1996


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THE USE OF NORMS IN THE EVALUATION
OF THE EXCHANGE PROCESS:
THE CONSUMER LEVEL

A Dissertation

Submitted to the Graduate Faculty of the
Louisiana State University and
Agricultural and Mechanical College
in partial fulfillment of the
requirements for the degree of
Doctor of Philosophy

in

The Interdepartmental Program in Business Administration

by

Scott Shaw Roach
B.S., Northwestern State University, 1975
M.B.A., Northwestern State University, 1987
August, 1996
DEDICATION

To my whole family, for their love, support and encouragement, but especially to my wife, Linda and my daughter Katie, for all of the times that we have had and those yet to come.
ACKNOWLEDGMENTS

This dissertation could not have been completed without the support and encouragement of several persons. I received much guidance and help from members of my committee, including: Dr. Al Burns, Dr. Dan Sherrell, Dr. Rick Netemeyer. Each of these persons had helpful suggestions and encouraged my efforts throughout the project. The results of their insightful comments are evident throughout the dissertation.

To my major professor, Dr. Bill Black, I owe a great debt of gratitude. He used this project to develop and refine my skills as a researcher. Dr. Black was always ready to offer guidance and direction, giving me the perception that my work and I were always one of the highest priorities in his life. He developed within me the patience and diligence to address a project of this magnitude and to see it through. I will always appreciate his time, effort and talents throughout my career, and hope to touch the lives of my students as he has touched mine.

I would also like to acknowledge the help that I received from Dr. Linda Roach and Dr. Penny Simpson in the qualitative analysis portion of this project. They provided much help and insight in the initial phases of this research which served to shape the whole of the project. Their efforts are much appreciated.

A multitude of students and members of the Division of Business at Northwestern State University also played a very important role in the completion of this dissertation. Students in Phi Beta Lambda, my Principles of
Marketing, Marketing Research, and Consumer Behavior classes, and in Dr. Linda Roach's Science 1010 classes aided me greatly in the development, pre-testing, and refinement of my data collection instrument, and in the data collection procedure itself. Their assistance at the various stages of the project is appreciated. Dr. Barry Smiley, Chairman of the Division of Business provided full cooperation and support for my efforts. Dr. Penny Simpson adjusted her schedule to accommodate my needs, and various others in the department provided support and encouragement throughout the duration of the project.

A special thanks to Dr. Linda Roach, my wife. Her continued faith in me, her encouragement, patience, and support pulled me through.
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ABSTRACT

The disciplines of economics and marketing have suggested that consumers derive satisfaction in exchange transactions from both the attributes of the products exchanged and the stores in which exchange takes place. This satisfaction is based on a comparison of the performance of these relatively objective attributes and a standard – the consumer's expectations of these attributes.

Recently, the marketing literature has suggested that an additional source of exchange-related satisfaction may arise from the actual process of exchange itself. Before a thorough understanding of this source of satisfaction can occur, we must gain a better knowledge of both the "attributes" of an exchange process and the standards of comparison used in its evaluation.

This dissertation proposes that consumers evaluate exchange processes against a set of norms which serve as standards for the behaviors involved. To explore this proposition, a two stage research plan was developed with the objectives of identifying the operant norms in consumer-retailer exchange processes and assessing their efficacy in satisfaction judgments of the exchange process.

The first stage was a qualitative research effort directed towards identifying the behaviors and norms involved in the exchange process. Qualitative analysis indicated that consumers utilize a set of seven exchange related norms in consumer-retailer exchange: appreciative behaviors,
product/service knowledge, flexibility, respect for time, role diligence, contrapportunism, and stand behind good products. Further, the satisfaction derived from the process appeared to be primarily related to the magnitude of the behaviors involved.

The second stage involved a quantitative assessment of the existence and impact of these seven norms in exchange related satisfaction judgments, building upon the findings of the qualitative stage. The results provided empirical support for a direct relationship between the magnitudes of behaviors related to a particular norm and the utility or satisfaction derived from those behaviors.

Support was also provided for the existence, differences between, and the shape of the return potential curves for each of the seven norm categories proposed in the initial phase of the study. The study identifies several substantive implications for the application and study of exchange-related satisfaction.
CHAPTER 1

INTRODUCTION

Recent years have witnessed a change in the way in which exchange transactions are conceptualized. The literature provides evidence of an evolution from the view of exchange transactions as events separated in time and space to an exchange process that transpires over time. Exchanges that were once viewed as based solely upon functional attributes of the items exchanged are now seen as providing the participants with both tangible and intangible aspects that go well beyond the items traded.

Traditionally, it has been theorized that consumers derive utility from the products (goods, services, and ideas) that they obtain in exchange transactions. Consumer satisfaction evaluations based upon this conceptualization are greatly influenced by a comparison of utility obtained versus cost. However, in addition to any product utilities obtained from the items of value that are exchanged, there are aspects of the exchange act itself that are likely to influence consumer satisfaction. To fully understand all sources of satisfaction obtained in an exchange transaction, one must understand the full set of criteria by which exchanges are evaluated. The criteria most often omitted are a set of unwritten "rules" of exchange: social exchange norms, which govern the process of exchange.

Social exchange norms provide people with a set of behaviors that they and others "should" adhere to based upon the nature of the relationship in which they are involved. As such, exchange related norms serve as the standard by which interactions within the exchange are evaluated to determine
satisfaction. Therefore, in order to improve the understanding of satisfaction provided in retailer-consumer interactions one must first develop a normative framework against which exchange transactions are to be judged. It is the purpose of this study to provide such a framework and examine its impact on consumer evaluations of satisfaction in a retail context.

**Traditional Economic Perspective of Exchange**

Traditional concepts of exchange fall into the category of discrete transactions. In this view, each exchange is considered as separate; characterized as taking place under very sterile conditions. Further, consumers are considered to be totally rational in their economic decision-making. As discussed by Browning and Browning (1989), conditions under which voluntary exchange takes place are very explicit:

1) Exchange requires two or more parties;
2) the parties must be capable of communication so as to agree to the terms and conditions of the exchange;
3) they must have the option to accept or reject the other's offer; and
4) each party must expect to benefit from the goods exchanged.

This approach suggests that utility, a subjective measure of usefulness or want satisfaction, is derived solely from consumption of the good obtained in the exchange. The amount of utility provided by a good is inversely related to the amount of that good one currently holds, beyond some minimum level (Browning &
Browning, 1989). This relationship between the quantity of a good owned and its utility to the consumer was referred to by economists as marginal utility. It has served as the basis for predicting and explaining when exchange would occur and the amount of satisfaction that each party would derive from the combination of what was given up and what was received. Measures of satisfaction derived using this perspective are based upon objective functional product attributes that a particular good provides through its consumption. It ignores the exchange process as a source of consumer satisfaction and pays minimal attention to any symbolic and experiential aspects of the consumption processes.

Marketing's Expanded Conception of Exchange

Discrepancies between economic theory and empirical truth gave rise to the discipline of marketing early in this century (Bartels, 1970). This new discipline modified some of the less than realistic assumptions upon which the economic explanation of market transactions was based. In doing so, marketing was more able to predict and explain exchange behavior.

Yet, economics is not the only discipline which employed this very narrow "arms length" perspective of exchange. Marketing also uses the relative utility of products as a means of predicting and explaining exchange related behavior. Only a few years ago, Alderson's (1965) Law of Exchange typified the use of product-related evaluations as the sole determinant of exchange:

Given that \( x \) is an element of the assortment \( A_1 \), and \( y \) is an element of the assortment \( A_2 \), \( x \) is exchangeable for \( y \) if, and only if, these three conditions hold:

1) \( x \) is different from \( y \)
2) The potency of the assortment $A_1$ is increased by dropping $x$ and adding $y$

3) The potency of the assortment $A_2$ is increased by adding $x$ and dropping $y$

This very limited concept of exchange and satisfaction was modified by Lancaster (1966, 1971) to depict utility as arising from the characteristics of the goods involved. Through this perspective, goods (and services) are seen as bundles of attributes. Each of these attributes has the ability to provide utility such that persons select the best bundle of benefits for the amount of money that they have to exchange. Yet, even though this expanded view does provide a much richer conceptualization of what is received in an exchange, it still fails to move beyond product-related attributes as sources of utility.

More recently, marketing theorists added to these early conceptions of exchange by including attributes of the store as affecting the total satisfaction as depicted in Figure 1.1. Aspects of the store such as store salespersons (in terms of helpfulness, friendliness, number of persons, and politeness), environment, merchandising, service orientation (reflected in willingness to exchange, fairness of adjustments, and credit or charge accounts), clientele and location, price/value relationships, and special sales were added as store attributes impacting upon total satisfaction (Westbrook, 1981). Even with this broadened perspective, exchanges were still viewed in a limited sense, occurring in a relatively sterile environment.
FIGURE 1.1
SOURCES OF CONSUMER SATISFACTION
Although somewhat more realistic than earlier conceptualizations, satisfaction derived by the parties involved in an exchange is still viewed by many as arising solely from store- and product-related attributes. This perspective views each exchange as a separate, discrete event relying on product and store attributes rather than considering the interaction between two social actors in multiple exchanges occurring over time. Yet, even the language of market transactions (patronage, straight re-buy, consumer credit, clients/customers, members, etc.), as well as actual marketing practice, points to the discrete transaction as being the exception rather than the rule (Stinchcombe, 1986). The concept of exchange must therefore be expanded to include aspects of the relationship between the two parties that affect consumer evaluation of the entire exchange process.

Exchange Norm Based Perspective

This broadened perspective, which examines process or relationship derived satisfactions, is being increasingly recognized in the literature in recent years (e.g. Dwyer, Schurr, & Oh, 1987; Crosby & Stephens, 1987; Arndt, 1979; Schurr, 1986; Johanson, Hallen, & Seyed-Mohamed, 1991). While these writings address what constitutes a relationship and the advantages that may accrue to those who work to cultivate exchange relationships with their clients and customers, they fail to provide a theoretical structure by which these relationships are judged. The increasing emphasis on viewing exchange in an expanded perspective with potential to evolve to a process, rather than a series of discrete events, requires that marketers change the manner in which satisfaction
evaluations are conceptualized. Rather than examining exchanges just in terms of evaluations of the items given and received in the transaction, the entire process of exchange can be viewed as evaluated by consumers in terms of some standard for the set of behaviors involved. That standard is social exchange norms (Macaulay 1963; Evan 1963; Gibbs 1981; Stinhcombe 1986; and Kaufmann & Stern 1988).

Social norms serve as standards for behavioral processes between individuals or groups. They define which behaviors are acceptable and satisfying, and those which are not. Further, the use of norms results in rewards (such as continued patronage) for behaviors that are in keeping with the normative standard and sanctions (such as loss of customers and negative word of mouth) for those behaviors deemed to be unacceptable. While social norms have received little attention in consumer level exchanges, they appear to be the appropriate standard by which these processes are judged.

The preceding discussion depicts how previous conceptualizations of exchange have, in the past, been somewhat narrow in scope. The inclusion of a social exchange norm framework that addresses process derived satisfaction arising from transactions will greatly add to our current understanding of exchanges. The following section presents research questions which provide the basis for the arguments and explorations addressed by this dissertation.

Research Questions

It has become increasingly more apparent as the study of exchange has evolved over time that consumers derive satisfaction from a number of sources, many of which go well beyond consumption of the product itself. Additionally, this
evolution in marketing thought has shown that exchanges tend not to be totally separate events. They are viewed by consumers more as a series of transactions, or an exchange process that takes place over days, months, and even years, and that the processes themselves give rise to consumer satisfaction.

While much work has been done to understand the evaluation of product and store-related attributes, there has been virtually no research into how consumers evaluate exchange processes that transpire over time. Research into how consumers evaluate exchange processes using social exchange norms must therefore start with very basic research questions. The first of these requires an exploration of the very nature of norms:

RQ1: What is the character of exchange related norms as employed by consumers in their evaluations of the exchange processes?

Once a structure is derived for these norms of exchange it is then possible to start the assessment of the impact of exchange related norms on exchange behavior evaluations and patronage intentions. Therefore, the next general question becomes:

RQ2: How do social exchange normative evaluations of exchange related behavior affect transactions?

As stated previously, there has been little if any work done to examine the nature of exchange related norms at the consumer level. Information obtained in addressing these fundamental questions about social exchange related norms will provide the basis from which further exploration of how social exchange norms can be used to broaden our understanding of all of the aspects of an exchange that are evaluated by the consumer.
Organization of the Study

The goal of this dissertation is to provide a framework for the use of exchange related norms as the standard by which retail interactions are judged by consumers and to present a set of research questions and propositions for exploration. Toward this end, two guiding research questions have been suggested which provide a basis for the literature review and the arguments to follow. That review begins with a discussion of the exchange continuum and how the nature of exchanges varies from discrete events to a series of almost continuous interaction. Satisfaction as an outcome of exchange is then examined with emphasis on the standards used in satisfaction formation. The dissertation then turns to a discussion of exchange norms; how they are formed, their role as a standard against which exchange interactions are measured, and the outcomes of exchange related behavior that conforms, or fails to conform to exchange norms. Issues relating to the conceptualization, structure, and character of norms are also addressed. Finally, a list of propositions is set forth to be tested.

Contributions of the Dissertation

Answers to the research questions posed and tests of the propositions to follow will provide marketing researchers with a structure and framework for an aspect of satisfaction that has been long overlooked at the consumer level. The study will provide evidence of the use of norms of exchange as the standard through which consumers evaluate exchange transactions. This will help provide a richer understanding of all exchanges from the relatively discrete to long term relational.
The dissertation will elaborate upon a connection between norms and scripts that is alluded to in the script literature. Although this connection is quite logical and intuitive, the literature does not provide any evidence of the use of scripts to examine norms.

While there has been some research on the use of social exchange norms in the marketing literature, this research concentrates on channel relationships; associations that are more likely to involve written contracts with formally stipulated terms and conditions (Kaufmann & Stern, 1988; Sethuraman, et. al, 1988; MacNeil, 1980; Heide & John, 1992; Dant & Schul, 1992). While this application of norms to exchange related behavior is important, it does not address the unique nature of consumer exchange. This dissertation is the first to bring the use of these norms into the level of consumer transactions, and therefore contributes substantially to the areas of retailing and consumer behavior.

As will be discussed in Chapter 3, the study also utilizes two methodologies for exploration of norms that are new to the literature. First, the critical incident technique (CIT) is used to explore the nature of norms as employed by consumers. Then, the study employs multivariate conjoint analysis to examine the effects of dimensions of normative evaluations on evaluations of satisfaction. While this application also has intuitive appeal, the use of conjoint to examine aspects of the exchange process appears to be a novel approach to the problem.

Finally, a number of managerial implications can be drawn from this study. Managers can use the knowledge that consumers employ norms to evaluate exchange transactions to better structure consumer-provider interactions. Training
programs for employees, job evaluation criteria, and the scripting of buyer-seller interactions can be developed around the findings provided in this study.
CHAPTER 2

LITERATURE REVIEW

The Exchange Continuum

Recent writings have begun to recognize the need to capture aspects of the relationship between the two parties involved in the transaction. These exchange relationships range from a one-time occurrence between strangers, to a series of almost inseparable transactions between exchange partners that may span years. Based upon this, MacNeil (1980) describes these exchanges as occurring on a continuum which ranges from discrete transactions, separated from all others in time and space, to relational exchange in which the value of both current and future exchange transactions is recognized.

Discrete Exchange

While the early views of exchange are rather unidimensional and narrow in scope, they provide a conceptualization of exchange that may be evaluated in very concrete, measurable terms: product-related attributes and specific quantities of money to be paid. The exchange itself is also quite specific. Terms are agreed upon prior to any exchange, leaving no requirement for further interaction between the two parties involved. Termed discrete transactions, they are typified as an instantaneous transfer of ownership of some measured quantity of a good for some other measured item of value (usually money). More advance planning is normal for these transactions since, as is required in the discrete concept of exchange, all terms and conditions must be accepted at the time of the transaction.
It is important to note here that according to MacNeil, a totally discrete transaction is nothing more than a theoretical starting place on the exchange continuum. Because all exchanges take place within the social structure that is our society, no exchange can be completely discrete. Laws, custom, and even our monetary system make the purely discrete exchange impossible. However, it does serve as a starting point from which to build toward a concept of relationship between the parties involved in an exchange. Further, conceptualizations of a discrete exchange as a "zero point" make it easier to illustrate additional facets of the exchange process which require norms for evaluation as the exchange act becomes more relational.

**Relational Exchange**

The fact that utility may arise from other sources in an exchange transaction has been discussed in the literature for a number of years. For example, Tauber (1972) expanded shopping motivations from purely economic to include personal and social motivations that also provided utility to the consumer. Bagozzi (1974) points out that the interaction between a customer and a salesman gives rise to many variables which act as negative and positive reinforcers for both parties. These additional attributes by which an exchange is evaluated may include such relational aspects as interpersonal attraction, attitude similarity, prestige, and the role in which each is involved. Thus, exchange partners are now viewed as evaluating exchanges, not in the restrictive sense of dollars for units, but in terms
of those features of the exchange process which provide value and those providing satisfaction to the participants.

This expanded perspective of exchanges now compliments definitions of marketing as "...the process of creating and resolving exchange relationships," (Bagozzi, 1974) and descriptions of marketing as "...the behavioral science that seeks to explain exchange relationships" (Hunt, 1983). The new perspective also emphasizes that exchanges are processes, and that these processes take place between two or more participants who obtain satisfaction through experiential outcomes in addition to the value obtained in functional outcomes.

The relational transaction is the other end of the exchange continuum. Unlike discrete transactions, much less planning is required prior to the exchange since contingencies may be addressed as they arise over the life of the relationship. However, relationships require additional effort to establish and maintain. Efforts in other areas of the exchange are required in order that both parties desire to continue the relationship.

This expansion of exchange to include relational elements has resulted in substantial research discussing the use and merits of a relational approach. Some have examined relationships as a competitive strategy (i.e. Schurr, 1986; and Arndt, 1979), roles of the participants within the relationships (i.e. Solomon, Surprenant, Czepiel, & Gutman, 1985; Mills & Morris, 1986), structure and events in the interaction (i.e. Bitner, 1990; Woodside, Taylor, Pritchett, & Morgenroth, 1977; Crosby & Stephens, 1987; Surprenant & Solomon, 1987; Bitner, Booms &
Tetreault, 1990), and relationships within the channel of distribution (i.e. Keith Jackson & Crosby, 1990; Frazier & Rody, 1991; Heide & John, 1990) while still others have examined relationship development and quality (i.e. Dwyer et al. 1987; Crosby, Evans & Cowles, 1990). Although each of these writings has examined important aspects of the exchange relationship, they have failed to address the criteria by which the relationship will be judged. They do not address the impact that adherence to norms of the exchange relationship will have on the participant's satisfaction with the exchange process.

Establishment and Maintenance of Relationships

A key element of relational exchange is its continuity over time. The development and continuance of a relationship is greatly contingent upon the consumer being satisfied with the interaction involved in the exchange process. Those experiences that are most satisfying to the consumer are the most likely to be repeated resulting in long term exchange relationships. Long term relationships mean reduced need to develop new markets, more knowledge of the needs of the served market and increased profitability (i.e. Dwyer et al., 1987; Schurr, 1986; Johanson, et al., 1991; Crosby & Stephens, 1987). Since, as suggested by Westbrook (1981), much of the satisfaction involved in an exchange comes from sources other than that of the product or service exchanged, it is important for marketers to understand all aspects of the exchange process as it unfolds over time, and how each contributes to satisfaction determination.
Outcome of Exchange: Satisfaction

Westbrook (1981) states that the concept of satisfaction applies to all human experiences, including work, marriage, health care, and life in general. Using this perspective, he defines consumer satisfaction with an exchange as an emotional reaction by the consumer to the evaluation of the total set of experiences arising from the exchange transaction. This expanded view encompasses product- and store-related satisfactions as well as satisfaction with the overall process. A more full understanding of all of the elements that affect consumer satisfaction with exchanges may be provided by supplementing product and store attributes of the exchange with an evaluation of the process itself through consumer norms of exchange.

Standards for the Evaluation of Satisfaction

If satisfaction with exchange transactions was evaluated by consumers solely on the basis of product- and store-related attributes, the evaluation process would be relatively straight-forward. Using Lancaster's (1966, 1971) conceptualization of goods being bundles of attributes, perceived product and the store attributes would be compared to some relatively objective standard to determine total satisfaction with the exchange. This standard is usually based upon expectations, product norms or expected performance (i.e. Cadotte, Woodruff & Jenkins, 1987; Tse & Wilton, 1988; Woodruff, et. al. 1983; Prakash & Lounsbury 1984; Westbrook & Cote 1979). Those comparisons falling short of the standard would be deemed dissatisfying, while those meeting or exceeding that
standard would be considered satisfying. However, as illustrated in Figure 1.1, total satisfaction with the exchange is at least partially dependent upon the evaluation of the exchange process itself.

The ways in which consumers and good and service providers may interact are likely to vary widely across exchanges, and each must be evaluated to determine its contribution to total satisfaction. Based upon the outcome of this evaluation, the exchange act itself is also perceived as satisfying or dissatisfying. As with product- and store-related attributes, experiences which fall short of the comparison standard are deemed dissatisfying, while those which meet or exceed the standard are considered satisfying. This is very important to the marketer because those experiences deemed satisfying are more likely to be repeated, thereby establishing an exchange relationship.

In comparison to the evaluation of the interaction between marketer and consumer, the evaluation of product-related attributes is simply a matter of comparing performance against relatively concrete standards. While store-related attributes are more likely to provide context and involve non-functional aspects, their evaluation is much less complex than is evaluation of the overall exchange process. Considering the wide range of human behavior possible in an interaction between a salesperson, his or her organization, and a consumer, determination of comparison standards becomes much more involved. One must move beyond relatively tangible product and store attributes and examine behavioral standards.
Satisfaction with this aspect of the exchange must be based upon the standard by which social interactions are based: exchange related social norms.

It is important to note that exchange norms are somewhat different from the product based norms used to evaluate product attributes (i.e. Cadotte, et. al. 1987; Tse & Wilton 1988; Woodruff, et al., 1983; Prakash & Lounsbury, 1984; Westbrook & Cote, 1979). While product-based norms are derived similarly in culturally rooted “should be” standards similar to social norms, they relate strictly to the standards by which consumers evaluate a product’s performance. Exchange related social norms are employed to evaluate the interactive process that takes place between a retailer and a consumer in each transaction, and across transactions.

In summary, product and store related evaluations do not provide the entire basis for satisfaction. In order to improve understanding of the satisfaction provided in exchange transactions, one must first develop a framework of exchange related social norms against which retailer-consumer interactions are to be judged.

Service Quality and Satisfaction

Over the last few years there has been a debate in the literature that has centered around issues that the SERVQUAL scale (Parasuraman, Zeithaml & Berry, 1988) addressed or failed to address. This on-going discussion in the marketing literature (i.e. Parasuraman, Zeithaml & Berry, 1994; Cronin & Taylor, 1992, 1994; Teas, 1993, 1994; Carman, 1990; Boulding, Kalra, Staelin & Zeithaml
1993) has brought to light a number of issues relative to the evaluation of service satisfaction and service quality, some of which have a direct bearing on this dissertation. While there are numerous issues that are discussed throughout the several articles involved in this debate, three in particular have relevance to the research at hand: a) the conceptualization of service quality and satisfaction; b) the appropriate standard for comparison; and c) The performance-evaluation function. Each of these will be discussed in turn below.

The Conceptualization of Service Quality

A common starting place for virtually all researchers who have taken part in the SERVQUAL debate has been the proper conceptualization of service quality. While all seem to share a general agreement about the nature of service quality as a construct, they go to great lengths to differentiate service quality from service satisfaction (i.e. Teas, 1993; Cronin & Taylor 1992; Boulding, et al 1993).

Even though there are some minor differences in the way specific aspects of the definitions are stated, the major consensus across all of these researchers is that service satisfaction is based upon a "transaction-specific measure" (Cronin & Taylor, 1992). As such it relates to that one incident: the current exchange transaction.

Service quality, on the other hand is viewed in the form of an attitude that is related to, but not the same as service satisfaction (Parasuraman et al., 1988; Boulding et al., 1993; Cronin & Taylor, 1992). In various ways each of these articles states that service quality is a cumulative construct that is "... a blend of
their prior expectations of what will and what should transpire during the contact and (2) the actual delivered service during the service encounter" (Boulding, et al. 1993, p. 7). As such, current satisfaction (or dissatisfaction) with a service encounter serves to update consumer expectations of service quality. Thus, Cronin and Taylor (1992) state that service satisfaction in an encounter mediates the perceptions of prior service quality and causes the consumer to form a revised perception of service quality for that firm. In other words, from past experience and other forms of information about a firm, consumers form perceptions of service quality about that organization which are similar to an attitude. Each subsequent encounter with that particular service providing firm is then evaluated and the satisfaction or dissatisfaction that arises from that encounter results in the consumer forming an updated perception of service quality for that particular firm.

It is, however, important to note that the study conducted by Cronin and Taylor (1992) found that service quality tends also to be an antecedent to consumer satisfaction. In other words, the perception of service quality by a consumer about a particular firm is likely to affect subsequent service satisfaction evaluations by that same consumer regarding that firm.

While these conceptualizations of service quality and satisfaction are similar to process satisfaction, the subject of this dissertation, they are distinct constructs related specifically to the provision of services. The subject matter for this dissertation is the overall exchange process, which, while it does contain
aspects of services rendered, is a separate matter from that of service quality or service satisfaction even though many of the same considerations are involved.

The Appropriate Standard for Comparison

It is around the above described distinction between service satisfaction and service quality that much of the service quality debate revolves. The original SERVQUAL article (Parasuraman et al. 1988) stated that consumers formed their perceptions of service quality through a disconfirmation process in which expectations of service are compared with actual service performance. Some of those participating in the service quality debate have taken exception to this conceptualization of service quality formation (i.e. Cronin & Taylor 1992, 1994). They state that although a simple disconfirmation is quite appropriate for the formation of satisfaction evaluations, it is inappropriate for the formation of attitude-like service quality evaluations.

Through a relatively extensive literature review, Cronin and Taylor suggest that indeed the proper way to examine the formation of service satisfaction is to examine the gap between expectations and actual performance as suggested for service quality by Parasuraman et al. (1988). The expectation standard suggested by many for this disconfirmation comparison is what Woodruff et al. (1983) refers to as experience norms. Therefore, these types of norms play a major role in the formation of satisfaction determinations in that they are the standard against which service is compared.
While related strictly to products, Cadotte, et al. (1987, p. 306) examines what they term “experience-based norms” which are reflective of desired performance in meeting needs and wants. This desire is constrained by what consumers view as possible based upon known brands for an overall standard of what the product “should” provide. Based upon their findings, experience-based norms, when used as a comparison standard, provide a better explanation of satisfaction than do expectations.

However, since service quality is in the form of an attitude, Cronin and Taylor (1992) state that the proper measure of service quality is that of service performance perceptions. While they offer much support for the contention that performance perceptions alone are the best basis for the determination of service quality, they make a point to cite the work of Woodruff et al. (1983) stating that performance beliefs are raised or lowered based upon how well actual performance measures up to expected performance: expected performance being "...what consumers should expect..." (Cronin & Taylor, 1992, p. 56). Once again, norms, what should be, serve as the standard for comparison, even in the formation of service quality evaluations.

A final point and summary in this section on standards for comparison is the statement by Cronin and Taylor (1992) in which they say that many practitioners assess overall satisfaction or perceived quality by having consumers assess the processes of the companies involved. So, empirical research in the formation of product satisfaction evaluations suggests that a form of norms is the appropriate
standard. Additionally, Cronin and Taylor (1992) suggest that assessments of quality, based upon performance, employ the use of norms as the appropriate comparison standard. This seems particularly important since Cronin and Taylor (1992) state that many practitioners assess overall satisfaction or perceived quality by having consumers assess the processes of the companies involved. These processes, we have suggested, are appropriately evaluated based upon a comparison with social exchange norms.

This dissertation explores neither service satisfaction nor service quality. However, it is important to note that a key feature of either conceptualization, whether it be satisfaction or quality is the consistently re-occurring references to some type of norm as the appropriate standard against which to compare performance. The second item of note in this section of the discussion is that norms are an appropriate vehicle for the examination of processes. This use of norms suggested for the evaluation of services appears to offer support for the use of social exchange norms in evaluating processes since services have a high process component. This is important to this dissertation in that the current research evaluates the process of exchange, and employs norms as the standard by which this process is evaluated.

The Performance-Evaluation Function

A final argument in the service quality literature that has a bearing on this dissertation is that of the relationship between measures of performance and measures of service quality (i.e. Teas 1993, 1994; Parasuraman, Zeithaml, & Berry
A key facet of this argument is the effect on evaluation, whether in terms of service quality or service satisfaction, of increasing magnitudes of performance.

A problem with the original SERVQUAL article pointed out by Teas (1993, 1994) is that for some performances there are ideal points beyond which additional magnitudes of performance actually result in lower levels of evaluation by the consumer involved. By way of example, a consumer may experience increasing levels of satisfaction with a waitress who devotes more time to waiting on that customer. However, at some level of magnitude of service, the additional attention by that waitress will become a distraction and a nuisance; actually reducing the satisfaction that the customer experiences with that service. With other performances, there is virtually no upper limit to the magnitude of a performance that will result in increasing levels of satisfaction. The first of these two situations is called an ideal point function, while the second is referred to as a vector function (See Figure 2.1).

Teas' (1993, 1994) contention is that the SERVQUAL scale is constructed such that it is only capable of producing those situations in which a vector function exists between increasing magnitudes of performance and the consumer's evaluation. He stated that this is because of the way that the SERVQUAL scale was operationalized, having respondents provide ideal performances as standards.

There are many different types of norms discussed as appropriate standards of comparison including: ideal expectations, desired expectations, and
FIGURE 2.1
VECTOR AND IDEAL POINT RELATIONSHIPS

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normative expectations. The key element of this entire discussion is that in some cases there are magnitudes of performance that are beyond what a consumer would define as ideal. As such, any magnitude of performance beyond that ideal point will result in lower evaluations of that performance. Therefore, asking respondents for their ideal will always result in a vector function between performance and evaluation. It therefore precludes any magnitude of performance in excess of the ideal which would result in a declining performance-evaluation function beyond the ideal point.

Recall, that the term norm, as defined in this dissertation will continue to mean what conduct ought to be in a particular situation or circumstance. Therefore in the application of any normative standard to varying magnitudes of behavior one must understand that there will be some circumstances in which increasing magnitudes of a particular performance will result in ever increasing evaluations. These are vector functions. However, in many circumstances increasing magnitudes of performance will result in higher evaluations to a point. Beyond that ideal point any further increases in magnitudes of performance will result in decreasing evaluations.

Two other points relative to this dissertation need to be made regarding this performance magnitude-evaluation argument. The first is that according to Parasuraman et al. (1994) these performance magnitude evaluations apply on an individual level. In other words, each individual will have their own personal ideal point at which increasing magnitudes of performances will result in decreasing
evaluations by that consumer (for those behaviors that have an ideal point).
Therefore, a methodology that examines individual ratings of performances is
indicated for research of this nature.

The second point to be made relative to this argument is that there is a
"fatal flaw" in the methodology used to determine vector and ideal point functions.
Both Teas (1993, 1994) and Parasuraman (1994) had respondents rate specific
company attributes/performances on a 1-7 Likert type scale relative to some
statement. For example, "(1) They should have up-to-date equipment." and,
"Their physical facilities should be visually appealing." (Teas, 1993, p. 21). For
just about any firm in the world, it would be quite easy to respond a "7" to either of
these two statements and therefore have a vector function. "Yes, I strongly agree
that the firm should have up-to-date equipment and physical facilities that are
visually appealing." However, if the researcher defines more specifically what is
involved, an ideal point function is likely to occur. For example, if having up-to-
date equipment (a "7") means that the firm must dispose of most of their equipment
on a yearly basis to obtain the latest models, and that increases costs to the
consumer by doubling prices, it is quite likely that the respondent would choose a
response less than a "7." Additionally, if a "7" denotes similar spending to have
physical facilities that are visually appealing, it is likely that an ideal point
something less than a "7" would result in this situation too.

In summary, the ongoing service quality debate, while concerned with
issues not strictly addressed in this dissertation, does address several issues that

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impact the research herein. First, while the topic area of that debate, service
good quality and satisfaction evaluations are closely akin to the topic of this dissertation,
they are separate constructs from that of exchange process evaluation. Second,
there is much evidence in the literature that norms are the appropriate standard for
comparison whether one is exploring satisfaction (the evaluation of a specific
event) or quality (an attitude like evaluation). Additionally, norms are appropriate
standards of comparison for the evaluation of business processes such as
exchange transactions. Third, evaluations of this nature are individual in nature.
Each person will have their own distinct ideal point for increasing magnitudes of
performance. Finally, in order to obtain a function that is capable of capturing an
ideal point as well as vector functions between various magnitudes of behaviors
and evaluations of those behaviors, specific descriptions of the various magnitudes
must be made: a Likert type scale is an inappropriate scale for measurements of
this type.

Exchange Related Social Norms

A review of the literature on norms reveals that there are about as many
variations on the definition of norms as there are persons who write on the subject.
In a rather extensive review on the subject, Gibbs (1981) states that there exists
no one complete definition of norms, yet there is a convergence across the
literatures of sociology and social psychology that is rather striking. Consistent
across much of the literature is the notion that a norm is "... a belief shared to some
extent by members of a social unit as to what conduct ought to be in particular situations or circumstances" (p. 7).

There are two parts to the social exchange norm process that are of primary concern to the marketer. The first of these is the emergence of norms due to what are called externalities of a retailer's behavior. The second is the actual use of the norm as the basis for rewards and sanctions resulting from behavior that conforms or fails to conform to exchange related norms (see Figure 2.2).

The Emergence of Norms

Norms arise because the behavior of one set of actors (retailers in this example) produces externalities (consequences) for others (consumers). This causes those behaviors to be of interest to those who experience these externalities (Coleman, 1990). The store that doubles the price of a product due to an expected shortage produces negative externalities for their customers. Positive externalities for consumers would be evidenced when merchants attempt to reduce inventory at the end of their sales seasons by lowering prices. If the behaviors of the retailers involved produce no externalities for customers (e.g. allowing employee discounts on merchandise), then no consumer held norms will emerge.

Thus, norms will only emerge when three conditions are present (Coleman, 1990). First, an action must have similar externalities (consequences) for a class of consumers. In the examples above, the two pricing situations have externalities for the customers of the stores involved. Since these behaviors on the part of the retailers affect a number of their customers, a social problem is created. In the first
FIGURE 2.2
SOCIAL EXCHANGE NORM PROCESS

Adapted From Coleman (1990)
case in which there are negative externalities, the problem is how (and how much) to affect the behavior (price gouging) that is proving to be harmful (in this case expensive) to others. In the case of behavior producing positive externalities (inventory reduction sales), the problem is how to encourage and increase the behavior, and to what level.

A second condition is that no one person can profitably engage in some form of exchange (threat or offering) to affect the behavior thus requiring collective action. In some cases, behaviors causing externalities for a class of persons can be affected by the influence of a single individual. For example, a customer who makes large purchases in a particular store may be able to use personal influence in the form of a threat (or personal offering) to get that firm to maintain current price levels until wholesale prices start to rise. Yet, only in rare circumstances does one individual have the right (or the influence) to change the behavior of the firm or employee that brings about the externalities.

A third and final condition for the emergence of norms requires a situation in which rights of control over the behavior are difficult to establish. For example, the customers of the retailers in the examples above could not easily force the retailer to maintain a low retail price until wholesale prices rise, or force the retailer to hold inventory reduction sales just to benefit consumers. Only in those cases where these three conditions are present: (a) similar externalities for a group of persons; (b) inability to affect the behavior through threat or offering; and (c) no easy way to obtain rights of control, will a norm emerge.
The emergent norm would be held, in varying degrees, by all those experiencing the externalities derived from the behavior of that employee or firm. However, the retailer or employee who exhibits the behavior that gave rise to the externality may or may not hold or recognize any norm that governs this behavior. Or, that retailer may be insensitive to its application in this situation. Moreover, the externalities that arise from the retailer's behavior may have little or no effect upon that retailer directly. In such a case, an indirect effect may be felt by the retailer in the form of sanction or reward behaviors applied by those consumers who do hold the norm. Thus, in order for retailers to avoid sanctions or reap rewards such as continued patronage, there is a need for an increased understanding of the entire norm formation process.

**Sanctions and Rewards**

The second part of the process involves sanction and reward behaviors applied by those affected by an externality against those whose behavior caused the externalities. A norm is said to operate when (a) there is agreement or consensus about the behaviors that persons or firms should (or should not) exhibit, and (b) social processes to produce adherence to these agreements are available (Thibaut & Kelley, 1959). These social processes take the form of rewards and sanctions (Opp, 1982; Thibaut & Kelley, 1959; Coleman, 1990).

The reward/sanction process is described as follows: situations lead to behaviors on the part of social actors, say retailers, and these behaviors result in externalities to others, such as the consumers with whom they conduct business.
These are the processes discussed in the prior section. Now, based upon a comparison of the actual behavior with norm-prescribed behavior for this situation (in terms magnitude, timing and the parties involved), that retailer's patrons derive evaluations of satisfaction/dissatisfaction with the exchange interaction. The retailer is then rewarded, treated indifferently, or sanctioned by the consumers affected by the retailer's actions. The evaluative outcome (satisfaction/dissatisfaction) may or may not lead to behavioral outcomes depending upon the severity of the perceived norm violation and how closely the norm which prohibits/encourages the behavior is held by the individual. Further, if there are no externalities associated with the retailer's behavior, there will be no norm to violate, and no sanction or reward outcome from the interaction. Thus, satisfaction/dissatisfaction evaluations of exchange rely on a more expanded set of standards than employed to date, and these evaluations also act not only as an input to continued patronage decisions, but to other forms of outcomes as well (i.e. negative word of mouth and boycotts, or positive word of mouth, increased or decreased levels of patronage, and, as described above, evaluations of quality.)

Once the normative process has taken place, should a similar situation arise once again for the retailer, s/he then evaluates the costs and benefits associated with the previous behavior as well as the sanctions and rewards that may come about due to norms held by their customers. Therefore, even though certain retailers may themselves be unaffected by the externalities that cause a particular norm to emerge, they are likely to exhibit behavior that adheres to the
norm if the costs of sanctions arising from their patrons out-weighs the benefits to be derived from the behavior deviating from the norm. Or, the retailer may choose to repeat a previous behavior so as to once again receive the rewards associated with that behavior. Therefore, over time, the behavior of the retailers tends to conform to the perceptions of what behavior "ought to be" in that particular situation as viewed by the consumer group who holds the applicable norm.

For example, a store owner may warn customers of an impending price increase on a particular item and forgo short term profits available due to circumstance. This would be behavior that would conform to the norm of mutuality held by their consumers, and likely be rewarded by continued patronage. It would also avoid sanctions such as negative word of mouth, and loss of patronage that would likely arise if the retailer engaged in opportunistic behavior such as raising retail prices before wholesale costs increased.

In a retail setting, the complete process involves evaluations and actions both by the retailer and the consumer(s). First, the behaviors exhibited by retailers and their employees are likely to have varying effects (externalities) on their customers. For example, a retailer may neglect certain customers who make relatively small purchases in favor of a patron who is likely to make a larger purchase. Because it is unlikely that any one of the neglected customers has enough influence over the retailer to cause a change in this behavior, out of this class of neglected customers a set of standards for behavior on the part of the retailer and his/her employees are likely to emerge: exchange norms. The
standard (exchange norm) in this case is likely to be something like: equal
treatment for all customers. Adherence to this standard will improve customer
satisfaction with the exchange process (among those who hold this norm) thereby
resulting in positive outcomes (rewards) such as increased patronage and positive
word-of-mouth. Violation of this norm (continued neglect of small volume
customers) by the retailer and/or his employees is likely to result in negative
outcomes (sanctions) such as bad word-of-mouth, complaint behavior, and loss of
customers.

Conceptualization Issues

It is important at this stage to point out that social norms are sometimes
(erroneously) described strictly in behavioral frequency terms, neglecting the more
important "ought to be" that norms bring to social order. The use of the term
"norm" as a behavioral frequency is just a statistical matter of regularities or
uniformities. An example of this erroneous use is provided by Gibbs (1981). He
suggests that even if the incidence of shoplifting was greatly increased beyond
current levels, shoplifting would still not be normative shopping behavior. While
increased shoplifting would lead to more uniform behavior (increased regularity), it
ignores the true normative dimension of social order: prescription. Norms indicate
behavior that "ought to be."

This lack of clarity in the use of norms is present in writings by Heide and
John (1990) in which they define norms as "... expectations about behavior that are
at least partially shared by a group of decision makers (p. 34)." Yet, they cite
Gibbs, (1981) who clearly defines norms in terms of behavior that "ought to be" (Gibbs, 1981, p. 1) as the source for their definition. MacNeil (1980) also defines the concept of norm "... not just the way people do behave, but the way they ought to behave as well" (p. 38). He then goes on to state that a "Norm then takes on an additional (and sometimes conflicting) meaning ..."(MacNeil 1980, p. 38). The conflict of which he speaks is easily illustrated in the shoplifting example above in which the act of shoplifting would be (using the MacNeil definition) both a norm and counter to that norm. While norms are likely to result in regularities of behavior because of their prescriptive nature, they should not (a normative statement in itself) be defined in terms of those regularities.

**The Nature of Norms**

It is necessary to note two aspects of norms as discussed in the literature. First, as Jackson (1966) states, behavior should be considered in terms of "norm-ness" or the process of normative regulation. Norms are not things. While a norm may be held or shared by so many persons in a particular area or culture that it appears to be "law-like" in nature, norms are highly subject to individual interpretation and strength. Additionally, an interdependence requires that prescriptions for behavior (norms) vary in light of situational differences. Second, norms are the property of a social system and not any individual actor within that system (Opp 1982). Their conceptualization, according to Coleman (1990) corresponds at the level of the social system to values at the level of the individual.
Each individual will hold the various norms of a social system more or less closely based upon situations, personal relevance, and individual differences.

This second aspect has important implications. First, norms exist outside the individual and are the "property" of a group. Therefore, the individual has little effect in shaping the norm. He or she may hold or adhere to particular norms to varying degrees and exhibit discretion in sanctioning and rewarding behavior covered by that norm, but unlike a value, the norm exists outside the individual. Second, since norms exist at a similar level of abstraction to that of values, similar conceptualization and measurement issues are likely to be faced by the researcher. Subjects are not likely to recognize norms as the basis for their behavior or attitudes toward other's behaviors. Instead, they are more likely to be able to identify what they consider appropriate and inappropriate behaviors even though they cannot point to any particular rule that requires such behavior.

The Character of Norms

While there does not seem to be any discussion of norm dimensions provided in the marketing literature, there does appear to be a definite dimensionality to norms. This dimensionality is, however, indirectly presented in the script literature. The script literature speaks of norm dimensions as "script norms" and discusses them in terms of "characters, props, actions, and order of the actions (timing or sequence)" (Bower, Black & Turner 1979, p. 177). Therefore, since adherence to a particular norm is evidenced through the existence of a particular script for behavior which "ought to occur," and since
scripts are evaluated in terms of the dimensions discussed above, it is therefore reasonable that norms can be evaluated through an examination of scripts using these same dimensions.

The script literature points to norms as a basis for the scripts that persons rely upon to direct behavior and expectations. John and Whitney (1982) state that a script represents a normative structure which can be used to generate schema-relative expectations. In this manner, norms serve as the basis for what behaviors "should be undertaken" under particular circumstances. Therefore, an examination of scripts, behavior which "should be undertaken" in a particular situation, serves as an indicant of the norms that a person holds for behavior under those circumstances.

The standards that consumers use to evaluate the process of the exchange are therefore evaluated in terms of what behaviors should take place in terms of three dimensions. These dimensions are: person, timing and magnitude.

**Person**

This dimension addresses who should be or should not be involved in the behavior. While person is a convenient label for this dimension, it includes the retailer (i.e. Sears or Burger King), and employees of the firm with whom the consumer has contact. Behaviors to meet normative expectations in many cases are spelled out by the firm in terms of codes of conduct, personnel manuals, or rules of the organization. In these cases, behaviors which conform (or possibly fail to conform) to the perceived expectations of the customer are spelled out, many
times in writing, in advance. The retailer part of the person dimension includes in addition to these rules and policies, impromptu decisions on the part of the person representing the retailer as "the manager" or "management."

Employees, as distinguished from "management," also are a part of this dimension. They are the ones who have the greatest opportunity for interaction with the customer. Their personal behaviors, appearances, and actions in behalf of the retailer provide much of what is examined by the consumer in terms of normative evaluations.

A third level of "person" would be the combination of employee and management. Many times consumers cannot distinguish between behavior that is the volition of the employee and those behaviors on the part of the employee that are a direct result of management training or policy. In such case attribution on the part of the consumer is likely to be toward both the employee and management.

**Timing**

Since behavior is a process rather than an event, it unfolds over time. Additionally, this unfolding of a process is somewhat orderly in terms of the elements of that process. Therefore, the next dimension of norms is that of timing: when particular behaviors (or aspects of the overall behavior) should take place.

The script literature indicates that persons have a standard for the order in which various behaviors should happen (i.e. Abelson, 1976; Bower et al., 1979; John & Whitney 1982). For example, one does not expect to have to form queues upon entering a grocery store to be able to select merchandise, only when it is time
to pay for it. However, one does expect to enter a queue almost immediately upon entering a bank to make a transaction. Therefore, one of the dimensions of any norm held by consumers regarding retailers should involve the timing of the various parts of the exchange process.

**Magnitude**

The script literature states that persons involved in situations with which they have experience will have a memory structure (script) that provides for prototypical actors, behaviors, sequence of those behaviors, and expected outcomes. Bower, et al. (1979) state that persons have "... a range of permissible values with a prototypical value..." for each of these dimensions within the script. Therefore the features of each of these prototypes will be somewhat loose; exhibiting variance across different situations. Therefore, as with person and timing addressed above, there will be variance in the levels of particular behaviors that are expected to be exhibited in a particular shopping situation. In this dissertation that variance in the level of the performance of behavior is referred to as magnitude.

The magnitude dimension addresses how much (or how little) of the behavior is involved. Recall from the service quality/satisfaction discussion above that varying magnitudes of performance or behavior lead to varying levels of evaluation. One can be just as dissatisfied with too much help and attention in a department store as with too little. Also, while the consumer feels that there ought to be some flexibility in, say, how long a retailer will stay open after hours to serve
a customer, there is also the expectation that there are limits to the retailer's flexibility (and patience).

Each of these dimensions is operant in any normative evaluation at least to some degree. It is the violation of what "ought to occur" along one or more of these dimensions that leads to satisfaction or dissatisfaction and ultimately to positive or negative outcomes.

**The Structure of Norms**

An important point of departure for this discussion of the structure of norms is to once again provide the perspective from which this dissertation is examining exchange norms: that of the consumer. This perspective is important to keep in mind because it determines from whom norms arise and whose behavior they are meant to affect. Therefore, consumer based norms will be such that they guide retailer's behaviors to the benefit of the consumers with which they conduct exchange transactions over time.

As stated earlier, there has been very little research performed concerning consumer based norms. That which has been done at the consumer level relates to product or service rather that process evaluations (Cadotte, et al. 1987; Tse & Wilton 1988; Woodruff, et al., 1983; Prakash & Lounsbury, 1984; Westbrook & Cote, 1979; Cronin and Taylor 1992. However, there has been a good bit of research on norms of exchange among people in general, persons in relationships, and among channel members (cf. Kaufmann & Stern, 1988; Sethuraman, et al., 1988; MacNeil, 1980; Heide & John, 1992; Dant & Schul, 1992). Yet, because
virtually all of this literature involves a perspective other than that of the exchange process between the consumer and retailer, much of the previous research will have to be reconceptualized to provide the appropriate perspective.

The names and descriptions of norms associated with exchange behavior and relationships vary widely from author to author throughout the literature. There are many differing behaviors that the literature has cited as being a part of the process of how exchanges and exchange relationships proceed over time. While the names given to the various normative categories in the literature are quite diverse, descriptions of the behaviors involved revolve around four main themes that are applicable to consumer based norms. Those four are: (a) mutuality, (b) appreciative behaviors, (c) flexibility and helping, and (d) seniority. Each of these will be discussed in turn below.

Mutuality

Virtually all writers suggest that exchange behavior must be based upon a norm of mutuality and fairness in which both parties to the transaction benefit from any exchange. Stinchcombe (1986) states that both parties benefit under any norm of mutuality. Both parties come out of the individual exchange transaction with what they perceive as increased value. Additionally, adherence to the norm of mutuality leads to a reputation for fairness, which can be of great benefit to both obtaining and maintaining customers.

Yet, within these discussions of even-ness and fairness of exchange to the two parties involved, there appears to be a distinction between an immediate
accounting of the proceeds of the exchange, and a more long run conceptualization which involves standing behind what was given up in the exchange.

Opportunism. Kaufmann and Stern (1988) refer to mutuality between exchange partners as a norm that "... while not requiring equality in the division of the exchange surplus, requires an 'even' distribution that assures adequate returns to each" (p. 536). If the exchange is discrete in nature, there is an immediate accounting at the end of the transaction. However, long term relationships are more likely to make periodic assessments of the entire exchange relationship.

There are two main types of stress that threaten the maintenance of an exchange dyad (Thibaut & Faucheau, 1965). They are: (a) the conflict of interest between the two parties in which each attempts to obtain the most from an exchange and (b) improved alternatives outside of the dyad if one of the exchange partners becomes too opportunistic in their behaviors. While there is a constant stress on the retailer to improve their share of any outcome in an exchange, the many alternative sources available to today's consumer help to insure adherence to a consumer held norm of mutuality (a norm of counter- or anti-opportunism).

Produce a Good Product and Stand Behind It. Another facet of mutuality is that of providing good items of trade, and standing behind them and the terms of the exchange. Macaulay (1963) and Evan (1963) speak of norms as a means of not having to resort to law and contract for the conduct of exchange. By consumers having and retailers adhering to a norm of mutuality, this reduces the
need for many formal contracts and cuts down on reliance on the court system to settle disputes. Additionally, as mentioned above, long term relationships are examined periodically. Adherence to this norm of mutuality helps in the maintenance of the exchange relationship and serves to improve the reputation of fairness for the retailer.

Appreciative Behaviors

MacNeil (1980) and Kaufmann and Stern (1988) refer to a norm that they call solidarity. It involves behaviors, in this context, that are designed to promote loyalty and long term relationships between exchange partners. While it is quite likely that retailers do hold a norm of solidarity, an unwritten rule that would require their customers to remain loyal, Thibaut and Kelley (1959) suggest that adherence to norms contributes to solidarity, but they state that from a consumer point of view, there is no norm of solidarity.

Considering the vast array of alternative retailers that carry similar items for exchange, it is reasonable to assume that there is no norm held by consumers that would bind them to a particular retailer. However, since there is a dependence on consumers by the retailer for their very existence, retailers tend to exhibit various behaviors designed to promote continued patronage of their customers. According to Thibaut and Kelley (1959), the greater dependence upon a set of customers, the greater the pressures on retailers to provide behaviors that are appreciated by the consumers. The less dependence that a particular retailer has upon a group of
customers for their livelihood, the less likely they are to seek out and provide behaviors demanded by their customers.

So, while there may indeed be a norm of solidarity held by retailers, consumers will hold to a norm of appreciative behaviors. This norm requires that the retailer determine and provide those behaviors desired and enjoyed by their consumers so as to retain their patronage. In other words, it is a norm held by consumers that retailers perform various acts to show consumers that their continued patronage is appreciated.

**Flexibility and Helping**

Quite a number of authors have suggested that exchange relationships are likely to include a norm of flexibility and helping. This norm as would be held by a consumer refers to the retailer varying aspects of the exchange to better meet the needs of a particular customer or group of customers. Lamm & Schwinger (1980), Mills & Clark (1982) and Thibaut and Kelley (1959) even talk about helping being the basis for many types of relationships. Three specific aspects of this norm appear to have relevance to a consumer based norm: flexibility, role diligence, and product/service knowledge.

**Flexibility** The specific needs of consumers vary greatly across individuals. Because of this variance in needs, a norm exists among consumers that retailers should vary their behaviors, products, and even conditions for exchange (at least to some degree) based upon the specific needs of the individual consumer. While some variance is expected due to this norm, consumers, according to the script
literature (i.e. Bower et al. 1979; John & Whitney 1982) do have expectations that exchanges will have some structure; the behavior of the retailer will have some predictable structure.

**Role Diligence**  As a part of that exchange structure referred to above, consumers feel that retailers and their employees should provide some level of help to their customers. This may take the form of spending time learning and trying to fill the needs of the customer, checking for specific items and sizes, and showing products to the customer.

**Product/Service Knowledge**  A final aspect of flexibility and helping is the expectation that the management and employees of a store should have a certain level of knowledge about the products that they handle, services that they provide, and the layout of their store. Consumers feel that retailers should be knowledgeable enough to offer advice, explain or demonstrate how various products work, and know where items are located in their store.

As suggested by MacNeil (1980), norms are likely to vary based upon the expected length of the exchange relationship. Discrete relationships, ones in which no further contact or future exchange is expected are likely to exhibit lower levels of flexibility and helping. Longer relationships, and those that are expected to exist into the future are likely to evidence more use of this norm in the interaction between the retailer and his/her long term customers and clients. The periodic accounting of the entire exchange relationship in non-discrete transactions as suggested by Kaufmann and Stern (1988) in the discussion of mutuality above is
likely to include an assessment of the amount of flexibility and helping that the retailer provided to the consumer over time.

It is, however, important to note, as suggested by Stinchcombe (1986) that firms are always in continuous exchange. Except for those firms who are in the unique position of knowing that their patrons are transient, the management of firms usually do not know how long an exchange relationship will last. Therefore, in order not to violate this norm, they must assume that all exchanges have the potential of being long term. This requires that the retailer provide some level of flexibility and helping to all customers.

Seniority

Finally, while not widely discussed across the literature, a norm of seniority is proposed by Stinchcombe (1986). When viewed from the position of a consumer, it might better be referred to as respect for time because it is evidenced in behaviors on the part of the retailer or employees that show an appreciation for the time invested in an exchange by the consumer.

This norm addresses many issues which include management not allowing persons to break ahead in queues, actions to reduce waiting times, not having to produce identification to pass a check in a store where one has done business for years, and other activities on the part of the retailer to show an appreciation for the time that has been invested in an exchange or an exchange relationship by a consumer.
The Return Potential Curve for Norms

Recall in the discussion above on service quality and service satisfaction that researchers based a part of their argument about SERVQUAL on the functional relationship between performance and service quality (i.e. Teas, 1993, 1994; Parasuraman et al. 1994). These authors discussed three basic functional relationships between perceived performance level and service quality (see Figure 2.1). The first two of these are vector functions, one a positive relationship between perceived performance and service quality and the other a negative relationship. The third function is that of an ideal point function in which the function takes the shape of an inverted V.

A similar functional relationship has been discussed in the norm literature for some time. Jackson (1966) has provided a model for norms that he refers to as a Return Potential Model. As illustrated in Figure 2.3, the return potential model has on its Y-axis the approval rating ranging from high levels of disapproval at the bottom through a region of indifference in the center to high levels of approval at the top. The X-axis is what Jackson refers to as the behavioral dimension, or the magnitude of the behavior in question.

In what would be considered a typical return potential model for norms, extremely low levels of some behavior result in high levels of disapproval. As the magnitude of this behavior increases, disapproval decreases until it reaches a range at which the evaluation of the behavior is indifferent. Further increases in magnitude produce increasing approval ratings to the highest point on the curve.
- Hypothesized Reaction Schedule to Most Normative Evaluations
- Expresses Concept of Ideal Points

Level of Satisfaction

Highly Approve

Indifferent

Highly Disapprove

MAGNITUDE OF BEHAVIOR

FIGURE 2.3
TYPICAL RETURN POTENTIAL CURVE
which represents the ideal behavior. Jackson points out that this ideal point is considered by many to be the norm, but actually it is preferable to think of the entire return potential curve as the norm since it represents the reaction to that behavior at all levels of magnitude. Increasing magnitudes of behavior beyond this ideal point receive ever decreasing approval ratings and at some point will move back through the zone of indifference back into the area of disapproval.

Jackson suggests that in addition to the ideal point version of the return potential curve that there are other curves that represent normative reactions for such aspects of behavior as rights and duties. These are depicted in Figure 2.4 and Figure 2.5. An example of a right such as depicted in Figure 2.4 would be an employee's right to take off work for lunch as viewed by a consumer. While consumers realize that the employee is due some time off for lunch, they are rather indifferent to this behavior unless the employee is gone too long. In such a case, the employee is carrying his or her right too far and receives an ever increasing disapproval rating for increasing levels of this behavior.

Duties (See Figure 2.5) have relatively strong disapproval ratings for low levels of behavior, a fairly lengthy range of magnitude which brings relatively indifferent ratings, and then finally increasing approval ratings at high magnitudes of this behavior. Since a duty is, by definition, what is expected to be done, it seems intuitive that intermediate levels of magnitude would receive only slightly better than indifferent ratings. It is only when exceptional care or effort is put into a duty that high approval ratings are received.
- Other Party Has the Right to Perform a Behavior To Some Maximum Threshold Level
- Behaviors Perceived as Beyond This Maximum Threshold Are Deemed Dissatisfying

Example: Retailer Making a Profit on His Wares

Level of Satisfaction

![Figure 2.4: Response Curve for Behaviors Perceived as Rights](image)

Figure 2.4: Response Curve for Behaviors Perceived as Rights

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- Small Levels of Satisfaction if Behaviors Performed at Least Above Some Minimum Threshold Level
- Only Low Levels of Satisfaction Until Some Higher Level Threshold is Reached
- Rapidly Increased Levels of Satisfaction Above the Upper Threshold

Example: Duty to Provide Service After the Sale

Level of Satisfaction

Highly Approve

5
4
3
2
1
0

Indifferent

0
-1
-2
-3
-4
-5

Highly Disapprove

MAGNITUDE OF BEHAVIOR

FIGURE 2.5
RESPONSE CURVE
FOR BEHAVIORS PERCEIVED AS DUTIES
It is interesting to note that Jackson does not recognize a vector function for any behavior. The response function for all types of behaviors either declines markedly as with the ideal point of inverted V function, or flattens or levels out as depicted in the duty function.

The Model

The conceptual model proposed by this dissertation derives from a need to more fully explain all of the aspects of the exchange that impact satisfaction and ultimately continued patronage. While the marketing literature has examined satisfactions derived from product- and store-based attributes, it has failed to examine the satisfaction that is obtained by the consumer from the exchange process itself. It is, therefore, the purpose of this dissertation to provide a model of those elements of the exchange that lead to process satisfaction for the consumer.

The process elements of each exchange are evaluated by the consumer based upon a set of standards for exchange related behaviors: social exchange norms. Actual behaviors on the part of the retailer and/or the employees of that retailer are compared to the norms that consumers have for those categories of behaviors. Failure to provide behaviors that meet the norms of consumers results in dissatisfaction with the exchange process and possible sanctions. Adherence to these norms by the retailer results in satisfaction with the exchange process and rewards for the retailer in terms of continued patronage. (See Figure 2.6).
FIGURE 2.6
PROPOSED NORMS OF CONSUMER EXCHANGE
Research Questions and Propositions

Recall from Chapter 1 the basic nature of the research questions posed at that time:

RQ1: What is the character of exchange related norms as employed by consumers in their evaluations of the exchange processes?

RQ2: How do social exchange normative evaluations of exchange related behavior affect the transaction outcomes and patronage behavior intentions?

The preceding discussion now provides the basis for a set of propositions pertaining to the effects and character of norms.

Effects

In the interaction between two social actors, norms determine what behaviors should occur. Norms emerge from externalities of particular behaviors and their effects (both positive and negative) on others. Therefore, behaviors which conform to these norms should be evaluated as more satisfying than behaviors that run counter to norms. Since behaviors counter to norms are associated with negative externalities and behaviors exhibited in accordance to norms are associated with positive externalities, the following propositions are suggested:

P1: Behaviors counter to the exchange related norms held by a person result in negative outcomes.

P2: Behaviors in accordance with exchange related norms held by a person will result in positive outcomes.

(Cronin & Taylor, 1992; Gibbs, 1981; Coleman 1990; Thibaut & Kelley, 1959; and Opp, 1982)
Dimensions

Scripts are structures that describe a set of behaviors that should occur in a particular context and therefore represent a normative structure for a particular sequence of events (John & Whitney 1982). Scripts are evaluated along a number of dimensions including: the person(s) or organization that should exhibit that behavior, the magnitude of the behavior, and the timing of the behavior. Deviation from what should occur in any one or combination of these dimensions is therefore likely to affect satisfaction with the overall process.

P3: Person, in terms of management, employee, or both will have an effect on the evaluation of norm based behaviors.

P4: Magnitude, in terms of the level of the behavior exhibited by the retailer will have an effect on the evaluation of norm based behaviors.

P5: Timing, in terms of when specific behaviors occur within an exchange transaction will have an effect on the evaluation of norm based behaviors.

(Bower, et al., 1979; John & Whitney 1982; and Abelson, 1976)

Structure

As discussed above, the structure or categories of norms identified in the literature vary widely in name and description. They involve norms which require specific actions, norms related to attitudes toward the customer, as well as norms which affect the exchange experience. However, they appear to fall into four main categories. Based upon this discussion, the following proposition is offered:
P6: The norms employed by consumers in the evaluation of exchange transactions will fall into the categories of mutuality, appreciative behaviors, flexibility and helping, and seniority.


Shape

The discussion of service quality and satisfaction functions has suggested that the evaluation of behaviors at various magnitudes will vary based upon whether that behavior is viewed by the consumer as having an ideal point, or it is seen as having no upper limit of magnitude that will result in a declining evaluation. While Jackson (1966) has suggested that most of these functions will result in an ideal point inverted V shaped curve, he has not ruled out the existence of a vector curve. The distinction between how these two types of behaviors are viewed appears to be whether or not they are predominately task- oriented or person- oriented. The anti-opportunism portion of the mutuality norm, respect for time, and appreciative behaviors are more aimed at the consumer part of the process. As such they seem less tangible, more aimed at creating attitudes, and have relatively less to do with actually providing a functional service. They therefore appear to have almost no upper limit to the magnitude of the behaviors associated with these norms that would produce increasing levels of approval. On the other hand, the providing a good product and standing behind it portion of mutuality and all three parts of the flexibility norm are more task-oriented. As such their effects are more
tangible and more aimed at performing the functional aspects of the service involved. These it appears would therefore have ideal points. Based upon this discussion, the following propositions are offered:

P7: The anti-opportunism portion of mutuality, respect for time, and appreciative behaviors will have a return potential curve that approximates a vector function.

P8: The providing a good product and standing behind it portion of mutuality and all three parts of the flexibility norm will have a return potential curve that approximates an ideal point function.

(Teas, 1993, 1994; and Parasuraman, et al., 1994)

Conclusion

From the preceding discussion, it is clear that while there has been a great deal of research that has examined satisfaction with product- and store-related attributes, there is a need to examine the outcomes of evaluations of the exchange process itself. Therefore, this dissertation concerns itself with an examination of process satisfaction and the standard by which exchange processes are judged: social exchange norms.

The following chapter discusses the two phase methodology employed, the operationalizations of the variables and levels involved, the conjoint pretest, and the results obtained in all of the pretest phases.
CHAPTER 3

METHODOLOGY AND RESULTS:
PHASE I - QUALITATIVE METHODOLOGY

The exploration of the exchange transaction process and the use of norms as the standard by which these processes are judged is new to the literature. While there are some norm related writings in social psychology, sociology, and in the distribution channels area of the marketing literature, research in the area of normative evaluations on the part of consumers in the retail exchange must begin at the exploratory level. Therefore, research for this dissertation was divided into two distinct phases.

The first phase of this research is qualitative in nature, designed to determine the character of exchange related norms as used by consumers. By this what is meant is that the first phase of the research is designed to determine the character of norms and the behaviors that are associated with specific norms. The second phase employs quantitative techniques to further examine these norms and to discover how they are used by consumers in evaluating the exchange process. The following sections describe the methodology utilized in each of these two phases of research.

Phase I Qualitative Research: Overall Goal

As discussed above, there has been a relatively large body of research performed to examine in general the characteristics and use of norms. However, the research in this area thus far has failed to examine the use of norms as the consumer's means of evaluating exchange processes. While what the literature
has provided about norms is useful in understanding their general character, it
does not provide a conceptual framework directly applicable to understanding
consumers in retail exchanges. Therefore, a qualitative exploration is a necessary
first step in the understanding of the consumer's use of exchange related norms in
the evaluation of exchange processes.

Phase II Quantitative Research: Overall Goal

Once a conceptual framework for consumer level norms has been
established in the qualitative phase of this study, it then becomes necessary to exame
how norms impact consumer satisfaction. Once again, the literature to date has not examined this aspect of the exchange process.

Therefore, the quantitative phase of this research is designed to determine the effects of consumer norm based evaluations of exchange related behavior on satisfaction with an exchange. This will give marketers an appreciation of how consumers' norm rated evaluations retailer behaviors affect satisfaction with the exchange process.

Objectives of Phase I

In order to adequately assess the effects of norms in exchange related situations, one must first develop an understanding of their nature. Therefore, the overall goal for the first phase of the study is to discover and attempt to analyze the nature and use of norms of exchange related behaviors. In order to accomplish this, the qualitative research must begin with an exploration of the three basic elements involved: a) the setting, b) the behaviors, and c) the norms.
The Setting

A key aspect to the use of norms in this dissertation is that they are applied to exchange related situations to study the process between the parties involved. The setting therefore becomes an important aspect of the overall study.

While exchange situations have been studied before and form much of the basis for norm research (i.e. Thibaut & Kelley 1959; Thibaut, 1968; Thibaut & Faucheux 1965; and Macaulay 1963), one of the most common settings for exchange related behavior has been virtually ignored: the retail setting. People conduct numerous exchange transactions with retailers on a daily basis and become involved with the behavior of the retailer and his/her employees to some varying degree in each.

Yet, not all exchanges are alike. They vary along many lines that are likely to affect the process to be evaluated. Therefore, the first objective for this section is to examine exchange settings and determine what impact settings may have upon the use of norms. This information can then be used to select an appropriate retail environment for use in Phase II.

The Behaviors

As discussed above, norms emerge due to behaviors on the part of retailers and these behaviors directly or indirectly affect their consumers. There is a vast array of behaviors that can be exhibited by retailers and their employees across the different types of exchanges. Each of these behaviors is likely to have at least
some impact upon consumers; some significant enough to produce norms designed to encourage or discourage reoccurrence of these behaviors.

While the formation of exchange related norms is important and a worthy topic for research, it is beyond the scope of this study. The current research examines the application of norms in a retail context, not the process of norm formation.

In order to learn more about norms of exchange, one must discover the nature of the behaviors from which they emerge. Therefore, a second objective of the qualitative research is to determine the types of behaviors that are involved in the processes to be evaluated by the consumers.

The Norms

While there has been a multitude of norms discussed in the literature, many of these are not directly related to exchange behavior. Those that are related to exchange have mainly been examined in game settings (i.e. Thibaut & Kelley, 1959), social order (i.e. Elster, 1989; Gibbs, 1981; Brienbaum & Sagarin, 1976), contract law (Macaulay 1963; Evan, 1963; Kaufmann & Stem, 1988) or channel behavior (Heide & John 1992; Anderson & Narus, 1984). Because of this research, much is known about the emergence, process, and use of norms in general, but little is known about the character of the norms of exchange as related to the individual consumer.

Examination of the norms used by people in retail encounters requires that norms specific to this particular behavior be identified and explored to determine
their unique nature. Therefore, the third and final objective of the qualitative portion of this study is to more fully define and describe the character of norms that are used by consumers in the evaluation of exchange process related behaviors. This will be done not only conceptually, but also in terms of specific behaviors associated with these norms.

Procedure

In order to accomplish the objectives presented above, a number of tasks have been accomplished. The following section details the considerations, choices, and methods that were involved in defining the proper settings, behaviors and the norms of exchange.

**Determination of the Proper Setting**

The initial steps involved in the determination of an appropriate setting for the exploration of norms involved an examination of the literature to determine if there are classification systems that portray basic dimensions of exchange that would impact the use of norms. Three different classification systems were selected for further examination because of their likely impact on the exchange process and therefore the use of exchange related norms. These classification systems included: a) the amount of consumer/provider participation in the process, b) the amount of risk and effort involved in the purchase, and c) a four stage consumer behavior process model for services.

All of the settings considered for use in the study will be examined relative to these three classification systems. These systems will serve as the criteria for
use in the determination of an appropriate setting. The rationale and use of each system in the selection of a setting is discussed in the following sections.

**Consumer/provider Participation**

The examination for a proper setting started with the notion that there needed to be "plenty of process" to be evaluated. It is the goal of this research to examine the process of behaviors between the consumer and the retailer. Behaviors exhibited by these two parties are reflected in the norms of the exchange. The exchange itself must involve adequate levels of behavior on the part of both the retailer and the consumer beyond the physical exchange of the product. It is important to note that this study does not concern itself with product norms versus process norms; it is an exploration of only the process norms. Therefore, in order to be considered, the setting must be one in which both parties to the exchange process have ample opportunity for participation.

Figure 3.1 shows a three by three matrix based upon a classification system developed by Lovelock (1983). This matrix allows for the examination of exchanges in terms of the amount of participation in the process by the two parties involved.

*Of the nine cells that are produced in the three by three matrix, it was decided that only four, those with combinations of high or medium levels of participation by the two exchange partners will be considered.* The reason for this interaction with the consumer. Additionally, it would exclude retail outlets where the consumer had little participation in the exchange. Included in this group would
### CONSUMER/PROVIDER PARTICIPATION MATRIX

<table>
<thead>
<tr>
<th>Level of Consumer Participation</th>
<th>High</th>
<th>Medium</th>
<th>Low</th>
</tr>
</thead>
<tbody>
<tr>
<td>High</td>
<td>Full Service Shoe Store</td>
<td>Fast Food Restaurant</td>
<td>Dry Cleaner</td>
</tr>
<tr>
<td></td>
<td>Department Store</td>
<td>Drug Store</td>
<td>Shoe Repair Shop</td>
</tr>
<tr>
<td>Medium</td>
<td>Mass Merchandiser</td>
<td>Office Supply Store</td>
<td>Photo Developing</td>
</tr>
<tr>
<td></td>
<td>Grocery Store</td>
<td>Discount Hardware</td>
<td>Auto Parts Store</td>
</tr>
<tr>
<td>Low</td>
<td>Self Service Shoe Store</td>
<td>Convenience Store</td>
<td>Mail Order Catalog</td>
</tr>
<tr>
<td></td>
<td>Discount Clothing Outlet</td>
<td>Self Service Gas Station</td>
<td>Automated Car Wash</td>
</tr>
</tbody>
</table>
be retail outlets that provided service primarily to products, and the consumer did little more than drop them off for servicing, or settings where service was provided in the owner's absence.

**Involvement**

It was reasoned that the setting in which the study should take place should be selected such that it would require extended problem solving, be highly involving, and therefore be memorable to the consumer. What was to be avoided was the routine, repetitive, low involvement situation which required little thought and only routine behavior on the part of the consumer. It was determined that the classification system used for products might be an effective way of increasing the likelihood that prior exchanges conducted in this type of setting would be memorable and therefore provide a useful frame of reference for respondents. Murphy and Enis (1986) classify products into three categories (convenience, shopping, and specialty) based upon the variables of risk and effort.

Depending upon the nature of the product involved, consumers perceive increased risk associated with their purchases. Perceptions of increased risk may be due to financial, performance, physical or social considerations (Bateson 1991). Whatever the nature of the risk, consumers are willing to provide more effort in the proper selection of products as one moves across the continuum from convenience, through shopping, to specialty goods.

Because of the increased risk involved and the increased effort likely to be expended on the part of the consumer, it was considered that the higher risk, more involving exchanges were more likely to be memorable to the consumer.
Additionally, those exchanges viewed as more risky by the consumer are more likely to carry more serious consequences for behavioral violations. This should result in more reliance on normative evaluations of the process by the consumers involved. Therefore, only those retail outlets providing predominantly shopping and specialty goods were considered for inclusion in the study.

**Consumer Behavior Process**

Recall, once again, that this study involves the evaluation of a process. Since that process unfolds over time, it was also considered important to determine if specific norms only pertain to portions of the process.

At this point, the full structure or range of norms relating to consumer exchanges was not yet known. However, as discussed above, the literature does provide descriptions of a number of norms that appear likely to be found operating in retail exchanges. They include: mutuality/fairness, appreciative behaviors, flexibility and helping and seniority. While they may not represent the full range of norms applicable to the retail setting, they are likely to be representative of what is to be found.

In order to examine these norms across the exchange process as it unfolds, yet another classification system was employed. Bateson (1991) discusses a three stage model of consumer behavior relative to services. The three stages include pre-purchase (need recognition, search, alternative evaluation), consumption, and post-purchase evaluation. Since the purchase of services is usually considered simultaneous with their consumption, purchase was not included in his
classification scheme. However, in order to include those retail transactions in which goods are involved, a purchase stage was also included in the process model used in this study. These stages and the proposed norm categories are depicted in Figure 3.2.

A large number of exchanges involving approximately fifty different retail establishments were examined across these four stages (pre-purchase, purchase, consumption & post-purchase). Most of those examined met the criteria for high involvement exchanges (the four cells selected out of the three by three matrix) as outlined in the previous section.

From this examination it appears that mutuality/fairness appears mainly to be a norm affecting purchase, consumption and post-purchase phases of the exchange. This occurs as consumers evaluate what they have received (are receiving) in the process relative to what they gave up. It also appears that the more relational (versus discrete) that the exchange is, the more that mutuality/fairness is spread across all of the stages and not just concentrated in the purchase stage.

It appears that appreciative behaviors is most evident in terms of pre-purchase advertising and post-purchase attempts on the part of the retailer to tell the consumer that their continued business is appreciated. Appreciative behaviors therefore appears to be more of a formalized policy in that many retailers use
<table>
<thead>
<tr>
<th>Stage of the Process</th>
<th>Appreciative Behaviors</th>
<th>Flexibility</th>
<th>Mutuality</th>
<th>Seniority</th>
</tr>
</thead>
<tbody>
<tr>
<td>Prepurchase</td>
<td>Yes</td>
<td></td>
<td></td>
<td>Yes</td>
</tr>
<tr>
<td>Purchase</td>
<td></td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Consumption</td>
<td></td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Post Purchase</td>
<td>Yes</td>
<td>Yes</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Yes = Appropriate for Study
No = Inappropriate for Study

Adapted from Bateson (1991)
communication efforts to maintain the relationship with little specificity to the individual consumer.

The flexibility and helping norm is most evident in the purchase and consumption stages where the retailer is most likely to have direct contact with the consumer and can therefore react to the special needs of the consumer. As opposed to appreciative behaviors which seems an undifferentiated "ya'll come back now, ya hear," flexibility is customized to the individual. It therefore is more apparent in the face to face interactions that are more likely to take place in the purchase and consumption stages.

Finally, seniority is most likely to be evident in pre-purchase and purchase stages of the exchange process as special recognition of time devoted to the exchange is recognized in retailer behaviors. Having sales in which only long time customers are invited, making purchase easier, recognition of the individual customer, easier appointments, and similar behaviors appear to be how this norm manifests itself.

It was therefore decided that the retail setting will require at least some opportunity for the consumer and retailer to become involved in each of these stages in order for the norm to have a chance to be operative. This appears to be an important consideration, particularly in the case of appreciative behaviors and seniority in that there may be little opportunity for these norms to function if pre-purchase and post-purchase are only minor parts of the exchange. In such a case,
it appears that much of the norm related activity would be confined to behaviors related to flexibility and mutuality.

**Summary and Conclusions**

The above discussion suggests a number of criteria that need to be considered in the ultimate selection of a setting in which to explore the use of norms by consumers:

1. First, the setting should involve a retail establishment that due to the product involved requires moderate to high levels of participation in the exchange on the part of both the retailer or his/her employees and the consumer. This will help to insure that there is "plenty of process" for the consumer to evaluate.

2. Second, the exchange should take place in a retail setting that predominately supplies shopping and specialty goods as opposed to convenience goods. The increased amount of risk and effort that is required on the part of the consumer to obtain these types of goods is likely to make the exchange, and therefore the process involved, more memorable to the consumer.

3. A third criterion for the selection of a setting is one that provides an opportunity for the consumer to become involved in all four stages of the exchange process: pre-purchase, purchase, consumption and post-purchase. Since it is possible, as discussed above, that some of the norms may not be as operative in specific phases of the process, choosing a setting that would include all phases of the exchange process is also important.
While these constraints upon the choice of a setting for the exploration of normative evaluations do eliminate some types of retail outlets (convenience stores, vending, arms-length transactions), there are still a wide variety of settings available for this initial exploration. Many if not most product or service based retail outlets will easily meet these criteria.

**Determining the Character of Norms and Associated Behaviors**

Since there has been little if any research of the use of norms at the consumer level, the second and third objectives of the qualitative portion of this study were to define and describe the character of the norms that are utilized by consumers and to develop a listing of the types of exchange related behaviors associated with each. Toward these ends, a number of tasks were undertaken. The first was the development of a tentative detailed definition for each of the expected norms and a listing of the behaviors that are felt, at this time, to be associated with each. The second task was a demonstration that norms do not become relevant in a normal shopping trip. The third task was to determine the type of qualitative method that would be best suited to gathering information about the character of norms. The fourth step is the development of an instrument and data collection process based upon the methods selected. Step five is the actual collection of data. The final step is the analysis of the data collected. Each of these tasks will be examined in turn in the following section.
Proposed Definitions and Behaviors

While the literature does not provide a set of norms and definitions used by consumers in the evaluation of consumer norms, it does suggest norms that appear to be appropriate for that context. The definitions and meanings suggested by these writings do, however, offer a starting place from which the current research can proceed. The following section draws upon the literature and proposes some tentative definitions for each of the norms and some likely behaviors expected to be associated with each (See also Table 3.1).

Mutuality/fairness. This norm would involve the concept of the retailer making sure that his/her consumers receive a total product combination that is of at least equal value to the something of value that the consumer gives up. It would include the honoring of commitments, and standing behind products (goods, services and ideas) that are provided in the exchange, not welshing on a deal, and the concept that the retailer's word (handshake) is as good as a contract.

This norm would be the opposite of opportunism (Macaulay 1963). It moves away from a tit-for-tat accounting (whereas solidarity moves toward tit-for-tat), and more toward an attitude or overall evaluation of fairness (Kaufmann & Stern 1988). Thibaut and Faucheau (1965) call it equity and fair sharing, Lamm and Schwinger (1980) call it a justice norm and talk of it in terms of equal contributions, allocations and allocation according to need. This norm is likely to be evidenced in behaviors such as: return policies, replacing or repairing damaged goods, carrying good merchandise (relative to that store's target market), and finding a substitute product.
<table>
<thead>
<tr>
<th>NORM</th>
<th>DEFINITION</th>
<th>ASSOCIATED BEHAVIORS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mutuality/ Fairness</td>
<td>Efforts to insure equal value in that which is given by both parties to an exchange, standing behind commitments, and not exhibiting opportunistic behaviors.</td>
<td>Fair return policies, replacing or repairing damaged goods, helping consumers to get more for their money, giving more than is expected, and passing along &quot;deals&quot; to customers.</td>
</tr>
<tr>
<td>Appreciative Behaviors</td>
<td>Behaviors on the part of the retailer intended to show the customer that his/her patronage is appreciated and that they wish the exchange relationship to continue.</td>
<td>Periodic contact with customers through catalogs or letters, providing in-store credit, taking back merchandise for which the retailer will receive no credit, keeping appropriate and accurate records on customers, and telling the customer that their business is appreciated.</td>
</tr>
<tr>
<td>Flexibility/ Helping</td>
<td>Customization or deviation from the standard offering of the retailer done to address a specific need of a particular customer.</td>
<td>Varied payment methods, staying open late or opening early for a customer, calling other stores to locate an item not carried, taking special orders, breaking sets, fabricating a product to meet a specific need, offering delivery.</td>
</tr>
<tr>
<td>Seniority</td>
<td>Behaviors acknowledging time invested on the part of the customer in the exchange relationship or in a specific exchange.</td>
<td>Special sales for long time customers, learning customers' names and using them, not requiring ID to pay with a check, taking customers in order of arrival, taking in-store customers ahead of phone customers, senior citizen discounts, and remembering specific needs, sizes, tastes, etc. of the customer.</td>
</tr>
</tbody>
</table>
(possibly better) for an advertised item that has been sold out. A retailer exhibiting high levels of mutuality would also pass along deals in terms of lower prices on to consumers, tell a customer how they may save money by buying one combination rather than another, filling the container with more than might be expected (similar to lagniappe or a baker’s dozen), and providing a service until it is done right even if it means working late. It would also mean sticking to their word, such as opening an additional check-out lane when there are more than three in a line if there is a sign posted that says the retailer is going to do so.

**Appreciative Behaviors.** The appreciative behaviors norm would involve actions intended to indicate to the consumer that the retailer values and wishes to maintain and nurture the relationship that exists between that retailer and the consumer. MacNeil (1980) calls this solidarity, but Thibaut & Kelley (1959) state that solidarity is not a norm. From a consumer point of view, it would appear that this is right. A norm of solidarity would arise only in the unusual circumstance when there is an exchange relationship in which the consumer is dependent upon the retailer. Otherwise, consumers are not likely to hold any norm that binds them to any one retailer.

In a business to business exchange context, there is an opportunity for the norm of solidarity to arise on the part of a consuming firm. The firm that purchases from a supplier will adhere to a norm of solidarity in order to ensure that there is an uninterrupted flow of goods and services from that supplier. On the other hand, consumer exchanges are more likely to take place in a climate in which there is an
asymmetrical dependence relationship between the consumer and the retailer. The retailer is dependent upon the consumer and desires that the consumer be dependent upon the retailer. Yet, in the modern marketplace, consumers are seldom dependent upon any one retailer.

However, consumers are likely to expect retailers to do things (appreciative behaviors) to keep the customer coming back. It does seem that there are behaviors performed by the retailer that are aimed at keeping the relationship together. For example, a store may give an exchange on an item that has been damaged, but worn too long for the store themselves to receive any credit if they returned the item to the manufacturer. The retailer would likely see this as adhering to a set of behaviors designed to create a norm of solidarity in their customers, while the consumer would likely view the event as appreciative behaviors on the part of the retailer.

Some behaviors that are likely to be associated with the appreciative behaviors norm are: maintaining an outlet in an area with a declining business, contacting the consumers regarding deals or providing a periodic catalog/newsletter; having in-store credit, taking back merchandise for which the retailer knows that he will receive no credit, telling the consumer that "we appreciate your business," and keeping appropriate and adequate records on the consumer and using this information to better meet that customer's needs. Additionally, this norm may be evidenced in sending reminder cards for appointments, sales, and to say, "We haven't heard from you in a while."
also involve memberships available for all customers with reduced rates for members.

**Flexibility and Helping.** The flexibility and helping norm requires a customization or some deviation from the standard offering provided by the retailer. It involves extra effort on the part of the retail facility and/or its employees to meet the specific needs of the customer. It is not in evidence by having standard products that are available under limited specified conditions with no deviation. This norm would likely be met by a company allowing for several payment methods (i.e. credit cards, money orders, or checks) for an item offered in a catalog or through a TV advertisement. Even though there is no deviation allowed from these particular payment methods there is some flexibility built into their offer. The relationship literature from social psychology talks about helping as being an indicator of an existing relationship or the desire of the person offering help to start a relationship (Clark & Mills, 1979; Mills & Clark, 1982).

It is worthwhile to note that there appear to be what may be considered two sources or dimensions of flexibility. The first of the two arises because of some institutionalized or formalized ability to be flexible that management makes a part of store policy. The second arises due to the behaviors of the employees of the retail outlet.

Behaviors that might be classed as flexibility and helping are (all at no extra charge): changing operating hours to meet a customer's needs, calling other stores to locate a particular item that a customer requires, making suggestions,
breaking "sets" to meet a customer's needs for one item within the set, delivery, calling to tell a customer of an item that may meet their needs, and repairing or providing advice about an item that was not purchased from that retailer. It may also include providing special order service, and fabricating a product to meet a particular need.

**Seniority.** While there is not much in the literature about seniority, it is very much in evidence in the real world and has intuitive appeal. Seniority involves some appreciation on the part of the retailer and/or his personnel for time invested either on this occasion or in the overall exchange relationship. Some of the behaviors in which this norm is expected to be evidenced are: special sales/deals for long time customers, learning customer’s names and using them, not having to show ID to the same clerk every time that a check is written, taking customers in order of their arrival, providing extra services for long time customers, free items after a certain number of purchases, and special ID cards/credit cards for long time customers. Seniority related behaviors may also include senior citizen discounts, remembering specific needs, sizes, and tastes, of the customer, allowing the customer more control over the service offered, and not leaving a customer who is in the store to take a phone call from a customer who did not take the time to come in.

While these may or may not be the ultimate definitions of the norms used by consumers in their evaluation of transactions, they are derived from the literature on norm based behaviors and appear to have relevance to consumer level
transactions. Additionally, the behaviors described above may not accurately represent those present in the processes evaluated by consumers. However, the above descriptions do provide a starting place. At this early stage in the exploration of consumer level normative evaluations, they provide a reasonably sound set of expected behaviors for the selection of a setting in which to conduct further exploration.

**Presence of Norms in Atypical Shopping Trips**

It was felt that a necessary step at this point would be to demonstrate that a typical shopping trip would not produce behaviors in which norms would be operative. This demonstration was necessary to show that norms are not revealed in a typical shopping trip. Due to the nature of norms, an atypical shopping trip would be the only way to clearly identify norms. Scripts were chosen as the method through which to demonstrate this point.

The task involved fifty undergraduate principles of marketing students who were asked to write a detailed description of what the student considered to be a typical shopping trip to a major general merchandise discount store located relatively near the university: a script. After the initial generalized description of the shopping trip, students were instructed to offer suggestions as to what if anything the retailer should have done to make the trip better.

This initial qualitative approach made it quite clear that normative evaluations were not employed by these respondents in their discussion of a typical shopping trip. Suggestions of what the retailer should have done differently
to make the trip better usually centered around price and product considerations. Few process related behaviors were mentioned, and those mainly in just passing.

Further, as expected given that this was a typical trip, none of the shopping episodes resulted in any evaluation that produced sanctions or rewards. As discussed in a previous section on the emergence of norms, norms only emerge in those situations in which there are externalities that produce either positive or negative consequences for others; in this case consumers. Since these were typical trips, no extremely positive or negative externalities were involved.

From this demonstration it is apparent that the qualitative methods to be selected must, in some way, require the respondent to relate atypical shopping trips. The following sections relate the three different methods investigated for use in investigating an atypical trip.

Comparison of Alternative Qualitative Methods

Due to the lack of knowledge of consumer level norms it was decided that an unstructured exploratory approach would be most appropriate. In this regard, three separate techniques were considered for use. The first of these methods was almost completely unstructured. The following two methods considered, while still predominately unstructured in nature, were somewhat more structured in their approach than the first one.

The strengths and weaknesses associated with each of the three techniques were considered. Based upon the nature of the task at hand and the quality and form of the output that would be obtained from each, two of the
following three methods were carried forward for use in the actual qualitative analysis. Each of these three methods is described below.

In-depth Interviews. The first qualitative method to be considered was that of in-depth interviews of consumers. This method involved asking respondents to describe incidents in which retailers (and their employees) exhibited or failed to exhibit behaviors that lead to highly satisfactory or unsatisfactory exchanges. Recall from the discussion of the above method, that a typical trip to a retailer provides few if any behaviors that result in sanctions or rewards. The interviews allow for further probing beyond what the subject volunteered about the event. Further insights were then be gained into the behaviors encountered and why they produced any positive or negative outcomes as evaluated by the consumer.

The use of an unstructured in-depth interview offers the researcher the opportunity of discovery, the chance to gain knowledge of certain qualitative aspects of the problem (Gorden, 1975). Therefore, the use of this type of interview has several advantages: a) it provides the researcher with the opportunity to explore a wide range of topics that may provide insight into the use of norms by consumers, b) it allows for deeper probing in those areas that appear to be fruitful to the investigation, and c) the use of in-depth interviews provides an opportunity to cross-check and provide additional validation to information that is obtained through other qualitative methods. Therefore, it was decided to use this technique as a part of the qualitative investigation.
The Critical Incident Technique. The Critical Incident Technique (CIT) has been shown to be a useful qualitative technique for the examination of management, psychological, and marketing (particularly services related) behavioral phenomena for quite some time (i.e. Flanagan, 1954; Bitner, Nyquist & Booms, 1985; Bitner, et al. 1990). It is a systematic and sequential procedure for collecting data about incidents of significance that meet specified criteria. This technique is specifically designed to examine incidents of effective or ineffective behavior related to a particular activity. Additionally, the CIT methodology has been shown to be both valid and reliable in its ability to collect information of this type (White & Locke 1981; Andersson & Nilsson 1964).

CIT involves five steps (Bitner et al. 1985). The first is to identify the general outcome of the behavior to be studied (so as to determine associated effective and ineffective behaviors). Next the researcher must develop and standardize a detailed plan and set of instructions for use by interviewers (who require only minimal training) including the type of incident to be explored. To be included, the incident must entail actual behaviors that were observed by the subject. The subject must report all relevant factors, and must explain to the interviewer what it was about the incident that made it critical.

The third step is to collect the data. This requires that each interviewer be provided with a set of sequential questions designed to explore fully the incident to be related. Respondents are requested by the interviewers to relate the incident...
under study and then respond to the sequence of questions administered by the interviewer.

The fourth step is the development of a classification scheme through the use of the CIT procedure. This involves three issues: a) creation of a framework that accounts for all of the incidents encountered, b) development of major and sub-categories for use in sorting the incidents through induction, and c) deciding upon the most appropriate level of specificity for analyzing and reporting the data. The behaviors encountered are carefully analyzed and then placed into the categories that have been developed. The normal procedure at that point is to submit the tentative categories and behaviors to other reviewers to obtain a measure of the reliability of the categorization procedure, usually based upon level of agreement.

The fifth and final step in the procedure is to interpret the data. Interpretation, of course, is based upon the goals of the study. In this case, the goal of the study would be to determine the normative categories utilized by consumers in their evaluation of satisfactory and unsatisfactory exchanges and to obtain a listing of the behaviors that are involved in these incidents. Therefore, behaviors on the part of the retailers and their employees involved in the incidents captured through the CIT methodology would be classified into various categories of behaviors that should be or should not be exhibited in an exchange transaction. The result would be a collection of normative categories employed by consumers at the retail level and a listing of the behaviors involved.
In summary, the CIT provides a systematic qualitative method for the exploration of and classification of behaviors. This method would serve to accomplish two of the objectives set for this first part of the study. First, the use of the CIT would, through the categorization of behaviors critical to the success or failure of an exchange situation, would result in well defined and described classes of behaviors that should be or should not be performed in that situation: norms. Second, the CIT process would provide a listing of the types of behaviors related to each norm. It was therefore decided that due the applicability of this approach to the objectives of the study and the reliability and validity of this method in determining behaviors deemed critical to the success or failure of some incident, in this case exchange behavior, the CIT method would be included as a part of the Phase I methodology.

**Repertory Grid Technique.** A final relatively structured qualitative method considered for use in Phase 1 of the methodology was that of the Repertory Grid Technique (Bannister & Mair, 1968). In this technique, a collection of objects (or in this case exchange related behaviors) are grouped into triads. Study participants are then asked to describe how two members of the triad are alike and how they differ from the third. This process continues by varying the objects in each triad until all are addressed by each participant. From this process, constructs emerge that are used later in classifying the objects under investigation. Finally, the objects (behaviors) are listed down the x-axis of a grid-like matrix and the constructs developed are listed along the y-axis. Participants are then asked
to mark the blocks formed in the grid to indicate how the objects are related to the constructs. Positive and negative associations between the objects and the constructs are indicated in the blocks forming a graphic correlation matrix between the two.

While this technique has been shown to be a relatively good structured approach for the development of participant-originated scale descriptors, it is prone to one major weakness. That weakness is that the descriptors provided by the participants are difficult to evaluate and are likely not lead to meaningful data (Peterson, 1988; Bannister & Mair, 1968). It was decided not to include this method into the Phase I qualitative analysis.

Summary. Based upon the literature and an initial exploration of a typical shopping experience described above, it was determined that norms could best be explored through techniques that could be targeted toward specific incidents that resulted in either a better than average or worse than average exchange experience. The CIT, with its focus on incidents critical to the success or failure of some process, its structured method for developing categories of the behaviors involved, and its ability to provide lists of the behaviors in each category was found to be ideally suited for the accomplishment of the second two goals of the qualitative phase. Additionally, as a counter-check to provide further validation of the CIT procedure, in-depth interviews designed to probe further into shopping incidents and to determine how and why particular behaviors within a shopping experience were particularly satisfying or dissatisfying were also conducted.
Development the CIT Interview Instrument and Data Collection Process

The key to the use of the CIT method is capturing the specific behaviors related to the success or failure of a particular function. The methodology was developed in association with the military to overcome the problems associated with appraisals of pilots. Many of the descriptions of problems with their flying were attributed to such things as: lack an inherent of ability to fly, poor temperament, bad judgment, or insufficient progress (Flanagan, 1954). While these descriptions do indicate that there is something wrong, they fail to identify the behaviors associated with these problems. Therefore, the CIT methodology requires subjects who have been involved in or witnessed behaviors to describe in detail all of the behaviors that were associated with that event: what specifically did the person do? A number of issues had to be addressed in order to implement this method successfully.

Definition of the Aim or Outcome of the Process to Be Explored. As outlined previously in the description of the method, the first step in the process is to define the general aim or outcome of the activity to be studied. The study was designed to better understand norms of the exchange process. Since norms emerge in those cases when there are negative or positive externalities, then the subject matter of the interviews was then exchange transactions that are considered by the consumer to have had either a bad or a good outcome. Therefore the first part of the interview required the subject to describe all of the behaviors involved in a retail exchange process that they considered to be very good or very bad.
Specifying the Length of the Relationship — Discrete vs. Relational. Recall also that exchanges can be categorized in terms of a continuum that runs from discrete one-time transactions to relational exchanges that involve numerous transactions that take place between the two parties over time at the other. According to MacNeil (1980), certain norms are not likely to be very operative in discrete transactions, while others are not likely to operate to any substantial extent in relational exchanges. So, in addition to examining what consumers consider to be good and bad exchanges, it was decided that both discrete and relational exchanges would also be explored. While each subject would be required to relate two separate exchanges, some subjects would be requested to relate a good/discrete exchange and a bad/relational exchange, while others would describe a bad/discrete exchange and a good/relational exchange.

Measuring an Evaluation of the Incident. It was decided that an evaluation of the incident needed to be made. Therefore, the next part of the interview was designed to get a rating of just how good or bad the subject perceived the incident to be. Subjects were required to indicate their feelings about the exchange by circling the number most closely corresponding to their feelings about the exchange transactions on a seven-point delighted/terrible scale (Westbrook, 1981) as shown in Figure 3.3, Excerpt 1.

Ratings of Satisfaction. An additional outcome measure was obtained in terms of a rating of satisfaction with the incident. Subjects were to rate their satisfaction with the incident on a scale of 0 to 100, with 0 denoting total
EXCERPT 1: SATISFACTION WITH THE INCIDENT
THE DELIGHTED/TERRIBLE SCALE
Would you please circle the number that best describes your feelings toward this incident?

About this incident I feel:

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delighted</td>
<td>Pleased</td>
<td>Mostly</td>
<td>Mixed</td>
<td>Mostly</td>
<td>Unhappy</td>
<td>Terrible</td>
</tr>
<tr>
<td>Satisfied (about satisfied and dissatisfied)</td>
<td>Dissatisfied</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

EXCERPT 2: INCREASING VIVIDNESS OF THE INCIDENT
THE EMOTIONAL INVENTORY
Think back about the incident that you related to me. Please check off all of the feelings listed below which you can recall having felt related to this situation.

- Joyful
- Hopeful
- Secure
- Grateful
- Fearful
- Disgusted
- Depressed
- Surprised (Bad)
- Proud
- Self-confident
- Interested
- Surprised (Good)
- Ashamed
- Angry
- Regretful
- Suspicious
- Affectionate
- Relieved
- Admired
- Trusting
- Guilty
- Disappointed
- Sad
- Excited
- Contented
- Enthusiastic
- Annoyed
- Worried
- Frustrated
- Scornful

Would you describe why you felt _____? and _____? and _____? (For each of the emotions that were checked)

FIGURE 3.3
THE CIT QUALITATIVE DATA COLLECTION INSTRUMENT
(fig. con’d)
EXEMPLARY 3: EXPLORING THE NORMS

EXAMPLES OF PROBING QUESTIONS

Why did you feel that this was a particularly bad experience?

Were there any specific things that an employee or the store management did to make the experience bad?

Was there a particular person involved that made the experience bad or was it the fault of the management of that store?

In what ways was this experience different from what you have come to expect in this type of a situation?

Was there more or less of anything in particular that made a difference?

EXEMPLARY 4: EXPLORING THE SANCTIONS AND REWARDS

SANCTION/REWARD QUESTIONS

Has this affected any plans for future dealings with this firm? How?

EXEMPLARY 5: SATISFACTION WITH THE INCIDENT

SATISFACTION RATING QUESTION

Please rate your satisfaction with this incident from 0 to 100 _________
dissatisfaction and a rating of 100 indicating total satisfaction. This is shown in Figure 3.3, Excerpt 5, Satisfaction Rating.

**Increasing the Vividness of the Incident.** Additionally, a thirty-item written emotional inventory required each subject to place a check mark by any of the listed emotions that corresponded to their feelings about the exchange (See Figure 3.3, Excerpt 2, Emotional Inventory). Then, for each of the items checked, subjects were asked to provide verbal explanations for why they felt that particular emotion. It was thought that in addition to determining which emotions are associated with each incident (and the norms involved), the emotional inventory task and discussion would serve to make the recalled incident somewhat more vivid in the respondent's mind as they proceeded through the interview process.

**Exploring the Dimensions of Norms.** While the CIT methodology is designed such that it will provide the structure (categories) of norms used by consumers and a list of the types of behaviors associated with each, there was nothing in the methodology at this point specifically designed to explore the hypothesized dimensions of norms: person, timing, and magnitude. Therefore a set of probing questions was developed to assist in assessing the role that these dimensions might play in norm-based evaluations of the exchange process (See Figure 3.3, Excerpt 3, Probing Questions). They explored such things as why the subject felt that the incident was particularly bad (good); if they felt the problem was due to the actions of the store management, an employee, or both; how the
experience differed from what was normally expected; and if there was more or less of anything that made a difference.

Assessing the Use of Sanctions and/or Rewards. An important phase of the norm process is that of sanctions and rewards for behavior that either fails to conform or conforms to norms held by a particular group. Therefore, the next addition to the interview was a question to find out if the incident described had any effect on future patronage behavior (See Figure 3.3, Excerpt 4, Sanctions/Rewards). Sanctions would be represented by negative effects on future patronage, while rewards would be indicated by positive effects on future patronage.

Respondent Characteristics. The final information needed involved the demographic characteristics of the respondent. Age, gender, level of education, marital status, ethnic origin, occupation and length of time at that occupation was collected from respondent. Additionally, subjects were asked whether they perceived themselves as living in an urban or rural setting, the population and distance from town, the nearest town (if they did not live in a town), and approximate annual income for their household.

Questionnaire Organization. When all of these elements were combined together, the interview instrument contained the following sections: a) a description for the interviewer of the nature of the two incident interviews to be conducted with each subject (i.e. discrete/bad and relational/good or discrete/good and relational/bad); b) a short script that the interviewer was to read to the subject.
explaining the nature of the study and expressing appreciation for their participation; c) a description of the type of transaction (discrete or relational) written in layman's language and the type of outcome involved (a good shopping experience or a bad shopping experience) for each of the two incidents, to be read by the interviewer to the subject; d) the delighted/terrified scale for each incident and instructions to be read by the interviewer, e) the thirty item emotional inventory for each incident and instructions to be read to the subject, f) a set of questions designed to probe deeper into the behaviors involved for each of the two incidents (to explore person, magnitude and timing dimensions), and any effect on future patronage, g) two 0 to 100 satisfaction scales, one for each incident, and h) a written demographic inventory to be completed by the subject. See the Appendix for samples of this data collection form.

Collection of the Qualitative Data

Collection of the qualitative data involved two distinct phases. The first of these was collection of the Critical Incidents using the instrument and process described above. The second phase of the qualitative data collection involved in-depth interviews. Each of these collection activities is described in the paragraphs that follow.

Collection of the CIT Interviews

Collection of the interviews and data involved several steps. These steps included: a) pretesting the collection procedure and instrument, b) training the
interviewers, and c) collecting the data. The following section discusses each of these steps.

**Pre-testing the collection procedure and instrument.** As suggested by Bitner, et al. (1985) prior to general use, a pilot test should be conducted to test the data collection form and proposed procedures. This was done in the classroom setting on a number of occasions using students of varying ages; non-traditional students wherever possible. Iterative refinements were made to the procedure and the format of the questionnaire based upon the feedback obtained.

**Training the interviewers.** While classification of the data collected is probably best conducted by researchers experienced in the analysis of qualitative data, an extremely positive feature of the CIT methodology is the ability of persons to be adequately prepared to conduct the interview with only "... a brief training period" (Flanagan, 1954). A number of studies (i.e. Flanagan, 1954; Andersson & Nilsson, 1964, Bitner, et al. 1990) have used students or persons with only minimal training for use in conducting CIT interviews.

As detailed above in the description of the data collection instrument, instructions to the subjects being interviewed are written, and, as can be observed by inspection of the instruments themselves, the instructions and the type of data requested are relatively straight-forward and easily understood. This attention to understandability and depth of instruction was designed to reduce as much as possible the amount of heterogeneity across interviewers.
The CIT interviewers selected for use in this study were members of a senior level marketing consumer behavior class. As a part of their class, students were instructed daily over a one month period about the nature of the project that they were to undertake, interviewing skills, and avoidance of interviewer bias in conducting the interview. Additionally, mock interviews were conducted and each student went through the process as a subject and filled out a questionnaire. All student interviewers were very familiar with both the administration and content of the CIT task.

Collecting the data. Upon successful completion of their training, each of the student interviewers was required to conduct and tape-record a total of five interviews from five different subjects. They were allowed to interview one college student, with the rest of the interviews required to come from a varied cross-section of people with whom they would come in contact. The class was divided in half and one half was given three good/discrete and bad/relational, and two bad/discrete and good/relational interview packets. The other half received two good/discrete and bad/relational and three bad/discrete and good/relational packets.

The procedure for each of the student interviewers involved a number of steps. Students were first to ask the respondent if they would be willing to participate and have their interview recorded. (The script for this request, and the rest of the interview are contained in the Appendix). The interviewer then read a description of the type of exchange transaction that was to be the topic of the
interview and asked the respondent to relate a shopping experience of that kind. No interruptions were to be made by the interviewer while the subject was relating the event.

When the subject finished telling about the incident, the interviewer requested the subject to first, indicate their feelings about the overall incident by circling the appropriate description on the delighted/terrible scale, and then check off the emotions that they felt about the event on the emotion inventory. When the subject had completed these tasks, the interviewer then asked the subject to describe why they felt that way for each of the emotions checked. The interviewers then asked the subjects to answer the list of probing questions described above. Additionally they asked if the incident described has affected any plans for dealing with that firm in the future, and if so, how. Finally, subjects were requested by the interviewer to rate their satisfaction with the incident from 0 to 100. This concluded the interview for the first incident.

If the first incident described by the subject was, say, discrete and bad, the interviewer then read a short introduction similar to the first which asked the subject to now describe an incident that was relational and good. The same steps were followed in the interview about the second incident, but instead of terminating the interview after the subject rated their satisfaction, the interviewer then presented the subject with a short demographic inventory to complete. The interview concluded with the student thanking the subject for participating in the project.
The student finished his or her assignment by transcribing all five interviews. Transcriptions, tapes containing the recorded interviews, and all survey instrument items were then returned to the principal investigator.

**In-depth Interviews**

In addition to the CIT interviews, twenty in-depth interviews were conducted by the principal investigator. A judgment sample of persons of differing ages, occupations, races, and genders was selected for interviewing to attempt to include variance that might arise due to these factors. All interviews were approximately one hour long and were conducted by the principal researcher over a one month period.

The interviews started with a general discussion about what the subject liked or did not like about shopping. From that general point of departure, the scope of the interview was narrowed to specific instances in which the respondent received what they considered to be either very good or very bad treatment. Respondents were quizzed as to what were the offending behaviors and as to the nature of behaviors that should have (or should not have) occurred in the bad experiences. For the good experiences, respondents were asked about the specific behaviors that made that particular exchange good, and how this behavior varied from what was typical.

Upon describing the behaviors involved, or those that they felt should have been involved, the respondent was then questioned as to why they felt that those behaviors would have made a difference. The subjects were also questioned
about the timing of the behaviors in the process, who should or should not have
been involved in those behaviors, and the consequences of these variables.
Finally, for the behaviors that had been described in each incident, respondents
were asked to discuss how much or how little of the behavior was appropriate, and
the consequences for magnitudes of the behaviors inside versus outside of this
acceptable range.

Analysis of the Qualitative Data

The next stage of the process involved analysis of the data collected in the
two qualitative phases. The first section below discusses the process through
which the CIT interviews were analyzed. This is followed by a discussion of the in-
depth interviews and their analysis. Results of these processes are presented
separately in a subsequent section.

Qualitative Analysis of the CIT Interviews

Analysis of the data collected in the interviews required three judges. In
addition to the principal researcher, two other judges were selected. Both of the
judges selected hold terminal degrees in their fields. While neither of these
individuals had used the CIT methodology before, they both had extensive
experience with content analysis as a qualitative method. Therefore, since the task
of a judge mainly involves the use of content analysis to examine the interviews
obtained, their skills and experience made them ideal candidates for judges in this
project.
The classification system employed for use with CIT is a very structured, rigorous and systematic procedure. It is designed "... to increase the usefulness of the data while sacrificing as little as possible of their comprehensiveness, specificity, and validity" (Flanagan 1954, p. 344). The analysis/classification procedure consists of three parts: a) identifying a general frame of reference from which all incidents will be examined, b) use of inductive reasoning to develop the major- and any sub- categories for use in sorting the incidents, and c) selecting the most appropriate level of specificity for reporting the data obtained. This procedure was followed in the analysis of the CIT data collected. Details of this analysis are described in the following section.

1. Since the general frame of reference had already been selected as satisfactory and unsatisfactory exchanges as evaluated by consumer level norms, the first step was to acquaint the other two judges who were selected to analyze the data with both the CIT methodology and the nature of norms in general. This was done by having them read several articles about the CIT method (i.e. Flanagan, 1954; Bitner, et al. 1985; and Bitner, et al. 1990) and the prospectus for this dissertation. After having read these materials, the two judges met with the principal investigator to discuss what was read, address any questions that had arisen, and to make sure that all of the judges were approaching the task with a frame of reference that was as similar as possible.

2. The second task was that of developing categories. To say the least, this is "a difficult task" (Bitner et al., 1985, p. 50). As Flanagan states, there are no
simple rules available for its accomplishment. The quality of the final product is entirely dependent upon the skill and sophistication of the persons formulating the categories.

The procedure that was followed involved reading each of the incident descriptions, the reasons given for each of the emotions checked, and the answers to the probing questions for the two incidents that each of the respondents provided. From this procedure, notes were made about the general content across all of the interviews. A second reading was then performed in which general categories of behaviors that should be or should not be were tentatively formed. These first categories were based loosely around the structure of norms discussed in the literature review section of this dissertation (mutuality/fairness, flexibility and helping, appreciative behaviors, and seniority).

One aspect of the overall process that was not originally anticipated as a problem was the need to determine the content unit for the analysis of the incidents (Kassarjian, 1977). While step three of the process as outlined by Bitner (1985) discusses "Selection of the most appropriate level of specificity for reporting the data (p. 50), as with other forms of content analysis, one must also determine the content unit in the analysis of the critical incidents.

The task was first approached as though there was only one normative evaluation operative in each incident, and that each incident would be the content unit. However, it became quite evident early in the first reading of the interviews that the descriptions of behaviors involved (or behaviors that respondents felt
should have been involved) fell into more than one category in almost every instance. Therefore, rather than placing each incident into one category of normative behavior, each sentence in the interview was examined to determine if there were behaviors present that required classification. Since many of the interviews were quite detailed and lengthy, this became a tedious job.

While many of the behaviors encountered were readily categorized in the structure of norms that had been suggested by the literature, there were many behaviors that would not fit into the original four. Therefore, new normative categories, each with its own tentative definition based upon the behaviors involved were constructed. Additionally, the definitions for the original set of four norms were being changed; evolving to better fit the empirical data that they were designed to classify.

The usual next step in this part of the analysis procedure is to submit the interviews, and the tentative categories to a second judge. This has become standard procedure for analysis even though Flanagan suggests that "Although there is no guarantee that results agreed on by several workers will be more useful than those obtained from a single worker, the confirmation of judgments by a number of persons is usually reassuring" (p. 344). Therefore, in order to obtain some reassurance and presumably increase the reliability of the process, a second judge was brought in at the end of the third reading of the interviews.

The second judge read each entire interview twice and then proceeded to classify the behaviors involved in each into the categories with which that judge
was provided. There were two major outcomes attributable to the addition of the second judge. The first was that this judge suggested a new category and definition that provided a much better fit for some of the behaviors that the original investigator had rationalized into other previously existing categories. The second major contribution of this judge was in finding a number of behaviors that should be or should not be that had not been detected in the first three readings. A final reading by the two initial judges provided a few more behaviors to be categorized, but no new categories of consumer based norms.

The third judge was then provided with the tentative categories devised so far and the stacks of interviews to read and classify. Once again two contributions were provided by the new judge. First, as before, the additional judge was able to discern a few behaviors (omitted or committed) that had been overlooked in the previous readings. These were easily classified using the existing classification structure. The second contribution was the recognition that a norm originally labeled discrimination which was a collection of behaviors in which the consumer perceived that they were being treated differently (either positively or negatively) from other consumers due to some variable specific to that consumer (i.e. length of relationship, race, age, sex, etc.) and was not a norm after all. It was determined that the behaviors included in this category were actually just extremely high or low levels of behaviors included in the current categories of norms.

3. The final step in the CIT analysis is that of reporting the data. This step, as with the previous step, is based upon the goal of the study. In this case, the
goal was to determine behaviors related to the success or failure of exchange transactions at the consumer level and develop a set of classifications into which these behaviors that should be or should not be can be categorized: norms.

This step involved the development of final definitions for each of the categories which set parameters for the behaviors involved. These definitions expressed the types of behaviors that are likely to be associated with that norm. The definitions also described behaviors that were not included so as to better define the boundaries between two norms that related to somewhat similar behavior under certain circumstances. Also included in this step was the listing of the different types of behaviors included in each category.

While it is understandable that the designers wanted to set this step off as separate from the previous two since it is the culmination of the process, most of the work required for this final step had been done in step two. The classification process itself resulted in an evolution of the norm category definitions over time. Therefore step two concluded with a complete, yet somewhat wordy and rough definition for each of the consumer norm categories. The definitions were then polished and behaviors that had been identified in the incidents were then listed to finish the CIT stage of the qualitative analysis.

**Analysis of the In-depth Interviews**

Recall that in-depth interviews were also conducted as a means of examining norms through a second methodology. While these interviews also involved having subjects discuss good and bad shopping experiences, they
provided opportunity to more deeply explore certain facets of the shopping experience that were not covered in CIT due to its structured format. The in-depth interviews provided an excellent means through which to examine the structure of norms developed through the CIT. Discussions of shopping incidents related by these respondents contained no indication of any additional norm categories. Additionally, all of the behaviors discussed in these interviews could be easily classified into the categories developed in the CIT task. This provided additional support for this normative structure.

The in-depth interviews also added information about norm dimensions. The ability to probe a specific shopping incident described by a respondent beyond a standardized set of questions as employed by the CIT methodology provided additional information such as: the effects of person attribution for good and bad experiences, responses to varying magnitudes of retailer behavior, and reactions to changes in the timing of behaviors involved in the exchange process.

**Summary**

Accomplishment of the three objectives (determination of an appropriate setting, defining the character of norms, and developing a listing of norm related behaviors) involved a number of tasks. Examination of several classification schemes suggested that the setting: a) be one that involves moderate to high levels of participation on the part of both the consumer and the retailer, b) have shopping or specialty goods to make the incident memorable, and c) should
involve all phases of the exchange process so that all norms will have the opportunity to be operative.

Two qualitative techniques, the CIT method and in-depth interviews, were selected for use in determining the character of norms and developing a list of the behaviors associated with each. Through the use of these methods, a structure and a set of dimensions for consumer level norms was determined and a listing of behaviors associated with each norm category was developed.

Results

Results of the CIT methodology and the in-depth interviews described above were quite similar. The following section presents the results from both qualitative methodologies. However, since the in-depth interviews were mainly designed as a cross-check of the information obtained in the CIT interviews and as a means to more deeply explore aspects of the shopping experience, the following discussion centers on the results of the Critical Incident methodology.

Critical Incident Technique Results

The CIT instrument and process was designed to explore the dimensions and structure of consumer norms. Additionally, specific behaviors associated with each of the norm categories were to be determined. The following section provides results obtained about the these aspects of the character of norms as well as a description of the sample from which this data was obtained.
Sample Demographics

As stated above, the sample was obtained by the students in a senior level marketing consumer behavior class. Each student was instructed to obtain five interviews with each interview consisting of two incidents. Although it was a convenience sample, the interviewers were allowed to collect only one interview from a person in college, and the rest were to come from a broad range of persons with whom they were to have contact. No family member interviews were allowed.

A total of 140 subjects were interviewed, providing 137 usable interviews with 258 usable incidents. Eleven incidents were deemed unusable because they did not relate a specific behavioral incident (i.e. told of a relationship over time) and six were not used because they were not process related (i.e. described only the use of or problems with a product that had been purchased).

The sample consisted of persons ranging in age from under twenty to over sixty with a mean average of between twenty and twenty-nine. As shown in Table 3.2, of those responding, 7.3 percent were under twenty, 46.0 percent were from twenty to twenty-nine, 15.3 percent were thirty to thirty-nine, 15.3 percent were forty to forty-nine, 9.5 percent were fifty to fifty-nine, and 5.1 percent were over sixty. The education of the sample ranged from four who had not finished high school to one that had a Ph.D. The mean average respondent had at least some college. In terms of ethnic origin, 70.8 percent were white, 15.3 percent were black, 2.9 percent were Asian, with the remainder classing themselves as Cajun or Hispanic.
TABLE 3.2
SAMPLE CHARACTERISTICS

| Number of Subjects Interviewed | 140 |
| Number of Usable Interviews    | 137 |
| Number of Incidents Related    | 274 |
| Dropped because no one incident was related | 11 |
| Dropped because totally product related | 6 |
| Number of Usable Incidents     | 258 |

**Respondent Ages**

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**Ethnic Origin**

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<tr>
<td>White</td>
<td>70.8 percent</td>
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<tr>
<td>Black</td>
<td>15.3 percent</td>
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<tr>
<td>Asian</td>
<td>2.9 percent</td>
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<tr>
<td>Other</td>
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<td>Missing</td>
<td>8.0 percent</td>
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**Highest Level of Education**

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<tr>
<td>Less than High School</td>
<td>2.9 percent</td>
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<tr>
<td>High School Graduate</td>
<td>10.2 percent</td>
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<tr>
<td>Some College</td>
<td>50.4 percent</td>
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<tr>
<td>College Graduate</td>
<td>24.8 percent</td>
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<td>Masters</td>
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<tr>
<td>Ph.D.</td>
<td>0.7 percent</td>
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<td>2.9 percent</td>
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**Gender**

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<tr>
<td>Male</td>
<td>43.8 percent</td>
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<tr>
<td>Female</td>
<td>53.3 percent</td>
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<td>2.9 percent</td>
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**Income**

<table>
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<tbody>
<tr>
<td>$10,000 to 24,999</td>
<td>39.4 percent</td>
</tr>
<tr>
<td>$25,000 to 39,999</td>
<td>26.3 percent</td>
</tr>
<tr>
<td>$40,000 to 59,999</td>
<td>13.9 percent</td>
</tr>
<tr>
<td>$60,000 to 89,999</td>
<td>10.2 percent</td>
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<td>&gt; $90,000</td>
<td>4.4 percent</td>
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<td>5.8 percent</td>
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**Residence**

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<tbody>
<tr>
<td>Urban</td>
<td>44.5 percent</td>
</tr>
<tr>
<td>Rural</td>
<td>53.3 percent</td>
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<tr>
<td>Missing</td>
<td>2.2 percent</td>
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</table>
There were sixty males (43.8 percent) and seventy-three females (53.3 percent) who listed their gender. Incomes tended toward the low end with fifty-four (39.4 percent) disclosing an income of between $10,000 and $24,000 per year, thirty-six (26.3 percent) between $25,000 and $39,000, nineteen (13.9 percent) between $40,000 and $59,000, fourteen (10.2 percent) between $60,000 and $90,000, and six listing an income over $90,000 per year. Sixty-one persons (44.5 percent) listed themselves as residing in an urban area, while seventy-three (53.3 percent) stated that they resided in a rural area.

While the sample obtained for this study was a convenience sample, it did represent persons across all categories of income, age, gender, and occupation. This sample was therefore deemed adequately representative of the general population of consumers in this area.

**Norm Dimensions**

The CIT interviews and the in-depth interviews were designed to explore the three proposed dimensions of: a) person, b) timing, and c) magnitude of behavior of the norms. Questions were asked of the respondents to determine the impact of each of these dimensions in their evaluation of the exchange process. The findings of this qualitative inquiry are presented below.

**Person.** As a part of the CIT interview, respondents were asked "Was there a particular person involved that made the experience good (bad) or should credit be given to the management of that store?" In answer to this question, respondents tended to attribute most of their problems to management or both
management and the employees of that retailer. In sixty-six of the incidents (24.1 percent) the respondent attributed the outcome to an employee. Of these, thirty-two (48.5 percent) were positive outcomes while thirty-four (51.5 percent) were negative. The outcomes of one hundred ten incidents (40.1 percent) were attributed to management (39.1 percent positive and 60.9 percent negative). Seventy-two (26.3 percent) of the exchange outcomes were perceived as being due to a combination of management and employees (70.8 percent positive outcomes and 29.2 percent negative). Twenty-six (9.5 percent) did not respond to this question.

These statistics seem to indicate that the person variable, management is at least somewhat responsible for positive or negative outcomes in at least 66.4 percent of the incidents. However, it must be remembered that the nature of the question required an attribution on the part of the respondent.

In-depth interviews and discussions accompanying attributions in the CIT interview indicate that the dimension of person was not a major factor in causing the described incident to be either bad or good. Instead, it was the behaviors involved in the incident itself that affected future patronage behavior. The major effect of the person variable was in relation to those attributions that involved the employee. If a particular employee was viewed as being the reason for a negative outcome, the consumer would be more likely to avoid that particular employee and continue to shop with that retailer. On the other hand, the consumer would seek
out an employee that had been perceived as causing a good outcome in the described incident.

Therefore, while it was proposed that the dimension "person" would be an important variable in determining a consumer's satisfaction with a shopping experience, this does not appear to be the case. The variable "person" seems to have very little impact on satisfaction. It is the behavior that is the most important, not the person involved in this behavior.

**Timing.** The dimension of timing was also explored in this qualitative phase. In the CIT interviews respondents had the opportunity to express any deviations from what they considered typical timing for the sequence of events in the exchange process. No incident resulted in any mention of satisfaction or dissatisfaction due to the timing of the behaviors involved in the incident. Additionally, one of the probing questions associated with the CIT interview asked respondents, "In what ways was this experience different from what you have come to expect in this type of a situation." Again, none of the subjects discussed any problems with the sequence of events in a particular process. Discussions in the in-depth interviews also revealed few if any problems with portions of the exchange process being out of sequence.

There was, however, a frequent mention of the amount of time that was required to complete a process. Respondents were many times dissatisfied with the length of time involved in an exchange. A few voiced satisfaction with how
short a period of time that it took for the exchange process to be completed. Out of the 258 incidents reported, 48 (18.6 percent) made some mention of process time.

While the length of time that a process takes to complete is of interest to marketers in that it affects consumer satisfaction, it is not a part of the behavioral process of the exchange. As such, process time is not a variable under consideration in this study and will be considered a structural, or store related variable outside of the evaluation of the behaviors involved in the exchange process.

**Magnitude.** The third dimensional variable, magnitude seemed to have the single largest impact on satisfaction with the exchange incidents reported. Virtually all incidents reported satisfaction or dissatisfaction due to some behavior that was exhibited at either very high or very low levels of magnitude. It is interesting, yet not surprising to note that behaviors at moderate levels of magnitude were seldom mentioned in the critical incidents. It would seem that these would be typical behaviors and would therefore not result in critical incidents.

In addition to the descriptions of the incidents themselves, magnitude was also shown to be an important factor in answers provided to the probing questions employed in the CIT process. The question, "Was there more or less of anything in particular that made a difference," prompted much discussion about the levels of behaviors that were present in the critical incidents and how they led to satisfaction or dissatisfaction with that encounter. Further support for the importance of magnitude in providing positive or negative outcomes was obtained in the in-depth
interviews. Much of the discussion about what made a shopping experience either bad or good revolved around the level or magnitude of the behaviors involved.

**Summary.** While this research does indicate that the dimensions of person, timing and magnitude are a part of the normative evaluation of consumers, only magnitude appears to have a strong impact on the outcomes of these evaluations. This research indicates that while attributions about satisfaction or dissatisfaction can be made to the management of a firm or its employees, and consumers expect the exchange process to proceed in a relatively stable and predictable sequence, it is the specific behaviors involved and their magnitude that are the most likely indicator of exchange outcomes.

**The Structure of Norms**

Recall, from previous discussion that the literature provided four categories of behaviors that appeared to have relevance to the consumer level of exchange: appreciative behaviors, mutuality/fairness, flexibility and helping, and seniority. These were, therefore, the initial categories that were used to start the classification step in the CIT methodology.

The CIT classification process is one in which constructs and their definitions evolve as more information is added. Such was the case in the exploration of consumer norms. Judge one started the content analysis process of the CIT interviews. From the original four classes of norms defined and discussed previously in this writing, a total of seven major categories of norms emerged. Some of the norm classifications did not vary too much from their original definition.
Even the new categories were not truly new; they represent separate and distinct aspects of the original four norms.

At the end of the first judge’s classification, the initial validation procedure was conducted by the second judge. In this process, the second judge took the CIT interviews and classified them according to judge one’s initial categories. When this process was completed, the two judges met to discuss discrepancies between their classifications. It was during this process that it was decided that the mutuality/fairness norm should be broken into two parts: contra- or anti-opportunism, and stand behind good products. The interviews were then re-classified to reflect the two new categories.

When this had been accomplished, the interviews and the categories were turned over to judge three for a final classification and independent validation of the categories derived by the first two judges. At this point, the category “discrimination” was dropped because it was felt by all three judges that the incidents that had been placed in this category were just extreme instances of the remaining seven categories, and that discrimination did not constitute a norm category by itself.

Reliability of these classifications was assessed as suggested by Flanagan (1954) and Bitner et al. (1985) using level of agreement between judges. Out of the final total of 610 behaviors to be classified into seven categories, the third judge placed only 74 behaviors in categories other than those originally selected by the first two judges. This was mainly due to the re-classification of the
interviews originally placed in the “discrimination” category. Additionally, while not considered to be mis-classified, the third judge was able to identify an additional 29 behaviors that were not discovered by the first two judges (see Table 3.3). The total classifications made by the third judge that did not agree with the original classifications of the first two judges was 103. Therefore the percent agreement across judges was figured at 83.1 percent. However, according to Perreault and Leigh (1989) the reliability for this categorization is somewhat higher. With an 83.1 percent agreement between judges and seven coding categories for a variable, the estimated reliability was (l) 89 percent. This level of agreement among the judges is high considering the nature of the task and difficulties associated with qualitative methods such as content analysis. It also compares favorably with the CIT study by Bitner et al (1990) in which their inter-judge agreement was 88 percent. It is also above the I, < .8 or the .7 for exploratory work suggested by Perreault and Leigh (1989) as low levels of reliability. Therefore the categories were deemed to be an appropriate, valid, and a sufficiently reliable categorization system for consumer norms; particularly for this exploratory work.

Most of the critical incidents described by the subjects included behaviors that were related to more than one of the seven norm categories. So, while there was a total of 258 critical incidents reported, a total of 610 behaviors were classified into the seven norm groups. A definition for each norm, and a listing of associated behaviors are provided in Table 3.4. A full discussion of the results for each of the norm categories is provided in the following section.
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<th>DEVELOPMENT OF NORM CATEGORIES AND INITIAL NORM STRUCTURE</th>
<th>FIRST VALIDATION OF CATEGORIES AND RECLASSIFICATION</th>
<th>INDEPENDENT VALIDATION AND FINAL NORM STRUCTURE</th>
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<td>Flexibility</td>
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<td>Role Diligence</td>
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TABLE 3.4
DEFINITIONS AND BEHAVIORS ASSOCIATED WITH THE SEVEN NORMS

**Mutuality 1**
"Stand Behind Good Products"

Having products and services that provide the value that you expect for the money. Also, standing behind a product for a reasonable period of time should something go wrong. (Remember, better products and longer warranties are likely to cost more.)

- Return policies for broken/bad goods (length of time, documentation, return the good [dead fish] etc.)
- Providing a poor/defective product without reduction in price (reduced price on damaged goods or poor service)
- Failure to deliver promised product (quality, specifications, etc.)
- Level of quality in warranty service (does warranty work receive the same attention/quality as paid work?)
- Poor repair work on damaged merchandise (ie. adjustments, punch-list items)
- Quality of peripheral services/products (ie. food on an airplane, instruction with a purchased computer)
- Charging for a service that did not solve the problem

**Mutuality 2**
"Contra-Oppportunism"

This involves not taking advantage of the customer by the retailer or the staff of a store. Low or negative levels would be when the customer is taken advantage of in some way.

- Cost-benefit relationship for goods or services purchased (ie. large portions, good prices, searching out bargains to be passed on to customers, true sale prices)
- Consumer feels that they can (cannot) trust the retailer (ie. level of sales pressure, pointing out potential problems and other behaviors showing that consumer welfare is a priority)
- Mistakes benefiting the retailer are rectified to create equality or favor the customer (ie. extra product for error, searching for inequity and making it right)
- Sticking with a price quoted in error even though it is more advantageous to the consumer
- Charging to repair/finish work that was thought by the consumer to be included in the original work order
- Service and prices to emergency consumers (ie. taking advantage of persons in distress)
- Service and prices to one-time customers (ie. taking advantage of out-of-towners)
- Service and prices to persons who cannot judge the product or need for that product (taking advantage of information imperfections)

(table con'd.)
Role Diligence

Doing those things that a retailer or employee should do to provide the service required by a customer. This would include waiting on customers and helping them with their product and service needs. Low or negative levels would be failure to wait on customers and not attempting to meet their needs.

- Waiting on the customer (i.e. showing products, helping to try-on products, not avoiding the customer)
- Finding things for customers (i.e. searching for products, looking in catalogs for items to meet a specific need, phoning other store locations to locate a product)
- Amount of time/effort devoted to providing a service (i.e. a two minute hair cut, searching two hours for a product)
- Providing special services even during busy times
- Asking to help customers upon entry into the store (not hiding in the back of the store or suddenly becoming busy with stock)
- Evidence of taking pride in one's work (putting extra time into the provision of a service, polishing or special wrapping of a product)
- Paying attention to a customer (listening, watching for need of help, not having the customer have to ask for assistance)
- Taking or making special orders
- Following up to see if everything is OK
- Measuring the customer to assure a correct fit
- Supervisor helping a new employee with a customer in an area where the employee has little or no experience

Respect for Time

Behaviors on the part of the retailer or employee that recognize the time spent by their customers. This includes such things as serving customers in order of arrival, things done to reduce waiting periods, reducing consumer driving time, etc. Low or negative levels would be those things that may increase waiting time or cause a customer to have to spend more time than is necessary.

- Serving persons in order of arrival or in order of queue (not taking persons ahead of others, not taking paid work ahead of warranty work)
- Actions designed to reduce customer waiting time (i.e. opening more check-out lines, scheduling appointments and keeping them)
- Making the "product" worth the wait (i.e. better service, additional quantities of the product, entertainment)
- Providing faster service in rush times (special lunch-time items, more service personnel, taking service orders while customers are still in the queue)
- Getting things done on the customer's first trip (or minimizing the number of customer trips)
- Expressions to the customer that their time is valued (telling, extra product or service)
- Minimizing run-a-round (reduced number of forms to fill out, filling out forms for the customer, moving authority to front-line personnel)
- Taking in-store customers ahead of phone customers
- Making priority service available

(table con't.)
**Flexibility**

Bending or not following store rules and policies that affect a consumer. Low or negative levels would be when there was strict adherence to rules no matter what the situation.

- Taking checks despite rules not to do so (out of town, low check number, not enough ID, cash only)
- Altering specifications to meet customer needs/desires (vegetarian foods, altering standard product/service, custom-made products)
- Response to an emergency (loaning a tool [gas can], staying open late, coming in during off hours)
- Flexibility of return policy (ie. won't take a product back one day over 30 day limit, product owner only may make the return, must go through lengthy process even though only a few pennies difference on product exchange)
- Allowing customer to take merchandise even though they have not yet paid and allowing to pay next time (ie. forgotten wallet, no checks left)
- Allowing customer to pay high bill out over time even though business is "pay when service is rendered"
- Making customer follow procedures meant for crowds when demand is low (ie. three persons per car on a carnival ride, five minute time limit, take a number)

**Product/Service Knowledge**

Showing knowledge about the product, service or store. Explaining the product, service or procedure. Sharing knowledge as expected. Expecting or knowing what a customer wants or needs in a particular product category. Low or negative levels would be poor product and store knowledge and not being willing to explain about products or the store.

- Ability to properly carry-out service offered by the service provider (ie. cannot fix correctly, improper installation)
- Sharing of knowledge (ie. how something works, costs involved over life of the product or with accessories, what is wrong, teaching the customer about the product/service and how it is correctly evaluated
- Knowing how to make the product work correctly
- Knowing how to match tastes, colors, styles and using/providing this knowledge in helping the customer
- Knowing where things are in a store and providing that information to the consumer (or taking them there)
- Ability to match products/services to customer needs
- Knowing about the process of the exchange (ie. how long, expensive, painful, etc.) and sharing that with the customer
- Changing/matching customers to more appropriate products based upon customer need
- Having a system such that store items are not lost (ie. lay-a-ways, keys, receipts, etc.)
Appreciative Behaviors

Things that clerks, salespersons, and management do to show the customer that their business is appreciated and valued. Things to make the shopper feel welcome, trusted, and/or special. Negative or low levels would be things that made the shopper feel unwelcomed, not trusted, and not respected by the store management or staff.

- Made to feel welcome by:
  - Greeting and saying good bye to customers
  - Smiling and being friendly to customers (cordial)
  - Attitude/tone with which one speaks to customers (politeness)
  - Trusting customers (i.e. not watching them like thieves, taking their word for things
  - Appearing to care about customer needs, showing concern
  - Taking back merchandise when there is nothing wrong with it so as to continue the relationship
  - Helping customers to feel comfortable with their purchase (providing reassurance)
  - Keeping in contact with customers (by phone, mailing lists, memberships)
  - Allowing latitude in consumer behavior (i.e. noise when not disturbing others, smoking areas and non-smoking areas)
  - Being truthful (i.e. telling customers about errors, not promising what cannot be delivered)
  - Attempting to make the customer feel special; treating customers individually as persons not just as another customer (i.e. remembering sizes, tastes, etc.)
  - Not lecturing customers on how they should behave or talking down to them
  - Not ignoring customers (i.e. doing nails or talking on the phone)
  - Not putting off promised service (i.e. having things ready when promised)
Mutuality 1: Stand Behind Good Products. The original norm of mutuality was found to be reflected in two distinct norm categories. The first of these is to provide a good product and stand behind it. This norm is evidenced in poor or excellent goods or workmanship which results in a good or poor product. It includes repairing a product or giving a new product for one that is broken. Providing the product that is advertised or implied to the consumer is also included in this definition.

Of the 258 critical incidents related, 58 incidents (22.5 percent) involved the use of this norm in the description of what was either right (16 incidents, 27.6 percent of this norm) or wrong (42 incidents, 72.4 percent of this norm) with the exchange. It therefore appears that failure to provide a good product or stand behind the products provided was at least a partial reason for dissatisfaction in 16.3 percent of the incidents related.

Behaviors associated with this norm include return policies for broken/bad goods (i.e. length of time, documentation requirements, and having to return the spoiled, dead or broken good), providing a poor or defective product without some reduction in price (reduced price on damaged goods or poor service), and failure to (in terms of quality or specifications). Other behaviors associated with this norm were the level of quality in warranty service (does warranty work receive the same attention as paid work?), poor repair work on damaged merchandise (such as adjustments or punch-list items), the quality of peripheral services or products

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(food on an airline and instructions with a computer), or charging for a service that did not solve the problem.

**Mutuality 2: Contra-Opportunism.** The second norm that broke out of mutuality was that of contra-opportunism. This norm involves the concept of evenness in outcomes between exchange partners. It includes providing an equitable product or service, more product or service, or reducing price to make for a more equitable or fair outcome. It does not include sale prices. Behaviors of pro- and anti-opportunistic behavior are included (i.e. lying or high pressure selling).

Some 84 incidents (32.6 percent) included some description of the opportunistic norm as being at least a partial cause for the satisfaction or dissatisfaction associated with the exchange. Anti-opportunistic behavior was reported in 51 (60.7 percent) of the cases, while opportunistic behavior was reported in 33 (39.3 percent) of these incidents. It is possible, based upon these findings that lower levels of opportunistic behavior may be considered more typical and therefore were not reported as a critical incident while anti-opportunistic behavior was considered less typical and therefore included in more critical incidents.

Behaviors involved in this norm of contra-opportunism include such things as favorable cost-benefit relationships for goods or services purchased (i.e. large portions, good prices, searching out bargains to be passed on to the public, and true sale prices), the consumer's feeling that they can trust the retailer (i.e. lack of pressure in selling and behaviors giving the appearance of consumer welfare as a
priority), and mistakes benefiting the retailer rectified to create equality or advantage in favor of the customer (i.e. extra product to make up for an error, baker's dozen, searching for inequity and making it right). This norm was also reflected in sticking with a price quoted in error even though it is more advantageous to the consumer, charging to repair or finish work that was thought by the consumer to be included in the original work order, not taking advantage of out-of-towners or persons experiencing an emergency, and not taking advantage of persons who are unable to judge quality or do not know what it is that they need.

**Role diligence.** The next norm category was originally thought to be a part of the flexibility and helping norm. Role diligence was defined as providing those behaviors that should be exhibited by the retailer (or employee) exchange partner in the provision of the product offered by the retailer. Behaviors included would be high and low levels of service and evidence of dedication (or lack of) in providing the total product offered by that retailer.

The behaviors related to this norm appear to be quite important to the success or failure of an exchange process. Out of the 258 critical incidents recorded, 145 (56.2 percent) contained some reference to this class of behaviors as at least a partial reason why the incident was good (86 incidents, 59.3 percent) or bad (59 incidents, 40.7 percent).

Behaviors involved in this classification include waiting on the customer (i.e. showing products, helping customers to try products on and not avoiding the customer), finding things for customers (i.e. searching for products, looking in
catalogs and phoning other store locations to find a product for a customer) and
the amount of time devoted to providing a service (i.e. a five minute hair cut or
searching two hours for a receipt). Other behaviors included in this category are
providing special services at busy times, asking customers if they need assistance
as they enter the store (not hiding in the back of the store), evidence of taking pride
in one's work (putting extra time into the provision of a service, polishing or special
wrapping of a product), paying attention to a customer (listening, watching for need
of help, not having the customer ask for help), taking or making special orders,
following up to see if everything is OK with something that a customer purchased,
taking customer measurements, and having a supervisor help a trainee who has
little or no experience.

Flexibility. The other part of the flexibility/helping norm was retained in a
norm called simply flexibility. Flexibility is defined as bending rules and/or policies
or failure to follow rules and/or policies so as to help solve a particular problem or
situation for a consumer. Strict adherence to rules despite consumer needs to the
contrary would run counter to this norm.

Of the seven categories of norms developed, this category received the
lowest number of incidents (32 incidents 12.4 percent). This norm was related to
14 positive outcomes (43.8 percent) and 18 (56.3 percent) negative outcomes. It is
interesting to note that this is one of only two categories (the other is respect for
time) in which the bad incidents out-numbered the good.
This category included such things as taking checks despite rules not to do so (i.e. out of town, low check number, not enough identification or cash only rules), altering specifications to meet customer needs or desires (i.e. vegetarian foods, altering a standard product or service, and custom making products), response to an emergency (i.e. loaning a tool, staying open late and coming in during off hours), and inflexible return policies (i.e. not taking a product back beyond a 30 day limit, owner of the product only may return it, or having to go through a lengthy exchange process even though there are only a few pennies difference on the product to be exchanged). Some of the other behaviors encountered were allowing a customer to take merchandise even though they have not yet paid (i.e. forgotten wallet or no checks left) and allowing them to pay next time, allowing a customer to pay a high bill out over time even though the business has signs stating "Payment Must Be Made When Service Is Rendered," and making a customer follow procedures meant for crowds when demand is slow (three per car, five minute time limit, or take a number).

Product/service knowledge. A third category that came from the original flexibility and helping norm was that of product/service knowledge. This norm involves exhibition of knowledge (or lack) about the product, service, or their store. Explaining the product, service, or procedure (or not) is also involved. Sharing or not sharing knowledge as expected, knowing and responding to customer wants and/or needs in a particular product category is also included.
A good number more respondents (64 incidents 24.8 percent) described the behaviors related to this norm as at least a partial reason for their satisfaction or dissatisfaction with an exchange. Of those behaviors related to this norm, a total of 38 incidents (59.4 percent) experienced a positive outcome while 26 incidents (40.6 percent) had negative outcomes.

Some of the behaviors related to this norm include inability to properly carry-out service offered by the provider (i.e. cannot fix correctly or improper installation), sharing of knowledge (i.e. how something works, costs involved, what is wrong, and teaching the customer about the product or service and how it may be evaluated), knowing how to make the product work correctly, and knowing how to match tastes, colors, styles and using or providing this knowledge in helping the customer. Other behaviors included are knowing where things are in the store and providing that information to the customer, the ability to match products and services to consumer needs, knowing about the process (i.e. how long, expensive, or painful it is) and sharing that information with the customer, changing products for customers or matching customers to more appropriate products, and having a system such that store items are not lost (i.e. lay-a-ways, keys, and receipts).

Respect for time. The original norm category, seniority was changed to respect for time to better reflect the types of behaviors classified in this category. This new category was defined as behaviors on the part of the retailer (or employee) that acknowledge an investment of time on the part of the consumer. This includes such things as serving customers in order of arrival or queuing,
behaviors resulting in reduction of waiting periods, reducing consumer driving time or failure to do these things.

While there were relatively few reports of this type of behavior reported in the critical incidents overall (35 incidents, 13.6 percent), those that did report behaviors in this category described high levels of pleasure with the good incidents (8 incidents, 22.9 percent) and extreme levels of displeasure with the bad incidents (27 incidents, 77.1 percent).

Some of the behaviors mentioned by subjects in this category were: serving persons in order of arrival (not taking persons ahead of others and not taking paid work ahead of warranty work), steps taken to reduce waiting time (i.e. opening more check-out lines, scheduling appointments and keeping them, or failure to do these things), making the exchange worth the wait, and providing faster service in rush times (i.e. special lunch-time items, more service personnel, and taking service orders from customers waiting in line). Other behaviors include getting things done (i.e. repairs) on the customer's first trip or minimizing the total number trips, expressions to the customer that their time is valued (telling them or giving extra product or service), minimizing run-a-round (i.e. reduced red-tape and moving authority to front-line personnel), taking in-store customers ahead of phone customers, and making priority service available.

Appreciative behaviors. The final category of consumer norms is that of appreciative behaviors. This category is defined as behaviors or expectations of behaviors to establish or maintain a relationship. Behaviors and attitudes or just
perceptions of behaviors and attitudes that indicate that patronage is valued and wanted (or not valued or wanted). It includes taking back products (exchange policies) solely to facilitate continuance of the exchange relationship. It does not include providing service required by the exchange transaction itself (that is role diligence). Behaviors designed to make customers feel welcome or special are included as well as lack (or extra) respect for the customer. Evidence of trust (or distrust) on the part of the retailer, not lying (or lying), being cordial and treating the customer in a manner that makes them feel special and welcome are all a part of this norm.

Behaviors in the critical incidents related to this norm outnumbered behaviors in any other category. There were a total of 192 behaviors from the 258 critical incidents (74.4 percent) that were considered to be related to the appreciative behaviors norm. Of these, 110 incidents (57.3 percent) lead to positive outcomes while 82 (42.7 percent) were related to negative outcomes.

Some of the specific behaviors categorized as appreciative behaviors were making the customer feel welcome by greeting and saying good-bye to them, smiling and being friendly, the attitude and tone used with customers (politeness), trusting customers (not watching them like thieves and taking their word for things), appearing to care about customer needs, showing concern, taking back merchandise when there is nothing wrong with it so as to continue the exchange relationship, helping customers to feel comfortable with their purchase, and keeping in contact with customers by phone or mail. Additionally, allowing latitude
in consumer behavior (extra noise when not disturbing other customers and having
smoking and non-smoking areas), being truthful (telling about errors and not
making promises that cannot be kept), attempting to make the customer feel
special—as persons, not just numbers (remembering sizes and tastes), not
lecturing or talking down to customers, not ignoring customers (doing their nails
and talking on the phone), and confirming the receipt of an order are also
considered to be appreciative behaviors.

Table 3.5 summarizes the number of incidents in which behaviors related to
the seven norms occurred, the number of incidents related to positive outcomes for
each and the number of incidents related to negative outcomes for each.
Interpretation of this information contained in Table 3.5 may not be as straight­
forward as it appears. At first glance, it may appear that Role Diligence and
Appreciative Behaviors may be the most important of the norms due to their high
frequency of appearance. However, a subjective analysis of the interviews in
which behaviors associated with Respect for Time and Flexibility (the two least
occurring norms) indicated that these norms may have equal if not larger impact on
satisfaction with an exchange as those that occur more frequently. Therefore,
frequency should not necessarily be used as an indicator of importance of the
norms. This is the type of question that will be addressed in Phase II of this study.
An intuitive explanation for the differences in frequencies across the norms
unrelated to norm importance is easily offered. The discrepancy in occurrence be
may be more due to an increased (decreased) opportunity for these behaviors to
<table>
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<th>NUMBER OF BAD INCIDENTS</th>
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<td>Number</td>
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<td>8</td>
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<tr>
<td>Appreciative Behaviors</td>
<td>192</td>
<td>74.4</td>
<td>110</td>
</tr>
</tbody>
</table>

\(^1\) Represents percentage of mentions out of 610. Multiple mentions of more than one norm per incident are involved. As an example, mutuality was mentioned 58 times out of 610 for a total of 22.5 percent.

\(^2\) Represents percentage of mentions out of total mentions for this norm category. As an example, with Mutuality 1, there were 16 good mentions out of 58 for the category for a total of 27.6 percent.
exhibited. For example, many consumers do not require increased flexibility, product/service knowledge, or specific behaviors showing respect for time from retailers during a routine shopping trip. On the other hand, they are likely to expect retailers to be diligent in their duties and show appreciative behaviors on a regular basis. Further research is required to determine the reason for the difference in frequencies across the normative categories.

Several other process descriptor categories were also discovered in the classification process. They included: privacy (2 incidents) not spreading information about customers and clients, staring, over-hearing/listening to the conversations of others; control (2 incidents) the consumer’s feeling that they should have a larger degree of control in the exchange setting; cleanliness (2 incidents) the consumer’s feeling that the store facilities should be clean, and, as stated above, process time (48 incidents) how long a consumer feels that a process should take.

A final process descriptor that was developed was that of discrimination. This was described as behaviors or expectations of behaviors that certain customers or groups of customers are or should be treated differently from the majority. These behaviors may arise due to long term relationships of a consumer, similarities between the retailer (or an employee) and the consumer, prejudice, and size or frequency of the transaction. The behaviors involved may include better or worse levels of service, receiving extra product at no extra cost, reduced prices, and the provision of special privileges. All of the behaviors related to
discrimination were easily classed, usually as extreme examples of the behaviors in the norm categories that had already been developed.

It appears that discrimination is likely a moderating variable in the process. Persons feel that they should receive a particular type of behavior because of who they are, or to which group they belong and did or did not receive this treatment or, did not expect a particular treatment for those reasons and did get treated that way.

While the final set of norm categories differs somewhat from the initial categories that were proposed, they are still in keeping with what the literature suggests. Recall from the discussion provided in the Chapter 2 literature review that each of the final normative categories were suggested as being a part of the initial set of norms. Empirical data obtained provided clearer behavioral distinctions within these four initial categories which lead to the final seven.

Summary

The first phase of the methodology had three objectives to be accomplished prior to moving to Phase II. These were: a) the determination of an appropriate setting for the quantitative of the study, b) definition and description of the character of norms associated with consumer exchange, and c) development of a listing of behaviors associated with each normative category. Through the use of several classification methods used to examine potential retail settings, and two qualitative techniques chosen to examine the character of norms and associated behaviors, these objectives have been met.
The criteria for the setting that was ultimately chosen for use in the next phase of the study was selected based upon its ability to provide a moderate to large amount of consumer/provider interaction. The setting also contained a mixture of shopping and specialty goods to increase the memorability of the exchange process, and it was structured so as to provide the opportunity for the consumer to engage in all four phases of the exchange process.

Three norm dimensions hypothesized to exist were explored using in-depth interviews and the CIT methodology. While it was discovered that person (employees, management or both) and timing (the sequence of events in the exchange process) are dimensions of consumer norms, they have relatively little impact on the outcome of the exchange. The outcome of the exchange process is primarily dependent upon the specific behaviors and the magnitude of the behaviors exhibited during the exchange process.

A normative structure involving seven classes of consumer level exchange process norms was developed and examined using two different qualitative techniques. Through the use of the definitions developed for these norms, a total of 610 behaviors were classified with a high degree of reliability.

Finally, in connection with objective number three, a listing of shopping related behaviors was developed. Each of these behaviors is evaluated by consumers as a part of the shopping process and has been shown to have either positive or negative effects on the outcomes of the shopping experience.
While much knowledge was gained in this qualitative phase of the study in terms of the norms, their dimensions, and an initial setting in which to examine them further, there is still the unanswered questions of how these norms are employed by consumers and their relative importance in a retail setting. Phase II, a quantitative examination will examine these questions.
CHAPTER 4

METHODOLOGY AND RESULTS:
PHASE II: QUANTITATIVE RESEARCH

Research conducted in Phase 1 of the study provided information about the two characteristics of norms: a) the effects of their dimensions on outcomes of the exchange process and, b) the structure or categories of norms involved in consumer level exchanges. Definitions and descriptions were developed for each category of norms used by consumers in their evaluation of retail exchanges. Additionally, behaviors associated with each norm were identified and compiled.

Phase II of this research takes a next logical step and begins the examination of how these norms interact in a retail setting. This phase begins the process of operationalizing norms from the information gained in Phase 1 so that a better understanding can be obtained about the entire process of normative evaluation of consumer level exchange. The following sections detail the objectives, tasks, and results associated with this examination.

Objectives of Phase II

With the understanding gained in Phase I about the character of consumer level norms it is possible to move toward the next stage and explore their interaction and use by consumers in the evaluation of exchange process related behaviors. Therefore, the general goals for the second phase of the study are to assess the feasibility of operationalizing consumer norms and develop the quantitative methods needed to analyze their effects on
consumer's evaluations of exchange transactions. In order to accomplish this, the quantitative phase involves four areas: a) a final selection of the setting, b) operationalization of the norms and their levels of magnitude, c) design and refinement of the conjoint experiment, and d) a pretest of the conjoint task.

**Final Selection of The Setting**

Phase I of the study examined a number of classification schemes to develop the criteria for the selection of an appropriate setting in which to conduct the quantitative study of norms. While each of these examinations provided information about the general requirements of an appropriate setting for the further study of norms, no specific setting was determined.

The criteria developed and the rationale behind each serves to indicate the importance of a proper selection from which to conduct this initial quantitative investigation. Therefore, the first objective of Phase II is to select the specific setting for use in the quantitative portion of this research.

**Operationalization of the Norms and Magnitudes of Behavior**

A second outcome of the qualitative phase was the development of better understanding of the character and use of consumer level exchange related norms and the behaviors related to each. The three dimensions of norms (person, timing and magnitude) were each examined for their effects on exchange process related outcomes. A structure of norms was developed indicating that there are seven major consumer norms related to exchange.
transactions. Each of these norms was defined and a list of behaviors associated with each was compiled.

The set of behaviors associated with each of these norms is now developed into a behavioral composite representing each individual norm. This composite of behaviors provides a rich description of the actions related to a particular norm category.

This second objective of the quantitative phase also requires that varied levels of magnitude be developed for each of the behavioral composites. Descriptions of the behaviors in each composite are developed such that they depict a continuum of the behavior related to the norm ranging from very low levels to very high levels.

Now that the nature of consumer norms and their associated behaviors is better understood, this second objective of Phase II becomes an examination of the feasibility of using exchange related norms in the evaluation of a shopping behaviors. In other words, can normative evaluations be used to assess consumer satisfaction with a shopping experience? In order to accomplish this, it must first be determined if consumers can relate to the description of a shopping trip using the exchange process behaviors obtained in Phase I. It must then be determined if consumers can also provide reasonable answers relative to rating levels of the behaviors developed in the qualitative phase.
A Quantitative Examination of the Appropriateness of the Operationalizations

The final objective involves the quantitative exploration of sets of behaviors related to a shopping experience. The normative categories and various magnitudes of behaviors associated with each will become, respectively, factors and levels of behaviors of exchange processes to be evaluated by consumers. The evaluation involved will require the use of some quantitative method through which the impact of these behaviors on shopping outcomes can be measured.

Therefore, the fourth objective for Phase II of the methodology section of this proposal is to pre-test and perform a final test of the operationalizations of norms and their associated behaviors developed in association with objective two. The goal of this evaluation will be to assess the appropriateness of these operationalizations for use in studying consumer level exchange related norms.

Procedure

Accomplishing of the four objectives related to Phase II of this research involved a number of varied tasks. In the following sections, each of the tasks performed to accomplish these objectives will be discussed. The methods used, rationale for the choices made, and results associated with each step will be addressed.

Final Determination of the Proper Setting

Recall from the explorations conducted in Phase I that the most appropriate setting for an exploratory examination of norms involved a number
of criteria. First, in order to assure that there is sufficient amount of exchange process related behaviors involved, there must be moderate to high levels of participation by both the consumer and the provider. Second, it was deemed important to increase the probability that exchanges similar to the nature of the ones used in the quantitative analysis will be memorable to provide a better frame of reference for the subjects. Therefore the product classification scheme based upon risk and effort (Murphy and Enis, 1986) was used and resulted in the decision to use a setting in which a combination of shopping and specialty goods were sold. Outlets that provided mainly convenience goods were excluded from further consideration. Finally, since it was not known in what phases of the exchange certain norms might play greater or lesser roles, it was determined that the setting chosen should be structured such that the four phases of the consumer behavior process would all have a reasonable opportunity to be present. Therefore, the setting should one which encourages pre-purchase behaviors (need recognition, search and alternative evaluation), purchase behaviors, and ultimately consumption and post-purchase behaviors to be exhibited.

To these criteria it was decided that one final criterion should be added. It has been argued above that the consumer level norm process emerges at times in which behaviors of the retailer result in outcomes (externalities) that are either very good or very bad for consumers. Since the Phase I CIT data was gathered from incidents of that nature, the settings in which these critical
incidents occurred seem to represent a reasonable collection of settings from which to select. One of the variables collected in the CIT phase of the qualitative analysis was the setting in which the reported incident took place. Therefore in addition to those described above, a final criterion for the selection of a setting for quantitative study is its inclusion in the list of settings obtained in the CIT interviews.

Since this study is very exploratory in nature, the categories for the settings developed in the CIT interviews are very narrow. This preserves as much information about each setting as possible. Therefore out of 258 critical incidents recorded, a total of 54 setting categories were established. Several of the categories contained only one incident. It was decided that only those categories containing five or more incidents would be considered further because of their low frequency. This left 16 categories for further consideration (See Table 4.1).

Applying the three criteria for setting selection discussed above removed an additional nine settings, leaving seven from which to select. These seven included: music stores, clothing stores, department stores, sporting goods stores, hardware stores, motorcycle or car dealerships, and furniture stores. From this list several more settings were removed since it was decided that they did not have broad appeal and some of the respondents for the next phase of study were not likely to have much experience with these particular settings, or because it was decided that the product played a dominant role in
### TABLE 4.1

**SETTING CATEGORIES**

<table>
<thead>
<tr>
<th>Number of Incidents</th>
<th>Number of Setting Categories</th>
<th>Categories With Five or More Incidents</th>
<th>Categories Meeting Criteria</th>
</tr>
</thead>
<tbody>
<tr>
<td>258</td>
<td>54</td>
<td>16</td>
<td>7</td>
</tr>
</tbody>
</table>

Sixteen Remaining Categories

<table>
<thead>
<tr>
<th>Category</th>
<th>Number</th>
<th>Percentage</th>
<th>Major Reason</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gas Station</td>
<td>19</td>
<td>14.7</td>
<td>Not Shopping/Specialty</td>
</tr>
<tr>
<td>General Merchandise</td>
<td>16</td>
<td>12.4</td>
<td>Little Participation</td>
</tr>
<tr>
<td>Music Stores</td>
<td>5</td>
<td>3.9</td>
<td>Not Broad Appeal</td>
</tr>
<tr>
<td>Clothing Stores</td>
<td>17</td>
<td>13.2</td>
<td>Not Removed</td>
</tr>
<tr>
<td>Department Stores</td>
<td>9</td>
<td>6.9</td>
<td>Not Removed</td>
</tr>
<tr>
<td>Sporting Goods Stores</td>
<td>10</td>
<td>7.7</td>
<td>Not Broad Appeal</td>
</tr>
<tr>
<td>Fast Food</td>
<td>7</td>
<td>5.4</td>
<td>Little Participation</td>
</tr>
<tr>
<td>Bank</td>
<td>5</td>
<td>3.9</td>
<td>Not Full Process</td>
</tr>
<tr>
<td>Restaurant</td>
<td>42</td>
<td>32.5</td>
<td>Product Influences</td>
</tr>
<tr>
<td>Hardware Stores</td>
<td>6</td>
<td>4.7</td>
<td>Not Broad Appeal</td>
</tr>
<tr>
<td>Motorcycle or Car Dealer</td>
<td>16</td>
<td>12.3</td>
<td>Not Broad Appeal</td>
</tr>
<tr>
<td>Beauty Shop</td>
<td>9</td>
<td>6.9</td>
<td>Product Influences</td>
</tr>
<tr>
<td>Catalog</td>
<td>5</td>
<td>3.9</td>
<td>Little Participation</td>
</tr>
<tr>
<td>Auto Repair</td>
<td>10</td>
<td>7.7</td>
<td>Little Participation</td>
</tr>
<tr>
<td>Auto Parts</td>
<td>6</td>
<td>3.9</td>
<td>Not Full Process</td>
</tr>
<tr>
<td>Furniture Store</td>
<td>6</td>
<td>4.6</td>
<td>Not Removed</td>
</tr>
</tbody>
</table>

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the evaluation of this type of exchange. This left clothing stores, department stores, and furniture stores; categories that together represented 32 incidents or 24.7 percent of the critical incident settings. Since both clothing and furniture can be obtained in many department stores, it was decided that the most appropriate setting for use in the quantitative study was that of a department store (i.e. Dillard's, Penneys, Macys, and Lord and Taylor).

Operationalization of the Norms and Magnitudes of Behavior

The second objective of the quantitative phase of the project involved the operationalization of the results obtained in Phase I. This meant representing the dimensions and structure of norms in shopping trip scenarios that subjects could relate to so as to determine their effects on process evaluation outcomes. In other words, now that the nature of consumer norms and their associated behaviors are better understood, a second objective of the quantitative phase of this study becomes an examination of the feasibility of using exchange related norms in the evaluation of a shopping trip. In order to accomplish this, it must first be determined if consumers can relate to the description of a shopping trip using the exchange process behaviors obtained in Phase I. Then it must be determined if consumers can also provide reasonable responses in rating levels of magnitude of the behaviors developed in the qualitative phase.
To accomplish this objective, two tasks must be completed. The first is defining the norms in terms of behaviors. The second is to develop levels of magnitude for each of the behavioral descriptions.

**Operationalization of the Norms**

The first task of the operationalization process is to develop a mechanism through which to convey the norm definitions and associated behaviors. Recall from previous discussion that a total of seven categories of norms were developed in Phase I that represent the structure of norms related to consumer level exchange processes. While there was a great deal of variance in the frequency of the use of these norms across the interviews conducted, the seven major categories developed appear to account for most of the variance in the outcomes of the exchange process. They include: a) Appreciative behaviors, b) Mutuality 1: Stand Behind Good Products, c) Mutuality 2: Contra-Opportunism, d) Role diligence, e) Flexibility, f) Product/service knowledge, and g) Respect for time. These categories represent the qualitative input for use in operationalizing the norms for quantification.

Analysis of the qualitative data collected resulted in a definition for each of the consumer exchange norms. In addition to providing this definition, the qualitative phase also determined many of the types of behaviors associated with each norm category. Each of these behaviors can be considered an
indicator of the types of activities associated with that particular norm category and therefore an indicator of the norm itself.

Collections of the behaviors associated with a particular norm provide a means of representing that norm. However, the behaviors chosen to represent each norm must relate closely to the norm that they have been chosen to represent and no other normative category. The product of each of these collections of behaviors would then be a unidimensional representation of a designated norm category.

The following sections detail the tasks and conceptual issues related to operationalization of the qualitative data obtained in Phase I. Included in this is a discussion of how each of the norm categories was defined in terms of the behaviors involved to produce "behavioral composites," the development of a set of levels of magnitude for each of the norm categories, and finally, the activities and concerns involved in the testing of these operationalizations.

Representing norms through behavioral composites. First, for each of the normative categories representing the structure of norms, a behavior or set of behaviors had to be selected for inclusion in the shopping scenario. It was decided that a combination of behaviors related to that norm would be the best. This decision was made for a number of reasons. First, a combination of behaviors related to the norm would be perceived similar to a factor formed in multivariate factor analysis. While each behavior included would be more or less closely related to the particular norm, the combination of all of the
behaviors described would serve to better represent the normative category involved. Second, the combination of a number of behaviors also presents a richer description of the normative category. The combination of several behaviors presents a clearer, more detailed description of the types of behaviors that are likely to be associated with a consumer norm. Finally, some of the subjects involved may not have had prior experience with one or two of the behaviors chosen to represent a particular norm. A combination of several behaviors will provide subjects with a wider variety of behaviors related to that norm so that they will be better able to relate to each.

Therefore, the next step involved examining the sets of behaviors related to each of the norm categories obtained in the CIT process. From each of the sets of behaviors related to each norm, several behaviors were selected to be included in the factor descriptions category (See Figure 4.1). To be included in the composite description, the behavior had to have appeared five or more times across the critical incidents that had been collected, and be deemed to be very closely related to that particular normative category. For example, behaviors that were in any way difficult to classify between any two or more normative categories (that would have loaded highly to two "factors") were not chosen for use in the scenario descriptions.

The behaviors selected were then combined to describe portions of a shopping trip (See Figure 4.2). Each norm therefore, was provided with a description
Mutuality 1 (Stand Behind a Good Products):
- Return policies for broken/bad goods (length of time, documentation, return the good [bad fish] etc.)
- Providing a poor/defective product without reduction in price (reduced price on damaged goods or poor service)

Mutuality 2 (Contra-Oppportunism):
- Good cost benefit relationship for goods or services purchased (ie. large portions, good prices, searching out bargains to be passed on to the public, true sale prices)
- Mistakes benefiting the retailer rectified to create equality or in favor of customer (ie. extra product for error, baker’s dozen searching for inequity and making right)

Role Diligence:
- Waiting on the customer (ie. showing products, helping to try-on products, not avoiding the customer)
- Finding things for customers (ie. searching for products, looking in catalogs, phoning other store locations)

Respect for Time:
- Serving persons in order of arrival or in order of queue (not taking persons ahead of others, not taking paid work ahead of warranty work)
- Reduction of waiting time (ie. opening more check-out lines, scheduling appointments and keeping them)

Flexibility:
- Taking checks despite rules not to do so (out of town, low check number, not enough ID, cash only)
- Altering specifications to meet customer needs/desires (vegetarian foods, altering standard product/service, custom-made products)

Product/Service Knowledge:
- Inability to properly carry-out service offered by provider (can’t fix correctly, improper installation)
- Sharing of knowledge (how something works, costs involved, what is wrong, teaching customer about product/service and how it may be evaluated)

Appreciative Behaviors:
- Made to feel welcome:
  - Greeting and saying good-bye to customers
  - Smiling and being friendly to customers (cordial)

---

**FIGURE 4.1**

SAMPLE SHOPPING BEHAVIORS
ILLUSTRATIVE OF THE NORM CATEGORIES
Mutuality 1 “Stand Behind Good Products”:
They have good quality products, very much as advertised. All of their products are covered by warranty and will be taken back if they break or fail to work properly and you have your receipt. Repairs to warranty products are processed the same as paid repair work.

Mutuality 2 “Contra-Opportunism”:
They look out for their customers' interests, try to correct any mistakes that are made, and don't use much pressure in their selling. Their products are worth about what you pay for them, and they treat people pretty fair that have little product knowledge.

Role Diligence:
If a customer asks a salesperson, they will show them they ask to see, help them search for products, or help them to try things on. If they do not have what a particular customer is looking for they may tell them where they might find it.

Respect for Time:
This store serves customers in order of arrival, takes steps to reduce waiting time, attempts to make their product worth the wait, takes in-store customers ahead of phone calls, and hires a few extra employees during peak times.

Flexibility:
This store will many times bend their rules. They will take most checks, even some payroll checks with proper ID. They will stay open a little late if you make arrangements in advance, will alter some of the products that they sell to meet specific needs, and there is some flexibility in their returns and other policies.

Product/Service Knowledge:
Their employees are fairly knowledgeable. They know a fair amount about their products, how most work, how to combine some, and how to get the most out of several of the things that they sell. They are also pretty good about explaining the things that they know about.

Appreciative Behaviors:
Some employees notice customers as they come in, but they are not greeted or welcomed. The clerk speaks as they check out but little else is done to show customers how they feel about their patronage. They don't know customers' names or tastes. When not waiting on them, employees generally watch the customers occasionally while they shop, but then only from a distance.
of several behaviors that, from the qualitative research, were found to represent the behaviors governed by the norm involved.

**Operationalization of the Levels**

The next step of this process involved the development of levels for each of the behaviors associated with a behavioral composite selected to be used in the shopping scenarios. Recall from the discussion of issues of service quality and then Jackson's (1966) concept of return potential curves, that variance in magnitudes of behaviors should produce a functional relationship between the perceived magnitude of the behavior and a rating in terms of approval or satisfaction with that level of behavior. That functional relationship, when graphed is referred to by Jackson as a return potential curve. This relationship is an important part of the analytical technique to be used.

The initial task in the operationalization of the magnitudes for the consumer level norms in a retail setting involves two primary considerations. First, evaluations of the various magnitudes of behavior by the respondent result in a return potential curve that may be either vector or ideal point in shape. It was therefore considered important that sufficient levels be developed for each normative category to demonstrate the curve associated with each category of norm. While three levels would likely have been enough to indicate the general nature of the curves, it was decided that five levels would better demonstrate the shape associated with each curve. The five
behavioral levels for each of the factors were developed in the manner described in the following paragraphs.

As discussed above, the CIT methodology and the in-depth interviews provided a great deal of depth of description about the types of behaviors involved in shopping. The information obtained in these interviews served as the basis from which the levels were developed. The first step in developing the levels was to take each individual behavior in the norm behavioral composites created earlier, and describe what would be a typical magnitude of that behavior. Starting from this typical, or middle point, a large number of both increasing and decreasing magnitudes of the behavior were developed. This process was continued until the magnitudes of the behaviors involved were so high (or low) that further increases (decreases) could not be developed. An important consideration in this process was to make sure that the unidimensional nature of the behavioral composites be maintained at all levels.

**Initial revisions of the levels.** Once these initial steps were completed, the next phase of the process involved an examination and revision of these behavioral magnitudes to: a) make the descriptions as realistic as possible, b) make the highest and lowest magnitudes as extreme as possible without becoming unrealistic, and c) reducing their number to five magnitudes per behavior. While this process was mainly conducted by the principle investigator, input was obtained from students in senior level consumer behavior classes, and experts in the field of marketing.
This process was iterative in nature. The behavioral composites were listed on sheets of paper and handed out to a senior level consumer behavior class. The members of that class then rated each of the composites in terms of perceived level of magnitude based upon a scale of 0 to 100. They were encouraged to change wording to improve readability or improve the description. Additionally, students were instructed to create additional descriptions if none of those provided fell at the 0 or 100 ends of the scale. This was done four or five times, reducing the number and changing the statements each time to incorporate suggestions of the students and experts in the field of marketing.

Having refined the behavioral magnitude descriptions and reduced their number to five levels per behavior, descriptions for all of the behaviors involved in each norm composite were combined. The combinations of behaviors then became a rather rich (in terms of number and detail) description of behaviors, running from extremely low magnitudes to extremely high magnitudes related to a particular norm classification. These descriptions were further refined to make them more descriptive, realistic, and representative of the behaviors likely to be exhibited in a department store setting.

Pre-testing the levels. Once the first set of five magnitudes of the behavioral composites was developed and refined it was important to conduct an initial pre-test of the levels. It was decided that for each norm category, the five descriptions representing each of the factor levels would be placed on a
single sheet in random order. Respondents would then be given the task of rating the magnitude of each of the descriptions on a scale from 1 to 100 by placing the letter label of the description at the appropriate level on the scale, where 1 corresponds to the lowest magnitude of behavior and 100 corresponds to the highest level of magnitude (See Figure 4.3).

However, this data collection procedure was also viewed as presenting the opportunity to gather additional information that could be useful in later stages of the project. Therefore, in addition to rating the behavioral descriptions on the 1 to 100 scale, respondents were also instructed to place a T for what they felt was a typical magnitude of treatment and an I for what they felt was an ideal level of treatment on this same scale. Then for each of the behavioral magnitude descriptions, respondents were requested to rate their level of satisfaction with that level of behavior on a second scale where 1 indicated very dissatisfied and 100 indicated very satisfied. The respondent was then asked to provide a descriptive label for the behaviors characterized on that page. Finally, respondents were asked, for those pages where the behavioral descriptions provided did not reach minimum and maximum levels on the magnitude scale, to provide suggestions as to what behaviors would be considered a 1 or a 100.

To reiterate, each respondent was provided with a set of instructions, and seven pages of magnitude descriptions; one page for each norm category. Each page had five randomly ordered sets of descriptions of varying

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A  Employees look up from their work, but no one greets or welcomes me as I enter this store or does anything to show how they feel about me shopping here. They do not know my name or my tastes. When they are not waiting on me they just watch me as I shop.

B  Some employees notice me as I come in, but I am not greeted or welcomed as I enter the store. The clerk speaks as I check out but little else is done to show me how they feel about me shopping with them. They don't know my name or my tastes. When not waiting on me, their employees watch me occasionally while I shop, but then only from a distance.

C  Someone usually greets and welcomes me in each department of the store. They acknowledge that they have seen me shop here before, and know a few of my tastes. When not waiting on me, an employee is always near as I shop, but does not watch me.

D  They greet me at the door and welcome me to their store. Some know my name and many of the things that I like. When they are not showing products to me, they still give me special attention, but don't make me feel like they are watching over me.

E  Someone always greets me by name and welcomes me as I enter the store. They even let me know when they receive things that they think I will like. When not specifically showing products to me, I can have all of the special attention that I want, or wander all over the store without being watched.

Low or Contrary                                      High

\[ \begin{array}{cccccccccccc}
1 & 10 & 20 & 30 & 40 & 50 & 60 & 70 & 80 & 90 & 100 \\
\end{array} \]

Very Dissatisfied                                      Very Satisfied

\[ \begin{array}{cccccccccccc}
1 & 10 & 20 & 30 & 40 & 50 & 60 & 70 & 80 & 90 & 100 \\
\end{array} \]

Descriptive Label: ________________________________

---

FIGURE 4.3
INITIAL LEVEL OF MAGNITUDE PRE-TEST FORMAT

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magnitudes, two 1 to 100 rating scales, a place for respondents to provide a
descriptive label for the behaviors described on that page, and room for
descriptions of even higher and lower magnitudes of the behaviors if the
respondent was able to provide them.

Data was collected from two separate classes using this initial
instrument. One was Junior level principles of marketing class and the other
was a section of a low level physical science class required of all university
students. These different classes were selected to add more diversity to the
pre-test sample. A total of 40 students filled out the questionnaire, 19
marketing students and 21 science students. The only difference between the
questionnaires received by the two classes was that the marketing class
received their behavioral statements written in first person while the science
students received their statements written in third person. (Copies of the full
instruments are contained in the Appendix.)

Results of the pretest. Results for this initial evaluation of levels were
satisfactory overall as can be seen in Table 4.2. Subjects perceived most
levels as being different for the various norms and these differences were in
the proper direction. Problems were detected in providing descriptions that
were perceived as different mainly between the two highest levels for four of
the seven norms. Those three that were perceived as increasing between
levels four and five for the remaining three norms did not indicate equally
spaced increases in magnitude ratings. Additionally, the flexibility norm was
<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Level 4</th>
<th>Level 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Product (Mut 1)</td>
<td>26.0</td>
<td>45.3</td>
<td>57.3</td>
<td>68.9</td>
<td>76.5</td>
</tr>
<tr>
<td>Good Pd. Satisfaction</td>
<td>15.5</td>
<td>39.5</td>
<td>59.3</td>
<td>76.4</td>
<td>79.9</td>
</tr>
<tr>
<td>Contra-Oppportunism</td>
<td>25.9</td>
<td>41.4</td>
<td>51.3</td>
<td>73.6</td>
<td>77.0</td>
</tr>
<tr>
<td>Opport. Satisfaction</td>
<td>16.5</td>
<td>32.6</td>
<td>58.8</td>
<td>80.0</td>
<td>85.0</td>
</tr>
<tr>
<td>Diligence</td>
<td>15.9</td>
<td>43.0</td>
<td>67.9</td>
<td>74.8</td>
<td>73.5</td>
</tr>
<tr>
<td>Diligence Satisf.</td>
<td>14.9</td>
<td>39.5</td>
<td>67.5</td>
<td>79.5</td>
<td>80.1</td>
</tr>
<tr>
<td>Respect/Time</td>
<td>21.6</td>
<td>29.0</td>
<td>60.4</td>
<td>73.3</td>
<td>71.5</td>
</tr>
<tr>
<td>Respect/Time Satisf.</td>
<td>15.0</td>
<td>27.8</td>
<td>61.0</td>
<td>77.1</td>
<td>71.8</td>
</tr>
<tr>
<td>Flexibility</td>
<td>26.4</td>
<td>38.8</td>
<td>63.6</td>
<td>62.7</td>
<td>41.4</td>
</tr>
<tr>
<td>Flexibility Satisf.</td>
<td>22.5</td>
<td>41.8</td>
<td>70.9</td>
<td>65.6</td>
<td>41.5</td>
</tr>
<tr>
<td>Knowledge</td>
<td>16.8</td>
<td>27.6</td>
<td>58.2</td>
<td>78.7</td>
<td>70.5</td>
</tr>
<tr>
<td>Know Satisfaction</td>
<td>21.4</td>
<td>26.4</td>
<td>63.6</td>
<td>81.1</td>
<td>60.2</td>
</tr>
<tr>
<td>Appreciative Behavior</td>
<td>18.0</td>
<td>31.0</td>
<td>60.9</td>
<td>71.8</td>
<td>73.9</td>
</tr>
<tr>
<td>Apprec. Beh. Satisf.</td>
<td>17.7</td>
<td>29.6</td>
<td>69.6</td>
<td>76.3</td>
<td>72.4</td>
</tr>
</tbody>
</table>

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not perceived as increasing between levels three and four. One reason for this problem appears to have been a lack of anchors for the scale. What this means is that while one subject may have viewed the category as flexibility and rated increases in flexible behavior, another subject may have viewed the category as in rigidity and rated increases in how rigid the behaviors were. In exit interviews conducted by the experimenter, this was the reason given by many of the subjects who provided reverse scorings for this particular norm category.

Satisfaction ratings indicated the presence of both vector and ideal point return potential curves across the various norm categories as expected. Appreciative behaviors, role diligence, Mutuality 1 (stand behind good products), and Mutuality 2 (contra-opportunism) tended to be more vector in nature, or leveled off in terms of satisfaction at the highest levels. However, product/service knowledge, flexibility, and respect for time tended to indicate ideal point style return potential curves.

T-tests conducted between the two classes who participated in the study indicated differences in only 7 out of the 70 ratings (p < .05). Overall, it appears that only minor differences were perceived in first- versus third-person wording of the shopping scenarios, and some of the differences may have been due to the general make-up of the two types of classes responding to the questionnaires.
The main findings of this initial pretest of levels were that:

1. Respondents were able to perceive increasing magnitudes of behaviors in the shopping scenarios.

2. There were differences in satisfaction ratings at various magnitudes of behavior indicating the likelihood of both vector and ideal point return potential curves.

3. Further work was needed to provide perceptible differences in magnitude of behavior between levels four and five for all seven norm categories.

Several tasks were conducted and changes were made in the survey instrument were then made to address the problems discussed above. A number of the respondents to the survey were informally interviewed to determine why they had provided the responses that they had. Most related the difficulty that they had encountered in evaluating the descriptions and keeping in mind the magnitude of each relative to the others as they read and rated all five. When allowed to review their survey instrument relative to what were supposed to be the correct magnitude responses, most stated that they had just made careless errors and could now see the differences.

**Further revisions to the magnitude levels.** Based upon this these interviews and the quantitative results obtained, the survey instrument was revised by iteration in a number of ways. These changes were introduced to improve the distinction between the various levels of magnitude and to make
the task more understandable and avoid the "anchor" problem discussed above. First, the instructions were provided reduced and simplified. This was done to clarify sections that had caused problems for subjects in the pre-test. Second, for each level, a one line summary of the description of that level was provided in bold and underlined as the first sentence of the level description (See Figure 4.4). This was done to reduce the amount of information that the person had to remember as they rated the descriptions relative to one-another. Finally, the level of magnitude descriptions were each reviewed and revised. Wording was changed as needed so that subjects could more clearly differentiate the individual levels of magnitude. Particular attention was paid to making differences between levels four and five greater.

The new survey instruments, which required the same tasks of the respondents were then administered to a second introductory science class. In exit interviews conducted by the principle investigator, subjects involved reported that the instructions were easily understood, and that the highlighted descriptions for each level helped to keep the descriptions straight in their minds as each was compared for rating. Even though the task was not timed, it appeared that respondents completed the task somewhat more quickly than in the first administration. It is likely that this was due to the highlighted short descriptions which reduced the need for the subjects to go back and re-read the longer versions during the rating task.
A. **I am watched by employees but receive no personal attention** As I walk into the store, employees look up from their work, but no one greets or welcomes me as I enter this store or does anything to show how they feel about me shopping here. They do not know my name or my tastes. When they are not waiting on me they just watch me as I shop.

B. **I am occasionally watched, spoken to in check-out, but receive no personal attention** As I enter the store, some employees usually notice me and occasionally someone greets me. The clerk speaks as I check out but little else is done to show me how they feel about me shopping with them. They don't know my name or my tastes. When not waiting on me, their employees watch me occasionally while I shop, but then only from a distance.

C. **I am greeted and remembered, not closely watched, and given some personal attention** Someone usually greets and welcomes me as I come into the store. They acknowledge that they have seen me shop here before and know a few of my tastes. When not waiting on me, an employee is always near as I shop, but does not watch me.

D. **I am greeted and known by name; given special attention but not watched over** They greet me at the door and welcome me to their store. Some know my name and many of the things that I like. When they are not showing products to me, they are still willing to give me special attention, but don't make me feel like they are watching over me.

E. **I am greeted and welcomed by name, given any desired level of attention** Someone always greets me by name and welcomes me as I enter the store. They even let me know when they receive things that they think I will like. I can have all of the special attention that I want, or wander all over the store without being watched.

FIGURE 4.4

BEHAVIORAL COMPOSITES WITH HIGHLIGHTED DESCRIPTIONS

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**Summary**

Although further refinements were yet to be made in the magnitude level descriptions, it was apparent at this point that the operationalization of the norms and magnitudes was a feasible task. It was therefore decided that the next step in the process was to select a quantitative method to analyze consumers' use of normative evaluations in the chosen setting. The following section describes the considerations involved in selection of a quantitative methodology, and the tasks involved with its preparation.

**Design of the Conjoint Experiment**

The nature of the exploration thus far has resulted in: a) the development of factors which are the seven normative categories and their associated descriptions, and b) levels which include five differing magnitudes of the behaviors chosen to represent the factors. Such a configuration is ideal for the use of conjoint analysis. Conjoint analysis includes a group of decompositional methods that estimate the structure of consumer preferences, providing preference parameters such as part-worths, importance weights for levels and ideal points. These estimations are based upon the subjects' evaluations of sets of alternatives in terms of a number of factors and levels (Green & Srinivasan 1990).

**Selecting the Presentation Method**

Three presentation methods were considered for use in collecting data from the respondents. These include: a) trade-off methods, b) the full-profile
method, and c) adaptive conjoint. Each of these is discussed in the following section.

**Trade-off method.** The trade-off method ranks all possible combinations of levels through comparisons of two attributes at a time. Presenting this few choices offers the advantage of reducing information overload for the subjects involved, and it is relatively easy to administer. However, it sacrifices much in terms of realism due to the presentation of only two attributes at a time. Additionally, based upon the number of factors (seven) and levels (five) associated with this task, there would an enormous number of judgments for each subject to make. Other drawbacks associated with this method include response fatigue, an inability to incorporate pictorial or other non-written stimuli, and an inability to use fractional factorial designs to reduce the number of comparisons required (Hair, Anderson, Tatham, and Black, 1992). Because of these limitations, it was decided not to use this method.

**Full profile method.** A second method examined was that of full-profile. This methodology offers the advantage of being able to reduce the number of comparisons required of each respondent. This is accomplished through the use of a fractional factorial design in which each stimulus is separately described on a profile card. In addition to the advantage of fewer judgments, this method also provides and a more realistic description of the stimulus, and a better portrayal of the trade-offs that each subject is making among all of the
factors involved. It also offers the possibility of using more types of preference judgments that cannot be easily obtained in the trade-off method.

However, there are two major limitations associated with this method. First with increasing numbers of factors and levels (as is the case with the current research) information overload becomes a problem. Second, the order of presentation of the stimuli may impact evaluation (Hair et al., 1992). Green and Srinivasan (1990) recommend that the full-profile method not be used when the number of factors exceeds six. Therefore, despite its advantages over the trade-off method, due to the information overload likely to be associated with this task, the full-profile method was not selected as the most appropriate for the task at hand.

Adaptive conjoint analysis (ACA). A third method option, that of adaptive conjoint analysis was also considered. ACA considerably simplifies the task required of the respondents by having them only rank those attributes that they consider important.

This method employs the use of a computer in its presentation of stimuli and data collection. Initial part-worths are obtained through a series of paired comparisons that are rated by the subject. The computer program then makes adjustments to the stimuli that are to be presented to the individual, not the entire subject sample. Therefore, when stimuli are finally presented for ranking or rating, the number of comparisons required of each subject is greatly reduced.
Advantages associated with this method are its reduction of information for the subject to manipulate, increased respondent interest due to the use of the computer, and adaptations made to the norms evaluated in any task at the individual rather than sample level. In terms of disadvantages, the amount of time that is required of the respondent to make the paired importance comparisons and then the conjoint ratings detract somewhat from the use of this method (Green & Srinivasan, 1990). Due to its advantages relative to the size of this task, adaptive conjoint analysis was chosen for use as the quantitative method.

**Preparation of the Conjoint Task**

Selection of the quantitative method required that a number of tasks be completed in preparation to collect pre-test data. These tasks are outlined in the following paragraphs.

1. First, the conjoint program is such that it will only accept an approximately forty letter description of each of the factors and magnitudes. Therefore, based upon the written pretests of the levels administered previously these descriptions would require extensive reduction or some other method of presentation.

   It was decided that for each magnitude level, a tag name would be developed to describe that particular level. Therefore, in order to create a strong association between the tag and the full magnitude description,
respondents would rank a randomly arranged set of magnitudes for each of the factors as had done previously in the levels pre-test.

Several sets of tags were developed and revised based upon discussion with students and marketing experts. The final set resembled names for each of the magnitudes, and were made to be both descriptive of the level and memorable to the respondent.

2. Using the ACA program, screens were developed for each of the factors and levels to be evaluated by the respondents. These screens included instructions to the subjects, names of the factors (norm categories) and tag names describing each of the levels (magnitudes of behavior). The program was then tested by the principle investigator to make sure that it: a) followed the proper format as per the instructions for that program, b) was relatively easily understood, and c) properly collected the data. No problems were indicated.

3. Finally, a full set of the descriptions and definitions of the factors (norms), and levels (magnitudes of behavior) in proper order was developed along with the name tags for each level. Additionally, the one-line descriptions were prepared on two pages to provide a quick reference for respondents to refresh their memory.

This set of full descriptions and the shortened set was to be made available to the respondent after they finished the paper and pencil ranking of the magnitudes as they started on the computer conjoint task. This would allow
the subjects to refer back to full or partial descriptions of the levels if they had
any problem remembering the actual behaviors associated with each level
while working on the conjoint task.

Pre-testing of the Conjoint Task

The next step in the quantitative analysis was that of the actual
administration of the proposed conjoint task to a group of subjects as a pre-test
of the final methodology. As described briefly above, the task was broken into
two phases. The following paragraphs detail: a) the sample used, b) the paper
and pencil task, and c) the computer conjoint task.

Sample

The sample chosen for the pre-test of the quantitative methodology was
a convenience sample of 18 students enrolled in a senior level consumer
behavior class. The students had not been involved in any way with the prior
testing of any part of this project. Each was offered extra credit for participation
in the task. While the make-up of the class was mainly non-traditional
students, they were overall rather young (20 to 30 years of age), and there was
about an equal number of males and females involved.

Paper and Pencil Test

The first task facing the subjects was the rating of the five magnitudes
for each of the seven factors. As before, each factor (norm) was on a separate
sheet of paper. However, now a definition of that norm category, provided in
layman's terms was provided at the top of each sheet. Below this was a listing
of the five levels in random order along with the tag names that had been
developed for each. The only change that had been made in the descriptions
of the levels was that they were now presented in second-person (you) as
depicted in Figure 4.5. It was decided that writing the descriptions in this
manner might make them more personal and therefore create a more involved
response.

Students were instructed to rate the magnitude of each of the levels on a
1 to 100 scale as had been done by the other levels pre-test groups. They
were also instructed to place a T and an I to represent typical and ideal
magnitudes of these behaviors as one would be likely to encounter in a
department store. There were no ratings required as to satisfaction on the
pencil and paper portion of the task.

The Computer Conjoint Task

Upon completion of the pencil and paper task, students were asked to
go down the hall to a station where a computer had been set up with the
conjoint task. The subjects were to enter the last four numbers of their social
security number (to assure that they receive credit for their participation) and
then to follow the instructions provided on the screens.

Exit interviews held with the subjects involved revealed no problems with
either understanding or performing the task. Some voiced interest in the
computer program and their pleasure in having been involved.
First Person (I)

I am watched by employees but receive no personal attention As I walk into the store, employees look up from their work, but no one greets or welcomes me as I enter this store or does anything to show how they feel about me shopping here. They do not know my name or my tastes. When they are not waiting on me they just watch me as I shop.

Second Person (You)

Appreciative Behaviors: ignored but watched As you walk into the store, employees look up from their work, but no one greets or welcomes you as you enter this store or does anything to show how they feel about you shopping here. They do not know your name or your tastes. When they are not waiting on you they just watch you as you shop.

Third Person (The Customer)

Customer noticed and watched: no personal attention Employees look up from their work, but no one greets or welcomes customers as they enter this store or do anything to show how they feel about them shopping here. They do not know their customers' name or my tastes. When they do not wait on customers, they just watch as they shop.

FIGURE 4.5
BEHAVIORAL COMPOSITES IN FIRST, SECOND, AND THIRD PERSON

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Analysis of Pre-test Results

The overall goal of the quantitative phase of this study was to test the feasibility of operationalizing consumer norms to qualitatively analyze their effects on consumer's evaluations of exchange transactions. For the pre-test, this breaks down into two distinct areas. The first is another check on the descriptions of levels of magnitude to make sure that they are perceived as increasing by level. The second is to assess the feasibility of the conjoint task in the prediction of marketing outcomes such as patronage. Each are discussed in the following sections.

Testing the magnitude of the levels. Results of the analysis of the pencil and paper tests indicate that there are still some problems associated with the subjects' perceptions of increasing magnitudes of behaviors as the levels increase. As can be seen in Table 4.3, the appreciative behaviors and flexibility are not rank ordered in line with expectations.

In exit interviews conducted with the subjects it became apparent that the subjects were confusing, at least to some degree, the concept of magnitude of behavior with their feelings about that behavior in the rating task. It appears that leaving out the satisfaction scale in the paper and pencil task may have accomplished the purpose of speeding up the task at the sacrifice of causing this confusion. Reintroduction of satisfaction rating to the paper and pencil task will reduce the confusion that subjects experience between magnitude and satisfaction.
<table>
<thead>
<tr>
<th></th>
<th>Level 1</th>
<th>Level 2</th>
<th>Level 3</th>
<th>Level 4</th>
<th>Level 5</th>
</tr>
</thead>
<tbody>
<tr>
<td>Good Product (Mut 1)</td>
<td>26.8</td>
<td>42.6</td>
<td>58.7</td>
<td>80.3</td>
<td>79.5</td>
</tr>
<tr>
<td>Contra-Opportunism</td>
<td>22.6</td>
<td>34.5</td>
<td>62.1</td>
<td>74.7</td>
<td>77.1</td>
</tr>
<tr>
<td>Diligence</td>
<td>26.3</td>
<td>33.5</td>
<td>57.9</td>
<td>75.3</td>
<td>66.6</td>
</tr>
<tr>
<td>Respect/Time</td>
<td>21.8</td>
<td>37.4</td>
<td>65.0</td>
<td>65.8</td>
<td>80.5</td>
</tr>
<tr>
<td>Flexibility</td>
<td>30.8</td>
<td>49.5</td>
<td>65.3</td>
<td>48.1</td>
<td>42.5</td>
</tr>
<tr>
<td>Knowledge</td>
<td>17.1</td>
<td>31.6</td>
<td>65.5</td>
<td>85.4</td>
<td>60.5</td>
</tr>
<tr>
<td>Appreciative Behavior</td>
<td>21.8</td>
<td>30.8</td>
<td>72.6</td>
<td>79.2</td>
<td>76.1</td>
</tr>
</tbody>
</table>
Feasibility of the conjoint task. One of the useful aspects of the ACA computer program is a test to determine a correlation between the various ratings of the conjoint task and satisfaction with several combinations of the factors. It is this correlation that provides evidence that the task has worked and that the ratings obtained relate to actual preferences of the respondents.

The correlations obtained have a mean value of .953. The maximum correlation was .999 and the minimum was .854. This provides evidence that the conjoint task is able to discern from the various ratings involved the true preferences of the subjects involved.

Another output from the ACA computer program is a set of values denoting the importance of each of the norms at the individual level. The range of these ratings indicates how important the norm can be due to its variance. As can be seen in Table 4.4, the ranges, and therefore the importance of the norms varies from person to person. Future research should address the individual differences that are related to these variances.

Table 4.5 reports the perceived importance aggregated across all of the respondents. Product/service knowledge was viewed as most important followed by Mutuality 1: Stand Behind Good Products. Role Diligence was ranked as least important. Paired t-tests between each of the most closely ranked norm categories (i.e. between #1 Product/service knowledge and #2 Mutuality 1: Stand Behind Good Products) revealed no significant differences. This is not surprising considering the small sample size of the pre-test group.
### TABLE 4.4

**INDIVIDUAL LEVEL IMPORTANCE RATINGS IN PERCENTAGE OF IMPORTANCE**

<table>
<thead>
<tr>
<th>Subject</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
</tr>
</thead>
<tbody>
<tr>
<td>App Beh</td>
<td>16.5</td>
<td>17.3</td>
<td>15.2</td>
<td>18.1</td>
<td>11.1</td>
<td>13.3</td>
<td>19.5</td>
<td>16.1</td>
<td>8.5</td>
</tr>
<tr>
<td>Know</td>
<td>16.5</td>
<td>16.6</td>
<td>18.5</td>
<td>18.5</td>
<td>15.0</td>
<td>18.5</td>
<td>18.9</td>
<td>13.6</td>
<td>13.5</td>
</tr>
<tr>
<td>Flexibility</td>
<td>15.7</td>
<td>9.8</td>
<td>7.8</td>
<td>12.9</td>
<td>19.4</td>
<td>14.3</td>
<td>20.1</td>
<td>13.6</td>
<td>11.7</td>
</tr>
<tr>
<td>Time</td>
<td>13.4</td>
<td>16.9</td>
<td>13.0</td>
<td>10.7</td>
<td>15.0</td>
<td>14.0</td>
<td>15.0</td>
<td>14.3</td>
<td>9.9</td>
</tr>
<tr>
<td>Diligence</td>
<td>9.2</td>
<td>9.8</td>
<td>14.1</td>
<td>12.3</td>
<td>7.5</td>
<td>5.9</td>
<td>9.6</td>
<td>11.2</td>
<td>22.4</td>
</tr>
<tr>
<td>Oppor</td>
<td>13.8</td>
<td>14.1</td>
<td>16.3</td>
<td>10.3</td>
<td>20.6</td>
<td>15.0</td>
<td>8.4</td>
<td>12.6</td>
<td>17.7</td>
</tr>
<tr>
<td>Good Pro</td>
<td>14.6</td>
<td>15.1</td>
<td>14.8</td>
<td>16.8</td>
<td>11.1</td>
<td>18.5</td>
<td>7.5</td>
<td>18.2</td>
<td>16.0</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Con't</th>
<th>10</th>
<th>11</th>
<th>12</th>
<th>13</th>
<th>14</th>
<th>15</th>
<th>16</th>
<th>17</th>
<th>18</th>
</tr>
</thead>
<tbody>
<tr>
<td>App Beh</td>
<td>14.9</td>
<td>15.1</td>
<td>16.2</td>
<td>15.7</td>
<td>10.2</td>
<td>13.2</td>
<td>9.5</td>
<td>18.5</td>
<td>12.7</td>
</tr>
<tr>
<td>Know</td>
<td>19.6</td>
<td>11.0</td>
<td>15.5</td>
<td>16.4</td>
<td>18.7</td>
<td>13.9</td>
<td>13.9</td>
<td>13.8</td>
<td>17.7</td>
</tr>
<tr>
<td>Flexibility</td>
<td>13.0</td>
<td>11.7</td>
<td>15.5</td>
<td>16.8</td>
<td>15.3</td>
<td>16.7</td>
<td>15.7</td>
<td>14.1</td>
<td>9.3</td>
</tr>
<tr>
<td>Time</td>
<td>13.0</td>
<td>13.1</td>
<td>11.8</td>
<td>11.7</td>
<td>12.5</td>
<td>19.5</td>
<td>12.8</td>
<td>10.1</td>
<td>16.3</td>
</tr>
<tr>
<td>Diligence</td>
<td>11.2</td>
<td>13.7</td>
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<td>11.1</td>
<td>15.7</td>
<td>11.6</td>
<td>12.3</td>
</tr>
<tr>
<td>Oppor</td>
<td>12.3</td>
<td>15.5</td>
<td>13.1</td>
<td>12.8</td>
<td>18.0</td>
<td>11.5</td>
<td>19.4</td>
<td>19.2</td>
<td>15.0</td>
</tr>
<tr>
<td>Good Pr</td>
<td>15.6</td>
<td>19.6</td>
<td>17.5</td>
<td>16.8</td>
<td>13.9</td>
<td>13.6</td>
<td>12.8</td>
<td>12.3</td>
<td>16.3</td>
</tr>
</tbody>
</table>

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<table>
<thead>
<tr>
<th>Item</th>
<th>Dil</th>
<th>Tim</th>
<th>Flx</th>
<th>App</th>
<th>Opp</th>
<th>Pro</th>
<th>Kno</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mean Importance Rating</td>
<td>11.8</td>
<td>13.4</td>
<td>13.8</td>
<td>14.6</td>
<td>15.1</td>
<td>15.2</td>
<td>15.8</td>
</tr>
<tr>
<td>Importance Ranking</td>
<td>7</td>
<td>6</td>
<td>5</td>
<td>4</td>
<td>3</td>
<td>2</td>
<td>1</td>
</tr>
<tr>
<td>Standard Deviation</td>
<td>3.62</td>
<td>2.44</td>
<td>3.47</td>
<td>3.08</td>
<td>3.51</td>
<td>2.92</td>
<td>2.69</td>
</tr>
<tr>
<td>Minimum</td>
<td>5.9</td>
<td>9.9</td>
<td>7.8</td>
<td>8.5</td>
<td>8.4</td>
<td>7.5</td>
<td>10.7</td>
</tr>
<tr>
<td>Maximum</td>
<td>22.4</td>
<td>19.5</td>
<td>20.1</td>
<td>19.5</td>
<td>20.8</td>
<td>19.6</td>
<td>19.6</td>
</tr>
</tbody>
</table>
and the amount of variance in perceived importance of the various norms across individuals.

Summary

The overall goal of Phase II of the study was to examine the feasibility of developing descriptions of a shopping trip based upon the normative categories and behaviors determined in Phase 1. The task was then to determine if these descriptions could be understood and rated by subjects to indicate preferences in the way that retailers behave. Results indicate that this task is feasible. Respondents are able to discern various levels of behavior from the descriptions provided and the correlations obtained indicate that the ratings given are a reasonably accurate representation of the subjects' preferences for treatment by retailers as a consumer.
CHAPTER 5
RESEARCH DESIGN

This dissertation has suggested that in addition to the satisfaction obtained from the things of value exchanged and the setting for exchanges, consumers also derive satisfaction from the exchange process itself. To explore this additional source of consumer satisfaction, a number of conceptual issues have been addressed, and a qualitative investigation has been conducted. Additionally, a quantitative exploration has been suggested and pre-tested. The following sections briefly outline the conclusions and findings of these investigations and describe a quantitative study that was conducted to explore the relative importance of consumer norms.

Summary of Phase I Results: Qualitative Investigation and Findings

Prior to the current research, norms had not been used in evaluation of the process of exchange. Therefore, Phase I of the study was designed to determine the character of consumer norms in terms of norm dimensions and structure. This initial study also involved the gathering of information for use in choosing an appropriate setting for Phase II of the project.

Norm Dimensions

Drawing from script theory, three dimensions of norms were proposed as affecting satisfaction with exchange processes. These dimensions were: person (in terms of employee, management, or both), the timing of when particular behaviors took place within an exchange, and the magnitude or level of the behaviors involved.
As discussed in Phase I, the dimension of person had little effect on respondent satisfaction with the overall event. Instead, this dimension just identified toward whom any attribution of cause for the outcome of the exchange was directed. The dimension of timing was also shown to have little or no effect on evaluations of satisfaction, and was not even considered by almost all subjects in their evaluation.

Of the three dimensions proposed, the qualitative study indicated that only the magnitude of the behaviors exhibited by the retailer or his employees the exchange affected the respondents evaluations of satisfaction. Across a wide range of possible behaviors reflecting the content of norms, the low and high levels of these behaviors resulted in changes in satisfaction reported by the study participants. Therefore, coupled with the lack of impact from the other dimensions, only magnitude of the norms were portrayed and manipulated in the study.

**Norm Structure**

The literature available on norms also provided little reference to the types or categories of exchange-related norms held by consumers. Therefore, a primary objective of the qualitative phase of this research was to determine the structure of consumer norms: the categories of norms employed by consumers.

The qualitative research revealed seven distinct categories of retailer behaviors that are governed by consumer norms. From these distinct categories, norms were defined and represented as a set of associated behaviors on the part of the retailer. The seven norms include two forms of Mutuality (Mutuality 1 —
stand behind good products, and, Mutuality 2 — contra-opportunism), Role
Diligence, Respect for Time, Flexibility, Product/Service Knowledge, and
Appreciative Behaviors. Evidence from Phase I of the study indicates that in
excess of 95 percent of the behaviors mentioned by respondents as affecting
consumer satisfaction can be classified into these seven norm categories.
Therefore, the seven categories are deemed to portray a sufficiently
comprehensive range of consumer exchange related norms and were used as the
norm structure in this study.

**Initial Selection Criteria for Quantitative Study Setting**

The final goal of Phase I was to determine the selection criteria for the retail
setting that was used in the subsequent quantitative study. In a review of the
literature on both norms and associated topics such as service quality and
satisfaction, three criteria emerged. The first criterion related to the level of
participation by the consumer and retailer. Examination of various conceptual
paradigms led to the conclusion that the retail setting should be one in which there
was moderate to high levels of participation on the part of both the consumer and
the retailer. This would provide “plenty of process” to be evaluated.

A second criterion related to the involvement level of the respondent. Given
past research on involvement with products and processes, it was felt that the
setting should result in moderate to high levels of involvement on the part of the
consumer. Higher levels of involvement would increase the memorability of the
exchange as well as ensure a potential operation of all norms in the decision
process. What was to be avoided was the type of exchange that would be deemed routine, repetitive, and low involvement such that it would only require habitual response on the part of the consumer.

The final criterion for selecting the retail setting was that there be sufficient opportunity for each of the norms to be operative in the particular purchase decision process selected. Norms were examined across the pre-purchase, purchase, consumption, and post-purchase stages to determine when they would most likely be operative. Examination of research in consumer decision making revealed that it was quite possible that norms are likely to vary in their use across stages of the exchange process. Some norms would be more salient at one stage than another. Therefore, it was decided that the selected retail setting must provide for consumer/retailer interaction across all four of these stages to ensure that all norms are potentially operative.

Conclusions

It was concluded that: 1) only the effects of the magnitudes of the norms would be examined while the timing of the behavior and the person responsible for the behavior would not be carried forward in the study, 2) the range of consumer norms can be portrayed in a norm structure which consists of seven categories: Mutuality 1 (stand behind good products), Mutuality 2 (contra-opportunism), Role Diligence, Respect for Time, Flexibility, Product/Service Knowledge, and Appreciative Behaviors, and 3) the three criteria for selection of the setting were considerable participation in the transaction by both consumer and retailer, a
moderate to high level of involvement on the part of the consumer, and a process wherein the transaction is sufficiently detailed to allow an opportunity for all of the norms to be operative. These conclusions served as the basis for the investigations in Phase II.

Summary of Phase II Results: Quantitative Investigation and Pre-testing

The second phase of the study was to design and pre-test the empirical investigation into the relative importance of the norm categories in explaining customer perceptions of satisfaction with a shopping experience. This involved four steps: 1) the actual selection of a retail setting in which to conduct the quantitative portion of the study, 2) the design of the quantitative research, 3) development of a data collection instrument, and 4) pre-testing of this instrument. The following sections briefly outline the specific actions towards each of these steps.

Selection of the Setting

Phase I of the research involved the collection of data from 258 exchange incidents. These incidents served as the basis for selecting the retail setting for the quantitative study. The 54 retail settings mentioned in Phase I were examined for frequency of occurrence and then assessed on the three criteria for selecting of retail setting discussed earlier. After review of the results, the department store was selected as the most appropriate setting. It had a total of 32 mentions (24.7 percent of the total) and met each of the selection criteria. It was deemed to provide adequate opportunity for both consumer and retailer participation, typically
exhibited high levels of consumer involvement, and gave sufficient opportunity for each of the norm categories to be operative. Moreover, the general character of the department store setting would provide a wide range of applicable behaviors for use in describing each norm category.

The Instrument

The development of an instrument for use in determining consumers' perceptions of the relative importance of norms in a retail setting involved a number of activities. Phase I provided an initial set of behaviors from which each norm could be described. From this broad set of behaviors, a subset of behaviors deemed most representative of each norm was identified and combined into a composite description for each norm. The use of multiple behaviors rather than a single behavior to represent each norm was intended to provide a richer, more detailed description of the types of behavior with which that norm was involved.

Then five levels of magnitude were developed for each of the norms. These levels of magnitude were designed to vary from extremely low magnitudes to extremely high magnitudes. After a number of qualitative efforts to ensure that the levels did vary in magnitude, an empirical pre-test was performed to validate that the levels were perceived to be ordered in terms of magnitude. Respondents were presented, for each norm, a page containing the levels of that norm arranged in random order. Respondents then rated each of the level descriptions in terms of magnitude of behavior. Empirical analysis of the responses indicated that consumers did perceive differences in magnitude across the varying levels of
behavior for each norm. Moreover, the levels, when ranked in terms of perceived magnitude, corresponded to their proposed order. These levels of each norm were then used in the development of a conjoint task.

The actual data collection process in the pretest included two steps. The first step included a pencil-and-paper section where the respondents provided their perceptions of magnitude for each level as described above. Along with these perceptions of magnitude, respondents were also asked to provide a measure of satisfaction with the occurrence of each level. These satisfaction ratings were obtained for two reasons. First, by explicitly separating the perceptions of magnitude and satisfaction, it was felt there would be less confounding between these concepts than was found in an earlier pretest where only magnitudes were obtained. Second, the satisfaction ratings would provide an additional measure useful for assessing the relational form (vector versus ideal point) of each norm.

Upon completion of these ratings, the respondents then moved to the conjoint task. Respondents interacted with a fully adaptive conjoint program administered through a personal computer. This approach allowed not only for a more efficient research design because of the adaptive nature of the conjoint program, but also much greater efficiency and accuracy in the data collection process.

The data collection results, along with debriefings of the respondents after completion of the task, provided evidence that the task can be completed in a timely manner and deemed to be valid as a representation of the factors used in
the decision process. An analysis of the pretest results indicates that consumers did perceive differences in the magnitudes of the levels in each norm. The results also indicated that 1) these differences resulted in varying levels of satisfaction with the shopping experience depicted, 2) that these ratings varied, sometimes markedly, across individuals, and 3) that the task is a satisfactory representation of the decision-making process. Finally, the results of the pre-test showed a high correlation between subject preference ratings and ratings of satisfaction, indicating that the conjoint task gave a true measure of the preferences of the subjects involved. It was therefore felt that the conjoint task was a valid representation of the process being studied.

The Research Design

The findings of the pre-test of the quantitative design in Phase II indicated that the methodology chosen provides a valid and reliable means through which to examine the relative importance of norm-related behaviors in a consumer's satisfaction with an exchange process. Therefore, the following sections were used to propose an empirical study based upon the following considerations: sample, instrument, and data analysis. It should be noted that the instrument used has been cleared by the Human Subjects Committees at both Northwestern University and Louisiana State University.

Sample

Testing of the propositions in this study was accomplished through a sampling from the metropolitan area surrounding a mid-sized south-eastern city.
deemed to be representative of both urban and rural consumers. In drawing this sample, a number of considerations were addressed. These considerations included: sample size, options for the collection of data, the training of the fieldworkers, and the composition of the sample. Each of these matters is addressed in the sections below.

Sample Size

One of the features of conducting conjoint analysis is that the unit of analysis is the individual, with part-worth utilities estimated uniquely for each respondent. In this case, the sample size is not dependent on the number of respondents needed for empirical estimation, but instead is dictated by the sample size needed for the exploration of individual differences between respondents. Therefore, a sample of approximately 200 respondents was gathered to ensure for a valid and representative exploration of differences across individuals with regard to the importance ratings of the various norms and levels, as well as the form (ideal point vs. vector) for each norm. Pretest results of the standard deviations of the importance scores of the norms typically ranged between 2.44 (Respect for Time) and 3.62 (Diligence). Using a sample size of 200 would result in a standard error of the mean ranging from .173 to .256, resulting in significant differences between levels within a factor at approximately ±.50. This was felt to be sufficiently small from both a statistical and managerial perspective.
Options for the Collection of Data

Three options were considered for the actual data collection process. They included: 1) having the principal researcher collect all data from all respondents, 2) hiring a data collection firm to collect the data, and 3) recruiting volunteers to collect the data. Each of these three options offered distinct advantages and disadvantages and will be discussed in the following sections.

Data collection by the principal researcher. The first method to be explored was that of the principal researcher select respondents and administer the survey to all 200 respondents. One benefit is that this would allow the researcher to interact with each of the subjects involved and respond to any questions that they may have. Moreover, this could possibly reduce any interviewer bias that may result from administration of the questionnaire by several interviewers as well as eliminate the possibility of fraudulent interviews.

However, one person personally locating, contacting, and surveying each of 200 individuals does present some problems in terms of as being an extremely time consuming task. Since "real people" of varying demographics, as opposed to classes of students, were the intended subjects, each subject would have to be contacted and interviewed separately. Pretest results indicated that each collection procedure takes approximately 45 minutes. In addition to this, an average travel and set-up time of about an hour was also expected. If it is assumed that a total of two hours is required for each interview, the 200 interviews would have required 400 hours to conduct. At 20 hours of interview time per week,
this would mean that the interviews would have taken approximately 20 weeks to conduct. Because of the amount of time required to pursue this technique, it was considered to be the least feasible of the three methods considered.

**Hiring a data collection firm to collect the data.** A second method for collecting the data that was considered was the hiring of an independent firm to perform the collection. There are many marketing research firms in the region that provide field services for area firms, political candidates, and for other uses. These firms meet the necessary standards for training and supervision and would have been appropriate for this data collection task. This is particularly true since very little is required of the “interviewer” other than to read a short script to the respondent and then make sure that all information is completed on the survey form.

While the hiring of a professional firm would reduce problems in several areas, a primary consideration of this option is the price of data collection. Inquiries to several marketing research firms indicated that personal interviews of approximately 45 minutes would cost in the range of fifty dollars. Given the sample size of 200 respondents, utilizing a marketing research firm to collect the data would have cost a total of about ten thousand dollars. This method was rejected.

**Recruiting volunteers to collect the data.** The final data collection option considered was the use of volunteers to survey respondents. There are a number of student business groups whose purpose it is to provide their members with business related skills and experience and provide service to the University.
These groups are constantly looking for projects that will serve their purposes. These individuals, if participating, are not compensated directly, rather the organization receives the compensation.

There were a number of advantages to using this method to derive the sample and gather the responses. As discussed previously, the interviewer's role in the actual data collection (reading a script which tells the respondent what is expected of them) is minimal. Therefore only a small amount of training was required of the interviewers for the actual data collection process. The principal investigator set up a training and supervision structure that helped to reduce the two typical types of interviewer error likely to be encountered: fraud and fatigue. Strict controls over the selection of potential respondents, plus stringent validation procedures, minimized fraud. The use of more than one student organization reduced the number required of any member to a quite manageable number. Finally, since none of the group members were required to participate in the activity for a class grade, there was no ethical consideration or conflict of interest. This method provided the necessary manpower to perform the data collection task in a timely and much less costly manner and allowed for adequate supervision by the principal researcher.

Based upon the above discussion, it was decided that business-related service organizations would be approached to conduct the data collection. Upon acceptance of the task by these organizations, the next step was training the individuals involved.
Training Of The Fieldworkers

As stated above, little was required of the interviewers in the actual interview process. Each was given a script, a survey form, a computer diskette which contains the conjoint task, and a sheet designed to assist the respondent with the computer portion of the survey. Their training consisted of instruction in selecting and approaching subjects, and in the administration of both the written and computer surveys. Interviewers were required to conduct the survey process on each other and each interviewer filled out both the written and computer components of the survey several times in the training sessions. This training procedure has been used in several of the pretest phases and has been found to work quite satisfactorily.

Interviewers were allowed to obtain no more than five interviews, thereby reducing the opportunity for fatigue related fieldworker error. Interviewer participants did not receive direct compensation, nor did they receive a grade for their activities, reducing the incentive for interviewer fraud. Each was trained for the task, and they was supervised in their activities by the principal investigator, thereby reducing the sources of error associated with the other data collection techniques discussed above. The principal investigator also conducted follow-up interviews with subjects as a further step to insure quality control in the interview process.
Composition of The Sample

In order to improve the generalizability of the findings of this study, the subjects involved were drawn in such a manner so as to represent the general population of the area. The use of quota sampling balanced the sample to match the population profiles in terms of gender, age, race and income. To insure that representativeness was achieved, after 100 surveys were gathered, the sample was examined and adjustments were made in the quotas to insure that all quota groups are adequately represented. To ensure that the respondents provided some representation of the general population, an additional screening qualification was that interviewers could obtain no more than one half of their interviews from full-time students.

Instrument

The instrument used in this study was a combination of a paper-and-pencil task and a computerized conjoint task. Each of these is described below.

The Paper and Pencil Task

Each subject was presented with a seven sheet packet of papers. On each sheet was the definition of one norm. Representing that norm, there were five levels of magnitude of the behaviors found to be associated with that norm. The levels were presented in random order. Each level had a tag label to aid the subject in remembering that level and to reduce the number of times that the subject has to re-read the descriptions.
Additionally, there were two graphic response continuums on each page. The first one was used to rate each of the behavioral composite levels in terms of their satisfaction with the magnitude of the behaviors described. The second continuum was used in rating the level of magnitude for each of the five level descriptions. The satisfaction judgments are obtained first so as to not confound the judgments of magnitude. This order was the result of pre-testing which demonstrated the efficiency and validity of this method. Subjects also were required to indicate on the second continuum what they felt is a “typical” and an “ideal” level of behavior for that norm.

The Computer Conjoint Task

The next stage of the data collection procedure was to administer the computerized conjoint task. The conjoint program can be used on any IBM compatible computer by carrying a disk upon which has been copied the questionnaire. Students were each be given a disk that contained the questionnaire. All respondents for that student used that same disk.

The conjoint task was as described in the conjoint pre-test contained in Chapter 4 of this proposal. The tags or brief labels for each of the norm levels were incorporated into a shopping scenario about which the subject responded in terms of preference and satisfaction. Upon completion of the paper and pencil task, the subjects were relatively familiar with the various levels of magnitude of each of the norms and the tags used in conjunction with each level.
Once responses were obtained for each of the five subjects, the
interviewers returned the packets of the seven sheets that the subjects rated for
magnitude and satisfaction, and the computer disks to the principal investigator.

Data Analysis

Recall now the propositions suggested for testing in Chapter 2. As
discussed in the previous chapters, a conceptual model has been developed to
test each of the propositions that have been suggested. Subsequently appropriate
data collection methods have been pre-tested. The following sections now
address each of the propositions and the empirical means by which they were examined.

Propositions 1 and 2. Recall from Chapter 2 that Propositions 1 and 2
addressed the direct relationship between magnitudes of norms and the outcomes.
The propositions were:

Proposition 1: Behaviors counter to the exchange related norms held by a
person result in negative outcomes

Proposition 2: Behaviors in accordance with exchange related norms held
by a person will result in positive outcomes.

The implication is that as magnitudes of norms increase, the outcomes, in this case
satisfaction, will become more positive or increase.

Because these two propositions, when taken together, serve to suggest
a direct relationship between norm governed exchange related behaviors and
the outcomes associated with these behaviors, Propositions 1 and 2 can be
restated into a common proposition that describes this proposed relationship:
Proposition 1-2: There is a positive relationship between the magnitude of norm related behaviors and the part worth-utilities.

The conjoint experiment that has been designed has five magnitudes of behavior related to each norm category. Responses by the subjects to the shopping scenarios shown in the conjoint task were used to calculate part-worth utility ratings for each of the levels of each norm. Since all of the norms are represented in behavioral composites are stated in a positive manner, the part-worth utility ratings derived were ordered by magnitude. In other words, increasing levels of magnitude in keeping with a norm resulted in increasingly positive outcomes (higher part-worth utility ratings) while decreases in magnitude resulted in decreasing outcomes (lower part-worth utility ratings).

Before testing either of the propositions, the fit of the conjoint test at the individual level was examined. Fit of the conjoint results was estimated at the individual level by use of validation profiles administered at the end of the procedure. The validation profiles allowed for an independent assessment of the conjoint results. Respondents were evaluated for the degree of fit on the validation profiles and low levels of fit for any respondent resulted in its exclusion from the study. This insured that the part-worth utilities were a valid estimate of the individual’s decision process.

The empirical test of Proposition 1-2 was to see if there was a positive relationship between part-worth utilities and the magnitude of a norm. This was examined in two ways. First, a repeated measures ANOVA was performed for
each norm to assess the degree of differences in part-worth utilities across the five levels. This assessed the degree of differences across the levels which represent varying magnitudes of the norm. Second, the part-worth utilities were correlated with the stated magnitudes for each norm level. This provided a direct assessment as to the relationship between the part-worth utilities and the perceived magnitude of each norm level.

**Propositions 3, 4, and 5.** First, recall the components of Propositions 3, 4, and 5. Each of the propositions addressed a separate element in the recognition of norms by the consumer. The propositions were:

- **Proposition 3:** Person, in terms of management, employee, or both will have an effect on the evaluation of norm based behaviors.

- **Proposition 4:** Magnitude, in terms of the level of the behavior exhibited by the retailer will have an effect on the evaluation of norm based behaviors.

- **Proposition 5:** Timing, in terms of when specific behaviors occur within an exchange transaction will have an effect on the evaluation of norm based behaviors.

Propositions 3, 4 and 5 were resolved in the qualitative phase. Only magnitude was found to be operant in the decision task. Qualitative analysis of the data obtained in the CIT interviews and the in-depth interviews indicated that neither person (as suggested in Proposition 3), nor timing (as suggested in Proposition 5) had a significant impact on consumer evaluation of exchange transactions. These two propositions received no further consideration and no empirical test was performed to assess the relative importance of person, timing or
magnitude. Magnitude plays a central role in defining the context of the conjoint task and insured that it was a valid representation of the decision process.

**Proposition 6.** Proposition number six stated:

Proposition 6: The norms employed by consumers in the evaluation of exchange transactions will fall into the categories of mutuality, appreciative behaviors, flexibility and helping, and seniority.

As discussed in Chapters 3 and 4, this initial set of norms was developed from a wide range of literature that may have application in the area of consumer exchange. The norm categories that were developed in the qualitative phase of the analysis varied somewhat from this initial list. The revised set of proposed consumer based norms includes: (a) Mutuality 1: Stand Behind Good Products, (b) Mutuality 2: Contra-Opportunism, (c) Appreciative Behaviors, (d) Flexibility, (e) Role Diligence, (f) Respect for Time, and (g) Product/Service Knowledge.

Proposition 6 was evaluated by the importance score for each norm category. In conjoint analysis, importance of a norm is calculated as the range of part-worth utility values across the levels of the norm. These ranges are then normalized such that importance scores total one hundred points across all norms. In the first assessment, the importance scores were tested statistically for differing significantly from zero. This test provides support for the existence of that norm category. In a second empirical test, a test for significant differences across norms was performed to insure that the alternative null hypothesis, "All norms categories have equal importance," was also rejected. This test was directed
toward assessing that the norms do vary in importance, an implicit assumption in evaluating the impact of each norm.

Propositions 7 and 8. The final two propositions address the question of shape of the return potential curve for each of the norm categories. Recalling the discussion in Chapter Two, the two propositions were:

Proposition 7: The Contra-Opportunism portion of Mutuality, Respect for Time, and Appreciative Behaviors will have a Return Potential Curve that approximates a vector function.

Proposition 8: The Stand Behind Good Products it portion of Mutuality and Flexibility, Product/Service Knowledge, Role Diligence norm will have a Return Potential Curve that approximates an ideal point function.

The response function for each of the seven norms was tested to determine linearity. The response function is the pattern of part-worth utilities when the levels of a norm are ordered as to magnitude. This test was an extension of the statistical test performed for Propositions 1 and 2 and assessed the shape of the response curve to determine if it has a linear or quadratic form. The linear form corresponds to the vector model, while the quadratic form corresponds to the ideal point model. This was tested with both a repeated measures analysis using the level designations and curve fit estimation analysis using the part-worth utilities and the perceived magnitudes of each level.

Summary

The basis has been provided for a set of propositions to be tested regarding the nature of consumer level exchange related norms. To evaluate each of these propositions, a methodology has been proposed and pre-tested. A sample
collection method was also devised. The conjoint experiment was conducted as described to evaluate the data that was collected.
CHAPTER 6

ANALYSIS AND RESULTS

This chapter presents the results of the tests of the propositions provided in Chapter 2 of this dissertation. Included in this discussion will be a description of the data collection activity and the characteristics of the sample from which the data for this analysis was obtained. This is followed by a discussion of the research design, how it was employed, and the results of the validation checks that were performed. The third section presents an examination of the propositions, how they were tested, and the results of those tests. The final section of this chapter provides a summary of the results of the study.

Data Collection and Sample Characteristics

As discussed in Chapter 4, multivariate conjoint analysis was selected as the primary analysis technique through which to examine the use of norms by consumers in their evaluation of exchanges. Although conjoint analysis does provide results based upon an individual as the unit of analysis, a sample of individuals is needed to provide an adequate test of how norms are used by consumers in general. Therefore, it was decided that a sample should be drawn from the general consumer populace of sufficient size to allow for an exploration of differences across individuals with regard to the importance ratings of the various norms and levels, as well as the form (ideal point vs. vector) for each norm.
The following section discusses two aspects of the data collection process. First part is a description of the data collection procedure. The second part discusses the characteristics of the sample obtained.

**Data Collection**

As discussed in Chapter 5, three different options were considered for use in collecting the data required for this analysis. Due to considerations of time, interviewer bias, and money, it was decided to train student volunteers from the University's business clubs to conduct the actual data collection. The following sections describe the training and data collection process.

**Field Service Workers**

Business-related groups on campus conduct projects throughout the year to raise funds to send students to competitions throughout the country. The clubs consist of upper-class (junior and senior) business, accounting, and computer information systems students. Many of these students had already been exposed to this project either in the qualitative data gathering stage, in a class where the levels of magnitude for each of the norms were developed and/or pre-tested. Therefore, many of the workers already had some level of familiarity with the task that they would be asked to perform.

At a meeting with the executive council of these groups the tasks were explained and a contribution was offered to their organization of 5 dollars per usable survey. At the next regularly scheduled meeting of these organizations,
the task was described to their respective memberships and the groups voted to accept the project as a group fund-raiser.

**Training**

Despite the previous knowledge of this project by many of the data collection workers, and the relatively small role of the worker in the completion of the survey, it was still important that field workers be thoroughly trained to insure that the surveys would be properly administered and to reduce any possible source of interviewer bias. To facilitate this training, two separate two hour training sessions were conducted with the field workers.

In these sessions, the data collectors were shown how to read the instructions to the respondent, and then practiced reading to one-another. All workers participated in filling out both the pencil and paper portion and computer portion of the survey and in administering the survey to others while under the supervision of the principal investigator. Additionally, the workers were instructed as to the types of questions that they could answer (and how), how to avoid leading respondents in making their choices, and what to look for to make sure that the respondent was filling out the questionnaires properly. While it was important to address these issues to help reduce any source of interviewer bias (and as an educational experience for these students) little training of the field workers about how to administer the surveys was really required due to the worker's limited role in the data gathering process. The
main role of the field worker was to locate subjects and reduce the overall time required to obtain a large number of relatively lengthy surveys.

Another aspect of the data collection process that was addressed in these training sessions was the selection of respondents. Field workers were told to concentrate their efforts on persons that have experience in shopping situation settings similar to those being explored in this study (department stores). This was accomplished through a screening question regarding the respondent's experience in shopping in department stores. Workers were also instructed to survey adults of varying ages, incomes, and races, and to include both men and women in their sample. As the data collection process was in progress, feedback was given to over-sample certain groups to insure that adequate numbers were included in each demographic category to facilitate generalization of the study results to these groups.

Collection Activities

Upon completion of the training sessions, the field workers were provided with a script to read to respondents, survey forms for the pencil and paper portion of the survey, and a computer diskette which was used to collect the data for use in the field collection conjoint data. Students were given one month to conduct the interviews.

At the end of the month, the executive councils of the organizations involved collected the survey forms and diskettes from the membership and turned these materials over to the principal researcher. Forty-nine field
workers participated in the project bringing in a total of 217 surveys. Of the
217 surveys received, three were rejected because the computerized portion of
the interview had in some manner not been captured on the data disk, and 18
were rejected due to low levels of internal consistency during the computerized
interview. (See the next section for a more detailed discussion of this process.)

Sample Characteristics

Within certain constraints set by the principal researcher, the sample
drawn for analysis in this research was a quota sample, drawn to approximate
the proportions of various demographic characteristics of the general
population of the area. The constraints imposed required that subjects be
adult, and report familiarity with the setting of the shopping experiences to be
described in the survey (department stores). The following section reports on
the demographic characteristics of the sample drawn.

Demographic Characteristics

The demographic characteristics of the sample drawn for use in this
study are quite similar to those of the general population of the area with a few
exceptions (See Table 6.1).

Age. Field service workers were constrained to selecting subjects who
were adult based upon the rationale that adult consumers would have more
experience in the setting selected and therefore be more likely to have well
developed norm standards. Therefore, the number of subjects under 20 years
of age was substantially reduced in the sample. Adjusting the population
### TABLE 6.1
**COMPARISON OF SAMPLE VERSUS POPULATION CHARACTERISTICS ON SELECTED DEMOGRAPHICS**

<table>
<thead>
<tr>
<th>Demographic Characteristics</th>
<th>Sample Characteristics</th>
<th>Parish Population Characteristics</th>
<th>Adults Only</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frequency</td>
<td>Percentage</td>
<td>Cumulative Percentage</td>
</tr>
<tr>
<td>Age</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>&lt;20</td>
<td>4</td>
<td>2.0</td>
<td>2.0</td>
</tr>
<tr>
<td>20 - 29</td>
<td>48</td>
<td>24.5</td>
<td>26.5</td>
</tr>
<tr>
<td>30 - 39</td>
<td>63</td>
<td>32.1</td>
<td>58.7</td>
</tr>
<tr>
<td>40 - 49</td>
<td>56</td>
<td>28.6</td>
<td>87.2</td>
</tr>
<tr>
<td>50 - 59</td>
<td>18</td>
<td>9.2</td>
<td>96.4</td>
</tr>
<tr>
<td>&gt;60</td>
<td>7</td>
<td>3.6</td>
<td>100.0</td>
</tr>
<tr>
<td>Ethnic Origin</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>White</td>
<td>151</td>
<td>82.5</td>
<td>82.5</td>
</tr>
<tr>
<td>Black</td>
<td>31</td>
<td>16.9</td>
<td>99.5</td>
</tr>
<tr>
<td>Other</td>
<td>1</td>
<td>.5</td>
<td>100.0</td>
</tr>
<tr>
<td>Income</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10 M-25 M</td>
<td>66</td>
<td>33.8</td>
<td>33.8</td>
</tr>
<tr>
<td>26 M-40 M</td>
<td>62</td>
<td>31.8</td>
<td>65.6</td>
</tr>
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<td>41 M-80 M</td>
<td>40</td>
<td>20.5</td>
<td>86.2</td>
</tr>
<tr>
<td>61 M-90 M</td>
<td>21</td>
<td>10.8</td>
<td>96.9</td>
</tr>
<tr>
<td>&gt; 90 M</td>
<td>6</td>
<td>3.1</td>
<td>100.0</td>
</tr>
<tr>
<td>Gender</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Male</td>
<td>73</td>
<td>38.2</td>
<td>38.2</td>
</tr>
<tr>
<td>Female</td>
<td>118</td>
<td>61.8</td>
<td>100.0</td>
</tr>
</tbody>
</table>
percentage breakdown to eliminate the under 20 category (see Table 6.1 "Adults Only" column) brings the age categories much more in line with parish totals. However, the general population over sixty years old includes many persons who no longer shop or are no longer able to shop in department stores. It is because of this that the sample was designed to contain relatively few respondents in the highest age category. This results in somewhat elevated population percentages in the age categories that are under 60. With the shifting of population totals brought about by reduced sampling of these two age groups taken into account, the other age categories appear to be fairly representative of the general population of the area.

_ethnic Background_. The sample includes persons of varied ethnic backgrounds. Despite this variety, the number of whites who were included in the study is somewhat higher than the area population while the number of blacks included is low. The reason for this difference is that the population mix for the general region is not evenly disbursed throughout. This study was conducted in a somewhat limited geographic area within the parish in which the proportion of whites in the population exceeds that found in other areas of the parish.

Despite some variation from area's population ethnic distribution, there is adequate representation of the two major ethnic groups that make up the region's population. Additionally, the ethnic breakdown of the sample is

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relatively similar to that of the general population of the United States (80.3 percent white, and 12.1 percent black).

**Income.** The household income levels of the persons selected for inclusion in the sample are quite similar to those of the regional population. The percentage of persons falling in the lowest income group is somewhat low. This may be due to the exclusions of non-adults (persons under 18 years of age) who are more likely to fall into the lower range of incomes. It appears that the sample adequately represents the income distribution of the population that it was drawn to represent.

**Gender.** Similar to the extremes of the age brackets discussed above, the gender of the subjects included in this sample differ somewhat from the regional population. Much of this is due to the screening question posed prior to subject selection. Field workers reported that women reported an increased familiarity with shopping in department stores relative to men.

Despite this difference from the regional gender breakdown, approximately 40 percent of the sample was male. This was considered to be an adequate representation of males for this analysis.

**Summary**

The demographic characteristics of the sample drawn for this analysis are relatively similar to that of the region of the country in which the study was conducted. While there are some differences between the composition of the sample and that of the region, there appears to be sufficient representation of
the demographic groups in the sample such that the results of the study can be
generalized to the population. Demographic groups not studied in the sample
might be the subject of future research. For example, it is quite likely that
teenagers would view adherence to certain norms differently than their parents.
Subsequent research should investigate differences in the use of norms across
varied demographic indicators.

Research Design

Respondents participating in this research were required to perform two
tasks: 1) a rating of each of the five magnitude levels developed for each norm
category, and 2) participation in a conjoint experiment designed to examine the
perceived utility of each of these magnitude levels. The following sections
describe the validation of these tasks including a description of what was
required of the respondent in each task, what each task was designed to
accomplish, and finally, the results obtained.

Validation of the Computer Conjoint Task and the Magnitude Ratings

Two validation checks were used in connection with the two parts of the
survey. The first validity check was performed to insure that subjects provided
consistent responses during the conjoint interview. This involved an internal
consistency check for the computerized portion of the survey. The second
validity check involved levels of magnitude. As discussed in Chapter 4, five
magnitude descriptions were developed for each norm category, describing
increasing levels of magnitude of the behaviors involved. The conjoint
experiment and all subsequent analysis regarding the propositions set forth in this research are based upon the respondents’ perceptions of the levels of magnitudes. It was therefore important to examine the validity of the magnitude levels represented by each of the five behavioral statements. The validation procedure for each of these checks is presented below.

**Validation of the Computer Conjoint Task**

The first validation check employed in the research design is an examination of the responses of each subject to determine if they are internally consistent. A correlation between expected responses and the utility values calculated by the computerized conjoint program is provided to indicate the level of internal consistency in the answers provided by each subject. The output of this procedure is a correlation between these two sets of variables that can range from 0 (no correlation) to 1.0 (perfect correlation).

In the present analysis, most of the subjects provided responses that were quite consistent with their utility ratings. Based upon the examination of correlations described above, it was decided to employ a cut-off correlation of .8. This cut-off level resulted in the rejection of just 18 cases, 8.29 percent of the surveys received. Most of those rejected had extremely low correlations, probably indicating that they either did not understand the computer conjoint task, or did not provide serious answers to the questions posed by the program.
Pencil and Paper Rating of Levels of Magnitude

Recall that a behavioral composite statement with a short descriptive title was developed for the five levels of magnitude within each norm category. These statements were designed to represent the full range of magnitudes of behavior related to that norm category. Respondents were presented with seven pages. A page contained a definition of one of a norm category, the five titled behavioral composite statements of magnitude for that norm presented in random order, and two continuums (one magnitude, and one satisfaction) labeled from 1 to 100.

Subjects were required to rate the magnitude of each of the behavioral composite statements by placing the letter representing that statement somewhere along the magnitude continuum at what they perceived to be the appropriate level of magnitude for that composite set of behaviors. They then rated their satisfaction with each of these statements similarly on the satisfaction continuum. This rating process was done for each of the seven norm categories.

These two rating tasks for each level in each of the norm categories were designed to assist respondents in distinguishing between ratings of magnitude and ratings of satisfaction. The satisfaction ratings were not used in the subsequent analysis. However, in addition to this important function, the rating task also performed two other very important functions: 1) making the
respondent familiar with each of the levels, and 2) serving as a validity check for the behavioral composite magnitude descriptions.

**Familiarity with the levels of magnitude.** Requiring respondents to rate the magnitude of each level of the norm categories helped to ensure that each statement was read at least once by the respondent prior to the conjoint task. The presentation of statements in random order attempted to ensure complete processing of each statement for the most thorough understanding possible.

Debriefing of the field service workers revealed that respondents would typically rate the first one or two statements on the continuum. Then, as additional statements were analyzed by the subject for rating, the initial statement ratings were often erased and their magnitudes adjusted relative to the current statement being rated. This resulted in a substantial amount of reading and re-reading of each statement on the part of the respondent as they continued to adjust the magnitude ratings until all five behavioral composite magnitude statements for each norm category were rated.

This familiarity with each of the behavioral statements was an important outcome of this task. Since the conjoint program would not allow the entire behavioral composite statement to be shown on the computer screen due to space constraints, only the titles of each of the statements were presented in the conjoint experiment. The pencil and paper ratings helped to familiarize subjects with the behavioral statements and the titles that represented each statement. However, respondents did not have to rely totally on memory during
the conjoint task as they were presented with a sheet containing the title and full behavioral composite statement for each of the norm categories for use as a reference. However, the rating task reduced substantially the time needed to complete the conjoint task due to prior familiarity with the levels of each norm category.

Validation check of the magnitude levels through respondent ratings. An important second function of the pencil and paper ratings of the behavioral composite statements was to provide a validity check of the magnitude levels themselves through respondent ratings of the statements representing those levels. While the five behavioral composite magnitude statements for each norm category were designed to represent a full range of magnitudes from very low to very high levels, a comparison to the respondents' perceptions of the magnitude of these statements was required to assess the validity of the designed levels in terms of actual respondent perceptions of those levels.

In addition to providing a validity check of the magnitude levels, the ratings also provided a set of data as to each respondents' stated magnitude for each of the behavioral composite magnitude statements. Along with the categorical nature of the defined magnitude levels, the stated magnitudes data, which are metric ratings, would be used in subsequent analysis.

Results of the validation check of the magnitude levels. The pencil and paper ratings of the behavioral composite magnitude statements for each of the
norms were compiled to facilitate a comparison between the designed magnitude levels and the respondents' stated magnitude levels.

For each norm category, the behavioral composite magnitude statements were rated by respondents as described above. The mean rating for each of these statements indicates the perceived magnitude for each level. As a means of assessing the validity of the statements, the mean rating of the statement for level one should have the lowest mean magnitude rating. The statement for level two should have a somewhat higher rating, and so on with the statement for level five receiving the highest mean magnitude level. These ratings should follow a relatively similar increase as one moves from level one to two, from two to three, and so on.

The mean stated magnitude ratings of all five levels for each of the norm categories have been graphed in Figures 6.1 through 6.7, providing a visual indicator of how respondents perceived the statements representing the various levels. Each of these figures depicts the stated magnitudes by level provided by the respondents for each of the norm categories.

Appreciative Behaviors – Figure 6.1 provides the stated magnitude ratings for the norm category “Appreciative Behaviors.” In this graph, it can be seen that levels one through four were perceived by respondents as expected. However, the behavioral composite statement for level five was perceived as being lower in magnitude than level four.

Product/Service Knowledge – Figure 6.2 depicts the stated magnitude ratings across the levels for the norm category “Product/Service Knowledge.”
FIGURE 6.1
AVERAGE MAGNITUDE RATINGS FOR THE APPRECIATIVE BEHAVIORS KNOWLEDGE NORM CATEGORY

Values are average stated magnitudes across all respondents.
Values are average stated magnitudes across all respondents.

FIGURE 6.2
AVERAGE MAGNITUDE RATING FOR THE PRODUCT/SERVICE KNOWLEDGE NORM CATEGORY
Once again, the ratings were substantially as expected with the exception of level five. The ratings of levels four and five indicate a plateau effect in which there is little discernible difference between these two higher levels of magnitude.

*Flexibility* -- The "Flexibility" norm category mean magnitude ratings are depicted in Figure 6.3. As with the two previous norm categories, levels one through four performed substantially as expected. However, there is a substantial reduction in the magnitude of behavior perceived between levels four and five.

*Respect for Time* -- Mean stated magnitude ratings for the norm category "Respect for Time" are more in accordance with expectations across all levels (see Figure 6.4). In addition to the increases exhibited in levels one through four that were present in the first three norm categories, there is also a similar increase between levels four and five. While there are some differences between stated magnitude increases across the various levels, the graph for this norm category depicts almost exactly the shape of the curve that was expected when mean stated magnitude ratings are viewed across the five levels of magnitude.

*Role Diligence* -- As shown in Figure 6.5, the norm category "Role Diligence" has perceived increases between levels that are in accordance with expectations with the exception of the increase between levels four and five. As with the Product/Service Knowledge norm category, there appears to be a
Values are average stated magnitudes across all respondents.

FIGURE 6.3
AVERAGE MAGNITUDE RATING FOR THE FLEXIBILITY NORM CATEGORY
Values are average stated magnitudes across all respondents.

FIGURE 6.4
AVERAGE MAGNITUDE RATING FOR THE RESPECT FOR TIME NORM CATEGORY
Values are average stated magnitudes across all respondents.
plateau between the perceived magnitude of level four and that of level five. Persons perceived these two levels as being relatively the same.

Contra-Opportunism -- The norm category "Contra-Opportunism," as depicted in Figure 6.6 shows a relationship between mean stated magnitude and level that is primarily as expected. There is an increase between levels two and three that is somewhat higher than was expected, but the relationship does increase across all levels as it was designed to do.

Stand Behind Good Products -- The final norm category, "Stand Behind Good Products," exhibits the best relationship between mean stated magnitude ratings and level of magnitude. Figure 6.7 depicts this relationship as an almost straight line increasing across the five levels of magnitude. There is very little variance in the amount of increase between levels from the lowest to the highest level of this norm category.

A visual evaluation of the responses to the pencil and paper magnitude ratings conform to expectations for all seven of the norm categories from levels one to four. Four of the norms failed to exhibit a marked increase from level four to level five. Of these four, two norm categories, Appreciative Behaviors and Flexibility actually decrease between levels four and five.

The above discussion examines each of the norm categories separately. Another important way of examining the results of the magnitude rating task is to look at all of the norm categories together. Figure 6.8 depicts a plot of the relationships between mean stated magnitude and level for all seven of the norm categories. With the exception of the Flexibility norm category, the
Values are average stated magnitudes across all respondents.

FIGURE 6.6
AVERAGE MAGNITUDE RATING FOR THE CONTRA-OPTPORTUNISM NORM CATEGORY
Values are average stated magnitudes across all respondents.

**FIGURE 6.7**
AVERAGE MAGNITUDE RATING FOR THE STAND BEHIND GOOD PRODUCTS NORM CATEGORY
Values are average stated magnitudes across all respondents.

FIGURE 6.8
STATED MAGNITUDES AT EACH LEVEL FOR THE SEVEN NORM CATEGORIES
relationship between the mean stated magnitude and level of magnitude for the
remaining norm categories is relatively uniform across the remaining six norm
categories. Even the norm category of Flexibility is not far from the other six
norm categories except at the position from level four to level five.

Figure 6.9 is a bar chart showing the mean stated magnitude for all
seven norm categories at each level of magnitude. While this figure presents
the same information as is depicted in Figure 6.8, it once again graphically
illustrates the similarity in mean stated magnitude rating at each level across all
norms. Only the norm category Flexibility appears to vary substantially from the
stated magnitudes of the other norms.

Summarizing the information provided in Figures 6.1 to 6.9, two
important points need to be made. First, the graphs representing the mean
stated magnitude for each level depicted in Figures 6.1 to 6.7 are relatively
similar in shape across norm categories. Second, Figures 6.8 and 6.9 indicate
that respondents viewed comparable levels of magnitude (i.e. level one, level
two, etc.) as being similar. In other words, with the exception of Flexibility, the
subjects rated the level one statements at approximately the same magnitude
across all of the norms as opposed to finding large between the level one
statements. This also held for the other levels (two through five) as well. The
Figures showing similarly shaped lines depicting the relationship between
mean stated magnitude and level of magnitude, and the Figures indicating
Values are average stated magnitudes across all respondents.

FIGURE 6.9
AVERAGE STATED MAGNITUDE BY LEVEL OF MAGNITUDE FOR THE SEVEN NORM CATEGORIES
similar mean stated magnitude ratings at each level provide qualitative support for the operationalization of the levels of magnitude employed in this study.

**Results of t-tests of differences across the levels in each norm category.**

A quantitative examination of the differences in mean stated magnitude across the levels of magnitude for each norm category was also conducted. Differences between adjacent levels of magnitude were examined for significance using a paired sample t-test. Table 6.2 provides the results of these tests. As expected, based upon the Figures described above, the differences between adjacent levels of magnitude for levels one through four across all norms are significant at p < .01 except Flexibility (p = .058).

However, as indicated by inspection of the mean stated magnitude ratings described earlier, differences may not be found between levels four and five. The analysis shows that for the differences between levels four and five, Appreciative Behaviors and Flexibility exhibit a significant down-turn (p = .036 and p = .001 respectively). Product/Service Knowledge and Role Diligence show no significant difference between levels four and five (p = .582, and p = .555 respectively). Only the norm categories of Respect for Time, Contra-Oppportunism, and Stand Behind Good Products all indicate significant increases between levels four and five at the p < .001 level.

**Summary**

Two tests were conducted to examine the operationalizations employed in this study. The first test examined the internal consistency of the answers provided by subjects in the computerized portion of the survey. Those surveys
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<th>Norm Category</th>
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<th>Mean</th>
<th>Level</th>
<th>Mean</th>
<th>Difference</th>
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in which the respondents provided inconsistent answers were rejected from further analysis.

A second examination of the operationalizations employed in this study provided qualitative and quantitative evidence of the relationship between stated magnitude (respondent perceptions of magnitude) and level of magnitude (the statements of magnitude used in the conjoint task) for each of the norm categories. The findings indicate that there is evidence that the operationalizations of the magnitude levels designed for use in this study were successful for all norm categories from levels one through four. Because of difficulties in portraying increases in magnitude between levels four and five of the norm categories of Appreciative Behaviors, Product/Service Knowledge, Flexibility, and Role Diligence, some respecification must be done prior to the testing of some of the propositions to follow (See Table 6.3).

The behavioral magnitude statements for all norm categories were designed to depict increases between levels four and five. Since respondents did not rate the behavioral composite statements as increasing in magnitude between levels four and five for four of the norm categories, any differences in part-worth utility cannot be attributed to increasing levels of magnitude. Therefore, when levels of magnitude were used in the analyses, the four norms that did not increase in perceived magnitude between levels four and five were also respecified to include only the first four levels of magnitude and both original and respecified levels were used in each analysis.
### TABLE 6.3
SUMMARY OF DIFFERENCES BETWEEN STATED MAGNITUDES FOR ADJACENT LEVELS
IN THE SEVEN NORM CATEGORIES

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<th>Norm</th>
<th>Diff. Between Levels</th>
<th>Respecification</th>
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<td>2-3</td>
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<td>Respect for Time</td>
<td>Increase</td>
<td>Increase</td>
</tr>
<tr>
<td>Contra-Opportunism</td>
<td>Increase</td>
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</tr>
<tr>
<td>Stand Behind Good Products</td>
<td>Increase</td>
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<td>Role Diligence</td>
<td>Increase</td>
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</tr>
<tr>
<td>Appreciative Behaviors</td>
<td>Increase</td>
<td>Increase</td>
</tr>
<tr>
<td>Flexibility</td>
<td>Increase</td>
<td>Increase</td>
</tr>
</tbody>
</table>

Increasing -- Significant Increase Difference Between Adjacent Levels
Decreasing -- Significant Decrease Difference Between Adjacent Levels
Stable -- No Significant Difference Between Adjacent Levels
Examination Of The Propositions

Chapters 1 and 2 of this dissertation have presented a conceptual model for the use of consumer level exchange related norms that resulted in the development of eight propositions for testing. Chapter 3 detailed the qualitative research conducted to examine Propositions 3, 4, and 5, while Chapter 4 outlined and pre-tested the empirical means by which Propositions 1, 2, 6, 7, and 8 were tested. The results of these examinations for each of the propositions are presented in the sections provided below.

Propositions 1 and 2

Chapter 2 suggested Propositions 1 and 2 which were subsequently collapsed into Proposition 1-2. This proposition addressed the direct relationship between magnitudes of norms and the outcomes. Proposition 1-2 was:

*Proposition 1-2:* There is a positive relationship between the magnitude of norm related behaviors and the part worth-utilities.

Based upon this proposition, behaviors that reflect increasing amounts of norm related behaviors will result in greater utility, while behaviors that reflect reduced amounts of norm related behaviors will result in reduced utility for those consumers. The following sections examine the relationship suggested by Proposition 1-2. First, since the relationship between level of magnitude and utility forms the basis for return potential curves as described in Chapter 2, the return potential curves for each of the norm categories are graphically presented and discussed. This is followed by a description of
several empirical quantitative analyses that were conducted to test Proposition 1-2 and the results and implications of each of these tests.

**Return Potential Curves For the Seven Norm Categories**

Recall from Chapter 2 that Return Potential Curves depict the relationship between levels of norm related behaviors and an individual's or group's evaluation of the behavior at those magnitudes. For this study, five levels of magnitude were developed for each of the seven norm categories of exchange related behaviors. These levels are the five behavioral composites that were designed to represent the full range of magnitudes of behaviors in each norm category. The evaluative component of the Return Potential Curve in this study is the part-worth ratings that were generated by the conjoint program based upon each subject's evaluation of the behavioral composite descriptions.

Return Potential Curves for each of the seven norm categories were then developed from the five levels of magnitude for each norm and the part-worth utility ratings of each of those magnitudes. The Return Potential Curves for the seven norm categories are depicted in Figures 6.10 through 6.17 and are described in the sections below.

It is worthwhile to note that the Return Potential Curves exhibit a similar shape to the earlier graphs of mean stated magnitude by level (Figures 6.1 through 6.8). However, the two sets of Figures depict very different relationships. The first set is used to examine the relationship between mean

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stated magnitude and level of magnitude, a validity check of the magnitude ratings. Figures 6.10 through 6.17, however, depict the relationship between utility and level of magnitude, an evaluation of the behaviors at various magnitudes.

**Appreciative behaviors.** The Return Potential Curve for the first norm category, Appreciative Behaviors, is shown in Figure 6.10. The graph in this Figure indicates a general increase in utility ratings across increasing levels of magnitude from level one through level four. From levels four to five, there is a slight down-turn in the utility rating for this norm category (See Table 6.4 for mean utility ratings for the five levels of the seven norm categories).

This down-turn at the highest level of magnitude is not unexpected since in their ratings of the behavioral composite statements, respondents perceived a slight decline in magnitude of behavior between levels four and five. Further, it supports the notion that there is a positive relationship between average utility and level of magnitude as proposed in P 1-2.

**Product/service knowledge.** The Return Potential Curve for the norm category, Product/Service Knowledge, is shown in Figure 6.11. This norm category shows increases in utility through level three, a plateau between levels three and four, and then an slight decline between levels four and five. Overall, this Figure indicates a positive relationship between level of magnitude and utility providing qualitative support for Proposition 1-2.

The down-turn between levels four and five may indicate the existence of an ideal point at about level four. Respondents did not perceive any
FIGURE 6.10
RETURN POTENTIAL CURVE FOR THE
APPRECIATIVE BEHAVIORS NORM CATEGORY

Values are average port-worth utilities across all respondents.
<table>
<thead>
<tr>
<th>Norm Category</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Range</th>
</tr>
</thead>
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<td>Contra-Opportunism 5</td>
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<td>12.46</td>
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<td>Stand Behind Good Products Level 3</td>
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<td>Stand Behind Good Products Level 5</td>
<td>33.18</td>
<td>15.44</td>
<td>75.52</td>
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</table>
FIGURE 6.11
RETURN POTENTIAL CURVE FOR THE
PRODUCT/SERVICE KNOWLEDGE NORM CATEGORY

Values are average part-worth utilities across all respondents.
Flexibility. Recall that the Flexibility norm category indicated a marked decline in mean stated magnitude ratings between levels four and five. The Return Potential Curve for Flexibility, depicted in Figure 6.12 exhibits a similar decline between the fourth and fifth levels, thus supporting a direct relationship even in an incidence of decreasing magnitude. However, utility ratings do increase for the first three levels, and may indicate an ideal point at level three as ratings decline between levels three and four.

Level five is dropped for this norm category in portions of many of the analyses due to its low magnitude rating. However, the overall shape of the Return Potential Curve for Flexibility indicates a positive relationship between level of magnitude and part-worth utility ratings. This qualitative assessment also provides support for the relationship proposed in P 1-2.

Respect for time. The Return Potential Curve for the norm category, Respect for Time, is shown in Figure 6.13. Unlike the previous Return Potential Curves, the curve for Respect for Time exhibits more of a "vector" shape, increasing in utility across all five of the levels. At all levels, qualitative support is provided for the positive relationship between level of magnitude and utility predicted in the revised first proposition.

Role diligence. The Return Potential Curve for the norm category, Role Diligence is shown in Figure 6.14. This norm is also one of the four that was respecified. Yet, the Return Potential Curve still indicates a positive
Values are average part-worth utilities across all respondents.

FIGURE 6.12
RETURN POTENTIAL CURVE FOR THE FLEXIBILITY NORM CATEGORY
Values are average part-worth utilities across all respondents.

FIGURE 6.13
RETURN POTENTIAL CURVE FOR THE RESPECT FOR TIME NORM CATEGORY
Values are average part-worth utilities across all respondents.

FIGURE 6.14
RETURN POTENTIAL CURVE FOR THE ROLE DILIGENCE NORM CATEGORY
Contra-opportunism. The norm category, Contra-Opportunism did not require respecification of level five. As such, all levels are considered in each of analysis that were performed.

Figure 6.15 depicts the Return Potential Curve for the norm category, Contra-Opportunism. The relationship between magnitude and utility rating depicted by this curve indicates a positive relationship between these two variables across all five levels. This curve also supports the relationship proposed in P 1-2.

Stand behind good products. Another norm category that did not require respecification of level five was Stand Behind Good Products. Figure 6.16 depicts the Return Potential Curve for this norm category. In this Figure, one can see that there is a positive relationship between level of magnitude and average utility from levels one through four. Between levels four and five there is a plateau effect, but there is a small increase in the average utility rating. Support for Proposition 1-2 is once again offered in this qualitative examination of the Return Potential Curve for this norm category.

Summary. The Return Potential Curves depicted in Figures 6.10 through 6.16 express the relationship between level of magnitude and average utility rating for the seven norm categories. A visual examination of these curves indicates a positive relationship between the two variables examined.

While these curves exhibit a down-turn in the curve between levels four and five for the norm categories of Appreciative Behaviors, Product/Service
Values are average part-worth utilities across all respondents.

FIGURE 6.15
RETURN POTENTIAL CURVE FOR THE CONTRA-OPPORTUNISM NORM CATEGORY
Values are average part-worth utilities across all respondents.

FIGURE 6.16
RETURN POTENTIAL CURVE FOR THE STAND BEHIND GOOD PRODUCTS NORM CATEGORY
Knowledge, Flexibility, and Role Diligence, this was expected since mean stated magnitude for these norms did not rise between levels four and five. This provides further support for the relationship between magnitude of norm related behaviors and utility. However, as presented in Table 6.3, level five for these four norms will be eliminated for some of the analyses since they do not represent perceived increases in magnitude.

The Return Potential Curves all indicate a direct relationship between the level of magnitude and part-worth utility. Even at levels four and five, where there is a down-turn in some of the curves, the relationship between magnitude and utility holds. These Figures therefore offer qualitative support for Proposition 1-2 across all norm categories.

Figure 6.17 depicts the Return Potential Curves for all seven norms on one graph. With the exception of the Flexibility norm category, there is a general tendency of the curves to rise from the lower left to the upper right of the graph. This indicates a rise in the level of utility reported by respondents at increasing magnitudes of behavior in all of the norm categories.

Quantitative Analysis of the Relationship Between Level of Magnitude and Part-Worth Utility

As discussed above, the conjoint task employed five behavioral composite descriptions which were designed to represent the full range of behaviors within that norm category. Part-worth utility ratings were calculated by the conjoint program for each level of the five behavioral composite
Values are average utility ratings across all respondents.

FIGURE 6.17
RETURN POTENTIAL CURVES FOR THE SEVEN NORM CATEGORIES
descriptions in each norm category. In order to examine the relationship between magnitude of behavior and utility, several multivariate analysis techniques were used. The following sections discuss analyses performed and the results obtained in explorations of the relationship between behavioral magnitudes and utility using repeated measures ANOVA, multivariate regression analysis, t-tests, and two of the contrasts available through repeated measures ANOVA.

Repeated measures ANOVA. The first analysis conducted was designed to explore the part-worth utility scores given by respondents across the levels of magnitude for each of the seven norm categories. Since subjects were required to provide several answers on the same subject, a repeated measures ANOVA design was selected.

In this study, the ANOVA procedure is used to test for differences in level of utility across the levels of magnitude of the behaviors related to each norm category. Since four of the norm categories had to be respecified to include only four levels, the analysis was conducted twice for those norms that have been respecified.

The results of the ANOVA procedure are presented in Table 6.5. For all seven norm categories, the differences between utility ratings at all five levels was found to be significant at \( p = .001 \). This held true for the four norm categories that were re-examined at just four levels of magnitude. In other
words, there are significant differences between the utility ratings for the various levels of magnitude.

The effect size, a standardized measure of the differences between groups, for each of the norm categories was in excess of .5 for both the full and reduced levels analyses. This indicates that differences between groups is greater than one-half of a standard deviation. Effect size statistics as large as those shown in Table 6.5 indicate that differences in utility across varied magnitude levels should be fairly easily found, even in a smaller sample.

The power statistic for all seven norms at both full and reduced levels was 1.00. This figure indicates the probability of finding a hypothesized relationship when it does exist. This measure of statistical significance, suggests that there is a strong relationship between utility rating and level of magnitude for the five norm categories.

The overall results of the repeated measures ANOVA suggest that there are significant differences between utility ratings for either the full five levels or the reduced four levels of magnitude. These results provide the first evidence of quantitative empirical support for the relationship between level of magnitude of the behaviors governed by the seven norm categories and utility ratings for those levels suggested in Proposition 1-2.

**Multivariate regression analysis.** The second analysis technique used to examine Proposition 1-2 was multivariate regression analysis. This technique was used to examine the correlation between respondents’ stated magnitude ratings as a predictor of their part-worth utility ratings. Results of this Table
## TABLE 6.5
MULTIVARIATE TESTS IN REPEATED MEASURES ANOVA FOR THE DIFFERENCES IN PART-WORTH UTILITY SCORES BETWEEN LEVELS OF THE SEVEN NORM CATEGORIES

<table>
<thead>
<tr>
<th>Norm Category</th>
<th>Multivariate Test Statistic</th>
<th>Statistical Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Wilk's Lambda</td>
<td>F-value</td>
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<tr>
<td><strong>All Five Levels</strong></td>
<td></td>
<td></td>
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<td>Appreciative Behaviors</td>
<td>.24040</td>
<td>149.3</td>
</tr>
<tr>
<td>Product/Service Knowledge</td>
<td>.17608</td>
<td>221.1</td>
</tr>
<tr>
<td>Flexibility</td>
<td>.20192</td>
<td>186.8</td>
</tr>
<tr>
<td>Respect for Time</td>
<td>.21919</td>
<td>168.3</td>
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<tr>
<td>Role Diligence</td>
<td>.39915</td>
<td>71.1</td>
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<tr>
<td>Contra-Opportunism</td>
<td>.12649</td>
<td>326.3</td>
</tr>
<tr>
<td>Stand Behind Good Products</td>
<td>.24784</td>
<td>143.4</td>
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<tr>
<td><strong>Reduced Levels (4)</strong></td>
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<td></td>
</tr>
<tr>
<td>Appreciative Behaviors</td>
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<td>195.6</td>
</tr>
<tr>
<td>Product/Service Knowledge</td>
<td>.18873</td>
<td>272.3</td>
</tr>
<tr>
<td>Flexibility</td>
<td>.41951</td>
<td>87.6</td>
</tr>
<tr>
<td>Role Diligence</td>
<td>.39973</td>
<td>95.1</td>
</tr>
</tbody>
</table>
procedure provide a direct assessment as to the relationship between the part-worth utilities and the perceived magnitude of each norm level.

As with the repeated measures ANOVA procedure conducted above, regressions were run for all norm categories at the full five levels and for the four norms requiring specification at the four reduced levels. The results of these analyses are presented in Table 6.6.

In examining overall model fit, the $R^2$ statistic indicating the correlation between stated magnitude and part-worth utility for each of the norm categories are relatively low, although all are statistically significant. The highest correlation for all five levels is for the norm category, Contra-Opportunism at .457. The lowest was a .099 for the norm category of Flexibility. As expected, when the fifth level is removed from the analysis, all correlations are improved for the norm categories involved. For example, the norm category Flexibility moves from .099 to .106.

An examination of the relationship between magnitude and utility through regression also indicates that the lowest magnitude of the behavioral composite descriptions were perceived as quite low on the 1 to 100 rating scale used.

The $t$-values for all norm categories indicate that stated magnitude is a significant predictor of part-worth utility. At both the full and reduced levels, all $t$-values are significant at the .0001 level. Beta coefficients tend to reinforce the finding that stated magnitude is a satisfactory predictor of part-worth utility.
<table>
<thead>
<tr>
<th>Norm</th>
<th>Overall Model Fit</th>
<th>Relationship of Magnitude and Utility</th>
<th>Beta</th>
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<td></td>
<td>R²</td>
<td>Std. Error</td>
<td>F</td>
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<td><strong>All Five Levels</strong></td>
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<td></td>
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<td>Role Diligence</td>
<td>.197</td>
<td>12.8134</td>
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</table>
As expected, the norm category Flexibility exhibits the lowest beta coefficient at .3155. The norm category in which stated magnitude has the most power in predicting part-worth utility is Contra-Opportunism which has a beta coefficient of .5642. This is followed relatively closely by Product/Service Knowledge at .6183, Respect for Time at .5898, and Stand Behind Good Products at .5642. Beta coefficients were improved for all respecified norm categories when calculated without the eliminated fifth level.

The multivariate regression analysis indicates a moderate association between stated magnitudes of the behavioral composite statements for each norm category and part-worth utilities obtained in the conjoint procedure. These results provide additional support for the direct relationship between magnitude and utility posed in Proposition 1-2.

Post hoc tests. In addition to the two tests for direct effects discussed above (ANOVA and regression), two sets of post hoc tests were performed to further assess the relationship between magnitude of behaviors in each norm category and the utility that respondents derived from those behaviors. While the two analyses determined that an overall relationship did exist, these post hoc tests attempt to identify at which specific levels of magnitude the relationship is supported. The first of these was a t-test of adjacent levels of part-worth utilities. The second was a set of contrasts employed in the repeated measures ANOVA procedure. Both are discussed in the sections to follow.
A t-test of adjacent levels of part-worth utilities. In order to examine for differences between part-worth utility ratings at each level, a set of t-tests were performed. These t-tests examined adjacent utility ratings across the five levels of magnitude. The results of these tests are shown in Table 6.7.

The comparison of mean utility scores are shown to be significantly different at the $p = .01$ level for all norm categories at all levels with the exception of Product/Service Knowledge at the third to fourth level and Stand Behind Good Products at the fourth to fifth levels. As discussed above, the Return Potential Curves for these two norm categories exhibit a "plateau effect" between these non-significant levels (See Figures 6.11 and 6.16). This effect may be due to the relatively modest increase between magnitude ratings for levels three and four for the norm category Product/Service Knowledge and between levels four and five for the Stand Behind Good Products norm category.

With the exception of these two levels for the two norm categories described above, utility ratings of adjacent magnitude levels are significantly different. Lack of significant differences between these two levels does not appear to be due to a failure of the relationship between magnitude and utility to hold at these levels; rather, the insignificant t-test findings for these levels appears to be more a function of the low levels of change in magnitude resulting in extremely small changes in part-worth utility ratings.
### TABLE 6.7
DIFFERENCES BETWEEN PART-WORTH UTILITIES OF ADJACENT LEVELS FOR THE SEVEN NORM CATEGORIES

<table>
<thead>
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<th>Norm Category</th>
<th>Level</th>
<th>Part-Worth Utility</th>
<th>Mean</th>
<th>Level</th>
<th>Mean</th>
<th>Mean Difference</th>
<th>Paired t-tests</th>
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<td>29.61</td>
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<td>2</td>
<td>4.3</td>
<td>8.19</td>
<td>.001</td>
</tr>
<tr>
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<td>3</td>
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<td>10.56</td>
<td>.001</td>
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<td>27.9</td>
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<th>Norm Category</th>
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<th>Level</th>
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<th>Significance</th>
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<td>18.8</td>
<td>38.02</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>32.0</td>
<td>4</td>
<td>32.6</td>
<td>0.6</td>
<td>1.09</td>
<td>.276</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>32.6</td>
<td>5</td>
<td>28.0</td>
<td>-4.6</td>
<td>7.81</td>
<td>.001</td>
</tr>
<tr>
<td><strong>Contra-Opportunism</strong></td>
<td>1</td>
<td>5.0</td>
<td>2</td>
<td>8.5</td>
<td>3.5</td>
<td>6.94</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>8.5</td>
<td>3</td>
<td>30.4</td>
<td>21.9</td>
<td>43.33</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>30.4</td>
<td>4</td>
<td>31.9</td>
<td>1.5</td>
<td>3.23</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>31.9</td>
<td>5</td>
<td>38.0</td>
<td>6.0</td>
<td>13.85</td>
<td>.001</td>
</tr>
<tr>
<td><strong>Stand Behind Good Products</strong></td>
<td>1</td>
<td>6.2</td>
<td>2</td>
<td>12.5</td>
<td>6.3</td>
<td>11.62</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>2</td>
<td>12.5</td>
<td>3</td>
<td>18.1</td>
<td>5.6</td>
<td>12.79</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>3</td>
<td>18.1</td>
<td>4</td>
<td>32.8</td>
<td>14.7</td>
<td>28.60</td>
<td>.001</td>
</tr>
<tr>
<td></td>
<td>4</td>
<td>32.8</td>
<td>5</td>
<td>33.2</td>
<td>0.4</td>
<td>0.75</td>
<td>.456</td>
</tr>
</tbody>
</table>
Overall, the post hoc t-tests provide support for Proposition 1-2 across most all levels of magnitude. The part-worth utility ratings for each level of the norm categories do vary significantly across adjacent magnitude levels. This reinforces the findings of the repeated measures ANOVA, indicating that differences across each of the levels are significant for (almost) all of the levels in addition to the full range of levels reported in the ANOVA procedure.

Contrasts using repeated measures ANOVA. Since an examination of differences in part-worth utility ratings across adjacent levels using t-tests tends to inflate the experiment-wide error rate, an additional set of post hoc tests were performed. Two different contrasts were employed using the repeated measures ANOVA procedure. The procedure and the results of each are described below.

The first contrast employed is referred to as a "difference contrast." A difference contrast examines differences in means for each level compared against the average of all of the preceding levels. For example, the first contrast would be level two versus level one; the second would be level three versus the average of levels one and two; and so on. The difference contrast was conducted for both the five full levels of magnitude for all seven norm categories and for the reduced four levels of magnitude for the four respecified norms.

Results of the difference contrasts for the full set of levels are provided in Table 6.8. Contrasts at all levels indicate significant differences in utility
## TABLE 6.8
UNIVARIATE TESTS IN REPEATED MEASURES ANOVA
FOR ASSESSING DIFFERENCES IN PART WORTH UTILITIES
BETWEEN LEVELS OF THE SEVEN NORM CATEGORIES

### Difference Contrasts

<table>
<thead>
<tr>
<th>Norm Category</th>
<th>L2 vs L1</th>
<th>L3 vs (L1, L2)</th>
<th>L4 vs (L1, L2, L3)</th>
<th>L5 vs (L1, L2, L3, L4)</th>
<th>Average Univariate F-test</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Appreciative Behaviors</strong></td>
<td>107.5a .359</td>
<td>383.8a .667</td>
<td>225.7a .540</td>
<td>10.6b .053</td>
<td>177.4a .480</td>
</tr>
<tr>
<td><strong>Product/Service Knowledge</strong></td>
<td>135.4a .414</td>
<td>544.5a .739</td>
<td>249.8a .565</td>
<td>57.6a .231</td>
<td>249.0a .565</td>
</tr>
<tr>
<td><strong>Flexibility</strong></td>
<td>142.9a .427</td>
<td>157.9a .451</td>
<td>5.0c .026</td>
<td>455.2a .703</td>
<td>176.2a .479</td>
</tr>
<tr>
<td><strong>Respect for Time</strong></td>
<td>13.0a .063</td>
<td>271.2a .585</td>
<td>189.6a .497</td>
<td>295.4a .606</td>
<td>206.5a .518</td>
</tr>
<tr>
<td><strong>Role Diligence</strong></td>
<td>13.3a .065</td>
<td>55.7a .225</td>
<td>209.2a .521</td>
<td>43.6a .185</td>
<td>82.5a .301</td>
</tr>
<tr>
<td><strong>Contra-Opponism</strong></td>
<td>9.5a .047</td>
<td>677.6a .779</td>
<td>450.3a .701</td>
<td>437.3a .695</td>
<td>384.7a .667</td>
</tr>
<tr>
<td><strong>Stand Behind Good Products</strong></td>
<td>27.4a .125</td>
<td>80.8a .296</td>
<td>438.3a .695</td>
<td>197.1a .507</td>
<td>189.7a .497</td>
</tr>
</tbody>
</table>

1. Difference Contrast - Each level of the norm category is compared to the average effect of previous level(s) with exception of the first category.

a  p < .001
b  p < .01
c  p < .5
NS  Not Significant

**Legend:** The "L" in each of the contrasts (ie. L1) refers to the levels of magnitude within each norm category. For example, the first contrast shown above would be a contrast between part-worth utility ratings for the second and first levels of magnitude for the norm category, Appreciative Behaviors.

(table con't.)

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<table>
<thead>
<tr>
<th>Norm Category</th>
<th>L1 vs (L2, L3, L4, L5)</th>
<th>L2 vs (L3, L4, L5)</th>
<th>L3 vs (L4, L5)</th>
<th>L4 vs L5</th>
<th>Average Univariate F-test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appreciative Behaviors</td>
<td>F-Value 453.5&lt;sup&gt;a&lt;/sup&gt;  .703</td>
<td>F-Value 165.0&lt;sup&gt;a&lt;/sup&gt;  .462</td>
<td>F-Value 7.6&lt;sup&gt;a&lt;/sup&gt;  .038</td>
<td>F-Value 44.6&lt;sup&gt;b&lt;/sup&gt;  .188</td>
<td>F-Value 177.4&lt;sup&gt;a&lt;/sup&gt;  .480</td>
</tr>
<tr>
<td>Product/Service Knowledge</td>
<td>F-Value 733.8&lt;sup&gt;a&lt;/sup&gt;  .763</td>
<td>F-Value 406.7&lt;sup&gt;a&lt;/sup&gt;  .679</td>
<td>F-Value 2.5&lt;sup&gt;NS&lt;/sup&gt;  .013</td>
<td>F-Value 13.3&lt;sup&gt;a&lt;/sup&gt;  .065</td>
<td>F-Value 249.0&lt;sup&gt;a&lt;/sup&gt;  .565</td>
</tr>
<tr>
<td>Flexibility</td>
<td>F-Value 85.4&lt;sup&gt;a&lt;/sup&gt;  .308</td>
<td>F-Value 25.3&lt;sup&gt;a&lt;/sup&gt;  .117</td>
<td>F-Value 283.2&lt;sup&gt;a&lt;/sup&gt;  .596</td>
<td>F-Value 361.0&lt;sup&gt;a&lt;/sup&gt;  .653</td>
<td>F-Value 176.2&lt;sup&gt;a&lt;/sup&gt;  .479</td>
</tr>
<tr>
<td>Respect for Time</td>
<td>F-Value 366.9&lt;sup&gt;a&lt;/sup&gt;  .656</td>
<td>F-Value 385.8&lt;sup&gt;a&lt;/sup&gt;  .668</td>
<td>F-Value 36.6&lt;sup&gt;a&lt;/sup&gt;  .160</td>
<td>F-Value 57.0&lt;sup&gt;a&lt;/sup&gt;  .229</td>
<td>F-Value 206.5&lt;sup&gt;a&lt;/sup&gt;  .518</td>
</tr>
<tr>
<td>Role Diligence</td>
<td>F-Value 166.8&lt;sup&gt;a&lt;/sup&gt;  .465</td>
<td>F-Value 106.5&lt;sup&gt;a&lt;/sup&gt;  .357</td>
<td>F-Value 44.2&lt;sup&gt;a&lt;/sup&gt;  .187</td>
<td>F-Value 11.9&lt;sup&gt;b&lt;/sup&gt;  .058</td>
<td>F-Value 82.5&lt;sup&gt;a&lt;/sup&gt;  .301</td>
</tr>
<tr>
<td>Contra-Oppportunism</td>
<td>F-Value 564.7&lt;sup&gt;a&lt;/sup&gt;  .746</td>
<td>F-Value 826.6&lt;sup&gt;a&lt;/sup&gt;  .812</td>
<td>F-Value 22.3&lt;sup&gt;a&lt;/sup&gt;  .104</td>
<td>F-Value 39.8&lt;sup&gt;a&lt;/sup&gt;  .172</td>
<td>F-Value 384.7&lt;sup&gt;a&lt;/sup&gt;  .667</td>
</tr>
<tr>
<td>Stand Behind Good Products</td>
<td>F-Value 268.0&lt;sup&gt;a&lt;/sup&gt;  .583</td>
<td>F-Value 292.3&lt;sup&gt;a&lt;/sup&gt;  .604</td>
<td>F-Value 182.5&lt;sup&gt;a&lt;/sup&gt;  .487</td>
<td>F-Value 0.04&lt;sup&gt;NS&lt;/sup&gt;  .000</td>
<td>F-Value 189.7&lt;sup&gt;a&lt;/sup&gt;  .497</td>
</tr>
</tbody>
</table>

<sup>2</sup> Helmert Contrast - Each level of the norm category is compared to the mean effect of subsequent level(s) except for the last category.

<sup>a</sup> p < .001
<sup>b</sup> p < .01
<sup>c</sup> p < .5
<sup>NS</sup> Not Significant

**Legend:** The "L" in each of the contrasts (ie. L1) refers to the levels of magnitude within each norm category. For example, the first contrast shown above would be a contrast between part-worth utility ratings for the first and an average of the second, third, fourth and fifth levels of magnitude for the norm category, Appreciative Behaviors.
ratings for all levels of magnitude. The significant differences across levels indicate that the relationship between magnitude and utility holds across all of the levels for each of the norm categories, providing additional support for Proposition 1-2.

In addition to the difference contrasts, an additional set of contrasts were conducted. The "Helmert Contrast" was selected for the second contrast procedure. As opposed to difference contrasts, Helmert contrasts examine each level relative to the average of all subsequent levels. The Helmert contrast was selected to provide the one contrast not adequately examined in the difference contrast procedure, that being the comparison of levels four and five.

Results of the Helmert contrast, once again, reinforce the results of the previous procedures (See Table 6.8 Continued). The specific contrast of interest, level 4 versus level 5, indicates significant differences for all norm categories with the exception of Stand Behind Good Products. The differences between these two levels for this norm are not significant. Level three versus the average of levels four and five for the norm category Product/Service Knowledge was the only other contrast across all of the levels for the seven norms that was found to have non-significant differences. Since there is a plateau effect for these two norm categories in terms of magnitude ratings, it is not unexpected that the differences between these levels was shown to be insignificant.
The two contrasts were also conducted for the reduced levels of the norms that required respecification. Results of the reduced level contrasts are reported in Tables 6.9 (Difference Contrasts) and 6.9 Continued (Helmert Contrasts). Elimination of the fifth level had no effect on the difference contrasts. This is because the difference contrast did not use level five in any of the averages used in comparison against the other four levels.

The Helmert contrast, in particular, allows an examination of level three versus level four in the respecified norms. The results for level three versus four using this contrast indicates no significant differences between these levels for Appreciative Behaviors and Product/Service Knowledge. Differences for the other two respecified norms are significant. An examination of the increases in magnitude ratings between these levels from Figures 6.1 and 6.2 indicates a plateau effect between levels three and four for these two. Therefore the lack of significant differences in part-worth utility ratings was evidently more based upon small increases between levels three and four in these two norm categories rather than a lack of relationship between level of magnitude and part-worth utility ratings.

Analysis of the results of the two sets of post hoc tests provides further support for the relationship between various magnitudes of norm governed behaviors and the utility that respondents derive from those behaviors. Therefore, the post hoc tests performed provide support for the assertions made in Proposition 1-2.
# TABLE 6.9

**UNIVARIATE TESTS IN REPEATED MEASURES ANOVA FOR ASSESSING DIFFERENCES IN PART WORTH UTILITIES BETWEEN REDUCED LEVELS OF THE SEVEN NORM CATEGORIES**

<table>
<thead>
<tr>
<th>Norm Category</th>
<th>Difference Contrasts</th>
<th>Average Univariate F-test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>L2 vs L1</td>
<td>L3 vs (L1, L2)</td>
</tr>
<tr>
<td>Appreciative Behavior</td>
<td>F-Value Eta(^2)</td>
<td>F-Value Eta(^2)</td>
</tr>
<tr>
<td></td>
<td>107.5(^a) .359</td>
<td>383.8(^a) .667</td>
</tr>
<tr>
<td>Product/Service Knowledge</td>
<td>135.4(^a) .414</td>
<td>544.5(^a) .739</td>
</tr>
<tr>
<td>Flexibility</td>
<td>142.9(^a) .427</td>
<td>157.9(^a) .451</td>
</tr>
<tr>
<td>Role</td>
<td>13.3(^b) .065</td>
<td>55.7(^b) .225</td>
</tr>
<tr>
<td>Diligence</td>
<td>101.6(^c) .346</td>
<td></td>
</tr>
</tbody>
</table>

---

\(^1\) Difference Contrast - Each level of the norm category is compared to the average effect of previous level(s) with exception of the first category.

\(^a\) p < .001

\(^b\) p < .01

\(^c\) p < .5

**Legend:**

- The "L" in each of the contrasts (ie. L1) refers to the levels of magnitude within each norm category. For example, the first contrast shown above would be a contrast between part-worth utility ratings for the second and first levels of magnitude for the norm category, Appreciative Behaviors.

(table con'd.)
The table below presents Helmert Contrasts for different norm categories. Each level of the norm category is compared to the mean effect of subsequent level(s) except for the last category.

### Helmert Contrasts

<table>
<thead>
<tr>
<th>Norm Category</th>
<th>L1 vs (L2, L3, L4)</th>
<th>L2 vs (L3, L4)</th>
<th>L3 vs L4</th>
<th>Average Univariate F-test</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appreciative Behavior</td>
<td>F-Value 510.3a .727</td>
<td>F-Value 233.7a .549</td>
<td>F-Value 1.1NS .006</td>
<td>F-Value 256.4a .572</td>
</tr>
<tr>
<td>Product/Service Knowledge</td>
<td>F-Value 659.5a .775</td>
<td>F-Value 425.1a .689</td>
<td>F-Value 0.2NS .001</td>
<td>F-Value 332.7a .634</td>
</tr>
<tr>
<td>Flexibility</td>
<td>F-Value 203.9a .515</td>
<td>F-Value 11.3b .055</td>
<td>F-Value 29.2a .026</td>
<td>F-Value 94.5a .330</td>
</tr>
<tr>
<td>Role Diligence</td>
<td>F-Value 145.6a .431</td>
<td>F-Value 98.3a .339</td>
<td>F-Value 67.5a .260</td>
<td>F-Value 101.6a .346</td>
</tr>
</tbody>
</table>

Legend: The “L” in each of the contrasts (ie. L1) refers to the levels of magnitude within each norm category. For example, the first contrast shown above would be a contrast between part-worth utility ratings for the first and an average of the second, third, and fourth levels of magnitude for the norm category, Appreciative Behaviors.

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The results of the two statistical tests (repeated measures ANOVA, and multivariate regression analysis) indicate a significant relationship between magnitude of behavior governed by consumer norms and the utility derived from those norms. Additionally, the effect size and the power of these tests indicate that there is a substantive relationship between these two sets of variables. These results are reinforced by the post hoc tests performed to examine differences at each level of magnitude.

Based upon these results, there is evidence of strong support for the relationship suggested in Proposition 1-2. The data collected in this study suggests a strong positive relationship between the magnitude of norm related behaviors and the part-worth utilities associated with those behaviors.

Propositions 3, 4, and 5

Recall from Chapter 2 and 5 that three propositions were offered that addressed the nature of norms in terms of their dimensions. Those three propositions were:

Proposition 3: Person, in terms of management, employee, or both will have an effect on the evaluation of norm based behaviors.

Proposition 4: Magnitude, in terms of the level of behavior exhibited by the retailer will have an effect on the evaluation of norm based behaviors.

Proposition 5: Timing, in terms of when specific behaviors occur within an exchange transaction will have an effect on the evaluation of norm based behaviors.
Norm Dimensions

As discussed in Chapter 2, a review of the marketing literature provided no information about the dimensions of consumer based norms despite an apparent dimensionality. In an attempt to solve this problem, an exploration was made of the script literature. This literature refers to several dimensions including characters, props, actions, and order of the actions (Bower, Black & Truner, 1979). Three of these dimensions appeared appropriate for use in the present study: characters, actions, and order of the actions (Abelson, 1976; Bower et al., 1979; and John and Whitney 1982). In order to make these dimensions better fit the current context, the three dimensions were renamed "person," "magnitude," and "timing."

While the dimension "props" does have application in the field of marketing, particularly as it applies to products, the current study concentrates on the relationship between the parties involved. Therefore, while person, magnitude, and timing were to be explored further, props received no further consideration.

Analysis of the Norm Dimensions

The qualitative phase of this research examined the relative importance of each of the proposed norm dimensions in Propositions 3, 4, and 5. A complete description of this analysis appears in Chapter 3. However, a reduced version of the analysis process is presented here along with the findings obtained.
**Person.** The person dimension was designed to represent who should or should not be involved in the exchange related behaviors. Three levels were designed for exploration: the retailer, the employees, and a combination of employees and management.

The retailer level represented management, store policies, personnel manuals, codes of conduct, and the rules of the organization. Included in this category would be the person who represents the store as the manager.

The employee level of the person variable represented the clerks, salespersons and other non-management personnel who work at the store. These are the people with whom the consumer has the greatest likelihood of contact.

A final level of person included both the employee and management. In many cases, the consumer cannot attribute behaviors strictly to management or to the employee. The behaviors result from an interaction of the two through training or the implementation of store policy by the employee.

**Magnitude.** The second dimension explored in this study comes from script theory's "actions" dimension. The seven norm categories provided most of the actions dimension. What was left was to determine if varied magnitudes of these actions affected consumers' evaluations of the behaviors involved. The magnitude dimension therefore examined how much or how little of a specific behavior should be involved in the exchange process.
Timing. The final dimension to be explored was timing. Behaviors are processes that unfold over time. The script literature indicated that there is a particular order in which processes should occur. Variations from this order in a retail setting could therefore result in dissatisfaction on the part of consumers. It was therefore deemed important that timing be explored as a dimension of norm behaviors.

The Analysis Process

As discussed at length in Chapter 3, the critical incident technique was employed to explore the role of each of these dimensions in the evaluation of the exchange process. Subjects were instructed to describe two incidents that had taken place in an exchange setting: one very good incident, and one very bad incident. Upon completion of their description, respondents were asked a series of questions designed to probe further about specific aspects of their experience. These questions involved inquiries into how the person dimensions, timing of the behaviors involved, and magnitude of the behaviors may have impacted the exchange process and their evaluation of this process.

Results

The general descriptions of the critical incidents reported by respondents indicated that only one of the three proposed dimensions had any substantive effect on consumers' evaluations of the exchange process that they described. Additional probing conducted by the interviewers confirmed this
finding. Results for each of the dimensions are reported in the following sections.

**Person.** One of the questions in the Critical Incident Technique survey required that respondents assign credit (or blame) for the outcome of the incident to one of the three levels of person described above. While the answers to this question seemed to indicate that management is viewed as being at least involved in the positive or negative outcomes in over half of the incidents, the in-depth interviews and discussions suggest that they were not viewed as causing the incident to be good or bad. Instead, it was the behaviors themselves, not who performed the behaviors that impacted consumer evaluation of the exchange transaction. Therefore, person had little or no effect on the evaluation.

**Magnitude.** The second proposed norm dimension, magnitude of the behaviors involved in the exchange, was reported by most of the respondents as having the greatest impact on their evaluation of the exchange transaction. Too little or too much of certain behaviors resulted in extremely poor ratings of the exchanges described. For some behaviors, only too little of the behavior resulted in negative ratings. In other instances, increasing magnitudes of the behavior involved, at least within the range of behaviors perceived as realistic, resulted in ever increasing positive evaluations. Based upon the qualitative analysis conducted, the magnitude of the behaviors exhibited in exchange
transactions was viewed as having a significant effect on evaluation of the incident.

**Timing.** Respondents were also asked if the timing or sequence of events in the exchange had any effect on their evaluation of the incident that they had described. No respondent mentioned any satisfaction or dissatisfaction based upon the timing of the various aspects of the exchange. The only time related variable that was mentioned as having impact on the evaluation of the exchange transaction was how long something took. These findings indicate that timing does not play a significant role in the evaluation of exchange transactions.

**Summary.** The qualitative analysis that was conducted in Phase I of this study and reported in Chapter 3 of this dissertation indicates that of the three norm dimensions proposed in Propositions 3, 4, and 5 of this study, only magnitude significantly affects evaluations of exchange behaviors. Based upon these findings, Propositions 3 (the effect of person) and 5 (the effect of timing) are not supported, while Proposition 4 (the effect of magnitude of the behaviors) is supported.

**Proposition 6**

The sixth proposition was concerned with the structure of consumer level exchange related norms. This proposition states:

*Proposition 6:* The norms employed by consumers in the evaluation of exchange transactions will fall into the categories of Mutuality, Appreciative Behaviors, Flexibility and Helping, and Seniority.
As discussed in Chapters 3 and 4, and then again in Chapter 5, the initial norm categories were based upon a wide range of literature that appeared to apply in the area of consumer exchanges. Subsequently, this initial set of norms were revised to represent the norm categories that were developed empirically in Phase I of the research conducted for this dissertation as described in Chapter 3.

While some of the norm categories remained substantially intact, others required substantial revision to conform to the consumer exchange context. The revised norm categories include: (a) Appreciative Behaviors, (b) Product/Service Knowledge, (c) Flexibility, (d) Respect for Time, (e) Role Diligence, (f) Mutuality 2: Contra-Opportunism, and, (g) Mutuality 1: Stand Behind Good Products.

Proposition 6, in essence, questions the use of these norm categories by consumers, and their importance in evaluation of behaviors related to the exchange process. Each norm category, therefore, must be examined to determine the role that it plays in providing utility to consumers.

Importance Scores

The first concern is to devise a measure that indicates how important behaviors in each norm category are in providing utility in an exchange situation. This is done through the determination of importance scores for each norm category.
Importance scores are a relative measure of the importance of each norm category. The importance rating itself is based upon how important a norm can be due to its variance. These scores are figured by determining the range of each respondent on each norm category across all levels. The ranges for all seven norm categories are then summed. Once this is done, the range for each norm category is divided by the summed ranges to provide an importance score for that norm category.

Importance scores for the seven norm categories are shown in Table 6.10. The seven norm categories have mean importance scores across all respondents that range from a low of 13.13 for Role Diligence to a high of 15.72 for Contra-Opportunism.

It is necessary to note that due to the method through which importance scores are derived, the analyses for this Proposition will not have to employ the reduced levels of the norm categories that were respecified. Since it is the range of the norm that is used, a plateau or down-turn between the fourth and fifth levels has no effect on the importance scores.

Analysis

In order to explore the existence of the proposed seven norm categories, two sets of tests must be performed. The first test must examine each norm category to determine if the importance score for that category is significantly different from zero. The second test is used to determine significant differences across norm categories. This test examines whether the proposed
<table>
<thead>
<tr>
<th>Norm Category</th>
<th>Mean</th>
<th>Standard Deviation</th>
<th>Range</th>
<th>Minimum</th>
<th>Maximum</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appreciative Behaviors</td>
<td>13.72</td>
<td>3.92</td>
<td>23.92</td>
<td>4.54</td>
<td>28.46</td>
</tr>
<tr>
<td>Product/Service Knowledge</td>
<td>15.28</td>
<td>3.46</td>
<td>15.82</td>
<td>7.88</td>
<td>23.70</td>
</tr>
<tr>
<td>Flexibility</td>
<td>13.17</td>
<td>3.33</td>
<td>20.20</td>
<td>2.60</td>
<td>22.80</td>
</tr>
<tr>
<td>Respect for Time</td>
<td>14.09</td>
<td>4.01</td>
<td>21.08</td>
<td>4.00</td>
<td>25.08</td>
</tr>
<tr>
<td>Role Diligence</td>
<td>13.13</td>
<td>3.96</td>
<td>22.17</td>
<td>3.61</td>
<td>25.77</td>
</tr>
<tr>
<td>Contra-Opportunism</td>
<td>15.72</td>
<td>3.41</td>
<td>21.14</td>
<td>4.66</td>
<td>25.80</td>
</tr>
<tr>
<td>Stand Behind Good Products</td>
<td>14.90</td>
<td>3.71</td>
<td>22.33</td>
<td>2.92</td>
<td>25.25</td>
</tr>
</tbody>
</table>
norm categories do vary in importance, and serves as an indicator of the relative impact of each norm category. These two analyses and the results of each are described in the sections below.

**A test of significant differences from zero for the norm importance scores.** In order to test the existence of each of the seven norm categories, paired t-tests were performed for each comparing the mean importance score for each norm to zero. The results of this procedure are presented in Table 6.11.

Significant differences were found between the mean importance rating and zero for each of the seven norm categories. These differences were significant at the $p = .001$ level. These results serve to refute the null hypothesis that the importance scores for each of the norm categories are not significantly different from zero. In other words, support is offered for the existence of each of the seven norm categories outlined in the revised Proposition 6.

**A test of significant differences across the norm importance scores for the seven norm categories.** A second analysis was required to determine if there are significant differences across the seven norm categories. In order to accomplish this, repeated measures ANOVA using difference and Helmert contrasts was once again employed. The results of this analysis are presented in Table 6.12.
<table>
<thead>
<tr>
<th>Norm Category</th>
<th>Mean Importance Score</th>
<th>Paired t-test of Difference from Zero</th>
<th>t-value</th>
<th>df</th>
<th>Significance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Appreciative Behaviors</td>
<td>13.7198</td>
<td></td>
<td>48.67</td>
<td>192</td>
<td>.001</td>
</tr>
<tr>
<td>Product/Service Knowledge</td>
<td>15.2752</td>
<td></td>
<td>61.30</td>
<td>192</td>
<td>.001</td>
</tr>
<tr>
<td>Flexibility</td>
<td>13.1666</td>
<td></td>
<td>54.89</td>
<td>192</td>
<td>.001</td>
</tr>
<tr>
<td>Respect for Time</td>
<td>14.0936</td>
<td></td>
<td>48.80</td>
<td>192</td>
<td>.001</td>
</tr>
<tr>
<td>Role Diligence</td>
<td>13.1267</td>
<td></td>
<td>46.10</td>
<td>192</td>
<td>.001</td>
</tr>
<tr>
<td>Contra-Opportunism</td>
<td>15.7199</td>
<td></td>
<td>64.00</td>
<td>192</td>
<td>.001</td>
</tr>
<tr>
<td>Stand Behind Good Products</td>
<td>14.8983</td>
<td></td>
<td>55.78</td>
<td>192</td>
<td>.001</td>
</tr>
<tr>
<td>Statistical Tests of Differences</td>
<td>F-value</td>
<td>Significance of F</td>
<td>Effect Size</td>
<td>( \eta^2 )</td>
<td>Power</td>
</tr>
<tr>
<td>---------------------------------</td>
<td>---------</td>
<td>-------------------</td>
<td>-------------</td>
<td>------------</td>
<td>-------</td>
</tr>
<tr>
<td>Multivariate Test</td>
<td>14.70434</td>
<td>.001</td>
<td>.321</td>
<td></td>
<td>1.000</td>
</tr>
<tr>
<td>Univariate Tests</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Difference Contrasts(^a)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fix vs Dll</td>
<td>.00938</td>
<td>.923</td>
<td>.00005</td>
<td>.034</td>
<td></td>
</tr>
<tr>
<td>App vs (Dll, Fix)</td>
<td>2.54330</td>
<td>.112</td>
<td>.01307</td>
<td>.354</td>
<td></td>
</tr>
<tr>
<td>Tim vs (Dll, Fix, App)</td>
<td>4.38784</td>
<td>.038</td>
<td>.02234</td>
<td>.547</td>
<td></td>
</tr>
<tr>
<td>Pro vs (Dll, Fix, App, Tim)</td>
<td>17.50228</td>
<td>.001</td>
<td>.08354</td>
<td>.986</td>
<td></td>
</tr>
<tr>
<td>Kno vs (Dll, Fix, App, Tim, Pro)</td>
<td>25.73933</td>
<td>.001</td>
<td>.11821</td>
<td>.999</td>
<td></td>
</tr>
<tr>
<td>Opp vs (Dll, Fix, App, Tim, Pro, Kno)</td>
<td>34.09586</td>
<td>.001</td>
<td>.15080</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>Helmert Contrasts(^b)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dll vs (Fix, App, Tim, Pro, Kno, Opp)</td>
<td>16.58795</td>
<td>.001</td>
<td>.07944</td>
<td>.981</td>
<td></td>
</tr>
<tr>
<td>Fix vs (App, Tim, Pro, Kno, Opp)</td>
<td>31.51699</td>
<td>.001</td>
<td>.14100</td>
<td>1.000</td>
<td></td>
</tr>
<tr>
<td>App vs (Tim, Pro, Kno, Opp)</td>
<td>13.87275</td>
<td>.001</td>
<td>.06784</td>
<td>.980</td>
<td></td>
</tr>
<tr>
<td>Tim vs (Pro, Kno, Opp)</td>
<td>11.83086</td>
<td>.001</td>
<td>.05804</td>
<td>.927</td>
<td></td>
</tr>
<tr>
<td>Pro vs (Kno, Opp)</td>
<td>3.27192</td>
<td>.072</td>
<td>.01876</td>
<td>.435</td>
<td></td>
</tr>
<tr>
<td>Kno vs Opp</td>
<td>1.29070</td>
<td>.257</td>
<td>.00688</td>
<td>.202</td>
<td></td>
</tr>
</tbody>
</table>

\(^a\) Difference Contrast—Each level of the norm category is compared to the average effect of previous level(s) with exception of the first category.

\(^b\) Helmert Contrast—Each level of the norm category is compared to the mean effect of subsequent level(s) except for the first category.

Legend: Fix - Flexibility; Dil - Role Diligence; App - Appreciative Behavior; Tim - Respect for Time; Pro - Stand Behind Good Products; Kno - Product/Service Knowledge; Opp - Contra-Opportunism

Note: Norm categories ordered from highest to lowest in terms of importance scores for this analysis.
The multivariate test of all norms provided by the ANOVA procedure indicates that there are significant differences ($p = .001$) across the seven norm categories. The effect size is relatively low, but this is expected since the mean importance ratings are fairly close in magnitude. However, the power statistic indicates that the differences across the importance levels are substantial. However, the power of the tests may be partially accounted for by the relatively large sample size.

The univariate tests provide the contrasts required to examine the differences between importance scores for each of the norm categories. The first set of contrasts was done using difference contrasts. Recall from the discussion regarding the analysis of Proposition 1-2 that difference contrasts examine each norm category versus the average of the previous norm categories. Therefore, in order to facilitate this analysis, the norms were first ordered from lowest to highest in terms of importance scores.

The results of this set of contrasts indicate no significant differences between the first norm category, Role Diligence and the second norm category, Flexibility. Differences are not significant for the norm category Appreciative Behaviors versus the average of Role Diligence and Flexibility. However, after that point, the average of the importance ratings for the previous categories is sufficiently different from subsequent norm categories so as to produce significant differences for these contrasts.
The next analysis employs Helmert contrasts. Recall that in the Helmert contrasts, each norm category is compared to the average of all subsequent norm categories. For this reason, once again the norms are ordered in terms of their importance ratings from lowest to highest.

The results of this analysis are similar, yet opposite from those provided by the difference contrasts. The first few contrasts indicate significant differences between the norm category and the average of all subsequent norm categories. However, in this case it is the last two contrasts that are not statistically significant.

What the multivariate test and univariate contrast tests results indicate is that while there are significant differences across the seven norm categories, the differences between adjacent norm categories (in terms of the magnitude of their importance scores) are relatively small and usually not significant. However, when the mean importance scores of groups of three of these norms are compared to an adjacent norm importance score (in terms of magnitude), differences are evident. For example, when contrasted with an average of the importance scores for a grouping of norms including Role Diligence, Flexibility, and Appreciative Behaviors, the mean for Respect for Time is significantly different using a difference contrast. Moving in the other direction, when the importance rating for Respect for Time is contrasted with an average of the importance scores for a grouping of norms including Stand Behind Good Products, Contra-Opportunism, and Product/Service Knowledge, the Helmert
contrast also indicates a significant difference between between means. While the contrasts conducted between adjacent (in terms of magnitude) individual norm importance scores are not likely to be significant, the mean for a group of three adjacent norms, when contrasted with the mean of a norm adjacent to that group, will exhibit significant differences. The null hypothesis that all norm categories have equal importance is therefore rejected.

Summary

The results of this analysis suggest that: 1) there are significant differences between the importance scores for each of the norm categories and zero, indicating that each norm category that has been proposed does exist, and 2) that there are significant differences in importance levels across the seven norms, indicating that the norms do vary in importance. Together, these two findings provide support for the Proposition 6 assertion that the norms employed by consumers in their evaluation of exchange transactions fall into the seven categories that have been proposed.

Propositions 7 and 8

The final two propositions offered in this dissertation address the shape of the Return Potential Curves that depict the relationship between part-worth utilities and the magnitude of the behaviors involved with each norm category. The propositions suggesting the shape of the Return Potential Curves are as follows:
Proposition 7: The Contra-Opportunism, Respect for Time, and Appreciative Behaviors norm categories will have a return potential curve that approximates a vector function.

Proposition 8: The Stand Behind Good Products, Flexibility, Product/Service Knowledge, and Role Diligence norm categories will have a Return Potential Curve that approximates an ideal point function.

In order to explore these propositions, an analysis of the shapes presented by each of these seven curves were conducted. The following section outlines the analyses that were conducted and the results that were obtained.

Analysis of the Shape of the Return Potential Curves for the Seven Norm Categories

Two shapes have been proposed for the Return Potential Curves: vector and ideal point. In a vector shaped curve, there is only a linear trend in the relationship such that it would be best represented by a straight line. In empirical terms, the vector function would have a significant linear component while any non-linear component would be non-significant. An ideal point function is one that is curvilinear in nature such that it rises and then either become plateau in shape, or in its most extreme form, actually turns down after the ideal point. This type of function would have a significant linear component followed by a significant quadratic component and possibly a significant cubic component.

As with the analysis of Proposition 1-2, two techniques are used in the present examination. These two techniques are multivariate regression
analysis and repeated measures ANOVA with contrasts. The regression analysis examined part-worth utility ratings for their relationship to the stated magnitudes that individual respondents provided for each of the behavioral composite statements.

The second method, repeated measures ANOVA, employs the levels of magnitude used in the conjoint task. These levels are based upon the magnitude ratings provided by the respondents but are treated by the technique as being relatively equal in interval across the full range. The objective is to quantify the size of the linear, quadratic and cubic components across the levels of each norm category. Because of the work done to firmly establish the magnitude of each level, the results of the two methods should be quite similar.

**Multivariate Regression Curve-Fit Estimation**

The first technique to be used in this procedure is multivariate regression analysis. Regression provides a measure of overall model fit, and allows for the linear, quadratic and cubic components of the Return Potential Curves to be assessed. The curves are examined at the full five levels for all seven norm categories and at the reduced four levels for the four norm categories that required respecification.

Results of this analysis are reported in Table 6.13. In terms of the overall model fit for the model using all five stated magnitude ratings, the $R^2$ for four of the norms (Product/Service Knowledge, Respect for Time, Contra-
<table>
<thead>
<tr>
<th>Norm Category</th>
<th>Overall Model Fit</th>
<th>Linear Component</th>
<th>Nonlinear (Quadratic) Component</th>
<th>Nonlinear (Cubic) Component</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>R²</td>
<td>F-value</td>
<td>Coeff. t-value</td>
<td>Change in R²</td>
</tr>
<tr>
<td>All Five Levels</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>App</td>
<td>.27688</td>
<td>183.1*</td>
<td>.504 9.668*</td>
<td>-5.150* .020</td>
</tr>
<tr>
<td>Kno</td>
<td>.38913</td>
<td>306.1*</td>
<td>.579 10.831*</td>
<td>-4.880* .015</td>
</tr>
<tr>
<td>Fix</td>
<td>.11122</td>
<td>60.1*</td>
<td>.425 7.640*</td>
<td>-5.266* .026</td>
</tr>
<tr>
<td>Tim</td>
<td>.34434</td>
<td>252.1*</td>
<td>.229 4.351*</td>
<td>-1.339 NS .026</td>
</tr>
<tr>
<td>Dil</td>
<td>.15902</td>
<td>90.8*</td>
<td>.238 4.326*</td>
<td>-0.791 NS .001</td>
</tr>
<tr>
<td>Opp</td>
<td>.44018</td>
<td>378.2*</td>
<td>.497 9.407*</td>
<td>-2.548* .004</td>
</tr>
<tr>
<td>Pro</td>
<td>.31841</td>
<td>223.5*</td>
<td>.100 1.755*</td>
<td>3.884* .010</td>
</tr>
<tr>
<td>Reduced Levels (4)</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>App</td>
<td>.36000</td>
<td>216.3*</td>
<td>29.885 12.350*</td>
<td>-7.790 -6.490* .035</td>
</tr>
<tr>
<td>Kno</td>
<td>.45733</td>
<td>323.6*</td>
<td>29.904 11.098*</td>
<td>-5.810 -4.197* .012</td>
</tr>
<tr>
<td>Fix</td>
<td>.12339</td>
<td>54.0*</td>
<td>13.732 5.208*</td>
<td>-2.721 -2.227* .006</td>
</tr>
<tr>
<td>Dil</td>
<td>.19614</td>
<td>93.7*</td>
<td>9.709 3.803*</td>
<td>0.804 0.631 NS .000</td>
</tr>
</tbody>
</table>

Regression results based upon df of (2,960). Overall model fit based on the fit of both linear and nonlinear components.

Legend:  
App - Appreciative Behavior; Kno - Product/Service Knowledge; Flx - Flexibility; Tim - Respect for Time;  
Dil - Role Diligence; Opp - Contra-Opportunism; Pro - Stand Behind Good Products
Opportunism, and Stand Behind Good Products) is .3 or above. Contra-
Opportunism has the best $R^2$ at .44. Not surprisingly, Flexibility has the lowest
$R^2$ at .11.

All seven of the norm categories exhibit significant linear components,
with $R^2$ statistics for this linear component ranging from a low of .09 for
Flexibility to .44 for Contra-Opportunism. Five of the seven norm categories
have significant t-values for the quadratic component indicating that they have
at least one point of inflection across the curve. The two norm categories that
do not have significant quadratic components are Respect for Time and Role
Diligence. In terms of a non-linear cubic component, only the norm categories
of Respect for Time and Stand Behind Good Products have non-significant t-
values. Any improvement in $R^2$ over the linear component by the two non-
linear components was extremely low.

For the reduced number of magnitude ratings, the overall model fit $R^2$
statistics are somewhat higher than the full range, as was expected. The linear
components for these four norm categories are all significant. The quadratic
and cubic components are significant for all four of the norm categories except
for Role Diligence.

These results indicate that Respect for Time, and Role Diligence are
primarily linear in shape, while Appreciative Behaviors, Product/Service
Knowledge, Flexibility, Contra-Opportunism, and Stand Behind Good Products
are non-linear. Yet, this does not mean that these significant non-linear
components constitute ideal point curves. While the components seem to
indicate the possibility that these norms are exhibiting ideal point curves, the magnitude ratings do not allow for this assertion. Because difficulties were encountered in the development of the highest magnitudes for some of the norms, a limitation of this research is the inability to provide continually increasing magnitudes through the fifth level. Therefore, the ideal point shape may be a true reflection of an ideal point for that particular norm, or it could be due to the magnitude ratings at levels four and five.

If one reviews the Figures 6.10 through 6.16, it appears that Appreciative Behaviors, Product/Service Knowledge, Flexibility, Role Diligence and Stand Behind Good Products are either ideal point in shape or at least level off at the two highest magnitude ratings. Respect for Time and Contra-Opportunism appear to exhibit a vector shaped Return Potential Curve.

Regression analysis appears to indicate that there are both vector and ideal point shaped Return Potential Curves for the norm categories. However, total support for the shape of these curves must wait until another study in which all of the magnitudes continue to rise across the levels.

Repeated Measures ANOVA with Contrasts

The second technique used to examine the shapes of the Return Potential Curves for the seven norm categories was a set of contrasts obtained through repeated measures ANOVA. However, the contrast employed in this analysis is a polynomial contrast. The polynomial contrast examines each norm category for linear, quadratic and cubic effects.
As before, the ANOVA procedure was conducted two times, once for all seven norm categories and the second time for the four norms that are respecified to contain only four levels of magnitude. The results of these two procedures are presented in Tables 6.14 and 6.15.

The average univariate results indicate significant differences across the levels of each of the seven norm categories. The results of the contrasts conform quite closely to those obtained through the regression analysis. All norm categories had significant linear effects. In terms of the quadratic effects, Respect for Time, Role Diligence, and Stand Behind Good Products are the only norm categories with non-significant effects. Flexibility, Respect for Time, and Role Diligence have non-significant cubic effects.

For the respecified norms all of the norm categories have significant F-values (See Table 6.15). All four respecified norm categories have significant linear and quadratic effects. Only Role Diligence has a non-significant cubic effect.

With the exception of the non-significant quadratic component for Stand Behind Good Products, the ANOVA contrast results reinforce those obtained from the regression analysis. Given this analysis, Respect for Time and Role Diligence have Return Potential Curves that are linear in shape. Appreciative Behaviors, Product/Service Knowledge, Flexibility and Contra-Opportunism exhibit non-linear functions.
### TABLE 6.14
UNIVARIATE TESTS IN REPEATED MEASURES ANOVA FOR ASSESSING LINEAR AND NONLINEAR COMPONENTS IN THE RELATIONSHIP BETWEEN STATED MAGNITUDE AND PART-WORTH UTILITY SCORES

<table>
<thead>
<tr>
<th>Norm Category</th>
<th>Polynomial Contrasts</th>
<th>Average Univariate F-test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Linear</td>
<td>Quadratic</td>
</tr>
<tr>
<td>Appreciative Behavior</td>
<td>370.6ᵃ</td>
<td>.659</td>
</tr>
<tr>
<td>Product/Service Knowledge</td>
<td>736.6ᵃ</td>
<td>.793</td>
</tr>
<tr>
<td>Flexibility</td>
<td>683.5ᵃ</td>
<td>.781</td>
</tr>
<tr>
<td>Respect for Time</td>
<td>609.9ᵃ</td>
<td>.760</td>
</tr>
<tr>
<td>Role Diligence</td>
<td>261.1ᵇ</td>
<td>.576</td>
</tr>
<tr>
<td>Contra-Opportunism</td>
<td>926.6ᵇ</td>
<td>.828</td>
</tr>
<tr>
<td>Stand Behind Good Products</td>
<td>498.4ᵇ</td>
<td>.722</td>
</tr>
</tbody>
</table>

1  Polynomial Contrast - The norm category is partitioned into linear, quadratic and cubic effects to assess the shape of the levels.

ᵃ  p < .001  
ᵇ  p < .01  
ᶜ  p < .5  
⁵  Not Significant
### TABLE 6.15
REDUCED LEVELS UNIVARIATE TESTS
IN REPEATED MEASURES ANOVA FOR ASSESSING LINEAR AND
NONLINEAR COMPONENTS IN THE RELATIONSHIP BETWEEN STATED
MAGNITUDE AND PART-WORTH UTILITY SCORES

<table>
<thead>
<tr>
<th>Norm Category</th>
<th>Linear</th>
<th>Quadratic</th>
<th>Cubic</th>
<th>F-test</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>F-Value</td>
<td>Eta²</td>
<td>F-Value</td>
<td>Eta²</td>
</tr>
<tr>
<td>Appreciative Behavior</td>
<td>525.3a</td>
<td>.732</td>
<td>42.0a</td>
<td>.179</td>
</tr>
<tr>
<td>Product/Service Knowledge</td>
<td>697.9a</td>
<td>.784</td>
<td>42.7a</td>
<td>.182</td>
</tr>
<tr>
<td>Flexibility</td>
<td>198.1a</td>
<td>.507</td>
<td>15.8a</td>
<td>.076</td>
</tr>
<tr>
<td>Role Diligence</td>
<td>284.5a</td>
<td>.597</td>
<td>11.2b</td>
<td>.055</td>
</tr>
</tbody>
</table>

1 Polynomial Contrast - The norm category is partitioned into linear, quadratic and cubic effects to assess the shape of the levels.

- a p < .001
- b p < .01
- c p < .5
- NS Not Significant

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Summary

The findings related to Propositions 7 and 8 are mixed. In Proposition 7, only Respect for Time exhibited the predicted vector shape with a significant linear effect and non-significant quadratic and cubic effects. However, Role Diligence, which was predicted to have an ideal point shaped Return Potential Curve was also shown to have a significant linear component with non-significant non-linear effects. The graphs of the Return Potential Curves provide qualitative support for Respect for Time as being vector in shape, but do not support that shape for Role Diligence. Additionally, Contra-Opportunism appears to be vector shaped, but apparently due to the variations along this curve, significant non-linear effects were present.

Several of the norm categories proposed to have ideal point shaped return potential curves did have significant non-linear effects. Appreciative Behaviors, Product/Service Knowledge, Flexibility, Contra Opportunism, and Stand Behind Good Products were all shown to have significant non-linear components. The graphs of the Return Potential Curves for most of these norm categories supported the ideal point shape. Appreciative Behaviors, Product/Service Knowledge, Flexibility, Role Diligence, and Stand Behind Good Products all appear to have classic ideal point shaped Return Potential Curves.

Because of the difficulties encountered in assessing magnitude at the extreme levels of several of the norm categories, further research may be
required to further define the shape of these curves. While the findings discussed above seem to indicate that people feel that "more is better" only in the case of Respect for Time, Role Diligence and Contra-Opportunism may also fall into the vector shaped Return Potential Curve category. For the rest of the norm categories, respondents apparently feel that ever-increasing levels of the behaviors involved ultimately results in reduced utility.

Summary of Results

The results of the analyses conducted offer substantial support for the notion that people derive utility from the exchange interaction itself, and that they evaluate these exchange interactions based upon the set of seven norms proposed. Support was offered for Proposition 1-2, that there is a positive relationship between the magnitude of norm related behaviors and part-worth utilities. Additionally, from Propositions 3, 4 and 5, the only dimension of norm related that does affect these evaluations is the magnitudes of the behaviors involved. Who is involved and the order in which various aspects of the interaction occur have very little effect on the exchange evaluation.

As stated above, the seven norm categories that were proposed in Proposition 6 appear to be those used by consumers in their evaluation of exchange transactions. Additionally, the relationship between magnitude of behavior and the utility derived from those behaviors appears to be predominately ideal point in shape. Consumers do not derive additional levels of utility from ever increasing magnitudes of the behaviors related to the seven
norm categories. Further research is required to better define the shape of these relationships.
CHAPTER 7

CONCLUSION

Conclusions, Implications, and Recommendations for Future Research

Chapter Seven summarizes the results of the dissertation research. The research questions that prompted the study and the results of tests of the propositions that arose from these questions are discussed. This section is followed by a discussion of the limitations of the study, managerial implications of the findings, and some recommendations for future research.

Consumer Level Exchange Related Norms

This dissertation addressed two research questions. The first was designed to explore the character of exchange related norms as employed by consumers in their evaluations of the exchange process. The second explored how consumer evaluations of exchange related behavior based upon norms affects transaction outcomes. Each of these is addressed in the sections below.

The Character of Consumer Level Exchange Related Norms

The character of norms employed by consumers in their evaluation of exchange processes was addressed in Phase I, the qualitative portion of the study. Since the marketing literature has not addressed the use of consumer level norms in the evaluation of the exchange process, a qualitative study was first conducted to examine the nature of the norms employed by consumers.

Literature from the areas of psychology, social psychology, sociology, and marketing provided some insights into two important aspects of the nature
of norms in general. These aspects included the character of norms (the person(s) involved, magnitude of the behaviors exhibited, and the timing or sequence of events in the exchange transaction), and the structure of norms (categories of exchange related norm behaviors). Each of these was explored using a qualitative method known as the Critical Incident Technique (CIT) and in-depth interviews.

The findings of this portion of the study provided strong qualitative support for the norm character of magnitude as playing an important role in the consumers' use of norms in the evaluation of exchange processes. The other two variables related to the character of norms, the persons involved and the timing or sequence of the events in the exchange transactions were found to have little if any impact on these evaluations. Based upon these findings, Propositions 3 and 5 dealing with the impact of person and timing on evaluations of exchange transactions were not supported. Proposition 4, the effect of magnitude on these evaluations was supported.

An exploration of the dimensions of norms employed by consumers resulted in a set of seven norm categories used in the evaluation of exchange processes. These norm categories included Appreciative Behaviors, Product/Service Knowledge, Flexibility, Respect for Time, Role Diligence, Contra-Oppportunism, and Stand Behind Good Products. The seven categories were strongly supported by the findings of the qualitative phase of this study.
Further support was added for the existence of these norm categories through subsequent quantitative testing offering both qualitative and quantitative support for the existence of the seven norm categories suggested in Proposition 6.

Normative Evaluations and Their Effect on Exchange Transaction Outcomes

The quantitative phase of this research examined the relationship between the magnitude of norm based exchange related behaviors and the utility derived by consumers from the exchange process. To explore this relationship, an empirical study was conducted. Respondents were required to rate behavioral composite statements representing varying magnitudes of exchange related behaviors. They then performed a conjoint task based on these magnitudes to determine part-worth utilities for each magnitude level.

Proposition 1 suggested a direct relationship between the level of magnitude of norm related exchange behaviors and the utility derived by consumers from these behaviors as magnitudes increased. The second Proposition suggested a direct relationship between these two variables as magnitudes of these behaviors declined. These two Propositions were subsequently combined into a single Proposition 1-2 which suggested a direct relationship between level of magnitude of these behaviors and the utility derived from the behaviors by consumers. This Proposition was supported qualitatively through graphic representations of the functions representing the

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relationship between these two variables and through quantitative testing of these relationships.

The remaining Propositions, numbers 7 and 8, suggested that the relationship between magnitude of norm related exchange behaviors and the utility derived from those behaviors for specific norm categories would be vector (linear) in shape. The shape of this relationship for other norm categories would form an ideal point (a quadratic or cubic function).

Because of difficulties encountered in representing the highest levels of magnitude for some of the norm categories, the shape of these functions could not be adequately assessed. However, based upon the data obtained, there is limited support for a vector shaped function for three of the norm categories and an ideal point shape for the other four norm categories. The support that was provided was the result of a qualitative evaluation of graphic representations of these functional relationships and a set quantitative tests that assessed the shape of the functions formed by the relationship between level of magnitude and part-worth utility ratings. Further research will be required to fully assess the shapes of these functional relationships.

**Limitations of the Study**

This section describes two limitations that should be considered when considering the results of this study. These limitations involve the nature of the sample used to conduct the quantitative tests and the ratings of the levels of magnitude for the norm categories.
sample used to conduct the quantitative tests and the ratings of the levels of magnitude for the norm categories.

Sample Based Limitations

Due to the length of time required to complete both the written and computerized portions of the survey used in this study, a large number of volunteer field service workers were employed in the sampling process to reduce the amount of time required to conduct the study. While the sample obtained is fairly representative of the area population in terms of demographic characteristics, it was not drawn through any form of random sampling procedure. As such, academicians and retail practitioners should exercise caution when generalizing the results of this study to the consumer population.

Another consideration related to sample involves the homogeneity of the sample make-up. As discussed above, the sample was selected to be representative of the various demographic groups that make up the general population of the area. It is likely that groups of consumers that share a similar lifestyle, sub-culture, or some other variable will place more importance on specific norm categories in their evaluations of exchange transactions. These differences in reliance on specific norms may also result from the exchange setting. For example, consumers involved in a medical procedure may rely more on the Product/Service Knowledge norm category. Care needs to be exercised in applying the results of this study to groups of highly similar consumers and across exchange settings.
Magnitude Levels

A second limitation of this study was the inability to produce behavioral composite descriptions that adequately reflect the highest levels of the norm categories such that magnitude ratings rise uniformly across all five levels. The study was able to establish support for a direct relationship between the magnitude of norm related behaviors and the utility derived by consumers from those behaviors. However, failure to produce uniformly increasing magnitude ratings across all levels of the norm categories prevented an estimation of the shape of the function representing the relationship of these two variables over the full range of behavioral magnitudes.

As discussed above, partial support was established for the existence of vector relationships between magnitude and utility for some norm categories, while an ideal point shaped function was indicated for others. Further research is needed to explore the shapes of these curves.

Managerial Implications

Several of the findings of this study have implications for use in retail settings. First, the results of this study indicate that consumers do evaluate the process of exchange in addition to their evaluation of product and store attributes. It is important for managers to realize that the consumer’s perception of how they are treated in an exchange transaction is evaluated.

Second, this evaluation of the exchange process by consumers does affect the perceived utility that the consumer derives from the exchange.
Management therefore needs to recognize the importance of how their customers are treated during the exchange process and structure the process such that consumers derive the greatest utility possible from the interaction involved. In the case of a retailer who deals in goods that are relatively homogeneous across stores, attention paid to the exchange process may result in a distinct competitive advantage over stores handling similar merchandise.

A third implication of this study is that the behaviors exhibited by the retailer or his employees in the exchange process are evaluated against seven categories of norms held in varying degrees by consumers. This study has provided a basis from which to proceed with the examination of the importance of each norm category in a particular setting. Further, it has suggested that for some norms, ever increasing magnitudes of behaviors in accordance with those norms result in ever increasing utility for the consumer. For other norms, there is an ideal point beyond which increasing magnitudes of behaviors may actually reduce consumer utility.

While further research is required to better establish this magnitude-utility relationship, managers should be aware that "more is not always better" when it comes to exchange related behaviors. Managers should strive to determine the kinds of behaviors that consumers desire in their particular setting as well as the appropriate level of magnitude for those behaviors.

The implications discussed above lead to several actions that managers should take to use the findings of this study to improve the exchange
processes that consumers have with their firms. Such actions should improve consumer evaluations of these interactions and therefore result in: (a) greater satisfaction with the retail outlet, (b) better development of long-term exchange relationships. The following sections discuss possible managerial actions that arise from this research.

"Total Product" Design

This dissertation has shown that behaviors involved in the exchange process provide sources of satisfaction in addition to the products traded and the characteristics of the store involved. Because of this, managers should learn the standards (or norms) of behaviors that consumers will use to evaluate the exchange process with their firm. This knowledge can then be used to design how the process of exchange should be designed to result in the greatest satisfaction to the consumer.

Hiring of Consumer Contact Personnel

In an exploration of the norms associated with a particular type of business, managers will determine the types and magnitudes of behaviors that their clientele prefer. This information can be used in the development of criteria for choosing consumer contact personnel. For example, for a retail environment in which high levels of product/service knowledge are viewed as extremely desirable by consumers, some minimum level of product knowledge may be included as a selection criterion.
Training

Consumer contact personnel should be trained to deal with customers based upon the norms that are associated with that particular type of business. Personnel should be trained to exhibit both the appropriate behaviors and the proper magnitude of those behaviors. This training should result in improved satisfaction with the consumer provider interactions at that retail outlet.

Future Research

Directions for much of the future research regarding consumer norms can be developed from the difficulties encountered in conducting this study. Topics for future research fall into three categories: development of magnitude levels, "positive" and "negative" discrimination, and the use of norms across different retail level settings and for specific groups of people.

The Development of Magnitude Levels

One of the major difficulties encountered in this study was the development of behavioral composite descriptions that depicted a steady rise in magnitude for the full range of levels of behavior related to a norm category. While the lower magnitude levels for all of the norms were perceived by subjects involved in this study as providing the desired steady increase, the higher magnitude levels were problematic.

Much of this problem may arise because the object of measurement was behaviors, which are intangible. If the study was designed around highly tangible attributes of a good, which could be examined by the subject, ratings
would likely be much more uniform across individuals, and would likely rise in magnitude at a much more even rate. For example, evaluating the increasing the number of knobs on a stereo from 25 to 50 to 75 to 100 and so on is a much easier task than evaluating increasing magnitudes of behavior.

Another consideration that may have made development of the highest levels of magnitude problematic is that these levels may be beyond a person’s ideal point. Magnitudes of behavior beyond the ideal point for consumers may be difficult to categorize. Consumers do not have a frame of reference for these extreme high levels and therefore do not know how to rate them. For example, if a restaurant chooses to provide an extreme level of magnitude of Flexibility for its customers by cooking anything any way that the customer wants it and therefore does not produce a menu, customers may not rate this behavior as highly flexible. They may not know how to rate it at all. If forced to rate this level on a 1 to 100 continuum, customers are likely to vary widely in their ratings.

Further research needs to be conducted to examine how extreme levels of magnitude of certain norms can be better framed such that the higher magnitudes are perceived. Until this is done, the determination of Return Potential Curves for consumer norms is highly problematic.

**Positive and Negative Discrimination**

A problem encountered early in the study during the qualitative phase was the classification of some of the behaviors described in the Critical Incident
Technique. What at first appeared to be a norm category that was to be labeled "discrimination" were behaviors on the part of retailers or their employees in which the customer felt that they were being singled out for this treatment. If the consumer did not like these behaviors, they reported that they were being discriminated against. However, if the customer liked the treatment, they reported that they were just "being treated special," when in fact, this too was a form of discrimination. This discrimination, in every case, took the form of either extremely low magnitudes or extremely high magnitudes of some behavior related to one of the seven norm categories.

Research needs to be conducted to determine the range of magnitudes of exchange related behaviors for each of the norm categories that are perceived as discrimination. Additionally, the subject reporting the positive or negative discrimination usually attributed the treatment that they received to being a part of some specific group (i.e. home town person, out-of-towner, long time customer, poor, rich, minority, or gender). Research should also address attributions of treatment based upon the group to which a person perceives (or does) belong.

Individual and Setting Differences

This study did not specifically address variations in the importance and use of norms based upon individual differences or in different settings. Such individual differences as age, lifestyle, gender, educational level, and size of the city in which a person lives may substantially affect the use and importance
of norms. Additionally, the setting in which the exchange process takes place is likely to have an effect on the use of norms by consumers. For example, someone about to receive medical treatment is much more likely to assign importance to behaviors related to the Product/Service Knowledge norm category than would a person who is shopping in for a product high in search qualities. The consumer is likely to rely highly on the knowledge of the medical care provider and yet feel little or no need for highly knowledgeable persons to show and describe products that the consumer can evaluate for themselves. Research examining individual differences and differences in the use of norms across varied settings is required to more fully understand the use of exchange norms by consumers.

**Summary**

Overall, the study was successful in establishing the existence of a set of consumer level exchange related norms. It was able to provide support for a positive relationship between magnitudes of the behaviors related to these norms and utility derived from the behaviors involved. Finally, the study did offer some measure of support for two different functional shapes (vector and ideal point) representing the relationship between level of magnitude of norm related behaviors and the utility derived from those behaviors.

In conclusion, this dissertation research provided an extension to the marketing literature in four areas: 1) the study showed that the process of exchange, aside from the objects and setting of the exchange, has an impact
on consumer derived utility; 2) the use of norms as a standard of comparison employed by consumers in their evaluation of exchange processes was established; 3) the nature of these norms was determined in terms of dimensions (magnitude) and structure (the seven norm categories), and 4) it employed multivariate conjoint analysis in the examination of norms and the utility derived from behaviors in accordance with those norms.

The research presented in this dissertation is not intended to represent a perfect understanding of consumer norms and the process by which they are used. Rather, it should be viewed as a starting place from which to proceed with a stream of research designed to explore the process of exchange and how consumers employ norms to evaluate this process.


____, Kenneth R. Evans, and Deborah Cowles (1990), "Relationship Quality in Services Selling: An Interpersonal Influence Perspective," 54, (July), 68-81.


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APPENDIX

QUESTIONNAIRES

DISCRETE GOOD – RELATIONAL BAD

My name is _______. I am taking a marketing class at Northwestern State University. As a part of that class we are asking people to talk about some good and bad incidents that have happened while shopping for or buying goods and services. Any information that you provide will be held strictly confidential. If you would rather not participate in this, just let me know and we can stop at any time. We do appreciate your help.

DISCRETE BAD – RELATIONAL GOOD

My name is _______. I am taking a marketing class at Northwestern State University. As a part of that class we are asking people to talk about some good and bad incidents that have happened while shopping for or buying goods and services. Any information that you provide will be held strictly confidential. If you would rather not participate in this, just let me know and we can stop at any time. We do appreciate your help.
Sometimes people, for one reason or another, do business with a firm with which they have had little or no prior contact. While we may or may not have been aware of them, or purchased anything from them before, we are likely to be relatively unfamiliar with them. Doing business with a firm like this is referred to as a discrete exchange, and is usually characterized as being rather impersonal, possibly a little uncomfortable since you have little knowledge about them or the way they do business. These exchanges usually involve a firm where you do not plan to have many future transactions.

Please think back over the times that you have been shopping or purchased goods or services that would fit into the category of discrete exchanges as described above. I would like for you to describe one of these exchanges that stands out in your mind as being especially bad. Take a few minutes and think about it and let me know when you are ready to start.

Person relates incident

(Interviewer provides subject with Delighted/Terrible Scale.) Would you please circle the number that best describes your feelings toward this incident?

(Interviewer provides subject with the sheet containing the emotion inventory.)

Would you please take a moment to check off the emotions that you remember feeling due to this incident.

Would you describe why you felt ______? and ______? and ______? (For each of the emotions that were checked)

Now I have a few questions about what you have told me.

Why did you feel that this was a particularly bad experience?

Were there any specific things that an employee or the store management did to make the experience bad?

Was there a particular person involved that made the experience bad or was it the fault of the management of that store?

In what ways was this experience different from what you have come to expect in this type of a situation?

Was there more or less of anything in particular that made a difference?

Has this affected any plans for future dealings with this firm? How?

(Have subject rate their satisfaction with this incident from 0 to 100.)
Now, there are other firms with which we conduct business on a fairly regular basis. You are familiar with them, the way that they do business, and maybe some or all of their employees. Because of your familiarity with them, you are relatively comfortable with their setting, and you know pretty much what to expect when doing business with them. Your conversations with the employees there may even involve things other than the goods or services that are sold there. These types of transactions are called relational exchanges. They are usually with a firm where you plan to do business in the future.

Please think back over the times that you have been shopping or purchased goods or services that would fit into the category of relational exchanges as described above. I would like for you to describe one of these exchanges that stands out in your mind as being especially good. Take a few minutes and think about it and let me know when you are ready to start.

(Person relates incident)

(Interviewer provides subject with Delighted/Terrible Scale.) Would you please circle the number that best describes your feelings toward this incident?

(Interviewer provides subject with the sheet containing the emotion inventory.)

Would you please take a moment to check off the emotions that you remember feeling due to this incident.

Would you describe why you felt _____? and _____? and _____? (For each of the emotions that were checked)

Now I have a few questions about what you have told me.

Why did you feel that this was a particularly good experience?

Were there any specific things that an employee or the store management did to make the experience outstanding?

Was there a particular person involved that made the experience good or should credit be given to the management of that store?

In what ways was this experience different from what you have come to expect in this type of a situation?

Was there more or less of anything in particular that made a difference?

Has this affected any plans for future dealings with this firm? How?

(Have subject rate their satisfaction with this incident from 0 to 100.)

(Collect demographic information on subject and thank them for participation.)
About this incident I feel:

<table>
<thead>
<tr>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
<th>7</th>
</tr>
</thead>
<tbody>
<tr>
<td>Delighted</td>
<td>Pleased</td>
<td>Mostly satisfied</td>
<td>Mixed (about equally satisfied and dissatisfied)</td>
<td>Mostly dissatisfied</td>
<td>Unhappy</td>
<td>Terrible</td>
</tr>
</tbody>
</table>

Think back about the incident that you related to me. Please check off all of the feelings listed below which you can recall having felt related to this situation.

- Joyful
- Self-confident
- Admired
- Annoyed
- Disgusted
- Regretful
- Proud
- Relieved
- Enthusiastic
- Fearful
- Angry
- Sad
- Affectionate
- Contented
- Grateful
- Ashamed
- Disappointed
- Scomful
- Excited
- Secure
- Surprised
- Guilty
- Frustrated
- Surprised
- Hopeful
- Interested
- Trusting
- Worried
- Depressed
- Suspicious

Please rate your satisfaction with this incident from 0 to 100

Please provide the information that best describes you:

<table>
<thead>
<tr>
<th>Age</th>
<th>Gender</th>
<th>Highest Level of Education</th>
</tr>
</thead>
<tbody>
<tr>
<td>under 20</td>
<td>Male</td>
<td>Less than High School</td>
</tr>
<tr>
<td>20-29</td>
<td>Female</td>
<td>High School Graduate</td>
</tr>
<tr>
<td>30-39</td>
<td></td>
<td>Some College</td>
</tr>
<tr>
<td>40-49</td>
<td></td>
<td>College Graduate</td>
</tr>
<tr>
<td>50-59</td>
<td></td>
<td>Masters</td>
</tr>
<tr>
<td>above 60</td>
<td></td>
<td>Ph.D.</td>
</tr>
</tbody>
</table>

Marital Status
- Never Married
- Married
- Single

Ethnic Origin

Occupation

How long?

I consider where I live to be:
- Urban
- Rural

Approximate population of your town or nearest town

How many miles away (If you don’t live in the town?)

Approximate Household Income Per Year:
- $ 10,000-24,999
- $ 25,000-39,999
- $ 40,000-59,999
- $ 60,000-90,000
- above $ 90,000

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CONSUMER SURVEY

This exercise is designed to determine how people view the behaviors of retailers and their employees. There are no right or wrong answers. You are not required to participate in this project, but your help is appreciated. If at any point you decide that you no longer wish to participate, you may feel free to stop. Your name will not appear on any of the materials associated with the study. Therefore, your answers will be completely anonymous. Filling out the paper and computer questionnaires is your permission to include your responses in the study. The study is being conducted by Scott Roach of Northwestern State University's Business Department. If you have any questions, or if you would like to obtain a copy of the results of this study, please feel free to contact him at the University.

Each of the following sheets contains a number of descriptions that are designed to describe some type of behavior. Please rate the descriptions on each page from 1 to 100, with "1" corresponding to the lowest level (the least that the business/salesperson could do) of the type of behavior being described, and "100" being the highest level (or most that the business/salesperson could do) of that set of behaviors.

Note that at this point, you are only rating the magnitude or level of the behavior, not how satisfied you are with this behavior.

For example: **Privacy**

A. The people who work at this store send out information to persons who have been screened and cleared to receive information of this kind.

B. The people at that store send out information on their customers but only if they know the person requesting the information.

C. The people who work there will send information about their customers to anyone who asks.

D. The people at this store will only send out information on their customers if the customer has given approval.

E. The people at this store will not send out any information on their customers unless their customer submits a notarized letter telling them that they may release this information.

| Low or Contrary | T | High
<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>#C</td>
<td>#B</td>
<td>#A</td>
</tr>
<tr>
<td>1</td>
<td>10</td>
<td>20</td>
</tr>
<tr>
<td>50</td>
<td>60</td>
<td>70</td>
</tr>
<tr>
<td>100</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Now that you have rated their magnitude, it is time to evaluate how satisfied you would feel with each magnitude of behavior. Please rate what you feel would be your level of satisfaction on the scale of 1 (very dissatisfied) to 100 (very satisfied) for each of the behaviors. Once again, place the numbers of the descriptions where they should go on the scale.

<table>
<thead>
<tr>
<th>Very Dissatisfied</th>
<th>Very Satisfied</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 10 20 30 40 50 60 70 80 90 100</td>
<td></td>
</tr>
</tbody>
</table>

Now, if you felt that some of the lists did not contain behaviors that could be appropriately classed as a "1" or a "100" then please write descriptions of behaviors that you feel would represent the "1" and "100" levels in the space provided at the bottom of each page. Be sure to state whether this behavior is a "1" or a "100."

Finally, please think for a moment and provide a descriptive label for the type of behavior described in each list. In the example above, the descriptive label might have been something like "approach and avoidance behavior."

Thank you for your cooperation.
I am occasionally watched, spoken to in check-out, but receive no personal attention
As I enter the store, some employees usually notice me and occasionally someone greets me. The clerk speaks as I check out but little else is done to show me how they feel about me shopping with them. They don't know my name or my tastes. When not waiting on me, their employees watch me occasionally while I shop, but then only from a distance.

I am greeted and welcomed by name, given any desired level of attention Someone always greets me by name and welcomes me as I enter the store. They even let me know when they receive things that they think I will like. I can have all of the special attention that I want, or wander all over the store without being watched.

I am greeted and remembered, not closely watched, and given some personal attention Someone usually greets and welcomes me as I come into the store. They acknowledge that they have seen me shop here before and know a few of my tastes. When not waiting on me, an employee is always near as I shop, but does not watch me.

I am greeted and known by name; given special attention but not watched over They greet me at the door and welcome me to their store. Some know my name and many of the things that I like. When they are not showing products to me, they are still willing to give me special attention, but don't make me feel like they are watching over me.

I am watched by employees but receive no personal attention As I walk into the store, employees look up from their work, but no one greets or welcomes me as I enter this store or does anything to show how they feel about me shopping here. They do not know my name or my tastes. When they are not waiting on me they just watch me as I shop.

Low or Contrary

1 10 20 30 40 50 60 70 80 90 100

High

Typical & Ideal Ratings (T & I)

Very Dissatisfied

1 10 20 30 40 50 60 70 80 90 100

Very Satisfied

Descriptive Label: ________________________________
#A Fair knowledge of products and store with ability to explain. Their employees seem fairly knowledgeable to me. They know a fair amount about the things I want, how they work, how they combine with things I own, and how to get the most out of several of the things I buy. They can also explain the things that they know about to me.

#B Extremely high knowledge of all product and store details: highly technical explanations. Their employees seem extremely knowledgeable to me. They know all of the intricate details of each of the products that I want to buy, how and why they work, how different ones interface with what I own, and many technical aspects about their performance. The answers that they give to my questions are highly detailed, intricate and technical.

#C No Product or store knowledge and no help with questions. Their employees don’t seem knowledgeable to me. They have to check a book to see if they have the product I want and how it works. They do not know how my product goes together, or how to get the most out of it. It does little good for me to ask them about their products.

#D Minimal knowledge of products and store with minor help with questions. I don’t think that their employees are very knowledgeable. While they know the location of what I want in their store, they have little idea how it works, how they may be used in combination with other things that I own, or how I can get the most out of what they sell. When I ask them to explain things about their products, they direct me to the package instructions.

#E Very knowledgeable about store and products: explanations in everyday terminology. I think that their employees are very knowledgeable. They know all about the products that I want, how they work, what works best with what I own, and how to get the most out of each; and they explain these things to me with words and terms that can be understood by most people.
#A No strict rules about policy, hours, products, etc: I never know what to expect. I don't think that this store has any strict rules. They will sometimes take any check that I bring them, sometimes no checks. I find that they stay open as long there are customers and close when there are none. They will change any product to meet my needs, and have no set return and other policies for their store.

#B Rigid rules, no deviation in policy, hours, products, etc: I always know what to expect. I feel that this store has a very rigid set of rules. For example, take only my personal checks and require me to show two forms of ID and two national credit cards. They would not change their posted store hours for me, and their products are sold "as is" with no alterations or deviations for me. Their returns and other policies are very strict and they will not change them for me.

#C Rules about policy, hours, products, etc, sometimes "bent" I know pretty much what to expect. This store will many times bend their rules for me. They will take most of my checks, even some payroll checks if I show them proper ID. They will stay open a little late if I make arrangements in advance, and will alter some of the products that I buy to meet my specific needs. I also find that there is some flexibility in their returns and other policies.

#D Fairly strict rules, minor deviations in policy, hours, products, etc: I know what to expect. It seems to me that this store has fairly strict rules. They will take my personal checks with proper ID, and they will stay open a few minutes late for me, but only with permission from the manager. They will make minor alterations in some of their products when I need it, but most must be purchased "as is." I have found almost no flexibility in their returns and other policies.

#E Rules not very strict about policy, hours, products, etc: I may not get what I expect. I have seen this store often bend their own rules. They will take a one of my checks even without all of the required ID. While they sometimes close a little early, they will stay open a little late when I need them to, and even alter products to meet my specific needs. They even allow me some flexibility in their returns and other policies.
I receive service as employees find time, nothing extra for waiting, low staffing levels. I always expect a long wait for service at this store since customers are waited on when the salespersons find time. They do not attempt to do anything extra for me when I to make up for my wait. Phone-in customers get service ahead of me even though I take the time to come in. They are usually under-staffed.

All customers serviced in order of arrival, attempts to reduce waiting time and make it worth the wait. This store serves me and other customers in order of arrival, takes steps to reduce my waiting time, attempts to make it worth the wait to me, serves me ahead of phone calls, and hires a few extra employees to reduce my waiting time during peak periods.

No waiting (almost), something extra if there is a wait, plenty of employees even in peak times. Customers almost never wait for service, but they receive something extra if there is a wait. I am always served ahead of phone customers. They always hire enough extra employees to keep me from having to wait during peak times.

Service in no particular order, little extra for waiting, no extra employees at peak times. I usually have some waiting time since customers receive service in no particular order. No extra effort is made to make it worth the long wait for me. Many times the service person leaves me to take calls from other customers, and there are about the same number of employees even at peak times.

Most receive service in order of arrival, extra nice to make up for any wait, more employees at peak times. I am usually served, along with others, in order of arrival. There is some waiting time but they try to be extra nice to make it worth the wait. My service is sometimes interrupted by a phone order, but in peak times they occasionally hire extra persons to reduce most waiting times.

Typical & Ideal Ratings (T & I)

Very Dissatisfied

Very Satisfied

Descriptive Label: __________________________
Employees provide customer service as requested  If I ask a salesperson, they will show me what I ask to see, briefly help me search for products, or help me to try things on. If they do not have what I am looking for they may tell me where I might find it.

No service offered by employees  Employees do not attempt to help me, find merchandise for me, or assist me with fitting. Unless I ask they will not check for me to see if their store has a particular item or, call any other store.

Minimal services provided by employees if asked  Employees will point to where items can be found if I ask for assistance. They show me where to search and will point out the dressing room if I ask. They will only help me with items that are located in their store.

Employees ask if they may assist and provide high levels of service  Employees ask me if they can help me, will help me to try things on, search throughout the store, or even call their other stores to find what it is that I want.

Employees stick with customers providing service well beyond what is requested Without me asking them for help, salespersons stay with me throughout the store showing me everything they think that I might be interested in. Without being requested, they help me at the dressing room, get other salespersons involved, and will call other similar stores to find what I want.

Typical & Ideal Ratings (T & I)
#A  Customer oriented  They look out for my interests, try to correct any mistakes that are made, and don’t pressure me much in their selling. Their products are worth about what I pay for them, and they treat me pretty fair even though I have little product knowledge.

#B  Concerned with profit  I feel that they are mainly interested in running a profitable business. They use some pressure selling on me, but will correct any mistake that they make. Their products are a little over-priced based upon what they pay, and I feel that I really need to know what I am doing when I deal with them.

#C  Total profit orientation  I think that profit is their only reason for running a business. Once a sale is over, there are no corrections for any mistake, and they do use pressure sales tactics on me. Their products are priced high based upon their cost, and they will use any lack of product knowledge on my part to their benefit.

#D  Highly customer oriented  They really look out for their my interests, try to correct any mistakes that are made so that the customer benefits, and don’t pressure me in their selling. Their products are worth more than I pay for them, and they take extra care to make sure that I get their money’s worth, even though I have little product knowledge.

#E  Total customer orientation  They always place my interests above themselves. They will give me something extra even for the smallest error to make up for any inconvenience, and I never feel any sales pressure. I feel totally confident that I get my money’s worth whether I know a lot about their products or not.

Low or Contrary

1 10 20 30 40 50 60 70 80 90 100

High

Typical & Ideal Ratings (T & I)

Very Dissatisfied

Very Satisfied

1 10 20 30 40 50 60 70 80 90 100

Descriptive Label: ____________________________
# A  Minimal warranty, average to below average quality products  A few of their items are under warranty, but only for 90 days and you must have your receipt and fill out several forms. Repair work due to warranty is an extremely low priority for their service department. Their products are OK but never what they advertise.

# B  Excellent quality products, anything at any cost to satisfy  All of their products have a full life-time warranty with no receipt required. Repairs due to warranty are expedited and taken ahead of any paid repair work. They have only the best quality products money can buy, even better than advertised.

# C  Warranty with receipt, fairly good quality products  Some of what they carry has a one year warranty if broken or damaged, but most are 90 days, with receipt. Warranty repairs are made by the service department after all paid repairs are finished for that day. Most of their products are fairly good, but not as good as they advertise.

# D  Good quality products, with full warranty  All of their products are covered by warranty and will be taken back if they break or fail to work properly and you have your receipt. Repairs to warranty products are processed the same as paid repair work. They have good quality products, very much as advertised.

# E  They stand behind what they sell for a year, better than average quality products  All of their products have a limited one year warranty and they take back anything within 90 days that breaks or doesn't work properly, if you have your receipt. Paid repairs have priority over warranty repairs. Their products are of better than average quality, but pretty much as advertised.

Typical & Ideal Ratings (T & I)

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Very Dissatisfied        Very Satisfied

| 1 10 20 30 40 50 60 70 80 90 100 |

Descriptive Label: ____________________________
Appreciative Behaviors - Things that clerks, salespersons, and management do to show the customer that their business is appreciated and valued. Things to make the shopper feel welcome, trusted, and/or special. Negative or low levels would be things that made the shopper feel unwelcomed, not trusted, and not respected by the store management or staff.

Level 1  
**Appreciative Behaviors: Ignored but watched**  As you walk into the store, employees look up from their work, but no one greets or welcomes you as you enter this store or does anything to show how they feel about you shopping here. They do not know your name or your tastes. When they are not waiting on you they just watch you as you shop.

Level 2  
**Appreciative Behaviors: Acknowledged, occasionally watched**  As you enter the store, some employees usually notice you and occasionally someone greets you. The clerk speaks as you check out but little else is done to show how they feel about you shopping with them. They don't know your name or your tastes. When not waiting on you, their employees watch you occasionally while you shop, but then only from a distance.

Level 3  
**Appreciative Behaviors: Greeted and attended to**  Someone usually greets and welcomes you as you come into the store. They acknowledge that they have seen you shop here before and know a few of your tastes. When not waiting on you, an employee is always near as you shop, but does not watch you.

Level 4  
**Appreciative Behaviors: Welcomed by name**  They greet you at the door and welcome you to their store. Some know your name and many of the things that you like. When they are not showing products to you, they are still willing to give you special attention, but don't make you feel like they are watching over you.

Level 5  
**Appreciative Behaviors: They do it all for you**  Someone always greets you by name and welcomes you as you enter the store. They even let you know when they receive things that they think you will like. You can have all of the special attention that you want, or wander all over the store without being watched.
**Product/Service Knowledge** - Showing knowledge about the product, service or store. Explaining the product, service or procedure. Sharing knowledge as expected. Expecting or knowing what a customer wants or needs in a particular product category. Low or negative levels would be poor product and store knowledge and not being willing to explain about products or the store.

**Level 1**  
**Product/Service Knowledge: Don’t have a clue**  
Their employees don’t seem knowledgeable to you. They have to check a book to see if they have the product you want and how it works. They do not know how your product goes together, or how to get the most out of it. It does little good for you to ask them about their products.

**Level 2**  
**Product/Service Knowledge: Minimal knowledge**  
You don’t think that their employees are very knowledgeable. While they know the location of what you want in their store, they have little idea how it works, how they may be used in combination with other things that you own, or how you can get the most out of what they sell. When you ask them to explain things about their products, they direct you to the package instructions.

**Level 3**  
**Product/Service Knowledge: Pretty sharp on products**  
Their employees seem fairly knowledgeable to you. They know a fair amount about the things you want, how they work, how they combine with things you own, and how to get the most out of several of the things you buy. They can also explain the things that they know about to me.

**Level 4**  
**Product/Service Knowledge: The answer man**  
You think that their employees are very knowledgeable. They know all about the products that you want, how they work, what works best with what you own, and how to get the most out of each; and they explain these things to you with words and terms that can be understood by most people.

**Level 5**  
**Product/Service Knowledge: All the intricate technical details**  
Their employees seem extremely knowledgeable to you. They know all of the intricate details of each of the products that you want to buy, how and why they work, how different ones interface with what you own, and many technical aspects about their performance. The answers that they give to your questions are highly detailed, intricate and technical.
Flexibility - Bending or not following store rules and policies that affect a consumer. Low or negative levels would be when there was strict adherence to rules no matter what the situation.

Level 1  Flexibility: Rigid rules  You feel that this store has a very rigid set of rules. For example, take only your personal checks and require you to show two forms of ID and two national credit cards. They will not change their posted store hours for you, and their products are sold "as is" with no alterations or deviations for you. Their returns and other policies are very strict and they will not change them. You always know exactly what to expect.

Level 2  Flexibility: Slightly flexible  It seems to you that this store has fairly strict rules. They will take your personal checks with proper ID, and they will stay open a few minutes late for you, but only with permission from the manager. They will make minor alterations in some of their products when you need it, but most must be purchased "as is." You have found almost no flexibility in their returns or other policies. You know what to expect.

Level 3  Flexibility: Bend rules as needed  This store will many times bend their rules for you. They will take most of your checks, even some payroll checks if you show them proper ID. They will stay open a little late if you make arrangements in advance, and will alter some of the products that you buy to meet your specific needs. You also find that there is some flexibility in their returns and other policies. You know pretty much what to expect.

Level 4  Flexibility: Very Flexible  You have seen this store often bend their own rules. Usually they will take a one of your checks even without all of the required ID. While they sometimes close a little early or open a little late, they will stay open a little late when you need them to, and even alter products to meet your specific needs. They even allow you some flexibility in their returns and other policies. They may not act as you expect.

Level 5  Flexibility: You never know the rules  You don't think that this store has any strict rules. They will sometimes take any check that you bring them, sometimes no checks. You find that they stay open as long there are customers and close when there are none. They will change any product to meet your needs, and have no set return and other policies for their store. You never know what to expect.
Respect for Time - Behaviors on the part of the retailer or employee that recognize the time spent by their customers. This includes such things as serving customers in order of arrival, things done to reduce waiting periods, reducing consumer driving time, etc. Low or negative levels would be those things that may increase waiting time or cause a customer to have to spend more time than is necessary.

Level 1  Respect for Time: The waiting game  You always expect a long wait for service at this store since customers are waited on when the salespersons find time. They do not attempt to do anything extra for you to make up for your wait. Phone-in customers get service ahead of you even though you take the time to come in. They are usually under-staffed.

Level 2  Respect for Time: No particular order  You usually have some waiting time since customers receive service in no particular order. No extra effort is made to make it worth the long wait for you. Many times the service person leaves you to take calls from other customers, and there are about the same number of employees even at peak times.

Level 3  Respect for Time: Who's next?  You are usually served, along with others, in order of arrival. There is some waiting time but they try to be extra nice to make it worth the wait. Your service is sometimes interrupted by a phone order, but in peak times they occasionally hire extra persons to reduce most waiting times.

Level 4  Respect for Time: The line forms here  This store serves you and other customers in order of arrival, takes steps to reduce my waiting time, attempts to make what you get worth the wait, serves you ahead of phone calls, and hires a few extra employees to reduce your waiting time during peak periods.

Level 5  Respect for Time: Step right up—no waiting  You almost never wait for service, but you receive something extra if there is a wait. You are always served ahead of phone customers. They always have enough extra employees to keep you from having to wait even during peak times.
Role Diligence - Doing those things that a retailer or employee should do to provide the service required by a customer. This would include waiting on customers and helping them with their product and service needs. Low or negative levels would be failure to wait on customers and not attempting to meet their needs.

Level 1

Role Diligence: Serve yourself Employees do not attempt to help you, find merchandise for you, or assist you with fitting. Unless you ask they will not check for you to see if their store has a particular item or, call any other store.

Level 2

Role Diligence: It’s over there Employees will point to where items can be found if you ask for assistance. They show you where to search and will point out the dressing room if you ask. They will only help you with items that are located in their store.

Level 3

Role Diligence: Only if you ask If you ask a salesperson, they will show you what you ask to see, briefly help you search for products, or help you to try things on. If they do not have what you are looking for they may tell you where you might find it.

Level 4

Role Diligence: May I help you? Employees ask you if they can help you, will help you to try things on, search through-out the store, or even call their other stores to find what it is that you want.

Level 5

Role Diligence: Come, let me show you Without you asking them for help, salespersons stay with you throughout the store showing you everything they think that you might be interested in. Without being requested, they help you at the dressing room, get other salespersons involved, and will call other similar stores to find what you want.
Opportunism - This involves not taking advantage of the customer by the retailer or the staff of a store. Low or negative levels would be when the customer is taken advantage of in some way.

Level 1  **Opportunism: Let the buyer beware**  You think that profit is their only reason for running a business. Once a sale is over, there are no corrections for any mistake, and they use pressure sales tactics on you. Their products are priced high based upon their cost, and they will use any lack of product knowledge on your part to their benefit.

Level 2  **Opportunism: Profit oriented**  You feel that they are mainly interested in running a profitable business. They use some pressure selling on you, but will correct any mistake that they make. Their products are a little over-priced based upon what they pay, and you feel that you really need to know what you are doing when you deal with them.

Level 3  **Opportunism: Looking out for the customer**  They look out for your interests, try to correct any mistakes that are made, and don't pressure you much in their selling. Their products are worth about what you pay for them, and they treat you pretty fair even though you have little product knowledge.

Level 4  **Opportunism: Customer oriented**  They really look out for their your interests, try to correct any mistakes that are made so that the you benefit, and don't pressure you in their selling. Their products are worth more than you pay for them, and they take extra care to make sure that you get their money's worth, even though you have little product knowledge.

Level 5  **Opportunism: The customer comes first**  They always place your interests above themselves. They will give you something extra even for the smallest error to make up for any inconvenience, and you never feel any sales pressure. You feel totally confident that you get my money's worth whether you know a lot about their products or not.
Provide a good product and stand behind it - Having products and services that provide the value that you expect for the money. Also, standing behind a product for a reasonable period of time should something go wrong. (Remember, better products and longer warranties are likely to cost more.)

Level 1  Provide a good product and stand behind it: Better choose your products carefully. A few of their items are under warranty, but only for 90 days and you must have your receipt and fill out several forms. Repair work due to warranty is an extremely low priority for their service department. Their products are OK but never what they advertise.

Level 2  Provide a good product and stand behind it: Fairly good products. Some of what they carry has a one year warranty if broken or damaged, but most are 90 days, with receipt. Warranty repairs are made by the service department after all paid repairs are finished for that day. Most of their products are fairly good, but not as good as they advertise.

Level 3  Provide a good product and stand behind it: They're good for at least a year. All of their products have a limited one year warranty and they take back anything within 90 days that breaks or doesn't work properly, if you have your receipt. Paid repairs have priority over warranty repairs. Their products are of better than average quality, but pretty much as advertised.

Level 4  Provide a good product and stand behind it: Good products, good warranty. All of their products are covered by warranty and will be taken back if they break or fail to work properly and you have your receipt. Repairs to warranty products are processed the same as paid repair work. They have good quality products, very much as advertised.

Level 5  Provide a good product and stand behind it: The best that is made. All of their products have a full life-time warranty with no receipt required. Repairs due to warranty are expedited and taken ahead of any paid repair work. They have only the best quality products money can buy, even better than advertised.
Appreciative Behaviors

Ignored but watched--Customer noticed and watched; no personal attention
Acknowledged, occasionally watched--Customer noticed, watched, spoken to in check-out, but no personal attention
Greeted and attended to--Customer greeted and remembered, not closely watched; some personal attention
Welcomed by name--Customer greeted and known by name; given special attention but not watched over
They do it all for you--Customer greeted and welcomed by name, given any desired level of attention

Product/Service Knowledge

Don't have a clue--No product or store knowledge and no help with questions
Minimal knowledge--Minimal knowledge of products and store with minor help with questions
Pretty sharp on products--Fair knowledge of products and store with ability to explain
The answer man--Very knowledgeable about store and products; explanations in everyday terminology
All the intricate technical details--Extremely high knowledge of all product and store details; highly technical explanations

Flexibility

Rigid rules--fixed rules, no deviation in policy, hours, products, etc.; customers always know what to expect
Slightly flexible--Fairly strict rules, minor deviations in policy, hours, products, etc.; customers know what to expect
Bend rules as needed--Rules about policy, hours, products, etc. sometimes "bent"; customers pretty much know what to expect
Very flexible--Rules not very strict about policy, hours, products, etc.; customers may not get what they expect
You never know the rules--No strict rules about policy, hours, products, etc.; customers never know what to expect

Respect for Time

The waiting game--Customers serviced when employees find time, nothing extra for waiting, low staff levels
No particular order--Service in no particular order, little extra for waiting, no extra employees at peak times
Who's next?--Most receive service in order of arrival, extra nice to make up for any wait, more employees at peak times
The line forms here--All customers serviced in order of arrival, attempts to reduce waiting time and make it worth the wait
Step right up--No waiting--No waiting (almost), something extra if there is a wait, plenty of employees even in peak times
Role Diligence

Serve yourself—No service offered by employees
It's over there—Minimal services provided by employees if asked
Only if you ask—Employees provide customer service as requested
May I help you?—Employees ask if they may assist and provide high levels of service
Come, let me show you—Employees stick with customers, provide service even if not requested, get other salespersons involved

Opportunism

Let the buyer beware—Total profit orientation, high pressure and no errors corrected, they take advantage of their knowledge
Profit oriented—Concerned with profit, moderate pressure, correct their errors, you need some product knowledge
Looking out for the customer—Customer oriented, try to correct mistakes, little pressure, fair treatment
Customer oriented—Highly customer oriented, correct mistakes in customer favor, almost no sales pressure, get money's worth
The customer comes first—Total customer orientation, something extra given for any error, no sales pressure, totally confident of money's worth

Provide a good product & stand behind it

Better choose your products carefully—Minimal warranty, average to below average quality products, warranty work low priority
Fairly good products—Warranty with receipt, fairly good quality products, warranty work done only after paid repairs
They're good for at least a year—They stand behind what they sell for a year, better than average quality products, paid repairs a priority over warranty work
Good products, good warranty—Good quality products, with full warranty, warranty work has equal priority with paid repair work
The best that is made—The best products made, anything at any cost to satisfy, warranty work taken ahead of paid repair work

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VITA

Scott S. Roach was born in Oakland, California, on June 7th, 1954. When he was eight, his family moved to northwest Louisiana, where he has lived ever since. He entered Northwestern State University after graduating from high school mid-way through his senior year and completed a Bachelor of Science Degree in Business Administration, Economics and Psychology in 1975. After completing a Masters Degree in Business Administration and eleven years of gaining experience through construction jobs in petroleum refineries, working as an insurance adjuster and serving in small-town city government, he was offered the opportunity to teach as an instructor at the college level. Following a year and a half of teaching marketing and management courses, Scott decided to pursue a terminal degree. In 1989, he moved his family to Baton Rouge, Louisiana to work toward a Ph. D. in Business Administration (Marketing) at Louisiana State University. Scott currently teaches junior and senior level marketing courses, and has developed courses in sports marketing, services marketing, and advanced personal selling at Northwestern State University. He resides in Natchitoches with his wife, Dr. Linda Roach; and daughter Katie.
DOCTORAL EXAMINATION AND DISSERTATION REPORT

Candidate: Scott Shaw Roach

Major Field: Business Administration (Marketing)


Approved:

[Signatures]

Major Professor and Chairman
Dean of the Graduate School

EXAMINING COMMITTEE:

[Signatures]

Date of Examination:
February 9, 1996

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