

**DEVELOPMENT OF THE LONG-TERM SERVICE MODEL ON CUSTOMER RELATIONSHIPS:
CONSIDERATION OF PRIMARY AND SECONDARY ATTRIBUTES**

Takahiro Chiba, Keio University, Japan

ABSTRACT

There are some long-term services, such as educational and medical services, which are provided through multiple and repetitive transactions between service firms and customers.

In long-term service experiences, customers are more likely to stop repurchasing the services as they are more satisfied with the primary attributes of the services, which are service attributes related to core customer needs, e.g., language upskilling at a language school. This is because customers may begin to purchase the services in order to gradually fulfill their core needs. On the other hand, customers are less likely to stop repurchasing the services as they are more satisfied with the secondary attributes of the services, which are service attributes related to subsidiary customer needs, e.g., politeness of a contact person. This is because the customers' intentions toward repurchasing may be increased by gradually fulfilling their subsidiary needs.

Whether the effects of satisfaction on repurchasing intention are negative or positive depends on whether the objects of satisfaction are related to the primary or secondary attributes. Thus, this study developed a model describing that satisfaction with the primary attributes had a negative effect on repurchasing intention of a long-term service, while satisfaction with the secondary attributes had a positive effect on repurchasing intention of the service.

The results of structural equation modeling supported the model. Previous studies have overlooked the possibility that there are two kinds of objects of satisfaction in the case of long-term services and have failed to model the effects of satisfactions with the two objects. This study divided the objects of customer satisfaction and found that satisfactions with two attributes have converse effects on repurchasing intention. Therefore, this study is a key step toward understanding of customer satisfaction and explaining repurchasing in long-term services.

References available upon request.