The Social Psychology of Service Interactions

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My talk today will be successful if I am able to persuade some scholars to study commercial interactions between strangers, a class of social interaction that has been neglected by researchers interested in social issues. Interactions between a provider of goods or services and a customer who are strangers to each other are important because they are now so common, a by-product of the modern service economy. In my talk today, I review and describe the traditional way services have been delivered—in relationships—and a newer way service is delivered—in service "encounters," where a customer interacts with a different service provider, or even a machine, each time she needs the same kind of service. I will describe some research findings relating to how these two forms of service delivery differ and how the recipients of service respond to these different forms of service delivery. I will then describe some areas for future research, drawing on existing theories (such as attribution theory and stereotyping), and show how they apply to the study of service interactions.

The Service Economy

The economy of the United States is dominated today by services, not by manufacturing. The service sector comprises between two thirds and four fifths of the United States' national and global economies. What are services? They do not include farming, mining, or the manufacture of durable goods. They do include just about everything else. Services are consumed as they are produced and thus, the person providing the service, the service provider, is a key component of the

quality of the service and customer's reaction to service delivery. Today, about 75% of employed Americans, more than 90 million people, work in services. These service provider jobs consist of most of the professions, including physicians, nurses, attorneys, college professors, architects, and psychotherapists, as well as many jobs requiring less formal education. Cashiers, hair stylists, gardeners, fast food servers, and telephone call center operators are all service providers.

Although not everyone works as a service provider, we are all customers of services. In fact, the role of "customer" or "consumer" looms increasingly larger among the roles played by adults and children in modern society. In our consumerist society, the customer role takes time, just like the roles of parent or spouse. Shopping is the most common out-of-home activity engaged in by Americans (Schor, 1992). In order to help make it easy to shop, Schor estimates that "four billion square feet of our land has been converted into shopping centers, or about 16 square feet for every American man, woman, and child" (p. 107).

Service Interactions

Although social scientists study many kinds of social interactions, they tend to focus on a subset of dyads consisting of people already known to each other: husband and wife, supervisor and subordinate, parent and child, dating partners, and friendships. Relatively neglected are long-term interactions involving the exchange of money, such as between a hairstylist and a regular customer, or physician and long-term patient.[1] Furthermore, there is little research comparing interactions between strangers with interactions between people known to each other. An examination of an interaction between two strangers may seem unworthy of study, unless it examines the way friendships or romances develop. Yet we are creating a society in which millions of strangers interact with each other every day and for the most part, these interactions are safe for both parties and relatively predictable, and many are even pleasant (see Hochschild, 1983). By ignoring these interactions involving the exchange of money for goods or services, social scientists are omitting an increasingly large segment of human interaction in our increasingly consumerist society.[2] I believe commercial interactions provide a fruitful venue for studying social interactions and for extending the applicability of a variety of social psychological theories.

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[1] There is research on physician-patient interaction, or insurance agent–customer interaction, for example, but it tends to be published in industry-specific literature, not in the general social science literature.

[2] For example, it is consumer spending, not business investment or government spending, that dominates and drives our economy.

Traditionally people who delivered service were known to their customers. People went to the same butcher, the same barber, the same doctor, and the same bank teller when they needed service. They expected to interact with the same person the next time they needed service, and over time they developed a history of shared interaction that both could draw on in subsequent interactions. These paid *service relationships* are still around, and many people, especially middle- and upper-class people, have many service relationships. Table 1 shows some of the areas where service relationships are common and areas where they are not so common.

Increasingly services are being offered in a different format: the *service encounter*. A service encounter has none of the three key features of a service relationship shown in Table 2. An encounter takes place between two strangers who do not expect to interact in the future. The service providers are functionally equivalent and therefore interchangeable, so in principle it makes no difference which provider delivers the service. Purchasing a burger and fries from McDonald's is a classic encounter. Service is standardized so that customers are able to determine how to behave (e.g., get in line, don't sit at a table) when they enter the service establishment.

Three points about encounters are important. First, they are common in many areas, including government services and utilities, and they are becoming more common in professional services like medical care or psychotherapy where the first available service provider sees the first-in-line customer. Second, companies are increasingly discovering ways to turn a traditional relationship-style service into service encounters. An example is the delivery of backrubs and massages. Several companies (The Great American Back Rub, The Massage Bar) now offer

Table 1. Percentage of Respondents Reporting a Relationship
With Various Types of Service Provider

Physician	75%	Masseuse	7%
Dentist	80%	Pet groomer	6%
Hairstylist	70%	Babysitter	5%
Travel agent	50%	Architect	<5%
Auto mechanic	30%	Tailor	<5%
Tax specialist	32%	Piano tuner	<5%
Stockbroker	27%	Nanny	<5%
Therapist	11%	Nurse	<5%

Note: Percentages based on convenience samples of adults ($N = 73$).

Table 2. Characteristics of Relationships, Pseudorelationships, and Encounters

	Relationships	Pseudorelationshps	Encounters
Reciprocal identification	Yes	With company, not provider	No
Expect future interaction	Yes	With company, not provider	No
History of shared interaction	Yes	With company, not provider	No

short (e.g., 10–20 min) standardized back rubs on a first-come, first-served basis. Third, if service is truly standardized then in principle service can be automated and customers can have encounters with machines. The ATM was the first successful automated encounter delivery system, and today many firms beyond banks are experimenting with ATM-like systems. In addition, voice mail systems are increasingly common; customers are expected to push buttons until they obtain the information they are seeking about the status of their bank account, the arrival time of a particular flight, or the problem with a computer program. The Internet promises to be an even bigger dispenser of services in which customers "click on" goods or services they wish to purchase from Internet firms. Some companies combine a number of these machine processes. For example, a new company with venture capital backing called Zoots is going to compete with mom-and-pop cleaners by offering a more automated drop off and pick-up dry cleaning service combined with Internet access to check on the status of one's orders (Reidy, 1999).

Companies frequently go to substantial effort to encourage customers to return to the same company every time they desire service, even though they do not see the same service provider each time. McDonald's wants its customers to return to McDonald's rather than frequent Wendy's; H&R Block wants customers to return next year for tax service rather than go to a competitor. In other cases, for example, for government services, customers have no choice but to go back to the same organization, where each time they will be served by a different service provider. Companies and marketing and management scholars frequently refer to these types of interactions, where a customer goes to the same organization to receive service of a particular type, as service relationships. Because they have none of the key features of relationships shown in Table 2, I refer to them as *pseudorelationships* (Gutek, 1995, 1997) because they are really encounters, in that customers interact with a different provider for each interaction.

In these pseudorelationships, companies offering service in encounters seek to build brand loyalty to their firm through customers who bring repeat business to them. In efforts to do so, they may collect information about their customers that they use in encouraging them to make additional purchases. Furthermore, the familiarity of a commonly used service establishment (e.g., McDonald's for food, Sears for auto repair) may make these interactions more relationship-like for customers, but a relationship with a person is not the same as a relationship with a firm for two reasons. First, there is no reciprocal identification between customer and provider. Whether the customer is a frequent user of the service and therefore understands the routines very well or is a first-time user may not be known by the service provider, who treats the frequent customer the same as the infrequent customer. In some encounter systems, the provider may be able to access information from a database about customers, but the customer has no information about the particular provider. In a pseudorelationship, the customer's knowledge is based on familiarity with the company's rules and procedures, not on repeated interaction

with a specific person. Second, in a relationship, knowledge is limited to the customer-provider dyad; in a pseudorelationship whatever information is available about the customer is available to all potential service providers. This important difference completely changes the nature of the interaction between the provider and customer. Companies that fail to recognize the difference between a relationship and encounter often attempt to "personalize" service encounters by requiring service providers to smile, make eye contact, or address the customer by name. But these do not substitute for a history of shared interaction and may be viewed as inappropriate or intrusive by some customers. A personalized encounter is an oxymoron.

In sum, there are two basic ways of delivering services, in relationships and encounters, and one hybrid model I call a pseudorelationship. The distinction between a service relationship and a service encounter bears a resemblance to the distinction between mass-produced and custom-made goods. With custom-made goods, a buyer may engage a particular person to make a specific item, say, a tailor-made suit, a painting, or a dining room table. The buyer may be able to visit the provider's studio or workshop, where he or she makes the item to order. Mass-produced goods, on the other hand, come in standard sizes, shapes, and colors. A custom-ordered car still provides only limited customization.[3] When goods are mass produced, the buyers typically do not know the person who made their car or blouse or dining room table. Indeed, probably a number of people each performed a small job in producing those goods, under conditions that are typically not known to the buyer. When customers have a service relationship, they know their service provider and the conditions under which he or she works. In an encounter, they may have more limited knowledge of the working conditions. With Internet and telephone encounters, customers typically know very little about the working conditions or even the location of service providers, each of whom is treating each customer the same in delivering a standardized service product. Just as the manufacturing era saw a tremendous growth in mass-produced goods, so today we are witnessing a tremendous growth in mass-produced services in the form of service encounters.

Beginning a Program of Research on Service Relationships and Encounters

Along with several colleagues and students, I have started a program of research on service relationships and encounters.[4] To start, we have identified three goals: (1) develop a measure of service relationship, (2) determine if customers

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[3] The term "mass customization" is used to describe the situation where the customer can select a limited number of features of a mass-produced item (Pine, 1993).

[4] For more detail about the concepts, see Gutek (1995) or Gutek and Welsh (in press).

react differently (in terms of consumption and satisfaction) to relationships versus encounters, and (3) identify empirically aspects of relationships, pseudo-relationships, and encounters.

If service relationships are qualitatively different from service encounters, any differences should hold up across diverse situations, so we conducted studies that focused collectively on the following set of service providers: (1) hairstylists, (2) physicians, (3) academic advisors, (4) auto mechanics, (5) travel agents, (6) insurance agents, and (7) bankers. We have now conducted four studies, each using from three to six of these service areas. (See Table 3.) In Study 1 and Study 2, we compared the service experiences of people who had relationships with those who did not, within each service area. In Study 3 and Study 4, we compared the experiences of people who had relationships with those who had pseudorelationships and those who received service in encounters, within each service area. Because we wanted to develop a measure of service relationship, we measured service relationships one way in the first two studies and a different way in the next two studies to see if the results were sensitive to the wording of questions.

Our studies were undertaken as a systematic replication (Aronson, Ellsworth, Carlsmith, & Gonzales, 1990), that is, "a replication of an experiment in which the experimenter systematically varies some aspect of the original conditions, proce-dures, or measures in order to resolve ambiguities or add new information" (p. 351). In our case we sought replication across service domains, across samples, and across different ways of measuring service relationship. Systematic replica-tions can enhance an understanding of conceptual variables (such as service rela-tionship and service encounter).

In the first two studies to measure interaction type (relationship vs. encounter), we asked, for example: "Is there a physician whom you would call 'my doctor' (not my clinic/hospital, but my doctor)?" In the other studies we used two summary, true-false statements to differentiate relationships from pseudorelationships and from encounters: "I have a regular physician I normally see for medical care" and "I have a regular clinic/HMO/office/hospital where I go for medical care." (For details, see Gutek, Bhappu, Liao-Troth, & Cherry, 1999.)

Our initial studies focused on use of services and satisfaction with services. We found that in all service areas and in all studies, customers having a service relationship with a specific provider had more service interactions than those who received service in either encounters or pseudorelationships. Although it is

Table 3. Characteristics of Four Studies of Service Relationships and Encounters

Study 1	Study 2	Study 3	Study 4
Undergraduate and graduate students	Jury duty subjects	Tucson residents	Undergraduate students
$N = 93$	$N = 163$	$N = 193$	$N = 240$
6 service areas	6 service areas	3 service areas	3 service areas

possible that frequent use of a service may lead some customers to seek relationships in some domains, it is also the case that the areas with the most frequent use (e.g., banks) tend to be associated with encounters. Less than 10% of people in the studies had their own banker, but they visited banks more often than any of the other service areas studied (Gutek, Bhappu et al., 1999).

Relationships also fared better than encounters or pseudorelationships in terms of customer satisfaction. In all areas and in all studies, customers having a service relationship were more satisfied with the service received than those who received service in pseudorelationships or encounters. Those who received service in pseudorelationships were sometimes more satisfied than those who received service in encounters (true in the case of auto mechanics), sometimes less satisfied (in the case of physicians),[5] and equally satisfied in other cases (hairstylists). This result of greater satisfaction associated with relationships does not seem to be due to "relationship" people obtaining more service. In fact, we found no evidence that there are "relationship people," that is, people who seek relationships in all areas of service (Gutek, Bhappu et al., 1999). We also rejected the notion that this finding is due to the fact that dissatisfied relationship customers will simply leave the relationship. Relationships may be hard to leave because of loyalty, sunk costs, and the effort involved in finding a new relationship provider—if the person chooses to seek out another relationship rather than receive service in encounters.

Studies 3 and 4 (reported in Gutek, Cherry, Bhappu, Schneider, & Woolf, in press) allowed us to examine empirically some of the differences between relationships on the one hand and pseudorelationships and encounters on the other hand. Although both of our attempts to measure relationships were judged to be successful, the second measure (using two summary true-false statements) was judged preferable because it allowed us to differentiate pseudorelationships from encounters.[6] We found a number of differences:

- Relationships are characterized by trust in the provider, mutual knowledge, and the expectation of future interaction. Relative to encounters, pseudorelationships also result in greater trust and willingness to refer others to the provider, but they are significantly lower than relationships on these dimensions. In pseudorelationships, the trust the customer has

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[5] Presumably most of the respondents who obtain medical care in pseudorelationships are in health maintenance organizations (HMOs). Furthermore, they probably have more limited choices than respondents obtaining health care service in relationships (or encounters). Typically, they must obtain health care from the HMO and may have limited or no choice among physicians.

[6] A fifth study was supervised by Prof. Sherry Schneider and conducted by Loren Woolf as Loren's undergraduate thesis at the University of New South Wales, Sydney, Australia (Woolf, 1998). Recent reanalyses of their data show that the results about use and satisfaction obtained in Sydney were generally comparable to the results from the United States. In general, the Australian respondents were less likely to receive service in pseudorelationships than the U.S. respondents.

for the provider is based on the rules and reputation of the company where the provider works. In a service relationship, the more experience each has with the other and the more predictable and successful their interactions, the more trust each should have for the other.

- Relationships are characterized by feedback (complaints are made to the provider). In pseudorelationships, complaints are made to a manager or other official or department in the organization.

- Relationships are based on the reputation of the provider, whereas location may be more important in encounters. In some cases, pseudo-relationships are based on location (e.g., hairstylist), whereas in other cases where the customer may not have a choice, location is not important (e.g., health care).

- Relationships are personalized, but pseudorelationships were not seen as personalized by respondents, regardless of corporate attempts to make an encounter seem "personal." Contrary to expectations, both relationships and encounters were described as relatively "standardized."

- Contrary to our expectations, customers probably do not wait longer for a relationship provider than they do if they have encounters or pseudo-relationships. Although service encounters may be advertised as fast and efficient, relationships often involve preset appointments so that when the customer arrives, the service provider is ready to interact.

Differences Between Service Relationships and Encounters

Although there is as yet little research available, I believe service relationships and encounters should differ in a number of other important respects. Some of these are summarized in Table 4. Although the repeated interaction with the same firm makes a pseudorelationship somewhat different from other encounters, my

Table 4. Some Differences Between Service Relationships and Encounters

Category	Relationships	Encounters
Attributions	Internal attribution for success External attribution for failure	External attribution for success Internal attribution for failure
Stereotyping and knowledge	Fosters knowledge of other Elitist and particularistic: Customers can be treated differently and in a prejudicial manner	Fosters stereotyping of other Egalitarian and universalistic: Customers treated the same
Contacts, networks and emotional involvement	Creates "weak ties," social networks Fosters emotional involvement	Does not foster contacts, networks Fosters emotional labor
Single-play vs. Repeated-play games	Cooperation may exist without monitoring	Requires a monitor to keep provider from shirking

interest here is in contrasting interactions between two parties who are known to each other versus two parties who are strangers, so Table 4 focuses on areas where encounters generally differ from relationships. The differences shown in Table 4 can be summarized in four categories: differences in attributions; differences in stereotyping and discriminatory behavior; differences in contacts, networks and emotional involvement; and differences associated with single-play versus repeated-play games.

Attributions for Success and Failure

Relationships and encounters should foster different patterns of attributions. In a relationship where a customer has developed a history of (presumably successful) interactions, an occasional service failure will probably result in a situational attribution (e.g., my provider was unusually late because of some unavoidable problem). Success results in an internal attribution (e.g., My hair looks great because my provider really knows my hair).Why go to the same person each time if that person is no better than any other service provider? Thus the service provider should be viewed as the causal agent in a successful interaction. If the customer does not have a string of successes and is not able to make an internal attribution for successful service delivery, the customer may seek another service provider. Similarly, the provider is likely to make an internal attribution when the customer performs her role well (e.g., shows up on time and pays promptly). For a good customer, an external attribution may be given when the customer does not perform as expected (e.g., the check bounces or the customer is a "no-show").

Service encounters should result in an entirely different pattern of attributions. If the service encounter company has rules about provider behavior, successful and pleasant behavior may be attributed by customers to the rules of the organization—an external attribution. A badge that says "Have a good day" is proof only that the sentiment is not the provider's but is a company mandate. In contrast, when the service provider fails in some manner, that failure may be attributed to the person (as a rude or incompetent person). The customer may reason that surely the company would not ask or expect the provider to be rude or act incompetent. In the case of the provider's attributions about the customer, they are likely to be internal whether or not they are successful because the provider has no prior experience that would provide baseline information on the customer's behavior. Stories about silly or incompetent customers abound (e.g., the urban legend about the customer who made a photocopy of a floppy disk in response to the request to copy the disk). So do stories about rude and incomprehensible service providers.

If it can be shown that customers make external attributions when encounter service providers are pleasant and/or internal attributions when they are rude or incompetent, and that these patterns of attributions are very different from the attributions in relationships, it would suggest that encounter jobs are inherently

less desirable than relationship jobs. One might also expect that providers in encounters would exhibit relatively less organizational commitment and involvement and have a greater propensity to turnover.

Stereotyping and Discrimination

In service relationships, customer and provider get to know each other. Getting to know each other should minimize any stereotyping that each might have applied to the other in their first contacts. Thus relationships should operate to minimize stereotyping and its effects. In contrast, service encounters should foster stereotyping because each person interacts with the other only one time. Because each has no prior history of interaction to predict how the other will behave, each member of the dyad may fall back on stereotypes and attend to any stereotype-confirming behavior he or she observes.

The way relationships and encounters relate to discrimination is likely to be quite different than the way they relate to stereotyping. Although relationships mitigate against stereotyping, they may foster discriminatory behavior. A customer selecting a physician or a hairstylist might stay away from someone of a different ethnicity, age category, or gender (except where the job itself is associated with a particular ethnicity, age category, or gender). Thus, we might expect to see more gender matching, age matching, or ethnicity matching among relationship pairs than among encounter dyads (see Gutek, Cherry, & Groth, 1999; Kulik & Holbrook, 1998). Furthermore, it is relatively easy for both customer and provider to avoid developing a relationship with someone of a particular social category, if they so choose. In the customer's case, it is quite easy as long as there is social category diversity among providers. But providers, too, might avoid customers belonging to certain social categories, by claiming to be too busy to accept new customers, for example. The particularistic and customized nature of the service relationship means that customers may be treated differently. Prior experiences with the customer should reduce the tendency to treat the other in a stereotypical manner, but it is possible that providers may treat customers differently based on the amount of business they bring to the provider.

Encounters are different; everyone is supposed to get the same treatment. It would be relatively hard to refuse to serve the next person in line because of the customer's ethnicity, age, or gender. Differential treatment exposes the firm to legal liability if it is detectable. When differential treatment occurs systematically, the company may be subject to a class action discrimination charge, as Denny's restaurants found out a few years ago. In telephone encounters, customer and provider may not know the social categories to which the other belongs, so social category may not be salient.

In sum, I propose several easily testable propositions: that relative to encounters, relationships minimize stereotyping but foster discriminatory behavior,

whereas relative to relationships, encounters foster stereotyping but minimize discriminatory behavior.

Contacts, Networks, and Emotional Involvement

Relationships and encounters should differ in the extent to which they involve the participants in emotions and social networks. Relationships help create contacts for both customer and provider. Although they are no substitute for more intense and familiar relationships like spouse, parent, child, or friend, they provide "weak ties" for both customer and provider, for example, contacts for other service needs, references for jobs, sources of information about related areas (see Granovetter, 1973, 1974). Furthermore, service relationships, can develop into other more intimate relationships like friendship or marriage. Thus, service relationships may foster real emotional involvement, which can be both positive and negative. On the positive side, service relationships can be enjoyable for both participants, they are a source of contacts, and they may develop into another kind of relationship. On the negative side, one-sided emotional involvement can complicate the service relationship, and one party can exploit the relationship for his or her own gain. Because relationships are particularistic and can be customized to fit the other's needs or preferences, it may be difficult to set limits when the other party wishes to change the nature of the relationship or oversteps the bounds of a commercial relationship.

In contrast, encounter providers offer more limited options. Their service delivery may be scripted and is often monitored "for quality assurance." Because they interact with strangers, encounter providers typically are not able to leverage their service interactions the way relationship providers can. They are not likely to develop friends from among their customers, and their customers do not represent contacts they can use to their benefit. Service encounters do not foster emotional involvement. In fact, providers may be expected to display emotions they do not feel, engaging in what Hochschild (1983) called "emotional labor": displaying emotions to help grease the wheels of commerce. For the customer, the anonymity of service encounters may be appreciated sometimes, but a total absence of service relationships may also result in an isolated and socially alienated person. The continued development of service encounters in various spheres of life may contribute to some of the rude behavior and antisocial behavior that many people complain about in modern society. It may also contribute to a generation gap in which the elders in the society bemoan the loss of relationships that the younger generation does not define as a loss.

These issues raise a number of interesting research questions:

- Are people who receive a lot of services in relationships more connected to their communities than those who do not?

- Are they better adjusted? Do they have better physical and mental health?
- Do they enjoy their work more?
- Do they feel burdened by social obligations to relationship providers?

Repeat Versus Single-Play Games

Service relationships are analogous to repeated-play two-person games with an indefinite number of future interactions. Thus, it is possible for service relationships to exist that do not require oversight, because cooperative behavior can exist under the conditions in which service is delivered in a relationship (see Axelrod, 1984). More specifically, Axelrod's (1984) work suggests that cooperation between provider and customer is most likely to be sustained when a relationship lasts long enough for potential retaliation by one party to counteract the temptation for the other to defect and when defection is swiftly followed by retaliation. The first of these conditions Axelrod calls "the shadow of the future." If the future casts a sufficiently large shadow on the present, the two parties will continue to cooperate. The second condition involves a "tit-for-tat" strategy: After starting out by cooperating, the player chooses whatever the other player chose on the previous move. Thus a relationship breeds cooperation when both provider and customer start out with good will, do not tolerate poor performance from the other, and quickly forgive the other's mistakes, assuming he or she rectifies them immediately. Since these conditions do not always exist, there are likely to be many instances when either provider or customer is in the position to exploit the other.

Service encounters are analogous to single-play games in which the self-interested player has no incentive to cooperate with the other. The interaction, therefore, requires monitoring, that is, supervision by a manager, to ensure that the provider delivers satisfactory service—to the standard set by management (not by the provider). Service providers ultimately have to please their managers to keep their jobs (which may involve pleasing customers, too). Customers may be ruder in encounters than in relationships because they do not expect any future interaction with that provider. They might therefore engage in behavior that they would not if they thought they had to face that person sometime in the future. Pseudorelationships, because they are really encounters, require the same kind of monitoring of providers as encounters.

A variety of more subtle and unexpected differences between relationships and encounters may be discovered through the rich tradition of game theory.

Conclusion

As a side effect of the growth and development of services for pay, we are, perhaps for the first time in history, creating a society in which most people will be interacting regularly with strangers. Most of these interactions will be pleasant, predictable, and efficient. That in itself is a major achievement. Prior to the development of corporations, chain businesses, and franchises, interactions with strangers were probably relatively rare for people who were not mobile, and many of those interactions may have been distressful or even dangerous. Today we take them for granted. Nevertheless, they are changing society in ways that are not entirely clear. It does appear to be the case that customers obtain more service and are more satisfied when they receive service in relationships. Although it has not yet been studied, it seems likely that service providers are also more satisfied when they dispense service in relationships.

We know a number of things about relationships:

- Relationships can work: They are associated with relatively high use and satisfaction. They embed customers and providers in social networks.

- Relationships *alone* are not practical (nor desirable). Choice and the opportunity to supplement relationships with encounters would probably maximize customer satisfaction.

But there are number of questions, too:

- How efficient could relationships be if we really worked to make them more efficient? Can companies make money when service is delivered in relationships? One advantage they have over encounters is a lesser need for management and oversight.

- Could we have an efficient and effective service economy based primarily on relationships?

Encounters are not all bad by any stretch of the imagination. Although they do not compare favorably with relationships, nonetheless, use and satisfaction rates are still high, given that they involve strangers who do not anticipate future interaction. But there are a number of questions, too:

- Can mass-produced services compare with mass-produced goods?

- Are companies making a mistake if they are betting on increased mechanization and standardization of services, that is, can mass-produced services achieve the high quality of mass-produced goods (or the high quality of the best personalized service)?

- Are companies making a mistake by trying to personalize encounters?

There are also a number of interesting issues having to do with the way people experience relationships and encounters:

- Will relationships (like custom-made goods) become the province of the wealthy? Will the poor be disadvantaged by relationship deprivation and experience alienation?
- Are there personal proclivities toward service relationships versus encounters?
    - Do shy people prefer the anonymity of encounters?
    - Do older people prefer relationships?
- Are young people engaging in any service relationships?
- As people age, their service relationships (with physicians, nurses, stockbrokers) can become more important. How do these relationships compare with personal relationships (with family and friends)?
- How do/will older adults respond to the development of service encounters in areas where they are accustomed to service relationships (e.g., health care, stockbrokers, insurance agents).

I am excited about pursuing some of these issues. My own research agenda includes the following:

- Additional surveys (including cross-cultural studies) aimed at describing relationships, pseudorelationships and encounters.
- Modeling of relationships and pseudorelationships in the laboratory to explore what seems to be an inherent weakness of encounters: the cost of a monitor.
- A study of service relationships of the elderly, comparing the importance and significance of service relationships with other relationships in their lives.

If I can encourage others to explore some of these topics in their own research, I will be thrilled.

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