

DO OTHER CUSTOMERS MATTER? EXAMINING THE IMPACT OF OTHER CUSTOMERS IN RETAIL/SERVICE SETTINGS

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ABSTRACT

Service encounters take place in the presence of other customers in numerous service settings (Martin and Panter 1989). It has been claimed that in most retail and service settings, the volume of customer-to-customer interactions greatly outnumbers that between customers and employees (Martin and Clark 1996). Despite the importance of other customers, the influence of other customers has largely been overlooked by both practitioners and academics (Martin and Pranter 1989).

The major purpose of this article is to examine the impact of other customers upon one's service experience. Three basic research questions are specifically examined in this article: 1) When do other customers matter? 2) What types of interactions do customers engage in with other customers? 3) Why do customers engage in interactions with one another?

In this article, relevant literature related to customer-to-customer interactions in retail/service settings is reviewed. Findings from two studies involving both Critical Incident Technique (CIT) and qualitative interviews addressing the specific research questions are presented and discussed. Finally, the paper concludes by suggesting future research directions.

The finding suggests that the importance of other customers' impact vary across different retail/service settings. Using CIT, 9 groups of different type of customer-to-customer incidents in retail/service settings are classified. It was also found that customers engage in customer-to-customer interactions based different types of motivations including functional, social and psychological motivations.

Overall, current literature on customer-to-customer interactions in retail/service settings still remains exploratory in nature and there appears to be a lack of theory that explains the process of customer-to-customer interactions and how and why other customers influence one's service experiences. However, this is also a promising area deserving much more research attention in the future.

REFERENCES

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