

Web Appendix

Buyer Monitoring: A Means to Insure Personalized Service

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*BUYER MONITORING PRELIMINARY STUDY IN A LEISURE CRUISE CONTEXT:
ADDITIONAL METHOD DETAILS AND STATISTICAL RESULTS*

Method

Data source. Data came from Ward's (1995) *Berlitz Complete Guide to Cruising and Cruise Ships*. We selected the 1995 guide because it pre-dated the move by some cruise lines to an automatic service charge policy that complicates the assessment of tipping-policy effects on service. These guidebooks provide expert ratings of service and descriptions of tipping policies across cruise lines and ships. Cruise ships served as the unit of analysis. Service ratings of different ships in the same line were not independent, so one ship—the first in an alphabetical listing of each line's fleet—was included in the sample, resulting in a sample of 70 ships—16 operating under no-tipping policies and 54 operating under pro-tipping policies. For two cruise lines that had ships with different tipping policies, only ships with no-tipping policies were included to maximize sample size in this condition.

Variables. The dependent variable was an index formed by averaging two ratings: (1) Dining room service: score on a 10-point scale of the restaurant staff (“correct place settings and service, communication skills, attitude, flair, and finesse”; Ward 1995, p. 189); (2) Cabin

service: score on a 10-point scale of the housekeeping staff (“attention to detail and cleanliness; in-cabin food service; linen changes; and language and communication skills”; Ward 1995, p. 189). This index had a correlation of .95.

The main independent variable was tipping policy: ships with a no-tipping policy were coded as 0 while ships with a pro-tipping policy were coded as 1. Variables used as controls included: (1) Passenger/crew ratio (number of passenger berths divided by number of crew); (2) Passenger/space ratio (ship weight in gross tons divided by passenger capacity); (3) Price category (luxury, premium, or standard: dummy coded); and (4) Dress code (adventure wear, informal/moderately conservative, formal/elegant, or casual/relaxed: dummy coded). We used available controls to isolate the effects of tipping policy on service by removing other effects from the analysis. We included passenger/crew ratio based on the expectation that a higher ratio means more passengers are serviced by fewer crew, which would inhibit service delivery. We included passenger/space ratio based on the assumption that service would be negatively affected by less space for delivering service. Finally, we included price category and dress code factors to remove effects associated with luxury and pampering service (presumably correlated with higher price) and with the types of customers these different price and formality levels might attract (i.e., more formality might elicit a higher standard of service during co-production by guests and staff).

Results

The service index was regressed on tipping policy and the control variables, producing significant effects for several controls (Table 1), which generally supports the nomological

validity of the analyzed relationships. After partialling-out these effects, we find that service ratings were higher for cruise lines with voluntary tipping vs. cruise lines with no tipping ($B = .39$, $t(61) = 2.42$, one-tailed $p < .01$), which supports hypothesis 1, that voluntary tipping policies improve service. Admittedly, the correlational nature of the data undermines our ability to make strong causal inferences. Although we controlled for the obvious confounds with available data, some uncontrolled confound could have affected both cruise lines' tipping policies and service levels, thereby creating a spurious relationship between these variables. We addressed this limitation by using different research designs in subsequent studies.

PRELIMINARY STUDY: REGRESSION OF SERVICE RATING
ON TIPPING POLICY AND CONTROLS

Model	B	t	partial r
(Constant)	6.63	22.47***	
Passenger/Crew Ratio	-.07	-.65	-.08
Passenger/Space Ratio	-.00	-.44	-.06
Luxury Line	1.06	5.24***	.56
Premium Line	.22	1.50	.19
Adventure Attire	.39	1.39	.18
Informal Attire	.81	4.88***	.53
Formal Attire	1.36	4.89***	.53
Pro-Tipping Policy (no=0, yes =1)	.39	2.42*	.30

Notes: * $p < .05$; *** $p < .001$. $R^2 = .73$, $N = 70$, $F = 20.71$ ***

*BUYER MONITORING ROLE-PLAY EXPERIMENT (STUDY 3) SCENARIOS:
COMPENATION SYSTEM (3 LEVELS) BY MANAGERIAL SUPERVISION (2 LEVELS)*

[Buyer monitoring condition]: The average per-person check is \$30, not including gratuity.

Voluntary tipping is the norm in the restaurant

[Service charge condition]: The average per-person check is \$30, not including a service charge of 18% that you automatically earn. Voluntary tipping by guests is not permitted (guests are informed of this on the menu and also on the dinner check).

[Service-inclusive price condition]: The average per-person check is \$30. Tipping is not permitted (guests are informed of this on the menu and also on the dinner check), so servers are paid an hourly wage of \$15.

[High behavioral control condition]: There are 6 to 8 servers per shift and one manager who spends most of the shift in the front of the house either at the bar or on the dining room floor; consequently, you are closely watched by the manager, who routinely gives cash bonuses to those servers he can see doing the best job.

[Low behavioral control condition]: There are 6 to 8 servers per shift and only one manager who spends most of the shift in a back office and infrequently visits the dining room floor; consequently, you are not closely watched by the manager.

BUYER MONITORING ROLE-PLAY EXPERIMENT (STUDY 3) SURVEY INSTRUMENT

Please carefully read the scenario below and imagine that you are employed in this service context.

You are a waiter/waitress at a restaurant that seats 180 customers at 40 tables. The restaurant attracts customers with diverse needs and preferences, so the menu has a wide variety of dishes. Guest flow is consistent through the dinner shift, with tables turning 2 to 3 times. Customers are seated on a rotating basis to ensure fairness to all servers.

The average per-person check is \$30, not including gratuity. *[Insert compensation condition].*

[Insert managerial supervision condition].

Take a moment to think about what it would be like to be a server at this restaurant.

Please answer the following questions by taking the perspective of an employee in the service context just described.

1	2	3	4	5	6	7
Not						Very
Motivated						Motivated

- ❖ How motivated would you be to try to increase per-check dollar sales from your customers at this restaurant?
- ❖ How motivated would you be to modify your service routine to accommodate your customers' individual needs and wants at this restaurant?
- ❖ How motivated would you be to amuse and entertain your customers at this restaurant?
- ❖ How motivated would you be to try to provide fast service to your customers to turn more tables at this restaurant?
- ❖ How motivated would you be to provide friendly, enthusiastic service to your customers at this restaurant?
- ❖ How motivated would you be to ask about and remember the individualized requests of your customers at this restaurant?

For the next set of questions, keep in mind the service context described previously as you consider how frequently you would engage in the following behaviors:

How frequently would you engage in these actions as a server at this restaurant?

1	2	3	4	5	6	7
Not						Very
Frequently						Frequently

- ❖ Learn and use your customer's names
- ❖ Recommend specials and dishes with higher prices as your "favorites"
- ❖ Make unobtrusive passes by the table to observe your customers' needs
- ❖ Speed up the order and delivery process to turn tables more quickly
- ❖ Flirt or joke with your customers to entertain them
- ❖ Permit your customers to substitute items in an entrée, even if the kitchen does not like to do it
- ❖ Attempt to up-sell your customers by suggesting additional (e.g., appetizers) or larger options (e.g., doubles)
- ❖ Volunteer to serve large parties
- ❖ Ask your customers about their tastes and preferences to then recommend dishes
- ❖ Ask for another server's help to clear your tables to make them available quicker
- ❖ Introduce yourself by name to your customers to be friendly
- ❖ Smile at your customers
- ❖ Add special garnishes to plates to make them more appealing to your customers
- ❖ Compliment your customers on their meal selections
- ❖ Avoid suggesting dishes to your customers that take longer for the kitchen to prepare
- ❖ Bend or kneel down when taking orders from your customers
- ❖ Ask your customers questions about themselves to develop stronger relationships with them
- ❖ Visit the table to ask your customers if they are enjoying their meal

- ❖ Suggest branded selections (e.g., Bacardi) when your customers order un-branded choices (e.g., rum)
- ❖ Thank your customers for their business either verbally or in writing on the check
- ❖ Ask the chef to prepare something off the menu for a customer who requests it

Please answer the following questions based on your perceptions of the work environment in the service context described previously.

How much attention do you think the manager will devote to each waiter?

1	2	3	4	5	6	7
Very little attention						Very much attention

How able is the manager to observe your efforts to provide friendly service to your customers?

1	2	3	4	5	6	7
Not at all able						Very able

How able is the manager to observe your efforts to provide customized service that fits your customers' individual needs?

1	2	3	4	5	6	7
Not at all able						Very able

Again, please answer the following questions based on your perceptions of the work environment in the service context described previously.

		In this specific service context				
1	2	3	4	5	6	7
Not at all affected						Very affected

- ❖ How much do you think your pay will be affected by the tips you earn?
- ❖ How much do you think your pay will be affected by your efforts to accommodate your customers' individual needs and requests?
- ❖ How much do you think your pay will be affected by your dollar sales (i.e., the size of your customers' bills)?

- ❖ How much do you think your pay will be affected by the number of hours you work?
- ❖ How much do you think your pay will be affected by how much you increase sales and the size of customers' checks?
- ❖ How much do you think your pay will be affected by the level of friendly, enthusiastic service you provide to your customers?
- ❖ How much do you think your pay will be affected by customers' perceptions of the quality of service you provide?
- ❖ How much do you think your pay will be affected by how fast you are in providing service to your customers?

This final set of questions will tell us a little more about you, though your personal identity will remain anonymous.

Have you ever been employed as a restaurant waiter/waitress before?

No

Yes

Where is/was your most recent place of employment as a waiter or waitress?

Please type your responses in the boxes below.

Restaurant

City

State

Country

What is your gender?

Male

Female

Are you a U.S. citizen?

No

Yes

What is your approximate age?

Listed below are statements that may or may not describe your attitudes, beliefs, and/or behaviors as a waiter/waitress. Please indicate how strongly you agree or disagree with each statement using the scale provided.

1	2	3	4	5	6	7
Strongly disagree			Neutral			Strongly agree

- ❖ Even if I have to deviate from the job instructions, I know that it is my responsibility to satisfy clients
- ❖ I have all the knowledge I need to perform well at work
- ❖ I like to give something extra
- ❖ If a client asks for something which in reality is outside my field of responsibility, I feel it is my duty to help if I can
- ❖ If I cannot keep my promises to the client, I always tell him the truth
- ❖ I do not need to be polite with impertinent clients
- ❖ If a client asks for something that is outside the scope of my job, I always do my best to satisfy him anyway
- ❖ Even when clients are “difficult,” I always try to behave politely
- ❖ It is important for me to try to understand individual clients’ precise needs
- ❖ I feel confident that I know my job

Thank you for taking the survey. To be eligible for the \$100 Amazon.com prize drawing, please click the link below, which will take you to a new Web page that is not connected to your previous survey responses.

BUYER MONITORING ROLE-PLAY EXPERIMENT (STUDY 3) SURVEY DATA

Variable	N	Mean	Standard Deviation
Condition	469	3.54	1.70
Managerial Supervision	469	.53	.50
Tipping Policy	469	2.01	.82
Motivated to increase sales	469	4.32	1.97
Motivated to modify service routine for customers	469	4.47	1.51
Motivated to amuse and entertain customers	468	4.12	1.55
Motivated to provide fast service to turn tables	466	4.88	1.82
Motivated to provide friendly, enthusiastic service	466	4.99	1.43
Motivated to satisfy individualized requests	467	4.61	1.59
Learn and use customers' names	469	3.72	1.73
Recommend higher priced dishes	467	4.35	1.92
Make unobtrusive table passes to observe needs	463	5.08	1.45
Speed up order and delivery to turn tables	462	4.55	1.84
Flirt or joke with customers	463	4.27	1.56
Permit customers to substitute items	465	4.07	1.67
Attempt to upsell	469	4.50	1.93
Volunteer to serve large parties	462	4.05	2.22
Ask about preferences to recommend dishes	468	4.24	1.71
Ask for help to clear tables faster	466	3.95	1.87
Introduce oneself by name to be friendly	468	4.81	1.92
Smile at customers	467	5.70	1.44
Add special garnishes to plates	467	3.59	1.77
Compliment customers on meal selections	466	4.11	1.72
Avoid dishes that take longer to prepare	467	3.94	1.76
Bend or kneel down when taking orders	463	2.74	1.76
Ask customers about themselves	467	3.24	1.66
Visit the table to ask customers if they are happy	463	5.31	1.51
Suggest branded selections	466	4.49	1.99
Thank customers for their orders	468	5.45	1.64
Ask the chef to prepare special orders	468	3.52	1.83
Manager attention devoted to servers	468	3.19	1.57
Ability of manager to observe friendly service	466	3.78	1.89
Ability of manager to observe customized service	468	3.13	1.55
Pay affected by tips	466	4.43	2.43

Pay affected by efforts to satisfy customers' needs	467	3.50	2.10
Pay affected by dollar sales	466	4.72	2.29
Pay affected by hours worked	461	5.58	1.69
Pay affected by increasing sales and bill size	465	4.60	2.24
Pay affected by friendly service	467	3.77	2.06
Pay affected by quality of service delivery	465	3.92	2.20
Pay affected by service speed	466	4.29	2.15
SO: My responsibility to satisfy clients	465	5.76	1.15
SO: Have all knowledge for job performance	468	5.88	1.21
SO: Like to give something extra	461	5.88	1.12
SO: Duty to help	465	5.38	1.27
SO: Tell the truth	467	5.52	1.38
SO: Do not need to be polite	466	3.21	1.60
SO: Do best to satisfy requests	468	5.24	1.26
SO: Behave politely with difficult clients	466	5.75	1.08
SO: Important to understand clients	467	5.61	1.20
SO: Confident that I know job	467	6.36	.93
Customer-Oriented Service Motivation	469	4.55	1.31
Sales-Oriented Service Motivation	469	4.61	1.77
Sales-Oriented Service Behavior	469	4.26	1.47
Customer-Oriented Service Behavior	469	4.39	1.15