The influence of payer vs partial payers on customers’ complaint intentions: the mediating role of embarrassment avoidance

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Abstract

The purposes of this article are to examine the effect of payer vs. partial payers on consumer complaint behavior when encountering service failure and the mediating role of consumers’ embarrassment avoidance in the relationship between payer vs. partial payers and complaint intentions. The results demonstrate that paying customers behave higher complaint intentions when they are alone than when in groups under a service failure condition. In addition, customers encountering service failures are more likely to have voice complaints when they are payers than when they are partial payers (either splitting the group check equally or going Dutch). More importantly, the findings of our study support the view that embarrassment avoidance partially mediates the effect of payer vs. partial payers and customers’ complaint intentions.

Key words: group consumption, embarrassment avoidance, social influence

Introduction

In past research, the consumer and the payer are always one person. However, the term “customer” defined by [5] has various meanings, covering the actor, buyer, consumer, client, or user who purchases and uses the products and/or services. [2] demonstrated that the functions of buying, paying and consuming when carried out by separate individuals or by a single person have different influences on buying behavior. Unfortunately, the potential effect of paying on consumer complaint behavior (CCB) under social influence has been neglected. To our knowledge, the influence of payer vs. partial payers in group consumption on reaction to service failures in consumer complaint behavior has received little attention, although numerous studies have shown that the presence of others can affect people’s attitudes, intentions and behavior [4].

Thus, this article focuses on three aspects: firstly, examining the effect of payer vs. partial payers on CCB when encountering service failure alone versus being with social companions; secondly, to investigate the difference of the payer, and part payer (i.e. share equally/go Dutch); thirdly, to explore whether embarrassment avoidance acts as the psychological mechanism behind the above differences in complaint intentions.

Literature Review

Interpersonal influence on consumer behavior

In a situation such as a group dinner, one can define different basic roles about paying the bill: payer and partial payer; the payer pays the group’s bill, the partial payer pays either by dividing the group bill equally or just for what he or she ordered (i.e. going Dutch). [2] demonstrate that the basic roles of payer and partial payer when held by separate individuals have different influences on buying behavior. In group consuming, the basic roles of payer and partial payer when played by separate individuals with the presence of other customers who share the same service environment has been overlooked. Building on the notion that different role playing by customers about payment in group consuming triggers distinct reactions to service failures, in the present study, we examine the influence of payer vs. partial payers on a focal consumer’s propensity to voice a complaint after a service failure.

In the service context, the presence of other customers can dramatically influence a focal customer’s experience and evaluation, as well as alter his or her behavior [3]. [9] identify four categories consisting of 17 subcategories of interpersonal influence on CCB. Their findings suggest that the mere presence of other customers may play an important role in consumers’ decisions to make complaints in the service context; moreover, sources of others’ influences on complaint decisions are identified.

The source of others’ influences on CCB

[9] propose that consumers’ decisions to make complaints may be dependent on their perceptions of other customers’ presence. They provide a summary of factors or sources of different types of influence revealed that may explain social facilitation and interpersonal effects of others on complaint behavior: communication from others, group size, perceptions, individual characteristics, and concern for others.

Embarrassment avoidance plays a critical role in “concern about impressions of others” among the five sources of interpersonal influence on CCB [9]. [3] found that the social presence of another individual or group of individuals during purchase can create embarrassment for consumers. Thus, the extent of embarrassment avoidance might depend on whether or not the other customers who are present are part of that person’s in-group when encountering service failures; in addition, it might be a psychological mechanism behind the difference in complaint intentions.

[9] show that “embarrassment avoidance occurs when
consumers feel uncomfortable in making complaints because they are accompanied by other acquainted customers and do not want to bring perceived negative attention to themselves” (p.114). The lower likelihood of complaints appears to be caused by the potential damage to a focal consumer’s self-image and/or reputation. Therefore, people might tend to feel less embarrassment to make a complaint in response to service failure when they are alone. It is reasonable to expect that when customers suffer from a service failure, those who are accompanied by social others will report a lower level of complaint intentions than if they are alone. Thus, we put forth the following hypothesis:

**H1. The paying consumers (splitting the group bill equally or going Dutch) who encounter service failures will have higher complaint intentions when they are alone than when they are accompanied by social companions.**

We further argue that embarrassment avoidance is the psychological mechanism explaining why customers will not voice a complaint, particularly in front of social companions. Prior research emphasized the presence of others and their evaluations in inducing embarrassment [10]. Therefore, when a service failure occurs in group consuming, the predominant embarrassment avoidance might inhibit complaint behaviors. People might tend to focus on what their social companions are thinking about them. On the other hand, people dining alone might tend to focus on themselves. Consequently, embarrassment avoidance becomes less salient. Thus, we put forth the following predictions:

**H2. Embarrassment avoidance will mediate the effect of who paid (paid with social companions or alone) on customers’ complaint intentions.**

**Study**

A scenario-based experiment was used to test the proposed hypotheses in a hospitality industry setting. Sample and procedure: 130 college students from the Division of Continuing Education of Taiwan participated in this experiment for a credit reward. The average age of the participants was 21 years (40.5% male and 59.5% female). The scenario was taken from [9]. Manipulation checks: To manipulate the alone/in-group situation, participants were asked “Do you go to a restaurant for dinner alone? Yes: I am alone/ No: with some friends” In-group situation, participants were asked “How do you usually deal with the payment. Go Dutch or share the group bill.” Dependent measures: The single-item complaint intention used in this study was derived from [7]. A 10-point semantic differential scale from 1 (definitely will not) to 10 (definitely will) was attached to this item. The embarrassment avoidance was cited from [3]. A 10-point semantic differential scale from 1 (strongly disagree) to 10 (strongly agree) was attached to each item.

**Results**

Manipulation Check: The manipulation of the imagined scenario of dining alone (n=46) or in-group (n=84) was effective (Pearson $\chi^2=130.0$, $p=.000$). For the in-group scenario, 50 participants usually pay the bill by going Dutch and 34 participants by sharing the group bill. Analysis of variance (ANOVA) with the measure of failure severity as the dependent variable produced a non-significant effect ($M_{go Dutch}=6.96$, $M_{sharing}=6.81$, $M_{alone}=6.53$, $F(2,127)=.736$, $p>.05$). Complaint intention: A t-test was conducted and there was a significant difference ($M_{alone}=5.57$, SD = 1.67; $M_{go Dutch}=4.10$, SD = 2.14; $t=4.04$, $p<.001$) between the two scenarios of complaint intention. However, there was no significant difference ($M_{go Dutch}=4.18$, $M_{sharing}=3.97$, $t=.439$, $p=.666$) between participants in the go Dutch and sharing the group bill. This supports H1.

An ANOVA was run to test for difference in the items that examined the embarrassment avoidance between alone and in-group (go Dutch and sharing). The result showed a significant difference ($F(2,127)=6.37$, $p<.001$) among three conditions. The scenario depicting having dinner alone had the lower score for embarrassment avoidance (M=4.24) than either the go Dutch condition ($M=5.61$) or sharing condition ($M=5.56$), the last two exhibit a non-significant difference.

A multiple regression was conducted to test whether embarrassment avoidance acted as a mediator between the scenarios and complaint intention. First, the regression result for the mediator (embarrassment avoidance) on the independent variable (scenarios) confirmed that the scenarios had an effect on embarrassment avoidance ($\beta_1=1.35$, $p<.01$). The regression of the dependent variable (complaint intention) on the independent variables (scenarios) into the regression also showed a linear relationship ($\beta_2=-1.47$, $p<.01$). Both scenarios and embarrassment avoidance were then added as independent variables into the regression; $\beta_1$ dropped from 1.348 to $\beta_1=-.316$, $p<.01$, and $\beta_2$ dropped from -1.470 to $\beta_2=-1.044$, $p<.01$. These results were confirmed with a significant partial mediation effect [2]. This supports H2.

**Discussion**

The results of our study showed that participants had higher complaint intention when they had dinner alone than in-group consuming, in which they paid the bill either by going Dutch or by sharing. This finding contradicts prior literature [6]. However, the findings of this study are consistent with [4] and [9]. A possible reason for the mixed evidence is that embarrassment avoidance could be a psychological mechanism behind the difference between when people dine alone or in-group. The multiple regression results indicate that embarrassment avoidance acts as a partial mediator of complaint intention. Specifically, the findings from our study support that participants have more embarrassment avoidance when they are in-group consuming than when they are alone. The findings also reveal no significant differences between the complaint intentions of those paying with go Dutch and those paying with shared payment.

**References**


