

RELATIONSHIP STRENGTH, GENDER AND CUSTOMERS' SWITCHING INTENTIONS AFTER ONLINE PURCHASE SERVICE FAILURES AMONG INTERNATIONAL STUDENTS IN INDIA

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ABSTRACT

While previous studies have acknowledged the importance of understanding customer reaction after purchase disappointments, the combined insights of gender and relationship strength on consumer switching intentions after a service failure has not been fully examined. To address such gap, this study investigates the joint effect of relationship strength and gender on customer switching intentions after a service failure among international students in North East India universities. Two way ANOVA was used to determine the existence of an interaction between relationship strength and gender on intentions to switch. Results from quasi-experiment research among 104 international students suggest that male customers in both relationship strength were more likely to switch than female customers after a service failure. This suggests that male customers are supporting ``love become hate`` effect, whereas female customers support the ``love is blind effect``.Practitioners might want to consider each gender characteristics in relation to customer relationship when handling customers complains after service failure and therefore providing relevant service recovery solutions basing on the relationship strength and gender.Based onthe study's key findings, valuable theoretical and managerial implications are given for academics and practitioners on the subject.

Keywords: Service failure, relationship strength, gender, switching intentions, online retail business.

1.0 INTRODUCTION

The advent of the internet has brought much impact to the business world. This has resulted in the creation of a number of online retailing business platforms(Lin, 2018; Chen & Lu, 2015). Moreover, these online business platforms happen to benefit both individual customer and business firms. Curran and Meuter (2005) posit that under online retail business, customers enjoy



faster service even after normal business hours and also they enable firms to reduce labour costs and increase profits as a number of customer orders` increases.

Despite the fact that online retailing business platforms are beneficial to customers and firms; they are prone to service failures. IBM (2007) reveals that 69% of customers reported technical challenges in service failures. This suggests that the majority of online retail business customers are prone to service failures. Adding to the gravity of the situation, Balaji, Jha and Royne(2015) and Mattila, Hanks and Wang (2014)hinted that service failures in the retail environment are simply unavoidable as they involve complexities in service delivery. When the service failure happens, customers are likely to experience feelings of rage (Surachartkumtonkun, Patterson&McColl-Kennedy, 2013).But again, if service failure is not addressed on a timely basis implies the heightened feelings of rage continue for a long time (Kim, 2016).

These feelings bring a sense of customer dissatisfaction (Vaerenbergh *et al*, 2014). When customers are dissatisfied, they are more likely to engage themselves in negative behavioural intentions like complaining, spreading negative word of mouth and switching the service providers (Nikbin& Hyun, 2017). These behaviours adversely impact both customers and businesses in terms of psychological torture; and reduced profits and defaming firm reputation respectively (Bitner *et al*, 2000). Negative behavioural intentions appear to put business firms in risk of losing their best customers. These customers might switch to another competitor(s) in the same service industry. Therefore, it is important to maintain a sound customer relationship at all times to make sure that the best customers are retained. Nowadays, agood customer relationship is seen as a competitive advantage in business (Gregoire & Fisher, 2006). It leads to increased customer retention (Von Aswege, Kemper, & Brettel, 2018) and reducing the propensity to switch (Hewett & Krasnikov, 2016).

Contrary to the expectations, however,research findings differ on whether good customer relationships in the case of service failure act as a buffer or magnifier of service failure reactions. While Von Aswege *et al*, (2018) and Hess *et al*,(2003) reported that good customer relationship reduces customer's negative reactions to service failure, Matilla (2004) reveals that it increases negative reactions. The highlighted inconclusive findings can be partly contributed to the opinion that customer reaction to service failure differs regardless of customer-organisation relationship. One of the key factors could be a gender difference. Researches show that male customers are more likely to voice their dissatisfaction than female counterparts just to show they are tough and portray a manly image.

In another side, female customers voice dissatisfaction in order to help business firms to improve their services (Fan & Mattila, 2018; Mc Kee *et al*, 2006). This seems to suggest that women would love to maintain a good relationship that is why they try to sort issues with the company while men are less likely. Surprisingly, few studies have been conducted on the role of relationship strength in service failure reactions (see Von Aswege *et al*, 2018; Mattila 2004 and Hess *et al*, 2003). But yet, these few existing studies have inconclusive results. Again, Hess *et al*



(2018) studied loyalty part. However all these studies ignored the joint effect of relationship strength and gender in the service failure reactions except Von Aswege *et al* (2018), who included gender, however, they treated gender as a control variable. Specifically, it is not clearly understood in academic literature whether relationship strength (weak and strong) influence customer switching intentions basing on gender. To shed more light on these inconclusive findings, this study aims at studying the joint effect of the relationship strength and gender on customers switching intentions after service failure in online retail business. Moreover, this study is an attempt to address multiple research calls on a similar topic to compare customer reactions across different markets (Von Aswege*et al*, 2018, Hess *et al*, 2003). It is strategic imperative to understand better interaction of relationship strength and gender on customer switching intentions after service failures andto know how customers interpret online retail business failures so that service providers can well predict customers' likely behavioural responses and therefore provide relevant service recovery solutions accordingly.

Given the lack of insights on the jointeffect of gender and relationship strength on consumer switching intentions after a service failure, this study attempted to address the following research questions: (i) Does a customer switching intention after service failure differ based on relationship strength (strong, weak)?, (ii) Does a customer switching intention after service failure differ based on gender (male, female)?, and (iii) Does relationship strength (strong, weak) influence customer switching intentions after service failure basing on gender (male, female)?

2.0 THEORETICAL BACKGROUND AND HYPOTHESES DEVELOPMENT

2.1 Service Failure and Switching Intentions

The term service failure is used in a different domain of knowledge. Same is used in different disciplines such as IT, health and marketing. In service failure research, its imply refers to the situation where customer expectations go below actual service delivery (Holloway & Beatty, 2003). The service failures again increase customer dissatisfaction following the heightened negative emotions and hence contribute to customer switching intentions (McCollough *et al*, 2000). Basically, switching intentions is that situation when the customer is dissatisfied with the service delivered, discard the current service provider and turn to another competitor (Hung and Lee, 2015; Kim&Ulgado, 2012).

2.2 Relationship Strength and Switching Intentions after a Service Failure

Studies indicate the importance of good customer and organisation relationship (see Von Aswege et al, 2018; Gregoire & Fisher, 2006). Studies indicate good customer relationship boosts customer retention hence reduces negative behavioural intentions such as switching (Hewett & Krasnikov, 2016). However, in service failure contexts, research report differing findings on the nexus between relationship strength and switching intentions. These differing findings are explained by two rival explanations; "love becomes hate" and "love is blind". These two rival



explanations in the service failure setting were first put forward by Gregoire and Fisher (2006) and since then have been used in many customer relationship management research.

"Love becomes hate" effect denotes that, those customers with a strong bond of relationship with the company are more likely to heighten negative emotions and negative behavioural intentions compared to customers with a relatively weaker relationship with the company. This suggests strong relationship customers expect much from the service provider; hence service failure makes them feel betrayed. In response, they tend to retaliate by switching to competitors. However, in another side of the coin, "love is blind" effect denote that, those customers with a strong bond of relationship with the company are more likely to forgive service provider after service failure than other customers with a weak bond with the service provider. Therefore, less likely to switch to other competitors compares to weak relationship customers.

2.3 Role of Gender in the Relationship between Relationship Strength and Switching Intentions after a Service Failure

Mattila *et al*, (2009) found that, gender moderates relationship between service failure and dissatisfaction levels. Simply put, reactions to service failure differ based on gender (Mc Kee *et al*, 2006). Studies indicate that the motives to raise service failure concerns do differ based on gender. Femaleconsumers raise their concern of dissatisfaction in order to help the organisation improve service delivery. On the other hand, men raise their dissatisfaction just to show how tough they are (Fan & Mattila, 2018; Judge *et al*,2012). This, therefore, suggests female customers aim at fixing problems meaning that they are likely to forgive and maintain a strong relationship with the service providers and therefore reduce their chances to switch. In other words, in this context, women support "love is blind" effect. However, unlike the female, male customers voice concerns of dissatisfactionafter service failure just to show their manly image that they are strong, hence more likely to retaliate, of which increases the chance to switch. Therefore, this suggests that men support "love become hate" effect. Simply put, a stronger customer relationship with a company among women appears to be less likely to switch than their male counterparts after a service failure. Against this backdrop, this study proposed and tested three hypotheses:

Main effects:

 H_1 : After a service failure, customers with a stronger relationship with the company are less likely to switch than those with a weaker relationship with the company.

 H_2 : After a service failure, male customers are more likely to switch than female customers.

Interaction effect:

 H_3 : Regardless of relationship strength, male customers are more likely to switch after service failure than female customers.



3.0 METHODOLOGY

The study was guided by the Quasi-experiment was performed to test the hypotheses. This design is preferred when there are other independent variables which cannot be randomly assigned and selected (Field, 2009). For instance, in this study, there is the variable gender (being male or female) whichis an inborn characteristic. Online questionnaire were distributed to international students in North East India universities to share their opinions concerning online retail business service failure experiences. A total of eight (8) sampled universities hosting international students took part in this study. Snowball sampling was employed in this study as it based on referrals from initial subjects to generate additional international students into the study.

International students practically participated in online retail business as in these platforms; one does not need toknow the native language (they use English which is the most used language among international students) and also it offers convenience as it does not need one to know physical places to shop of which is a challenge to them. Moreover, Criteria for the selection of respondents into the study were based on if a customer had experienced service failure through online shopping platforms.

A total of 104 international students participants were recruited in the survey. The gender split of the international student sample was 41% female and 59%, male. Approximately more than 65% were from Africa and more than 30% were from Asian countries. Two way ANOVA statistical test was used to understand if there is an interaction between two independent variables (relationship strength and gender) on the dependent variable (intentions to switch) in the study (Field, 2009). To qualify for the use of a two way ANOVA key assumptions stated in Burns and Burns (2012) were met. That is each sample was taken from a normally distributed population, the variance of data in the two groups was found to be the same while each sample was drawn independently of the other samples. The dependent variable (switching intentions) was continuous and the independent variables(relationship strength and gender) are categorical, independent groups. Intentions to switch were measured by using a 5-itemLikert scale (scale endpoints: 1=strongly agree to 5=strongly disagree).

4.0 FINDINGS

The study attempted to address the joint effect of relationship strength and gender on customer switching intentions among international students. A two (2) by two (2) ANOVA on relationship strength (strong, weak) and gender (male and female) was conducted to test both main effect and interaction effect to the customer switching intentions after a service failure (See table 1). In the main effects, findings shows that after a service failure, there is no statistically significant difference in customer switching intentions by relationship strength among customers (F



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 $_{(1,104)}$ =0.353, p-value =0.554). However, ANOVA results reveal that there is a statistically significant difference in switching intentions basing on gender (F $_{(1,104)}$ = 79.571, p-value =0.000) after a service failure. On top of that results show 44% of the variance in customer switching intentions are attributed to gender.

After the interaction effect, an ANOVA test reveals a statistical significance interaction effect of relationship strength and gender on customer switching intentions. ($F_{(1, 104)}$ =13.606, p-value =0.000) after a service failure. Moreover, the interaction effect of gender and relationship strength has an effect size of 12% on customer switching intentions.

Table 1: Tests of Between-Subjects Effects

	Type III Sum of					Partial Eta
Source	Squares	df	Mean Square	F	Sig.	Squared
Corrected Model	88.438 ^a	3	29.479	28.811	0.000	0.464
Intercept	662.448	1	662.448	647.419	0.000	0.866
Relationship strength	0.361	1	0.361	0.353	0.554	0.004
Gender	81.418	1	81.418	79.571	0.000	0.443
Relationship strength * gender	13.921	1	13.921	13.606	0.000	0.120
Error	102.321	100	1.023			
Total	1097.000	104				
Corrected Total	190.760	103				

a. R Squared = 0.464 (Adjusted R Squared = 0.448)

Dependent Variable: switching intentions

Table 2: Interaction effect of strength of relationship versus gender on switching intentions

	_		_	95% Confidence Interval		
The strength of the relationship	gender	Mean	Std. Error	Lower Bound	Upper Bound	
Strong	male	1.429	0.270	0.892	1.965	
	female	4.111	0.195	3.725	4.497	
Weak	male	2.087	0.211	1.668	2.505	
	female	3.200	0.160	2.883	3.517	

Dependent Variable: switching intentions



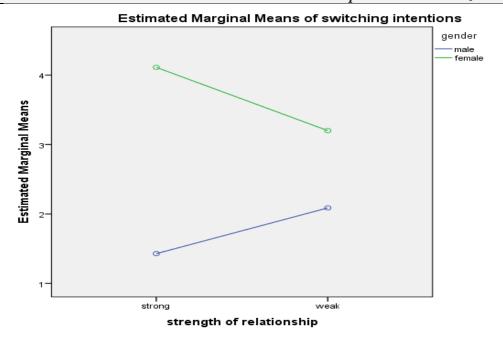


Figure 1: Profile plot results of interaction effects between relationship strength and gender on customer switching intentions

5.0 DISCUSSION

The main question the study attempted to address is the joint effect of relationship strength and gender on customer switching intentions among international students. The study findings demonstrate the joint impact of relationship strength and gender on customer switching intentions after a service failure. Specifically, male customers in both relationships strength (strong and weak) were more likely to switch than female customers (See table 2). But again, under the strong relationship between company and customer; male customers were more likely to switch after service failure than when the relationship is weak. On the other side, female customers were more likely to switch when the relationship is weak than when the relationship is strong (see figure 1). This suggests male customers expect much from the service provider and when a service failure occurs they feel betrayed therefore they tend to retaliate by switching to competitors. This therefore supports Ma (2020) who suggested that male customers supports "love becomes hate" effect and as a result of this effect, they tend to intensify negative emotions such as anger and disappointment, which in turn affect their behavioral intentions.

For female customers, results suggest when there is strong relationship strength female are more likely to forgive service provider after a service failure, therefore, less likely to switch to competitors. Therefore female customers support the "love is blind" effect as supported by Zhang, Zhang, and Sakulsinlapakorn(2020). Generally, results confirm the main study hypothesis



(H₃) of the interaction effect of relationship strength and gender on the switching intentions after a service failure.

In the main effects: results show that there is no connection between relationship strength and switching intentions after service failure among international students. This is contrary to the findings of Von Aswege *et al*, (2018) who found that strong customer-organisation relationship in itself tend to mitigate the negative effect of service failures among customers. Therefore this specific results disconfirms hypothesis number one (H_1) . In the other main effect, results show that there is a relationship between gender and switching intentions and that male customers are more likely to switch than female customers. These findings are supported by Zhang, Park, Bonn, and Cho (2021) who determined that consumers reacts differently in the service process failures and outcome failures in terms of switching intention among others. Further, the result partly is consistent with Fan *et al.*, (2016) who found that female customers complain to the company in order to solve a problem and not showing rage as compared to male counterparts. This implies female are likely to forgive the company while men are likely to switch to the competitors. This confirms hypothesis number two (H_2) .

6.0 THEORETICAL AND MANAGERIAL IMPLICATIONS 6.1 Theoretical Implications

Findings of this study add new insights into the literature on the investigation of the joint effect of relationship strength and gender on customer switching intentions after a service failure. Gender and relationship strength had been studied independently in the service failure literature before this study. But again, extant literature has been reporting contradicting results specifically on the role of relationship strength in behavioural intentions. Others supported "love is blind" effect (Von Aswege *et al*, 2018; Hess *et al*, 2003)others supported "love becomes hate" effect (Matilla, 2004). This study went beyond that by incorporating gender in this relationship. The results show generally that, in both relationships strength, male customers were more likely to develop switching intentions after service failure than female customers. That is male customers supported "love becomes hate" effect, whereas female customers supported "love is blind" effect, therefore, supports the interaction effect hypothesis (H₃).

6.2 Managerial Implications

Studies have shown how service failures can have far-reaching negative consequences to a business organisation (Gregoire, 2006; Curran &Meuter, 2005). This call for managers to understand how exactly differences in customer-company relationships and gender jointly affect their behavioural intentions including switching intentions. Based on the findings from the current study, practitioners might want to consider each gender characteristics in relation to the customer-company relationship when handling their complaints after a service failure. Male customers tend to switch faster when in strong customer relationship than in a weak relationship. This suggests the sense of betrayal comes after service failures, therefore, they seek for revenge (love becomes hate effect). Therefore, during a service encounter, practitioners might want to



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make them feel comfortable to voice their complaints and provide them with satisfactory compensation soon after service failures. On the other side, when the relationship is strong, female customers are less likely to switch after service failures than in a weak relationship. This suggests that female customers are very committed to relationships therefore, practitioners might need to maintain them by providing them with rewards such as discounts. But again, service personnel need to make deliberate efforts to convert weak relationship to strong among female customers by prompt assisting them when encountering service failures.

7.0 LIMITATIONS AND FUTURE RESEARCH

No research goes without limitations; this study was equally not exceptional. One of the limitations in this study is, the results are based on one service industry which is an online retail business. Therefore, care should be taken when generalising in other service industries. Future research should study the same in other service industry settings. Again, the current study assessed the joint effect of relationship strength and gender on customer switching intentions only after a service failure. Future studies could study the joint effect of relationship strength and gender on other behavioural intentions such as negative word of mouth and complaints intentions. The current study employed the use of the retrospective method in collecting data. This method might create memory lapse effects as one have to remember service failures experience sometime back. It would be useful to have a replica of this study in other sectors and industries to avail actual transaction data from the field to investigate actual consumer purchase behaviour to increase the robustness of the findings.

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