Customer Orientation of Service Employees –

Toward a Conceptual Framework of a Key Relationship

Marketing Construct

Thorsten Hennig-Thurau
Department of Marketing I: Marketing & Consumer Research
University of Hanover
Königsworther Platz 1, 30167 Hanover, Germany
Phone (+49) 511 762 4343
Fax (+49) 511 762 5630
Email: th@muk.ifb.uni-hannover.de

Claudia Thurau
Department of Marketing and Technology Management
University of Lüneburg
Hohenzollernstrasse 1, 30161 Hanover, Germany
Phone (+49) 511 3 888 511
Fax (+49) 511 762 5630
Email: ct@muk.ifb.uni-hannover.de

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ABSTRACT

Although customer orientation is a core element of the marketing concept and is especially crucial to the concept of relationship marketing, no widely accepted conceptualization of the construct exists. In the context of service organizations, the fulfillment of customer needs and wishes by *customer-contact employees* can be seen as crucial for gaining a high degree of customer orientation. This paper develops a conceptualization of service employee customer orientation which is presented as a three-dimensional construct, the interrelated dimensions being the employee's motivation to serve customers, his or her customer-oriented skills, and his or her self-perceived decision-making authority. Implications are drawn out for relationship marketing of services organizations and relationship marketing theory.

Key words: *Customer orientation, customer-employee relationships, services marketing, social skills, empowerment*

In the marketing literature, the impact of a firm's customer orientation on its long-term economic success is largely undisputed. The concept of customer orientation has thus developed into one of the main fields of marketing research. The idea behind customer orientation - which is closely related to the fundamental thinking behind marketing itself (e.g., Kotler, 1972) - is that a company has to address the needs and wishes of its customers adequately in order to ensure that they will buy the company's products and services, experience a high degree of satisfaction with these goods and services, and then become loyal customers of that company. Although it is rarely made explicit in the literature, customer orientation can be seen as a main fundament of the relationship marketing concept (Hennig-Thurau and Hansen, 2000).

In services marketing, the behavior of employees plays a central role with regard to a customer's perception of satisfaction and service quality (e.g., Bitner et al., 1990; Sergeant & Frenkel, 2000; Bowen & Schneider, 1985). This is especially true for boundary-spanning personnel, i.e. employees who interact personally with the customer as part of the service encounter. As a consequence, the customer orientation of service employees can be expected to strongly influence a service firm's business performance via the development of lasting customer-employee relationships (Bove and Johnson, 2000). However, the literature on the customer orientation of employees in the area of services is, to put it mildly, underdeveloped. In addition to the absence of a widely agreed definition of service employee customer orientation, no comprehensive conceptualization of the construct, its dimensions and its determinants has yet been developed.

On the basis of a review of the literature on services marketing and social psychology, this paper presents a conceptual model that describes the customer orientation of service employees as a complex and multi-dimensional construct. In the following sections, we first review the literature available on the customer orientation construct and develop a systematization of the different perspectives. We then introduce the conceptual model of

customer orientation of service employees and discuss its three dimensions, their respective determinants, and the interrelations among these dimensions. Finally, we draw out some implications for relationship marketing theory and the relationship-oriented marketing of service organizations.

CUSTOMER ORIENTATION – A SYSTEMATIZATION OF VARYING PERSPECTIVES

Twelve years ago, Shapiro (1988, p. 119) argued that he didn't "even know whether there is a difference between being market driven and customer oriented or customer driven and market oriented or whatever". Since then, several authors have used and discussed customer orientation and related concepts (e.g., Heiens, 2000; Deshpandé et al., 1993). However, the vocabulary used in discussing customer orientation is still as multifarious as it was a decade ago, and no consensus has been reached with regard to the conceptual understanding of the construct. Based on a review of the relevant literature, we give our reasons for focusing on customer orientation of service employees as a behavioral concept.

Culture Versus Behavior

In the literature, two alternative, yet related perspectives are prevalent regarding the conceptual nature of customer orientation. The first perspective interprets customer orientation as a *cultural phenomenon*. For example, Deshpandé et al. (1993, p. 27) speak of customer orientation as "the set of beliefs that put the customer first". Similarly, Slater and Narver (1995, p. 67) stress customer orientation (or market orientation) as being a cultural variable that provides norms for organizational actions.

A second stream of research sees customer orientation as a *behavioral construct*. Kohli and Jaworski (1990, p. 6) define customer orientation as "the organization wide generation of market intelligence, dissemination of the intelligence across departments, and organization wide responsiveness to it" (1990, p. 6). Here, the focus is not on the

organization's values and predispositions, but on its activities (see also Shapiro, 1989). However, although rarely mentioned in the literature on customer orientation, both perspectives can actually be linked when the character of organizational culture is seen as a necessary antecedent of related behaviors.

Structure Versus Personnel

Furthermore, a firm's customer orientation can be differentiated with regard to the broad range of activities necessary for fulfilling the customers wishes and demands. When it comes to identifying the main drivers of overall - or company wide - customer orientation, organizational structures and processes, as well as employees' activities with regard to customers, play a key role, as do such things as the firm's core goods and services, its logistics and the leadership style within the organization (e.g., Slater & Narver, 1995). In the context of organizational structures and processes, a number of authors see the company's information generation and distribution systems, as well as the customer-related decision processes, as critical for the development of a strong customer orientation (Shapiro, 1989; Kohli & Jaworski, 1990; Saxe & Weitz, 1982).

Employees can basically be divided into back-office employees and front-office employees (i.e. boundary-spanning personnel, see Bowen & Schneider, 1985, or customer-contact employees, see Hartline & Ferrell, 1996). The former group have an *indirect* impact on customers' quality perceptions while the latter have a *direct*, non-mediated impact. In the context of this paper, it is interesting to note that the behavior of service employees is often stressed as being crucial for customer satisfaction and a high service quality (e.g., Bitner et al., 1990), but is generally neglected in references to the concept of customer orientation. The performance of service employees can indeed be seen as crucial for customer satisfaction and perceived service quality. This is especially so in those services where a high degree of interaction exists; where the process dimension (i.e. the service encounter) plays an important

role relative to structural and (particularly) outcome aspects (e.g., hairdressers, therapists; Donabedian, 1980). For these services, the "interaction is the service from the customer's point of view" (Bitner et al., 1990, p. 71). Therefore, the development of a sophisticated understanding of the customer orientation of service employees might help service firms to increase the quality of their service, thereby contributing to an increased degree of customer satisfaction and customer loyalty/retention (Heskett et al., 1994).

Taking into account the crucial role of personnel for service organizations, this paper focuses on the concept of customer orientation of service employees (COSE). COSE is defined as the behavior of service employees when serving the needs and wishes of existing and prospect customers. Behavior is preferred to culture, as the latter, though often a powerful contributor to customer-oriented behavior, is by no means a requirement for such behavior nor sufficient in itself to drive this behavior. In contrast, behavior is what makes customers satisfied and what ultimately determines a perception of high service quality.

We now present the development of a conceptual model of COSE and discuss in detail its dimensions, their interrelations and selected antecedents.
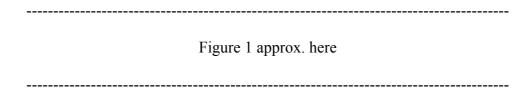
THE EMPLOYEE AS A KEY TO CUSTOMER ORIENTATION IN SERVICES

Model Overview

Customer-oriented behavior of service employees (COSE) is conceptualized here as a three-dimensional construct, where the dimensions are an employee's *motivation* to fulfill customer needs, the *skills* an employee needs to fulfill customer needs, and the employee's freedom or authority (as perceived by the employee themselves) to make decisions relevant to the fulfillment of customer needs and wishes. This conceptualization is based on the consideration that for an employee to behave in a customer-oriented way (i.e. to fulfill the

customer's service-related expectations), all three dimensions must be expressed to a considerable degree. For example, if a highly motivated and skilled service employee feels that she or he is not authorized to behave in a customer-oriented way, then his or her customers will not perceive the service encounter as customer-oriented. It should be noted that the actual degree of expression of each dimension needed in a specific service encounter (in order to produce customer-oriented behavior) is strongly dependent on contextual factors.

The three dimensions of motivation, skill, and self-perceived authority are interpreted as interrelated, rather than independent. Therefore, the extent of COSE is determined by (a) the strength of each single dimension, and (b) the direction and intensity of the interrelationships between the three dimensions. While the motivation and self-perceived authority dimensions are both viewed as one-factorial, we postulate that the skills dimension consists of two factors: the employee's motor skills and his or her social skills. All three dimensions are influenced by several other constructs included in the model as determinants of COSE. Although there is good reason to believe that relationships also exist between at least some of these COSE determinants (e.g. between role conflict and job satisfaction; see Hartline & Ferrell, 1996), these possible inter-determinant relationships are excluded from the analysis in order to limit the latter's complexity. Figure 1 illustrates the conceptual model of customer orientation of service employees.

Figure 1 approx. here

Dimensions of Customer Orientation of Service Employees

Being Motivated to Behave in a Customer-Oriented Way

The employee's motivation to behave in a customer-oriented way is seen as a fundamental behavioral construct driving behavior. Building on Vroom's (1967) process

model of motivation, we distinguish between three components. A service employee's motivation is seen as the product of (a) the employee's valence of the consequences of customer-oriented service behavior, (b) his or her assessment of the probability that he or she is able to produce the required outcome (i.e. instrumentality), and (c) the worker's assessment of the probability of being rewarded when reaching the required outcome (i.e. expectancy). The valence component of this conceptualization of motivation represents the employee's subjective assessment of his or her work activity, and is based on both intrinsic and extrinsic incentives associated with goal achievement. The concept of motivation to behave in a customer-oriented way requires the existence of all three components, as non-compensatory inter-component relationships are expected to exist between the three. If an employee is not attracted by the idea of serving customers or the related consequences (e.g. pay, employee-of-the-month award), then he or she will probably not engage in customer-oriented behavior, even if there is a realistic chance of performing well and receiving monetary or non-monetary rewards.

The intensity of an employee's motivation to behave in a customer-oriented manner is determined by several constructs. These should be taken into account when a service provider seeks to increase their employees' motivation to behave in a customer-oriented way. These determinants include role conflict and ambiguity, job satisfaction and perceived fairness, organizational commitment, and management commitment to service quality. The impact of these constructs on an employee's motivation to behave in a customer-oriented way is discussed briefly below.

Role Ambiguity and Role Conflict. Role ambiguity means that the employee has only a vague understanding of what is expected of him or her (Kohli, 1985). Clarity of information regarding both the employee's role and management's expectations with regard to the handling of customer requests and problems increases the employee's perception that he or she is able to perform up to expectations (i.e. the instrumentality component of motivation).

Role clarity can also be expected to have a positive impact on the valence component of the employee's motivation (Singh, 1993). The related concept of role conflict represents the "incompatibility between one or more roles within an employee's role set, such that fulfilling one role makes fulfilling the others more difficult" (Weatherly & Tansik, 1993, p. 282). The absence of role conflict will also contribute to an increased valence of customer-oriented behavior.

Job Satisfaction and Perceived Fairness. Job satisfaction is one of the most intensively-discussed constructs in organizational behavior theory, and is popularly defined as a "positive emotional state resulting from the appraisal of one's job as achieving or facilitating the achievement of one's job values" (Locke, 1969, p. 316). A closely related concept is perceived job fairness (or workplace fairness), which is sometimes also seen as a theoretical foundation of satisfaction and which covers the fairness dimensions of internal equity and pay rules, external equity and pay level, job supervision, and work standards (Bettencourt & Brown, 1997). We postulate that the positive emotional state of job satisfaction influences the valence component of the motivational dimension of COSE, as it supports the intrinsic work valence of the service employee. A result of the employee's perception of job fairness is that the employee is confident that the supervisor will honor his/her efforts in a satisfactory way, and this leads to an increase in the expectation component of motivation.

Organizational Commitment. The construct of a service employee's organizational commitment is understood as this employee's strong belief "in the organization's goals and values, a willingness to exert considerable effort on behalf of the organization, and a strong desire to remain a member of the organization" (Mowday et al., 1982, p. 27; Sergeant and Frenkel, 2000). Organizational commitment helps an employee to understand his or her own role in the company. This regularly leads to an intensified valence as part of the motivation

concept, based on an intrinsic desire to live the firm's values and to contribute to the achievement of the company's customer-oriented goals.

Management Commitment to Service Quality. In contrast to the determinants mentioned above, which focus on cognitive and emotional aspects of the employee, the management commitment to service quality construct (MCSQ) addresses the activities and attitude of the service provider's top management as it relates to the employees' motivations to behave in a customer-oriented way. MCSQ covers such aspects as the conscious selection of quality initiatives, the provision of visible quality leadership, and the placing of resources for adopting and implementing quality initiatives (Ahmed & Parasuraman, 1994; Hartline & Ferrell, 1996). MCSQ is supposed to have an inspirational impact on service employees' intrinsic valence of customer-oriented behavior, but it may also increase the employees' expectations that they will be rewarded for excellent customer service. Both impacts strengthen the employees' motivation component of COSE.

Having the Skills Required to Behave in a Customer-Oriented Way

Customer-oriented behavior is not limited to motivation but also requires specific employee skills and abilities. Two basic kinds of customer-orientation skills can be distinguished: (a) technical skills and (b) social skills. *Technical skills* include the knowledge the service employee needs in order to be able to interact with the customer in a high quality way. They also include the motor skills relevant to interaction episodes. Although elements of this knowledge can be stored in company databases, those employees who know a lot about the company's service offers and prices, their customers, help lines, product and service compatibility, etc. (and who can readily use the existing knowledge databases) will be better able to satisfy customer needs and wishes. Motor skills relevant for customer-oriented behavior include those involved in the performance of the core service activity, and can include tangible elements. For example, if a service employee in a bookstore has to

concentrate fully on the monetary part of the transaction due to his weak math skills, he will probably be unable to listen to the customer's individual questions and comments, and the customer will likely remain unsatisfied.

The *social skills* of the employee are crucial for customer-oriented behavior (Hennig-Thurau & Thurau, 1999). Social skills basically involve the service employee engaging in perspective taking (e.g., Mead, 1934). Perspective taking means that when it comes to developing adequate solutions for a customer's needs or problems, the employee is able to take on that customer's perspective. Perspective taking has a visual-physical dimension (i.e. understanding what the customer sees and perceives), a cognitive dimension (i.e. understanding how the customer thinks), and an affective or empathetic dimension (i.e. understanding the customer's feelings).

As with motivation, several variables determine the employees' customer-oriented skills. Identifying these determinants is of great practical importance because of the core implications for increasing these skills in employees. In the following, we focus on two skills determinants, namely the employees' learning orientation and their personality.

Learning Orientation. In services marketing, a learning orientation is seen in an employee's continual desire to improve and extend his or her skills and knowledge (Kohli et al., 1998). This learning orientation is reflected in increased efforts by the employee to actively expand his or her existing repertoire of technical and social skills, and thus learn new and better ways of interacting with customers. For example, highly learning-oriented service employees will make more use of training opportunities and will do so with more enthusiasm. This ultimately gives them a higher degree of customer-oriented skills.

Personality. Although no final agreement on the concept of personality has been reached, personality can be defined at a rather basic level as "the unique organization of factors which characterize an individual and determine his pattern of interaction with the environment" (Kleinmuntz, 1967, p. 11). In contrast to consumer behavior, where the

predictive validity of personality is largely limited, personality can be thought to play a more important role when it comes to more or less skilled service employees (Bettencourt et al., 2001). This is especially so with social skills, since these are more difficult to acquire than most other skill types. Using a meta analysis of existing research on personality in the services marketing context, Hurley (1998) distinguishes three basic personality factors: (a) the need for attention and social interaction (extroversion), (b) the need for pleasant and harmonious relations (agreeableness), and (c) the degree to which the world is experienced as threatening and beyond a person's control (adjustment). These factors can be postulated to have a causal impact on service employees' social skills. With regard to the first factor, employees with a high degree of extroversion will tend to be more active and communicative when it comes to interacting verbally with customers. Agreeableness causes the employee to engage in friendly, rather than confrontational, conversation with customers, something which is usually valued by the latter. Finally, a person who feels threatened (to whatever degree) by his environment will have difficulties communicating and reacting in accordance with the customer's preferences.

Feeling Authorized to Behave in a Customer-Oriented Way

In addition to motivation and skills, a third dimension of the COSE construct is the employee's *self-perceived authority* to act in a customer-oriented manner. If an employee has the ability and motivation required to perform in a customer-oriented way, but feels that he or she does not have the legitimization to do so, then his or her behavior will not be perceived as truly customer oriented by the customer. Self-perceived authority in service people can be understood as the degree of decision-making autonomy a service employee believes he or she has when it comes to dealing with customer issues. The concept of self-perceived authority is connected to the concept of empowerment, which has been discussed quite intensively in the service literature (e.g., Bowen & Lawler, 1995; Spreitzer, 1995). However, although some

authors limit empowerment to the authorization of employees (e.g. Rafiq & Ahmed, 1998; Conger & Kanungo, 1988), the concept is mostly understood in a much broader sense, covering other issues, such as motivation (e.g., VanLooy et al., 1998, p. 293).

The concept of self-perceived authority is closely-related to, but distinct from, formal or "objective" authority given to an employee by his or her supervisor. The employee's behavior is based on his or her own perception and evaluation of "formal authorization", rather than on the formal authority itself. It is the degree of authority *used by the employee* that ultimately determines customer orientation. The latter aspect is especially important when looking at the determinants of authorization. We concentrate on four elements influencing the degree to which an employee uses the "objective" authority offered to him or her by the firm's management. These elements moderate the process which transforms formal into self-perceived authority, and are the organizational structure, trust in the employee's supervisor, the organization's culture, and the employee's personality.

Organizational Structure. The use of formal decision-making authority by an employee is determined by existing organizational rules and practices, as well as by institutions and processes. These structural elements must support the use of power by the individual employee, rather than impede this use, or even punish the employee for wielding this power. For example, a hotel employee will probably not use his or her formal authority with regard to customer problems if he or she is obliged to justify each dollar spent on customer compensation (either verbally or by filling out several forms).

Trust in Supervisor. An employee's use of authority also depends on his or her evaluation of the supervisor's trustworthiness. Trust exists if an employee believes his/her supervisor is reliable and has a high degree of integrity (e.g., Moorman et al., 1992). If the employee mistrusts his or her supervisor in the context of the use of formal authority in customer affairs, he or she will simply not use this authority, preferring instead to remain on "safe ground". Trust is reciprocal; not only must the employee trust that the supervisor will

not question his or her use of authority, but the supervisor also has to have confidence in the employee's decisions. The impact of trust in employee-supervisor relationships on the use of employees' formal authority has been demonstrated empirically by VanLooy et al. (1998) and Stewart and Mantz (1995).

Organizational Culture. According to Schneider and Rentsch (1997), service employees are willing to use formal decision-making authority only in a "culture for well-being". Such a culture can represent a frame of reference for service employees, and strengthen his or her belief that making autonomous decisions is valued highly by management.

Personality. Referring to the adjustment dimension of personality identified by Hurley (1998), it can be said that if a service employee is convinced that his or her activities will not influence a customer's state of satisfaction due to some external locus of control (see, for example, Spreitzer, 1995), then this employee will probably see no reason to use this authority that formally exists.

Building on the foregoing discussion of the dimensions of COSE and their key determinants, the next section analyzes the interrelationships between the three dimensions.

Interrelationships Between Model Dimensions

Motivation and Skills Dimensions

The relationship between employee motivation to behave in a customer-oriented way and customer-oriented service employee skills is reciprocal in nature. Motivation is indispensable if the employees' technical and social skills are to be expressed through behavior. An employee who has the needed skills, but who is not motivated to serve customers in a friendly and need-oriented way, will not use these skills during the service encounter. The degree to which a service employee is motivated to behave in a customer-oriented way positively influences the development of customer-oriented skills through the

concept of learning orientation. Highly motivated employees tend to have an interest in skills-development activities and enjoy "learning-by-doing" processes, i.e. extending their skills as a result of learning experiences.

Conversely, motivation is influenced by the employee's skill level, as the existence of technical and social skills will lead to the employee feeling self-confident and secure. It can be expected that both of the latter contribute to increased instrumentality-based motivation on the part of the service employee and a high overall COSE. In addition, it can be assumed that skilled employees have a particular interest in delivering high-quality services, as customer satisfaction contributes to a pleasant working atmosphere, which in turn induces an increased valence of customer-oriented behavior. In contrast, if service workers do not have the skills to perform in a high-quality way, then this will reduce their job motivation as they know they are unable to meet the expectations of their supervisor and customers (instrumentality component of motivation).

Motivation and Authority Dimensions

A mutual relationship is also postulated for an employee's motivation and self-perceived authority. We can expect the latter to have a positive influence on an employee's motivation to serve customers in a customer-oriented way. This idea is regularly put forward by service researchers as a central argument for empowering service employees (Rafiq & Ahmed, 1998; Bowen & Lawler, 1995). The main factor underlying this relationship is that increased autonomy has its own intrinsic value, which means that an extention of authority increases the valence of behavior. In addition, empowerment is often understood as an indicator of management's trust in the employee (i.e. leading to higher motivation via the instrumentality component). However, the extension of an employee's authority may also cause insecurity, and even anxiety, if that employee cannot cope with the requirements.

Closely related to this is the risk that empowerment decreases motivation, which depends on the individual employee's preferences with regard to authority.

We also propose that motivation has a positive impact on empowerment (or the employee's self-perceived authority), for various reasons. Regarding the degree of formal authority, it can be expected that a highly motivated employee will try harder to convince management to extend his or her formal authority than would an unmotivated worker. In addition, an employee's motivation can play a key role for management when it comes to deciding on the right degree of formal authority to give customer-contact employees. When doing this, motivation is interpreted as a sign of commitment and interest in the service provider's success. In terms of the "subjective" degree of authority (i.e. the degree of authority perceived and used by the employee), it seems plausible to expect motivated employees to make stronger use of formal decision-making latitude.

Skills and Authority Dimensions

We would also argue that the relationship between the skills and empowerment dimensions of the COSE is of a bi-directional kind. First, we postulate a positive relationship in terms of the impact of customer-oriented skills on the degree of formal authority. As with motivation, the employee's skills are an important criterion in management decisions concerning employee empowerment. If an employee is not expected to be able to do his or her job in a satisfactory way, then empowerment is risky, as it may lead to wrong and costly decisions, and even to frustration on the side of the employee (who can not cope with this task) (VanLooy et al., 1998; Spreitzer, 1995; Rafiq & Ahmed, 1998). In addition, where the employee's skills are limited, he or she will probably not even use any authority given to him or her by the management, so skills also impacts on "subjective" or self-perceived authority.

Second, if we look at the impact of employee authority on customer-oriented skills, we can say that empowering people contributes to increased skills and knowledge on the side of

the employee. If the employee can act on his or her own in order to best serve the customer, then he or she will often pick up new insights regarding customer expectations and behavior, and thereby extend his or her customer-oriented skills (i.e. "learning by doing"). If, for example, an employee is newly authorized to take care of customer problems and complaints, rather than just pass them on to the company's complaint management departments, then he or she will – at least over time - improve his or her complaint handling skills.

IMPLICATIONS FOR RELATIONSHIP MARKETING PRACTICE AND THEORY

Implications for Relationship Marketing Practice

The customer orientation of a firm is a basic and oft-mentioned element in the concept of marketing. Despite this, no well-established conceptualization of the concept of customer orientation exists in the marketing literature, especially as regards the customer orientation of services employees. This is surprising, since for most service providers, in addition to efficient logistics and a well-designed servicescape, the employees play a key role when it comes to providing excellent service and delighting customers. The goal of this paper was, therefore, to develop a thoughtful conceptualization of the customer orientation of service employees.

The customer orientation of service employees is understood as a three-dimensional construct, with the dimensions being motivation, skills, and employee-perceived authority. It is interpreted as a crucial variable that enables a service company to provide high quality service, therefore increasing customer satisfaction with this service and contributing to customer loyalty (Heskett et al., 1994). Loyalty itself is widely acknowledged as a key target variable of the relationship marketing concept as it is postulated to increase a firm's profitability (e.g., Rust & Zahorik, 1993). The conceptualization of the customer orientation of service employees developed in this paper extends and shapes our understanding of the

generation of substantial value, as modeled in the service profit chain by Heskett and his colleagues (e.g., Heskett et al., 1994).

In terms of practical relevance, the conceptualization of the customer orientation of service employees as a three-dimensional construct provides concrete information for management looking to improve a service firm's customer orientation. After systematically analyzing a service firm's strengths and weaknesses with regard to customer orientation, an understanding of the three customer-orientation dimensions may help to identify where the focus of future activities should be, if the aim is to improve customer satisfaction. The firm can build on the identification of customer-oriented strength and weaknesses, and segment service employees with regard to their motivation to behave in a customer-oriented way, their customer-oriented skills, and their self-perceived authority when interacting with customers. Specific strategies for improving customer orientation can be developed for each employee segment, and these may include measures for both the service employees themselves (e.g., training) as well as for management (e.g., dealing with the delegation of authority). In combination, these activities should lead to increased customer orientation among the firm's service employees.

In addition, the conceptual model also includes information about the key determinants of the three customer-orientation dimensions. These determinants might serve as starting points on the road to improved customer orientation. They may even provide a basis through which the firm can target a single dimension of their employees' customer orientation. For example, if the main aim is to improve the motivation of service employees, then the model would specifically recommend measures designed to increase job satisfaction and organizational commitment, among others. The model enables service firms to carefully and selectively tackle the customer orientation of employees as a crucial construct for success, and delivers concrete information on how to begin to approach the issue of improvement.

Implications for Future Relationship Marketing Research

As this paper is purely theoretical, the conceptualization of the customer orientation of service employees, the postulated relationships, and the proposed impact on relationship marketing success should be complemented by empirical research. In addition, some theoretical aspects have not yet been fully addressed. Future research should focus on the following aspects.

Firstly, an instrument for measuring the customer orientation of service employees must be constructed and validated. This instrument should cover the construct's three dimensions and each dimension's key determinants, as presented in the paper. As several of the dimensions and determinants have been discussed before in marketing theory (e.g., job satisfaction), empirical research should be based on existing scales.

Secondly, the strength and significance of the relationships between the construct dimensions and between dimensions and determinants should be measured empirically. There would seem to be a good case for applying multivariate analysis techniques, such as structural equation modeling. The quantification of model paths is crucial for understanding the impact of specific measures on the customer orientation of service employees, since these impacts depend on both direct *and* indirect paths.

Thirdly, in addition to increasing the understanding of the customer orientation of service employees construct itself, research should also investigate the relationships between the customer-orientation dimensions and the success variables of service and relationship marketing. These relationships include the impact of employees' motivation, skills, and authority on service quality, customer satisfaction, and customer loyalty. A more sophisticated analysis of these relationships might allow strategies to be derived which would help a service provider to better allocate resources to customer-orientation dimensions and their respective antecedents.

Finally, future research in this area of relationship marketing should focus on the development of tools and measures that enable a service provider to systematically target a single dimension of customer orientation or a combination of dimensions. As elsewhere, previous research on related topics can serve as a starting point here.

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FIGURE 1

A Conceptual Model of Customer Orientation of Service Employees