resources in relationship enhancement. Palmatier and colleagues carefully distinguish relationship investment from communication, employee expertise, and effort to find a similarity with relationship partners. Palmatier et al. (2006) also classified relationship marketing strategies as customer-focused, seller-focused, or dyadic-focused based on the perspective of each construct relative to its relational mediators. For instance, relationship benefits and dependence on the seller are categorized as customer-focused antecedents, relationship investment and seller expertise as seller-focused antecedents, and communication, similarity, relationship duration, interaction frequency, and conflict are categorized as dyadic antecedents.

In an attempt to integrate relationship marketing literature to investigate relative effectiveness of relationship marketing strategies on firm performance, Palmatier et al. (2006) conducted a meta-analysis, concluding that building dyadic relationships through close

interactions between relationship partners is the most effective relationship building strategy, while relationship investment strategies are the next most effective.

Following the lead of Palmatier et al. (2006), this study defines relationship investment as a firm's investment of time, effort, spending, and resources focused on building a stronger relationship with customers. A firm's acts of providing information, giving support, or offering tangible benefits are viewed as the operationalization of relationship investment.

**Table 2.2 Types of Relationship Investment**

References	Definition	Examples
Howard (1992, p. 209)	Termed "personal investment:" "care and effort"	(Free) gift wrapping
Ganesan (1994, p. 1)	Termed "transaction-specific investments:" "developing long-term relationships through creating dependence and locking in customers by getting them to invest in transaction-specific assets"	Retailer's investment in the relationship with the vendor: special displays for the vendor's products and training salespeople to sell such products. Vendor's investment in the relationship with the retailer: training retailer's salespeople in merchandising, developing displays, providing dedicated electronic linkups for inventory control and ordering, and offering information on new products
De Wulf, Odekerken-Schröder, and Iacobucci (2001, p. 35)	"We define perceived relationship investment as a consumer's perception of the extent to which a retailer devotes resources, efforts, and attention aimed at maintaining or enhancing relationships with regular customers that do not have outside value and cannot be recovered if these relationships are terminated."	Direct mail, preferential treatment, interpersonal commitment, tangible rewards
Morales (2005, p. 806)	Termed "extra effort:" "firm effort, or the resources expended to market a product"	A salesperson spending a lot of time helping a customer
Palmatier, Gopalakrishna, and Houston (2006)	Not defined: Used interchangeably with relationship marketing programs	Financial (e.g., discount, free products, or other financial benefits), Social (e.g., meals, special treatment, entertainment, and personalized information), and Structural (e.g., customized order processing systems, dedicated personnel, tailored packaging) relationship marketing
Palmatier et al. (2006, p. 138)	"Seller's investment of time, effort, spending, and resources focused on building a stronger relationship"	Support, gifts, resources, loyalty programs

(Table Continues)

Palmatier et al. (2009, p. 1)	“When a seller provides extra effort; adapts policies, and provides small favors or consideration, such as meals, gifts, or personalized notes”	Cup of coffee, extra help, valuable information
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A large body of research in both B2C and B2B markets empirically establishes that relationship investment is important in building, maintaining, and strengthening relationships with customers. Investing time, effort, and other irrecoverable resources in a relationship creates expectations of reciprocation that encourage customers to stay in that relationship and positively influence relational mediators which affect firm performance outcomes (Anderson and Weitz 1989; Bagozzi 1995; De Wulf, Odekerken-Schröder, and Iacobucci 2001; Ganesan 1994; Palmatier et al. 2009; Smith and Barclay 1997). More specifically, relationship investment strategies enhance commitment (Anderson and Weitz 1992; Morgan and Hunt 1994), trust (Anderson and Weitz 1992; Morgan and Hunt 1994), perceived relationship quality (De Wulf, Odekerken-Schröder, and Iacobucci 2001; Ramaseshan, Yip, and Pae 2006), and gratitude (Morales 2005; Palmatier et al. 2009). These relational mediators influence customer behaviors and firm performance outcomes such as repurchase intention, word-of-mouth (WOM) intention, satisfaction, share of wallet, sales growth, and sales revenues (e.g., De Wulf, Odekerken-Schröder, and Iacobucci 2001; Morgan and Hunt 1994, Palmatier et al. 2009).

While researchers have examined various relationship investment strategies firms can employ to strengthen relationships and the effects of these strategies on improving firm performance, most of this research is on firms’ reactions to service problems. Very little is known about the role that proactive customer relationship investment plays in the retail environment since the few investigations into firms’ proactive approaches to customer service are mainly concerned with how retailers enact service recovery strategies. The main criterion that

distinguishes proactive and reactive service recovery strategies in these studies has to do with whether or not the firm initiates recovery after service failures have already occurred.

According to DeWitt and Brady (2003), even if most failure recovery strategies such as a timely response, apology, empathy, and recompense are effective, they are reactive rather than proactive, consistent with Zeithaml, Berry and Parasuraman (1996). They propose rapport (i.e., an enjoyable interaction, characterized by a personal connection between the participants, Gremler and Gwinner 2000) established prior to a service failure as an alternative strategy that reflects a firm's proactive stance regarding service recovery. Employing four scenario-based experiments, DeWitt and Brady (2003) demonstrate that customers exposed to high rapport are more satisfied, less likely to spread negative word-of-mouth, and expressed more patronage intention. While, participants exposed to high rapport are less likely to voice complaints to the service provider. Although proactive relationship approach is similar to rapport in that both constructs aim to facilitate the relational connection between an employee (or a firm) and an individual customer, rapport in and of itself is not considered a proactive relationship approach. When a firm attempts to build rapport, the service provider is not engaged in actively trying to anticipate and thwart a problem or issue; rather, he or she is simply building up "goodwill" that is then used to inoculate customers against the sting of service failure when it occurs. Therefore, the notion of anticipating customer problems or issues and taking initiative to avoid them makes the proactive relationship approach construct unique and clearly different from rapport. Moreover, even if DeWitt and Brady (2003) suggest rapport as a firm's proactive approach to service failure, they do not directly compare the relative effect of proactive versus reactive approaches on firm performance.

Worsfold, Worsfold, and Bradley (2007) carry on the idea of viewing rapport as a proactive service recovery strategy and test its interactive effects with reactive service recovery strategies (i.e. offers of compensation). The study finds that the interaction has a significant effect on customer satisfaction in that regardless of whether compensation is high or low, participants in the high-rapport condition express significantly higher satisfaction than those in the low-rapport condition. That is, the interaction effect demonstrates that the adverse effects of low compensation on customer satisfaction are buffered by high levels of rapport.

Research by de Jong and de Ruyter (2004) extends the study of firm's proactive and reactive approaches with regard to service recovery to proactive and reactive employee recovery behavior in a self-managing team. Specifically, they administered a survey to employees and customers at a bank and examined the bank's internal database in order to investigate how employee perceptions of team orientation toward proactive and reactive service recovery influence customer and firm performance outcomes such as service recovery satisfaction, loyalty intentions, share of customer, and annual service revenue. They also examined antecedents that encourage employee's proactive and reactive recovery behavior. While organizational empowerment, customer complaint management, and interteam and intrateam support are identified as antecedents of both proactive and reactive recovery behavior, proactive and reactive recovery behaviors have differential effects on outcome variables in the study. To be specific, proactive recovery behavior significantly influences actual customer behavior such as purchasing more services. By contrast, reactive recovery behavior has to do with increasing customer satisfaction and repurchase intention. The authors do not provide a reasonable explanation as to why there were discrepancies in the influences of proactive and reactive recovery on

performance outcomes. Nevertheless, the findings suggest that proactive and reactive recovery strategies have differential effects on various outcome variables.

More recently, some studies have expanded proactivity into a broader context of relationship investment than service recovery. One example is Beverland, Farrelly, and Woodhatch (2007). Using in-depth interviews of both clients and agencies in dyadic relationships, Beverland and colleagues examine proactivity in the context of agency-client relationships. Their findings indicate that within agent-client relationships, agency proactivity means (1) taking the initiative, (2) expanding the relationship, (3) encouraging strategic reflection, and (4) signaling the firm's commitment to the long-term relationship. They also suggest relative contributions of proactivity and reactivity to relationship maintenance. According to the authors, while reactivity or adaptation merely reduces dissatisfaction, proactivity increases satisfaction with the agency. Finally, they report that for the effective execution of proactive strategies, agencies need to focus on credibility building, constant communication, commitment to the relationship and resource investment.

Challagalla, Venkatesh, and Kohli (2009) examine proactive postsales service, specifically focusing on relationship investment in the post-purchase context. They refer to proactive postsales service as the supplier taking the initiative to contact a customer to provide service after the sale is complete. Based upon the review of literature and focus group interviews with 94 managers, three key forms or dimensions of proactive postsale service in both business-to-business (B2B) and business-to-consumer (B2C) contexts were identified: proactive prevention, proactive education and proactive feedback seeking. The study also explores conditions under which proactivity is more or less beneficial for a firm to provide proactive postsales service. In particular, the authors argue that the value of proactive postsales service

varies with three customer characteristics (usage intensity, openness to experience, and market mavenism) and three product characteristics (product's life-cycle stage, transaction extensiveness, and network externality). It should be noted that even though both Beverland, Farrelly, and Woodhatch (2007) and Challagalla, Venkatesh, and Kohli (2009) meaningfully incorporate the concept of proactivity into the relationship investment literature, their studies are context-specific and most of their propositions are not empirically tested since their studies are qualitative in nature.

In summary, existing research on proactivity in the relationship investment literature is limited, leaving much to be investigated. The proposed study contributes to filling the gap in the relationship investment literature by assessing the relative efficacy of proactive and reactive relationship investment strategies in retail settings. Given that proactive interaction may not be an optimal strategy in every situation, firm and customer moderators that may influence the effectiveness of proactive interaction are also assessed.

### **Reciprocal Action Theory**

The theoretical foundation for this study is drawn from an aspect of reciprocal action theory that is commonly referred to as the reciprocity principle or norm of reciprocity. Reciprocal action theory posits that people respond to the actions taken by others in a reciprocal manner (Gouldner 1960). Building on social norm theory, reciprocal action theory describes the feeling of obligation that allows an action to be reciprocated with another action (Godfrey, Seiders, and Voss 2011). The idea of giving benefit to those who give us benefits is a universal principle. In a reciprocal relationship, people match behaviors experienced from others with actions performed for others, giving in proportion to what they receive (Gouldner 1960). In essence, if others provide benefit to you, you in turn feel a desire to reciprocate regardless of

whether you like the person who originally did the favor and even in cases when favors are unwanted (e.g., Regan 1971). Thus, failing to reciprocate can create anxiety or stress such as feelings of self-reproach and guilt and can even lead to the end of social interaction (e.g., Cialdini 1993).

Gouldner (1960) argues that the moral norm of reciprocity is based on two minimal assumptions: (1) people should help those who have helped them, and (2) people should not injure those who have helped them. The idea that recipients of help should in turn help those who helped them specifies the role of obligations which demands continuation of the relationship between relationship partners. Gouldner (1960, p. 170) views reciprocity as conditional generosity and argues that the norm of reciprocity “evokes obligations toward others on the basis of their past behavior.” If it were not for the benefit given previously (i.e., condition), people may not be motivated to reciprocate. Moreover, the idea that the beneficiary should not harm the benefactor indicates that goodwill begets goodwill. In short, when one person treats another well, the norm of reciprocity obliges the return of favorable treatment.

Gouldner (1960, p. 170) further states that the recipient’s perceived value of benefit is influential in his or her valuation of reciprocal responses to positive actions. Reciprocal responses are contingent on the four aspects of the benefits:

1. **Valuable to the recipient:** The intensity of the recipient’s need at the time the benefit was bestowed (“a friend in need...”);
2. **Costly to the giver in providing the benefit:** The resources of the donor (“he gave although he could ill afford it”);
3. **Benevolent intentions:** The motives imputed to the donor by the recipient (“without thought of gain”);

4. **Intentionality:** The nature of constraints which are perceived to exist (“he gave of his own free will...”).

A wealth of research provides empirical evidence supporting Gouldner’s position. For example, Tesser, Gatewood, and Driver (1968) show that the degree of gratitude for a given favor is a positive function of the value of the benefit to the recipient, benevolent intention of the giver, and cost incurred to the giver in providing the benefit. Pruitt (1968) finds that reciprocity is proportional to the amount of benefit received using two values of degree of benefit. Other research shows that reciprocity is enhanced to the extent that the motive of the giver is benevolent (Ames, Flynn, and Weber 2004; Lerner and Lichtman 1968; Schopler and Thompson 1968; Tesser, Gatewood, and Driver 1968). If the giver’s motive is suspicious, however, reciprocity decreases. For example, as levels of perceived ulterior motive for gift-giving increase, the recipient’s feelings of indebtedness and intentions to reciprocate toward the giver decrease (Dorsch and Kelley 1994). Research also shows that the magnitude of the reciprocation is proportional to the giver’s intentionality or free will. Goranson and Berkowitz (1966) demonstrate in a laboratory scenario that help offered voluntarily affects reciprocation intention significantly more than help offered as a result of instructions. Similarly, Greenberg and Frisch (1972) show that the perceived intentionality of benefit by the benefactor enhances reciprocity by demonstrating that intentionally given help as opposed to accidental help incurs a higher level of feeling of obligation that increases the likelihood of reciprocation.

Historically, researchers including marketing scholars attribute much reciprocal behavior to awareness of the social norm that individuals “*should* give benefits to those who give you benefits,” incurring the feeling of indebtedness. Indebtedness is defined as “a state of obligation to repay another” (Greenberg 1980, p. 4). Because it refers to an ingrained psychological

pressure to restore equity by returning favor, indebtedness has a negative connotation and arouses negative emotions such as guilt, discomfort, and uneasiness if the debt is not repaid (e.g., Dahl, Honea, and Manchanda 2005; Greenberg 1980). Equity theory, or the concept of distributive justice, underlies the reciprocal action theory (Adams 1965; Homans 1974). Inequity exists if there is an imbalance between the costs and benefits of the benefactor versus the beneficiary. In such cases, the beneficiary feels indebted to the benefactor for incurring such high costs for the beneficiary's benefits. Because these feelings of indebtedness are highly disagreeable, beneficiaries are motivated to restore equity by rewarding the benefactor at some cost to themselves (Goranson and Berkowitz 1966). Thus, even though feelings of indebtedness may be negative, they ultimately trigger some sort of positive response to reciprocate favors to reduce cognitive dissonance.

In addition to the feeling of indebtedness, researchers have become increasingly aware of gratitude as a cause of the reciprocation of favors. Indeed, Becker (1986) suggests that gratitude is the emotional core of reciprocity. Gouldner (1960, p. 176) notes that when an individual receives a favor from others, "the sentiment of gratitude joins forces with the sentiment of rectitude (i.e., indebtedness) and adds a safety margin in the motivation to conformity (i.e., reciprocation)."

Gratitude refers to a warm sense of appreciation and goodwill toward one's benefactors as well as a disposition to act on the appreciation and goodwill (Fitzgerald 1998). There has been growing recognition that indebtedness and gratitude need to be conceptually and empirically distinguished (Fitzgerald 1998; Tsang 2006; Watkins et al. 2006). Tsang (2006) identifies three major conceptual differences between indebtedness and gratitude. First, even if both indebtedness and gratitude are incurred as a result of receiving benefits, indebtedness is linked to

a negative emotion such as guilt, discomfort, or uneasiness (e.g., Dahl, Honea, and Manchanda 2005; Greenberg 1980), while gratitude is related to a positive emotion (Bartlett and DeSteno 2006; McCullough et al. 2001; Tsang 2006). Second, indebtedness is associated with self-reported avoidance motivation, whereas gratitude is associated with self-reported prosocial motivations (Watkins et al. 2006). Third, indebtedness may motivate individuals to return a favor of equal value to the donor, taking the benefactor's costs into account. Gouldner (1960) used "tit for tat" metaphors to describe the form equivalence in value. "Tit for tat" refers to heteromorphic reciprocity, meaning that things exchanged may be different but equal in value. "Tat for tat" means homomorphic reciprocity, referring to the fact that exchanges should be concretely alike in form. Overall, reciprocity motivated by the feeling of indebtedness is proportional to the amount received previously. By contrast, gratitude may reward the benefactor far above or beyond mere tit for tat or tat for tat. As a positive emotion, gratitude has broad and creative thought/action tendencies similar to other positive emotions, while the negative emotion of indebtedness focuses the recipient on repayment (Fredrickson, 2004).

There is also a growing recognition that gratitude is an essential component for building, promoting, and preserving social relationships (Algoe, Haidt, and Gable 2008; Fitzgerald 1998; Komter 2004). Komter (2004), for example, views gratitude as "a force that compels us to return the benefit we have received," while not returning a favor is regarded as "a sign of ingratitude and of indifference towards the giver, and that is simply disastrous" (p. 1). Similarly, Algoe, Haidt, and Gable (2008) argue that gratitude serves as "a detection-and-response system to help find, remind, and bind ourselves to attentive others" (p. 429). Despite distinctive characteristics of gratitude, marketing research on gratitude is noticeably absent (Morales 2005). In fact, even in the field of psychology, research on gratitude is growing but still in the early stage of

development (Emmons 2004; Tsang 2006).

Reciprocity has been considered an important and useful concept in understanding exchange relationships. Bagozzi (1995, p. 275) states that reciprocity is “at the core of marketing relationships” and Houston and Gassenheimer (1987) note that reciprocity is the process by which discrete exchanges become exchange relationships. The principle of reciprocity has been incorporated as a framework of thought or a key variable of interest in relationship marketing literature (e.g., De Wulf, Odekerken-Schröder, and Iacobucci 2001; Godfrey, Seiders, and Voss 2011; Johnson and Sohi 2001; Palmatier et al. 2009). However, a review of extant relationship marketing research that integrates reciprocal action theory (summarized in Table 2.3) reveals three major themes. First, there is a lack of research measuring underlying causes of reciprocal acts. Many researchers use reciprocal action theory to explain reciprocal B2B or B2C exchanges without directly delving into causal elements of reciprocal behavior. Second, while many studies implicitly and explicitly regard negative emotions such as indebtedness, guilt, and obligation as underlying mechanisms by which the reciprocal behavior occurs, only a few studies measure gratitude. Third, there is little research on the determinants of gratitude. Notable exceptions are Morales (2005), who investigates both personally directed firm efforts (e.g., helping a customer find a specific product) and generally directed firm efforts (e.g., organized display in the store), and Palmatier et al. (2009), who tests relationship investment (i.e., receiving a cup of coffee, extra help, or valuable information) as an antecedent of gratitude. However, there are many other forms of relationship marketing strategy that can be linked with gratitude. Therefore, the proposed research will build on Gouldner’s (1960) reciprocal action theory as well as its subsequent extensions into relationship marketing by focusing on proactive relationship investment as a potential antecedent of gratitude in the customer-firm relationship.

**Table 2.3 Review of Past Relationship Marketing Research that Integrates Reciprocal Action Theory**

References	Journal	Context	Antecedent ( <i>Operationalization of Reciprocity</i> )	Underlying Cause of Reciprocity	Key Argument Built on the Reciprocal Action Theory
Frazier and Summer (1986)	<i>JMR</i>	B2B	Manufacturer's coercive ( <i>threats, legalistic pleas, and promises</i> ) and non-coercive ( <i>requests and information exchanges</i> ) influence strategies	Not measured	Using reciprocal action theory to propose that coercion invites retaliation in the relationship between the manufacturer and dealer.
Houston and Gassenheimer (1987)	<i>JM</i>	Conceptual		Not measured	Reciprocity is the process by which mutual exchange takes place.
Dawson (1988)	<i>J. of Healthcare Marketing</i>	Charitable giving	Benefits received in the past ( <i>help provided to a family member by a medical charity in the past</i> )	Indebtedness	Reciprocity motives measured by benefits received in the past and feeling of indebtedness predict amount given to medical research foundations.
Wiener and Doescher (1994)	<i>J. of Public Policy &amp; Marketing</i>	Social marketing	Extent to which others are willing to cooperate ( <i>expected that others were willing to install a load control device</i> )	Not measured	Norm of reciprocity explains why a person is more likely to cooperate when cooperation from others is expected.
Bagozzi (1995)	<i>JAMS</i>	Conceptual		Not measured	Views reciprocity as an essential feature in a marketing relationship, which is “at the core of marketing relationships” (p. 275)
Li and Dant (1997)	<i>JAMS</i>	B2B	Exclusive dealing ( <i>distributor only deals with the one supplier</i> )	Not measured	Exclusive dealing channels (i.e., contractual arrangements within distribution channels) lead to a higher level of relationalism (mutuality, solidarity, and role integrity) than non-exclusive dealing channels.
Smith and Barclay (1997)	<i>JM</i>	B2B	Mutual trustworthiness ( <i>trust, role competence, ability, and motives</i> ) and trusting behaviors ( <i>relationship investment, communication openness, and forbearance from opportunism</i> )	Not measured	Norm of reciprocity explains the link between mutual trustworthiness and mutual trusting behaviors, which in turn increase satisfaction of the business partners and perceived task performance.

(Table Continues)

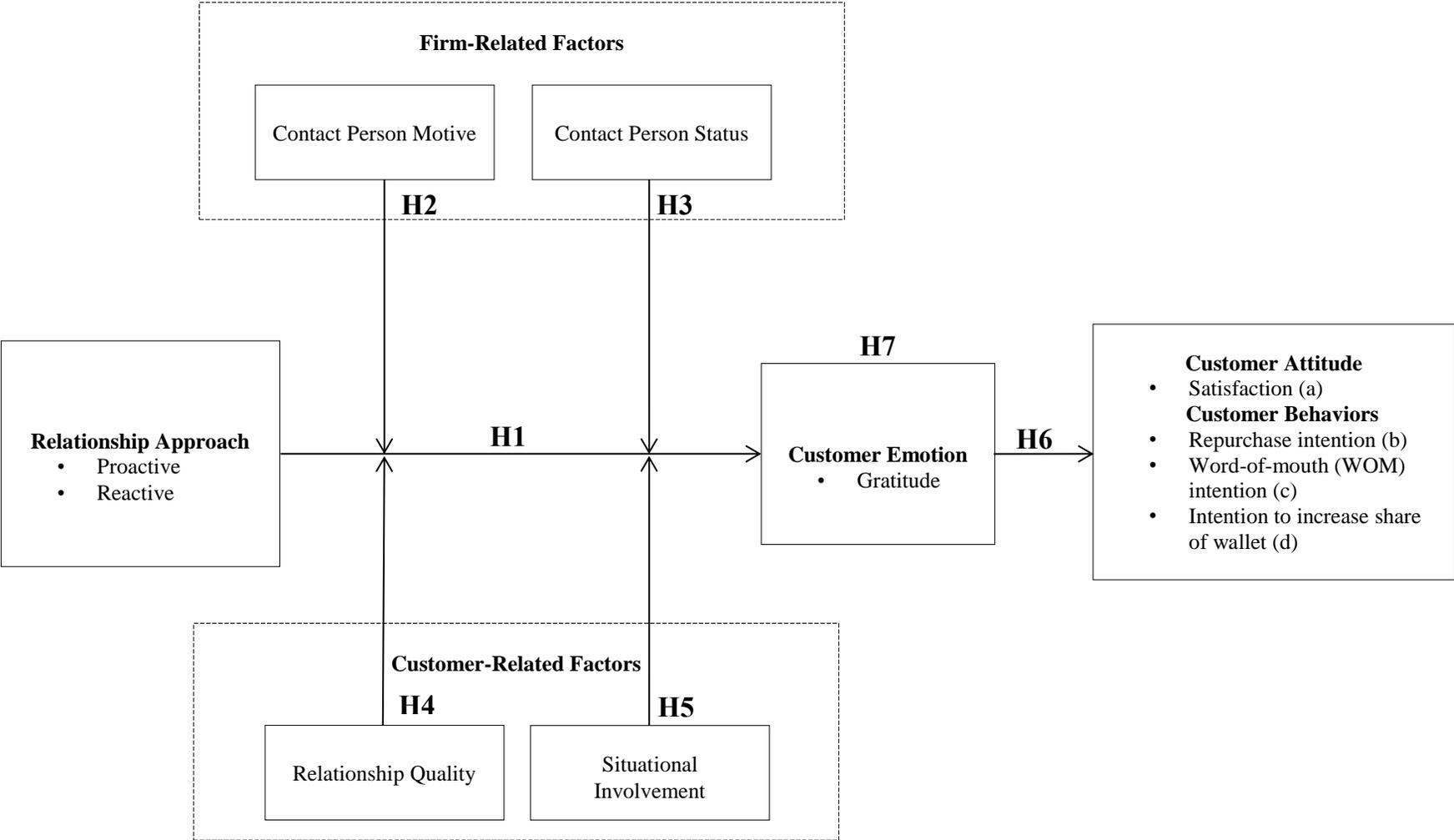
References	Journal	Context	Antecedent ( <i>Operationalization of Reciprocity</i> )	Underlying Cause of Reciprocity	Key Argument Built on the Reciprocal Action Theory
De Wulf, Odekerken-Schröder, Iacobucci (2001)	<i>JM</i>	Retail	Relationship investment ( <i>direct mail, preferential treatment, interpersonal communication, tangible rewards</i> )	Not measured	Reciprocity principle is an underlying theory that explains the effect of relationship investment on relationship quality measured by relationship satisfaction, trust, and commitment.
Johnson and Sohi (2001)	<i>Intern. J. of Research in Marketing</i>	B2B	Connectedness between relationship partners ( <i>informal communication, accessibility</i> )	Obligation	Views reciprocity as an outcome of connectedness in the interfirm relationship
Dahl, Honea, and Manchanda (2005)	<i>JCR</i>	Retail	Social connectedness with a salesperson ( <i>extent to personal interaction</i> )	Guilt	Failure to reciprocate to social connectedness with salesperson by not making a purchase creates guilt, which will later lead to reparative actions that benefit the salesperson.
Morales (2005)	<i>JCR</i>	Retail	Extra effort ( <i>extra help</i> )	Gratitude, Indebtedness, Guilt	Customers reward high-effort firms as they are motivated by both gratitude and indebtedness.
Liang, Chen, Wang (2008)	<i>The Service Industries J.</i>	Online financial services	Relationship investment ( <i>social, financial, and structural bonding</i> )	Not measured	Uses norms of reciprocity as the theoretical rationale for why customers are motivated to reciprocate to a relationship investment of any kind of bonding tactic.
Palmatier et al. (2009)	<i>JM</i>	Retail	Relationship investment ( <i>receiving a cup of coffee, extra help, or valuable information</i> )	Gratitude	Gratitude mediates the influence of a seller's relationship marketing investments on performance outcomes
Andreu et al. (2010)	<i>Tourism Management</i>	B2B	Use of e-business between business partners ( <i>use of e-communication, e-procurement between business partners</i> )	Not measured	Trust between travel agency-wholesaler built by the adoption of online communication has a favorable impact on perceived reciprocity and in turn leads to a higher degree of commitment.
Godfrey, Seiders and Voss (2011)	<i>JM</i>	Automotive dealership	Relational communication ( <i>telephone, e-mail, and mail contacts</i> )	Not measured	Reciprocity principle explains the linear association between relational communication volume and repurchase behavior up to the ideal points; beyond that point, reactance theory explains an inverted u-shaped effect between relational communication volume and repurchase behavior.

**CHAPTER 3**  
**MODEL, HYPOTHESES, AND RATIONALES**

**Explanation of the Model**

Figure 3.1 presents the general conceptual model upon which the research is based. The conceptual model of this study suggests that a firm's relationship investment strategies affect the customer's emotional and behavioral outcomes. Firms' relationship investment strategies are classified into proactive and reactive relationship investment strategies depending on whether or not the firm approaches the customer before the customer gets in touch with the retailer. Proactive relationship investment strategies are defined as anticipating customer problems/issues and acting before the customer recognizes or reacts to prevent such problems or issues. In contrast, reactive relationship investment strategies are defined as a firm's reaction in response to a customer's request or complaint. Theoretical support for the hypotheses is primarily based on reciprocal action theory, and the idea behind this model is consistent with Palmatier et al.'s (2009) gratitude mediating model of relationship investment, which proposes gratitude as the psychological mechanism that underlies reciprocity-based behaviors. Findings for previous literature provide additional support for the study hypotheses.

**Figure 3.1 Conceptual Model**



## Hypothesis Development

### *Hypotheses Related to Main Effect of Proactive Relationship Approach*

Gratitude is the positive emotion one feels in acknowledgment of a benefit that one has received or will receive from another person. Consistent with reciprocal action theory (Gouldner 1960), previous research demonstrates that feeling of gratitude is a function of the perceived value of the benefit to the receiver, cost to the benefactor in providing the benefit, intention of the giver in providing the benefit, and the perceived intentionality of the benefit. The more strongly the recipient perceives the beneficiary's action to be valuable to the recipient (e.g., Algoe, Haidt, and Gable 2008; Fitzgerald 1998; Gouldner 1960; McCullough et al. 2001; Tesser, Gatewood, and Driver 1968), costly to the benefactor (e.g., Algoe, Haidt, and Gable 2008; Gouldner 1960; McCullough et al. 2001; Tesser, Gatewood, and Driver 1968) as well as given with a benevolent intention (e.g., Ames, Flynn, and Weber 2004, Fitzgerald 1998; Gouldner 1960; McCullough et al. 2001) and intentionality (e.g., Ames, Flynn, and Weber 2004, Fitzgerald 1998; Gouldner 1960; McCullough et al. 2001), the more grateful the recipient would feel.

Acknowledging the intentionality of the giver is a necessary prerequisite to the beneficiary's acknowledgement of the benefit and evaluation of the extent of reciprocation he or she plans to make to the benefactor. More precisely, Berger (1975, p. 299) states "where it is clear that such intention was lacking, gratitude is not due." In this research, perceived intentionality of behavior is defined as the extent to which the behavior provided is perceived to be given with free will. When people do something of their own resolution, they act on their own free will. Even if a reciprocal act based on free will appears to be related to performing a random act of kindness to a certain extent, free will is goal-directed, not random. Many philosophers note that free will involves making enlightened decisions and self-control, reflecting the individual's

determinism (see Baumeister, Bratslavsky, and Finkenauer 2001). The extent of intentionality or free will perceived by the beneficiary contributes to the felt gratitude. For example, Greenberg and Frisch (1972) show that liking for helpers and willingness to reciprocate are much higher when helping was seen as intentional (i.e., deliberate rather than accidental). Furthermore, when people perceive that the helper decides to help out of positive feelings for them rather than from a cost-benefit analysis or role obligation, the recipients feel more gratitude and feel more positive toward future interactions with the helper (Ames, Flynn, and Weber 2004).

Solving the customer's problem takes a firm's rather deliberate allocation of its resources in areas such as service design or employee training to offer customers a benefit. When proactive or reactive relationship approaches are offered by the employee, customers may perceive that the firm intends to build and maintain a relationship through these efforts. Thus, under both proactive and reactive interaction conditions, customers are expected to perceive a similar level of firm's intentionality.

However, while proactive and reactive relationship investments provide the benefit of problem-solving, the extent to which the firm focuses on prevention directed at minimizing disruptions differs. Proactive and reactive relationship approaches may generate different degrees of perceived responsiveness. In this study, perceived responsiveness is defined as the customer's perception of the extent to which he or she feels understood, valued, and cared for by the contact person. Firms utilizing a proactive relationship approach anticipate customer problems or issues and act prior to customer request or even before the customer recognizes the trouble to preclude inconvenience caused by the problem. By contrast, firms focusing on a reactive strategy merely react to a customer's request or complaint. Even if the issue is impeccably dealt with by the firm in both cases, a customer is likely to feel more grateful for a

proactive than for a reactive interaction as a customer perceives the benefactor as being responsive to the needs and wishes of the recipient (Zeithaml, Berry, and Parasuraman 1996).

Perceived responsiveness refers to the individual's perceptions regarding the extent to which relationship partners are cognizant of, sensitive to, and behaviorally supportive of the self (Reis, Clark, and Holmes 2004). Mainly, feeling understood, valued, and cared for by another individual are the appraisals associated with perceived responsiveness (Reis and Shaver 1988). Perceived responsiveness is "central to creating intimacy" (Reis, Clark, and Holmes 2004, p. 203). In the interpersonal relationship literature, for the interaction to be experienced as intimate by the relationship partner, the relationship partner must also perceive the counterpart's responses as demonstrating understanding, acceptance, validation, and care (i.e., perceived responsiveness) (Laurenceau, Barrett, and Pietromonaco 1998; Laurenceau, Barrett, and Rovine 2005).

Relationship partners are regarded as responsive when their behaviors attend to the communications, needs, wishes, or actions of the person with whom they are interacting (Reis, Clark, and Holmes 2004). A firm enacting a proactive relationship investment focuses on anticipating future events and taking the preventive initiative to change or control the future outcome. In order to do this, the firm needs to attend to the customer's needs and provide service that addresses them. Thus, a firm with a proactive relationship investment approach will understand the possible difficulties associated with a brand new gadget they are selling in advance, inform customers about them, and offer help before the customer complains. A firm using a reactive relationship investment will merely respond to the customer's request and complaint, lacking the thorough understanding of the customer's needs. For example, such a firm will not offer assistance until the customer learns about the difficulties with a purchase

themselves and asks the firm for help. Even if a firm expends the same amount of assistance across proactive and reactive conditions, customers who receive proactive service feel that the firm is more thoughtful and attentive to their needs and cares more about them and their needs than customers who receive reactive service. In this research, proactive and reactive services are provided by the retail employee in a B2C retail setting. Therefore, responsiveness is perceived from the act of an employee who enacts proactive and reactive interaction with customers.

Algoe, Haidt, and Gable (2008) identifies perceived responsiveness as an additional critical factor that determines the degree of reciprocity. In particular, gratitude arises from appraisals of another's responsive actions, with ratings of responsiveness measured with perceived thoughtfulness mediating the effects of the benefactor's effort and cost on feelings of gratitude. In other words, benefits received matter mainly as a signal of a benefactor's responsiveness. In an exchange context, as a customer becomes aware of a firm's willingness to proactively anticipate and provide benefits of failure prevention, we propose that the customer should perceive a greater level of responsiveness in terms of feeling understood, valued, and cared for by the contact person that in turn increases feelings of gratitude. Therefore,

**H1:** Customer gratitude is greater for proactive customer relationship approach than for reactive customer relationship approach.

### *Hypotheses Related to Moderating Effects*

In addition to testing for the effects we have described thus far, this study also assesses the role of firm- and customer-related moderators that may influence the effectiveness of proactive relationship approach on feelings of gratitude. Existing literature suggests that the value of relationship marketing practices varies depending on the characteristics of the firms and customers (e.g., Challagalla, Venkatesh, and Kohli 2009; Day 2000; De Wulf, Odekerken-

Schröder, and Iacobucci 2001; Kalwani and Narayandas 1995; Morales 2005; Palmatier et al. 2009). As Challagalla, Venkatesh, and Kohli (2009, p. 84) point out, “proactively reaching out to a larger number of customers and serving them takes personnel and monetary investments.” Moreover, according to Crant (2000), proactive behavior can be “constrained or prompted through managing context” (p. 455). This is encouraging as it suggests that strategic managerial intervention on cultivating proactive behavior increases positive outcomes even further. Therefore, identifying specific situations where proactive relationship approach can be most effectively leveraged will be valuable for firms in the design and implementation of relationship investment strategies.

Given our focus on and interest in firms’ effective execution of proactive relationship investment strategy and the specific characteristics of customers who would be more receptive to it, this study investigates whether the effects of proactive relationship activities are contingent on two firm-related factors (contact person motive and contact person status) and two customer-related factors (relationship quality and situational involvement).

### *Firm-Related Moderators*

First, firm-related moderators.

#### **(1) Contact Person Motive**

Contact person motive refers to the extent to which the customer believes that the retailer’s contact person has intentions and motives beneficial to the customer in providing relationship approach (Ganesan 1994). Inferences about motives are common in everyday life. People make inferences about intentions from actions, and these inferences about motives influence the corresponding affective, cognitive, and behavioral responses (e.g., Ames, Flynn, and Weber 2004; Barone, Norman, and Miyazaki 2007; Campbell and Kirmani 2000; Friestad

and Wright 1994; Gorn, Jiang, and Johar 2008; Tsang 2006). This study examines two types of motives of contact person motive: benevolent motive and self-interest motive.

When customers receive a proactive relationship investment, they may suspect an underlying motive for the contact person to provide proactive service (Challagalla, Venkatesh, and Kohli 2009). Benevolent motive is associated with the contact person's intention to provide a proactive service that is beneficial to the customer. Contact person motive is benevolent when the contact person focuses on delivering a pure benefit of relationship investment to the customer. In contrast, a contact person who has a self-interest motive may be perceived as engaging in a proactive interaction with a customer in order to persuade the customer to give the highest possible rating on the customer service rating card for the employee's compensation.

According to reciprocal action theory, the stability of the relationship is undermined if the gratification of either party's needs is not contingent upon the other's reaction (Gouldner 1960). Gouldner (1960) suggests that the value of a benefit is proportional to the extent to which the giver's intention is perceived to be benevolent. Furthermore, Fitzgerald (1998, p. 121) states that gratitude is "only created when benefactors cause a benefit with an appropriate attitude." Therefore, customers will be grateful to the firm when the relational investment is made through the contact person's benevolent rather than self-interest motive.

Typically, when a giver's intention appears to be benevolent rather than self-interest, participants report significantly more gratitude (Ames, Flynn, and Weber 2004; Morales 2005; Palmatier et al. 2009; Raggio and Folse 2009; Tsang 2006). Gratitude is a response to benevolence, so when a benefactor does not have a benevolent attitude a beneficiary need not be grateful (Berger 1975). In addition, the proactivity literature suggests that supervisors evaluate employees' proactive behaviors more favorably when they attribute them to a benevolent rather

than self-serving motive (Grant, Parker, and Collins 2009). Therefore:

**H2:** The effect of proactive customer relationship approach on gratitude will be stronger when the contact person is perceived by the customer to have a benevolent rather than a self-interest motive.

## **(2) Contact Person Status**

Contact person status is defined as the extent to which a firm's contact person is in a position of high rank in the firm. This study examines the role of contact person status in terms of proactive and reactive services provided by either a sales manager or a sales clerk.

Contact person status is expected to play a key role in enacting proactive interaction strategy because benevolence received from a higher ranking individual may be perceived as a more costly investment to the firm. Perceived cost of behavior is defined as the extent to which the behavior provided is perceived to be costly to the firm. Reciprocal action theory states that the value of a favor received is relative to the extent to which the beneficiary perceives a favor to be costly to the benefactor (Gouldner 1960). The more strongly the recipient perceives the beneficiary's action to be costly in providing benefits, the more strongly the receiver would feel grateful. Empirical research that operationalizes cost to benefactor as dollars spent by benefactor in providing benefit (Algoe, Haidt, and Gable 2008) or financial status of benefactor (Tesser, Gatewood, and Driver 1968) provides evidence that the perceived cost of the benefit predicts gratitude.

In this research, a firm's proactive relationship approach offered by a sales manager is considered to be more costly to the firm than that offered by a sales clerk. In a retail environment, a sales manager is ranked at a higher level of hierarchy than a sales clerk. While sales clerks (i.e., employees) and sales managers may both be present at the point of contact with

customers, sales clerks are more typically expected to be a person responsible for providing firsthand assistance to customers in service interactions. In contrast, sales managers are known to be responsible for overseeing the execution of the daily retail operations and to exert more legitimate decision power influencing sales clerks' interactions with and responses to customers (Hartline and Farrell 1996). Thus, customers receiving proactive relationship approach from a sales manager may perceive favors to be more costly to the firm because a sales manager is a higher-cost resource for the firm than a sales clerk. Thus, as the customer perceives that the firm utilizes more costly resources by using a higher level of employee to enact the proactive relationship investment, he or she should experience more gratitude.

Research suggests that the relative status of the benefit giver influences people's willingness to express gratitude (Becker and Smenner 1986; McCollough et al. 2001; Okamoto and Robinson 1997). For example, individuals who receive help from a high-status giver (e.g., adult, teacher, professor of slight acquaintance) feel more grateful (Becker and Smenner 1986; Hegtvedt 1990) and articulate significantly lengthier and more detailed expressions that emphasize gratitude (Okamoto and Robinson 1997) than those who receive help from an equal-status giver (e.g., a close friend or acquaintance).

The literature also indicates that, the status of the employee in the reactive service condition may not be as important as in the proactive service condition. One representative example of reactive relationship investment is to provide service recovery in which the service failure is addressed as a response to the customer request (Worsfold, Worsfold, and Bradley 2007). Boshoff (1997) demonstrates in laboratory scenarios that the organizational level of the employee (e.g., marketing manager/supervisor/frontline employee) performing the service recovery does not have as significant an impact on recovery satisfaction as whether timely

recovery (i.e., immediate/after three days/after a month) is provided and sufficient recovery means (i.e., refund and a gift/refund/apology) accompanies it. In addition, it is common to see managers get involved in the service recovery process (e.g., Lashley 2000). According to McCullough et al. (2001), people express more gratitude toward benefactors from whom they did not expect benevolence. Therefore, who provides relationship investment may not be as influential in the reactive relationship investment provision as in the proactive relationship investment provision for generating customer feelings of gratitude. We therefore propose that proactive relationship approach interaction received from a person of higher status (e.g., sales manager) would be more highly valued than a proactive relationship approach received from a lower ranking employee (e.g., sales clerk):

**H3:** The effect of proactive customer relationship approach on customer gratitude will be stronger when contact person status is high than low.

#### *Customer-Related Moderators*

Next, we address customer-related moderators.

### **(3) Relationship Quality**

Relationship quality is defined as an overall assessment of the strength of a relationship and is conceptualized as a multidimensional construct that captures the many different facets of an exchange relationship (De Wulf, Odekerken-Schröder, and Iacobucci 2001; see also Aaker, Fournier, and Brasel 2004; Crosby, Evans, and Cowles 1990; Grégoire, Tripp, and Legoux 2009; Hennig-Thurau, Gwinner, and Gremler 2002). In this research, relationship quality is defined as overall assessment of the strength of a relationship, conceptualized as a second-order construct composed of three dimensions: trust (i.e., confidence that a firm is dependable and can be relied on), commitment (i.e., a willingness to maintain a relationship with a firm), and positive

relational experience (e.g., consumer's affective state resulting from an overall appraisal of his or her relationship with a retailer) with the firm's performance. This study examines two groups of customers with varying levels of relationship quality: customers with a low level of relationship quality and customers with high a level of relationship quality.

Research has documented the moderating role of customer relationship quality on customers' attitudes and reactions toward firm strategy in the retail context (e.g., Aggarwal 2004; Dawes 2009; De Wulf, Odekerken-Schröder, and Iacobucci 2001; Grégoire, Tripp, and Legoux 2009, Tax, Brown, and Chandrashekar 1998). In general, findings show that a strong relationship leads customers to respond more favorably to firms' strategic actions. For example, Dawes (2009) finds that high-relationship quality customers are less sensitive to price increases than low-quality customers. Similarly, Grégoire, Tripp, and Legoux (2009) observed that high-relationship quality customers are more receptive to firm's recovery effort by showing less desire for revenge than low-relationship quality customers.

Customers who perceive a high level of relationship quality are those who have previously had an exchange relationship with a particular firm, have established trust and commitment and have received relational benefits (e.g., Hennig-Thurau, Gwinner, and Gremler 2002). High-relationship quality customers are also knowledgeable about and experienced with the firm's services. As much as high-relationship quality customers acknowledge the high levels of firm cost and risk in making the relationship investment which initially made them bond with the retailer, they value it to a greater extent and are likely to feel more grateful toward the firm than low-relationship customers. People are more motivated to reciprocate when they perceive the cost and risk the firm incurs in providing the relationship investment (Gouldner 1960). The more strongly the recipient perceives what he or she received to be costly to the benefactor, the

more grateful the recipient is likely to feel (Algoe, Haidt, and Gable 2008; Gouldner 1960; McCullough et al. 2001; Tesser, Gatewood, and Driver 1968). In addition, high-relationship quality customers consciously engage in a relationship to gain benefits, as opposed to low-relationship quality customers who may act based on convenience and inertia (Dick and Basu 1994). As such, high-relationship quality customers are likely to value proactive interaction to a greater extent than low-relationship quality customers. People tend to feel more gratitude when they value the action more (Gouldner 1960). Empirical evidence shows that the value of the benefit perceived by the beneficiary influences the amount of indebtedness or gratitude felt toward the benefactor (Algoe, Haidt, and Gable 2008; Tesser, Gatewood, and Driver 1968; Tsang 2007). When individuals find the action to be valuable (or desirable), gratitude is owed even if the one who tries to give it fails to generate the intended benefit (McConnell 1993; Ortony, Clore, and Collins 1988). Therefore:

**H4a:** The effect of proactive customer relationship approach on gratitude will be stronger for high-relationship quality customers than for low-relationship quality customers.

On the other hand, it can be argued that for those who have low situational involvement, gratitude toward an employee increases when they receive a proactive relationship approach as opposed to a reactive one. Shared expectations and obligations depend on the type of social relationship between benefit givers and receivers (Blau 1964). There is an expectation of benefit in a high relationship quality relationship (Clark and Mills 1979). Customers who perceive a high level of relationship quality are those who have had an exchange relationship with a particular firm previously and have established trust and commitment and also experienced social benefits via personalization or customization of services. These customers may believe that they are entitled to special treatment and therefore believe that “firms ‘owe’ them more than

they owe low-relationship quality customers” (Grégoire, Tripp, and Legoux 2009, p. 20). In such a case, the confirmation/disconfirmation of customer expectations contributes to customers’ perceptions of the value of benefit. If a customer expects a positive outcome (e.g., special treatment) and does not receive that positive outcome, the customer does not view the firm’s actions as reasonable and therefore considers the actions as falling short of their expectation. For high-level relationship quality customers, firm’s proactive interaction may not be regarded as a novel relationship benefit distinct from what they have previously received from the firm, creating the perception of little value of the proactive interaction due to high expectation. Therefore, there is unlikely to be a “spike” of gratitude following a proactive interaction with a firm. By contrast, customers with a low level of relationship quality may have no expectations for a firm’s benevolent act (Clark and Mills 1979), so when a benevolent act occurs, the value is likely to be noticed and will be responded to with feelings of gratitude to the degree of the value of benevolence (Unsworth et al. 2010).

According to reciprocal action theory, people are more motivated to reciprocate when they value the action more (Gouldner 1960). Empirical evidence shows that the value of the benefit perceived by the beneficiary influences the amount of indebtedness or gratitude felt toward the benefactor (Algoe, Haidt, and Gable 2008; Tesser, Gatewood, and Driver 1968; Tsang 2007). Notably, the value of benefits in these studies was measured or manipulated as the subjective value of the benefit, not the actual value. In other words, as far as individuals find the action to be valuable (or desirable), gratitude is owed even if someone tries to give another something significant but fails to generate the intended benefit (McConnell 1993; Ortony, Clore, and Collins 1988).

McCollough et al. (2001, p. 255) argued that people experience greater amounts of gratitude toward benefactors “from whom they would not expect benevolence” because providing and receiving benefits and reciprocating to someone who is close are perceived to be “more obligatory or habitual in nature” than for someone who is less close. In general, people receiving benefits feel less gratitude when they perceive that the benefactor decided to help them out of role obligation rather than out of positive feelings for them (Ames, Flynn, and Weber 2004). Therefore, people respond with greater gratitude toward benefactors from whom they would not expect benevolence. Bar-Tal et al. (1977) corroborate this by showing that subjects expressed the most gratitude toward a stranger, acquaintance, and close friend respectively, less toward a sibling, and least gratitude toward a parent who offered help. Therefore, an alternative hypothesis is proposed:

**H4b:** The effect of proactive customer relationship approach on gratitude will be stronger for low-relationship quality customers than for high-relationship quality customers.

#### **(4) Situational Involvement**

Situational involvement, also known as purchase involvement, refers to an individual’s preoccupation with an activity out of concern for its immediate consequences (Houston and Rothschild 1978). Situational involvement differs from enduring involvement, which refers to an individual’s stable and permanent concern with the product class (Richins and Bloch 1986). For example, car buffs, wine connoisseurs, and sports car enthusiasts have a high level of enduring involvement and tend to perceive the consumption activities related with these products as personally relevant (Houston and Walker 1996). Instead, situational involvement is related to product involvement that occurs only in specific situations, such as a purchase, for a limited period of time (Houston and Rothschild 1978; Wohlfeili and Whelan 2006). The notable

characteristic of situational involvement is that as most situations are dynamic and changeable, situational involvement and accompanying behaviors decline as the goal in that situation is achieved. Thus, responsiveness of the proactive relationship approach may be highly valued and critical in achieving a consumption goal when the customer's situational involvement level is high. Therefore, this research focuses on the role of customer situational involvement as a potential moderator that heightens the importance of proactive relationship approach at two levels: high and low levels of situational involvement

When situational involvement is high, individuals are motivated to attend to information about the object of their involvement and spend considerable effort and search time to make a wise choice (Celsi and Olsen 1988; Houston and Rothschild, 1978). In contrast, when situational involvement is low, customers may be unwilling to exert a great deal of effort, because a poor decision has minimal consequences.

Perceived value of behavior refers to the extent to which the behavior provided is perceived to be more valuable to the customer. Proactive interaction focuses on anticipating future customer problems/issues and acting before the customer recognizes or reacts to prevent such problems or issues. When proactive interaction is provided, a customer who has a high level of situational involvement is more likely to perceive the value of proactive interaction and to respond positively to the employee because situational involvement increases the importance and the perceived value of the proactive action. However, when a customer has a low level of situational involvement, proactive interaction strategy may be less influential. In fact, low level situation involvement customers may perceive that the benefits received from a proactive interaction are unnecessary and may even be annoyed by them. Therefore, when the customer's situational involvement level is high, he or she will perceive a higher level of value from a

proactive relationship approach that helps address important situational needs and prevent any future problems from occurring before the customer realizes them. Felt gratitude is a positive function of the perceived value of the benefit to the recipient (Algoe, Haidt, and Gable 2008; Berger 1975; McCullough et al. 2001; Palmatier et al. 2009; Tesser, Gatewood, and Driver 1968; Tsang 2006). Therefore,

**H5:** The effect of proactive customer relationship approach on gratitude will be stronger when the customer's situational involvement is high than low.

### *Hypotheses Related to the Mediating Role of Gratitude*

The association between relationship investment and firm performance outcome variables is well established. Relationship investment has been shown to predict satisfaction (e.g., Anderson and Narus 1991; Ganesan 1994; Reynolds and Beatty 1999; Sirdeshmukh, Singh, and Sabol 2002; Smith and Barclay 1997), word-of-mouth (WOM; e.g., Hennig-Thurau, Gwinner, and Gremler 2002; Reynolds and Beatty 1999), repurchase intention (Palmatier et al. 2009), share of wallet (e.g., De Wulf, Odekerken-Schröder, and Iacobucci 2001; Palmatier et al. 2009; Reynolds and Beatty 1999; Sirdeshmukh, Singh, and Sabol 2002), sales revenue, and sales growth (Palmatier et al. 2009). Although it is generally considered that the effect of relationship investment is positive on firm performance, empirical evidence on the relative impact of proactive and reactive relationship investment strategy on firm performance outcome variables is scarce. Specifically, although firm's proactive interaction with retail customers is expected to lead to better firm outcomes than reactive interaction (e.g., Beverland, Farrelly, and Woodhatch 2007; Challagalla, Venkatesh, and Kohli 2009), hardly any systematic empirical investigation has been published that examines the relative reactions of customers to proactive and reactive relationship approaches.

In this study, multiple customer behavioral outcomes are investigated, such as customer satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet, any of which may occur as a result of receiving proactive versus reactive interaction. This study defines satisfaction as a cognitive and affective response to the consumption experience (Oliver 1997; Yi 1990). Repurchase intention refers to the degree to which customers intend to purchase a firm's products/services in the future (Jones et al. 2007). WOM intention indicates the likelihood that one would favorably recommend a firm's product or service (Maxham and Netemeyer 2002) Intention to increase share of wallet refers to the likelihood to increase the proportion of business a customer does with the focal company (Glady and Croux 2009).

Both proactive and reactive relationship investment strategies focus on flawless customer service in that the desired end result is that customers leave the store in a positive mood with their problem solved. The difference is whether the firm anticipates upcoming problems and addresses them before being asked for help by the customer (proactive) or merely responds to a customer request after the customer recognizes the issue (reactive). When a firm voluntarily addresses potential problems customers may encounter in advance and saves hassle for them, customers will positively respond to the firm for taking the initiative to extend help. However, addressing an issue when asked for help may seem more typical for most firms in the retail industry. Therefore, we propose that even if a firm presents an equal problem-solving outcome to customers, customers will reward the firm that proactively engaged in relationship marketing activities more than the firm that reactively engaged in relationship marketing activities by increasing satisfaction, intention to purchase, intention to spread WOM, and intention to increase share of wallet.

Gratitude is "a force that compels us to return the benefit we have received" (Komter

2004, p. 1). According to McCollough et al. (2001, p. 250), “gratitude is both a response to moral behavior and a motivator of moral behavior.” However, while individuals motivated to reciprocate out of indebtedness may work to return a favor “equal in value” to the benefactor (Gouldner 1960, p. 172), gratitude calls for “lasting rewards far beyond the benefit” (Raggio et al. 2008, p. 28).

Consistent with Algoe, Haidt, and Gable (2008) and McCollough et al. (2001), this research proposes that people made grateful by the actions of a benefactor are more likely to contribute to the welfare of the benefactor in the future. For example, Algoe, Haidt, and Gable (2008) demonstrate that recipients’ gratitude predicted benefactors’ positive ratings of the relationship with the recipients a month later. In addition, the effect of gratitude goes beyond the dyadic relationship between beneficiary and benefactor because the beneficiary’s gratitude leads to a feeling of integration at the group level. Prior research has shown that a customer’s feeling of gratitude generated as a result of a firm’s relational effort leads to favorable firm evaluations and purchase behavior (Morales 2005; Palmatier et al. 2009). Palmatier et al. (2009) found that gratitude stemming from receiving a cup of coffee, extra help, or valuable information from a retail service employee predicts purchase intention at the firm level. Gratitude serves as a psychological mechanism that helps to explain the link between firm relationship investment and customer behavioral outcomes. According to McCullough et al. (2001), gratitude constitutes a typical affective response to the receipt of benefits which may affect behavior as well. Therefore,

**H6:** Customer behavioral outcomes ((a) satisfaction, (b) repurchase intention, (c) word-of-mouth (WOM) intention, and (d) intention to increase share of wallet) are greater for proactive relationship approach with customers than for reactive relationship approach.

**H7:** Customer gratitude mediates the relationship between the relationship approach and behavioral outcomes ((a) satisfaction, (b) repurchase intention, (c) word-of-mouth (WOM) intention, and (d) intention to increase share of wallet).

## **CHAPTER 4**

### **STUDY 1**

#### **Overview of Studies 1 and 2**

Scenario-based experiments using role-playing were employed to test the hypotheses (H1-H7). The role-playing method has been used frequently in marketing, especially in retail/service settings (e.g., Bitner 1990; Keh and Pang 2010; Ostrom and Iacobucci 1995). Bitner (1990) argued that role-playing allows expensive or extremely difficult manipulations to be easily operationalized, provides the researcher greater control over the variable under examination, and allows the examination of events that would otherwise require days or weeks to occur. Consequently, a scenario-based experiment was the logical choice for the proposed research.

Study 1 tests the relative efficacy of proactive and reactive relationship approach on customer emotion and behavior by conducting a main effect test using a single factor (one-way) experimental design. This study provides initial evidence of whether the proactive relationship approach is a better strategy than the reactive relationship approach in generating customer feelings of gratitude, satisfaction, and repurchase intention, and whether gratitude mediates the relationship between a type of relationship approach and customer outcomes (i.e., satisfaction and repurchase intention).

Study 2 provides an additional test of a type of relationship approach along with the proposed moderators (contact person motive, contact person status, relationship quality, and

situational involvement) in four sub-studies using a 2 X 2 factorial experimental design respectively. Study 2 invites real-world customers as survey participants to ensure generalizability of the results to a broad base of customers, extending the results from Study 1.

### **Experimental Design and Study Context**

Study 1 deals with type of relationship approach as a single factor comprising two levels: proactive and reactive relationship approach type. Type of relationship approach is defined as the type of relationship investment in terms of whether a firm anticipates customer problems/issues and acts before the customer recognizes or reacts to prevent such problems or issues (proactive) or simply reacts to the customer's request for help after discovering a problem (reactive). Respondents are randomly assigned to one of two treatments that are created by crossing the type of relationship approach. The test of a main effect will examine whether there is evidence of a stronger effect of proactive relationship approach as opposed to reactive relationship approach on customer's emotional and behavioral outcomes.

In accordance with the purpose of this study, in which the efficacy of a different type of relationship approach is tested, an electronics retailer is used as the research context because this setting often involves interaction between a customer and an employee (Lambert 1997). In addition, customers feel most vulnerable after they purchase a technologically complex product (Challagalla, Venkatesh, and Kohli 2009). Therefore, the electronics store setting appears relevant for testing proactive versus reactive relationship approach types.

### **Development and Pretests of Scenario**

Before conducting the experiment, a series of pretests was conducted for Study 1. The main purposes of the pretests were (1) to establish strong manipulations, (2) to eliminate potential confounding of manipulations, and (3) to ensure realism of the scenarios. Throughout

pretest stages, changes were made to the wording of the scenarios and the manipulation check questions until satisfactory manipulation checks and realism checks were achieved.

A series of several pretests were conducted because finding two contrasting scenarios that reflect the nature of proactive and reactive relationship approach types without confounding effects from uncontrolled factors posed a challenge. The final round of pretests involved 42 (52% male and 83% white) participants recruited from upper-level management and marketing classes and compensated with extra credit point for their participation.

The final round pretest scenarios described likely employee and customer interactions in an electronics retail space where a customer buys a GPS (Global Positioning System) for an upcoming road trip with friends. In the proactive relationship approach condition, an employee tells a customer that GPS installation may affect car warranty as some warranties can be voided if certain GPS systems are installed. In addition, the employee calls the dealer on behalf of the customer to confirm that an installation of the GPS does not affect the warranty. Upon confirmation, the customer buys a GPS and happens to hear about the potential conflict with the warranty policy of the car via a news clip on TV later that weekend. In the reactive relationship approach condition, a customer who bought a GPS navigation system hears about the potential conflict with the warranty policy of the car via a news clip on TV. The customer then contacts the employee to seek help and the employee makes a phone call to the dealer for the customer upon customer's request for help. Respondents were randomly assigned to the experimental treatments.

Approximately 93 % respondents chose the option that matched with the cover story that the purpose of this study is to investigate customer attitude regarding service experiences. Five percent chose the "don't know" option and only 1 (2%) participant wrote something that was far

from the actual purpose of the study. In addition, respondents reported that the situation described in the scenario is believable (Mean = 5.71) and realistic (Mean = 5.48) on 7-point Likert scales.

The ANOVA results demonstrated that the type of relationship approach manipulation worked as predicted ( $F(1, 40) = 190.23, p = 0.00$ ), as the mean for the type of relationship approach manipulation was higher in the proactive (Mean = 5.71) than in the reactive (Mean = 5.48) relationship approach type condition. The pretest also confirmed the reliability of the focal construct survey questions. Cronbach's alpha of type of relationship approach manipulation and gratitude toward a company are well above the recommended threshold of 0.70 (Nunnally and Bernstein 1994). The final pretest scenarios and analyses are presented in Appendix I.

Despite strong manipulations achieved in the final pretest, a concern existed in regard to the scenario context as the current scenarios involved a low level of customer-employee contact that may not be enough for a firm to build and strengthen relationship with customers. Therefore, new scenarios were developed for the main test of Study 1. Similar to the final pretest scenarios, an electronics retailer is used as the research context, although the product involved in the purchase situation of the scenario was changed from a GPS to a laptop and anti-virus software. In the new scenarios, respondents were told that they are purchasing both a new laptop computer and anti-virus software at an electronics store. As an employee provides software installation help on behalf of a customer, the new scenarios involve a relatively high level of customer-employee interaction compared with the previous scenario in which an employee simply made a phone call for a customer. Descriptions of the new scenario manipulations are presented next.

## Scenario Manipulations

Type of relationship approach was described as whether or not the retailer acknowledged the problem and provided a solution before the customer knows about it and surfaces the issue. In the proactive relationship approach condition, respondents were told to imagine that they have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, an employee (referred to by the gender-neutral name “Jaime”) tells them about the difficulty of installing the software and offers to install it in the store. Later that evening, the participant in the scenario learns by reading a tech blog that many consumers indeed find the installation difficult to do themselves and should seek assistance.

The reactive relationship approach condition also begins with customers visiting an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. However, respondents leave the store without being informed by the employee about the difficulty of the software installation. Later that evening, the participant in the scenario learns by reading a tech blog that many consumers indeed find the installation difficult to do themselves and should seek assistance. The next day the participant in the scenario calls the store for help and the store employee says to bring the laptop and software back in. The customer revisits the store and the employee installs the software for the customer.

Across the proactive and reactive relationship approach conditions, the circumstances that it took about 20 minutes for the employee to install the software and that the employee even offers to assist in loading the items into the customer’s car since it is raining outside and the fact that the employee him/herself provided the installation were presented equally to control the level of perceived employee effort and employee competence and to avoid any other likely

explanation for more positive customer responses toward the proactive relationship approach than the reactive relationship approach.

Experimental stimuli for Study 1 can be found in Table 4.1.

**Table 4.1 Experimental Stimuli for Study 1**

<b>Type of Relationship Approach</b>	
Reactive Relationship Approach	Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime processes your purchase.
	When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work.
	Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.
	The next day you call Jaime at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.
Proactive Relationship Approach	Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime processes your purchase.
	As Jaime is checking you out, you did not ask, but Jaime tells you that the software installation can be tricky and immediately offers to install it for you, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.
	Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

Before presenting the scenario, an introduction asked respondents to imagine themselves in the role of the customer described in the scenario and then answer the questions that followed. The respondents were informed that they would be asked about their attitudes regarding service experiences, but the nature and purpose of the study were not revealed. The researchers believed

this to be important because of the desire to avoid demand effect as much as possible (Schwab 2005).

### **Dependent Variable and Manipulation Check Measures for Study 1**

After reading one of the two scenarios, the respondents answered the survey questions. The survey questionnaires were organized as follows.

First, the key dependent variables including gratitude toward an employee, satisfaction, and repurchase intention were measured. Unlike the final round pretest in which gratitude directed at a company was measured, the main test measures gratitude toward an employee because customer gratitude comes from the services the employee provides firsthand rather than the corporate-wide decision to provide the type of relationship approach. Gratitude (an emotion of appreciation for benefit received) toward an employee is assessed using three items (e.g., grateful, thankful, and appreciative) adapted from Palmatier et al. (2009). To assess satisfaction (an overall cognitive and affective response to the consumption experience), a three-item measure adapted from Maxham and Netemeyer (2002) was used. Repurchase intention (the degree to which customers intend to purchase a firm's products/services in the future) is measured with a single item (Jones et al. 2007). Although multi-item scales are generally preferred, there is considerable evidence that supports the use of single-item scales for customer satisfaction and retention-related research (e.g., Lemon, White, and Winer 2002).

Second, two control variables were measured. To rule out the possible influence of other effects stemming from exposure to the type of relationship approach, the measures of employee effort and employee competence were included. Several researchers suggest that perceived employee effort, or the amount of exertion a customer believes an employee has expended for a specified purpose, influences customer's evaluation of the services (Mohr and Bitner 1995;

Morales 2005). Therefore, to control for the effect of employee effort, an employee effort scale using five items adapted from Mohr and Bitner (1995) was administered. A scale to measure employee competence was also included because of its influence on the effectiveness of relationship marketing (Doney and Cannon 1997; Sirdeshmukh, Singh, and Sabol 2002; Smith and Barclay 1997). Employee competence is defined as the degree to which a customer perceives an employee as having the skills, abilities, and knowledge necessary for effective task performance (Sirdeshmukh, Singh, and Sabol 2002). Employee competence is measured using a three-item scale adapted from Sirdeshmukh, Singh, and Sabol (2002).

Third, a demand check question adapted from Whitehead and Smith (1976) was asked to determine respondents' beliefs about the purpose of the study, as well as a realism check adapted and reduced from three items to two items from Sultan, Joireman, and Sprott (2012) to ask the respondent's perception of the realism and believability of the scenarios.

Next, manipulation check questions about the type of relationship approach were asked. The manipulation check questions were newly developed based on the literature review and discussion with academic and professional experts in this area. While the final round pretest of Study 1 initially utilized three items for this manipulation check, Study 1 included five additional items for a total of eight items. Manipulation check questions about the type of relationship approach are designed to encompass two dimensions of proactive relationship approach type: acting in advance and taking an action. Five items captures the firm's ability to act in advance and three items represent the firm's ability to take an action. Therefore, manipulation check questions of the relationship approach ask the extent to which the interaction a respondent received is perceived as a proactive relationship approach type. The mean score of the

manipulation check is expected to be high for the proactive relationship approach and low for the reactive relationship approach type.

The survey ended with some general demographic questions of gender and ethnicity.

All answers were reported on 7-point Likert scales with the anchors such as 1 = very dissatisfied to 7 = very satisfied or 1 = strongly agree to 7 = strongly disagree, except for a demand check question and the demographic questions. Table 4.2 presents the definitions and measures used for the focal constructs, control variables, demand and realism check, manipulation check, and demographics.

**Table 4.2 Focal Construct Definitions and Measures of Study 1**

<b>Construct</b>	<b>Definition</b>	<b>Source items</b>	<b>Measures</b>	<b>Source</b>
<b>Key Dependent Variables</b>				
Gratitude toward an Employee	An emotional appreciation for benefit received	1. I feel grateful to [target]. 2. I feel thankful to [target]. 3. I feel appreciative to [target].	1. I feel grateful to Jaime. 2. I feel thankful to Jaime. 3. I feel appreciative to Jaime.	Palmatier et al. (2009)
Satisfaction	A cognitive and affective response to the consumption experience	1. I am satisfied with my overall experience with [firm name]. 2. As a whole, I am not satisfied with [firm name]. 3. How satisfied are you overall with the quality of [firm name] banking service?	1. I am satisfied with my overall experience with S.A.B. 2. As a whole, I am satisfied with S.A.B. 3. How satisfied are you overall with the quality of S.A.B? (very dissatisfied – very satisfied)	Maxham and Netemeyer (2002)
Repurchase Intention	The degree to which customers intend to purchase a firm's products/services in the future	I plan to use this company in the future.	I plan to use S.A.B. in the future.	Jones et al. (2007)
<b>Control Variables</b>				
Employee Effort	The amount of exertion a customer believes an employee has expended for a specified purpose	1. The employee exerted a lot of energy. 2. The employee was very persistent. 3. The employee did not spend much time in this situation. 4. The employee did not try very hard. 5. The employee put a lot of effort into this situation.	1. Jaime exerted a lot of energy. 2. Jaime was very persistent. 3. Jaime spent much time in this situation. 4. Jaime tried very hard. 5. Jaime put a lot of effort into this situation.	Mohr and Bitner (1995)
				(Table Continues)

<b>Construct</b>	<b>Definition</b>	<b>Source items</b>	<b>Measures</b>	<b>Source</b>
Employee Competence	The degree to which a customer perceives an employee as having the skills, abilities, and knowledge necessary for effective task performance	<ol style="list-style-type: none"> <li>1. The (store) employees work quickly and efficiently.</li> <li>2. The (store) employees can competently handle most customer requests.</li> <li>3. The (store) employees can be relied upon to know what they are doing.</li> </ol>	<ol style="list-style-type: none"> <li>1. Jaime works quickly and efficiently.</li> <li>2. Jaime can completely handle most customer requests.</li> <li>3. Jaime can be relied upon to know what he/she is doing.</li> </ol>	Sirdeshmukh, Singh, and Sabol (2002)
<b>Realism and Demand Checks</b>				
Demand Check		I think the purpose of this experiment is _____.	<p>I think the purpose of this study was (indicate one of the three options below):</p> <ol style="list-style-type: none"> <li>1. To investigate customer attitudes regarding service experiences</li> <li>2. Don't Know</li> <li>3. Other (please specify)</li> </ol>	Whitehead and Smith (1976)
Realism Check		<ol style="list-style-type: none"> <li>1. Please rate the extent to which you believed the scenario was realistic.</li> <li>2 Please rate the extent to which you believed the scenario was believable.</li> <li>3. Please indicate how likely you would be to encounter a situation similar to the one described in the scenario.</li> </ol>	<ol style="list-style-type: none"> <li>1. The scenario that I read about S.A.B. Electronics is believable.</li> <li>2. The scenario that I read about S.A.B. Electronics is realistic.</li> </ol>	Sultan, Joireman, and Sprott (2012)
<b>Manipulated Constructs</b>				
Type of Relationship Approach	The extent of anticipating customer problems/issues and acting before the customer recognizes or reacts to prevent such problems or issues	Created	<ol style="list-style-type: none"> <li>1. S.A.B. anticipated my problem even before I found out about it.</li> <li>2. S.A.B. informed me before I could find out about the problem.</li> <li>3. S.A.B. was proactive in explaining critical information to me.</li> <li>4. S.A.B. made things happen rather than just reacting to a situation or waiting for something to happen.</li> </ol>	Bindl and Parker (2010); Challagalla, Venkatesh, and Kohli (2009); Grant and Ashford (2008)
				(Table Continues)

			<p>5. S.A.B. took initiative in its interactions with me.</p> <p>6. S.A.B. identified opportunities for relationship building with me and acted on them.</p> <p>7. S.A.B. acted before I gave them detailed instructions.</p> <p>8. S.A.B. did not wait until they must respond to my request.</p>	
<b>Demographics</b>				
Gender			<p>What is your gender?</p> <p>1. Male</p> <p>2. Female</p>	
Ethnicity			<p>What is your ethnicity?</p> <p>1. African-American</p> <p>2. Asian</p> <p>3. Caucasian/White</p> <p>4. Hispanic</p> <p>5. Multi-racial</p> <p>7. Other</p>	

## **Data Collection and Analysis**

### ***Sample and Data Collection Procedure***

A total of 44 undergraduates participated in this study in return for extra credit in a senior-level marketing class. Data were collected with a paper-and-pencil survey. Approximately 50% (22 respondents) of respondents are female and 91% (40 respondents) are white.

### ***Demand Check***

To minimize the potential demand effect, respondents were asked what they thought the purpose of the study was. Among three options given to the respondents, option one matched with the cover story that the goal of this study is to investigate customer attitudes regarding service experiences. The second option was “don’t know.” The last option was “other,” and participants were asked to specify an answer in the blank line provided. The majority of the respondents chose option one, the cover story (96%, 42 respondents) and no one chose option two, don’t know. Only 2 (5%) out of 44 respondents chose option three and wrote something that they believed was the purpose of the study. However, the written answers were far from the exact purpose of the study. Therefore, all 44 entries were included in the analysis.

### ***Perceived Realism Check***

Table 4.3 illustrates the perceived believability and realism of the scenarios. One-sample *t*-tests are used to compare the means of these responses to the midpoint of the scale. Participants clearly evaluated the scenario to be believable (Mean = 6.23 vs. 3.5 [the midpoint]:  $t(43) = 22.53$ ,  $p = 0.00$ ) and realistic (Mean = 5.95 vs. 3.5 [the midpoint]:  $t(43) = 14.03$ ,  $p = 0.00$ ).

**Table 4.3 Perceived Realism and Believability of the Scenarios**

<b>Realism scale items</b>	<b>Mean</b>	<b>SD</b>
1. The scenario that I read about S.A.B. Electronics is believable.	6.23	0.80
2. The scenario that I read about S.A.B. Electronics is realistic.	5.95	1.16
Average	6.09	0.94
Cronbach's $\alpha$		0.86

*Note.* N = 44

### ***Measurement of Construct***

In this section, dimensionality, reliability, and validity of the constructs used in the study are examined. Confirmatory factor analysis (CFA) was conducted using LISREL 8.53. Although it is desirable to include all constructs using structural equation modeling (Jöreskog and Sörbom 1999), two separate measurement models were created because the sample size ( $N = 44$ ) is insufficient to run a full CFA model involving all four constructs (Bentler and Chou 1987).

### ***Outcome Variables***

The first measurement model examined two key dependent variables from the study: gratitude and satisfaction. Table 4.4 reports all the individual CFA item loadings,  $t$ -values, average variance extracted (AVE), composite reliabilities (CR), Cronbach's alpha, and model fit statistics.

As seen in Table 4.4, all item loadings are positive and statistically significant, indicating unidimensionality and establishing convergent validity (Anderson 1987). Moreover, there are no negative variances (Bagozzi and Yi 1988). Standardized loading estimates of each item are all above 0.50, which is regarded as a good rule of thumb (Hair et al. 2006). In addition, AVE values, the percentage of variance accounted for in the construct by the items, are all greater than 0.86 and well exceed the commonly prescribed limits of 0.50 (Bagozzi and Yi 1988; Hair et al.

2006). Reliability is also an indicator of convergent validity. All of these measures have been shown to possess satisfactory reliability, as the composite reliabilities (CR) and Cronbach's alpha are all above 0.90 and are greater than the cutoff point of 0.70 (Hair et al. 2006).

CFA model fit statistics appear at the bottom of Table 4.4. All of the model fit indices (Root Mean Square Error of Approximation (RMSEA), Comparative Fit Index (CFI), Non-Normed Fit Index (NNFI), Incremental Fit Index (IFI), and Standardized Root Mean Square Residual (SRMR)) are sufficiently high and achieve the prescribed limits recommended by Hu and Bentler (1999). The RMSEA is below the 0.06 cut-off, the SRMR is below 0.08, and the CFI, NNFI, and IFI are all above the 0.95 criteria. Thus, the model shows excellent fit and confirms that the theoretical measurement model is valid.

Discriminant validity was assessed by calculating the square root of the AVE for each of the scales. This value is presented on the diagonal in Table 4.5. To demonstrate discriminant validity, this value must exceed the corresponding latent correlations in the same row and column (Fornell and Larcker 1981). If this condition is met, then we have evidence that the variance shared between any two constructs is less than the average variance explained by the items that compose the scale. As shown in Table 4.5, this condition is met for all of the constructs.

**Table 4.4 Confirmatory Factor Analysis (CFA) for Outcome Variables**

Scale Item	Standardized Loading <sup>a</sup>	AVE	Composite Reliability	Cronbach's $\alpha$
<b>Gratitude</b>		0.86	0.90	0.88
<b>gra1:</b> I feel grateful to S.A.B. Electronics.	0.82			
<b>gra2:</b> I feel thankful to S.A.B. Electronics.	0.97			
<b>gra3:</b> I feel appreciative toward S.A.B. Electronics.	0.79			
<b>Satisfaction</b>		0.89	0.92	0.91
<b>sat1:</b> I am satisfied with my overall experience with S.A.B.	0.90			
<b>sat2:</b> As a whole, I am satisfied with S.A.B.	0.96			
<b>sat3:</b> How satisfied are you overall with the quality of S.A.B.?	0.79			
<b>Repurchase Intention</b>		N.A.	N.A.	N.A.
<b>repur1:</b> I plan to use this company in the future.	N.A.			

**Fit Statistics for CFA**

$\chi^2 = 5.64$ ,  $df = 8$  ( $p = 0.69$ ), RMSEA = 0.00, CFI = 1.00, NNFI = 1.02, IFI = 1.01, SRMR = 0.04

<sup>a</sup> All paths are significant.

**Table 4.5 Correlations, Means, and Standard Deviations for Outcome Variables**

Variables	Mean	SD	1	2	3
1. Gratitude	5.57	1.10	(0.86)		
2. Satisfaction	5.83	0.97	0.69**	(0.89)	
3. Repurchase Intention	5.73	1.21	0.72**	0.87**	N.A.

Note.  $N = 44$ , Values on the diagonal are the square root of the average variance extracted (AVE).

\*\* $p < 0.01$

*Control Variables*

The second measurement model examines the two control variables from the study: employee effort and employee competence. After estimating the model, two of the employee effort items (effort 1 and effort 2) were dropped because they did not have satisfactory item loadings (the loadings were 0.43 and 0.39; a satisfactory loading is above 0.50). A closer look at these two items suggests that they are qualitatively different from the other three items. For

example, item effort 1, “exerted a lot of energy,” may suggest physical effort invested by an employee and item effort 2, “very persistent,” describes persistence rather than effort, while other items indicate the employee’s amount of exertion expended for a specific purpose. After dropping these two items, CFA was re-estimated. Table 4.6 reports all the individual CFA item loadings, *t*-values, average variance extracted (AVE), composite reliabilities (CR), and model fit statistics. CFA model fit statistics appear at the bottom of Table 4.6. All of the model fit indices (RMSEA, CFI, NNFI, IFI, and SRMR) demonstrate adequate fit for the data based on the cut-off points suggested by Hu and Bentler (1999).

Anderson and Gerbing (1988) suggest that evidence of convergent validity for a measurement model is present if all observable indicators load significantly on their respective latent factors. In this study, all observable indicators loaded significantly on their latent variables at the level of 0.05. AVE values are all greater than 0.58, well exceeding the cut-off point of 0.50. In addition, reliability of each of the control measures proved satisfactory, as the composite reliabilities were all above 0.80 and well exceeded the commonly prescribed limits of 0.70. Therefore, the CFA results provide evidence of convergent validity for the control variables used in the study.

Discriminant validity was examined by calculating the square root of the AVE for each of the scales. A construct should share more variance with its measures than with other model constructs; therefore, the square root of the AVE should exceed the intercorrelations of the construct with the other model constructs (Fornell and Lacker 1981). As shown in Table 4.7, none of the intercorrelations of the constructs exceeded the square root of the AVE of the constructs (Fornell and Larcker 1981). Therefore, discriminant validity is established.

**Table 4.6 Confirmatory Factor Analysis (CFA) for Control Variables**

Scale Item	Standardized Loading <sup>a</sup>	AVE	Composite Reliability	Cronbach's $\alpha$
<i>Employee Effort</i>		0.70	0.88	0.87
<b>effort3</b> : Jaime spent much time in this situation.	0.71			
<b>effort4</b> : Jaime tried very hard.	0.85			
<b>effort5</b> : Jaime put a lot of effort into this situation.	0.94			
<i>Employee Competence</i>		0.58	0.79	0.78
<b>comp1</b> : Jaime works quickly and efficiently.	0.52			
<b>comp2</b> : Jaime can completely handle most customer requests.	0.93			
<b>comp3</b> : Jaime can be relied upon to know what he/she is doing.	0.77			

**Fit Statistics for CFA**

$\chi^2 = 8.47$ ,  $df = 8$  ( $p = 0.39$ ), RMSEA = 0.04, CFI = 0.99, NNFI = 0.98, IFI = 0.99, SRMR = 0.05

<sup>a</sup> All paths are significant.

**Table 4.7 Correlations, Means, and Standard Deviations for Control Variables**

Variables	Mean	SD	1	2
1. Employee Effort	5.40	1.16	(0.84)	
2. Employee Competence	5.68	0.98	0.34*	(0.76)

Note.  $N = 44$ , Values on the diagonal are the square root of the average variance explained (AVE).

\*\* $p < 0.01$ , \* $p < 0.05$

**Manipulation Check Analysis**

*Type of Relationship Approach*

Type of relationship approach was manipulated at two levels in this study: proactive and reactive. The manipulation check for type of relationship approach was submitted to an analysis of variance (ANOVA). The mean for the type of relationship approach manipulation is higher in the proactive (Mean = 6.16) than in the reactive (Mean = 3.16) interaction condition, indicating that the manipulation worked ( $F(1, 42) = 112.27$ ,  $p = 0.00$ ; See Table 4.8).

**Table 4.8 ANOVA for Manipulation Check of Type of Relationship Approach**

<b>DV: Type of Relationship Approach</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
	Corrected Model	98.54 <sup>a</sup>	1	98.54	112.27	0.00
	Intercept	956.01	1	956.01	1089.20	0.00
Main Effect	<b>Type of Relationship Approach</b>	98.54	1	98.54	<b>112.27</b>	<b>0.00</b>
	Error	36.86	42	0.88		
	Total	1091.42	44			
	Corrected Total	135.40	43			

<sup>a</sup>  $R^2 = 0.73$  (Adjusted  $R^2 = 0.72$ )

### ***Test of Hypotheses***

In this section, the results of the hypotheses tests are presented. Hypothesis testing is performed in three steps as follows:

- *Step 1:* The direct effect of relationship approach type on gratitude is tested first.
- *Step 2:* The direct effect of relationship approach type on two outcome variables (i.e., satisfaction and repurchase intention) is tested next.
- *Step 3:* The mediating effect of gratitude on the relationship between type of relationship approach and two outcome variables (i.e., satisfaction and repurchase intention) is tested.

Table 4.9 lists the relationships/effects tested in each step.

**Table 4.9 Step-by-Step Hypothesis Testing**

<b>Step</b>	<b>Relationships/Effects Tested</b>
Step 1	Type of Relationship Approach → Gratitude (H1)
Step 2	Type of Relationship Approach → Satisfaction (H6a)
	Type of Relationship Approach → Repurchase Intention (H6b)
Step 3	Type of Relationship Approach → Gratitude → Satisfaction (H7a)
	Type of Relationship Approach → Gratitude → Repurchase Intention (H7b)

The tests of the hypotheses are conducted while controlling for employee effort and employee competence. The results from Study 1 were identical, although control variables were not included as covariates in analysis.

- *Step 1*

ANOVA tested the main effect of type of relationship approach on customer's gratitude. Table 4.10 demonstrates the result for the ANOVA test for the direct effect of type of relationship approach on gratitude. The hypothesized relationship is highlighted in boldface type in the table. The main effect of type of relationship approach is significant for gratitude ( $F(1, 40) = 13.66, p = 0.00$ ). The mean of gratitude was higher in a proactive relationship approach condition (6.05) than in a reactive relationship approach condition (5.09). Therefore, H1 proposing the relationship between the type of relationship approach and gratitude is supported.

**Table 4.10 ANOVA for Gratitude**

<b>DV: Gratitude</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		22.47 <sup>a</sup>	3	7.49	10.25	0.00
Intercept		6.75	1	6.75	9.25	0.00
Main Effect	<b>Type of Relationship Approach</b>	9.98	1	9.98	<b>13.66</b>	<b>0.00</b>
Covariates	Employee Effort	0.07	1	0.07	0.10	0.76
	Employee Competence	11.54	1	11.54	15.80	0.00
Error		29.22	40	0.73		
Total		1415.89	44			
Corrected Total		51.68	43			

<sup>a</sup>  $R^2 = 0.44$  (Adjusted  $R^2 = 0.39$ )

- *Step 2*

ANOVA tested the main effect of type of relationship approach on satisfaction and repurchase intention. As seen in Table 4.11 and Table 4.12, the effects of type of relationship

approach on satisfaction ( $\text{Mean}_{\text{Proactive}} = 6.31$ ,  $\text{Mean}_{\text{Reactive}} = 5.33$ ,  $F(1, 40) = 16.70$ ,  $p = 0.00$ ) and repurchase intention ( $\text{Mean}_{\text{Proactive}} = 6.27$ ,  $\text{Mean}_{\text{Reactive}} = 5.18$ ,  $F(1, 40) = 14.09$ ,  $p = 0.00$ ) are significant. The means of satisfaction and repurchase intention are higher in proactive relationship approach conditions than in reactive relationship approach conditions. Therefore, the findings provide support for the direct effect of relationship approach type on satisfaction (H6a) and repurchase intention (H6b).

**Table 4.11 ANOVA for Satisfaction**

DV: Satisfaction		Sum of Squares	df	Mean Square	F	Sig.
Corrected Model		19.86 <sup>a</sup>	3	6.62	12.79	0.00
Intercept		8.05	1	8.05	15.55	0.00
Main Effect	<b>Type of Relationship Approach</b>	8.64	1	8.64	<b>16.70</b>	<b>0.00</b>
Covariates	Employee Effort	1.99	1	1.99	3.84	0.06
	Employee Competence	4.16	1	4.16	8.04	0.01
Error		20.70	40	0.52		
Total		1533.89	44			
Corrected Total		40.55	43			

<sup>a</sup>  $R^2 = 0.49$  (Adjusted  $R^2 = 0.45$ )

**Table 4.12 ANOVA for Repurchase Intention**

DV: Repurchase Intention		Sum of Squares	df	Mean Square	F	Sig.
Corrected Model		30.38 <sup>a</sup>	3	10.13	12.52	0.00
Intercept		3.06	1	3.06	3.78	0.06
Main Effect	<b>Type of Relationship Approach</b>	11.39	1	11.39	<b>14.09</b>	<b>0.00</b>
Covariates	Employee Effort	0.87	1	0.87	1.08	0.31
	Employee Competence	12.16	1	12.16	15.04	0.00
Error		32.35	40	0.81		
Total		1506.00	44			
Corrected Total		62.73	43			

<sup>a</sup>  $R^2 = 0.48$  (Adjusted  $R^2 = 0.45$ )

- *Step 3*

Step 3 involves analysis procedure to test the mediating effect of gratitude on the relationship between type of relationship approach and two behavioral outcomes (satisfaction and repurchase intention) (H6a and H6b). Evidence of mediation requires (a) significant effects of the independent variables on the mediator, (b) significant effect of the independent variable on the dependent variable, and (c) a reduction/elimination of the effects of the independent variables on the dependent variable when the mediator is added as a covariate. Obviously, the mediating variable needs to affect the dependent variable. This approach is consistent with Baron and Kenny (1986).

The significant effect of the type of relationship approach on gratitude (mediator) is established in Step 1 (See Table 4.10), and the significant effects of the type of relationship approach on satisfaction and repurchase intention are established in Step 2 (See Table 4.11 and Table 4.12). Therefore, Step 3 repeats Step 2 while adding gratitude as a covariate. When gratitude was added as a covariate alongside control variables, the effect of type of relationship approach drops for satisfaction and repurchase intention but still remains significant for satisfaction ( $F(1, 39) = 4.95, p < 0.05$  for satisfaction and  $F(1, 39) = 3.42, p > 0.05$  for repurchase intention), whereas gratitude continued to reliably co-vary with two variables ( $F(1, 39) = 12.37, p = 0.00$  for satisfaction;  $F(1, 39) = 13.75, p = 0.00$  for repurchase intention).

Table 4.13 and Table 4.14 show the ANOVA tables for satisfaction and repurchase intention respectively when gratitude is added as a covariate, demonstrating the result of the mediating effects of gratitude on the relationship between relationship approach type and satisfaction and repurchase intention. This indicates a partial mediation effect of gratitude between type of relationship approach and satisfaction (H6a) and a full mediation effect of

gratitude between relationship approach type and repurchase intention (H6b). Sobel test is used to examine whether the indirect effect of the relationship approach type on satisfaction as mediated by gratitude is statistically significant (Preacher and Hayes 2004). Sobel (1982) test statistic is significant, indicating that the indirect effect of relationship approach type on satisfaction via gratitude toward an employee is significantly different from zero. ( $z = 3.00, p = 0.00$ ). Based on these results, it can be concluded that the partial mediation effect of gratitude on satisfaction (H7a) and the full mediation effect of gratitude on repurchase intention (H7b) are supported by the data.

**Table 4.13 ANOVA for Satisfaction with Gratitude as a Covariate**

<b>DV: Satisfaction</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
	Corrected Model	24.84 <sup>a</sup>	4	6.21	15.41	0.00
	Intercept	2.53	1	2.53	6.27	0.02
Main Effect	<b>Type of Relationship Approach</b>	1.99	1	1.99	<b>4.95</b>	<b>0.03</b>
Covariates	Employee Effort	2.31	1	2.31	5.72	0.02
	Employee Competence	0.29	1	0.29	0.72	0.40
	Gratitude	4.98	1	4.98	12.37	0.00
	Error	15.71	39	0.40		
	Total	1533.89	44			
	Corrected Total	40.55	43			

<sup>a</sup>  $R^2$  Squared = 0.61 (Adjusted  $R^2$  = 0.57)

**Table 4.14 ANOVA for Repurchase Intention with Gratitude as a Covariate**

<b>DV: Repurchase Intention</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
	Corrected Model	38.81 <sup>a</sup>	4	9.70	15.82	0.00
	Intercept	0.10	1	0.10	0.16	0.69
Main Effect	<b>Type of Relationship Approach</b>	2.10	1	2.10	<b>3.42</b>	<b>0.07</b>
Covariates	Employee Effort	1.16	1	1.16	1.89	0.18
	Employee Competence	1.98	1	1.98	3.23	0.08
	Gratitude	8.43	1	8.43	13.75	0.00
	Error	23.92	39	0.61		
	Total	1506.00	44			
	Corrected Total	62.73	43			

<sup>a</sup>  $R^2 = 0.62$  (Adjusted  $R^2 = 0.58$ )

### Additional Analyses

The main analyses show the effects of the type of relationship approach on customer outcomes controlling for employee effort and employee competence. To further examine whether type of relationship approach actually led to changes in these covariates, a series of analyses of variance (ANOVA) were run with type of relationship approach at two levels as the independent variable and employee effort and employee competence as a dependent variables. Table 4.15 presents the ANOVA results for the two control variables as well as means and standard deviations. There is no significant mean difference in participants' perception of employee effort and employee competence when subjected to either proactive or reactive relationship approach condition.

**Table 4.15 ANOVA Results for Control Variables as Dependent Variables**

<b>Dependent Variable</b>	<b>Type of Relationship Approach</b>	<b>N</b>	<b>Mean</b>	<b>SD</b>	<b>F</b>	<b>Sig.</b>
Employee Effort	Reactive	22	5.19	1.24	1.39	0.25
	Proactive	22	5.61	1.06		
Employee Competence	Reactive	22	5.68	0.92	0.00	1.00
	Proactive	22	5.68	1.07		

*Note.* IV = Type of Relationship Approach,  $df = 1, 42$

### **Conclusion of Study 1**

The objective of Study 1 was to draw upon customers' perspectives to explore the influence of type of relationship approach as well as the mediating role of gratitude on outcomes. More specifically, this study explored whether customers would be more grateful toward and satisfied with the firm and make more repeat purchases as a result of receiving proactive relationship interaction with an employee in the retail setting as opposed to reactive relationship interaction, and whether gratitude is the mechanism that explains the relationships between type of relationship approach and satisfaction and repurchase intention. Study 1 involved 44 students in an upper-level marketing class as survey participants who were randomly subjected to either a proactive or reactive relationship approach condition. A scenario reflecting a real situation in which a retail employee interacts with customers at an electronics store was introduced as a context. The single factor type of relationship approach was manipulated as an experimental stimulus at two levels: proactive and reactive. After reading a survey, respondents were asked to complete measures to assess gratitude, satisfaction, repurchase intention, two covariate variables (employee effort and employee competence), demand check, realism check, manipulation check, and demographics. A series of ANOVA tests using employee effort and competence as covariates was conducted to test the study hypotheses.

A summary of the hypothesis testing results for Study 1 is presented in Table 4.16. Overall, the results of Study 1 suggest the relative effectiveness of a proactive relationship approach over a reactive type of relationship approach in creating in customers feelings of gratitude, satisfaction, and repurchase intention toward the firm. The findings indicated that an employee's proactive interaction with a customer had a direct effect on the customer's gratitude toward, satisfaction, and repurchase intention with firms. In addition, the customer's feeling of gratitude fully mediates the relationship between the type of relationship approach and customer's repurchase intention, while customer's satisfaction with the firm after being subjected to the type of relationship approach was partially mediated by customer's feeling of gratitude. The findings from Study 1 support hypotheses relating to the direct effect of type of relationship approach on customer gratitude (H1), satisfaction (H6a), and repurchase intention (H6b) and the mediating role of gratitude on the relationship between type of relationship approach and satisfaction (H7a, partial) and repurchase intention (H7b).

Although Study 1 demonstrates initial evidence that the proactive relationship approach is a better strategy than the reactive relationship approach in generating a customer's feeling of gratitude, satisfaction, and repurchase intention and that gratitude mediates the relationship between type of relationship approach and behavioral outcomes (i.e., satisfaction and repurchase intention), specific firm- and customer-related factors by which the effectiveness of the proactive relationship approach can be leveraged have not been tested. Therefore, Study 2 provides insights in this respect by investigating moderating roles of contact person motive (H3), contact person status (H4), customer's relationship quality (H5), and situational involvement (H6) on the effect of type of relationship approach on customer's emotion (gratitude) and behaviors (satisfaction, repurchase intention, WOM intention, intention to increase share of wallet).

**Table 4.16 Summary Results of Hypothesis Tests**

<b>Hypothesis</b>	<b>Relationships/Effects Tested</b>	<b>Supported?</b>
<b>H1</b>	<b>Type of Relationship Approach → Gratitude</b>	<b>Yes</b>
H2	Type of Relationship Approach * Motive → Gratitude	Not tested
H3	Type of Relationship Approach * Status → Gratitude	Not tested
H4	Type of Relationship Approach * Relationship quality → Gratitude	Not tested
H5	Type of Relationship Approach * Situational involvement → Gratitude	Not tested
<b>H6a</b>	<b>Type of Relationship Approach → Satisfaction</b>	<b>Yes</b>
<b>H6b</b>	<b>Type of Relationship Approach → Repurchase intention</b>	<b>Yes</b>
H6c	Type of Relationship Approach → WOM intention	Not tested
H6d	Type of Relationship Approach → Intention to increase share of wallet	Not tested
<b>H7a</b>	<b>Type of Relationship Approach → Gratitude → Satisfaction (mediation)</b>	<b>Yes (Partial)</b>
<b>H7b</b>	<b>Type of Relationship Approach → Gratitude → Repurchase intention (mediation)</b>	<b>Yes</b>
H7c	Type of Relationship Approach → Gratitude → WOM intention (mediation)	Not tested
H7d	Type of Relationship Approach → Gratitude → Intention to increase share of wallet (mediation)	Not tested

## **CHAPTER 5**

### **STUDY 2**

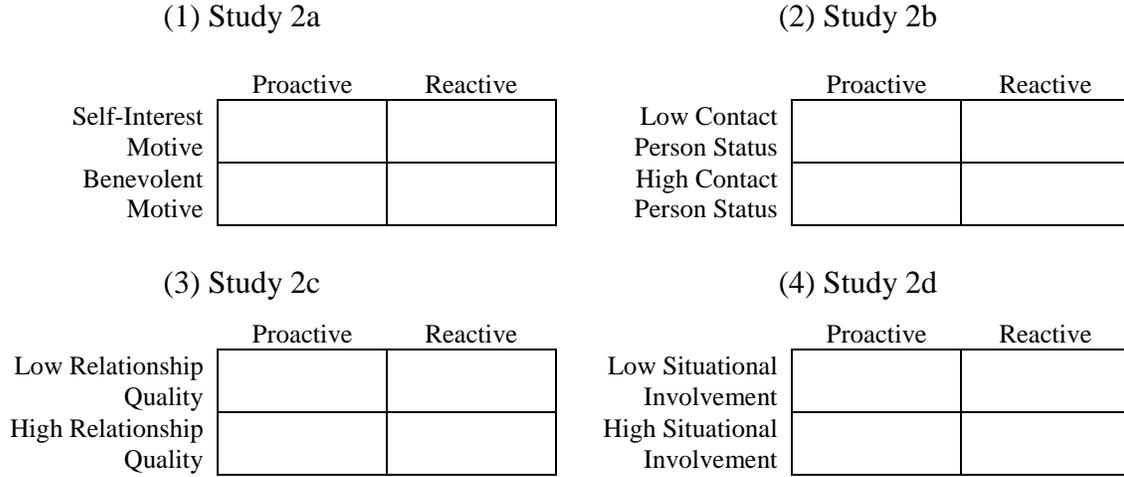
#### **Experimental Design**

Study 2 is proposed as four sub-studies (2a – d), each using a 2 X 2 factorial experimental design. The main objective is to provide an additional test of type of relationship approach along with the proposed moderators.

- (1) Study 2a: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Contact Person Motive: Self-interest and Benevolent)
- (2) Study 2b: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Contact Person Status: Low and High)
- (3) Study 2c: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Relationship Quality: Low and High)
- (4) Study 2d: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Situational Involvement: Low and High)

See Figure 5.1 for a visual illustration of the experimental designs of the four sub-studies (a – d) of Study 2.

**Figure 5.1 Experimental Design for Study 2**



**Development and Pretests of Scenario**

While the manipulation for the type of relationship approach proved to be strong in Study 1, manipulations for the four moderating variables needed to be established for testing the interactions between the relationship approach type and moderators in Study 2. Thus, the scenarios were developed, revised, and finalized through an intense series of several pretests over the course of eight months. In order to establish strong manipulations (i.e., with significant differences between the two levels of each manipulated variable) and to eliminate confounds in some cases, changes were made in the wording of the scenarios, the manipulation check questions, or both after each pretest. The pretest phase ended when satisfactory manipulation and realism checks were achieved.

Pretests for the four sub-studies were conducted simultaneously, and the order of scenarios were completely randomized and assigned to respondents in each pretest. Each pretest involved new participants. The sample sizes for the pretests varied, ranging from 78 to 378. A total of 353 undergraduates participated in the final round of pretests (Study 2a = 91, Study 2b = 90, Study 2c = 86, and Study 2d = 86) in return for extra credit in their undergraduate-level

marketing classes. Data were collected with a paper-and-pencil survey. Demographic characteristics of respondents are homogeneous in general. Approximately 60% of respondents are male, the majority of the participants are between the ages of 19 and 25 (96%), are single (95%), have some college experiences (88%), and are White (85%).

The scenarios in Study 2 are built on the baseline scenarios used in Study 1, so the same research context is used (an electronics store in which a service employee interacts with customers). While the manipulation of the type of relationship approach is kept consistent from the Study 1, manipulations of contact person motive, contact person status, relationship quality, and situational involvement are newly created in Study 2. All variables are manipulated at two levels.

First, contact person motive is manipulated as employee's self-interest or benevolent motives in engaging in relationship approaches. For the self-interest motive manipulation, the respondents are told that right before they leave the store the store employee asks them to give the highest possible rating on the customer service rating card as the store considers any score below a 5 (where 5 is the best) to be a service failure which negatively affects the employee's compensation. In the benevolent motive manipulation, the respondents are told that the store employee encouraged them to respond honestly since that is how the employee and the store improve their ongoing service level. This contact person motive manipulation follows the manipulation used by Barone, Norman, and Miyazaki (2007).

Second, contact person status is manipulated at two levels: low and high. In the low contact person status condition, respondents are told that the person they interact with is a sales clerk. In the high contact person status condition, the contact person is described as a sales

manager. This contact person status manipulation follows the manipulation used by Patterson, Cowley, and Prasongsukarn (2006).

Third, relationship quality is manipulated as low and high. In the low relationship quality condition, participants are told that they have never shopped at the store though they regularly shop at other stores (between 6 and 9 times per year). They are also told that they have no expectation about the products and services at this store since it is their first visit. In the high relationship quality condition, participants are told that they have been a loyal customer of the store (visiting between 6 and 9 times per year). Respondents are also told that they enjoy visiting the store, know the products and services of the store well, and are attached to the store. This relationship quality manipulation is consistent with the manipulation used by Grégoire, Tripp, and Legoux (2009).

Lastly, situational involvement is manipulated at two levels: low and high. Situational involvement is related to product involvement that occurs only in specific situations, such as a purchase, for a limited period of time. To describe the low situational involvement condition, the participants are told that they were buying the laptop computer as a replacement for one that works just fine. In the high situational involvement condition, participants are informed that they have to buy a laptop computer and install software immediately due to an upcoming overseas business trip for an important project. This situational involvement manipulation is consistent with the manipulation used by Celsi and Olson (1988).

Scenario assignments were randomly distributed from the sixteen varying scenarios across four sub-studies (a – d) in Study 2. Respondents were asked to complete questions designed to check the manipulation variables. A manipulation check measure for the type of relationship approach has been slightly modified from Study 1 by changing the subject of the

interaction provider from a company (i.e., S.A.B.) to a specific employee (i.e., Jaime). Even if the relationship approach is provided by an employee as a part of the firm's strategic attempts, it is the employee who is in direct contact with a customer and provides interactions. Therefore, it seems more reasonable to ask whether the interaction provided by "the employee" instead of "the company" was proactive or reactive. In addition, one more item ("Jaime got to my issue before I took my issue to him/her") was added to the manipulation check measure for the relationship approach type in addition to the eight items used previously in Study 1 as this item reflects the core distinction between proactive and reactive relationship approach types.

Manipulation check measures for contact person motive in Study 2a, contact person status in Study 2b, and relationship quality in Study 2c were newly created based on the literature review and discussion with academic and professional experts in this area. A manipulation check measure for situational involvement in Study 2d, however, was a shorter version of an established involvement scale (Zaichkowsky 1985). All manipulation check measures except for situational involvement were reported on 7-point Likert scales. The manipulation check measure for situational involvement was reported on a 7-point semantic differential scale. Definitions of manipulated constructs, experimental stimuli, the manipulation check measure of each manipulated construct for Study 2 can be found in Table 5.1. The complete set of scenarios used in Study 2 can be found in Appendix II.

**Table 5.1 Focal Construct Definitions, Experimental Stimuli, and Manipulation Check Items of Pretests of Study 2**

Construct	Definition	Manipulation	Manipulation Check Measure	Key Citations
<b>Manipulated Constructs</b>				
Type of Relationship Approach	The type of relationship investment in terms of whether a firm anticipates customer problems/issues and acts before the customer recognizes or reacts to prevent such problems or issues (proactive) or not (reactive).	<p><b>Proactive:</b> Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime processes your purchase. When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work. Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance. The next day you call Jaime at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.</p> <p><b>Reactive:</b> Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime processes your purchase. As Jaime is checking you out, you did not ask, but Jaime tells you that the software installation can be tricky and immediately offers to install it for you, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.</p>	<ol style="list-style-type: none"> <li>1. Jaime anticipated my problem even before I found out about it.</li> <li>2. Jaime informed me before I could find out about the problem.</li> <li>3. Jaime was proactive in explaining critical information to me.</li> <li>4. Jaime made things happen rather than just reacting to a situation or waiting for something to happen.</li> <li>5. Jaime took initiative in his/her interactions with me.</li> <li>6. Jaime identified opportunities for relationship building with me and acted on them.</li> <li>7. Jaime took action before I asked him/her to.</li> <li>8. Jaime did not wait to be asked by me to act.</li> <li>9. Jaime got to my issue before I took my issue to him/her.</li> </ol>	Bindl and Parker (2010); Challagalla, Venkatesh, and Kohli (2009); Grant and Ashford (2008)

		Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.		
Contact Person Motive	The extent to which the customer believes that the firm's contact person has motives beneficial to the customer.	<b>Self-interest motive:</b> Right before you leave, Jaime indicates you will get a customer service rating card in the mail and hopes you will give the highest possible rating. Jaime indicates that S.A.B. considers any score below a 5 (where 5 is the best) to be a service failure which negatively affects Jaime's compensation. <b>Benevolent motive:</b> Right before you leave, Jaime indicates you will get a customer service rating card in the mail and encourages you to respond honestly since that is how Jaime and the store improve their ongoing service level.	1. Jaime had an ulterior motive for helping me. 2. Jaime's actions were motivated primarily by self-interest. 3. Jaime helped me out mostly for self-gain.	Ames, Flynn, and Weber (2004)
Contact Person Status	The extent to which a firm's contact person is in a position of high rank in the firm.	<b>Low:</b> Jaime is a sales clerk at S.A.B. <b>High:</b> Jaime is a sales manager at S.A.B.	Based on the scenario, Jaime 1. held a high ranking position at S.A.B. 2. was in a position of high rank at S.A.B. 3. holds a high level position at S.A.B.	Patterson, Cowley, and Prasongsukarn (2006)
Relationship Quality	Overall assessment of the strength of a relationship, conceptualized as a second-order construct composed of three dimensions: trust, commitment, and relational satisfaction with firm's performance.	<b>Low:</b> Prior to your visit, you had never been to S.A.B. although you regularly visited other electronics stores (between 6 and 9 times per year). You didn't really know what to expect about the products and services at this particular store. <b>High:</b> Prior to this visit, you had been a loyal customer of S.A.B. (between 6 and 9 times per year). You enjoyed going there and considered the products and services good. You felt a strong attachment to the store and you felt like you are an important customer at S.A.B.	1. In the past, you felt S.A.B. was dependable. 2. Previously, you were committed to the relationship with S.A.B. 3. Prior to this visit, you felt you were appreciated as a customer by S.A.B.	De Wulf, Odekerken-Schröder, and Iacobucci (2001); Grégoire, Tripp and Legoux (2009); Palmatier et al. (2006)

Construct	Definition	Manipulation	Manipulation Check Measure	Key Citations
Situational Involvement	Individual's preoccupation with an activity out of concern for its immediate consequences.	<p><b>Low:</b> You are purchasing a laptop computer as an upgrade for your current laptop, which is still working just fine.</p> <p><b>High:</b> Your previous laptop died this morning. You are running out of time and need to buy a laptop computer and install software programs promptly, or you will not be able to bring it with you on an upcoming overseas business trip for an important project.</p>	<p>In this situation, getting a laptop computer with software correctly installed was:</p> <ol style="list-style-type: none"> <li>1. unimportant/important</li> <li>2. nonessential/essential</li> <li>3. insignificant/significant</li> </ol>	Zaichkowsky (1985)

For the three demand check items, 93% of respondents across Pretest 2a – d chose the option that matched with the cover story that the goal of this study is to investigate customer attitudes regarding service experiences. While 15 out of 353 respondents (4%) marked that they “don’t know” the purpose of this study, only 9 (3%) wrote something that they believed was the purpose of the study. No one guessed the exact purpose of the study. Therefore, all reported analyses use the full samples. In addition, all means of the credibility check items exceeded 5.82 on a scale from 1 to 7, indicating strong realism and believability of the scenarios. These perceptions are above the scale midpoint (3.5,  $p$ 's = 0.00), with no differences across Pretest 2a – d.

The manipulation check results demonstrate that all manipulations worked as intended. In Pretest 2a, a 2 (type of relationship approach: reactive and proactive) X 2 (contact person motive: self-interest and benevolent) ANOVA showed a significant main effect of the type of relationship approach on the manipulation check of the type of relationship approach ( $F(1, 87) = 220.88, p = 0.00$ ), a significant main effect of the contact person motive on the manipulation check of the contact person movie ( $F(1, 87) = 17.74, p = 0.00$ ), and no significant interaction effect of the type of relationship approach and the contact person motive. In Pretest 2b, a 2 (type of relationship approach: reactive and proactive) X 2 (contact person status: low and high) ANOVA demonstrated a significant main effect of the type of relationship approach on the manipulation check of the type of relationship approach ( $F(1, 86) = 154.18, p = 0.00$ ), a significant main effect of the contact person status on the manipulation check of the contact person status ( $F(1, 86) = 35.11, p = 0.00$ ), and no significant interaction effect of the type of relationship approach and the contact person status. In Pretest 2c, a 2 (type of relationship approach: reactive and proactive) X 2 (relationship quality: low and high) ANOVA indicated a

significant main effect of the type of relationship approach on the manipulation check of the type of relationship approach ( $F(1, 82) = 158.10, p = 0.00$ ), a significant main effect of the relationship quality on the manipulation check of the relationship quality ( $F(1, 82) = 29.40, p = 0.00$ ), and no significant interaction effect of the type of relationship approach and the relationship quality. Lastly in Pretest 2d, a 2 (type of relationship approach: reactive and proactive) X 2 (situational involvement: low and high) ANOVA demonstrated a significant main effect of the type of relationship approach on the manipulation check of the type of relationship approach ( $F(1, 82) = 169.93, p = 0.00, p = 0.00$ ), a significant main effect of situational involvement on the manipulation check of situational involvement ( $F(1, 82) = 8.22, p < 0.05$ ), and no significant interaction effect of the type of relationship approach and situational involvement. Results of the manipulation checks of final pretests 2a – d are shown in Appendix III.

In summary, the results from Pretests 2a – d for Study 2 show that the proposed manipulations of type of relationship approach and contact person motive (Pretest 2a), contact person status (Pretest 2b), relationship quality (Pretest 2c) and situational involvement (Pretest 2d) are working fine. In addition, no significant evidence of demand effect is detected in the pretests for Study 2. The realism and believability of the scenarios are high in all four pretests for Study 2, confirming that there are no issues with regard to reflecting realistic interaction situations in a retail setting.

### **Measures for Main Study of Study 2**

While most measures are the same as the ones used in Study 1, several changes and improvements are made to the measures used in Study 2. This section presents the order of

survey questionnaires, while discussing several changes and improvements made to the measures used in Study 2 compared to Study 1.

First of all, the key dependent variables including gratitude toward an employee, gratitude toward a company, satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet were measured. The measures of satisfaction and repurchase intention were kept consistent with Study 1, but the gratitude measure is modified and WOM intention and intention to increase share of wallet are newly added.

Although measurement quality of the gratitude scale was checked and the hypotheses concerning gratitude were supported in Study 1, a concern regarding variance restriction given the uniformly positive service resolution offered by the firm in both the proactive and reactive relationship approach type conditions existed. Positive bias is a concern for behavioral researchers, as people have a tendency to overstate their favorable attributes when responding to positive psychological constructs (Furnham 1986). For example, Peterson and Wilson (1992) noted that in studies of customer satisfaction, virtually all self-reports of customer satisfaction exhibit positive bias and distributions are negatively skewed. In order to account for positivity and the skewness of responses in the gratitude measure, changes and improvements were suggested. Friborg, Martinussen, and Martinussen (2006) stated that acquiescence bias, or the tendency to respond positively to items, is most pronounced in answer to Likert scales containing only positively worded items and suggested using a semantic differential response format as an alternative because semantic differential scales are easier to interpret than Likert scales. In light of this suggestion, a semantic differential scale that uses modified categories to offer more fine distinctions especially at the positive end is used as a replacement for the Likert scale (e.g., not very grateful (1) – extremely grateful (7)), though three items referring to the feeling of gratitude

(i.e., grateful, thankful, and appreciative) adapted from Palmatier et al. (2009) are kept from Study 1. In addition, the gratitude scale used in Study 1 measured customer's feeling of gratitude directed to the employee who provides proactive or reactive interaction. Study 2 also assesses customer's feeling of gratitude toward a firm because it is unclear whether a customer would also feel grateful toward the company when relationship approach types are provided. Several researchers have suggested that relationships built with an employee and a firm are different (Doney and Cannon 1997; Iacobucci and Ostrom 1996; Palmatier et al. 2006). Moreover, firm- and customer-related factors introduced as moderating variables in Study 2 may distinguish to whom gratitude is directed. Therefore, both types of gratitude (i.e., toward the employee and toward the company) are measured in order to clearly understand.

In Study 1, only two outcome variables (satisfaction and repurchase intention) were measured. Study 2 also includes two established scales for WOM intention and intention to increase share of wallet. WOM intention refers to the likelihood that one would favorably recommend a firm's product or service. The measure of WOM intention consists of three items adapted and modified from Maxham and Netemeyer (2002). Intention to increase share of wallet reflects the likelihood to increase the proportion of business a customer does with the focal company. Two items capturing customer's intention to increase share of wallet are adapted from measures developed by Homburg, Müller, and Klarmann (2011).

Second, to rule out alternative explanations for the effect of the type of relationship approach on customer evaluations, control variables are measured next. Consistent with Study 1, the employee effort scale adapted from Mohr and Bitner (1995) and employee competence scale adapted from Sirdeshmukh, Singh, and Sabol (2002) were used.

Third, demand check and realism check questions were presented. While the demand check question was the same as Study 1, one additional realism check item is added to the realism check question to assess the perceived likelihood of encountering a situation like that described in the scenario. The three-item realism check question is consistent with that used by Sultan, Joireman, and Sprott (2012).

Fourth, manipulation check measures were assessed. The manipulation check question of the type of relationship approach is the same as in Study 1. However, manipulation check questions about contact person motive, contact person status, relationship quality and situational involvement were newly developed for the purpose of Study 2. The measurement qualities of the new manipulation check questions were validated in pretests.

Lastly, additional demographic variables including age, marital status, education, and income are measured.

Furthermore, to determine if participants are reading the questions carefully, two attention filter questions are added (e.g., This question is to gauge your attention. Simply select “Disagree.”), one during the employee effort scale and the other during the type of relationship approach manipulation questions. According to Golden and Smith (2010), adding attention filter questions to a survey helps the researcher find the “cheaters” within panels (i.e., participants who are motivated to complete the survey for the incentive). If a respondent fails to respond to attention filter questions correctly, the response will be dropped due to lack of attention paid to reading and understanding survey questions adequately.

All answers were reported on 7-point Likert scales with anchors such as 1 = very dissatisfied to 7 = very satisfied or 1 = strongly agree to 7 = strongly disagree, except for the two types of gratitude measures (gratitude toward the employee and gratitude toward the company)

and a manipulation check measure for situational involvement, which are measured using a 7-point semantic differential scale.

Pretest 2a – d validated these measures. Measurement properties supporting the validation will be presented in a later section.

Table 5.2 presents the definitions and measures used for the focal constructs, control variables, demand, realism, and manipulation checks, and demographics. The actual survey for main study of Study 2 is presented in Appendix IV.

**Table 5.2 Focal Construct Definitions and Measures of Study 2**

<b>Construct</b>	<b>Definition</b>	<b>Source items</b>	<b>Measures</b>	<b>Source</b>
<b>Focal Construct Measures</b>				
Gratitude toward an Employee	An emotional appreciation for benefit received directed at the employee	1. I feel grateful to [target]. 2. I feel thankful to [target]. 3. I feel appreciative to [target].	Based on the scenario, please rate your feelings towards Jaime: 1. not very grateful-extremely grateful 2. not very thankful-extremely thankful 3. not very appreciative-extremely appreciative	Palmatier et al. (2009)
Gratitude toward a Company	An emotional appreciation for benefit received directed at the firm	1. I feel grateful to [target]. 2. I feel thankful to [target]. 3. I feel appreciative to [target].	Based on the scenario, please rate your feelings towards S.A.B. Electronics: 1. not very grateful-extremely grateful 2. not very thankful-extremely thankful 3. not very appreciative-extremely appreciative	Palmatier et al. (2009)
Satisfaction	A cognitive and affective response to the consumption experience	1. I am satisfied with my overall experience with [firm name]. 2. As a whole, I am not satisfied with [firm name]. 3. How satisfied are you overall with the quality of [firm name] banking service?	1. I am satisfied with my overall experience with S.A.B. 2. As a whole, I am satisfied with S.A.B. 3. How satisfied are you overall with the quality of S.A.B? (very dissatisfied – very satisfied)	Maxham and Netemeyer (2002)
Repurchase Intention	The degree to which customers intend to purchase a firm's products/services in the future	I plan to use this company in the future.	I plan to use S.A.B. in the future.	Jones et al. (2007)
				(Table Continues)

<b>Construct</b>	<b>Definition</b>	<b>Source items</b>	<b>Measures</b>	<b>Source</b>
WOM Intention	The likelihood that one would favorably recommend a firm's product or service	<ol style="list-style-type: none"> <li>1. How likely are you to spread positive word-of-mouth about [firm name]?</li> <li>2. I would recommend [firm name's] banking services to my friends.</li> <li>3. If my friends were looking for a banking service, I would tell them to try [firm name].</li> </ol>	<ol style="list-style-type: none"> <li>1. I'm likely to spread positive word-of-mouth about S.A.B.</li> <li>2. I would recommend S.A.B. to my friends.</li> <li>3. If my friends were looking for an electronics store, I would tell them to try S.A.B.</li> </ol>	Maxham and Netemeyer (2002)
Intention to Increase Share of Wallet	The likelihood to increase the proportion of business a customer does with the focal company	<ol style="list-style-type: none"> <li>1. We intend to do more business with [firm name] in the future.</li> <li>2. We intend to additionally purchase other products and services from [firm name] in the future.</li> </ol>	<ol style="list-style-type: none"> <li>1. I intend to do more business with S.A.B. in the future.</li> <li>2. I intend to purchase additional products and services from S.A.B. in the future.</li> </ol>	Homburg, Müller, and Klarmann (2011)
<b>Control Variables</b>				
Employee Effort	The amount of exertion a customer believes an employee has expended for a specified purpose	<ol style="list-style-type: none"> <li>1. The employee exerted a lot of energy.</li> <li>2. The employee was very persistent.</li> <li>3. The employee did not spend much time in this situation.</li> <li>4. The employee did not try very hard.</li> <li>5. The employee put a lot of effort into this situation.</li> </ol>	<ol style="list-style-type: none"> <li>1. Jaime exerted a lot of energy.</li> <li>2. Jaime was very persistent.</li> <li>3. Jaime spent much time in this situation.</li> <li>4. Jaime tried very hard.</li> <li>5. Jaime put a lot of effort into this situation.</li> </ol>	Mohr and Bitner (1995)
Employee Competence	The degree to which a customer perceives an employee as having the skills, abilities, and knowledge necessary for effective task performance	<ol style="list-style-type: none"> <li>1. The (store) employees work quickly and efficiently.</li> <li>2. The (store) employees can competently handle most customer requests.</li> <li>3. The (store) employees can be relied upon to know what they are doing.</li> </ol>	<ol style="list-style-type: none"> <li>1. Jaime works quickly and efficiently.</li> <li>2. Jaime can completely handle most customer requests.</li> <li>3. Jaime can be relied upon to know what he/she is doing.</li> </ol>	Sirdeshmukh, Singh, and Sabol (2002)
				(Table Continues)

Construct	Definition	Source items	Measures	Source
<b>Realism and Demand Checks</b>				
Demand Check		I think the purpose of this experiment is _____.	I think the purpose of this study was (indicate one of the three options below): 1. To investigate customer attitudes regarding service experiences 2. Don't Know 3. Other (please specify)	Whitehead and Smith (1976)
Realism Check		1. Please rate the extent to which you believed the scenario was realistic. 2. Please rate the extent to which you believed the scenario was believable. 3. Please indicate how likely you would be to encounter a situation similar to the one described in the scenario.	1. The scenario that I read about S.A.B. Electronics is believable. 2. The scenario that I read about S.A.B. Electronics is realistic. 3. It is likely that I could encounter a situation like this S.A.B. Electronics scenario.	Sultan, Joireman, and Sprott (2012)
<b>Participants Behavior Question</b>				
Attention Filter			1. This question is to gauge your attention. Simply select "Disagree". (Embedded in the "Employee Effort" measure) 2. This question is to gauge your attention. Simply select "Somewhat Agree". (Embedded in the "Type of Relationship Approach Manipulation Check" measure)	Golden and Smith (2010)
<b>Manipulation Check Measures</b>				
Type of Relationship Approach	The extent of anticipating customer problems/issues and acting before the customer recognizes or reacts to prevent such problems or issues	Created	1. Jaime anticipated my problem even before I found out about it. 2. Jaime informed me before I could find out about the problem. 3. Jaime was proactive in explaining critical information to me. 4. Jaime made things happen rather than just reacting to a situation or	Bindl and Parker (2010); Challagalla, Venkatesh, and Kohli (2009); Grant and Ashford (2008) (Table Continues)

			<p>waiting for something to happen.</p> <p>5. Jaime took initiative in his/her interactions with me.</p> <p>6. Jaime identified opportunities for relationship building with me and acted on them.</p> <p>7. Jaime took action before I asked him/her to.</p> <p>8. Jaime did not wait to be asked by me to act.</p> <p>9. Jaime got to my issue before I took my issue to him/her.</p>	
Contact Person Motive	The extent to which the customer believes that the firm's contact person has motives beneficial to the customer	Created	<p>1. Jaime had an ulterior motive for helping me.</p> <p>2. Jaime's actions were motivated primarily by self-interest.</p> <p>3. Jaime helped me out mostly for self-gain.</p>	Ames, Flynn, and Weber (2004)
Contact Person Status	The extent to which a firm's contact person is in a position of high rank in the firm	Created	<p>Based on the scenario, Jaime</p> <p>1. held a high ranking position at S.A.B.</p> <p>2. was in a position of high rank at S.A.B.</p> <p>3. holds a high level position at S.A.B.</p>	Patterson, Cowley, and Prasongsukarn (2006)
Relationship Quality	Overall assessment of the strength of a relationship, conceptualized as a second-order construct composed of three dimensions: trust, commitment, and relational satisfaction with firm's performance	Created	<p>1. In the past, you felt S.A.B. was dependable.</p> <p>2. Previously, you were committed to the relationship with S.A.B.</p> <p>3. Prior to this visit, you felt you were appreciated as a customer by S.A.B.</p>	De Wulf, Odekerken-Schröder, and Iacobucci (2001); Grégoire, Tripp and Legoux (2009); Palmatier et al. (2006)
(Table Continues)				

<b>Construct</b>	<b>Definition</b>	<b>Source items</b>	<b>Measures</b>	<b>Source</b>
Situational Involvement	Individual's preoccupation with an activity out of concern for its immediate consequences	<ol style="list-style-type: none"> <li>1. important/unimportant</li> <li>2. boring/interesting</li> <li>3. relevant/irrelevant</li> <li>4. exciting/unexciting</li> <li>5. means nothing/means a lot to me</li> <li>6. appealing/unappealing</li> <li>7. fascinating/mundane</li> <li>8. worthless/valuable</li> <li>9. involving/uninvolving</li> <li>10. not needed/needed</li> </ol>	<p>In this situation, getting a laptop computer with software correctly installed was:</p> <ol style="list-style-type: none"> <li>1. unimportant/important</li> <li>2. nonessential/essential</li> <li>3. insignificant/significant</li> </ol>	Zaichkowsky (1985)
<b>Demographics</b>				
Gender			<p>What is your gender?</p> <ol style="list-style-type: none"> <li>1. Male</li> <li>2. Female</li> </ol>	
Age			<p>How old are you?</p> <ol style="list-style-type: none"> <li>1. 18-25</li> <li>2. 26-35</li> <li>3. 36-49</li> <li>4. 50-65</li> <li>5. Over 65</li> </ol>	
Marital Status			<p>What is your marital status?</p> <ol style="list-style-type: none"> <li>1. Single</li> <li>2. Married</li> <li>3. Divorced</li> <li>4. Don't know/Prefer not to answer</li> <li>5. Other</li> </ol>	
Education			<p>What is your education level?</p> <ol style="list-style-type: none"> <li>1. Less than high school diploma</li> <li>2. High school graduate or equivalent</li> <li>3. Some college</li> <li>4. Associate degree</li> <li>5. Bachelor's degree</li> <li>6. Graduate degree</li> </ol>	(Table Continues)

Ethnicity			What is your ethnicity? 1. African-American 2. Asian 3. Caucasian/White 4. Hispanic 5. Multi-racial 7. Other	
Income			What is your annual household income? 1. Less Than \$25,000 2. \$25,001-\$50,000 3. \$50,001-\$75,000 4. \$75,001-\$100,000 5. \$100,001 -\$150,000 6. \$150,001 and over 7. Don't know/Prefer not to answer	

## Data Collection and Analysis for Main Test of Study 2

### *Sample and Data Collection Procedure*

One of the purposes of Study 2 is to test the hypotheses with a national sample, ensuring that the results are generalizable to a broad base of customers. It remains challenging to gather census representative responses. Thus, a sample is drawn from an online web panel administered by Qualtrics. Qualtrics utilizes by-invitation-only online panel recruitment<sup>1</sup>. This recruitment method avoids self-selection and professional survey takers and attracts a cross-section sample that better generalizes to the population at large. Survey participants receive compensation at a competitive rate based on survey length and target audience. Qualtrics' method of using panel data has been utilized in prior academic marketing research (e.g., Hagtvedt 2011; Wang, Beatty, and Liu 2012).

For the current study, Qualtrics randomly selected more than 9,000 of these panelists and invited them to take the survey. Once the participants were selected, Qualtrics randomly assigned panelists to one of sixteen treatments across Study 2a – d. A total of 1,217 participants took the survey. Of these, a total of 483 participants were dropped due to careless responding to the two attention filter questions embedded in the surveys. In addition, following Golden and Smith (2010), 20 participants who straight-lined their answers or made obvious patterns with their answers were excluded. This resulted in a final sample size of 714 participants across the Study 2a – d.

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<sup>1</sup> Qualtrics (Clear Voice Research) employs partnerships with other companies to reach the desired respondents, on a revenue sharing basis with those partners. The company has 540,298 panelists who respond at an average rate of 15 - 20%. Typical drop-out rate for a 15 minute survey is 10 - 15%. Qualtrics pulls a sample in quota group formats, followed by simple randomization to give a representative sample of new and old members within the quota groups. Panelists are limited to one completed survey every 10 days while full records on their activities are kept by the company. The quality management system is also in place to ensure the quality of the responses. Hard-to-reach panelists receive higher incentive to maximize response. Each participant receives a cash value reward that is credited to their member account on the site. Once their account value exceeds \$10, panelists may redeem the rewards for gift cards (Clear Voice Research, 2012).

To ensure that the respondents carefully read the experimental stimuli, a 90-second time block was embedded, using the timing function in the Qualtrics online software. This forced respondents to remain on the scenario page until the next button becomes activated to move forward to survey completion. As in Study 1, respondents were asked to first read one of the sixteen scenarios for Study 2a – d and then complete the survey questions in the order of the outcome measures, control variables measures, demand and realism check questions, questions designed to check the manipulation variables, and demographic questions.

### ***Demographic Characteristics of the Sample***

About 32.8% of the participants are female, about 70% of the participants are 49 years old or younger. The majority of participants (65%) hold an associate/bachelor's degree or have attended some college, with 22% having a high school diploma or less and 11% holding a graduate degree. Almost half of the participants are married (54%). The majority of the participants are white (79.2%), and the majority of the participants (68%) have a household income of \$75,000 or less (67.9%). Further demographic characteristics of the participants across the Study 2a – d appear in Appendix V.

### ***Demand Check***

For the three demand check items, 93.2% of respondents across Study 2a – d chose the option that matched with the cover story that the goal of this study is to investigate customer attitudes regarding service experiences. While 18 out of 714 respondents (2.5%) marked that they “don't know” the purpose of this study, 17 (2.4%) wrote something that they believed was the purpose of the study (See Table 5.3). Since findings with and without these respondents indicate no differences, all reported analyses use the full sample.

**Table 5.3 Demand Check for the Scenarios**

	<u>Study 2a</u>		<u>Study 2b</u>		<u>Study 2c</u>		<u>Study 2d</u>		<b>Total</b>	
	Type of Relationship Approach X Contact Person Motive (N = 177)		Type of Relationship Approach X Contact Person Status (N = 184)		Type of Relationship Approach X Relationship Quality (N = 171)		Type of Relationship Approach X Situational Involvement (N = 182)			
<b>Demand Check</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>
1. To investigate customer attitudes regarding service experiences	172	97.2	171	92.9	162	94.7	174	95.6	679	95.1
2. Don't know	3	1.7	5	2.7	4	2.3	6	3.3	18	2.5
3. Other (specify)	2	1.1	8	4.3	5	2.9	2	1.1	17	2.4

***Perceived Realism Check***

Table 5.4 illustrates the perceived realism of the scenarios across Study 2a – d. All studies resulted in means exceeding 5.59 on a 7-point Likert scale, indicating that participants felt that the scenarios were realistic, believable, and likely to occur. These perceptions are above the scale midpoint ( $p$ 's = 0.00), with no differences across Study 2a – d.

**Table 5.4 Perceived Realism and Believability of the Scenarios**

	<u>Study 2a</u>		<u>Study 2b</u>		<u>Study 2c</u>		<u>Study 2d</u>	
	Type of Relationship Approach X Contact Person Motive (N = 177)		Type of Relationship Approach X Contact Person Status (N = 184)		Type of Relationship Approach X Relationship Quality (N = 171)		Type of Relationship Approach X Situational Involvement (N = 182)	
<b>Realism Check</b>	<b>Mean</b>	<b>SD</b>	<b>Mean</b>	<b>SD</b>	<b>Mean</b>	<b>SD</b>	<b>Mean</b>	<b>SD</b>
1. The scenario that I read about S.A.B. Electronics is believable.	5.81	1.11	5.79	1.10	5.80	0.97	5.67	1.18
2. The scenario that I read about S.A.B. Electronics is realistic.	5.79	1.26	5.68	1.17	5.66	1.07	5.53	1.33
3. It is likely that I could encounter a situation like this S.A.B. Electronics scenario.	5.70	1.23	5.56	1.23	5.50	1.28	5.55	1.30
Average	5.77	1.06	5.68	1.7	5.88	1.00	5.59	1.18
Cronbach's $\alpha$	0.90		0.90		0.87		0.92	

***Manipulation Checks***

*Study 2a: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Contact Person Motive: Benevolent and Self-interest)*

(1) Type of Relationship Approach

Type of relationship approach was submitted to a 2 (type of relationship approach: reactive and proactive) X 2 (contact person motive: self-interest and benevolent) ANOVA. Manipulation results support that the mean for the type of relationship approach manipulation was rated higher in the proactive condition (Mean = 6.36) than in the reactive condition (Mean = 4.08;  $F(1, 173) = 220.80, p = 0.00$ ), as shown in Table 5.5. The ANOVA table shows that the only significant direct effect is the type of relationship approach manipulation, meaning that

there is no confounding effect of another manipulated variable (contact person motive) on perceived type of relationship approach.

**Table 5.5 ANOVA for Manipulation Check of Type of Relationship Approach in Study 2a**

DV: Type of Relationship Approach		Sum of Squares	df	Mean Square	F	Sig.
Corrected Model		231.68 <sup>a</sup>	3	77.23	73.69	0.00
Intercept		4813.79	1	4813.79	4593.34	0.00
Main Effects	<b>Type of Relationship Approach</b>	231.39	1	231.39	<b>220.80</b>	<b>0.00</b>
	Motive	0.44	1	0.44	0.42	0.52
Two-way interaction	Type of Relationship Approach * Motive	0.20	1	0.20	0.19	0.67
Error		181.30	173	1.05		
Total		5244.70	177			
Corrected Total		412.99	176			

<sup>a</sup>  $R^2 = 0.56$  (Adjusted  $R^2 = 0.55$ )

## (2) Contact Person Motive

Contact person motive was submitted to a 2 (type of relationship approach: reactive and proactive) X 2 (contact person motive: self-interest and benevolent) ANOVA. Manipulation results support that contact person's self-serving motive was perceived to be higher in the self-interest condition (Mean = 3.95) than in the benevolent condition (Mean = 3.18;  $F(1, 173) = 10.60$ ,  $p = 0.00$ , as shown in Table 5.6. The ANOVA table shows that the only significant direct effect is the contact person motive manipulation, meaning that there is no confounding effect of another manipulated variable (type of relationship approach) on perceived contact motive outcome.

**Table 5.6 ANOVA for Manipulation Check of Contact Person Motive in Study 2a**

<b>DV: Contact Person Motive</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		28.35 <sup>a</sup>	3	9.45	3.94	0.01
Intercept		2243.58	1	2243.58	935.76	0.00
Main Effects	Type of Relationship Approach	2.28	1	2.28	0.95	0.33
	<b>Motive</b>	25.41	1	25.41	<b>10.60</b>	<b>0.00</b>
Two-way interaction	Type of Relationship Approach * Motive	0.03	1	0.03	0.01	0.91
Error		414.79	173	2.40		
Total		2687.89	177			
Corrected Total		443.14	176			

<sup>a</sup>  $R^2 = 0.06$  (Adjusted  $R^2 = 0.05$ )

*Study 2b: 2 (Type of Relationship Approach: Reactive and Proactive) X (Contact Person Status: Low and High)*

(1) Type of Relationship Approach

Type of relationship approach was submitted to a 2 (type of relationship approach: reactive and proactive) X 2 (contact person status: low and high) ANOVA. Manipulation results support that the mean for the type of relationship approach manipulation was rated higher in the proactive condition (Mean = 6.37) than in the reactive condition (Mean = 3.91;  $F(1, 180) = 279.20, p = 0.00$ ), as shown in Table 5.7. The ANOVA table shows that the only significant direct effect is the type of relationship approach manipulation, meaning that there is no confounding effect of another manipulated variable (contact person status) on perceived type of relationship approach.

**Table 5.7 ANOVA for Manipulation Check of Type of Relationship Approach in Study 2b**

<b>DV: Type of Relationship Approach</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		278.71 <sup>a</sup>	3	92.90	93.39	0.00
Intercept		4859.59	1	4859.59	4885.23	0.00
Main Effects	<b>Type of Relationship Approach</b>	277.74	1	277.74	<b>279.20</b>	<b>0.00</b>
	Status	0.98	1	0.98	0.98	0.32
Two-way interaction	Type of Relationship Approach * Status	0.04	1	0.04	0.04	0.83
Error		179.06	180	0.99		
Total		5291.78	184			
Corrected Total		457.76	183			

<sup>a</sup>  $R^2 = 0.61$  (Adjusted  $R^2 = 0.60$ )

## (2) Contact Person Status

Contact person status was submitted to a 2 (type of relationship approach: reactive and proactive) X 2 (contact person status: low and high) ANOVA. Manipulation results support that contact person status was rated higher in the high (sales manager) condition (Mean = 5.11) than in the low (sales clerk) condition (Mean = 3.41;  $F(1, 180) = 68.04, p = 0.00$ ), as shown in Table 5.8. The ANOVA table shows that the only significant direct effect is the contact person status manipulation, meaning that there is no confounding effect of another manipulated variable (type of relationship approach) on perceived contact person status outcome.

**Table 5.8 ANOVA for Manipulation Check of Contact Person Status in Study 2b**

DV: Contact Person Status		Sum of Squares	df	Mean Square	F	Sig.
Corrected Model		135.01 <sup>a</sup>	3	45.00	22.97	0.00
Intercept		3332.82	1	3332.82	1700.84	0.00
Main Effects	Type of Relationship Approach	1.06	1	1.06	0.54	0.46
	Status	133.33	1	133.33	<b>68.04</b>	<b>0.00</b>
Two-way interaction	Type of Relationship Approach * Status	0.85	1	0.85	0.43	0.51
Error		352.71	180	1.96		
Total		3805.56	184			
Corrected Total		487.72	183			

<sup>a</sup>  $R^2 = 0.28$  (Adjusted  $R^2 = 0.27$ )

*Study 2c: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Relationship Quality: Low and High)*

(1) Type of Relationship Approach

Type of relationship approach was submitted to a 2 (type of relationship approach: reactive and proactive) X 2 (relationship quality: low and high) ANOVA. Manipulation results support that the mean for the type of relationship approach manipulation was rated higher in the proactive condition (Mean = 6.32) than in the reactive condition (Mean = 4.08;  $F(1, 167) = 173.41, p = 0.00$ ), as shown in Table 5.9. The ANOVA table shows that the only significant direct effect is the proactive purchase type manipulation, meaning that there is no confounding effect of another manipulated variable (relationship quality) on perceived type of relationship approach.

**Table 5.9 ANOVA for Manipulation Check of Type of Relationship Approach in Study 2c**

<b>DV: Type of Relationship Approach</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		219.21 <sup>a</sup>	3	73.07	58.97	0.00
Intercept		4629.07	1	4629.07	3735.53	0.00
Main Effects	<b>Type of Relationship Approach</b>	214.89	1	214.89	<b>173.41</b>	<b>0.00</b>
	RelQual	2.99	1	2.99	2.41	0.12
Two-way interaction	Type of Relationship Approach * RelQual	0.87	1	0.87	0.70	0.40
Error		207.95	167	0.70		
Total		5065.26	171			
Corrected Total		426.15	170			

<sup>a</sup>  $R^2 = 0.51$  (Adjusted  $R^2 = 0.51$ )

## (2) Relationship Quality

Relationship quality was submitted to a 2 (type of relationship approach: reactive and proactive) X 2 (relationship quality: low and high) ANOVA. Relationship quality was manipulated as either low or high in this study. Manipulation results support that relationship quality was perceived to be higher in the high relationship quality condition (Mean = 5.03) than in the low relationship quality condition (Mean = 4.70;  $F(1, 167) = 82.76, p = 0.00$ ), as shown in Table 5.10. The ANOVA table shows that the only significant direct effect is the relationship quality manipulation, meaning that there is no confounding effect of another manipulated variable (type of relationship approach) on perceived relationship quality outcome.

**Table 5.10 ANOVA for Manipulation Check of Relationship Quality in Study 2c**

DV: Relationship Quality		Sum of Squares	df	Mean Square	F	Sig.
Corrected Model		115.80 <sup>a</sup>	3	38.60	28.82	0.00
Intercept						
		4056.81	1	4056.81	3029.31	0.00
Main Effects	Type of Relationship Approach	4.38	1	4.38	3.27	0.07
	<b>RelQual</b>	110.83	1	110.83	<b>82.76</b>	<b>0.00</b>
Two-way interaction	Type of Relationship Approach * RelQual	0.27	1	0.27	0.20	0.65
Error		223.64	167	1.34		
Total		4390.78	171			
Corrected Total		339.44	170			

<sup>a</sup>  $R^2 = 0.34$  (Adjusted  $R^2 = 0.33$ )

*Study 2d: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Situational Involvement: Low and High)*

(1) Type of Relationship Approach

Type of relationship approach was submitted to a 2 (type of relationship approach: reactive and proactive) X 2 (situational involvement: low and high) ANOVA. Manipulation results support that the mean for the type of relationship approach manipulation was rated higher in the proactive condition (Mean = 6.27) than in the reactive condition (Mean = 3.93;  $F(1, 178) = 214.84, p = 0.00$ ), as shown in Table 5.11. The ANOVA table shows that the only significant direct effect is the type of relationship approach manipulation, meaning that there is no confounding effect of another manipulated variable (situational involvement) on perceived type of relationship approach.

**Table 5.11 ANOVA for Manipulation Check of Type of Relationship Approach in Study 2d**

<b>DV: Type of Relationship Approach</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		254.09 <sup>a</sup>	3	84.70	72.51	0.00
Intercept		4733.52	1	4733.52	4052.36	0.00
Main Effects	<b>Type of Relationship Approach</b>	250.96	1	250.96	<b>214.84</b>	<b>0.00</b>
	Involvement	1.35	1	1.35	1.16	0.28
Two-way interaction	Type of Relationship Approach * Involvement	2.15	1	2.15	1.84	0.18
Error		207.92	178	1.17		
Total		5198.32	182			
Corrected Total		462.01	181			

<sup>a</sup>  $R^2 = 0.55$  (Adjusted  $R^2 = 0.54$ )

## (2) Situational Involvement

Situational involvement was submitted to a 2 (type of relationship approach: reactive and proactive) X 2 (situational involvement: low and high) ANOVA. Manipulation results support that situational involvement was perceived to be higher in the high situational involvement condition (Mean = 6.70) than in the low situational involvement condition (Mean = 6.25;  $F(1, 178) = 10.56, p = 0.00$ ), as shown in Table 5.12. The ANOVA table shows that the only significant direct effect is the situational involvement manipulation, meaning that there is no confounding effect of another manipulated variable (type of relationship approach) on perceived situational involvement outcome.

**Table 5.12 ANOVA for Manipulation Check of Situational Involvement in Study 2d**

<b>DV: Situational Involvement</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		9.25 <sup>a</sup>	3	3.08	3.59	0.01
Intercept		7624.42	1	7624.42	8870.04	0.00
Main Effects	Type of Relationship Approach	0.03	1	0.03	0.03	0.86
	<b>Involvement</b>	9.07	1	9.07	<b>10.56</b>	<b>0.00</b>
Two-way interaction	Type of Relationship Approach * Involvement	0.13	1	0.13	0.16	0.69
Error		153.00	178	0.86		
Total		7786.89	182			
Corrected Total		162.25	181			

<sup>a</sup>  $R^2 = 0.06$  (Adjusted  $R^2 = 0.04$ )

### ***Measurement of Construct***

To test dimensionality, reliability, and validity of the constructs, confirmatory factor analysis (CFA) is conducted using LISREL 8.53. The measurement model examined seven variables from each sub-study: gratitude toward the employee, gratitude toward the company, satisfaction, WOM intention, intention to increase share of wallet, employee effort, and employee competence. Consistent with Study 1, after dropping two items from employee effort (effort1 and effort2) which demonstrated poor measurement qualities, the measures provided good explanations for each construct across Study 2a – d.

Tables 5.13 – 5.16 report all the individual CFA item loadings, *t*-values, average variance extracted (AVE), composite reliabilities (CR), Cronbach’s alpha, and model fit statistics for Study 2a – d.

First of all, convergent validity is measured. Anderson and Gerbing (1988) suggested that evidence of convergent validity for a measurement model is present if all observable indicators load significantly on their respective latent factors. As seen in Tables 5.13 – 5.16, all item

loadings are positive and statistically significant at the 0.05 significance level (Anderson and Gerbing 1988). In addition, standardized loading estimates of each item are all above 0.50, which is regarded as a good rule of thumb (Hair et al. 2006). Furthermore, AVE (average variance extracted) values, the percentage of variance accounted for in the construct by the items, well exceed the commonly prescribed limits of 0.50 (Bagozzi and Yi 1988; Hair et al. 2006). Reliability is also an indicator of convergent validity. All of these measures have been shown to possess satisfactory reliability, as the composite reliabilities (CR) and Cronbach's alphas are greater than the cutoff point of 0.70 (Hair et al. 2006). Thus, the results of CFA provide evidence of convergent validity for the constructs in Study 2a – d.

Next, CFA model fit statistics appear at the bottom of Table 5.13 – 5.16. All of the model fit indices (Root Mean Square Error of Approximation (RMSEA), Comparative Fit Index (CFI), Non-Normed Fit Index (NNFI), Incremental Fit Index (IFI), and Standardized Root Mean Square Residual (SRMR)) are satisfactory according to Hu and Bentler (1999), who suggested that the RMSEA be smaller than 0.06, the CFI, NNFI, and IFI larger than 0.95, and the SRMR smaller than 0.08. Thus, the model shows acceptable fit and confirms that the theoretical measurement model is valid.

Lastly, Fornell and Larcker's (1981) method was used to evaluate discriminant validity. In this method, the amount of variance within the scale must be greater than the amount of variance between two variables to find support for discriminant validity. Tables 5.17 – 5.20 present correlations among focal constructs and square root of the AVEs on the diagonal. The results show discriminant validity of the measures used in Study 2a – d because the square roots of the AVEs on the diagonal are greater than the corresponding latent variable correlations in the same row and column.

**Table 5.13 Confirmatory Factor Analysis (CFA) of Study 2a**

Scale Item	Standardized Loading <sup>a</sup>	AVE	Composite Reliability	Cronbach's $\alpha$
<b>Gratitude toward an Employee</b>				
<b>gra_emp1:</b> I feel grateful to Jaime.	0.96	0.93	0.98	0.98
<b>gra_emp2:</b> I feel thankful to Jaime.	0.97			
<b>gra_emp3:</b> I feel appreciative toward Jaime.	0.97			
<b>Gratitude toward a Company</b>				
<b>gra_com1:</b> I feel grateful to S.A.B. Electronics.	0.96	0.93	0.98	0.98
<b>gra_com2:</b> I feel thankful to S.A.B. Electronics.	0.97			
<b>gra_com3:</b> I feel appreciative toward S.A.B. Electronics.	0.97			
<b>Satisfaction</b>				
<b>sat1:</b> I am satisfied with my overall experience with S.A.B.	0.98	0.95	0.98	0.98
<b>sat2:</b> As a whole, I am satisfied with S.A.B.	0.99			
<b>sat3:</b> How satisfied are you overall with the quality of S.A.B.?	0.96			
<b>Repurchase Intention</b>				
<b>repur1:</b> I plan to use this company in the future.	N.A.	N.A.	N.A.	N.A.
<b>WOM Intention</b>				
<b>wom1:</b> I'm likely to spread positive word-of-mouth about S.A.B.	0.95	0.94	0.98	0.98
<b>wom2:</b> I would recommend S.A.B. to my friends.	0.98			
<b>wom3:</b> If my friends were looking for an electronics store, I would tell them to try S.A.B.	0.98			
<b>Intention to Increase Share of Wallet</b>				
<b>sw1:</b> I intend to do more business with S.A.B. in the future.	0.98	0.95	0.97	0.98
<b>sw2:</b> I intend to purchase additional products and services from S.A.B. in the future.	0.97			
<b>Employee Effort</b>				
<b>effort3:</b> Jaime spent much time in this situation.	0.68	0.70	0.87	0.86
<b>effort4:</b> Jaime tried very hard.	0.88			
<b>effort5:</b> Jaime put a lot of effort into this situation.	0.93			
<b>Employee Competence</b>				
<b>comp1:</b> Jaime works quickly and efficiently.	0.83	0.76	0.90	0.90
<b>comp2:</b> Jaime can completely handle most customer requests.	0.85			
<b>comp3:</b> Jaime can be relied upon to know what he/she is doing.	0.93			

**Fit Statistics for CFA**

$\chi^2 = 263.07$ ,  $df = 149$  ( $p = 0.00$ ), RMSEA = 0.07, CFI = 0.98, NNFI = 0.97, IFI = 0.98, SRMR = 0.03

<sup>a</sup> All paths are significant.

**Table 5.14 Confirmatory Factor Analysis (CFA) of Study 2b**

Scale Item	Standardized Loading <sup>a</sup>	AVE	Composite Reliability	Cronbach's $\alpha$
<b>Gratitude toward an Employee</b>				
<b>gra_emp1:</b> I feel grateful to Jaime.	0.95	0.92	0.97	0.97
<b>gra_emp2:</b> I feel thankful to Jaime.	0.95			
<b>gra_emp3:</b> I feel appreciative toward Jaime.	0.97			
<b>Gratitude toward a Company</b>				
<b>gra_com1:</b> I feel grateful to S.A.B. Electronics.	0.97	0.93	0.98	0.98
<b>gra_com2:</b> I feel thankful to S.A.B. Electronics.	0.98			
<b>gra_com3:</b> I feel appreciative toward S.A.B. Electronics.	0.95			
<b>Satisfaction</b>				
<b>sat1:</b> I am satisfied with my overall experience with S.A.B.	0.95	0.90	0.96	0.97
<b>sat2:</b> As a whole, I am satisfied with S.A.B.	0.96			
<b>sat3:</b> How satisfied are you overall with the quality of S.A.B.?	0.93			
<b>Repurchase Intention</b>				
<b>repur1:</b> I plan to use this company in the future.	N.A.	N.A.	N.A.	N.A.
<b>WOM Intention</b>				
<b>wom1:</b> I'm likely to spread positive word-of-mouth about S.A.B.	0.96	0.95	0.98	0.98
<b>wom2:</b> I would recommend S.A.B. to my friends.	0.98			
<b>wom3:</b> If my friends were looking for an electronics store, I would tell them to try S.A.B.	0.98			
<b>Intention to Increase Share of Wallet</b>				
<b>sw1:</b> I intend to do more business with S.A.B. in the future.	0.98	0.95	0.97	0.98
<b>sw2:</b> I intend to purchase additional products and services from S.A.B. in the future.	0.97			
<b>Employee Effort</b>				
<b>effort3:</b> Jaime spent much time in this situation.	0.60	0.65	0.84	0.82
<b>effort4:</b> Jaime tried very hard.	0.83			
<b>effort5:</b> Jaime put a lot of effort into this situation.	0.95			
<b>Employee Competence</b>				
<b>comp1:</b> Jaime works quickly and efficiently.	0.88	0.82	0.93	0.93
<b>comp2:</b> Jaime can completely handle most customer requests.	0.91			
<b>comp3:</b> Jaime can be relied upon to know what he/she is doing.	0.93			

**Fit Statistics for CFA**

$\chi^2 = 270.38$ ,  $df = 149$  ( $p = 0.00$ ), RMSEA = 0.07, CFI = 0.97, NNFI = 0.97, IFI = 0.97, SRMR = 0.03

<sup>a</sup> All paths are significant.

**Table 5.15 Confirmatory Factor Analysis (CFA) of Study 2c**

Scale Item	Standardized Loading <sup>a</sup>	AVE	Composite Reliability	Cronbach's $\alpha$
<i>Gratitude toward an Employee</i>		0.90	0.97	0.96
<b>gra_emp1:</b> I feel grateful to Jaime.	0.93			
<b>gra_emp2:</b> I feel thankful to Jaime.	0.94			
<b>gra_emp3:</b> I feel appreciative toward Jaime.	0.98			
<i>Gratitude toward a Company</i>		0.95	0.98	0.96
<b>gra_com1:</b> I feel grateful to S.A.B. Electronics.	0.97			
<b>gra_com2:</b> I feel thankful to S.A.B. Electronics.	0.98			
<b>gra_com3:</b> I feel appreciative toward S.A.B. Electronics.	0.97			
<i>Satisfaction</i>		0.92	0.97	0.97
<b>sat1:</b> I am satisfied with my overall experience with S.A.B.	0.96			
<b>sat2:</b> As a whole, I am satisfied with S.A.B.	0.96			
<b>sat3:</b> How satisfied are you overall with the quality of S.A.B.?	0.95			
<i>Repurchase Intention</i>		N.A.	N.A.	N.A.
<b>repur1:</b> I plan to use this company in the future.	N.A.			
<i>WOM Intention</i>		0.95	0.98	0.98
<b>wom1:</b> I'm likely to spread positive word-of-mouth about S.A.B.	0.97			
<b>wom2:</b> I would recommend S.A.B. to my friends.	0.98			
<b>wom3:</b> If my friends were looking for an electronics store, I would tell them to try S.A.B.	0.97			
<i>Intention to Increase Share of Wallet</i>		0.92	0.96	0.96
<b>sw1:</b> I intend to do more business with S.A.B. in the future.	0.95			
<b>sw2:</b> I intend to purchase additional products and services from S.A.B. in the future.	0.97			
<i>Employee Effort</i>		0.76	0.91	0.90
<b>effort3:</b> Jaime spent much time in this situation.	0.75			
<b>effort4:</b> Jaime tried very hard.	0.91			
<b>effort5:</b> Jaime put a lot of effort into this situation.	0.95			
<i>Employee Competence</i>		0.81	0.93	0.92
<b>comp1:</b> Jaime works quickly and efficiently.	0.82			
<b>comp2:</b> Jaime can completely handle most customer requests.	0.92			
<b>comp3:</b> Jaime can be relied upon to know what they are doing.	0.96			

**Fit Statistics for CFA**

$\chi^2 = 242.22$ ,  $df = 149$  ( $p = 0.00$ ), RMSEA = 0.06, CFI = 0.98, NNFI = 0.97, IFI = 0.98, SRMR = 0.03

**Table 5.16 Confirmatory Factor Analysis (CFA) of Study 2d**

Scale Item	Standardized Loading <sup>a</sup>	AVE	Composite Reliability	Cronbach's $\alpha$
<b>Gratitude toward an Employee</b>				
<b>gra_emp1:</b> I feel grateful to Jaime.	0.95	0.91	0.97	0.97
<b>gra_emp2:</b> I feel thankful to Jaime.	0.96			
<b>gra_emp3:</b> I feel appreciative toward Jaime.	0.95			
<b>Gratitude toward a Company</b>				
<b>gra_com1:</b> I feel grateful to S.A.B. Electronics.	0.98	0.95	0.98	0.98
<b>gra_com2:</b> I feel thankful to S.A.B. Electronics.	0.99			
<b>gra_com3:</b> I feel appreciative toward S.A.B. Electronics.	0.96			
<b>Satisfaction</b>				
<b>sat1:</b> I am satisfied with my overall experience with S.A.B.	0.98	0.94	0.98	0.98
<b>sat2:</b> As a whole, I am satisfied with S.A.B.	0.97			
<b>sat3:</b> How satisfied are you overall with the quality of S.A.B.?	0.96			
<b>Repurchase Intention</b>				
<b>repur1:</b> I plan to use this company in the future.	N.A.	N.A.	N.A.	N.A.
<b>WOM Intention</b>				
<b>wom1:</b> I'm likely to spread positive word-of-mouth about S.A.B.	0.97	0.93	0.98	0.98
<b>wom2:</b> I would recommend S.A.B. to my friends.	0.98			
<b>wom3:</b> If my friends were looking for an electronics store, I would tell them to try S.A.B.	0.95			
<b>Intention to Increase Share of Wallet</b>				
<b>sw1:</b> I intend to do more business with S.A.B. in the future.	0.98	0.97	0.98	0.98
<b>sw2:</b> I intend to purchase additional products and services from S.A.B. in the future.	0.99			
<b>Employee Effort</b>				
<b>effort3:</b> Jaime spent much time in this situation.	0.70	0.69	0.87	0.86
<b>effort4:</b> Jaime tried very hard.	0.88			
<b>effort5:</b> Jaime put a lot of effort into this situation.	0.90			
<b>Employee Competence</b>				
<b>comp1:</b> Jaime works quickly and efficiently.	0.88	0.75	0.90	0.90
<b>comp2:</b> Jaime can completely handle most customer requests.	0.82			
<b>comp3:</b> Jaime can be relied upon to know what he/she is doing.	0.90			

**Fit Statistics for CFA**

$\chi^2 = 294.84$ ,  $df = 149$  ( $p = 0.00$ ), RMSEA = 0.07, CFI = 0.97, NNFI = 0.96, IFI = 0.97, SRMR = 0.03

<sup>a</sup> All paths are significant.

**Table 5.17 Means, Standard Deviations, and Correlations for Study 2a**

Variables	M	SD	1	2	3	4	5	6	7	8
1. Gratitude toward an Employee	6.21	1.12	(0.97)							
2. Gratitude toward a Company	5.62	1.60	0.60**	(0.97)						
3. Satisfaction	5.76	1.45	0.60**	0.78**	(0.98)					
4. Repurchase Intention	5.69	1.51	0.56**	0.77**	0.90**	N.A.				
5. WOM Intention	5.62	1.50	0.57**	0.82**	0.91**	0.87**	(0.97)			
6. Intention to Increase Share of Wallet	5.58	1.57	0.56**	0.77**	0.90**	0.96**	0.89**	(0.98)		
7. Employee Effort	5.73	1.07	0.56**	0.37**	0.46**	0.38**	0.41**	0.38**	(0.84)	
8. Employee Competence	6.07	0.89	0.72**	0.48**	0.53**	0.48**	0.51**	0.46**	0.64**	(0.87)

Note.  $N = 177$ , Values on the diagonal are the square root of the average variance extracted (AVE).

\*\* $p < 0.01$

**Table 5.18 Means, Standard Deviations, and Correlations for Study 2b**

Variables	M	SD	1	2	3	4	5	6	7	8
1. Gratitude toward an Employee	6.13	1.12	(0.96)							
2. Gratitude toward a Company	5.63	1.46	0.66**	(0.97)						
3. Satisfaction	5.71	1.38	0.59**	0.73**	(0.95)					
4. Repurchase Intention	5.51	1.53	0.57**	0.79**	0.86**	N.A.				
5. WOM Intention	5.60	1.54	0.60**	0.76**	0.89**	0.91**	(0.97)			
6. Intention to Increase Share of Wallet	5.39	1.55	0.55**	0.78**	0.83**	0.94**	0.89**	(0.98)		
7. Employee Effort	5.41	1.15	0.38**	0.26**	0.28**	0.26**	0.28**	0.22**	(0.81)	
8. Employee Competence	5.84	1.03	0.73**	0.44**	0.51**	0.41**	0.49**	0.44**	0.45**	(0.91)

Note.  $N = 184$ , Values on the diagonal are the square root of the average variance extracted (AVE).

\*\* $p < 0.01$

**Table 5.19 Means, Standard Deviations, and Correlations for Study 2c**

Variables	M	SD	1	2	3	4	5	6	7	8
1. Gratitude toward an Employee	6.28	1.01	(0.95)							
2. Gratitude toward a Company	5.79	1.36	0.66**	(0.97)						
3. Satisfaction	6.04	1.16	0.59**	0.73**	(0.96)					
4. Repurchase Intention	5.97	1.22	0.61**	0.77**	0.87**	N.A.				
5. WOM Intention	5.96	1.30	0.62**	0.75**	0.93**	0.90**	(0.97)			
6. Intention to Increase Share of Wallet	5.86	1.20	0.57**	0.72**	0.86**	0.92**	0.89**	(0.96)		
7. Employee Effort	5.64	1.18	0.48**	0.33**	0.40**	0.43**	0.39**	0.39**	(0.87)	
8. Employee Competence	5.91	1.01	0.58**	0.51**	0.60**	0.55**	0.60**	0.54**	0.61**	(0.90)

Note.  $N = 171$ , Values on the diagonal are the square root of the average variance extracted (AVE).

\*\* $p < 0.01$

**Table 5.20 Means, Standard Deviations, and Correlations for Study 2d**

Variables	M	SD	1	2	3	4	5	6	7	8
1. Gratitude toward an Employee	6.23	1.08	(0.95)							
2. Gratitude toward a Company	5.59	1.45	0.62**	(0.98)						
3. Satisfaction	5.73	1.42	0.58**	0.76**	(0.97)					
4. Repurchase Intention	5.55	1.46	0.57**	0.74**	0.90**	N.A.				
5. WOM Intention	5.63	1.48	0.54**	0.75**	0.94**	0.92**	(0.97)			
6. Intention to Increase Share of Wallet	5.47	1.52	0.56**	0.74**	0.90**	0.95**	0.93**	(0.99)		
7. Employee Effort	5.67	1.08	0.61**	0.39**	0.47**	0.42**	0.42**	0.40**	(0.83)	
8. Employee Competence	5.85	1.05	0.64**	0.43**	0.55**	0.50**	0.51**	0.51**	0.75**	(0.87)

Note.  $N = 182$ , Values on the diagonal are the square root of the average variance extracted (AVE).

\*\* $p < 0.01$

### ***Test of Hypotheses***

In this section, the results of the hypotheses tests are presented. Hypothesis testing is performed in three steps as follows:

- *Step 1:* The direct effects of the type of relationship approach as well as the interactions between the type of relationship approach and moderating variables (i.e., contact person motive (Study 2a), contact person status (Study 2b), relationship quality (Study 2c), and

situational involvement (Study 2d) on two types of gratitude (i.e., gratitude toward an employee and gratitude toward a company) are tested first.

- *Step 2:* The direct effects of relationship approach type on outcome variables (i.e., satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet) are tested next.
- *Step 3:* The mediating effect of two types of gratitude (i.e., gratitude toward an employee and gratitude toward a company) on the relationship between type of relationship approach and outcomes variables (i.e., satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet) are tested.

Consistent with Study 1, the tests of hypotheses were conducted while controlling for employee effort and employee competence. Table 5.21 lists the relationships/effects tested in each step.

**Table 5.21 Step-by-Step Hypothesis Testing**

<b>Step</b>	<b>Relationships/Effects Tested</b>
	Type of Relationship Approach → Gratitude (H1)
Step 1	Type of Relationship Approach* Motive → Gratitude (H2) : <b>Study 2a</b>
	Type of Relationship Approach* Status → Gratitude (H3) : <b>Study 2b</b>
	Type of Relationship Approach* Relationship Quality → Gratitude (H4) : <b>Study 2c</b>
	Type of Relationship Approach* Situational Involvement → Gratitude (H5) : <b>Study 2d</b>
Step 2	Type of Relationship Approach → Satisfaction (H6a)
	Type of Relationship Approach → Repurchase intention (H6b)
	Type of Relationship Approach → WOM intention (H6c)
	Type of Relationship Approach → Intention to increase share of wallet (H6d)
Step 3	Type of Relationship Approach → Gratitude → Satisfaction (H7a)
	Type of Relationship Approach → Gratitude → Repurchase intention (H7b)
	Type of Relationship Approach → Gratitude → WOM intention (H7c)
	Type of Relationship Approach → Gratitude → Intention to increase share of wallet (H7c)

*Study 2a: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Contact Person Motive: Benevolent and Self-interest)*

- *Step 1*

In Step 1, using gratitude toward an employee and gratitude toward a company as the dependent variables respectively, a 2 X 2 factorial ANOVA was conducted: type of relationship approach (reactive and proactive) and contact person motive (benevolent and self-interest) with employee effort and employee competence as covariates. Table 5.22 presents the results of the ANOVA for gratitude. The hypothesized effects/relationships are highlighted in boldface type in the table.

First, Table 5.22 shows that the main effect of the type of relationship approach is significant for gratitude toward an employee ( $\text{Mean}_{\text{Proactive}} = 6.56$ ,  $\text{Mean}_{\text{Reactive}} = 5.86$ ,  $F(1,171) = 3.87$ ,  $p = 0.05$ ) and for gratitude toward a firm ( $\text{Mean}_{\text{Proactive}} = 6.08$ ,  $\text{Mean}_{\text{Reactive}} = 5.14$ ,  $F(1,171) = 6.04$ ,  $p < 0.05$ ) as proposed in H1. In particular, the means are both higher in the proactive relationship approach condition than in the reactive relationship approach condition. Therefore, H1 is supported.

Next, interaction effects are examined. Table 5.22 shows that a two-way interaction between the type of relationship approach and motive is not significant for gratitude toward an employee ( $F(1,171) = 0.24$ ,  $p > 0.05$ ) and for gratitude toward a firm ( $F(1,171) = 0.38$ ,  $p > 0.05$ ). Thus, H2 is not supported. The means and standard deviations of the gratitude variables according to the manipulations of the type of relationship approach and contact person motive are shown in Table 5.23.

**Table 5.22 ANOVA for Gratitude for Study 2a**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Gratitude toward an Employee	Corrected Model	119.27	5	23.85	40.43	0.00	0.53
	Intercept	2.17	1	2.17	3.68	0.06	
	<b>Type of Relationship Approach</b>	2.28	1	2.28	<b>3.87</b>	<b>0.05</b>	
	Motive	0.68	1	0.68	1.15	0.29	
	<b>Type of Relationship Approach * Motive</b>	0.14	1	0.14	<b>0.24</b>	<b>0.62</b>	
	Employee Effort	3.62	1	3.62	6.13	0.01	
	Employee Competence	40.15	1	40.15	68.06	0.00	
	Error	100.89	171	0.59			
	Total	7043.89	177				
	Corrected Total	220.15	176				
Gratitude toward a Company	Corrected Model	123.31	5	24.66	12.93	0.00	0.25
	Intercept	1.85	1	1.85	0.97	0.33	
	<b>Type of Relationship Approach</b>	11.51	1	11.51	<b>6.04</b>	<b>0.02</b>	
	Motive	4.53	1	4.53	2.37	0.13	
	<b>Type of Relationship Approach * Motive</b>	.73	1	0.73	<b>0.38</b>	<b>0.54</b>	
	Employee Effort	2.86	1	2.86	1.50	0.22	
	Employee Competence	32.86	1	32.86	17.23	0.00	
	Error	326.12	171	1.91			
	Total	6031.56	177				
	Corrected Total	449.43	176				

**Table 5.23 Means and Standard Deviations of Gratitude for Study 2a**

Type of Relationship Approach	Motive	Gratitude toward an Employee			Gratitude toward a Company		
		Mean	SD	N	Mean	SD	N
Reactive	Self-interest	5.86	1.26	42	5.07	1.69	42
	Benevolent	5.86	1.19	46	5.20	1.59	46
	Total	5.86	1.22	88	5.14	1.63	88
Proactive	Self-interest	6.46	1.08	46	5.86	1.74	46
	Benevolent	6.66	0.62	43	6.33	0.94	43
	Total	6.56	0.89	89	6.09	1.42	89
Total	Self-interest	6.17	1.20	88	5.48	1.75	88
	Benevolent	6.24	1.04	89	5.75	1.43	89
	Total	6.21	1.12	177	5.62	1.60	177

- *Step 2*

In Step 2, using outcome variables (i.e., satisfaction, repurchase intention, WOM intention, and intention to increase the share of wallet) as the dependent variables respectively, a 2 X 2 factorial ANOVA was conducted on type of relationship approach (reactive and proactive) and contact person motive (benevolent and self-interest) with employee effort and employee competence as covariates. Table 5.24 presents the results of the ANOVA for outcome variables.

As seen in Table 5.24, the effects of type of relationship approach on satisfaction ( $\text{Mean}_{\text{Proactive}} = 6.26$ ,  $\text{Mean}_{\text{Reactive}} = 5.25$ ,  $F(1, 171) = 10.25$ ,  $p = 0.00$ ), WOM intention ( $\text{Mean}_{\text{Proactive}} = 6.10$ ,  $\text{Mean}_{\text{Reactive}} = 5.13$ ,  $F(1, 171) = 8.40$ ,  $p = 0.00$ ), and intention to increase share of wallet ( $\text{Mean}_{\text{Proactive}} = 5.98$ ,  $\text{Mean}_{\text{Reactive}} = 5.18$ ,  $F(1, 171) = 3.78$ ,  $p = 0.05$ ) are significant. The effect of type of relationship approach on repurchase intention is marginally significant ( $\text{Mean}_{\text{Proactive}} = 6.04$ ,  $\text{Mean}_{\text{Reactive}} = 5.31$ ,  $F(1, 171) = 2.74$ ,  $p = 0.10$ ). Specifically, the means are higher in the proactive condition than in the reactive condition. Therefore, the findings provide support for the direct effects of relationship approach type on satisfaction (H6a), repurchase intention (H6b), WOM intention (H6c), and intention to increase share of wallet (H6d). However, no significant two-way interaction between type of relationship approach and contact person motive is found for all outcome variables. The means and standard deviations of outcome variables according to the manipulations of the type of relationship approach and contact person motive are shown in Table 5.25.

**Table 5.24 ANOVA for Outcome Variables for Study 2a**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Satisfaction	Corrected Model	130.64	5	26.13	18.48	0.00	0.33
	Intercept	2.24	1	2.24	1.58	0.21	
	<b>Type of Relationship Approach</b>	14.50	1	14.50	<b>10.25</b>	<b>0.00</b>	
	Motive	3.35	1	3.35	2.37	0.13	
	Type of Relationship Approach * Motive	0.05	1	0.05	0.03	0.85	
	Employee Effort	10.02	1	10.02	7.09	0.01	
	Employee Competence	22.01	1	22.01	15.57	0.00	
	Error	241.79	171	1.41			
	Total	6246.56	177				
	Corrected Total	372.43	176				
Repurchase Intention	Corrected Model	104.64	5	20.93	12.17	0.00	0.24
	Intercept	2.75	1	2.75	1.60	0.21	
	<b>Type of Relationship Approach</b>	4.71	1	4.71	<b>2.74</b>	<b>0.10</b>	
	Motive	5.97	1	5.97	3.47	0.06	
	Type of Relationship Approach * Motive	0.01	1	0.01	0.00	0.95	
	Employee Effort	4.32	1	4.32	2.51	0.11	
	Employee Competence	27.9	1	27.90	16.23	0.00	
	Error	294.01	171	1.72			
	Total	6105.00	177				
	Corrected Total	398.64	176				
WOM Intention	Corrected Model	131.63	5	26.33	16.93	0.00	0.31
	Intercept	2.01	1	2.01	1.29	0.26	
	<b>Type of Relationship Approach</b>	13.07	1	13.07	<b>8.40</b>	<b>0.00</b>	
	Motive	11.58	1	11.58	7.44	0.01	
	Type of Relationship Approach * Motive	1.22	1	1.22	0.78	0.38	
	Employee Effort	6.62	1	6.62	4.25	0.04	
	Employee Competence	25.1	1	25.10	16.14	0.00	
	Error	265.94	171	1.56			
	Total	5983.44	177				
	Corrected Total	397.58	176				

(Table Continues)

	Corrected Model	111.46	5	22.29	11.92	0.00	0.24
	Intercept	2.61	1	2.61	1.40	0.24	
	<b>Type of Relationship Approach</b>	7.06	1	7.06	<b>3.78</b>	<b>0.05</b>	
Intention to Increase Share of Wallet	Motive	9.56	1	9.56	5.11	0.03	
	Type of Relationship Approach * Motive	0.31	1	0.31	0.17	0.68	
	Employee Effort	7.18	1	7.18	3.84	0.05	
	Employee Competence	22.27	1	22.27	11.91	0.00	
	Error	319.77	171	1.87			
	Total	5951.75	177				
	Corrected Total	431.23	176				

**Table 5.25 Means and Standard Deviations of Outcome Variables for Study 2a**

		Satisfaction			Repurchase Intention		
Type of Relationship Approach	Motive	Mean	SD	N	Mean	SD	N
Reactive	Self-interest	5.18	1.44	42	5.14	1.69	42
	Benevolent	5.33	1.64	46	5.46	1.52	46
	Total	5.25	1.54	88	5.31	1.60	88
Proactive	Self-interest	6.12	1.28	46	5.87	1.31	46
	Benevolent	6.42	1.03	43	6.23	1.31	43
	Total	6.26	1.17	89	6.04	1.31	89
Total	Self-interest	5.67	1.43	88	5.52	1.54	88
	Benevolent	5.85	1.48	89	5.83	1.46	89
	Total	5.76	1.45	177	5.68	1.50	177
		WOM Intention			Intention to Increase Share of Wallet		
Type of Relationship Approach	Motive	Mean	SD	N	Mean	SD	N
Reactive	Self-interest	4.99	1.63	42	5.02	1.67	42
	Benevolent	5.26	1.60	46	5.33	1.59	46
	Total	5.13	1.61	88	5.18	1.63	88
Proactive	Self-interest	5.77	1.41	46	5.72	1.50	46
	Benevolent	6.45	0.87	43	6.27	1.25	43
	Total	6.10	1.22	89	5.98	1.40	89
Total	Self-interest	5.40	1.56	88	5.39	1.61	88
	Benevolent	5.84	1.42	89	5.78	1.50	89
	Total	5.62	1.50	177	5.58	1.57	177

- *Step 3*

Demonstrating mediation involves meeting three conditions, namely the independent variables have an effect on (1) the mediator and (2) the dependent variable, and (3) controlling for the proposed mediator eliminates or reduces the effect found in Step 1 (e.g., Baron and Kenny 1986). The analyses show that the type of relationship approach affects both customer's gratitude toward an employee and customer's gratitude toward a company (Step 1) and their satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet (Step 2). Therefore, Step 3 repeats Step 2 while adding gratitude toward an employee and gratitude toward a company respectively as a covariate in a separate analysis on satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet.

Table 5.26 shows that when controlling for gratitude toward an employee in the ANOVA, the effect of the type of relationship approach drops for all outcome variables but still remains significant for satisfaction and WOM intention ( $F(1, 170) = 7.21, p < 0.05$  for satisfaction;  $F(1, 170) = 1.14, p > 0.05$  for repurchase intention;  $F(1, 170) = 5.70, p < 0.05$  for WOM intention; and  $F(1, 170) = 1.77, p > 0.05$  for intention to increase share of wallet), while gratitude toward an employee continued to reliably co-vary with each outcome variable ( $F(1, 170) = 18.45, p = 0.00$  for satisfaction;  $F(1, 170) = 19.42, p = 0.00$  for repurchase intention;  $F(1, 170) = 16.54, p = 0.00$  for WOM intention; and  $F(1, 170) = 22.85, p = 0.00$  for intention to increase share of wallet). Therefore, while a full mediation is supported for repurchase intention and intention to increase share of wallet, the Sobel test is conducted to examine whether the indirect effect of the relationship approach type on the two outcome variables (satisfaction and WOM intention respectively) as mediated by gratitude toward an employee is statistically significant. The result of the Sobel test is marginally significant, indicating that the indirect effect

of relationship approach type on the two outcome variables satisfaction and WOM intention respectively via gratitude toward an employee is marginally different from zero ( $z = 1.86, p < 0.10$  for satisfaction;  $z = 1.75, p < 0.10$  for WOM intention). Based on these results, it can be concluded that the influence of relationship approach type on repurchase intention (H7b) and intention to increase share of wallet (H7d) is fully mediated by gratitude toward an employee, and a partial mediation effect of gratitude toward a company on satisfaction (H7a) and WOM intention (H7c) is supported by the data.

Table 5.27 shows that when controlling for gratitude toward a company in the ANOVA, the effect of type of relationship approach significantly drops for all outcome variables but still remains significant for satisfaction ( $F(1, 170) = 4.15, p < 0.05$  for satisfaction;  $F(1, 170) = 0.00, p > 0.05$  for repurchase intention;  $F(1, 170) = 2.47, p > 0.05$  for WOM intention; and  $F(1, 170) = 0.10, p > 0.05$  for intention to increase share of wallet), while gratitude toward a company continued to reliably co-vary with each outcome variable ( $F(1, 170) = 158.72, p = 0.00$  for satisfaction;  $F(1, 170) = 157.32, p = 0.00$  for repurchase intention;  $F(1, 170) = 209.92, p = 0.00$  for WOM intention; and  $F(1, 170) = 160.46, p = 0.00$  for intention to increase share of wallet). Therefore, while a full mediation is supported for repurchase intention, WOM intention and intention to increase share of wallet, the Sobel test is conducted to examine whether the indirect effect of the relationship approach type on satisfaction as mediated by gratitude toward a company is statistically significant. The result of the Sobel test is significant, indicating that the indirect effect of relationship approach type on satisfaction via gratitude toward an employee is significantly different from zero ( $z = 2.41, p < 0.05$ ). Based on these results, it can be concluded that the full mediation effect of gratitude toward a company on repurchase intention (H7b),

WOM intention (H7c), and intention to increase share of wallet (H7d) is supported by the data, while a partial mediation effect of gratitude toward a company is found for satisfaction (H7a).

**Table 5.26 ANOVA for Outcome Variables with Gratitude toward an Employee as a Covariate for Study 2a**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Satisfaction	Corrected Model	154.31	6	25.72	20.04	0.00	0.39
	Intercept	0.60	1	0.60	0.47	0.49	
	<b>Type of Relationship Approach</b>	9.25	1	9.25	<b>7.21</b>	<b>0.01</b>	
	Motive	2.04	1	2.04	1.59	0.21	
	Type of Relationship Approach * Motive	0	1	0.00	0.00	0.97	
	Employee Effort	4.86	1	4.86	3.79	0.05	
	Employee Competence	1.88	1	1.88	1.47	0.23	
	Gratitude toward an Employee	23.67	1	23.67	18.45	0.00	
	Error	218.12	170	1.28			
	Total	6246.56	177				
	Corrected Total	372.43	176				
Repurchase Intention	Corrected Model	134.78	6	22.46	14.47	0.00	0.32
	Intercept	0.71	1	0.71	0.46	0.50	
	<b>Type of Relationship Approach</b>	1.77	1	1.77	<b>1.14</b>	<b>0.29</b>	
	Motive	3.95	1	3.95	2.54	0.11	
	Type of Relationship Approach * Motive	0.09	1	0.09	0.06	0.81	
	Employee Effort	1.04	1	1.04	0.67	0.41	
	Employee Competence	2.36	1	2.36	1.52	0.22	
	Gratitude toward an Employee	30.15	1	30.15	19.42	0.00	
	Error	263.86	170	1.55			
	Total	6105.00	177				
	Corrected Total	398.64	176				
WOM Intention	Corrected Model	155.22	6	25.87	18.15	0.00	0.37
	Intercept	0.49	1	0.49	0.34	0.56	
	<b>Type of Relationship Approach</b>	8.13	1	8.13	<b>5.70</b>	<b>0.02</b>	
	Motive	8.97	1	8.97	6.29	0.01	
	Type of Relationship Approach * Motive	0.85	1	0.85	0.60	0.44	
	Employee Effort	2.64	1	2.64	1.85	0.18	
	Employee Competence	2.71	1	2.71	1.90	0.17	
	Gratitude toward an Employee	23.59	1	23.59	16.54	0.00	
	Error	242.36	170	1.43			
	Total	5983.44	177				
	Corrected Total	397.58	176				

(Table Continues)

Intention to Increase Share of Wallet	Corrected Model	149.34	6	24.89	15.01	0.00	0.32
	Intercept	0.5	1	0.50	0.30	0.58	
	<b>Type of Relationship Approach</b>	2.93	1	2.93	<b>1.77</b>	<b>0.19</b>	
	Motive	6.65	1	6.65	4.01	0.05	
	Type of Relationship Approach * Motive	0.11	1	0.11	0.07	0.80	
	Employee Effort	2.21	1	2.21	1.33	0.25	
	Employee Competence	0.5	1	0.50	0.30	0.58	
	Gratitude toward an Employee	37.89	1	37.89	22.85	0.00	
	Error	281.89	170	1.66			
	Total	5951.75	177				
Corrected Total	431.23	176					

**Table 5.27 ANOVA for Outcome Variables with Gratitude toward a Company as a Covariate for Study 2a**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Satisfaction	Corrected Model	245.39	6	41.23	56.06	0.00	0.65
	Intercept	0.47	1	0.47	0.63	0.43	
	<b>Type of Relationship Approach</b>	3.05	1	3.05	<b>4.15</b>	<b>0.04</b>	
	Motive	0.31	1	0.31	0.42	0.52	
	Type of Relationship Approach * Motive	0.08	1	0.08	0.12	0.12	
	Employee Effort	4.60	1	4.60	6.25	0.01	
	Employee Competence	1.45	1	1.45	1.97	0.16	
	Gratitude toward a Company	116.75	1	116.75	158.72	0.00	
	Error	125.04	170	0.90			
	Total	6426.56	177				
Corrected Total	372.43	176					
Repurchase Intention	Corrected Model	245.94	6	40.99	45.64	0.00	0.60
	Intercept	0.58	1	0.58	0.64	0.42	
	<b>Type of Relationship Approach</b>	0.00	1	0.00	<b>0.00</b>	<b>0.95</b>	
	Motive	1.07	1	1.07	1.19	0.28	
	Type of Relationship Approach * Motive	0.42	1	0.42	0.47	0.49	
	Employee Effort	0.92	1	0.92	1.03	0.31	
	Employee Competence	2.07	1	2.07	2.30	0.13	
	Gratitude toward an Employee	141.31	1	141.31	157.32	0.00	
	Error	152.70	170	0.90			
	Total	6105.00	177				
Corrected Total	398.64	176					

(Table Continues)

WOM Intention	Corrected Model	278.58	6	46.43	66.33	0.00	0.69
	Intercept	0.25	1	0.25	0.36	0.55	
	<b>Type of Relationship Approach</b>	1.73	1	1.73	<b>2.47</b>	<b>0.12</b>	
	Motive	3.84	1	3.84	5.49	0.02	
	Type of Relationship Approach * Motive	0.28	1	0.28	0.40	0.53	
	Employee Effort	2.05	1	2.05	2.92	0.09	
	Employee Competence	1.23	1	1.23	1.75	0.19	
	Gratitude toward a Company	146.94	1	146.94	209.92	0.00	
	Error	119	170	0.70			
	Total	5983.44	177				
Corrected Total	397.58	176					
Intention to Increase Share of Wallet	Corrected Model	266.73	6	44.45	45.94	0.00	0.61
	Intercept	0.46	1	0.46	0.47	0.49	
	<b>Type of Relationship Approach</b>	0.10	1	0.10	<b>0.10</b>	<b>0.75</b>	
	Motive	2.6	1	2.60	2.69	0.10	
	Type of Relationship Approach * Motive	0.00	1	0.00	0.00	0.98	
	Employee Effort	2.26	1	2.26	2.34	0.13	
	Employee Competence	0.53	1	0.53	0.55	0.46	
	Gratitude toward a Company	155.27	1	155.27	160.46	0.00	
	Error	164.5	170	0.97			
	Total	5951.75	177				
Corrected Total	431.23	176					

A summary of the hypothesis testing results for Study 2a is presented in Table 5.28.

**Table 5.28 Summary Results of Hypothesis Tests of Study 2a**

Hypothesis	Relationships/Effects Tested	Supported?
H1	Type of Relationship Approach → Employee gratitude	<b>Yes</b>
	Type of Relationship Approach → Firm gratitude	<b>Yes</b>
H2	Type of Relationship Approach * Motive → Employee gratitude	No
	Type of Relationship Approach * Motive → Firm gratitude	No
H3	Type of Relationship Approach * Status → Employee gratitude	Not tested
	Type of Relationship Approach * Status → Firm gratitude	Not tested
H4	Type of Relationship Approach * Relationship quality → Employee gratitude	Not tested
	Type of Relationship Approach * Relationship quality → Firm gratitude	Not tested
H5	Type of Relationship Approach * Situational involvement → Employee gratitude	Not tested
	Type of Relationship Approach * Situational involvement → Firm gratitude	Not tested
H6a	Type of Relationship Approach → Satisfaction	<b>Yes</b>
H6b	Type of Relationship Approach → Repurchase intention	<b>Yes (Marginal)</b>
H6c	Type of Relationship Approach → WOM intention	<b>Yes</b>
H6d	Type of Relationship Approach → Intention to increase share of wallet	<b>Yes</b>
H7a	Type of Relationship Approach → Employee gratitude → Satisfaction (mediation)	<b>Yes (Partial)</b>
	Type of Relationship Approach → Firm gratitude → Satisfaction (mediation)	<b>Yes (Partial)</b>
H7b	Type of Relationship Approach → Employee gratitude → Repurchase intention (mediation)	<b>Yes</b>
	Type of Relationship Approach → Firm gratitude → Repurchase intention (mediation)	<b>Yes</b>
H7c	Type of Relationship Approach → Employee gratitude → WOM intention (mediation)	<b>Yes (Partial)</b>
	Type of Relationship Approach → Firm gratitude → WOM intention (mediation)	<b>Yes</b>
H7d	Type of Relationship Approach → Employee gratitude → Intention to increase share of wallet (mediation)	<b>Yes</b>
	Type of Relationship Approach → Firm gratitude → Intention to increase share of wallet (mediation)	<b>Yes</b>

*Study 2b: 2 (Type of Relationship Approach: Reactive and Proactive) X (Contact Person Status: Low and High)*

- *Step 1*

In Step 1, using gratitude toward an employee and gratitude toward a company as the dependent variables respectively, a 2 X 2 factorial ANOVA was conducted: type of relationship approach (reactive and proactive) and contact person status (low and high) with employee effort and employee competence as covariates. Table 5.29 presents the results of the ANOVA for gratitude.

First, Table 5.29 shows that the main effect of type of relationship approach is significant for gratitude toward an employee ( $\text{Mean}_{\text{Proactive}} = 6.38$ ,  $\text{Mean}_{\text{Reactive}} = 5.89$ ,  $F(1,178) = 5.98$ ,  $p < 0.05$ ) and for gratitude toward a firm ( $\text{Mean}_{\text{Proactive}} = 5.92$ ,  $\text{Mean}_{\text{Reactive}} = 5.34$ ,  $F(1,178) = 4.80$ ,  $p < 0.05$ ) as proposed in H1. The means are both higher in the proactive relationship approach condition than in the reactive relationship approach condition. Therefore, H1 is supported.

Next, interaction effects are examined. Table 5.29 shows that a two-way interaction between the type of relationship approach and status is not significant for gratitude toward an employee ( $F(1,178) = 0.00$ ,  $p > 0.05$ ) and for gratitude toward a firm ( $F(1,178) = 1.30$ ,  $p > 0.05$ ). Thus, H3 is not supported. The means and standard deviations of gratitude variables according to the manipulations of the type of relationship approach and contact person status are shown in Table 5.30.

**Table 5.29 ANOVA for Gratitude for Study 2b**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Gratitude toward an Employee	Corrected Model	125.1	5	25.02	42.82	0.00	0.53
	Intercept	10.20	1	10.20	17.46	0.00	
	<b>Type of Relationship Approach</b>	3.49	1	3.49	<b>5.98</b>	<b>0.02</b>	
	Status	0.16	1	0.16	0.28	0.60	
	<b>Type of Relationship Approach * Status</b>	0.00	1	0.00	<b>0.00</b>	<b>0.98</b>	
	Employee Effort	1.18	1	1.18	2.02	0.16	
	Employee Competence	77.91	1	77.91	133.35	0.00	
	Error	103.99	178	0.58			
	Total	7144.22	184				
	Corrected Total	229.09	183				
Gratitude toward a Company	Corrected Model	89	5	17.80	10.59	0.00	0.21
	Intercept	16.40	1	16.40	9.76	0.00	
	<b>Type of Relationship Approach</b>	8.06	1	8.06	<b>4.80</b>	<b>0.03</b>	
	Status	0.72	1	0.72	0.43	0.51	
	<b>Type of Relationship Approach * Status</b>	2.18	1	2.18	<b>1.30</b>	<b>0.26</b>	
	Employee Effort	2.32	1	2.32	1.38	0.24	
	Employee Competence	43.38	1	43.38	25.82	0.00	
	Error	299.06	178	1.68			
	Total	6217.44	184				
	Corrected Total	388.07	183				

**Table 5.30 Means and Standard Deviations of Gratitude for Study 2b**

Type of Relationship Approach	Status	Gratitude toward an Employee			Gratitude toward a Company		
		Mean	SD	N	Mean	SD	N
Reactive	Low	5.72	1.33	47	5.28	1.57	47
	High	6.05	1.14	46	5.40	1.44	46
	Total	5.89	1.24	93	5.34	1.50	93
Proactive	Low	6.30	0.86	46	5.72	1.43	46
	High	6.46	0.97	45	6.13	1.26	45
	Total	6.38	0.91	91	5.92	1.35	91
Total	Low	6.01	1.15	93	5.50	1.51	93
	High	6.25	1.07	91	5.76	1.39	91
	Total	6.13	1.12	184	5.63	1.46	184

- *Step 2*

In Step 2, using outcome variables (i.e., satisfaction, repurchase intention, WOM intention, and intention to increase the share of wallet) as the dependent variables respectively, a 2 X 2 factorial ANOVA was conducted: type of relationship approach (reactive and proactive) and contact person status (low and high) with employee effort and employee competence as covariates. Table 5.31 presents the results of the ANOVA for outcome variables.

As seen in Table 5.31, the effect of type of relationship approach is significant on satisfaction ( $\text{Mean}_{\text{Proactive}} = 6.15$ ,  $\text{Mean}_{\text{Reactive}} = 5.28$ ,  $F(1, 178) = 16.71$ ,  $p = 0.00$ ), repurchase intention ( $\text{Mean}_{\text{Proactive}} = 5.87$ ,  $\text{Mean}_{\text{Reactive}} = 5.15$ ,  $F(1, 178) = 7.60$ ,  $p < 0.05$ ), WOM intention ( $\text{Mean}_{\text{Proactive}} = 6.03$ ,  $\text{Mean}_{\text{Reactive}} = 5.18$ ,  $F(1, 178) = 11.47$ ,  $p = 0.00$ ), and intention to increase share of wallet ( $\text{Mean}_{\text{Proactive}} = 5.75$ ,  $\text{Mean}_{\text{Reactive}} = 5.04$ ,  $F(1, 178) = 6.57$ ,  $p < 0.05$ ). The means are higher in the proactive condition than in the reactive condition. Therefore, the findings provide support for the direct effect of relationship approach type on satisfaction (H6a), repurchase intention (H6b), WOM intention (H6c), and intention to increase share of wallet (H6d). A two-way interaction between the type of relationship approach and contact person status is not significant for all outcome variables. The means and standard deviations of outcome variables according to the manipulations of the type of relationship approach and contact person status are shown in Table 5.32.

**Table 5.31 ANOVA for Outcome Variables for Study 2b**

<b>Outcomes</b>	<b>Source</b>	<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>	<b>Adjusted R<sup>2</sup></b>
Satisfaction	Corrected Model	117.27	5	23.45	18.09	0.00	0.32
	Intercept	13.42	1	13.42	10.35	0.00	
	<b>Type of Relationship Approach</b>	21.66	1	21.66	<b>16.71</b>	<b>0.00</b>	
	Status	0.82	1	0.82	0.63	0.43	
	Type of Relationship Approach * Status	3.53	1	3.53	2.72	0.10	
	Employee Effort	1.85	1	1.85	1.43	0.23	
	Employee Competence	52.93	1	52.93	40.83	0.00	
	Error	230.76	178	1.30			
	Total	6355.11	184				
	Corrected Total	348.04	183				
Repurchase Intention	Corrected Model	94.04	5	18.81	9.97	0.00	0.20
	Intercept	13.84	1	13.84	7.34	0.01	
	<b>Type of Relationship Approach</b>	14.35	1	14.35	<b>7.60</b>	<b>0.01</b>	
	Status	0.82	1	0.82	0.44	0.51	
	Type of Relationship Approach * Status	2.63	1	2.63	1.39	0.24	
	Employee Effort	3.66	1	3.66	1.94	0.17	
	Employee Competence	40.04	1	40.04	21.22	0.00	
	Error	335.95	178	1.89			
	Total	6007.00	184				
	Corrected Total	429.99	183				
WOM Intention	Corrected Model	127.54	5	25.51	14.82	0.00	0.27
	Intercept	7.07	1	7.07	4.11	0.04	
	<b>Type of Relationship Approach</b>	19.74	1	19.74	<b>11.47</b>	<b>0.00</b>	
	Status	2.15	1	2.15	1.25	0.27	
	Type of Relationship Approach * Status	0.74	1	0.74	0.43	0.51	
	Employee Effort	3.15	1	3.15	1.83	0.18	
	Employee Competence	58.99	1	58.99	34.29	0.00	
	Error	306.28	178	1.72			
	Total	6210.78	184				
	Corrected Total	433.82	183				

(Table Continues)

	Corrected Model	103.77	5	20.75	10.93	0.00	0.21
	Intercept	10.75	1	10.75	5.66	0.02	
	<b>Type of Relationship Approach</b>	12.48	1	12.48	<b>6.57</b>	<b>0.01</b>	
Intention to Increase Share of Wallet	Status	0.6	1	0.60	0.31	0.58	
	Type of Relationship Approach * Status	4.12	1	4.12	2.17	0.14	
	Employee Effort	0.47	1	0.47	0.25	0.62	
	Employee Competence	56.74	1	56.74	29.89	0.00	
	Error	337.91	178	1.90			
	Total	5795.25	184				
	Corrected Total	441.68	183				

**Table 5.32 Means and Standard Deviations of Outcome Variables for Study 2b**

		Satisfaction			Repurchase Intention		
Type of Relationship Approach	Motive	Mean	SD	N	Mean	SD	N
Reactive	Sales Clerk	5.38	1.49	47	5.23	1.54	47
	Sales Manager	5.19	1.51	46	5.07	1.65	46
	Total	5.28	1.49	93	5.15	1.59	93
Proactive	Sales Clerk	6.04	1.21	46	5.78	1.32	46
	Sales Manager	6.27	0.96	45	5.96	1.48	45
	Total	6.15	1.09	91	5.87	1.39	91
Total	Low	5.71	1.39	93	5.51	1.45	93
	High	5.72	1.37	91	5.51	1.62	91
	Total	5.71	1.38	184	5.51	1.53	184

		WOM Intention			Intention to Increase Share of Wallet		
Type of Relationship Approach	Motive	Mean	SD	N	Mean	SD	N
Reactive	Sales Clerk	5.23	1.67	47	5.14	1.60	47
	Sales Manager	5.13	1.53	46	4.95	1.65	46
	Total	5.18	1.59	93	5.04	1.62	93
Proactive	Sales Clerk	6.04	1.26	46	5.62	1.33	46
	Sales Manager	6.03	1.48	45	5.89	1.48	45
	Total	6.03	1.36	91	5.75	1.41	91
Total	Low	5.63	1.52	93	5.38	1.48	93
	High	5.58	1.56	91	5.41	1.63	91
	Total	5.60	1.54	184	5.39	1.55	184

- *Step 3*

The analyses show that the type of relationship approach affects both customer's gratitude toward an employee and customer's gratitude toward a company (Step 1) and their satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet (Step 2). Therefore, Step 3 repeats Step 2 while adding gratitude toward an employee and gratitude toward a company respectively as covariates in a separate analysis on satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet.

Table 5.33 shows that when controlling for gratitude toward an employee in the ANOVA, the effect of the type of relationship approach drops for all outcome variables but still remains significant for satisfaction and WOM intention ( $F(1, 177) = 11.59, p = 0.00$  for satisfaction;  $F(1, 177) = 3.62, p > 0.05$  for repurchase intention;  $F(1, 177) = 6.80, p < 0.05$  for WOM intention; and  $F(1, 177) = 3.14, p > 0.05$  for intention to increase share of wallet), while gratitude toward an employee continued to reliably co-vary with each outcome variable ( $F(1, 177) = 22.19, p = 0.00$  for satisfaction;  $F(1, 177) = 33.77, p = 0.05$  for repurchase intention;  $F(1, 177) = 29.61, p = 0.00$  for WOM intention; and  $F(1, 177) = 26.14, p = 0.00$  for intention to increase share of wallet). Therefore, while a full mediation is supported for repurchase intention and intention to increase share of wallet, the Sobel test is conducted to examine whether the indirect effect of the relationship approach type on the two outcome variables (satisfaction and WOM intention) as mediated by gratitude toward an employee is statistically significant. The result of the Sobel test is significant, indicating that the indirect effect of relationship approach type on the two outcome variables via gratitude toward an employee is significantly different from zero ( $z = 2.02, p < 0.05$  for satisfaction;  $z = 2.05, p < 0.05$  for WOM intention). Based on these results, it can be concluded that a full mediation effect of gratitude toward an employee on

repurchase intention (H7b) and intention to increase share of wallet (H7d) and partial mediation effects of gratitude toward an employee on satisfaction (H7a) and WOM intention (H7c) are supported by the data.

Second, Table 5.34 shows that when controlling for gratitude toward a company in the ANOVA, the effect of the type of relationship approach drops for satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet but still remains significant for satisfaction and WOM intention ( $F(1, 177) = 11.81, p = 0.00$  for satisfaction;  $F(1, 177) = 2.77, p > 0.05$  for repurchase intention;  $F(1, 177) = 6.51, p < 0.05$  for WOM intention; and  $F(1, 177) = 1.95, p > 0.05$  for intention to increase share of wallet), while gratitude toward a company continued to reliably co-vary with each outcome variable ( $F(1, 177) = 120.45, p = 0.00$  for satisfaction;  $F(1, 177) = 215.18, p = 0.00$  for repurchase intention;  $F(1, 177) = 163.42, p = 0.00$  for WOM intention; and  $F(1, 177) = 193.16, p = 0.00$  for intention to increase share of wallet). Therefore, while a full mediation is supported for repurchase intention and intention to increase share of wallet, the Sobel test is conducted to examine whether the indirect effects of the relationship approach type on the two outcome variables satisfaction and WOM intention as mediated by gratitude toward a company are statistically significant. The result of the Sobel test is significant, indicating that the indirect effect of relationship approach type on the two outcome variables via gratitude toward an employee is significantly different from zero ( $z = 2.15, p < 0.05$  for satisfaction;  $z = 2.16, p < 0.05$  for WOM intention). Based on these results, it can be concluded that the full mediation effect of gratitude toward a company on repurchase intention (H7b) and intention to increase share of wallet (H7d) and a partial mediation effect of gratitude toward a company on satisfaction (H7a) and WOM intention (H7c) are supported by the data.

**Table 5.33 ANOVA for Outcome Variables with Gratitude toward an Employee as a Covariate for Study 2b**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Satisfaction	Corrected Model	142.98	6	23.83	20.57	0.00	0.39
	Intercept	3.92	1	3.92	3.38	0.07	
	<b>Type of Relationship Approach</b>	13.42	1	13.42	<b>11.59</b>	<b>0.00</b>	
	Status	1.22	1	1.22	1.05	0.31	
	Type of Relationship Approach * Status	3.57	1	3.57	3.08	0.08	
	Employee Effort	0.66	1	0.66	0.57	0.45	
	Employee Competence	4.76	1	4.76	4.11	0.04	
	Gratitude toward an Employee	25.71	1	25.71	22.19	0.00	
	Error	205.05	177	1.16			
	Total	6355.11	184				
	Corrected Total	348.04	183				
Repurchase Intention	Corrected Model	147.86	6	24.64	15.46	0.00	0.32
	Intercept	1.84	1	1.84	1.16	0.28	
	<b>Type of Relationship Approach</b>	5.78	1	5.78	<b>3.62</b>	<b>0.06</b>	
	Status	1.43	1	1.43	0.90	0.34	
	Type of Relationship Approach * Status	2.68	1	2.68	1.68	0.20	
	Employee Effort	1.27	1	1.27	0.79	0.37	
	Employee Competence	0	1	0.00	0.00	0.99	
	Gratitude toward a Company	53.82	1	53.82	33.77	0.00	
	Error	282.13	177	1.59			
	Total	6007	184				
	Corrected Total	429.99	183				
WOM Intention	Corrected Model	171.42	6	28.57	19.27	0.00	0.38
	Intercept	0.31	1	0.31	0.21	0.65	
	<b>Type of Relationship Approach</b>	10.08	1	10.08	<b>6.80</b>	<b>0.01</b>	
	Status	2.98	1	2.98	2.01	0.16	
	Type of Relationship Approach * Status	0.77	1	0.77	0.52	0.47	
	Employee Effort	1.13	1	1.13	0.76	0.38	
	Employee Competence	2.17	1	2.17	1.46	0.23	
	Gratitude toward an Employee	43.89	1	43.89	29.61	0.00	
	Error	262.39	177	1.48			
	Total	6210.78	184				
	Corrected Total	433.82	183				

(Table Continues)

Intention to Increase Share of Wallet	Corrected Model	147.25	6	24.54	14.75	0.00	0.31
	Intercept	1.34	1	1.34	0.81	0.37	
	<b>Type of Relationship Approach</b>	5.22	1	5.22	<b>3.14</b>	<b>0.08</b>	
	Status	1.07	1	1.07	0.64	0.42	
	Type of Relationship Approach * Status	4.18	1	4.18	2.51	0.11	
	Employee Effort	0	1	0.00	0.00	0.99	
	Employee Competence	1.91	1	1.91	1.15	0.29	
	Gratitude toward an Employee	43.48	1	43.48	26.14	0.00	
	Error	294.43	177	1.66			
	Total	5795.25	184				
Corrected Total	441.68	183					

**Table 5.34 ANOVA for Outcome Variables with Gratitude toward a Company as a Covariate for Study 2b**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Satisfaction	Corrected Model	210.72	6	35.12	45.27	0.00	0.59
	Intercept	1.86	1	1.86	2.39	0.12	
	<b>Type of Relationship Approach</b>	9.16	1	9.16	<b>11.81</b>	<b>0.00</b>	
	Status	1.89	1	1.89	2.44	0.12	
	Type of Relationship Approach * Status	1.10	1	1.10	1.42	0.24	
	Employee Effort	0.26	1	0.26	0.33	0.57	
	Employee Competence	11.28	1	11.28	14.54	0.00	
	Gratitude toward a Company	93.45	1	93.45	120.45	0.00	
	Error	137.32	177	0.78			
	Total	6355.11	184				
Corrected Total	348.04	183					
Repurchase Intention	Corrected Model	278.37	6	46.39	54.16	0.00	0.64
	Intercept	0.28	1	0.28	0.32	0.57	
	<b>Type of Relationship Approach</b>	2.37	1	2.37	<b>2.77</b>	<b>0.10</b>	
	Status	2.47	1	2.47	2.88	0.09	
	Type of Relationship Approach * Status	0.21	1	0.21	0.25	0.62	
	Employee Effort	0.51	1	0.51	0.60	0.44	
	Employee Competence	1.17	1	1.17	1.36	0.24	
	Gratitude toward a Company	184.33	1	184.33	215.18	0.00	
	Error	151.62	177	0.86			
	Total	6007	184				
Corrected Total	429.99	183					

(Table Continues)

WOM Intention	Corrected Model	274.57	6	45.76	50.86	0.00	0.62
	Intercept	0.03	1	0.03	0.03	0.85	
	<b>Type of Relationship Approach</b>	5.86	1	5.86	<b>6.51</b>	<b>0.01</b>	
	Status	4.24	1	4.24	4.71	0.03	
	Type of Relationship Approach * Status	0.03	1	0.03	0.03	0.86	
	Employee Effort	0.50	1	0.50	0.55	0.46	
	Employee Competence	8.19	1	8.19	9.10	0.00	
	Gratitude toward a Company	147.03	1	147.03	163.42	0.00	
	Error	159.25	177	0.90			
	Total	6210.78	184				
Corrected Total	433.82	183					
Intention to Increase Share of Wallet	Corrected Model	280.10	6	46.68	51.14	0.00	0.62
	Intercept	0.03	1	0.03	0.03	0.86	
	<b>Type of Relationship Approach</b>	1.78	1	1.78	<b>1.95</b>	<b>0.16</b>	
	Status	2.02	1	2.02	2.22	0.14	
	Type of Relationship Approach * Status	0.80	1	0.80	0.87	0.35	
	Employee Effort	0.23	1	0.23	0.25	0.61	
	Employee Competence	5.35	1	5.35	5.86	0.02	
	Gratitude toward a Company	176.33	1	176.33	193.16	0.00	
	Error	161.58	177	0.91			
	Total	5795.25	184				
Corrected Total	441.68	183					

A summary of the hypothesis testing results for Study 2b is presented in Table 5.35.

**Table 5.35 Summary Results of Hypothesis Tests of Study 2b**

Hypothesis	Relationships/Effects Tested	Supported?
H1	Type of Relationship Approach → Employee gratitude	<b>Yes</b>
	Type of Relationship Approach → Firm gratitude	<b>Yes</b>
H2	Type of Relationship Approach * Motive → Employee gratitude	Not tested
	Type of Relationship Approach * Motive → Firm gratitude	Not tested
H3	Type of Relationship Approach * Status → Employee gratitude	No
	Type of Relationship Approach * Status → Firm gratitude	No
H4	Type of Relationship Approach * Relationship quality → Employee gratitude	Not tested
	Type of Relationship Approach * Relationship quality → Firm gratitude	Not tested
H5	Type of Relationship Approach * Situational involvement → Employee gratitude	Not tested
	Type of Relationship Approach * Situational involvement → Firm gratitude	Not tested
H6a	Type of Relationship Approach → Satisfaction	<b>Yes</b>
H6b	Type of Relationship Approach → Repurchase intention	<b>Yes</b>
H6c	Type of Relationship Approach → WOM intention	<b>Yes</b>
H6d	Type of Relationship Approach → Intention to increase share of wallet	<b>Yes</b>
H7a	Type of Relationship Approach → Employee gratitude → Satisfaction (mediation)	<b>Yes (Partial)</b>
	Type of Relationship Approach → Firm gratitude → Satisfaction (mediation)	<b>Yes (Partial)</b>
H7b	Type of Relationship Approach → Employee gratitude → Repurchase intention (mediation)	<b>Yes</b>
	Type of Relationship Approach → Firm gratitude → Repurchase intention (mediation)	<b>Yes</b>
H7c	Type of Relationship Approach → Employee gratitude → WOM intention (mediation)	<b>Yes (Partial)</b>
	Type of Relationship Approach → Firm gratitude → WOM intention (mediation)	<b>Yes (Partial)</b>
H7d	Type of Relationship Approach → Employee gratitude → Intention to increase share of wallet (mediation)	<b>Yes</b>
	Type of Relationship Approach → Firm gratitude → Intention to increase share of wallet (mediation)	<b>Yes</b>

*Study 2c: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Relationship Quality: Low and High)*

- *Step 1*

In Step 1, using gratitude toward an employee and gratitude toward a company as the dependent variables respectively, a 2 X 2 factorial ANOVA was conducted: type of relationship approach (reactive and proactive) and relationship quality (low and high) with employee effort and employee competence as covariates. Table 5.36 presents the results of the ANOVA for gratitude.

Table 5.36 shows that the main effect of the type of relationship approach is not significant for gratitude toward an employee ( $\text{Mean}_{\text{Proactive}} = 6.31$ ,  $\text{Mean}_{\text{Reactive}} = 6.25$ ,  $F(1,165) = 1.36$ ,  $p > 0.05$ ). On the contrary, the main effect of the type of relationship approach is marginally significant for gratitude toward a firm ( $\text{Mean}_{\text{Proactive}} = 5.90$ ,  $\text{Mean}_{\text{Reactive}} = 5.68$ ,  $F(1, 165) = 2.81$ ,  $p = 0.10$ ). Thus, H1 proposing the direct effect of the type of relationship approach on gratitude is supported for gratitude toward a company but not for gratitude toward an employee in Study 2d.

Next, interaction effects are examined. Table 5.36 shows that the two-way interaction between the type of relationship approach and relationship quality is significant for gratitude toward an employee ( $F(1, 165) = 10.28$ ,  $p = 0.00$ ) and for gratitude toward a firm ( $F(1, 165) = 10.86$ ,  $p = 0.00$ ). To facilitate the interpretation of the moderating effect of relationship quality on the relationship between the type of relationship approach and gratitude, the interaction graph is plotted (See Figure 5.2 for the interaction of the type of relationship approach and relationship quality on gratitude toward an employee and Figure 5.3 for the interaction of the type of relationship approach and relationship quality on gratitude toward a company).

Further examination of the interaction reveals that for those who have low relationship quality, gratitude toward an employee increases when they receive a proactive relationship approach as opposed to a reactive one ( $\text{Mean}_{\text{Proactive}} = 6.53$ ,  $\text{Mean}_{\text{Reactive}} = 5.88$ ,  $F(1, 82) = 10.17$ ,  $p < 0.05$ ). However, gratitude toward an employee does not differ by the type of relationship approach for those who have high relationship quality ( $\text{Mean}_{\text{Proactive}} = 6.10$ ,  $\text{Mean}_{\text{Reactive}} = 6.62$ ,  $F(1, 81) = 1.49$ ,  $p > 0.05$ ). In addition, a disordinal interaction exists between the type of relationship approach and relationship quality on gratitude toward an employee. This means that in the proactive condition, gratitude toward an employee is significantly higher in the low relationship quality condition than in the high relationship quality condition ( $\text{Mean}_{\text{high}} = 6.10$ ,  $\text{Mean}_{\text{low}} = 6.53$ ,  $F(1, 82) = 4.19$ ,  $p < 0.05$ ). However, in the reactive condition, the high relationship quality situation resulted in a higher level of gratitude toward an employee than in the low relationship quality condition ( $\text{Mean}_{\text{high}} = 6.62$ ,  $\text{Mean}_{\text{low}} = 5.88$ ,  $F(1, 81) = 4.89$ ,  $p < 0.05$ ).

Similarly, for those who have low relationship quality, gratitude toward a company increases when they receive a proactive relationship approach as opposed to a reactive one ( $\text{Mean}_{\text{Proactive}} = 6.11$ ,  $\text{Mean}_{\text{Reactive}} = 5.11$ ,  $F(1, 82) = 11.94$ ,  $p = 0.00$ ). However, gratitude toward a company does not differ by the type of relationship approach for those who have high relationship quality ( $\text{Mean}_{\text{Proactive}} = 5.69$ ,  $\text{Mean}_{\text{Reactive}} = 6.27$ ,  $F(1, 81) = 1.06$ ,  $p > 0.05$ ). In addition, the mean difference of gratitude toward a company between the low and high relationship conditions was only significant in a reactive (not proactive) condition ( $\text{Mean}_{\text{high}} = 6.27$ ,  $\text{Mean}_{\text{low}} = 5.11$ ,  $F(1, 81) = 7.94$ ,  $p < 0.05$ ). The mean of gratitude toward a company is higher in the high relationship quality condition than in the low relationship quality condition.

In summary, this study proposed alternative hypotheses regarding the relationship between the type of relationship approach and relationship quality. The result supports H4b, which predicted that the effect of a proactive relationship approach on gratitude toward a company will be greater for low-relationship quality customers than for high-relationship quality customers. The means and standard deviations of the gratitude variables according to the manipulations of the type of relationship approach and relationship quality are shown in Table 5.37.

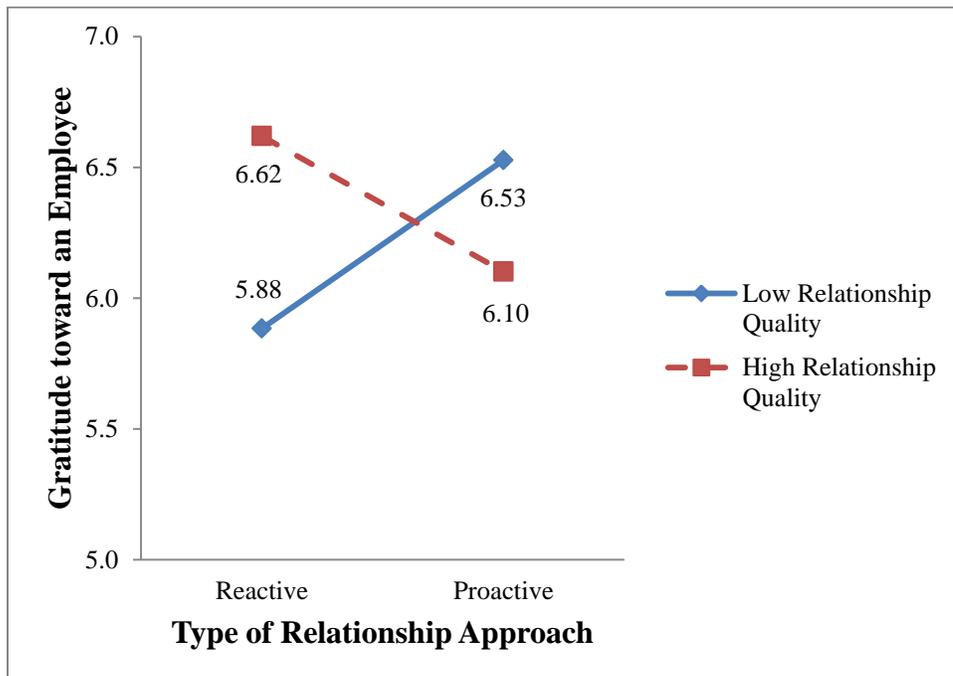
**Table 5.36 ANOVA for Gratitude for Study 2c**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Gratitude toward an Employee	Corrected Model	70.22	5	14.04	22.45	0.00	0.39
	Intercept	32.38	1	32.38	51.76	0.00	
	<b>Type of Relationship Approach</b>	0.85	1	0.85	<b>1.36</b>	<b>0.25</b>	
	RelQual	0.14	1	0.14	0.22	0.64	
	<b>Type of Relationship Approach * RelQual</b>	6.43	1	6.43	<b>10.28</b>	<b>0.00</b>	
	Employee Effort	4.33	1	4.33	6.92	0.01	
	Employee Competence	20.04	1	20.04	32.05	0.00	
	Error	103.20	165	0.63			
	Total	6918.89	171				
	Corrected Total	173.42	170				
Gratitude toward a Company	Corrected Model	100.18	5	20.04	15.53	0.00	0.30
	Intercept	17.39	1	17.39	13.47	0.00	
	<b>Type of Relationship Approach</b>	3.63	1	3.63	<b>2.81</b>	<b>0.10</b>	
	RelQual	0.83	1	0.83	0.64	0.43	
	<b>Type of Relationship Approach * RelQual</b>	14.01	1	14.01	<b>10.86</b>	<b>0.00</b>	
	Employee Effort	0.07	1	0.07	0.05	0.82	
	Employee Competence	40.58	1	40.58	31.45	0.00	
	Error	212.93	165	1.29			
	Total	6048.56	171				
	Corrected Total	313.12	170				

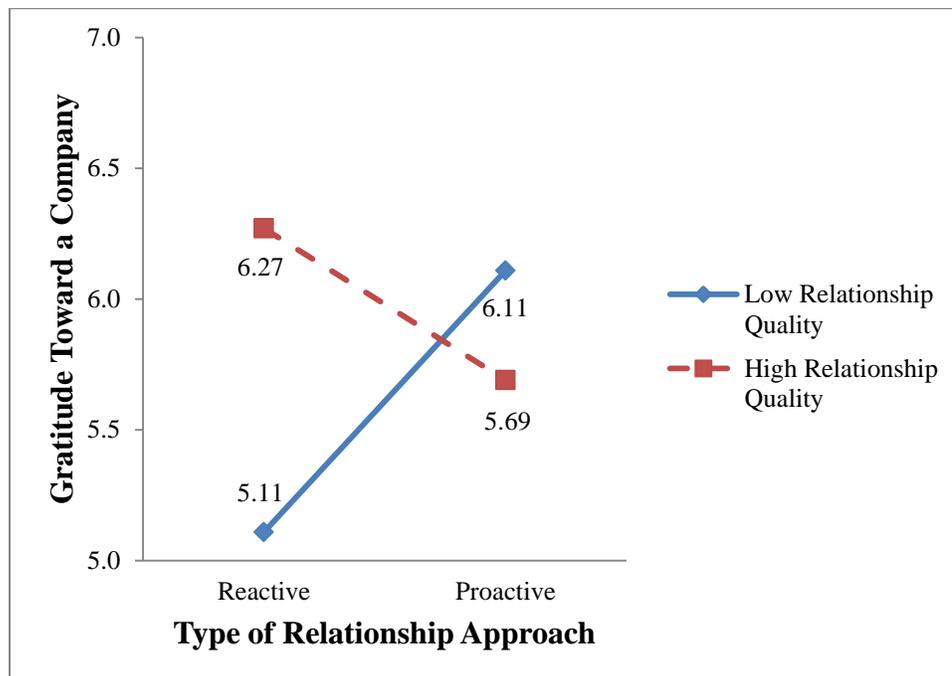
**Table 5.37 Means and Standard Deviations of Gratitude for Study 2c**

Type of Relationship Approach	Relationship Quality	Gratitude toward an Employee			Gratitude toward a Company		
		Mean	SD	N	Mean	SD	N
Reactive	Low	5.88	1.11	43	5.11	1.46	43
	High	6.62	0.56	42	6.27	1.07	42
	Total	6.25	0.95	85	5.68	1.40	85
Proactive	Low	6.53	0.78	43	6.11	1.14	43
	High	6.10	1.27	43	5.69	1.44	43
	Total	6.31	1.07	86	5.90	1.31	86
Total	Low	6.21	1.00	86	5.61	1.40	86
	High	6.36	1.02	85	5.98	1.30	85
	Total	6.28	1.01	171	5.79	1.36	171

**Figure 5.2 Interaction of Type of Relationship Approach and Relationship Quality on Gratitude toward an Employee**



**Figure 5.3 Interaction of Type of Relationship Type and Relationship Quality on Gratitude toward a Company**



- *Step 2*

In Step 2, using outcome variables (i.e., satisfaction, repurchase intention, WOM intention, and intention to increase the share of wallet) as the dependent variables respectively, a 2 X 2 factorial ANOVA was conducted: type of relationship approach (reactive and proactive) and relationship quality (low and high) with employee effort and employee competence as covariates. Table 5.38 presents the results of the ANOVA for outcome variables.

As seen in Table 5.38, the effects of type of relationship approach on satisfaction ( $\text{Mean}_{\text{Proactive}} = 6.19$ ,  $\text{Mean}_{\text{Reactive}} = 5.89$ ,  $F(1, 165) = 7.58$ ,  $p < 0.05$ ), repurchase intention ( $\text{Mean}_{\text{Proactive}} = 6.09$ ,  $\text{Mean}_{\text{Reactive}} = 5.85$ ,  $F(1, 165) = 4.67$ ,  $p < 0.05$ ), WOM intention ( $\text{Mean}_{\text{Proactive}} = 6.09$ ,  $\text{Mean}_{\text{Reactive}} = 5.83$ ,  $F(1, 165) = 4.98$ ,  $p < 0.00$ ), and intention to increase share of wallet ( $\text{Mean}_{\text{Proactive}} = 5.97$ ,  $\text{Mean}_{\text{Reactive}} = 5.75$ ,  $F(1, 165) = 3.73$ ,  $p = 0.05$ ) are significant. The means are all higher in a proactive condition than in a reactive condition.

Therefore, the findings provide support for the direct effect of relationship approach type on satisfaction (H6a), repurchase intention (H6b), WOM intention (H6c), and intention to increase share of wallet (H6d).

This study did not hypothesize the interaction effect of the type of relationship approach and relationship quality on distal outcome variables. However, a similar interaction effect as examined above with gratitude as a dependent variable (H4) is expected. A two-way interaction between the type of relationship approach and relationship quality is significant for all outcome variables ( $F(1,165) = 6.14, p < 0.05$  for satisfaction;  $F(1,165) = 3.91, p = 0.05$  for repurchase intention;  $F(1,165) = 8.78, p = 0.00$  for WOM intention;  $F(1,165) = 5.58, p < 0.05$  for intention to increase share of wallet). To facilitate the interpretation of the moderating effect of relationship quality on the relationship between the type of relationship approach and outcome variables, the interaction graph is plotted (See Figure 5.4 for satisfaction; Figure 5.5 for repurchase intention; Figure 5.6 for WOM intention; and Figure 5.7 for intention to increase share of wallet).

Further analysis indicates that mean differences between the proactive and reactive condition was only significant in a low (not high) relationship quality condition ( $\text{Mean}_{\text{Proactive}} = 6.19, \text{Mean}_{\text{Reactive}} = 5.35, F(1,82) = 9.92, p = 0.00$  for satisfaction;  $\text{Mean}_{\text{Proactive}} = 6.02, \text{Mean}_{\text{Reactive}} = 5.28, F(1, 82) = 6.04, p < 0.05$  for repurchase intention;  $\text{Mean}_{\text{Proactive}} = 6.14, \text{Mean}_{\text{Reactive}} = 5.19, F(1, 82) = 9.71, p = 0.00$  for WOM intention;  $\text{Mean}_{\text{Proactive}} = 5.97, \text{Mean}_{\text{Reactive}} = 5.20, F(1, 82) = 6.62, p < 0.05$  for intention to increase share of wallet). Consistent with the direction examined in H4 involving gratitude as a dependent variable, the mean differences between the low and high quality relationship were only significant in a reactive (not proactive) condition, with means of outcome variables higher in the high relationship quality

conditions than in the low relationship quality conditions ( $\text{Mean}_{\text{high}} = 6.44$ ,  $\text{Mean}_{\text{low}} = 5.35$ ,  $F(1,81) = 9.05$ ,  $p = 0.00$  for satisfaction;  $\text{Mean}_{\text{high}} = 6.43$ ,  $\text{Mean}_{\text{low}} = 5.28$ ,  $F(1,81) = 9.71$ ,  $p = 0.00$  for repurchase intention;  $\text{Mean}_{\text{high}} = 6.48$ ,  $\text{Mean}_{\text{low}} = 5.19$ ,  $F(1,81) = 10.33$ ,  $p = 0.00$  for WOM intention;  $\text{Mean}_{\text{high}} = 6.31$ ,  $\text{Mean}_{\text{low}} = 5.20$ ,  $F(1,81) = 9.17$ ,  $p = 0.00$  for intention to increase share of wallet).

The means and standard deviations of the outcome variables according to the manipulations of the type of relationship approach and relationship quality are shown in Table 5.39.

**Table 5.38 ANOVA for Outcome Variables for Study 2c**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Satisfaction	Corrected Model	98.11	5	19.62	24.93	0.00	0.41
	Intercept	19.61	1	19.61	24.92	0.00	
	<b>Type of Relationship Approach</b>	5.96	1	5.96	<b>7.58</b>	<b>0.01</b>	
	RelQual	3.79	1	3.79	4.82	0.03	
	Type of Relationship Approach * RelQual	4.83	1	4.83	6.14	0.01	
	Employee Effort	0.38	1	0.38	0.48	0.49	
	Employee Competence	39.65	1	39.65	50.39	0.00	
	Error	129.85	165	0.79			
	Total	6464.22	171				
Corrected Total	227.96	170					
Repurchase Intention	Corrected Model	95.27	5	19.05	19.95	0.00	0.36
	Intercept	19.7	1	19.70	20.63	0.00	
	<b>Type of Relationship Approach</b>	4.46	1	4.46	<b>4.67</b>	<b>0.03</b>	
	RelQual	7.05	1	7.05	7.38	0.01	
	Type of Relationship Approach * RelQual	3.73	1	3.73	3.91	0.05	
	Employee Effort	3.16	1	3.16	3.31	0.07	
	Employee Competence	27.43	1	27.43	28.72	0.00	
	Error	157.58	165	0.96			
	Total	6349.00	171				
Corrected Total	252.85	170					

(Table Continues)

	Corrected Model	120.58	5	24.12	24.00	0.00	0.40
	Intercept	12.39	1	12.39	12.34	0.00	
	<b>Type of Relationship Approach</b>	5.00	1	5.99	<b>4.98</b>	<b>0.03</b>	
	RelQual	4.44	1	4.44	4.42	0.04	
WOM Intention	Type of Relationship Approach * RelQual	8.82	1	8.82	8.78	0.00	
	Employee Effort	0.30	1	0.30	0.30	0.59	
	Employee Competence	48.70	1	48.70	48.48	0.00	
	Error	165.78	165	1.00			
	Total	6354.67	171				
	Corrected Total	286.35	170				
<hr/>							
	Corrected Model	86.06	5	17.21	17.84	0.00	0.33
	Intercept	21.6	1	21.60	22.39	0.00	
	<b>Type of Relationship Approach</b>	3.6	1	3.60	<b>3.73</b>	<b>0.05</b>	
	RelQual	4.69	1	4.69	4.86	0.03	
Intention to Increase Share of Wallet	Type of Relationship Approach * RelQual	5.38	1	5.38	5.58	0.02	
	Employee Effort	1.31	1	1.31	1.36	0.25	
	Employee Competence	28.85	1	28.85	29.90	0.00	
	Error	159.18	165	0.96			
	Total	6110.75	171				
	Corrected Total	245.24	170				

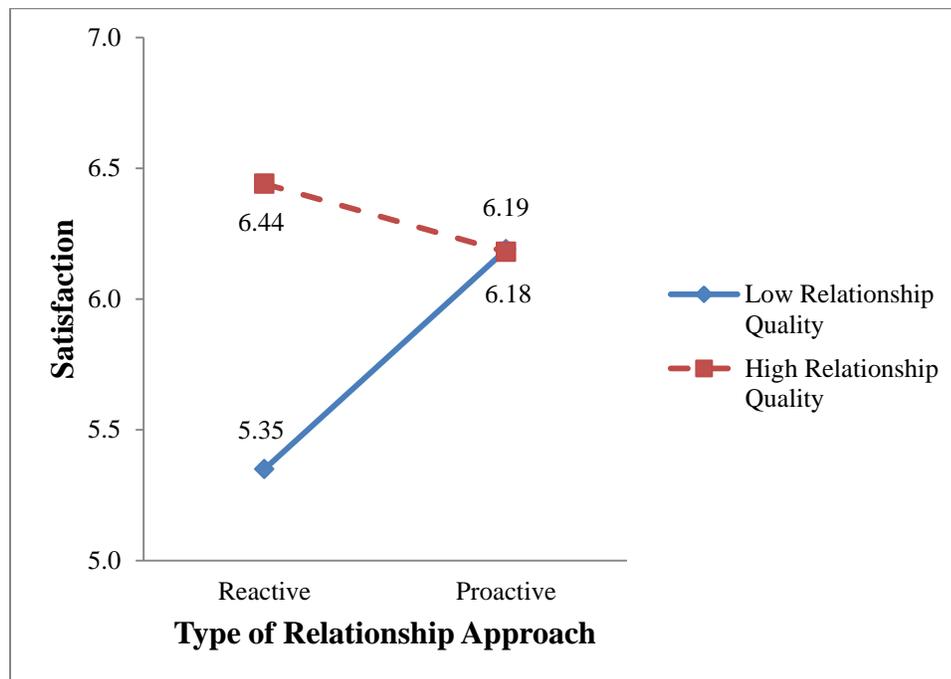
**Table 5.39 Means and Standard Deviations of Outcome Variables for Study 2c**

		Satisfaction			Repurchase Intention		
Type of Relationship Approach	Motive	Mean	SD	N	Mean	SD	N
Reactive	Low	5.35	1.36	43	5.28	1.44	43
	High	6.44	0.75	42	6.43	0.74	42
	Total	5.89	1.23	85	5.85	1.28	85
Proactive	Low	6.19	1.07	43	6.02	1.22	43
	High	6.18	1.09	43	6.16	1.09	43
	Total	6.19	1.07	86	6.09	1.15	86
Total	Low	5.77	1.29	86	5.65	1.38	86
	High	6.31	0.94	85	6.29	0.94	85
	Total	6.04	1.16	171	5.97	1.22	171

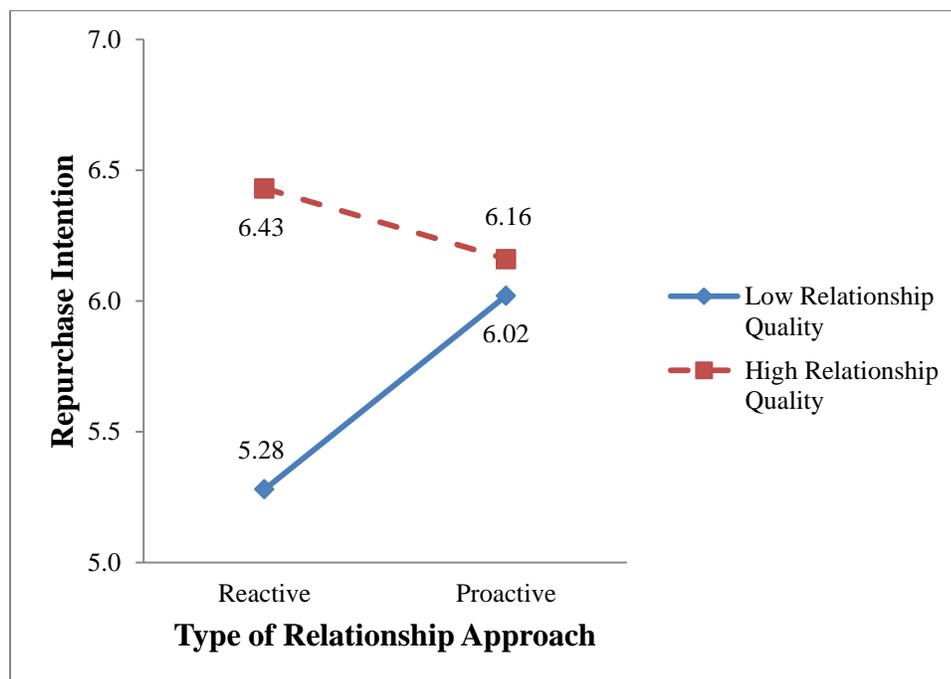
  

		WOM Intention			Intention to Increase Share of Wallet		
Type of Relationship Approach	Motive	Mean	SD	N	Mean	SD	N
Reactive	Low	5.19	1.55	43	5.20	1.39	43
	High	6.48	0.80	42	6.31	0.78	42
	Total	5.83	1.39	85	5.75	1.26	85
Proactive	Low	6.14	1.19	43	5.97	1.24	43
	High	6.03	1.21	43	5.97	1.05	43
	Total	6.09	1.19	86	5.97	1.14	86
Total	Low	5.67	1.45	86	5.58	1.37	86
	High	6.25	1.05	85	6.14	0.94	85
	Total	5.96	1.30	171	5.86	1.20	171

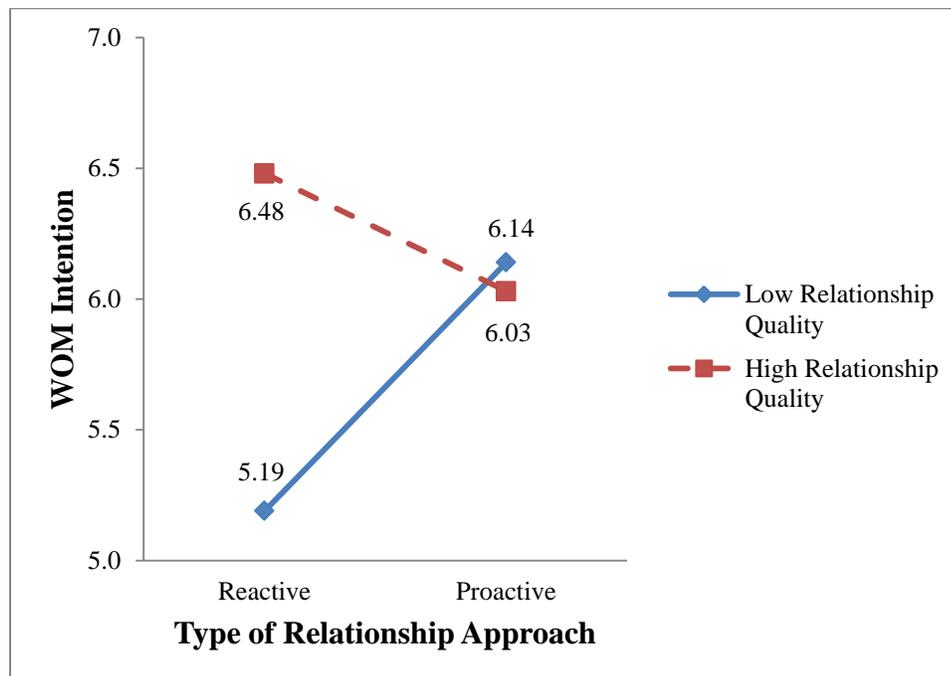
**Figure 5.4 Interaction of Type of Relationship Approach and Relationship Quality on Satisfaction**



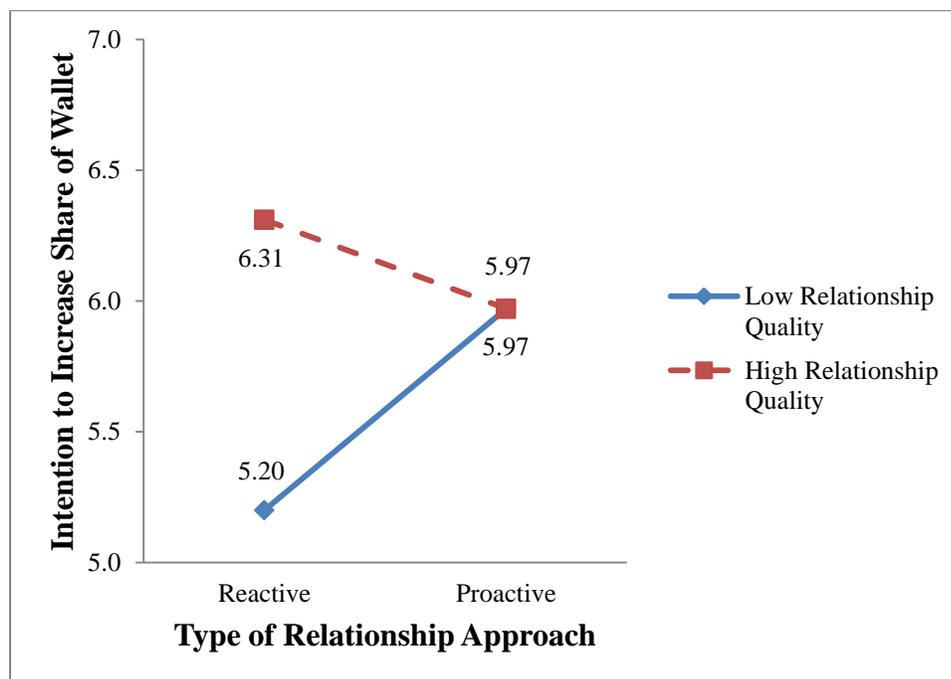
**Figure 5.5 Interaction of Type of Relationship Approach and Relationship Quality on Repurchase Intention**



**Figure 5.6 Interaction of Type of Relationship Approach and Relationship Quality on WOM Intention**



**Figure 5.7 Interaction of Type of Relationship Approach and Relationship Quality on Intention to Increase Share of Wallet**



- *Step 3*

The analyses show that the type of relationship approach affects customer's gratitude toward a company (but not gratitude toward an employee as a potential mediator; thus this is excluded from mediation analysis in Step 3) (Step 1) and their satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet (Step 2). Therefore, Step 3 repeats Step 2 while adding gratitude toward a company as a covariate on satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet.

Table 5.40 shows that when controlling for gratitude toward a company in the ANOVA, the effect of the type of relationship approach drops for all outcome variables but still remains significant for satisfaction ( $F(1, 164) = 4.66, p < 0.05$  for satisfaction;  $F(1, 164) = 1.91, p > 0.05$  for repurchase intention;  $F(1, 164) = 2.27, p > 0.05$  for WOM intention; and  $F(1, 164) = 1.33, p > 0.05$  for intention to increase share of wallet), while gratitude toward a company continued to reliably co-vary with each outcome variable ( $F(1, 164) = 90.13, p = 0.00$  for satisfaction;  $F(1, 164) = 135.15, p = 0.00$  for repurchase intention;  $F(1, 164) = 97.77, p = 0.00$  for WOM intention; and  $F(1, 164) = 88.70, p = 0.00$  for intention to increase share of wallet). Therefore, the Sobel test is conducted to examine whether the indirect effects of the relationship approach type on satisfaction as mediated by gratitude toward a company are statistically significant. The result of the Sobel test is marginally significant, indicating that the indirect effect of relationship approach type on satisfaction via gratitude toward a company is marginally different from zero ( $z = 1.68, p < 0.10$ ). Based on these results, it can be concluded that the full mediation effect of gratitude toward a company on repurchase intention (H7b), WOM intention (H7c), and intention to increase share of wallet (H7d) as well as partial mediation effect of gratitude toward a company on satisfaction (H7a) are supported by the data.

**Table 5.40 ANOVA for Outcome Variables with Gratitude toward a Company as a Covariate for Study 2c**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Satisfaction	Corrected Model	144.16	6	24.03	47.02	0.00	0.62
	Intercept	5.73	1	5.73	11.21	0.00	
	<b>Type of Relationship Approach</b>	2.38	1	2.38	<b>4.66</b>	<b>0.03</b>	
	RelQual	2.32	1	2.32	4.53	0.03	
	Type of Relationship Approach * RelQual	0.2	1	0.20	0.38	0.54	
	Employee Effort	0.25	1	0.25	0.48	0.49	
	Employee Competence	9.34	1	9.34	18.28	0.00	
	Gratitude toward a Company	46.05	1	46.05	90.13	0.00	
	Error	83.8	164	0.51			
	Total	6464.22	171				
	Corrected Total	227.96	170				
Repurchase Intention	Corrected Model	166.46	6	27.74	52.67	0.00	0.65
	Intercept	3.8	1	3.80	7.22	0.01	
	<b>Type of Relationship Approach</b>	1.01	1	1.01	<b>1.91</b>	<b>0.17</b>	
	RelQual	4.52	1	4.52	8.58	0.00	
	Type of Relationship Approach * RelQual	0.05	1	0.05	0.10	0.76	
	Employee Effort	2.64	1	2.64	5.01	0.03	
	Employee Competence	2.03	1	2.03	3.85	0.05	
	Gratitude toward a Company	71.19	1	71.19	135.15	0.00	
	Error	86.39	164	0.53			
	Total	6349.00	171				
	Corrected Total	252.85	170				
WOM Intention	Corrected Model	182.49	6	30.42	48.03	0.00	0.62
	Intercept	1.5	1	1.50	2.36	0.13	
	<b>Type of Relationship Approach</b>	1.44	1	1.44	<b>2.27</b>	<b>0.13</b>	
	RelQual	2.61	1	2.61	4.12	0.04	
	Type of Relationship Approach * RelQual	0.85	1	0.85	1.34	0.25	
	Employee Effort	0.16	1	0.16	0.26	0.61	
	Employee Competence	10.55	1	10.55	16.66	0.00	
	Gratitude toward a Company	61.92	1	61.92	97.77	0.00	
	Error	103.86	164	0.63			
	Total	6354.67	171				
	Corrected Total	286.35	170				

(Table Continues)

	Corrected Model	141.93	6	23.66	37.55	0.00	0.56
	Intercept	5.83	1	5.83	9.26	0.00	
	<b>Type of Relationship Approach</b>	0.83	1	0.83	<b>1.33</b>	<b>0.25</b>	
	RelQual	2.88	1	2.88	4.57	0.03	
Intention to Increase Share of Wallet	Type of Relationship Approach * RelQual	0.15	1	0.15	0.24	0.62	
	Employee Effort	1.02	1	1.02	1.62	0.21	
	Employee Competence	3.73	1	3.73	5.92	0.02	
	Gratitude toward a Company	55.88	1	55.88	1.62	0.00	
	Error	103.31	164	0.63			
	Total	6110.75	171				
	Corrected Total	245.24	170				

A summary of the hypothesis testing results for Study 2c is presented in Table 5.41.

**Table 5.41 Summary Results of Hypothesis Tests of Study 2c**

Hypothesis	Relationships/Effects Tested	Supported?
H1	Type of Relationship Approach → Employee gratitude	No
	Type of Relationship Approach → Firm gratitude	<b>Yes (Marginal)</b>
H2	Type of Relationship Approach * Motive → Employee gratitude	Not tested
	Type of Relationship Approach * Motive → Firm gratitude	Not tested
H3	Type of Relationship Approach * Status → Employee gratitude	Not tested
	Type of Relationship Approach * Status → Firm gratitude	Not tested
H4	Type of Relationship Approach * Relationship quality → Employee gratitude	<b>Yes (H4b, Low relationship quality)</b>
	Type of Relationship Approach * Relationship quality → Firm gratitude	<b>Yes (H4b, Low relationship quality)</b>
H5	Type of Relationship Approach * Situational involvement → Employee gratitude	Not tested
	Type of Relationship Approach * Situational involvement → Firm gratitude	Not tested
H6a	Type of Relationship Approach → Satisfaction	<b>Yes</b>
H6b	Type of Relationship Approach → Repurchase intention	<b>Yes</b>
H6c	Type of Relationship Approach → WOM intention	<b>Yes</b>
H6d	Type of Relationship Approach → Intention to increase share of wallet	<b>Yes</b>
H7a	Type of Relationship Approach → Employee gratitude → Satisfaction (mediation)	No
	Type of Relationship Approach → Firm gratitude → Satisfaction (mediation)	<b>Yes (Partial)</b>
H7b	Type of Relationship Approach → Employee gratitude → Repurchase intention (mediation)	No
	Type of Relationship Approach → Firm gratitude → Repurchase intention (mediation)	<b>Yes</b>
H7c	Type of Relationship Approach → Employee gratitude → WOM intention (mediation)	No
	Type of Relationship Approach → Firm gratitude → WOM intention (mediation)	<b>Yes</b>
H7d	Type of Relationship Approach → Employee gratitude → Intention to increase share of wallet (mediation)	No
	Type of Relationship Approach → Firm gratitude → Intention to increase share of wallet (mediation)	<b>Yes</b>

*Study 2d: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Situational Involvement: Low and High)*

- *Step 1*

In Step 1, using gratitude toward an employee and gratitude toward a company as the dependent variables respectively, a 2 X 2 factorial ANOVA was conducted: type of relationship approach (reactive and proactive) and situational involvement (low and high) with employee effort and employee competence as covariates. Table 5.42 presents the results of the ANOVA for gratitude.

First, Table 5.42 shows that while the main effect of type of relationship approach is not significant for gratitude toward an employee ( $\text{Mean}_{\text{Proactive}} = 6.31$ ,  $\text{Mean}_{\text{Reactive}} = 6.15$ ,  $F(1,176) = 0.55$ ,  $p > 0.05$ ), that of type of relationship approach on gratitude toward a company is significant ( $\text{Mean}_{\text{Proactive}} = 5.92$ ,  $\text{Mean}_{\text{Reactive}} = 5.26$ ,  $F(1,176) = 10.43$ ,  $p = 0.00$ ). The mean of gratitude toward a company is higher in the proactive relationship approach condition than in the reactive relationship approach condition. Thus, H1 proposing the direct effect of the type of relationship approach on gratitude is supported for gratitude toward a company but not for gratitude toward an employee in Study 2d.

Interaction effects are examined next. Table 5.42 shows that a two-way interaction between the type of relationship approach and situational involvement is significant for gratitude toward an employee ( $F(1,176) = 5.54$ ,  $p < 0.05$ ) and for gratitude toward a firm ( $F(1,176) = 4.06$ ,  $p = 0.05$ ). To facilitate the interpretation of the moderating effects of situational involvement on the relationship between the type of relationship approach and gratitude, interaction graphs are plotted (See Figure 5.8 for the interaction of the type of relationship approach and situational

involvement on gratitude toward an employee and Figure 5.9 for the interaction of the type of relationship approach and situational involvement on gratitude toward a company).

Further examination of interaction indicates that gratitude toward an employee does not differ by the type of relationship approach for those who have high situational involvement ( $\text{Mean}_{\text{Proactive}} = 6.16$ ,  $\text{Mean}_{\text{Reactive}} = 6.33$ ,  $F(1, 87) = 0.76$ ,  $p > 0.05$ ). However, for those who have low situational involvement, gratitude toward an employee marginally increases when they receive a proactive relationship approach as opposed to a reactive one ( $\text{Mean}_{\text{Proactive}} = 6.46$ ,  $\text{Mean}_{\text{Reactive}} = 5.97$ ,  $F(1, 87) = 3.46$ ,  $p < 0.10$ ). In addition, the mean difference of gratitude toward an employee for low and high situational involvement conditions is marginally significant in both proactive and reactive conditions ( $\text{Mean}_{\text{high}} = 6.46$ ,  $\text{Mean}_{\text{low}} = 6.16$ ,  $F(1, 87) = 2.76$ ,  $p = 0.10$  for proactive condition;  $\text{Mean}_{\text{high}} = 6.33$ ,  $\text{Mean}_{\text{low}} = 5.97$ ,  $F(1, 87) = 2.96$ ,  $p < 0.10$  for reactive condition). There is a disordinal interaction between the type of relationship approach and situational involvement on gratitude toward an employee. The mean of gratitude toward an employee is higher in a low involvement condition when a proactive relationship approach is offered, but higher in a high involvement condition when a reactive relationship approach is provided.

Similar to gratitude toward an employee, gratitude toward a company does not differ by the type of relationship approach for those who have high situational involvement ( $\text{Mean}_{\text{Proactive}} = 5.78$ ,  $\text{Mean}_{\text{Reactive}} = 5.53$ ,  $F(1, 87) = 0.76$ ,  $p > 0.05$ ). However, for those who have low situational involvement, gratitude toward a company increases when they receive a proactive relationship approach as opposed to a reactive one ( $\text{Mean}_{\text{Proactive}} = 6.06$ ,  $\text{Mean}_{\text{Reactive}} = 4.98$ ,  $F(1, 87) = 11.60$ ,  $p = 0.00$ ). In addition, the mean difference of gratitude toward a company between the low and situational involvement was marginally significant in a reactive (not proactive) condition

(Mean<sub>high</sub> = 5.53, Mean<sub>low</sub> = 4.09,  $F(1,87) = 2.93$ ,  $p < 0.10$ ). The mean of gratitude toward a company is higher in the high situational involvement condition than in the low situational involvement condition when a reactive relationship approach is provided.

In summary, even if the interaction between the type of relationship approach and situational involvement is significant, contrary to our prediction that the effect of proactive customer relationship investment on gratitude will be stronger for high-situational involvement customers than for low-situational involvement customers, the findings demonstrate that the effect of a proactive relationship approach on gratitude is greater for low-situational involvement customers than for high-situational involvement customers. Therefore, H5 is not supported. The means and standard deviations of gratitude variables according to the manipulations of the type of relationship approach and situational involvement are shown in Table 5.43.

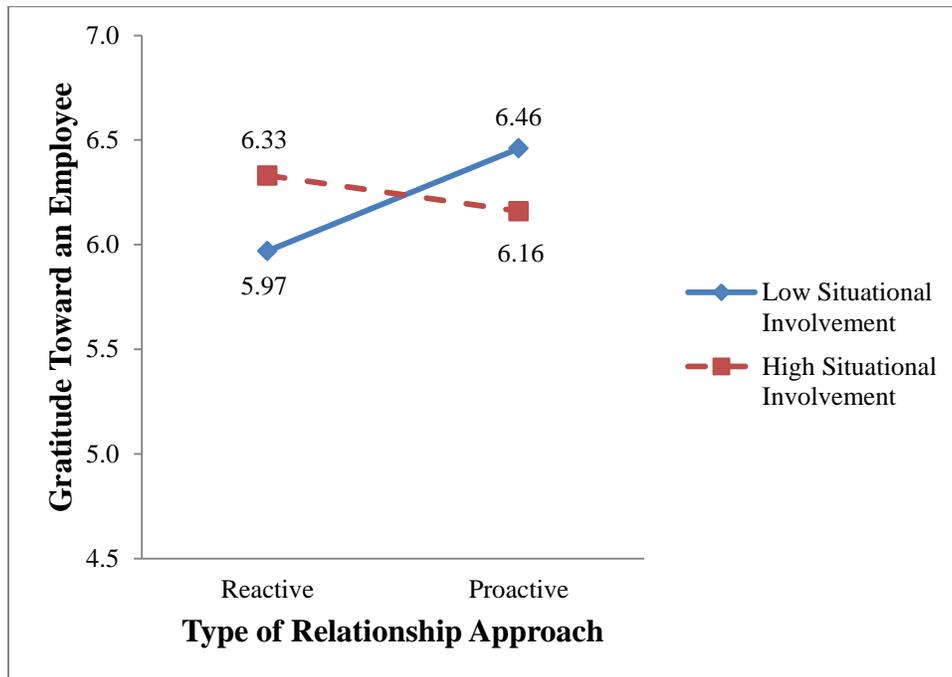
**Table 5.42 ANOVA for Gratitude for Study 2d**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Gratitude toward an Employee	Corrected Model	98.97	5	19.79	31.42	0.00	0.46
	Intercept	22.01	1	22.01	34.94	0.00	
	<b>Type of Relationship Approach</b>	0.34	1	0.34	<b>0.55</b>	<b>0.46</b>	
	Involvement	0.04	1	0.04	0.06	0.80	
	<b>Type of Relationship Approach * Involvement</b>	3.49	1	3.49	<b>5.54</b>	<b>0.02</b>	
	Employee Effort	6.60	1	6.60	10.48	0.00	
	Employee Competence	17.66	1	17.66	28.03	0.00	
	Error	110.89	176	0.63			
	Total	7275.56	182				
	Corrected Total	209.86	181				
Gratitude toward a Company	Corrected Model	96.76	5	19.35	12.11	0.00	0.24
	Intercept	21.26	1	21.26	13.30	0.00	
	<b>Type of Relationship Approach</b>	16.67	1	16.67	<b>10.43</b>	<b>0.00</b>	
	Involvement	.73	1	0.73	0.46	0.50	
	<b>Type of Relationship Approach * Involvement</b>	6.49	1	6.49	<b>4.06</b>	<b>0.05</b>	
	Employee Effort	2.91	1	2.91	1.82	0.18	
	Employee Competence	16.40	1	16.40	10.26	0.00	
	Error	281.33	176	1.60			
	Total	6061.00	182				
	Corrected Total	378.09	181				

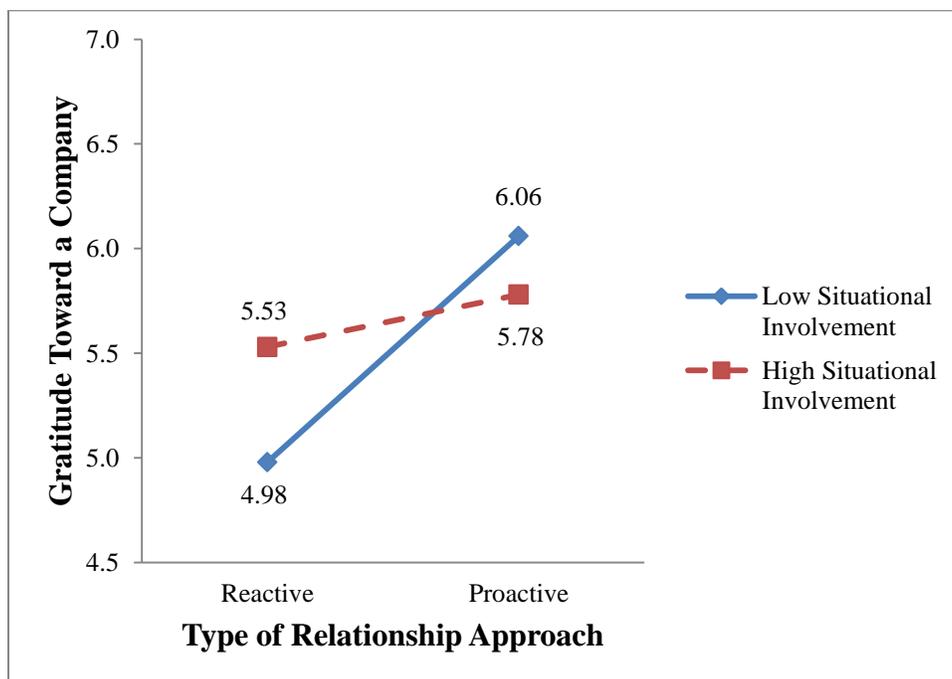
**Table 5.43 Means and Standard Deviations of Gratitude for Study 2d**

Type of Relationship Approach	Status	Gratitude toward an Employee			Gratitude toward a Company		
		Mean	SD	N	Mean	SD	N
Reactive	Low Involvement	5.97	1.44	45	4.98	1.81	45
	High Involvement	6.33	0.84	46	5.53	1.32	46
	Total	6.15	1.19	91	5.26	1.60	91
Proactive	Low Involvement	6.46	0.78	46	6.06	0.99	46
	High Involvement	6.16	1.09	45	5.78	1.37	45
	Total	6.31	0.96	91	5.92	1.20	91
Total	Low Involvement	6.22	1.18	91	5.52	1.55	91
	High Involvement	6.25	0.97	91	5.65	1.34	91
	Total	6.23	1.08	182	5.59	1.45	182

**Figure 5.8 Interaction of Type of Relationship and Situational involvement on Gratitude toward an Employee**



**Figure 5.9 Interaction of Type of Relationship and Situational involvement on Gratitude toward a Company**



- *Step 2*

In Step 2, using outcome variables (i.e., satisfaction, repurchase intention, WOM intention, and intention to increase the share of wallet) as the dependent variables respectively, a 2 X 2 factorial ANOVA was conducted: type of relationship approach (reactive and proactive) and situational involvement (low and high) with employee effort and employee competence as covariates. Table 5.44 presents the results of the ANOVA for outcome variables.

As seen in Table 5.44, the effects of type of relationship approach on satisfaction ( $\text{Mean}_{\text{Proactive}} = 6.11$ ,  $\text{Mean}_{\text{Reactive}} = 5.34$ ,  $F(1, 176) = 17.54$ ,  $p = 0.00$ ), repurchase intention ( $\text{Mean}_{\text{Proactive}} = 5.96$ ,  $\text{Mean}_{\text{Reactive}} = 5.15$ ,  $F(1, 176) = 16.75$ ,  $p = 0.00$ ), WOM intention ( $\text{Mean}_{\text{Proactive}} = 6.05$ ,  $\text{Mean}_{\text{Reactive}} = 5.21$ ,  $F(1, 176) = 19.14$ ,  $p = 0.00$ ), and intention to increase share of wallet ( $\text{Mean}_{\text{Proactive}} = 5.88$ ,  $\text{Mean}_{\text{Reactive}} = 5.07$ ,  $F(1, 176) = 16.25$ ,  $p = 0.00$ ) are significant. The means are higher in the proactive condition than in the reactive condition. Therefore, the findings provide support for the direct effect of relationship approach type on satisfaction (H6a), repurchase intention (H6b), WOM intention (H6c), and intention to increase share of wallet (H6d).

This study did not hypothesize the interaction effect of the type of relationship approach and situational involvement on distal outcome variables. However, a similar interaction effect as examined above with gratitude as a dependent variable (H5) is expected. The two-way interaction between the type of relationship approach and situational involvement is significant for all outcome variables ( $F(1,176) = 7.50$ ,  $p < 0.05$  for satisfaction;  $F(1,176) = 5.32$ ,  $p < 0.05$  for repurchase intention;  $F(1,176) = 7.57$ ,  $p < 0.05$  for WOM intention;  $F(1,176) = 6.39$ ,  $p < 0.05$  for intention to increase share of wallet). To facilitate the interpretation of the moderating effect of situational involvement on the relationship between the type of relationship approach and

outcome variables, the interaction graph is plotted (See Figure 5.10 for satisfaction; Figure 5.11 for repurchase intention; Figure 5.12 for WOM intention; and Figure 5.13 for intention to increase share of wallet).

Further analysis indicates that mean differences between the proactive and reactive conditions were only significant in a low (not high) situational involvement condition ( $\text{Mean}_{\text{Proactive}} = 6.26$ ,  $\text{Mean}_{\text{Reactive}} = 5.01$ ,  $F(1,87) = 20.93$ ,  $p = 0.00$  for satisfaction;  $\text{Mean}_{\text{Proactive}} = 6.11$ ,  $\text{Mean}_{\text{Reactive}} = 4.87$ ,  $F(1, 87) = 17.02$ ,  $p = 0.00$  for repurchase intention;  $\text{Mean}_{\text{Proactive}} = 6.21$ ,  $\text{Mean}_{\text{Reactive}} = 4.85$ ,  $F(1, 87) = 21.95$ ,  $p = 0.00$  for WOM intention;  $\text{Mean}_{\text{Proactive}} = 5.99$ ,  $\text{Mean}_{\text{Reactive}} = 4.70$ ,  $F(1, 87) = 17.48$ ,  $p = 0.00$  for intention to increase share of wallet).

In addition, the mean differences between the low and high relationship were only significant in the reactive (not proactive) condition, with means of outcome variables higher in a high situational involvement condition than in a low situational involvement condition ( $\text{Mean}_{\text{high}} = 5.67$ ,  $\text{Mean}_{\text{low}} = 5.01$ ,  $F(1,87) = 5.72$ ,  $p < 0.05$  for satisfaction;  $\text{Mean}_{\text{high}} = 5.43$ ,  $\text{Mean}_{\text{low}} = 4.87$ ,  $F(1, 87) = 3.79$ ,  $p = 0.05$  for repurchase intention;  $\text{Mean}_{\text{high}} = 5.72$ ,  $\text{Mean}_{\text{low}} = 5.55$ ,  $F(1, 87) = 4.86$ ,  $p < 0.05$  for WOM intention;  $\text{Mean}_{\text{high}} = 5.42$ ,  $\text{Mean}_{\text{low}} = 4.70$ ,  $F(1, 87) = 5.64$ ,  $p < 0.05$  for intention to increase share of wallet). Consistent with the hypothesis test result of H5 involving gratitude as an outcome, the interaction directions for each outcome variable are opposite to our expectation. The means and standard deviations of the outcome variables according to the manipulations of the type of relationship approach and situational involvement are shown in Table 5.45.

**Table 5.44 ANOVA for Outcome Variables for Study 2d**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Satisfaction	Corrected Model	145.93	5	29.19	23.27	0.00	0.38
	Intercept	8.83	1	8.83	7.04	0.01	
	<b>Type of Relationship Approach</b>	22.01	1	22.01	<b>17.54</b>	<b>0.00</b>	
	Involvement	1.08	1	1.08	0.86	0.36	
	Type of Relationship Approach * Involvement	9.41	1	9.41	7.50	0.01	
	Employee Effort	1.47	1	1.47	1.17	0.28	
	Employee Competence	34.5	1	34.50	27.50	0.00	
	Error	220.77	176	1.25			
	Total	6332.44	182				
	Corrected Total	366.71	181				
Repurchase Intention	Corrected Model	129.57	5	25.91	17.72	0.00	0.32
	Intercept	11.44	1	11.44	7.82	0.01	
	<b>Type of Relationship Approach</b>	24.49	1	24.49	<b>16.75</b>	<b>0.00</b>	
	Involvement	0.53	1	0.53	0.36	0.55	
	Type of Relationship Approach * Involvement	7.78	1	7.78	5.32	0.02	
	Employee Effort	1.19	1	1.19	0.81	0.37	
	Employee Competence	29.49	1	29.49	20.16	0.00	
	Error	257.38	176	1.46			
	Total	6003.00	182				
	Corrected Total	386.95	181				
WOM Intention	Corrected Model	142.66	5	28.53	19.94	0.00	0.34
	Intercept	10.81	1	10.81	7.55	0.01	
	<b>Type of Relationship Approach</b>	27.39	1	27.39	<b>19.14</b>	<b>0.00</b>	
	Involvement	1.22	1	1.22	0.85	0.36	
	Type of Relationship Approach * Involvement	10.83	1	10.83	7.57	0.01	
	Employee Effort	0.87	1	0.87	0.60	0.44	
	Employee Competence	33.21	1	33.21	23.21	0.00	
	Error	251.85	176	1.43			
	Total	6159.67	182				
	Corrected Total	394.51	181				

(Table Continues)

	Corrected Model	145.29	5	29.06	18.90	0.00	0.33
	Intercept	7.85	1	7.85	5.10	0.03	
	<b>Type of Relationship Approach</b>	24.99	1	24.99	<b>16.25</b>	<b>0.00</b>	
Intention to Increase Share of Wallet	Involvement	2.13	1	2.13	1.38	0.24	
	Type of Relationship Approach * Involvement	9.82	1	9.82	6.39	0.01	
	Employee Effort	0.1	1	0.10	0.06	0.80	
	Employee Competence	41.45	1	41.45	26.96	0.00	
	Error	270.57	176	1.54			
	Total	5866.5	182				
	Corrected Total	415.86	181				

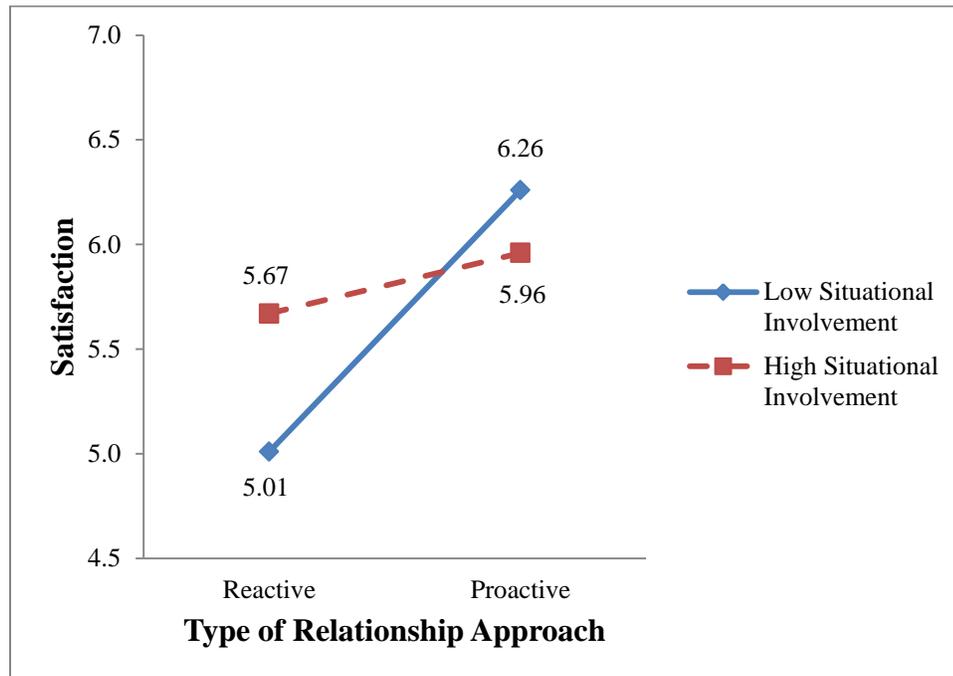
**Table 5.45 Means and Standard Deviations of Outcome Variables for Study 2d**

		Satisfaction			Repurchase Intention		
Type of Relationship Approach	Motive	Mean	SD	N	Mean	SD	N
Reactive	Low Involvement	5.01	1.71	45	4.87	1.79	45
	High Involvement	5.67	1.28	46	5.43	1.29	46
	Total	5.34	1.54	91	5.15	1.58	91
Proactive	Low Involvement	6.26	0.85	46	6.11	0.90	46
	High Involvement	5.96	1.45	45	5.80	1.47	45
	Total	6.11	1.19	91	5.96	1.22	91
Total	Low Involvement	5.64	1.48	91	5.49	1.54	91
	High Involvement	5.81	1.37	91	5.62	1.39	91
	Total	5.73	1.42	182	5.55	1.46	182

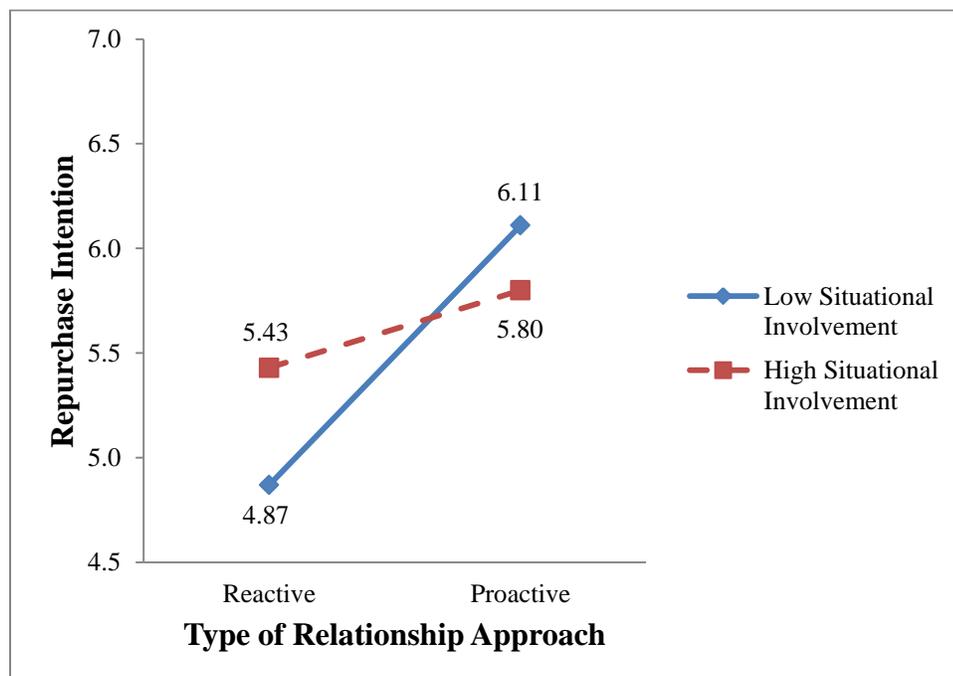
		WOM Intention			Intention to Increase Share of Wallet		
Type of Relationship Approach	Motive	Mean	SD	N	Mean	SD	N
Reactive	Low Involvement	4.85	1.73	45	4.70	1.87	45
	High Involvement	5.55	1.40	46	5.42	1.35	46
	Total	5.21	1.60	91	5.07	1.66	91
Proactive	Low Involvement	6.21	0.91	46	5.99	0.98	46
	High Involvement	5.89	1.44	45	5.77	1.46	45
	Total	6.05	1.20	91	5.88	1.24	91
Total	Low Involvement	5.54	1.53	91	5.35	1.62	91
	High Involvement	5.72	1.42	91	5.59	1.41	91
	Total	5.63	1.48	182	5.47	1.52	182

**Figure 5.10 Interaction of Type of Relationship and Situational involvement on Satisfaction**

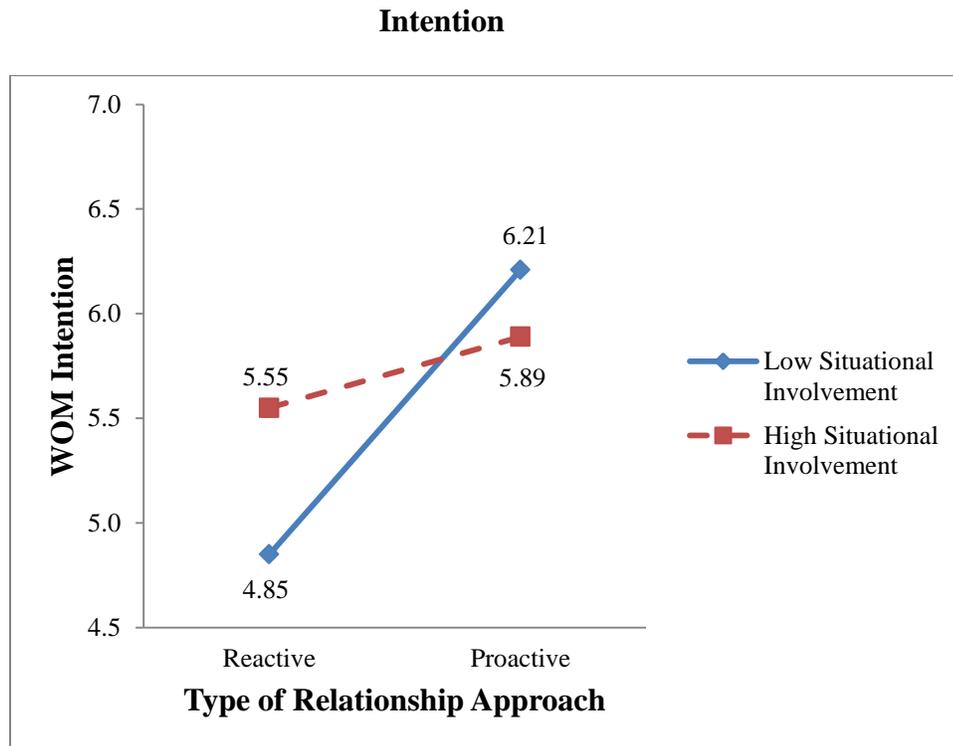


**Figure 5.11 Interaction of Type of Relationship and Situational involvement on Repurchase**

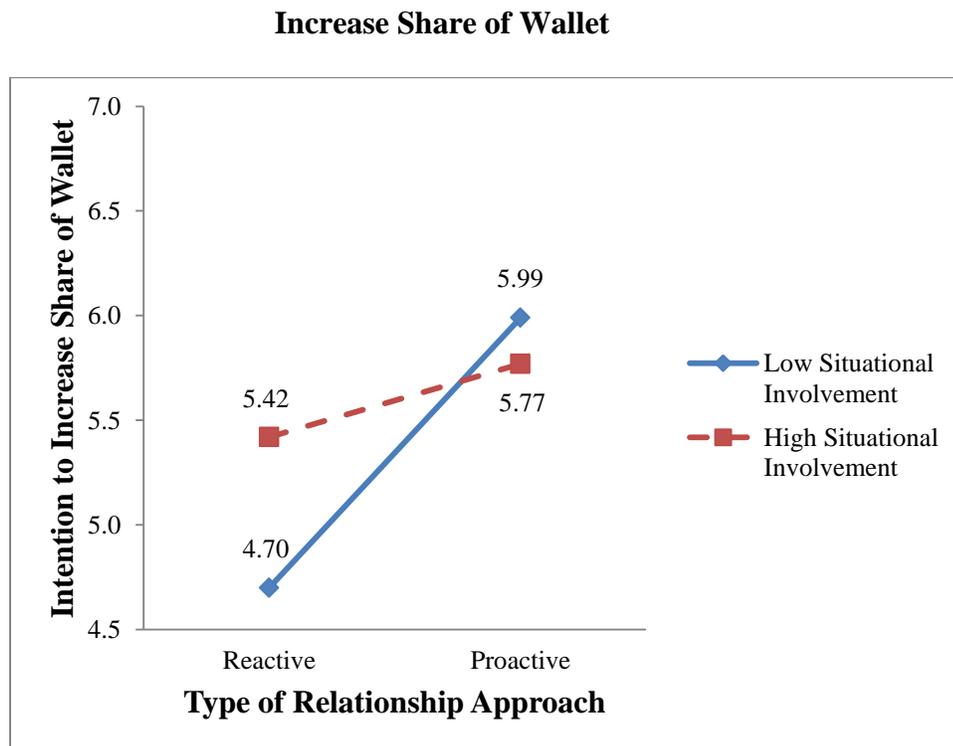
**Intention**



**Figure 5.12 Interaction of Type of Relationship and Situational involvement on WOM**



**Figure 5.13 Interaction of Type of Relationship and Situational involvement on Intention to**



- *Step 3*

The analyses show that the type of relationship approach affects customer's gratitude toward a company (but not gratitude toward an employee as a potential mediator; thus this is excluded from mediation analysis in Step 3) (Step 1) and their satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet (Step 2). Therefore, Step 3 repeats Step 2 while adding gratitude toward a company as a covariate on satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet.

Table 5.46 shows that when controlling for gratitude toward a company in the ANOVA, the effect of the type of relationship approach drops but still remains significant for all outcome variables ( $F(1, 175) = 7.01, p < 0.05$  for satisfaction;  $F(1, 175) = 6.52, p < 0.05$  for repurchase intention;  $F(1, 175) = 8.46, p = 0.00$  for WOM intention; and  $F(1, 175) = 6.18, p < 0.05$  for intention to increase share of wallet), while gratitude toward a company continued to reliably covary with each outcome variable ( $F(1, 175) = 138.52, p = 0.00$  for satisfaction;  $F(1, 175) = 121.85, p = 0.00$  for repurchase intention;  $F(1, 175) = 123.20, p = 0.00$  for WOM intention; and  $F(1, 175) = 117.44, p = 0.00$  for intention to increase share of wallet). Therefore, the Sobel test is conducted to examine whether the indirect effects of the relationship approach type on the four outcome variables (satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet) as mediated by gratitude toward a company are statistically significant. The result of the Sobel test is significant, indicating that the indirect effect of relationship approach type on the four outcome variables via gratitude toward an company is significantly different from zero ( $z = 3.13, p = 0.00$  for satisfaction;  $z = 3.12, p = 0.00$  for repurchase intention;  $z = 3.11, p = 0.00$  for WOM intention;  $z = 3.11, p = 0.00$  for intention to increase share of wallet). Based on these results, it can be concluded that a partial mediation effect of gratitude toward a

company on satisfaction (H7a), repurchase intention (H7b), WOM intention (H7c), and intention to increase share of wallet (H7d) is supported by the data.

**Table 5.46 ANOVA for Outcome Variables with Gratitude toward a Company as a Covariate for Study 2d**

Outcomes	Source	Sum of Squares	df	Mean Square	F	Sig.	Adjusted R <sup>2</sup>
Satisfaction	Corrected Model	243.48	6	40.58	57.63	0.00	0.65
	Intercept	0.06	1	0.06	0.09	0.77	
	<b>Type of Relationship Approach</b>	4.94	1	4.94	<b>7.01</b>	<b>0.01</b>	
	Involvement	0.28	1	0.28	0.40	0.53	
	Type of Relationship Approach * Involvement	2.40	1	2.40	3.41	0.07	
	Employee Effort	0.04	1	0.04	0.06	0.81	
	Employee Competence	11.50	1	11.50	16.34	0.00	
	Gratitude toward a Company	97.54	1	97.54	138.52	0.00	
	Error	123.23	175	0.70			
	Total	6332.44	182				
	Corrected Total	366.71	181				
Repurchase Intention	Corrected Model	235.22	6	39.20	45.21	0.00	0.59
	Intercept	0.29	1	0.29	0.33	0.57	
	<b>Type of Relationship Approach</b>	5.66	1	5.66	<b>6.52</b>	<b>0.01</b>	
	Involvement	0.04	1	0.04	0.05	0.83	
	Type of Relationship Approach * Involvement	1.47	1	1.47	1.70	0.19	
	Employee Effort	0	1	0.00	0.00	0.96	
	Employee Competence	8.22	1	8.22	9.48	0.00	
	Gratitude toward a Company	105.65	1	105.65	121.85	0.00	
	Error	151.73	175	0.87			
	Total	6003	182				
	Corrected Total	386.95	181				
WOM Intention	Corrected Model	246.71	6	41.12	48.69	0.00	0.61
	Intercept	0.22	1	0.22	0.26	0.61	
	<b>Type of Relationship Approach</b>	7.14	1	7.14	<b>8.46</b>	<b>0.00</b>	
	Involvement	0.34	1	0.34	0.40	0.53	
	Type of Relationship Approach * Involvement	2.97	1	2.97	3.51	0.06	
	Employee Effort	0.01	1	0.01	0.01	0.91	
	Employee Competence	10.29	1	10.29	12.19	0.00	
	Gratitude toward a Company	104.05	1	104.05	123.20	0.00	
	Error	147.8	175	0.84			
	Total	6159.67	182				
	Corrected Total	394.51	181				

	Corrected Model	253.95	6	42.32	45.74	0.00	0.60
	Intercept	0	1	0.00	0.00	0.95	
	<b>Type of Relationship Approach</b>	5.72	1	5.72	<b>6.18</b>	<b>0.01</b>	
	Involvement	0.86	1	0.86	0.92	0.34	
Intention to Increase Share of Wallet	Type of Relationship Approach * Involvement	2.35	1	2.35	2.54	0.11	
	Employee Effort	0.56	1	0.56	0.60	0.44	
	Employee Competence	14.53	1	14.53	15.70	0.00	
	Gratitude toward a Company	108.66	1	108.66	117.44	0.00	
	Error	161.92	175	0.93			
	Total	5866.5	182				
	Corrected Total	415.86	181				

A summary of the hypothesis testing results for Study 2d is presented in Table 5.47.

**Table 5.47 Summary Results of Hypothesis Tests of Study 2d**

Hypothesis	Relationships/Effects Tested	Supported?
H1	Type of Relationship Approach → Employee gratitude	No
	Type of Relationship Approach → Firm gratitude	<b>Yes</b>
H2	Type of Relationship Approach * Motive → Employee gratitude	Not tested
	Type of Relationship Approach * Motive → Firm gratitude	Not tested
H3	Type of Relationship Approach * Status → Employee gratitude	Not tested
	Type of Relationship Approach * Status → Firm gratitude	Not tested
H4	Type of Relationship Approach * Situational involvement → Employee gratitude	Not tested
	Type of Relationship Approach * Situational involvement → Firm gratitude	Not tested
H5	Type of Relationship Approach * Situational involvement → Employee gratitude	<b>No (Significant but not expected direction)</b>
	Type of Relationship Approach * Situational involvement → Firm gratitude	<b>No (Significant but not expected direction)</b>
H6a	Type of Relationship Approach → Satisfaction	<b>Yes</b>
H6b	Type of Relationship Approach → Repurchase intention	<b>Yes</b>
H6c	Type of Relationship Approach → WOM intention	<b>Yes</b>
H6d	Type of Relationship Approach → Intention to increase share of wallet	<b>Yes</b>
H7a	Type of Relationship Approach → Employee gratitude → Satisfaction (mediation)	No
	Type of Relationship Approach → Firm gratitude → Satisfaction (mediation)	<b>Yes (Partial)</b>
H7b	Type of Relationship Approach → Employee gratitude → Repurchase intention (mediation)	No
	Type of Relationship Approach → Firm gratitude → Repurchase intention (mediation)	<b>Yes (Partial)</b>
H7c	Type of Relationship Approach → Employee gratitude → WOM intention (mediation)	No
	Type of Relationship Approach → Firm gratitude → WOM intention (mediation)	<b>Yes (Partial)</b>
H7d	Type of Relationship Approach → Employee gratitude → Intention to increase share of wallet (mediation)	No
	Type of Relationship Approach → Firm gratitude → Intention to increase share of wallet (mediation)	<b>Yes (Partial)</b>

## **Conclusion of Study 2**

The main purpose of Study 2 was to test the interaction effects of type of relationship approach and four moderating variables (i.e., contact person motive, contact person status, relationship quality, and situational involvement) on customer outcome variables. Involving more measures than Study 1, Study 2 corroborates and expands the results from Study 1. Study 2 consists of four sub-studies (2a – d) using a 2 X 2 factorial experimental design. All variables were manipulated at two levels. New experimental stimuli representing the four moderating constructs were developed and built on the baseline scenarios used in Study 1. Study 2 recruited real-world customers as survey participants to ensure generalizability of the results to a broad base of customers, extending the results found in Study 1. Thus, a sample is drawn from an online web panel administered by Qualtrics. As in Study 1, respondents completed the measures of gratitude toward an employee, gratitude toward a firm, satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet, as well as two covariate variables (employee effort and employee competence), demand, realism, and manipulation checks, and demographic questions. A series of ANOVA tests using employee effort and competence as covariates was conducted to test the hypotheses.

The results of Study 2a – d further confirm the relative role of proactive and reactive relationship approach type in generating customer feeling and behavioral intention toward an employee and firm. It should be noted that because Study 2 involves four different sub-studies involving qualitatively different moderating variables, the hypothesis test results are not the same across the four sub-studies. Nonetheless, general patterns are detected. Consistent with the results from Study 1, the proactive relationship approach was more effective than the reactive relationship approach in creating customer's feeling of gratitude toward both an employee and a

company (H1), satisfaction (H6a), repurchase intention (H6b), WOM intention (H6c), and intention to increase share of wallet (H6d). Study 2 also revealed two significant interaction effects, one between the type of relationship approach and relationship quality and the other between the type of relationship approach and situational involvement. Low-relationship quality customers as well as low-situational involvement customers expressed significantly more gratitude when they received a proactive relationship approach than when they received a reactive relationship approach. Lastly, overall, gratitude mediated the relationship between type of relationship approach and outcome variables (satisfaction (H7a), repurchase intention (H7b), WOM intention (H7c), and intention to increase share of wallet (H7d)).

## **CHAPTER 6**

### **CONCLUSIONS AND GENERAL DISCUSSION**

This chapter first provides an overview of all findings from the two studies conducted in this dissertation. Next, the theoretical and managerial implications of the results are discussed. Finally, potential limitations of the dissertation and areas for future research directions are addressed.

#### **Discussion of Findings**

In this section, the findings from the hypothesis testing of the two studies are combined and compared.

Hypothesis 1 proposes that customer gratitude is greater for proactive customer relationship investment than for reactive customer relationship investment. The findings from both Study 1 and Study 2 support this hypothesis. Study 1 mainly focused on the relative efficacy of the proactive and reactive relationship approach in its experimental design. Study 2 extended Study 1 by investigating whether a proactive relationship approach together with moderating variables influences customer evaluations even more strongly than a reactive relationship approach. The results demonstrate that there is a fairly strong direct effect of the type of relationship on customer's feeling of gratitude: the proactive relationship approach generates a higher level of customer's feeling of gratitude than the reactive relationship approach.

In addition, this study examined gratitude directed at both an employee and a company when receiving two types of relationship approach. In Study 1, only gratitude toward an

employee was examined; the results show that the proactive relationship approach is more effective in generating customer's gratitude toward an employee who provided an interaction. Study 2 expands this initial finding by introducing gratitude toward both an employee and gratitude toward a company as variables. In Study 2a and Study 2b which involve firm-related factors as moderators (contact person motive in Study 2a and contact person status in Study 2b), the levels of customer gratitude toward both an employee and a company were significantly greater for the proactive relationship approach. On the other hand, in Study 2c and Study 2d which involve customer-related factors as moderators (relationship quality in Study 2c and situational involvement in Study 2d), the level of customer gratitude directed at the company only (not the level of customer gratitude toward an employee) is greater for the proactive relationship approach. It is possible that when the type of relationship approach is given as a function of particular employee characteristics (e.g., motive, status, etc.), gratitude is initially generated toward an employee, and may then be translated into customer's gratitude toward a company in general.

Hypothesis 2, which assumes a stronger effect of the proactive relationship investment on gratitude when the contact person is perceived by the customer to have a benevolent rather than a self-interested motive, was not supported. The finding from Study 2a suggests that the relationship between type of relationship approach and customer's feeling of gratitude is not dependent on contact person motive being either self-interested or benevolent. This indicates that although customers perceive an employee's explicit motive to help himself or herself through providing a proactive or reactive relationship approach, the customer's feeling of gratitude is not dependent on the contact person's motive. This is a new finding and somewhat contrary to previous studies that find that relationship investment provided with a benevolent motive

generates a higher level of gratitude than relationship investment provided with a self-interested motive (e.g., Morales 2005; Palmatier et al. 2009; Raggio and Folse 2009). However, it should be noted that both proactive and reactive relationship approaches provide high levels of problem-solving benefits. Therefore, the customer's feeling of gratitude for the problem-solving benefit received in either a proactive or reactive condition may overcome any negative thought associated with the employee's self-serving motive.

Furthermore, the experimental stimulus that represents the self-interest motive in Study 2a may have to do with the insignificant interaction result. The experimental stimulus for the self-interest motive describes a situation in which the employee asks the customer to give the highest possible rating because it affects the employee's compensation. Although respondents acknowledged the self-interest of the employee in serving the customer, they may think that the employee deserves the highest ratings for the impeccable service they experienced in the scenario. It is also possible that respondents felt that asking for highest ratings for service as described in the scenario is a typical employee behavior observed in a retail context. Instead of the current experimental stimulus in which an employee asks for the highest rating for the provision of relationship approaches, new experimental stimuli may be introduced. Future researchers may wish to examine employee's up-selling motive in place of the self-interest motive. This motive could be indicated such as "Right before you leave, Jaime launches into a sales pitch about an expensive two-year laptop protection program. After listening for several minutes, you finally interrupt and tell Jaime that you are not interested in the program." While the benefit from employee's self-interest motive is personally directed at the employee, an up-selling motive delivers the firm's intention to make additional sales by providing relationship

approach types through employee behavior. When a customer notices a firm's intention to coerce a customer into making additional purchases, it may evoke negative reactions.

Hypothesis 3 stated that the effect of a proactive relationship approach on customer gratitude will be stronger when contact person status is high than when it is low. The analysis of the results from Study 2b did not support the hypothesis. Contact person status is expected to play a key role in enacting a proactive interaction strategy because benevolence received from a higher-ranking individual may be perceived as a more costly investment to the firm. Contrary to expectation, customer gratitude did not differ depending on the status of the contact person who provides proactive relationship investment. In this study, high contact person status was manipulated as a sales manager and low contact person status was manipulated as a sales clerk. Although the participants perceive a sales manager as having a higher level of status than a sales clerk within the organization, it is pretty common to see sales managers themselves serving customers on site in multiple retail contexts. Therefore, customers may not necessarily feel more gratitude for service received from a sales manager as opposed to service received from a sales clerk.

Hypothesis 4 proposed alternative hypotheses predicting that the effect of relationship approach type on gratitude will increase for respondents who have a high (low) level of relationship quality than for those who have a low (high) level of relationship quality. The results from Study 2c showed a significant moderating role of relationship quality, confirming that it is the low-relationship quality customers who expressed a significantly higher level of gratitude for the proactive customer relationship investment as opposed to the reactive customer relationship investment. High relationship quality customers did not show a distinctive preference for either of the two types of relationship approach. This result indicates that high relationship quality

customers may have a high expectation of benefit and therefore not show a distinctive preference for either type of relationship approach. In contrast, low relationship quality customers who received a proactive relationship approach type as opposed to a reactive relationship approach demonstrated significantly higher levels of gratitude and behavioral intentions toward a firm. However, while proactive relationship approach type does not seem to increase the gratitude of the high relationship quality customers, there is a consistent high level of gratitude at play. Furthermore, it is not advocated that managers should only provide reactive relationship approach type to high relationship quality customers. Rather, future research may examine how gratitude is facilitated with high relationship quality customers.

Hypothesis 5 predicts that the effect of a proactive relationship approach strategy on gratitude will be stronger when the customer's situational involvement is high than when it is low. The result from Study 2d demonstrated a significant moderating role of situational involvement, although the direction of the moderation was opposite to expectation. The examination of the pattern indicates that for those who have low situational involvement, gratitude toward an employee increases when they receive a proactive relationship approach as opposed to a reactive one. This result is contrary to the work of Palmatier et al. (2009), who found that gratitude for relationship investment increases as customer's need for the benefit received is high. However, it should be noted that unlike Palmatier's, this study investigated the efficacy of two different types of relationship investment strategies.

The fact that customers with high and low involvement show considerably different behaviors in addressing their consumption-related goals is well established. When situational involvement is high, individuals are motivated to attend to information about the object of their involvement and spend considerable effort and search time to make a wise choice (Celsi and

Olsen 1988; Houston and Rothschild 1978). In contrast, when situational involvement is low, customers may be unwilling to exert a great deal of effort because a poor decision has minimal consequences. When a firm utilizes a proactive relationship approach, the firm does all the work from foreseeing potential problems to addressing the issue before the customer recognizes that there is a problem. Nevertheless, in a reactive relationship approach, a customer should contact and revisit the retailer to have the problem solved. Considering that the proactive relationship approach offers more readily available cues for service evaluation (e.g., offering hassle-free services for problem-solving), low-situational involvement customers would respond with a higher level of gratitude for a proactive relationship approach than high-situational involvement customers.

This result could also be interpreted similarly to the findings for Hypothesis 4. High-involvement customers are goal-driven out of concern for the immediate consequences of their choice, so they may have high expectations for the service. Low-involvement customers are less concerned with accomplishing their goal, so they may have low expectations for the service. McCollough et al. (2001) argued that people experience greater amounts of gratitude toward benefactors “from whom they would not expect benevolence” (p. 255). Those who had low situational involvement may have responded with greater gratitude for a proactive relationship approach they did not expect to receive than for a reactive relationship approach.

Hypothesis 6 addresses the relationship between the type of relationship approach and customer outcomes. The positive association between relationship investment and firm performance outcome variables is well established. However, the comparison of the relative efficacy of proactive and reactive relationship approaches on firm performance outcomes is unique to this study. The results from Study 1 and Study 2 support the main effect of relationship

approach type (proactive and reactive) on customer satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet. In short, those who received the proactive relationship approach rated all of these outcomes higher than those who received the reactive relationship approach.

Finally, Hypothesis 7 proposes that customer gratitude mediates the relationship between the type of relationship approach and the behavioral outcomes of satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet. This hypothesis is important for understanding how and why the type of relationship investment influences firm performance. As predicted, the results from Study 1 and Study 2 support that gratitude serves as a direct or indirect psychological mechanism that helps to explain the link between firm relationship investment and customer behavioral outcomes. In conjunction with the results from Hypothesis 1 and Hypothesis 6 that established the direct relationship between the type of relationship approach and gratitude (H1) and firm performance outcomes (H6), supported evidence of the mediating role of gratitude indicates that gratitude promotes the development of relationships by initiating cycles of reciprocation, which have positive effects on customer behaviors.

Table 6.1 summarizes the results of hypothesis tests of Study 1 and Study 2

**Table 6.1 Summary Results of Hypothesis Tests of Study 1 and Study 2**

Hypothesis	Relationships/Effects Tested	Supported?				
		Study 1	Study 2a	Study 2b	Study 2c	Study 2d
H1	Type of Relationship Approach → Employee gratitude	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	No	No
	Type of Relationship Approach → Firm gratitude	Not tested	<b>Yes</b>	<b>Yes</b>	<b>Yes (Marginal)</b>	<b>Yes</b>
H2	Type of Relationship Approach * Motive → Employee gratitude	Not tested	No	Not tested	Not tested	Not tested
	Type of Relationship Approach * Motive → Firm gratitude	Not tested	No	Not tested	Not tested	Not tested
H3	Type of Relationship Approach * Status → Employee gratitude	Not tested	Not tested	No	Not tested	Not tested
	Type of Relationship Approach * Status → Firm gratitude	Not tested	Not tested	No	Not tested	Not tested
H4	Type of Relationship Approach * Relationship quality → Employee gratitude	Not tested	Not tested	Not tested	<b>Yes (H4b, Low relationship quality)</b>	Not tested
	Type of Relationship Approach * Relationship quality → Firm gratitude	Not tested	Not tested	Not tested	<b>Yes (H4b, Low relationship quality)</b>	Not tested
H5	Type of Relationship Approach * Situational involvement → Employee gratitude	Not tested	Not tested	Not tested	Not tested	<b>No (Significant but not expected direction)</b>
	Type of Relationship Approach * Situational involvement → Firm gratitude	Not tested	Not tested	Not tested	Not tested	<b>No (Significant but not expected direction)</b>

H6a	Type of Relationship Approach → Satisfaction	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
H6b	Type of Relationship Approach → Repurchase intention	<b>Yes</b>	<b>Yes (Marginal)</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
H6c	Type of Relationship Approach → WOM Intention	Not tested	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
H6d	Type of Relationship Approach → Intention to increase share of wallet	Not tested	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>
H7a	Type of Relationship Approach → Employee gratitude → Satisfaction (mediation)	<b>Yes (Partial)</b>	<b>Yes (Partial)</b>	<b>Yes (Partial)</b>	No	No
	Type of Relationship Approach → Firm gratitude → Satisfaction (mediation)	Not tested	<b>Yes (Partial)</b>	<b>Yes (Partial)</b>	<b>Yes (Partial)</b>	<b>Yes (Partial)</b>
H7b	Type of Relationship Approach → Employee gratitude → Repurchase intention (mediation)	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	No	No
	Type of Relationship Approach → Firm gratitude → Repurchase intention (mediation)	Not tested	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes (Partial)</b>
H7c	Type of Relationship Approach → Employee gratitude → WOM intention (mediation)	Not tested	<b>Yes (Partial)</b>	<b>Yes (Partial)</b>	No	No
	Type of Relationship Approach → Firm gratitude → WOM intention (mediation)	Not tested	<b>Yes</b>	<b>Yes (Partial)</b>	<b>Yes</b>	<b>Yes (Partial)</b>
H7d	Type of Relationship Approach → Employee gratitude → Intention to increase share of wallet (mediation)	Not tested	<b>Yes</b>	<b>Yes</b>	No	No
	Type of Relationship Approach → Firm gratitude → Intention to increase share of wallet (mediation)	Not tested	<b>Yes</b>	<b>Yes</b>	<b>Yes</b>	<b>Yes (Partial)</b>

## **Theoretical Implications**

The findings of this study have several theoretical implications. Most prominently, this study contributes to the relationship investment literature by proposing and comparing two types of qualitatively different yet important relationship investment strategies: proactive and reactive relationship strategies in the retail setting. Even though previous researchers have discussed the notion that proactivity is preferable to reactivity in a firm's attempt to build and strengthen relationships with customers (Beverland, Farrelly, and Woodhatch (2007) and Challagalla, Venkatesh, and Kohli 2009), a lack of empirical research has prevented a systematic investigation into the role of proactive and reactive relationship investment on firm performance outcomes. This study developed a further understanding of proactive versus reactive relationship types by examining the underlying mechanism by which a proactive relationship investment strategy may achieve heightened performance as opposed to a reactive relationship investment strategy and by identifying boundary conditions under which the effect of the two relationship types makes it more or less desirable for a company to provide proactive relationship investment. This study examined two firm-related moderators (contact person motive and contact person status) and two customer-related moderators (relationship quality and situational involvement), of which only the two customer-related moderators came into play. Thus, this study responds to the call for research on proactivity in domains other than the work environment in order to establish a better link between proactivity and improved performance in other fields (Parker, Bindl, and Strauss 2010).

Second, this study also contributes to the proactivity literature. While numerous researchers both in and out of the field of marketing have discussed the importance of proactivity in diverse contexts, there is more to be learned about the underpinnings of individuals' general

preference for proactivity. Built on reciprocal action theory, this study examines feeling of gratitude as a psychological mechanism that drives more positive customer response toward a firm that provides proactive rather than reactive relational interaction. According to reciprocal action theory, upon the receipt of benefit, people generally respond to the actions taken by others in a reciprocal manner motivated by feelings of gratitude (Gouldner 1960). Thus, this study proposed and empirically tested whether customers who receive a proactive relationship approach felt more gratitude for the firm's responsiveness to the needs and wishes of the recipients than those who experience a reactive relationship interaction.

The third theoretical contribution pertains to a deeper understanding of gratitude. This study extended Palmatier et al.'s (2009) gratitude-mediated model of relationship investments by responding to their call for research into the role of gratitude in other relationship investment contexts. The current study corroborates Palmatier et al.'s (2009) finding that gratitude is a useful construct that either directly or indirectly explains the link between the type of relationship investment and heightened performance outcomes. In addition, this study finds that the effect of relationship type has a stronger direct effect on gratitude toward a company rather than gratitude toward an employee. Furthermore, this study expands previously established measure of gratitude by changing the end point due to variance restriction (i.e., positive bias) between customer's perception of proactive and reactive services given the uniformly positive service resolution offered by the firm in the experimental scenario. By proposing and confirming the unidimensionality of the measure, this study adds to the gratitude literature.

### **Managerial Implications**

A clearer understanding of the efficacy of relationship investment strategies will allow managers to more effectively invest in relationship marketing programs. Establishing programs that develop the greatest amount of positive reciprocation in their customers may prove to be the

best investments in relationship marketing. Researchers have continued to investigate the effectiveness of relationship marketing investments, and there are many questions left unanswered. This study is one of the first empirical works that consciously attempts to stress the importance of proactive relationship investment in contrast to reactive relationship investment.

The overall conclusion of this dissertation is that from a firm's standpoint, proactively interacting with customers in a retail context leads to direct benefits of creating customer gratitude which expedites customer reciprocation in terms of satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet for the benefit they received. This tells us that when a firm voluntarily addresses potential problems customers may encounter in advance and saves hassle for them, customers will positively reward the firm for taking the initiative to extend help. This result encourages managers to consider adopting the practice of proactively interacting with their customers. However, since proactive relationship investment is a fairly new type of relationship investment, caution should be exercised because proactively reaching out to a larger number of customers and serving them requires personnel and monetary investments.

One important implication for practitioners is that although proactive relationship investment is delivered by an individual employee in a retail setting, customers tends to direct their gratitude to the firm, although gratitude may not directed to an employee. All four sub-studies in Study 2 in which both gratitude toward an employee and gratitude toward a company were measured confirmed a direct impact of an offer of relationship approach type on the customer's gratitude toward a company, while only two studies (Study a and Study d) demonstrated a significantly direct impact of an offer of relationship approach type on gratitude

toward an employee. It seems that customers clearly understand that an employee is merely a medium who enacts a strategy on behalf of a company to give benefit to a customer.

Another important managerial implication is the actionable guidelines these findings offer to better manage customer experience in a retailing context in terms of the design of relationship investment programs. Given that there has been a dearth of research dealing with proactive and reactive interaction strategies, the findings that the relationship between the type of relationship approach and customer outcomes (feeling of gratitude and satisfaction, repurchase intention, WOM intention, and intention to increase share of wallet) is not dependent upon the level of contact person motive (self-interest vs. benevolent) or contact person status (low vs. high) provide new insights into the effective utilization of relationship investment strategies. Even though contact person motive and contact person status are firm-related factors that could be managed at the corporate level through a firm's strategic intervention, it turned out that firms may not need to exert their resources in training employees to disguise their self-serving motive or assign high-ranking employees to the sales floor in order to impress customers. Nevertheless, these results need to be interpreted with caution. Especially when employees make their self-interest motive explicit in providing relationship investment strategies, even though the impact of a proactive relationship investment strategy is more effective than a reactive relationship investment strategy in creating customer's positive emotion and more favorable behavior intention in a single transaction situation, customers may develop a negative association with an employee or a firm in general over the long term.

The findings of this study also indicate that depending on the specific type of customer, it may be more or less useful to provide different types of relationship approach. The effect of an offer of proactive as opposed to reactive relationship approach is only greater for a fairly new

customer who has little or no previous relationship or experience with the firm, not for a long-time customer who has already established a strong relationship with the firm. This finding implies that the proactive relationship investment is more effective as a relationship development tool to target new customers than as a relationship enhancement tool to manage loyal customers. Interestingly enough, high-relationship customers indeed showed a significantly higher level of customer evaluation than low-relationship customers for the reactive relationship investment. The finding that an effect of an offer of proactive versus reactive relationship approach is greater for a customer who has no immediate purchasing goal rather than for a customer with an immediate purchase goal also presents valuable insights as to whom a firm's relationship investment effort should be focused on. Moreover, it is feasible for retail employees to identify first-visit customers who have never been to the store and whether or not customers are pressured to complete their purchase goal by observing customer behavior or asking a simple question about whether this is their first visit to the store and the reason for their visit.

### **Limitations and Future Research**

Like all studies, the present research effort was not without limitations. Several limitations are recognized and various related and unrelated recommendations for future research are provided.

First, this study examined gratitude as a key force that develops relational bonds with customers in providing type of relationship approaches by motivating them to reciprocate. In general, the results from the current research conceptually and empirically support the important role of gratitude in understanding the effectiveness of different types of relational approaches. However, the results also suggest that customers' feelings of gratitude do not always fully mediate the link between the relationship approach type and outcomes. Therefore, focusing

exclusively on gratitude and neglecting other potential mediators may fail to capture the full effects of relationship approach type and may systematically underestimate the true return on investment of relationship approach type. Further research could examine other possible mechanisms as important constructs for understanding the relative efficacy of proactive and reactive relationship approach. For instance, benefit convenience (i.e., customer effort), defined as the consumer's perceived time and effort expenditures to experience the service's core benefits (Berry, Seiders, and Grewal 2002), may become a prime candidate for explaining how relationship approach affects performance outcomes beyond the influence of gratitude. A proactive relationship investment strategy minimizes customer effort by offering hassle-free services by which the firm does all the work of resolving issues in advance of customer recognition, as opposed to a reactive relationship investment strategy. Thus, a firm's offer of proactive interaction with customers may generate a higher level of benefit convenience perceived by customers than firm's offer of reactive interaction with customers. Furthermore, Challagalla, Venkatesh, and Kohli (2009) argued that the mental frames of customers and companies engaged in proactive service are more positive and open than those of customers and companies engaged in reactive service. Thus, it would be interesting to examine whether positive mental frame is a useful explanation for a customer's more positive evaluation of proactive relationship investment compared to reactive relationship investment.

Second, this study utilized a scenario-based experiment using a hypothetical scenario in which the service encounter is described rather than experienced first-hand. While this approach is common in retail/service research and generally considered acceptable, the use of a real-life situation would provide results that are more externally valid. While there are trade-offs between strengths and weaknesses in experimental approaches versus real-world data approaches, it is

ideal to employ survey-based field data collection to corroborate the findings in this research. Mixed research method employing both an experimental design and survey-based field data collection would provide opportunities to take advantage of the strengths of both techniques to demonstrate the effects of relationship approach type on customer's feelings and attitudes as well as the actual resultant behavior of gratitude. Survey-based field data will also allow a longitudinal examination of research questions such as whether feelings of gratitude generated from different types of relationship approach deteriorate over time and whether experience of repeated incidents of proactive and reactive relationship strategies will leverage customer loyalty toward a firm.

Third, this study only examined a single research context in which an employee interacts with a customer in an electronics retail store. This context was carefully chosen as it is feasible to imagine receiving both proactive and reactive interactions because an electronic store deals with technologically complex products which may facilitate customer's need for potential issue resolution. However, this context usually represents a high-contact situation. Therefore, research that explores customer reaction to relationship approach type in a low-contact situation such as online retailing could be examined. In addition, this study only examined types of relationship approach strategy which occur after the transaction as part of complementary services as a form of proactive relationship approach. Further research could investigate various types of relationship approach that could be provided at different purchase stages (e.g., information search or alternative evaluation stage). Additional outcome variables may be considered, such as perceived service quality, switching intention, trust in the company, and value of transaction, which will provide valuable insight in regard to designing effective customer relationship programs.

A last potential shortcoming of this study is the lack of attention paid to the potential interactions among moderators on the effect of relationship approach type on customer's feeling of gratitude and behavioral outcomes. Although this study did not formally hypothesize three-way or more interactions involving moderators that may work together to influence the outcome variables, potential interactions among moderators could exist.

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## Appendix I. Final Pretest Scenarios and Analyses for Study 1

### Final Pretest Scenario for Study 1

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<b>Type of Relationship Approach</b>	
<b>Reactive Relationship Approach Type</b>	<p>Imagine that you have visited an electronics store called S.A.B. Electronics to buy a GPS navigation system for an upcoming road trip with your friends. You browse several different models and you have finally found the perfect model. At the checkout counter, Jaime at S.A.B. processes your purchase. When you come back home, you install the GPS navigation system successfully and now you are ready to go.</p> <p>Later that weekend, you watch a news clip on TV about someone who lost his warranty benefits because he had installed a navigation system which conflicted the warranty policy of his car. At the end of the news clip, an expert recommends consulting a dealer before having a navigation system installed.</p> <p>After seeing this, you call Jaime at S.A.B. about the warranty policy in relation to the installation of the navigation system. Jaime checks with your dealer whether or not the installation may affect your car warranty and confirms that installation does not affect your warranty.</p>
<b>Proactive Relationship Approach Type</b>	<p>Imagine that you have visited an electronics store called S.A.B. Electronics to buy a GPS navigation system for an upcoming road trip with your friends. You browse several different models and you have finally found the perfect model.</p> <p>When you are about to check out, Jaime at S.A.B. asks what kind of car you drive and tells you that some warranties can be voided if you install a GPS navigation system. He makes a phone call to check with your dealer about whether or not the installation may affect your car warranty. Once Jaime confirms that installation does not affect your warranty, you purchase the system. When you come back home, you install the GPS navigation system successfully and now you are ready to go.</p> <p>Later that weekend, you watch a news clip on TV about someone who lost his warranty benefits because he had installed a navigation system which conflicted with the warranty policy of his car. At the end of the news clip, an expert recommends consulting a dealer before having a navigation system installed.</p>

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### ANOVA for Manipulation Check of Type of Relationship Approach

DV: Type of Relationship Approach		Sum of Squares	df	Mean Square	F	Sig.
	Corrected Model	180.21 <sup>a</sup>	1	180.21	190.23	0.00
	Intercept	826.67	1	826.67	8729.61	0.00
Main Effect	<b>Type of Relationship Approach</b>	180.21	1	180.21	<b>190.23</b>	<b>0.00</b>
	Error	37.89	40	0.85		
	Total	1044.78	42			
	Corrected Total	218.11	41			

<sup>a</sup>  $R^2 = 0.83$  (Adjusted  $R^2 = 0.82$ )

### Measurement Reliability

Scale Item	Cronbach's $\alpha$
<i>Type of Relationship Approach (Manipulation Check)</i>	0.94
<b>pro1:</b> S.A.B. anticipated my problem even before I find out about it.	
<b>pro2:</b> S.A.B. informed me before I could find out about the problem.	
<b>pro3:</b> S.A.B. was proactive in explaining critical information to me.	
<i>Gratitude toward a Company</i>	0.90
<b>gra_com1:</b> I feel grateful to S.A.B. Electronics.	
<b>gra_com2:</b> I feel thankful to S.A.B. Electronics	
<b>gra_com3:</b> I feel appreciative to S.A.B. Electronics	

### Perceived Realism and Believability of the Scenarios

Realism scale items	Mean	SD
1. The scenario that I read about S.A.B. Electronics is believable.	5.71	1.24
2. The scenario that I read about S.A.B. Electronics is realistic.	5.48	1.15
Total	5.60	1.07
Cronbach's $\alpha$		0.76

Note. N = 42

## Appendix II. Scenarios for Study 2

### 1. Study 2a: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Contact Person Motive: Self-interest and Benevolent)

#### 1. Reactive (0), Self-interest motive (0)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime processes your purchase.

When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

The next day you call Jaime at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. As you are leaving, Jaime indicates you will get a customer service rating card in the mail and hopes you will give the highest possible rating. Jaime indicates that S.A.B. considers any score below a 5 (where 5 is the best) to be a service failure which negatively affects Jaime's compensation. Jaime then bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

#### 2. Reactive (0), Benevolent motive (1)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime processes your purchase.

When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

The next day you call Jaime at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. As you are leaving, Jaime indicates you will get a customer service rating card in the mail and encourages you to respond honestly since that is how Jaime and the store improve their ongoing service level. Jaime then bags your items,

thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

3. Proactive (1), Self-interest motive (0)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime processes your purchase.

As Jaime is checking you out, you did not ask, but Jaime tells you that the software installation can be tricky and immediately offers to install it for you, a process that takes about 20 minutes. The installation is successful, and you are set to go. As you are leaving, Jaime indicates you will get a customer service rating card in the mail and hopes you will give the highest possible rating. Jaime indicates that S.A.B. considers any score below a 5 (where 5 is the best) to be a service failure which negatively affects Jaime's compensation. Jaime then bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

4. Proactive (1), Benevolent motive (1)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime processes your purchase.

As Jaime is checking you out, you did not ask, but Jaime tells you that the software installation can be tricky and immediately offers to install it for you, a process that takes about 20 minutes. The installation is successful, and you are set to go. As you are leaving, Jaime indicates you will get a customer service rating card in the mail and encourages you to respond honestly since that is how Jaime and the store improve their ongoing service level. Jaime then bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

**2. Study 2b: 2 (Type of Relationship Approach: Reactive and Proactive) X (Contact Person Status: Low and High)**

1. Reactive (0), Low contact person status (0)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime, a sales clerk at S.A.B., processes your purchase.

When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

The next day you call Jaime, the sales clerk at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

## 2. Reactive (0), High contact person status (1)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime, a sales manager at S.A.B., processes your purchase.

When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

The next day you call Jaime, the sales manager at S.A.B., at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

## 3. Proactive (1), Low contact person status (0)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime, a sales clerk at S.A.B., processes your purchase.

As Jaime is checking you out, you did not ask, but Jaime, the sales clerk at S.A.B. tells you that the software installation can be tricky and immediately offers to install it for you, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

4. Proactive (1), High contact person status (1)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. At the checkout counter, Jaime, a sales manager at S.A.B., processes your purchase.

As Jaime is checking you out, you did not ask, but Jaime, the sales manager at S.A.B., tells you that the software installation can be tricky and immediately offers to install it for you, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

**3. Study 2c: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Relationship Quality: Low and High)**

1. Reactive (1), Low Relationship Quality (0)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. Prior to your visit, you had never been to S.A.B. although you regularly visited other electronics stores (between 6 and 9 times per year). You didn't really know what to expect about the products and services at this particular store. At the checkout counter, Jaime processes your purchase.

When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

The next day you call Jaime at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

## 2. Reactive (1), High Relationship Quality (1)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. Prior to this visit, you had been a loyal customer of S.A.B. (between 6 and 9 times per year). You enjoyed going there and considered the products and services good. You felt a strong attachment to the store and you felt like you are an important customer at S.A.B. At the checkout counter, Jaime processes your purchase.

When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

The next day you call Jaime at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

## 3. Proactive (1), Low Relationship Quality (0)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. Prior to your visit, you had never been to S.A.B. although you regularly visited other electronics stores (between 6 and 9 times per year). You didn't really know what to expect about the products and services at this particular store. At the checkout counter, Jaime processes your purchase.

As Jaime is checking you out, you did not ask, but Jaime tells you that the software installation can be tricky and immediately offers to install it for you, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

## 4. Proactive (1), High Relationship Quality (1)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. Prior to this visit, you had been a loyal customer of S.A.B. (between 6 and 9 times per year). You enjoyed going there and considered the products and services good. You felt a strong attachment to the store and you felt like you are an important customer at S.A.B. At the checkout counter, Jaime processes your purchase.

As Jaime is checking you out, you did not ask, but Jaime tells you that the software installation can be tricky and immediately offers to install it for you, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

#### **4. Study 2d: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Situational Involvement: Low and High)**

##### 1. Reactive (0), Low Situational Involvement (0)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. You are purchasing a laptop computer as an upgrade for your current laptop, which is still working just fine. At the checkout counter, Jaime processes your purchase.

When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

The next day you call Jaime at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

##### 2. Reactive (0), High Situational Involvement (1)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. Your previous laptop died this morning. You are running out of time and need to buy a laptop and install software programs promptly, or you will not be able to bring it with you on an upcoming overseas business trip for an important project. At the checkout counter, Jaime processes your purchase.

When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

The next day you call Jaime at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

### 3. Proactive (1), Low Situational Involvement (0)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. You are purchasing a laptop computer as an upgrade for your current laptop, which is still working just fine. At the checkout counter, Jaime processes your purchase.

As Jaime is checking you out, you did not ask, but Jaime tells you that the software installation can be tricky and immediately offers to install it for you, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

### 4. Proactive (1), High Situational Involvement (1)

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. Your previous laptop died this morning. You are running out of time and need to buy a laptop and install software programs promptly, or you will not be able to bring it with you on an upcoming overseas business trip for an important project. At the checkout counter, Jaime processes your purchase.

As Jaime is checking you out, you did not ask, but Jaime tells you that the software installation can be tricky and immediately offers to install it for you, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

## Appendix III. Final Pretest Analyses for Study 2

### Manipulation Checks

*Pretest 2a: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Contact Person*

*Motive: Benevolent and Self-interest)*

#### (1) Type of Relationship Approach

<b>DV: Type of Relationship Approach</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		230.00 <sup>a</sup>	3	76.67	74.54	0.00
Intercept		1906.96	1	1906.96	1854.13	0.00
Main Effects	<b>Type of Relationship Approach</b>	227.18	1	227.18	<b>220.88</b>	<b>0.00</b>
	<b>Motive</b>	1.12	1	1.12	1.09	0.30
Two-way interaction	Type of Relationship Approach * Motive	0.51	1	0.51	0.50	0.48
Error		89.48	87	1.03		
Total		2190.74	91			
Corrected Total		319.48	90			

<sup>a</sup>  $R^2 = 0.72$  (Adjusted  $R^2 = 0.71$ )

#### (2) Contact Person Motive

<b>DV: Contact Person Motive</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		42.46 <sup>a</sup>	3	14.16	6.03	0.00
Intercept		1355.56	1	1355.56	577.60	0.00
Main Effects	Type of Relationship Approach	0.12	1	0.12	0.05	0.82
	<b>Motive</b>	41.63	1	41.63	<b>17.74</b>	<b>0.00</b>
Two-way interaction	Type of Relationship Approach * Motive	0.82	1	0.82	0.35	0.56
Error		204.18	87	2.35		
Total		1637.57	91			
Corrected Total		246.64	90			

<sup>a</sup>  $R^2 = 0.17$  (Adjusted  $R^2 = 0.14$ )

*Pretest 2b: 2 (Type of Relationship Approach: Reactive and Proactive) X (Contact Person Status: Low and High)*

(1) Type of Relationship Approach

<b>DV: Type of Relationship Approach</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		203.79 <sup>a</sup>	3	67.93	52.27	0.00
Intercept		2028.92	1	2028.92	1561.15	0.00
Main Effects	<b>Type of Relationship Approach</b>	200.38	1	200.38	<b>154.18</b>	<b>0.00</b>
	<b>Status</b>	2.00	1	2.00	1.54	0.22
Two-way interaction	Type of Relationship Approach * Status	0.43	1	0.43	0.33	0.57
Error		111.77	86	1.30		
Total		2344.17	90			
Corrected Total		315.56	89			

<sup>a</sup>  $R^2 = 0.65$  (Adjusted  $R^2 = 0.63$ )

(2) Contact Person Status

<b>DV: Contact Person Status</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		62.16 <sup>a</sup>	3	20.72	12.17	0.00
Intercept		1529.55	1	1529.55	898.26	0.00
Main Effects	Type of Relationship Approach	2.15	1	2.15	1.26	0.27
	<b>Status</b>	59.78	1	59.78	<b>35.11</b>	<b>0.00</b>
Two-way interaction	Type of Relationship Approach * Status	0.71	1	0.71	0.42	0.52
Error		146.44	86	1.70		
Total		1737.45	90			
Corrected Total		208.60	89			

<sup>a</sup>  $R^2 = 0.30$  (Adjusted  $R^2 = 0.27$ )

Pretest 2c: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Relationship Quality: Low and High)

(1) Type of Relationship Approach

<b>DV: Type of Relationship Approach</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		216.412 <sup>a</sup>	3	72.14	53.45	0.00
Intercept		1727.84	1	1727.84	1280.16	0.00
Main Effects	<b>Type of Relationship Approach</b>	213.39	1	213.39	<b>158.10</b>	<b>0.00</b>
	RelQual	3.33	1	3.33	2.47	0.12
Two-way interaction	Type of Relationship Approach * RelQual	0.81	1	0.81	0.60	0.44
Error		110.68	82	1.35		
Total		2057.61	86			
Corrected Total		327.09	85			

<sup>a</sup>  $R^2 = 0.66$  (Adjusted  $R^2 = 0.65$ )

(2) Relationship Quality

<b>DV: Relationship Quality</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		52.377 <sup>a</sup>	3	17.46	10.73	0.00
Intercept		2096.29	1	2096.29	1288.88	0.00
Main Effects	Type of Relationship Approach	0.91	1	0.91	0.56	0.46
	<b>RelQual</b>	47.82	1	47.82	<b>29.40</b>	<b>0.00</b>
Two-way interaction	Type of Relationship Approach * RelQual	3.32	1	3.32	2.04	0.16
Error		133.37	82	1.63		
Total		2279.30	86			
Corrected Total		185.75	85			

<sup>a</sup>  $R^2 = 0.28$  (Adjusted  $R^2 = 0.26$ )

*Pretest 2d: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Situational Involvement: Low and High)*

(1) Type of Relationship Approach

<b>DV: Type of Relationship Approach</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		213.163 <sup>a</sup>	3	71.05	57.35	0.00
Intercept		1738.13	1	1738.13	1402.80	0.00
Main Effects	<b>Type of Relationship Approach</b>	210.55	1	210.55	<b>169.93</b>	<b>0.00</b>
	Involvement	0.19	1	0.19	0.16	0.69
Two-way interaction	Type of Relationship Approach * Involvement	1.04	1	1.04	0.84	0.36
Error		101.60	82	1.24		
Total		2097.31	86			
Corrected Total		314.76	85			

<sup>a</sup>  $R^2 = 0.68$  (Adjusted  $R^2 = 0.67$ )

(2) Situational Involvement

<b>DV: Situational Involvement</b>		<b>Sum of Squares</b>	<b>df</b>	<b>Mean Square</b>	<b>F</b>	<b>Sig.</b>
Corrected Model		10.642 <sup>a</sup>	3	3.55	3.25	0.03
Intercept		3172.82	1	3172.82	2909.21	0.00
Main Effects	Type of Relationship Approach	2.09	1	2.09	1.92	0.17
	<b>Involvement</b>	8.97	1	8.97	<b>8.22</b>	<b>0.01</b>
Two-way interaction	Type of Relationship Approach * Involvement	0.07	1	0.07	0.07	0.80
Error		89.43	82	1.09		
Total		3283.13	86			
Corrected Total		100.07	85			

<sup>a</sup>  $R^2 = 0.11$  (Adjusted  $R^2 = 0.07$ )

## Measurement Reliability

*Pretest 2a: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Contact Person Motive: Benevolent and Self-interest)*

Scale Item	Cronbach's $\alpha$
<b><i>Type of Relationship Approach (Manipulation Check)</i></b>	0.94
<b>pro1:</b> S.A.B. anticipated my problem even before I find out about it.	
<b>pro2:</b> S.A.B. informed me before I could find out about the problem.	
<b>pro3:</b> S.A.B. was proactive in explaining critical information to me.	
<b>pro4:</b> Jaime made things happen rather than just reacting to a situation or waiting for something to happen.	
<b>pro5:</b> Jaime took initiative in his/her interactions with me.	
<b>pro6:</b> Jaime identified opportunities for relationship building with me and acted on them.	
<b>pro7:</b> Jaime took action before I asked him/her to.	
<b>pro8:</b> Jaime did not wait to be asked by me to act.	
<b>pro9:</b> Jaime got to my issue before I took my issue to him/her.	
<b><i>Contact Person Motive (Manipulation Check)</i></b>	0.90
<b>Mot1:</b> Jaime had an ulterior motive for helping me.	
<b>Mot2:</b> Jaime's actions were motivated primarily by self-interest.	
<b>Mot3:</b> Jaime helped me out mostly for self-gain.	
<b><i>Gratitude toward an Employee</i></b>	0.94
<b>gra_emp1:</b> I feel grateful to Jaime.	
<b>gra_emp2:</b> I feel thankful to Jaime.	
<b>gra_emp3:</b> I feel appreciative to Jaime.	
<b><i>Satisfaction</i></b>	0.95
<b>sat1:</b> I am satisfied with my overall experience with S.A.B.	
<b>sat2:</b> As a whole, I am satisfied with S.A.B.	
<b>sat3:</b> How satisfied are you overall with the quality of S.A.B.?	
<b><i>Repurchase Intention</i></b>	N.A.
<b>repurch1:</b> I plan to use this company in the future.	
<b><i>WOM Intention</i></b>	0.97
<b>wom1:</b> I'm likely to spread positive word-of-mouth about S.A.B.	
<b>wom2:</b> I would recommend S.A.B. to my friends.	
<b>wom3:</b> If my friends were looking for an electronics store, I would tell them to try S.A.B.	
<b><i>Intention to Increase Share of Wallet</i></b>	0.96
<b>sw1:</b> I intend to do more business with S.A.B. in the future.	
<b>sw2:</b> I intend to purchase additional products and services from S.A.B. in the future.	
<b><i>Employee Effort</i></b>	0.92
<b>effort3:</b> Jaime spent much time in this situation.	
<b>effort4:</b> Jaime tried very hard.	
<b>effort5:</b> Jaime put a lot of effort into this situation.	

<b>Employee Competence</b>	0.77
<b>comp1:</b> Jaime works quickly and efficiently.	
<b>comp2:</b> Jaime can completely handle most customer requests.	
<b>comp3:</b> Jaime can be relied upon to know what they are doing.	

*Pretest 2b: 2 (Type of Relationship Approach: Reactive and Proactive) X (Contact Person Status: Low and High)*

Scale Item	Cronbach's $\alpha$
<b>Type of Relationship Approach (Manipulation Check)</b>	0.96
<b>pro1:</b> S.A.B. anticipated my problem even before I find out about it.	
<b>pro2:</b> S.A.B. informed me before I could find out about the problem.	
<b>pro3:</b> S.A.B. was proactive in explaining critical information to me.	
<b>pro4:</b> Jaime made things happen rather than just reacting to a situation or waiting for something to happen.	
<b>pro5:</b> Jaime took initiative in his/her interactions with me.	
<b>pro6:</b> Jaime identified opportunities for relationship building with me and acted on them.	
<b>pro7:</b> Jaime took action before I asked him/her to.	
<b>pro8:</b> Jaime did not wait to be asked by me to act.	
<b>pro9:</b> Jaime got to my issue before I took my issue to him/her.	
<b>Contact Person Status (Manipulation Check)</b>	0.89
<b>status1:</b> Jaime is a person of high position to serve customers at S.A.B.	
<b>status2:</b> Jaime is a high-ranking individual as an employee who has a direct contact with customers at S.A.B.	
<b>status3:</b> Jaime has high status relative to other sales people at S.A.B.	
<b>Gratitude toward an Employee</b>	0.96
<b>gra_emp1:</b> I feel grateful to Jaime.	
<b>gra_emp2:</b> I feel thankful to Jaime.	
<b>gra_emp3:</b> I feel appreciative to Jaime.	
<b>Satisfaction</b>	0.95
<b>sat1:</b> I am satisfied with my overall experience with S.A.B.	
<b>sat2:</b> As a whole, I am satisfied with S.A.B.	
<b>sat3:</b> How satisfied are you overall with the quality of S.A.B.?	
<b>Repurchase Intention</b>	N.A.
<b>repurch1:</b> I plan to use this company in the future.	
<b>WOM Intention</b>	0.97
<b>wom1:</b> I'm likely to spread positive word-of-mouth about S.A.B.	
<b>wom2:</b> I would recommend S.A.B. to my friends.	
<b>wom3:</b> If my friends were looking for an electronics store, I would tell them to try S.A.B.	
<b>Intention to Increase Share of Wallet</b>	0.95
<b>sw1:</b> I intend to do more business with S.A.B. in the future.	
<b>sw2:</b> I intend to purchase additional products and services from S.A.B. in the future.	

<b><i>Employee Effort</i></b>	0.88
<b>effort3:</b> Jaime spent much time in this situation.	
<b>effort4:</b> Jaime tried very hard.	
<b>effort5:</b> Jaime put a lot of effort into this situation.	
<b><i>Employee Competence</i></b>	0.81
<b>comp1:</b> Jaime works quickly and efficiently.	
<b>comp2:</b> Jaime can completely handle most customer requests.	
<b>comp3:</b> Jaime can be relied upon to know what they are doing.	

*Pretest 2c: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Relationship Quality: Low and High)*

<b>Scale Item</b>	<b>Cronbach's <math>\alpha</math></b>
<b><i>Type of Relationship Approach (Manipulation Check)</i></b>	0.97
<b>pro1:</b> S.A.B. anticipated my problem even before I find out about it.	
<b>pro2:</b> S.A.B. informed me before I could find out about the problem.	
<b>pro3:</b> S.A.B. was proactive in explaining critical information to me.	
<b>pro4:</b> Jaime made things happen rather than just reacting to a situation or waiting for something to happen.	
<b>pro5:</b> Jaime took initiative in his/her interactions with me.	
<b>pro6:</b> Jaime identified opportunities for relationship building with me and acted on them.	
<b>pro7:</b> Jaime took action before I asked him/her to.	
<b>pro8:</b> Jaime did not wait to be asked by me to act.	
<b>pro9:</b> Jaime got to my issue before I took my issue to him/her.	
<b><i>Relationship Quality (Manipulation Check)</i></b>	0.90
<b>relqual1:</b> In the past, you felt S.A.B. was dependable.	
<b>relqual2:</b> Previously, you were committed to the relationship with S.A.B.	
<b>relqual3:</b> Prior to this visit, you felt you were appreciated as a customer by S.A.B.	
<b><i>Gratitude toward an Employee</i></b>	0.94
<b>gra_emp1:</b> I feel grateful to Jaime.	
<b>gra_emp2:</b> I feel thankful to Jaime.	
<b>gra_emp3:</b> I feel appreciative to Jaime.	
<b><i>Satisfaction</i></b>	0.96
<b>sat1:</b> I am satisfied with my overall experience with S.A.B.	
<b>sat2:</b> As a whole, I am satisfied with S.A.B.	
<b>sat3:</b> How satisfied are you overall with the quality of S.A.B.?	
<b><i>Repurchase Intention</i></b>	N.A.
<b>repurch1:</b> I plan to use this company in the future.	
<b><i>WOM Intention</i></b>	0.99
<b>wom1:</b> I'm likely to spread positive word-of-mouth about S.A.B.	
<b>wom2:</b> I would recommend S.A.B. to my friends.	
<b>wom3:</b> If my friends were looking for an electronics store, I would tell them to try S.A.B.	

<b><i>Intention to Increase Share of Wallet</i></b>	0.93
<b>sw1:</b> I intend to do more business with S.A.B. in the future.	
<b>sw2:</b> I intend to purchase additional products and services from S.A.B. in the future.	
<b><i>Employee Effort</i></b>	0.89
<b>effort3:</b> Jaime spent much time in this situation.	
<b>effort4:</b> Jaime tried very hard.	
<b>effort5:</b> Jaime put a lot of effort into this situation.	
<b><i>Employee Competence</i></b>	0.76
<b>comp1:</b> Jaime works quickly and efficiently.	
<b>comp2:</b> Jaime can completely handle most customer requests.	
<b>comp3:</b> Jaime can be relied upon to know what they are doing.	

*Pretest 2d: 2 (Type of Relationship Approach: Reactive and Proactive) X 2 (Situational Involvement: Low and High)*

<b>Scale Item</b>	<b>Cronbach's <math>\alpha</math></b>
<b><i>Type of Relationship Approach (Manipulation Check)</i></b>	0.97
<b>pro1:</b> S.A.B. anticipated my problem even before I find out about it.	
<b>pro2:</b> S.A.B. informed me before I could find out about the problem.	
<b>pro3:</b> S.A.B. was proactive in explaining critical information to me.	
<b>pro4:</b> Jaime made things happen rather than just reacting to a situation or waiting for something to happen.	
<b>pro5:</b> Jaime took initiative in his/her interactions with me.	
<b>pro6:</b> Jaime identified opportunities for relationship building with me and acted on them.	
<b>pro7:</b> Jaime took action before I asked him/her to.	
<b>pro8:</b> Jaime did not wait to be asked by me to act.	
<b>pro9:</b> Jaime got to my issue before I took my issue to him/her.	
<b><i>Situational Involvement (Manipulation Check)</i></b>	0.85
<b>inv1:</b> unimportant - important	
<b>inv2:</b> nonessential - essential	
<b>inv3:</b> insignificant - significant	
<b><i>Gratitude toward an Employee</i></b>	0.93
<b>gra_emp1:</b> I feel grateful to Jaime.	
<b>gra_emp2:</b> I feel thankful to Jaime.	
<b>gra_emp3:</b> I feel appreciative to Jaime.	
<b><i>Satisfaction</i></b>	0.97
<b>sat1:</b> I am satisfied with my overall experience with S.A.B.	
<b>sat2:</b> As a whole, I am satisfied with S.A.B.	
<b>sat3:</b> How satisfied are you overall with the quality of S.A.B.?	
<b><i>Repurchase Intention</i></b>	N.A.
<b>repurch1:</b> I plan to use this company in the future.	

<b>WOM Intention</b>	0.93
<b>wom1:</b> I'm likely to spread positive word-of-mouth about S.A.B.	
<b>wom2:</b> I would recommend S.A.B. to my friends.	
<b>wom3:</b> If my friends were looking for an electronics store, I would tell them to try S.A.B.	
<b>Intention to Increase Share of Wallet</b>	0.92
<b>sw1:</b> I intend to do more business with S.A.B. in the future.	
<b>sw2:</b> I intend to purchase additional products and services from S.A.B. in the future.	
<b>Employee Effort</b>	0.78
<b>effort3:</b> Jaime spent much time in this situation.	
<b>effort4:</b> Jaime tried very hard.	
<b>effort5:</b> Jaime put a lot of effort into this situation.	
<b>Employee Competence</b>	0.76
<b>comp1:</b> Jaime works quickly and efficiently.	
<b>comp2:</b> Jaime can completely handle most customer requests.	
<b>comp3:</b> Jaime can be relied upon to know what they are doing.	

### Demand Check of Pretests for Study 2

	<u>Pretest 2a</u>		<u>Pretest 2b</u>		<u>Pretest 2c</u>		<u>Pretest 2d</u>		<b>Total</b>	
	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>		
<b>Demand Check</b>										
1. To investigate customer attitudes regarding service experiences	85	93.4	81	90	79	91.9	84	97.7	329	93.2
2. Don't know	4	4.4	6	6.7	4	4.7	1	1.2	15	4.2
3. Other (specify)	2	2.2	3	3.3	3	3.5	1	1.2	9	2.5

**Perceived Realism and Believability of the Scenarios in Pretests for Study 2**

<b>Realism Check</b>	<u>Pretest 2a</u> Type of Relationship Approach X Contact Person Motive (N = 91)		<u>Pretest 2b</u> Type of Relationship Approach X Contact Person Status (N = 90)		<u>Pretest 2c</u> Type of Relationship Approach X Relationship Quality (N = 86)		<u>Pretest 2d</u> Type of Relationship Approach X Situational Involvement (N = 86)	
	<b>Mean</b>	<b>SD</b>	<b>Mean</b>	<b>SD</b>	<b>Mean</b>	<b>SD</b>	<b>Mean</b>	<b>SD</b>
1. The scenario that I read about S.A.B. Electronics is believable.	6.00	1.02	6.09	1.02	6.06	1.00	6.08	1.07
2. The scenario that I read about S.A.B. Electronics is realistic.	6.00	1.04	6.01	1.09	6.03	1.03	5.97	1.09
3. It is likely that I would encounter a situation similar to the one described in the scenario.	5.46	1.43	5.60	1.20	5.53	1.36	5.28	1.47
Average	5.82	1.00	5.90	0.96	5.88	1.00	5.78	0.97
Cronbach's $\alpha$	0.80		0.84		0.85		0.71	

## Appendix IV. Survey for Study 2

You have been recruited to participate in a research study with the goal of investigating customer attitudes regarding service experiences.

To be eligible for the incentive, you must A) COMPLETE THE SURVEY and B) RESPOND THOUGHTFULLY AND CAREFULLY. We will analyze response time and certain questions to assess whether both criteria were met.

The survey will take you about 15 minutes to complete and your responses will be strictly confidential. Do not worry about questions that look similar; they are needed for statistical analysis purposes.

If you consent to participate, check “I agree” below.

- I agree
- I disagree

Please read the following scenario carefully, imagining yourself in the scenario. After reading the scenario, please answer the questions on the following pages. All of the questions in this survey will pertain to how you would feel if this situation happened to you.

Note. The next button will appear after 1.5 minutes to ensure that you read the scenario carefully.

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. Prior to this visit, you had been a loyal customer of S.A.B. (between 6 and 8 times per year). You enjoyed going there and considered the products and services good. You felt a strong attachment to the store and you felt like you are an important customer at S.A.B. At the checkout counter, Jaime processes your purchase.

When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

The next day you call Jaime at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

Based on the scenario, please rate your feelings towards Jaime:

not very grateful	<input type="radio"/>	extremely grateful
not very thankful	<input type="radio"/>	extremely thankful
not very appreciative	<input type="radio"/>	extremely appreciative

Based on the scenario, please rate your feelings towards S.A.B. Electronics:

not very grateful	<input type="radio"/>	extremely grateful
not very thankful	<input type="radio"/>	extremely thankful
not very appreciative	<input type="radio"/>	extremely appreciative

Imagining that this situation happened to you, please indicate how much you agree with the following statements about your attitude toward S.A.B. Electronics.

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
I plan to use S.A.B. in the future.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I intend to do more business with S.A.B. in the future.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I intend to purchase additional products and services from S.A.B. in the future.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate how much you agree with the following statements about your attitude toward S.A.B. Electronics.

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
I'm likely to spread positive word-of-mouth about S.A.B.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I would recommend S.A.B. to my friends.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
If my friends were looking for an electronics store, I would tell them to try S.A.B.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please continue to indicate how much you agree with the following statements about your attitude toward S.A.B. Electronics.

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
I am satisfied with my overall experience with S.A.B.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
As a whole, I am satisfied with S.A.B.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please rate your agreement with the following question.

	Very Dissatisfied	Dissatisfied	Somewhat Dissatisfied	Neutral	Somewhat Satisfied	Satisfied	Very Satisfied
How satisfied are you overall with the quality of S.A.B.?	<input type="radio"/>						

Please indicate how much you agree with the following statements regarding your perception of how much effort Jaime at S.A.B. Electronics made in this situation.

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
Jaime exerted a lot of energy.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime was very persistent.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime spent much time in this situation.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
This question is simply to gauge attention. Please select "Disagree."	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime tried very hard.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime put a lot of effort into this situation.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please indicate how much you agree with the following statements regarding your perception of Jamie's level of competence with respect to this situation.

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
Jaime works quickly and efficiently.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime can completely handle most customer requests.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime can be relied upon to know what he/she is doing.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

I think the purpose of this study is (please indicate one of the three options below).

- To investigate customer attitudes regarding service experiences
- Don't know
- Other (please specify)

The following questions are related to your views of the scenario you read at the beginning of the survey. Please indicate how much you agree with each statement.

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
The scenario that I read about S.A.B. Electronics is believable.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
The scenario that I read about S.A.B. Electronics is realistic.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
It is likely that I could encounter a situation like this S.A.B. Electronics scenario.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please recall the scenario you read about S.A.B. Electronics at the beginning of the survey. It is reprinted here.

Imagine that you have visited an electronics store called S.A.B. Electronics to buy both a new laptop computer and anti-virus software. Prior to this visit, you had been a loyal customer of S.A.B. (between 6 and 8 times per year). You enjoyed going there and considered the products and services good. You felt a strong attachment to the store and you felt like you are an important customer at S.A.B. At the checkout counter, Jaime processes your purchase.

When you get home, you try to install the anti-virus program, but you find it very complicated and even after several tries you still can't get it to work.

Later that evening, you come across a tech blog saying that many consumers are finding the install on this software difficult to do themselves, and that if you are buying this software you should seek assistance.

The next day you call Jaime at S.A.B. and ask for help with installation. Jaime tells you to bring the laptop and software back in. So you pack up the computer and software and make the trip back to the store. At the store, Jaime installs the software, a process that takes about 20 minutes. The installation is successful, and you are set to go. Jaime bags your items, thanks you for your business, and even offers to assist you in loading your items into your car since it is raining outside.

Based on the above scenario, please indicate how much you agree with the following statements.

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
Jaime anticipated my problem even before I found out about it.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime informed me before I could find out about the problem.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime was proactive in explaining critical information to me.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime made things happen rather than just reacting to a situation or waiting for something to happen.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Please continue to indicate how much you agree with the following statements.

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
Jaime took initiative in his/her interactions with me.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime identified opportunities for relationship building with me and acted on them.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime took action before I asked him/her to.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
This question is to gauge your attention. Simply select 'Somewhat Agree.'	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime did not wait to be asked by me to act.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Jaime got to my issue before I took my issue to him/her.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

The following questions relate to your past shopping experiences with S.A.B. Electronics. Based on the scenario, please indicate how much you agree with the following statements.

	Strongly Disagree	Disagree	Somewhat Disagree	Neither Agree nor Disagree	Somewhat Agree	Agree	Strongly Agree
In the past, you felt S.A.B. was dependable.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Previously, you were committed to the relationship with S.A.B.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Prior to this visit, you felt you were appreciated as a customer by S.A.B.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

**What is your gender?**

- Female
- Male

**How old are you?**

- Under 18
- 18-25
- 26-35
- 36-49
- 50-65
- Over 65

**What is your marital status?**

- Single
- Married
- Divorced
- Other

**What is your education level?**

- Less than high school diploma
- High school graduate or equivalent
- Some college
- Associate degree
- Bachelor's degree
- Graduate degree

**What is your ethnicity?**

- African-American
- Asian
- Caucasian/White
- Hispanic
- Multi-racial
- Other

**What is your annual household income?**

- Less than \$25,000
- \$25,001-\$50,000
- \$50,001-\$75,000
- \$75,001-\$100,000
- \$100,001 -\$150,000
- \$150,001 and over
- Don't know/Prefer not to answer

## Appendix V. Demographic Characteristics of the Sample for Study 2

		<u>Study 2a</u> Type of Relationship Approach X Contact Person Motive (N = 177)		<u>Study 2b</u> Type of Relationship Approach X Contact Person Status (N = 184)		<u>Study 2c</u> Type of Relationship Approach X Relationship Quality (N = 171)		<u>Study 2d</u> Type of Relationship Approach X Situational Involvement (N = 182)		<b>Total</b>	
<b>Category</b>		<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>	<b>Freq</b>	<b>%</b>
Gender	Male	48	27.1	64	34.8	68	39.8	55	30.2	235	32.9
	Female	129	72.9	120	65.2	103	60.2	127	69.8	479	67.1
Age	18-25	37	20.9	24	13.0	25	14.6	24	13.2	110	15.4
	26-35	41	23.2	55	29.9	37	21.6	40	22.0	173	24.2
	36-49	49	27.7	51	27.7	46	26.9	61	33.5	207	29.0
	50-65	40	22.6	43	23.4	44	25.7	48	26.4	175	24.5
	Over 65	10	5.6	11	6.0	19	11.1	9	4.9	49	6.9
Marital Status	Single	66	37.3	54	29.3	51	29.8	59	32.4	230	32.2
	Married	92	52.0	98	53.5	91	53.2	104	57.1	385	53.9
	Divorced	14	7.9	25	13.6	20	11.7	11	6.0	70	9.8
	Don't know/Prefer not to answer	4	2.3	6	3.3	7	4.1	7	3.8	24	3.4
	Other	1	0.6	1	0.5	2	1.2	1	0.5	5	0.7
Education	Less than high school diploma	4	2.3	2	1.1	8	4.7	2	1.1	16	2.2
	High school graduate or equivalent	38	21.5	48	26.1	43	25.1	26	14.3	155	21.7
	Some college	51	28.8	38	20.7	45	26.3	59	32.4	193	27.0
	Associate degree	20	11.3	11	6.0	21	12.3	24	13.2	76	10.6
	Bachelor's degree	46	26.0	65	35.3	30	17.5	53	29.1	194	27.2
	Graduate degree	18	10.2	20	10.9	24	14.0	18	9.9	80	11.2

(Table Continues)

Ethnicity	African-American	6	3.4	11	6.0	9	5.3	10	5.5	36	5.0
	Asian	16	9.0	15	8.2	12	7.0	13	7.1	56	7.8
	Caucasian/White	140	79.1	148	80.4	136	79.5	142	78.0	566	79.3
	Hispanic	9	5.1	9	4.9	9	5.3	9	4.9	36	5.0
	Multi-racial	2	1.1	1	0.5	2	1.2	5	2.7	10	1.4
	Other	4	2.3	0	0	3	1.8	3	1.6	10	1.4
Income	Less Than \$25,000	20	11.3	28	15.2	28	16.4	21	11.5	97	13.6
	\$25,001-\$50,000	52	29.4	58	31.5	56	32.7	48	26.4	214	30.0
	\$50,001-\$75,000	45	25.4	44	23.9	36	21.1	49	26.9	174	24.4
	\$75,001-\$100,000	28	15.8	25	13.6	24	14.0	32	17.6	109	15.3
	\$100,001 -\$150,000	15	8.5	17	9.2	15	8.8	17	9.3	64	9.0
	\$150,001 and over	6	3.4	5	2.7	6	3.5	7	3.8	24	3.4
	Don't know/Prefer not to answer	11	6.2	7	3.8	6	3.5	8	4.4	32	4.5

## Appendix VI. Institutional Review Board (IRB) Approval Notice

Office for Research

Institutional Review Board for the  
Protection of Human Subjects

THE UNIVERSITY OF  
**ALABAMA**  
R E S E A R C H

September 22, 2011

Hyunju Shin  
Department of Management and Marketing  
College of Commerce & Business Administration  
Box 870225

Re: IRB #: EX-11-CM-079, "The Effect of a Limited-Edition on Brand Rejuvenation"

Dear Ms. Shin:

The University of Alabama Institutional Review Board has granted approval for your proposed research.

Your application has been given exempt approval according to 45 CFR part 46.101(b)(2) as outlined below:

*(2) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior, unless (i) information obtained is recorded in such a manner that human subjects can be identified, directly or through identifiers linked to the subjects; and (ii) any disclosure of the human subjects' responses outside the research could reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects' financial standing, employability, or reputation.*

This approval expires on 9/21/12. If the study continues beyond that date, you must complete the appropriate portion of the Continuing Review Form. If you modify the application, please complete the Modification of an Approved Protocol Form. Changes in this study cannot be initiated without IRB approval, except when necessary to eliminate apparent immediate hazards to participants. When the study closes, please complete the appropriate Closure form.

Should you need to submit any further correspondence regarding this application, please include the assigned IRB application number.

Good luck with your research.

Sincerely,

Carpentato T. Myles, MSM, CIM  
Director & Research Compliance Officer  
Office of Research Compliance  
The University of Alabama



358 Rose Administration Building  
Box 870127  
Tuscaloosa, Alabama 35687-0127  
(205) 348-6461  
fax (205) 348-7189  
TOLL FREE (877) 820-3066

October 15, 2012

Office for Research  
Institutional Review Board for the  
Protection of Human Subjects



Hyunju Shin  
Department of Management & Marketing  
College of Commerce & Business Administration  
The University of Alabama

Re: IRB # EX-11-CM-076-R1 "An Examination of Proactive Interaction with Retail Customers"

Dear Ms. Shin:

The University of Alabama Institutional Review Board has granted approval for your renewal application. Please be advised that your protocol will expire one year from the date of approval, October 15, 2012.

Your protocol has been given exempt approval according to 45 CFR part 46.101(b) (2) as outlined below:

*(2) Research involving the use of educational tests (cognitive, diagnostic, aptitude, achievement), survey procedures, interview procedures or observation of public behavior, unless:*  
*(i) information obtained is recorded in such a manner that human subjects can be identified, directly or through identifiers linked to the subjects; and*  
*(ii) any disclosure of the human subjects' responses outside the research could reasonably place the subjects at risk of criminal or civil liability or be damaging to the subjects' financial standing, employability, or reputation.*

Should you need to submit any further correspondence regarding this proposal, please include the assigned IRB application number. Changes in this study cannot be initiated without IRB approval, except when necessary to eliminate apparent immediate hazards to participants. Please use reproductions of the IRB approved consent form to obtain consent from your participants.

Good luck with your research.

Sincerely,



350 Rose Administration Building  
Box 870127  
Tuscaloosa, Alabama 35487-0127  
(205) 348-8461  
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TOLL FREE (877) 820-3066

Carpatito T. Myles, MSM, CIM  
Director of Research Compliance & Research Compliance Officer  
Office of Research Compliance  
The University of Alabama