The Nurturing of Relationships with Retail Customers

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Abstract

Much has been written in the last 10 years about the nurturing of relationships with retail customers, but there is limited empirical research concerning the dimensions and techniques in actual use by salespeople. In this research Queensland sales staff of a national ladies apparel retailer were questioned to ascertain the behaviour they exhibited in order to nurture a relationship with their repeat customers. This behavioural study in Relationship Marketing (RM) was thus designed to identify and rank the relationship dimensions used to strengthen a long-term relationship.

Sales staff were questioned about their behaviour through identifying their nurturing techniques, which are representative of the specific relationship dimensions. The results show that salespersons routinely used 13 specifically identified dimensions to nurture a relationship with customers. These 13 dimensions were widely applied by the sales staff and are ranked in order of usage rate. There is evidence that the techniques used are specific to a given retail product category and environment.

Nurturing

An effective means of achieving a mutually beneficial and enduring relationship can be realised through implementation of the nurturing concept, which can be applied in the context of further developing and maintaining a relationship. Therefore, to develop further and maintain a relationship through the nurturing concept implies that some phenomenon must be acted upon.

A relationship can be characterised by different aspects or factors that may affect that relationship, known as relationship dimensions (Ward, Caldow & Frew, 1997). To ensure these dimensions affect the development and maintenance of a relationship in a positive manner (that is, through strengthening the relationship), the relationship must be nurtured. Firms are encouraged to commit to and foster the relationship with customers specifically through nurturing (Young & Denize, 1995). In this sense, the nurturing concept was utilised within the context that longevity of the relationship may be achieved through active commitment and effort by both parties to maintain that relationship.

Through active commitment to actively promoting certain relationship dimensions it may be postulated that the relationship will be nurtured and thus strengthened as it progresses and endures through the long term. This proposition appears to be justified based upon the reasoning that nurturing the relationship will positively affect customer perceptions, processes, actions and influences that arise as the relationship progresses through each stage. Hence this positive effect upon the relationship is in the sense of its strength. However, the nurturing concept in general has only been acknowledged within the literature as being a
process that should take place as the relationship progresses (Shemwell, Cronin & Bullard, 1994).

Thus, the purpose of this research was to examine a customer-salesperson relationship to
determine how this process of nurturing particular dimensions by salespeople does in fact
maintain and enhance a relationship’s strength within a retail environment.

**Dimensions**

It may now be seen that nurturing a relationship to strengthen and maintain it, may be
operationalised through a focus upon social/psychological dimensions of interpersonal
relationships. Relationship dimensions are perceived as being factors or aspects that may be
attitudinal and psychological in nature (Barnes & Howlett, 1998).

There is little research relevant to the factors that affect the quality of relationships (Berry,
1995), but literature is emerging that addresses social-psychological dimensions, (Barnes,
1997; Barnes & Howlett, 1998; Berscheid, Snyder & Omoto, 1989; Morgan & Hunt, 1994;
Ward, Caldow & Frew, 1997). Some authors believe only one or two dimensions are critical
antecedents for successful relationships (Clayton-Smith, 1996; Morgan & Hunt, 1994). In
contrast others have emphasised the importance of a single dimension, being to achieve
loyalty from the customer, as the optimal means of maximising profits (Clayton–Smith, 1996;

While relationship dimensions are now frequently cited within the RM literature, the
approach adopted by scholars relative to the manner in which such dimensions are addressed,
varies significantly and there are some conflicts evident. For example, many authors
embracing the loyalty concept are primarily based upon Economics (Clemmet, 1998). In
contrast, authors such as Barnes (1997) posit that such articles do not discuss relationship
dimensions in the context of achieving a mutually beneficial relationship. Thus, the 'economic
rationalists' may have misconstrued the true meaning of loyalty as they are based upon a
firm’s perspective and the benefits of loyalty to a firm, rather than the customer.

One study signified the complexity surrounding the concept of relationship dimensions, as
findings indicated there were 45 possible dimensions which may be present within a
relationship irrespective of the time element (Ward, Caldow & Frew, 1997). A comprehensive
theory within RM is found in the ‘Commitment – Trust’ theory of RM (Morgan & Hunt,
1994) in which it was posited that in order to achieve effective co-operation, a necessity for
RM success, trust and commitment are essential requirements that must be actively focused
upon. Despite this theory’s wide acknowledgment within the RM domain, its application has
been restricted as continual testing suggested that not all relationship dimensions are
appropriate within all relationships. While there are several dimensions that have frequently
been researched, it is suggested that the dimensions that are conducive to nurturing and
maintaining a relationship are unique to the environment in which the relationship exists. The
research question for this study was thus:

RQ - What actions of salespersons reflect the dimensions used, and how do they rank, when
nurturing relationships with repeat customers within the retail environment?
Method
The research study is embedded within a positivist paradigm, which combines the use of deductive logic with observations of individual behaviour, in which the outcome amounts to the discovery of probabilistic causal explanations of human behaviour (Neuman, 1997). The research is an explanatory study in which primarily quantitative data has been gathered through a survey. The resulting data was then subject to interpretation through statistical analysis that has enabled purely statistical inferences to be made (Neuman, 1997).

The research was based on the 45 dimensions of a relationship identified by Ward, Caldow & Frew (1997). In the first phase, two store managers of a leading ladies apparel store in Australia were asked to reduce the original 45 dimensions down to those considered to be most important. In no particular order these 13 dimensions are: remembering, recognition, time to listen, understanding, tact, empathy, respect, thoughtfulness, honesty, patience, faithfulness, commitment and trust. This process was undertaken in discussion with the managers and drew upon their experience in the retail industry and the company. This list thus represented their expert view of those techniques that sales staff would typically use when nurturing a relationship with repeat customers, with whom an early stage relationship had already been established.

For the main data gathering phase a written test instrument was developed around the 13 dimensions. The instrument sought to establish which of the dimensions respondents used, and how often, in nurturing a relationship with a customer. The 13 dimensions were operationalised by asking respondents whether or not they exhibited certain behaviours that reflected each dimension. Across the 13 dimensions, 25 behaviours were included. The instrument was administered to two full time sales staff in each store in Queensland, giving a sample of 54 female sales staff. Respondents were instructed to answer the instrument in the context of serving people who they recognised as repeat customers only over a two day period.

Results
Thirty one completed instruments were returned representing a response rate of 57 per cent. However, it was found that 12 of these 31 respondents had not differentiated between the use of each dimension. These instruments were thus removed leaving 19 responses for analysis. In a separate study it was found that the 12 respondents removed were experienced sales people over 40 years old, and it may be conjectured that a degree of maturation was evident in their responses. From the 19 valid responses the frequency of use of each dimension was measured by sales staff recording how often they used each behaviour representing a specific dimension, and were thus grouped usage rates.

The dimensions used by the sales staff were ranked by frequency of usage rate, as shown in Table 1. The fourth column shows the number of the 19 servers who used each dimension. It is possible that the dimensions nurtured by the salespersons were unique to the women’s apparel sector of the retail industry. These findings are consistent with the review of previous research in which it was indicated that the dimensions that are conducive to development and nurturing of a relationship are highly unique to the industry in which the relationship exists (Boles & Barksdale, 1996). However, the inclusion of all 13 dimensions was not indicated by all respondents. That is, within the context of this research, the findings showed that only the relationship dimension’s - ‘empathy’, ‘respect’ and ‘thoughtfulness’ - were nurtured by all salespeople during the two-day period. This finding does not imply that these dimensions were considered to be most important, as it only indicates that all respondents nurtured the
dimensions during the two day period as opposed to the remaining 10 dimensions (that were not nurtured by all respondents). This research has shown that at least one salesperson incorporated all 13 dimensions, while in previous studies fewer dimensions have been found to be important antecedents towards positively enhancing the strength of a retail relationship (Beatty, Coleman, Reynolds & Lee, 1996; Gwinner, Gremler & Bitner, 1998).

Table 1 - Frequency of usage

<table>
<thead>
<tr>
<th>Dimensions</th>
<th>Frequency of use</th>
<th>Ranking</th>
<th>Number of servers using each dimension</th>
</tr>
</thead>
<tbody>
<tr>
<td>Honesty</td>
<td>Over 50%</td>
<td>1</td>
<td>18</td>
</tr>
<tr>
<td>Trust</td>
<td>Over 50%</td>
<td>2</td>
<td>14</td>
</tr>
<tr>
<td>Faithfulness</td>
<td>Over 50%</td>
<td>3</td>
<td>13</td>
</tr>
<tr>
<td>Thoughtfulness</td>
<td>Over 40%</td>
<td>4</td>
<td>19</td>
</tr>
<tr>
<td>Commitment</td>
<td>Over 40%</td>
<td>5</td>
<td>18</td>
</tr>
<tr>
<td>Time to listen</td>
<td>Over 30%</td>
<td>6</td>
<td>18</td>
</tr>
<tr>
<td>Patience</td>
<td>Over 30%</td>
<td>7</td>
<td>16</td>
</tr>
<tr>
<td>Recognition</td>
<td>Over 30%</td>
<td>8</td>
<td>18</td>
</tr>
<tr>
<td>Remembering</td>
<td>Over 25%</td>
<td>9</td>
<td>17</td>
</tr>
<tr>
<td>Tact</td>
<td>Over 25%</td>
<td>10</td>
<td>17</td>
</tr>
<tr>
<td>Empathy</td>
<td>Under 25%</td>
<td>11</td>
<td>19</td>
</tr>
<tr>
<td>Respect</td>
<td>Under 25%</td>
<td>12</td>
<td>19</td>
</tr>
<tr>
<td>Understanding</td>
<td>Under 15%</td>
<td>13</td>
<td>10</td>
</tr>
</tbody>
</table>

As only 19 acceptable questionnaires were returned the numerical results should be taken as indicative only. Further, there are indications that the results may be quite specific to apparel retailers and are not applicable to retailers in general, nor beyond retail. There is also a need to establish a customer perspective of the dimensions that should be nurtured, and then to compare customer and server dimensions and their relative importance to both groups.

The results indicate that the dimension’s honesty, trust and faithfulness were nurtured most regularly by the sales staff, being used on at least 50% of occasions when repeat customers were served. Conversely, the dimensions respect and empathy were nurtured least often with less than 25% of repeat customers, while understanding was under 15%, even though empathy was used by all respondents at least once. Thus, although all 13 dimensions were nurtured, the frequency of nurturing each dimension differed significantly.
Discussion

The observed variation in the findings of this research relative to the frequency of nurturing relationships is supported by previous studies in which it has been emphasised that the progress of a relationship incorporated different perceptions and actions that may impact upon further development of a relationship (Barnes & Howlett, 1998; Dwyer, Schurr & Oh, 1987; Payne, 1994). This notion is reflected within the findings, as it may be suggested that all salespeople/repeat customer relationships progress at different rates, hence the difference in the salesperson’s frequency of nurturing a relationship (based upon the regularity of nurturing dimensions).

It may also be suggested that the salesperson believed the frequency of nurturing dimensions and the need to nurture each dimension consistently, is dependent upon the stage of the relationship and the salesperson’s understanding of the customer. Since all relationships examined in this research were considered established relationships and are presumed to be in the development/maintenance stages (Ford, 1982), it is expected that the salesperson may have a deeper understanding of the customer’s needs and wants, along with her norm’s and values based upon this latter stage of relationship evolution, than a new customer. Thus, the salesperson did not find it necessary to focus upon the nurturing of all dimensions. Consequently, it is plausible that perhaps the nurturing of dimensions ‘remembering’ and ‘understanding’ in particular should take place during the earlier developmental stages of a relationship.

It may be concluded that all dimensions were incorporated with a salesperson’s approach to nurturing a relationship. Findings indicate that it was not essential to nurture each dimension during every interaction with a repeat customer, so as to maintain/enhance a relationship’s strength. This assumption would appear to be logical, as it is expected that during the early stages of relationship development, each party is enhancing their understanding of each other (Bennett, 1996; Ford, 1982; Grossman, 1998).

Examination of the three most regularly nurtured dimensions indicates that nurturing of the ‘honesty’ dimension is an antecedent to the strengthening of ‘trust’ (Dwyer, Schurr & Oh, 1987). Therefore, it may be inferred that development of ‘trust’ is continual throughout the early and latter stages of relationship progression, due to the high frequency of nurturing the ‘honesty’ dimension. Within the context of this research, it may be concluded that the salesperson focused upon nurturing the ‘honesty’ dimension in order to reduce the customer’s level of anxiety and uncertainty, and thereby enhance their trust in the salesperson.

This study has thus provided an insight into the nurturing behaviour of female sales staff in a retailing situation. It is evident that much additional research needs to be undertaken to gain a better understanding of the behaviour of sales staff in a given retail situation.
Reference list


