### Attributing Blame in Customer-to-Customer Interactions in Online and Face-to-Face Environments: Structured Abstract

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#### Abstract

Customer-to-customer (C2C) interactions can be pivotal to business performance because they can influence customer satisfaction and other outcomes. While previous studies have largely studied non-group contexts in which C2C interactions are incidental to the service experience, this study examines a group context in which face-to-face and online C2C interactions are deliberate and core to the service being provided: graduate business education. This study compares C2C interactions between face-to-face and online graduate business education where students (whether enrolled in a face-to-face or online program) are expected to interact, engage in discussion, debate, and work with other students within the student cohort.

Using semi-structured interviews and the critical incident technique, we seek new insights on how C2C interactions may affect customers' perceptions of a group service, and how differences in their experiences of C2C interactions may make them attribute service success or failure to different parties involved in this group service (e.g. the school, the program, students in the same cohort, or themselves). Further, we compare whether and how students attribute credit or blame differently for face-to-face versus online C2C interaction. The findings may be of interest to other group services that involve heavy C2C interactions.

Keywords: customer-to-customer interaction, attribution theory, group services, graduate business education, credit or blame

### INTRODUCTION

Customer-to-customer (C2C) interactions can be pivotal to service experiences and to business performance (Harris et al. 2000; Heinonen et al. 2018; Hennig-Thurau et al. 2010; Nicholls 2010; Libai et al. 2010; Schau et al. 2009). Whether positive or negative, C2C interactions can influence customer satisfaction and other outcomes (Martin and Pranter 1989). C2C interactions can occur face-to-face, such as in a queue at tourist attractions (Grove and Fisk 1997) or in a store (Harris et al. 1997; McGrath and Otnes 1995). They can occur online through eword-of-mouth (e.g. Libai et al. 2010) or in online brand communities (Brodie et al. 2013; Schau et al. 2009).

Previous studies on face-to-face C2C interactions have largely studied non-group contexts in which interactions between customers are not expected and are often superficial and incidental to the overall experience (Bitner 1992; Moore et al. 2005), with some notable exceptions (e.g. Consumer Culture Theory, Arnould and Price 1993). Online C2C interactions are more deliberate, such as to give or receive valuable information about a brand (e.g. Sparks and Browning, 2011). This study examines a group context in which face-to-face and online C2C interactions are deliberate and core to the service being provided: graduate business education. Particularly, we

argue the C2C interactions can be seen as the central aspect of the overall service being provided by the graduate business programs, rather than being peripheral (Nicholls 2010). The graduate business education context is also chosen because of the ability to compare C2C interactions between face-to-face and online environments when these interactions are for similar purposes. For example, in an MBA program, students (whether enrolled in a face-to-face or online program) are expected to interact, engage in discussion, debate, and work with other students within the student cohort.

Using semi-structured interviews and the critical incident technique, we seek new insights on how C2C interactions may affect customers' perceptions of a group service, and how differences in their experiences of C2C interactions may make them attribute service success or failure to different parties involved in this group service (e.g. the school, the program, students in the same cohort, or themselves). Our research contributes to the literature on C2C interactions and attribution theory by showing how positive versus negative C2C interactions may affect customers' attributions differently in a group service setting. Managerially, we provide insights on how C2C interactions that happen within and/or without a group service provider's scope of control may play a significant role in the formation of customers' perceptions of their service quality.

#### BACKGROUND

#### **C2C** Interaction in Group and Non-Group Environments

Previous literature on face-to-face C2C interaction has focused mostly on contexts in which customers are in a non-group environment and the amount of time that a focal customer engages in C2C interactions is typically relatively short (Nicholls 2010). For example, a customer may only spend a few seconds interacting with other customers, such as making social pleasantries with other customers while waiting in a queue (Grove and Fisk 1997) or providing advice to another customer in a store (Baron et al. 1996) or being rude to other customers (Martin 1996). In these non-group environments, the service firm typically does not play an active role in encouraging C2C interactions.

In contrast, group environments, which are common in leisure, tourism, and education, are a context in which customers are brought together in a group and the service firm often takes an active role in encouraging C2C interactions (Finsterwalder and Kuppelwieser 2011). In these group environments, customers may be interacting with other customers for extended periods of time – hours, days, weeks, or longer in going on group tours, attending fitness classes, or attaining education. C2C interaction is often a core part of the group service experience, such as cooperating with other customers in games or partnering with other customers on activities that are organized by the service firm. In the example of graduate business education, C2C interactions include students cooperating on group projects, debating different points of view during a case study discussion, or socializing together. Through participating in these activities, a student's service experience is likely impacted by the behavior of other students, consistent with previous research identifying that customers who consume a service in a group environment are more likely to be impacted by the behaviors of other customers than those who consume a service in non-group

environments (Finsterwalder and Kuppelwieser 2011; Martin and Pranter 1989; Nicholls 2010; Wu 2007; 2008).

# **Attribution Theory**

"Attribution research is concerned with all aspects of causal inferences: how people arrive at causal inferences, what sort of inferences they make, and what the consequences of these inferences are" (Folkes 1988, p. 548). Attribution is a dominant theory in social psychology but has been underutilized in consumer and organizational research (Folkes 1988; Harvey et al. 2014). Attribution theory is useful in understanding the causal inferences of services, as previous research largely examines C2C interactions in relation to satisfaction with the service experience but not whether this satisfaction with the service experience translates into satisfaction with the firm, which is a separate construct (Bitner and Hubbert 1994; Jones and Suh 2000).

Attributional dimensions include: (1) the locus of causality (who is responsible?), (2) stability (is the cause likely to recur?), (3) controllability (did the responsible party have control over the cause?), (4) intentionality (is the outcome due to deliberate or unintentional action?), and (5) globality (whether the casual factor can impact outcomes across situations) (Bitner 1990; Harvey et al. 2014). When customers perceive that there is a successful outcome (such as customer satisfaction) because of efforts by the firm, they are more willing to recommend the firm to others than when situational factors (such as standard processes) lead to the successful outcome (Folkes 1988). Conversely, when customers perceive that the responsible party (e.g. the firm) had control over the cause of a service failure, they will have lower repurchase intention and engage in more complaint behaviors (Folkes et al. 1987; Swanson and Kelley 2001).

# **Group Environment and Attribution Theory**

Graduate business education is a group environment in which students work in teams and in cohorts as part of the learning process because working in teams is a skill that is valued by prospective employers (e.g. Kozlowski and Bell 2003; Mathieu et al. 2017). This group environment extends to both face-to-face and online graduate business programs, as business schools increasingly offer online-only programs. Activities that involve C2C interactions are offered in both face-to-face and online programs. For example, face-to-face students participate in classroom discussions while online students use videoconferencing to attend live classroom sessions and participate in discussions. Face-to-face students have group work while online students access online meetings for group work.

The context of graduate business education allows for a comparative study of C2C interactions in face-to-face versus online group environments – the first of its kind, as far as we are aware. In this group environment, rather than one C2C interaction, students may have hundreds of C2C interactions over the course of their program. Through the sheer number of interactions, graduate business students will experience a greater number and breadth of behaviors by their fellow students and be more impacted by these students' behaviors. Further, these C2C interactions would be taking place during numerous service experiences such as a specific classroom discussion or a specific group project over the year or two in which students are undertaking their graduate business education. Thus, with students having multiple service experiences with the business

school, we are able to tease out whether positive (or negative) C2C interactions translate into satisfaction with the firm (i.e. business school) rather than simply satisfaction (or dissatisfaction) with the service experience (i.e. a specific classroom discussion or a specific group project). More importantly, we explore how students may attribute credit or blame to various parties in their graduate business education differently for positive versus negative C2C interactions; and compare face-to-face versus online C2C interaction.

The research questions that this study addresses include: (1) how specific behaviors of other customers impact a focal customer in the context of students consuming in a group environment; (2) whether positive or negative C2C interactions translate into satisfaction with the business school or with specific service experiences; (3) how students in graduate programs attribute credit or blame for positive versus negative C2C interactions; and (4) whether and how face-to-face versus online C2C interaction are attributed differently.

# METHODOLOGY AND CONCLUDING REMARKS

Graduate business programs are primarily offered face-to-face but increasingly are also offered as online distance programs. Business schools, through their admission teams, select student cohorts for these programs. If the admission teams are successful, the student cohorts have a good balance of gender, nationalities, previous professional experience, industries, and personalities – that contribute to positive C2C interactions. Conversely, a student cohort may not work well together for a variety of reasons and this can hinder C2C interactions.

Education scholars have examined interactions between students, but they largely focus on learning outcomes rather than on service outcomes through the lens of C2C interactions (Baldwin 1997; Sher 2009). There is little research on how students perceive responsibility for positive or negative C2C interaction. When a student enjoys working with fellow teammates on a group project or when other students make interesting and valuable contributions to class discussion, who does the student perceive as responsible for these positive interactions and why? Conversely, when the fellow teammates on a group project are annoying or when other students make irrelevant points during class discussion, who does the student take responsibility (internal cause) or is someone/something else responsible (external cause) (Choi et al. 2013)?

The research is a qualitative study among recent students and those who teach in graduate business programs (one year or longer in duration) – in face-to-face and online distance programs. Using semi-structured interviews and the critical incident technique, the study identifies possible dimensions of attribution in this context. The sample involves recent graduate business students (completing their program no more than three years ago) and those who teach graduate business school students in the UK and in Canada.

The two countries of the UK and Canada are selected (1) to reduce geographic limitations of selecting only one country and (2) because these countries have highly developed graduate business programs that include face-to-face and online programs. The study includes 52 semi-structured interviews in total: 40 semi-structured interviews with recent students and 12 with instructors.

The data collection is close to completion and results will be presented at the conference. The results will identify the relevant dimensions of attribution for C2C interaction in face-to-face and online graduate student cohorts. The results will also identify any differences in the dimensions of attribution for very positive versus very negative incidents.

This study makes the following theoretical contributions: (1) develops new insights on how positive versus negative C2C interactions impact perceptions of attribution of a group service; (2) augments previous literature on attribution with insights on the various dimensions of attribution in a group service; (3) offers insight on how attribution differs with positive versus negative customer-to-customer interactions, and (4) offers insight on how attribution differs with face-to-face versus online C2C interactions.

The managerial contributions include: (1) a better understanding of to whom graduate business students attribute credit or blame for positive versus C2C interactions with other students and (2) how students perceive C2C interaction in face-to-face versus online programs. We argue the managerial implications may be generalizable to a much broader group service context that involves heavy C2C interactions for an extended period of time, such as fitness classes, reading clubs, religious services, and even group rehabilitation programs.

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