

# THE ESSENTIAL ROLE OF SENSE OF COMMUNITY IN A HIGH CUSTOMER-TO-CUSTOMER INTERACTION SERVICE SETTING

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## INTRODUCTION

It is well established in the literature that sense of community within a service setting contributes to customers' feelings of commitment toward a brand (Fraering and Minor 2006). For example activities related to brand communities have increased loyalty intentions among small groups of Harley riders (Bagozzi and Dholakia 2006) and Jeep owners (McAlexander, Schouten, and Koenig 2002). Communities theoretically are instrumental in human well-being (McAlexander et al. 2002), due to the desire to belong to a group. So consequently feelings of community have a strong influence on customers' intentions to continue patronizing a firm in the future (Drengner, Jahn and Gaus 2012).

Furthermore, sense of community also enhances consumers' perceptions of service quality (Wooldridge 1999). Many consumers have come to expect social support within service settings (Adelman, Ahuvia and Goodwin 1994), thus when social support is absent or low, service quality as judged by consumers, may also decrease. Social support is more than just service employees fulfilling interpersonal needs with customers, but also extends to customers fulfilling interpersonal needs with other customers (Adelman et al. 1994). If customer-to-customer social support is inherently high within a service setting, then that social support may have a much larger impact on service quality and commitment than expected.

The literature has rarely explored the effect of sense of community in service scenarios in which customer-to-customer interaction is integral to the service and therefore a sense of community is inherently expected by the consumers. The purpose of this paper is to demonstrate that in a high customer-to-customer setting; sense of community is an extremely important antecedent to commitment and also affects individual quality dimensions. When high customer-to-customer interaction exists in a service setting, a sense of community among the customers is absolutely essential if that service provider desires to maintain high quality perceptions and thus maintain commitment among its customers.

Customer-to-customer interaction (CCI) has received increased attention over the last two decades (Nicholls 2010) and is an important aspect of the service experience due to its effect on satisfaction and loyalty (Moore, Moore, and Capella 2005). In certain service settings other customers are considered essential inputs to the service experience (Moore et al. 2005). So in these service settings, CCI is an integral and even planned component of the service offering (Parker and Ward 2000). Positive CCI is especially important if the service is extended over time, has an affective component, and chances for intimate encounters are experienced by the customers (Price, Arnould, and Tierney 1995). Customers that are satisfied in extended service situations characterized by CCI may also feel a sense of community or belongingness.

Customers who felt a stronger sense of community in CCI situations were more satisfied and loyal towards the service provider (Rosenbaum 2008). But negative social encounters in high CCI service settings lead to lower satisfaction and lower intentions to continue patronizing the organization (Raajpoot and Sharma 2006). More specifically, social ostracism by other customers in a high CCI situation results in less commitment towards the service provider in which that behavior occurred (Hitlan et al. 2006).

Consequently, sense of community may even have a much bigger impact when there is high CCI within a service setting. Consumers who have high sense of community in a CCI setting may judge the organization as high quality for individual components of the service and indicate higher levels of commitment towards that organization. Currently there is a gap regarding the importance of the sense of community in a CCI setting and its effect on individual quality perceptions and commitment. This study not only shows the importance of commitment on quality perceptions, but in a CCI setting, sense of community has a stronger effect on commitment than the individual components of quality.

H<sub>1</sub>: Sense of community has a strong positive effect on individual components of quality (quality teaching, academics, sports, music, clubs, and Advanced Placement Courses (APC))

H<sub>2</sub>: Sense of community has the strongest correlation with commitment when compared with the components of quality mentioned in Hypothesis 1.

## METHODOLOGY

### Sample

1500 surveys were mailed to parents that either currently send or have sent their children to a Catholic school located in the upper Midwest. A total of 500 surveys were returned thus resulting in a 30% response rate. CCI is assumed to be high in a catholic school setting.

### Construct Measurement

Seven point Likert scales were created to test “sense of community” and were partially derived from McAlexander, Schouten, and Koenig (2002). Scale reliability of the community items was tested using Cronbach’s Alpha resulting in  $\alpha = .893$ . The commitment scales were adapted from Harrison-Walker (2001) and scale reliability testing resulted in  $\alpha = .883$ .

The components of quality were: quality teaching, academic quality, sports, music, clubs, advance placement courses, and discipline. Each component was tested as a single item scale using a zero to ten graphic rating scale anchored by the words “public schools” and “parochial schools.” The question asked the respondents to mark the scale indicating their perceptions of quality between public schools and parochial schools relative to each dimension.

## RESULTS AND DISCUSSION

To test hypothesis 1 the zero order correlations between sense of community and commitment were compared with the individual components of quality. All of the zero order correlations were significant at  $p < .001$ . To test hypothesis 2 a multiple regression was used with sense of community along with the individual components of quality as the independent variables and commitment as the dependent variable. The only significant independent variable was “sense of community” with  $\beta = .610$ . None of the elements of quality tested significant at  $p = .05$ . This might be due to the multicollinearity of community with the other independent variables, which shows that the correlations among the individual components of quality and sense of community were large enough to affect the relationship between the individual components of quality with commitment. Consequently community had a large influence on commitment as well as influenced the other components of quality. The table below shows the single order correlations between the variables as well as the result of the multiple regression.

In order to further test the relationship between sense of community and quality with commitment, a quality construct was created using the independent items tested in the table shown above. Cronbach’s alpha was used to test construct reliability which resulted in  $\alpha = .859$ . Discriminant validity was assessed between the independent variables quality and sense of community. A regression analysis was used to test for an interaction between sense of community and quality with the commitment dependent variable. The model showed a significant interaction between sense of community and quality ( $R^2 = .739$ ,  $F = 467.000$ ,  $F\text{-change} = 11.338$ ,  $P < .001$ )

## CONCLUSIONS AND IMPLICATIONS FOR THEORY AND PRACTICE

As the results indicated, sense of community had a strong correlation with all of the individual components of quality. So consumers who feel a strong sense of community would judge the individual components of a service as high quality. Customers experience a sense of community when there is social support from other customers. Consequently the social support of other customers within a service setting is sometimes more important than social support from employees (Adelman et al. 1994). Service settings become meaningful to customers because of their relationships with the people in those settings. People who continue to patronize a service provider because of the social support they receive, perceive the service provider as a “home away from home,” or in other words, the service provider becomes a third place in consumers lives, where consumers can satisfy companionship and emotional needs as well as consumption needs (Rosenbaum 2006). The results of this research carry the notion of third places, a step further by showing that people who feel a strong sense of community within third places will also positively judge the service quality offered by that service provider.

Creating a sense of community has many positive outcomes, such as exhibiting more loyalty to the brand (Muniz and O’Guinn 2001). So if a service has a strong customer-to-customer social component it is important to engage in strategies that would strengthen feelings of community among the members. As the results of this research show, strengthening a sense of community not only improves the perception of the service offerings, but also has a strong influence on customer commitment to the service provider. The influence of sense of community on commitment may even be stronger than the influence of quality perceptions on commitment. Although there is evidence of multicollinearity effects between community and the individual components of quality, this effect highlights the importance of the sense of community within a high customer-to-

customer interaction setting. These results can be further tested in other contexts such as neighborhood associations, country clubs, and university settings

Although not directly tested, the results indicate that customers who do not feel a sense of community in an extended service situation would judge the components of the service as low quality. But research in school settings has found that sense of community was related to students' engagement in school and thoughts of dropping out of school. (Royal and Rossi 1996). So sense of community has the potential of influencing every aspect of a consumers' experience. But lack of community may completely distort a consumers' perception of that brand in a negative manner.

## TABLES

Table 1: Zero order correlations between "community," "commitment" and "elements of quality."  
Multiple regression results with "commitment" as DV; community and elements of quality as IVs.

		Quality Teaching	Academics	Sports	Music	Clubs	APC	Sense of Community	Commitment
Zero Order	Sense of Community	.412*	.434*	.370*	.275*	.324*	.349*	1	.707*
Correlations	Commitment	.411*	.444*	.328*	.262*	.342*	.338*		1
Multiple Regression	DV=Commitment	.088	.090	.014	-.030	.068	-.011	.610*	

\* p<.001

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