

2009

The Role of the Customer as a Quasi-Employee in Service Organisations: A Research Agenda

Jennifer Lawlor

Technological University Dublin, jennifer.lawlor@tudublin.ie

Follow this and additional works at: <https://arrow.tudublin.ie/tfschmtcon>

Recommended Citation

Lawlor, J. (2009) The Role of the Customer as a Quasi-Employee in Service Organisations: A Research Agenda. ,i>Tourism & Hospitality Research in Ireland (THRIC) Conference, Dublin Institute of Technology, Dublin, June 2009.

This Conference Paper is brought to you for free and open access by the School of Hospitality Management and Tourism at ARROW@TU Dublin. It has been accepted for inclusion in Conference papers by an authorized administrator of ARROW@TU Dublin. For more information, please contact arrow.admin@tudublin.ie, aisling.coyne@tudublin.ie.



This work is licensed under a [Creative Commons Attribution-Noncommercial-Share Alike 4.0 License](https://creativecommons.org/licenses/by-nc-sa/4.0/)

**THE ROLE OF THE CUSTOMER AS A QUASI-EMPLOYEE IN SERVICE
ORGANISATIONS – A RESEARCH AGENDA**

Dr. Jennifer Lawlor

**Dublin Institute of Technology,
Faculty of Tourism and Food,
Cathal Brugha Street,
Dublin 1.
Ireland.**

E: jennifer.lawlor@dit.ie

**Paper Presented at Tourism & Hospitality Research in Ireland (THRIC)
Conference, Dublin Institute of Technology,
Dublin, June 2009**

**Keywords: Self-service technologies (SSTs), quasi-employee, travel, hospitality,
tourism**

Introduction

The travel, tourism and hospitality sectors are increasingly encouraging customers to act as quasi-employees by inviting and/or requiring them to adopt a range of technology-enabled services or self-service technologies (SSTs), i.e. ‘technological interfaces that enable customers to produce a service independent of direct service employee involvement’ (Meuter, Ostrom, Roundtree and Bitner, 2000:50). Specific examples in these sectors include self-check-in online, ‘bag and tag’ facilities at airports, and electronic kiosks for accommodation booking purposes. Inherent in the use of SSTs is the requirement for the consumer to learn about and develop familiarity with such technology. It is evident that the phenomenon of SSTs and the resulting increased participation by the customer within service environments, is presenting practitioners within the travel, tourism, hospitality and leisure sectors with significant benefits but also, several challenges. For example, the consumer’s predisposition to utilise SSTs may be grounded in demographic characteristics, e.g. age, education level. Furthermore, technology anxiety may present itself and pose as an inhibitor to a consumer’s use of SSTs. Elsewhere, the decision-making/purchasing situation may not always lend itself to SSTs. For example, the relatively stressful and security-driven nature of journeying through an airport may offer a different environment for SSTs versus the requirement to save time and avoid queues in a supermarket.

Given the relative infancy of SSTs, a number of research gaps and opportunities present themselves. This conceptual paper will therefore present a research agenda in terms of identifying these research gaps and opportunities pertaining to the role of the customer who invariably becomes a quasi-employee in service organisations.

Literature Review

It has been widely recognised that the services sector of the Irish economy has been, and continues to be, a key driver of our economy (Forfás, 2008; Lawlor, 2006). Characterised by their varying intangible nature, services such as travel, tourism, hospitality and leisure have in recent years sought to differentiate themselves from the competition, by focusing on aspects such as price competitiveness (e.g. Ryanair), an ‘experience’ aspect (e.g. Newgrange), an enticing ambience (e.g. Patrick Guilbaud

Restaurant) and the suggested presence of friendly, attentive and highly-trained employees (e.g. Ritz Carlton).

In the recent past, service providers have increasingly focused on the role of technology which essentially invites customers to 'work for them' for a small period of time, but without being paid a 'wage' to do so (Dean, 2008). For example, the banking sector professes to offer tele-banking and internet banking in order to offer a convenient and timesaving alternative to physically visiting a high street location. More recently, supermarkets such as Tesco have introduced self-service checkouts, whilst in the hospitality sector, an emerging trend is the use of self-check-in facilities in hotel lobbies and at airport terminals. For example, in January 2009, the hotel chain, Premier Inn, introduced their first self-check-in property in Sheffield in the UK, thus reducing their average nine-minute check-in process substantially (Ferguson, 2009). Therefore, from the long-established ATM to the new self-check-in procedures at airports, an emerging trend is that of the customer who is now expected to assume some of the tasks and responsibilities of a traditional employee.

Benefits of SSTs

SSTs offer a number of advantages to both the customer and organisation. From the customer's perspective, SSTs can provide the customer with time and cost savings, convenience, and can often add an element of enjoyment to the service encounter (Zhao, Mattila and Tao, 2008). In a study conducted in 2008 in the airline sector, the two top reasons identified by passengers for booking their flight tickets online were (1) 'the ease of use' and (2) that it 'saved...time' (Karp, 2008:64). Furthermore, SSTs offer the customer increased control and customisation over a purchase decision, for example, self-packaging a holiday online or utilising Aer Lingus' new bag-and-tag self-service machines. Customers may also receive a positive psychological feeling in acting as a co-producer of a service (Bitner, Faranda, Hubbert and Zeithaml, 1997). Indeed, customers are taking an element of responsibility for their own satisfaction levels and are thereby partially contributing to the quality of the services they receive (Bitner et al, 1997). The same authors also maintain that where customers contribute to service delivery, they may often blame themselves if a problem arises rather than believing that responsibility for the service delivery breakdown lies with the provider. In all, customers favour the use of SSTs when (1) they help the customer solve a

problem, (2) when they work better than interacting with another human being, and (3) when they work satisfactorily (Bitner et al, 2002).

A further interesting dimension to the discussion is the suggestion that some customers prefer the removal of the human interface from service encounters. For example, Cunningham, Young and Gerlach (2009:11) suggest that some customers favour the reduction in anxiety that can be perceived to occur when dealing with 'judgmental service representatives.'

The role of the customer as a partial employee is a significant trend for the travel, tourism, leisure and hospitality sectors and one that has enormous potential to be exploited. From the service provider's perspective, the benefits are numerous. Cermak and File (1994) argue that the service provider benefits from enhanced provider economies and improved backward information flow. Hsieh, Yen and Chin (2004) also assert that the use of SSTs can result in increased organisational productivity, higher efficiency and enhanced service performance. For example, in May 2009, Ryanair announced their decision to withdraw all physical check-in desks at airports and require all their passengers to check-in online and be able to generate a pre-printed boarding pass for presentation at their chosen airport. Ryanair has defended this decision by highlighting that this will enable them to reduce their check-in fee from €10 to €5 per person per flight, with the exception of promotional fares, and it will also result in passengers being able to avoid check-in queues (Carey, 2009). Furthermore if passengers are unable to produce a pre-printed boarding card, they will incur a €40 penalty charge in order for Ryanair to re-issue a replacement boarding pass (Cullen, 2009). Hsieh et al (2004) also indicate that increased customer participation may lead to repurchase and word-of-mouth communications. All of the above can therefore combine to offer the organisation a competitive advantage in the marketplace (Halbesleben and Buckley, 2004). However, Curran and Meuter (2005) sound a note of caution by highlighting that the introduction of SSTs can constitute a significant drain on revenue streams if there is a lack of customer adoption of such facilities. This observation therefore draws attention to the limitations of SSTs.

Limitations of SSTs

Whilst the literature places substantial emphasis on benefits to customers and organisations, there is somewhat less discussion given to the negative issues associated with using SSTs. For example, some customers may have a fear of technology whilst others simply do not like using technology-based systems (Lin and Hsieh, 2006). More specifically, Bitner et al (2002) highlight a number of occasions when customer resistance to SSTs may manifest itself. Firstly, customers have been found to dislike SSTs when they fail to work properly, for example, websites crashing or customer identity numbers/personal details failing to work. Another problem arises when the SSTs are not user-friendly, in terms of being easy to understand and operate. For example, in May 2009, Ryanair was identified as having the worst website in the budget airline sector by Webcredible, an online usability monitor which rates low cost airline websites in terms of ease of booking flights and the extent to which all fees are apparent (Irish Independent Weekend, May 16th 2009). A further issue is when customers themselves do not follow the procedures, an example being losing a password (Bitner et al, 2002). Indeed a customer may not have ready access to online facilities. For example, Dermot Jewell, Chief Executive Officer of The Consumers Association of Ireland, in responding to Ryanair's decision to remove all check-in desks from airports, suggested that there was a large proportion of the population who did not have access to online and printing facilities (Carey, 2009). However, Ryanair have stated that moving all check-in operations online will not negatively influence their passengers or indeed those who are not computer-literate, as more than 99% of bookings are made online (Cullen, 2009). The literature also draws attention to a further issue, namely some customers' perceptions that use of SSTs may lead to service failure mistakes (Forbes, 2008). For example, whilst customers may be happy with withdrawing money from an ATM, they may be less predisposed to depositing money there because of the perceived potential for an error to occur.

Indeed a technically proficient customer may simply not wish to use SSTs but no alternative may be available. For example, Erik Weller, Chief Operating Officer of Hotel Concepts gives the example whereby many room service staff are precluded from taking cash and instead present the customer with a room service docket indicating the charge to their final hotel bill (Freed, 2008). However, the customer

may actually prefer to settle the bill and pay in cash there and then, but this facility is frequently unavailable.

A further example is Omni Hotels who are currently testing an SST, whereby hotel customers can order room service from their in-room television or through a laptop. But the aforementioned Erik Weller from Hotel Concepts questions whether such a self-service option will actually become a key trend and queries whether guests will trust these SSTs if they do not communicate with a human being (Freed, 2008).

Having addressed the benefits and perceived limitations regarding the role of SSTs in service delivery, the following section addresses the gaps present within the literature regarding increased customer participation in service environments.

Gaps in Literature

The extant services management literature recognises that further research needs to be undertaken in broadening our understanding of the contributions that customers may make within a service environment (Graf, 2007; Halbesleben and Buckley, 2004; Hsieh, Yen and Chin, 2004). Halbesleben and Buckley (2004) recognise that there is a scarcity of literature pertaining to customer participation from a human resources viewpoint. Furthermore, Graf (2007) questions the roles that customers are willing and capable of undertaking in organisations. An under-researched issue relates to the perceived benefits and rewards of customer participation for the customer. In this respect, Graf (2007) highlights a research gap as being ‘what’s in it for me?’ The time and labour saving benefits of customer self-service are well documented, but the extent to which customers feel that it is worthwhile has been substantially less considered. Bowers and Martin (2007) opine that it is remarkable that more organisations have not recognised or discovered the importance of the role of a customer as an employee. Halbesleben and Buckley (2004) highlight a complex issue and gap in the literature with regard to the role of technology, namely, the extent to which customers are replacing employees or alternatively whether technologies are replacing employees.

The academic literature in this area draws attention to a number of corresponding, under-researched issues arising from the emergence of the ‘quasi-employee’ (for

example, Bowers and Martin, 2007; Meuter, Ostrom, Roundtree and Bitner, 2000). For example, do customers wish to assume such a role? Are certain segments of customers more likely to do so? Apart from the apparent time and convenience benefits, what are the perceived benefits or rewards to the customer engaging in self-delivery of services, for example, with respect to reduced prices? What degree of employee involvement is required to facilitate self-delivery, for example, in terms of customers learning how to use self-check-in technology? How does the use of technology and self-service provision impact on the organisation's brand image if the customer is being further removed from the traditional provider-customer interface? How does the service provider facilitate service recovery when an SST fails? These questions therefore give rise to the following research agenda which should be of interest to both academics and practitioners in the services sector.

Research Agenda

Whilst the literature has prioritised the benefits to the service organisation in using SSTs, noticeably less attention has been accorded to an exploration of customers' willingness to use, and their attitudes towards SSTs in the travel, tourism and hospitality sectors. On the basis of the literature review, the author presents the following research agenda which could involve:

- an exploration of customers' awareness and attitudes towards this emerging trend whereby they are required to assume many of the tasks and activities traditionally undertaken by the employee, such as self-check-in at airports and self-checkout/express checkout in hotel rooms;
- an exploration of the degree of participation (low, medium and/or high) that may be required of customers in a service environment context;
- an investigation of customers' willingness and tendency to use new, enabling technologies in the travel, tourism, hospitality and leisure sectors such as touch-screen kiosks, and on-line sourcing of product information/booking, more specifically to examine the customer's ability to operate SSTs and the benefits and risks associated with their use; and any inhibitors or barriers to same (e.g. fear of new technology, preference for interacting directly with service providers);

- an investigation of customers' perceptions of those organisations that encourage them to act as quasi-employees, specifically to assess whether customers perceive that they are being enabled or prevailed upon;
- an examination of customers' propensity to undertake the role of an employee by virtue of their age, gender, technological competence etc.;
- an assessment of whether such an approach constitutes a sustainable competitive advantage for organisations in the travel, tourism, hospitality and leisure sectors, namely to address whether the benefits offered by SSTs can serve to foster attitudinal loyalty to the organisation or whether consumers will switch from one organisation to another, due to the increasing ubiquity of SSTs and their facility to allow consumers to make speedier price comparisons and to access other organisational information;
- a consideration of the ability of SSTs to constitute the primary stand-alone customer-organisational interface, i.e. to consider the extent to which interaction with service employees is considered desirable or necessary.

Benefits of Research Agenda

The pursuit of such a research agenda and findings will be of interest at an academic level and also for practitioners within the travel, tourism, hospitality and leisure sectors. It is important to engage with, and disseminate contemporary research with a range of service providers as it may enhance their ability to develop and sustain a competitive advantage in the current turbulent and dynamic business environment. Such a research approach would address the extent to which consumers are prepared to embrace such technological enablers, and whether they feel that they are being empowered or indeed forced into using such technologies by the provider. It would also address whether the benefits offered by SSTs can serve to foster attitudinal loyalty to the organisation or whether consumers will switch from one organisation to another, due to the increasing ubiquity of SSTs and their facility to allow consumers to make speedier price comparisons and to access other organisational information. It would also contribute to our understanding of whether such technologies facilitates consumer empowerment, enhanced interactivity and customer relationship development, from both the organisation's and the consumer's perspectives.

Furthermore, it has been suggested in the context of the current economic downturn and consumers' restrained expenditure, that many consumers are expecting enhanced customer service on the part of service providers, in terms of providing helpful and attentive sales assistants (The Irish Times, February 20th 2009). Indeed, it has been reported that consumers are looking to engage with front-line employees for the specific purpose of engaging in price negotiation. A contemporary phenomenon in Ireland is that of the 'recession discount' or 'haggling' where customers are seeking to deal directly with service providers with a view to securing a further discount on prices specified online and in company advertising (The Irish Times, November 21st 2009). The pursuit of recession discounts has been evident amongst prospective customers of, for example, insurance companies and wedding service providers. Hotels are currently witnessing the re-emergence of the price-conscious customer who is visiting the hotel's website directly and comparing the price with third-party online providers, such as www.hotels.com. This customer then telephones the hotel directly and seeks a further reduced price. Within this context, it is interesting to consider how SSTs may militate against such interaction between the service provider and the value-seeking customer.

Finally, this research agenda will be of significant interest to service providers in Ireland and further afield, who are *au fait* with the benefits of customer participation, such as labour saving costs, but who are having to grapple with emerging and under-researched issues such as, managing customer participation, training customers in self-provision and use of technology, taking action when the service fails, and developing an appropriate remuneration package for customers.

List of References

- Bitner, M.J., Faranda, W.T., Hubbert, A.R. and Zeithaml, V.A. (1997) Customer Contributions and Roles in Service Delivery, *International Journal of Service Industry Management*, 8(3), pp.193-205.
- Bitner, M.J., Ostrom, A.L. and Meuter, M.L. (2002) Implementing Successful Self-Service Technologies, *Academy of Management Executive*, 16(4), pp.96-108.
- Bowers, M.R. and Martin, C.L. (2007) Trading Places Redux: Employees as Customers, Customers as Employees, *Journal of Services Marketing*, 21(2), pp.88-98.
- Cermak, D.S.P. and File, K.M. (1994) Customer Participation in Service Specification and Delivery, *Journal of Applied Business Research*, Spring, 10(2), pp.90-98.
- Carey, I. (2009) Check in Online or Pay €40, Ryanair Warns Passengers, *The Daily Mail*, May 14th 2009, p.5.
- Cullen, P. (2009) Ryanair Fliers Must Soon Check In Before Reaching Airports, *The Irish Times*, May 14th, p.10.
- Cunningham, L.F., Young, C.E. and Gerlach, J. (2009) A Comparison of Consumer Views of Traditional Services and Self-Service Technologies, *Journal of Services Marketing*, 23(1), pp.11-23.
- Curran, J.M. and Meuter, M.L. (2005) Self-Service Technology Adoption: Comparing Three Technologies, *Journal of Services Marketing*, 19(2), pp.103-113.
- Dean, D.H. (2008) Shopper Age and the Use of Self-Service Technologies, *Managing Service Quality*, 18(3), pp.225-238.
- Ferguson, M. (2009) 'Auto Check-in' at Premier Inn, www.ttgbusiness.com, January 16th, p.30. [Accessed February 27th 2009]
- Forbes, L.P. (2008) When Something Goes Wrong and No One is Around: Non Internet Self-Service Technology Failure and Recovery, *Journal of Services Marketing*, 22(4), pp.316-327.
- Forfás (2008) *Catching the Wave, A Services Strategy for Ireland*, Report of the Services Strategy Group, September.
- Freed, J.Q. (2008) Are Self-service Technologies a Good Fit for the Hotel Business? www.HotelMotel.com, November 3rd, p.42. [Accessed February 27th 2009]
- Graf, A. (2007) Changing Roles of Customers: Consequences for HRM, *International Journal of Service Industry Management*, 18(5), pp.491-509.

Halbesleben, J.R.B. and Buckley, M.R. (2004) Managing Customers as Employees of the Firm, New Challenges for Human Resources Management, *Personnel Review*, 33(3), pp.351-372.

Hsieh, A.T., Yen, C.H. and Chin, K.C. (2004) Participative Customers as Partial Employees and Service Provider Workload, *International Journal of Service Industry Management*, 15(2), pp.187-199.

Irish Independent Weekend, (2009) Website of the Week, May 16th, p.32.

Karp, A. (2008) SITA/ATW 2008 Passenger Self-Service Survey, *Air Transport World*, October, pp.61-66.

Lawlor, J. (2006) 'Trends and Developments in the Hospitality Industry' in Connolly, P. and McGing, G. (2006) *Hospitality Management in Ireland: Theory and Practice*, Dublin: Blackhall Publishing.

Lin, J.S.C. and Hsieh, P.L. (2006) The Role of Technology Readiness in Customers' Perception and Adoption of Self-Service Technologies, *International Journal of Service Industry Management*, 17(5), pp.497-517.

Meuter, M.L., Ostrom, A.L., Roundtree, R.I. and Bitner, M.J. (2000) Self-Service Technologies: Understanding Customer Satisfaction with Technology-Based Service Encounters, *Journal of Marketing*, 64, July, pp.50-64.

The Irish Times, (2009) Bargains After the Bells?, November 21st.

The Irish Times, (2009) Gloomy Times Call for Service With Smile, February, 20th.

Zhao, X., Mattila, A.S. and Tao, L.S.E. (2008) The Role of Post-Training Self-Efficacy in Customers' Use of Self Service Technologies, *International Journal of Service Industry Management*, 19(4), pp.492-505.