CHAPTER 2
REVIEW OF LITERATURE

This chapter presents a review of various research studies related to the different constructs of the model proposed in the present study. Various cross-functional studies have been reviewed to; identify the research gaps, develop rationale or need of the present study, state objectives to be achieved, formulate research questions and hypotheses to be tested, enhance understanding of research methodology to be used to achieve the stated objectives and selection of appropriate statistical tools for data analysis and interpret the findings of the present study. The review is organized in four sections; section I deals with the concept and measurement of customer service orientation, section II reports organizational and personal antecedents of customer service orientation and section III displays the impact of customer service orientation of employees on their job attitudes and section IV exhibits the linkage between customer service orientation and customer outcomes (customer satisfaction, customer commitment and customer retention).

SECTION - I
MEASURING CUSTOMER ORIENTATION

The first and foremost significant objective of this study is to measure the customer service orientation of service employees. To measure customer service orientation of employees with a certainty, it is required to make a distinction between the institutions and the employees focused constructs (Korunka et al., 2007). The most widely used market orientation scales, such as MARKOR, MKTOR, MORTN and COS (Customer Orientation Scale), evaluate behaviors at the organizational level (Jaworski and Kohli, 1993; Narver and Slater, 1990). The MARKOR (Market Orientation) scale focuses on the aspects of customer information and makes use of 32 items for information collection and dissemination as well as to respond to customer information. MKTOR (Market Orientation) scale consists of 14 individual items as the dimensions of customer orientation, competitive orientation and inter-functional coordination (Korunka et al., 2007). In contrast to MKTOR, the SOCO (Sale Orientation and Customer Orientation)
scale examines specific sale behaviors at the salesperson’s level (Siguaw, Brown and Widing, 1994). The perception that the salespeople play an integral part in determining the degree of satisfaction experienced by customers leads to the establishment of the SOCO scale. In addition to the SOCO (Sale Orientation Customer Orientation) scale, several other scales have been established to ascertain salesperson’s customer orientation, such as scales designed to measure COSE dimensions, SALCUSTOR (Donavan, Brown & Mowen, 2001); Heeing and Thaurau, 2004; Singh & Koshy, 2011) and other scales were developed by adapting items of original SOCO (Selling Orientation and Customer Orientation) scale (Daniel and Darby, 1997; Donavan, Brown & Mowen, 2001, Korunka et al., 2007; Coelho, & Sousa, 2010). On the other hand, previous researches on SOCO behaviors indicate that selling orientation and customer orientation are two distinct concepts but are not on the opposite ends of the continuum (Harris, Mowen and Brown 2005; Thomas, Soutar and Ryan 2001).

Saxe and Weitz (1982) established ‘Selling Orientation and Customer Orientation’ (SOCO) scale with 24 items (12 positively phrased customer-orientation items and 12 negatively phrased selling-orientation items) to evaluate salespeople’s customer service orientation. The SOCO is a self-assessment scale and it was organized with the help of two samples of salespersons that included the industrial and retail salespersons combined (retail vehicle sales, wholesale food sales, retail clothing sale, industrial packaging sales and retail salesclerks) and an industrial salesperson only (company selling electronic components to manufacturers and distributors, a dealer selling motor vehicle to the public, two sales forces from the company selling computer services to a variety of business and government organizations). Customer service orientation dimension was measured with a twelve item scale that included items, such as “I try to help customers achieve their goals”. Selling orientation dimension was measured with a twelve item scale that included items, such as “I try to sell as much as I can rather than to satisfy a customer”. The reliability coefficient (α) was 0.86 for the first sample of salespeople and 0.83 for the second sample of salespeople. The scale responses ranged from 1 (true for none of my customers - NEVER) to 9 (true for all my customers - ALWAYS). The results of this study indicates that customer oriented salespeople are more focused on satisfying customer needs and wants, whereas, sales oriented salespeople paint too rosy
pictures to influence the customers to make purchase decisions, i.e. salesperson customer orientation is positively related to the long term customer satisfaction and salesperson performance in both business and retail settings.

Michaels and Day (1985) conducted a study by using a modified SOCO scale that reflected the views of buyers, rather than salespeople, while studying a large sample of 997 American industrial buyers. They concluded that the SOCO scale's measurement properties were retained in this form and that the scale worked as well with buyers as it did with salespeople. Modifications to the wording of the original scale were made only to the extent necessary so that it reflected the views of buyers rather than salespeople.

Dunlap, Dotson and Chambers (1988) modified the SOCO scale and administered to a sample of real estate brokers and real estate buyers. The researchers made slight modifications in the wording of original scale items and used a five point response format rather than original nine-point scale. Coefficient alpha estimates were 0.88 and 0.91 for the brokers and the buyers, respectively.

Brown, Widing and Coulter (1991) utilized original SOCO instrument administered by a sample of American retail consumers, with slight alterations to the original SOCO instrument to reflect a buyer perspective rather than a sale person perspective. A six-point response format was used and the verbal anchors were modified to better suit the needs of telephone surveys. Coefficient alpha for the SOCO instrument was 0.81. Despite these changes, the properties of the scale were found to be strikingly similar to those reported in prior studies.

Hoffman and Ingram (1991) measured health care provider’s customer orientation with a slightly modified version of the SOCO scale established by Saxe and Weitz (1982). The respondents included; 71 aides, 31 nurses, 5 therapists, 4 social workers, and 3 agency directors. Respondents recorded their responses on a 24- item, 9-point scale, where 1 indicated "never" and 9 indicated "always." The Cronbach’s alpha for the customer orientation was 0.70. The results indicated that job satisfaction is positively associated with customer orientation.
O’Hara, Boles, & Johnston (1991) measured salesperson's selling orientation and customer orientation by using an adapted version of SOCO scale, which consisted of 18 items. The data was collected from two different samples of salespeople. The first sample, as a part of an ongoing research study, consisted of the sales force of a medium-sized advertising firm. Second sample consisted of the industrial product sales people in attendance as exhibitors at a trade show held in a mid-sized southwest city. Cronbach’s alpha estimates for these scales were 0.95 for industrial product salespeople and 0.82 for advertising personnel. The findings of this study indicated that in both groups advertising and industrial salespeople, organizational commitment has a significant influence on customer oriented behavior. In addition to it, female’s employees exhibit greater customer orientation than male salespeople.

Kelley (1992) used SOCO scale to assess the customer oriented behavior of 249 customer contact employees (branch managers, assistant branch managers, loan officers, customer service representatives, and tellers) of four financial institutions located in the Midwest region of the United States. The coefficient alpha for customer orientation scale was 0.85. The results indicated that climate for service have a positive impact on the customer orientation of the employee.

Howe, Hoffman & Hardigree (1994) measured the effects of the relationship between the ethical behavior and the customer orientation of 254 insurance sales agents engaged in the selling of complex services like health, life insurance, auto, and property insurance in a western state of United States. They used a 24 item SOCO scale with slight modifications to match with the nature of insurance agents. A seven point response format was used. The coefficient alpha (α) has been reported to be 0.88. A negative relationship between customer oriented selling and unethical behavior was found.

Chakrabarty et al., (1997) utilized a 24 item SOCO scale to evaluate the customer orientation for their advertising agencies on a 9 point Likert scale ranging from 1 (true for no agency persons) to 9 (true for all agency persons). The items were adapted to suit the context of advertising agency-client interactions. In consistent with previous studies reviewed, they run a factor analysis on SOCO scale and two factors were extracted.
following a criterion of Eigen value. The first factor (F1) represented client perceptions of the degree of selling orientation, and the second factor (F2) represented client perceptions of the degree of customer orientation of agency persons and both factors explained 67.8 percent of the variance in the items. Further, they suggested that the scores on the SOCO scale can be used as a measure of the degree to which agency salespersons engage in customer oriented selling behaviors and thereby implement the marketing concept.

Frei & McDaniel (1998) utilized quantitative review method to examine the relationship between personality traits and customer service orientation. He found that agreeableness, emotional stability, and conscientiousness of the big five personality traits were positively correlated with customer service orientation but openness to experience and cognitive ability have not been found associated with customer orientation. The findings were echoed by Ones (2001), who found that employee customer orientation is positively correlated with personality traits of agreeableness, emotional stability, and conscientiousness.

Hurley (1998) conducted a study to explore the effect of personality traits such as agreeableness, extraversion and adjustment on customer service behavior of the front line service personnel. Sample was obtained from 175 fast food convenience stores, each store sold gasoline, grocery item, beverages and fast food (pizza, sandwiches, hot dogs, etc.) and it was concluded that employees who were high in extraversion and agreeableness provide better customer service. The results indicated that in retail setting extraversion and agreeableness are positively associated with customer oriented behavior.

Flaherty, Dahlstrom & Skinner (1999) examined the influence of organizational values and role stress on customer-oriented selling performance against a sample of 402 national sales representatives with the help of a self-administered mail questionnaire. Industries represented in the sample included; animal pharmaceutical products, cosmetics, real estate, financial/insurance services, heavy construction equipment, advertising services, chemicals, business forms and publishing products and wax products. The results of the study indicated that both role conflict (H5) and role ambiguity (H6) were found to be inversely related to customer-oriented selling or reduce customer oriented selling performance.
McIntyre et al., (2000) conducted a study on 396 real estate salespeople that offered structural model evidence of the antecedence of salesperson cognitive style (Jung, 1971) to adaptive selling behavior of sales orientation, to customer orientation and self-perceived selling performance. The results indicated that salespeople who prefer information intake by intuiting (rather than sensing) and information processing/decision-making by thinking (rather than feeling) were tend to be more likely to practice adaptive selling; the more adaptive selling was practiced, the greater customer orientation became; and the greater the customer orientation, the better the self-perceived selling performance. The consequences do exist for salesperson training, management, and motivation research.

Boles and Babin (2001) examined the relationship at the organizational level (Firm level customer orientation, centralization and employee perception of support and salesperson's selling orientation- customer orientation) (SOCO) in an in-store retail setting with a sample 294 salespeople selling a wide variety of shopping goods including; clothing, furniture, major appliances and electronics. Firm level customer orientation and perceptions of work environment support was positively related to the salesperson's degree of customer orientation and negatively related to the selling orientation. Centralization was positively related to the selling orientation but not to the customer orientation. Customer orientation was positively related to performance, while selling orientation was not related to performance.

Donavan and Hocutt (2001) examined 219 restaurant customers in the Midwestern US by using Donavan et al. (2001) scale to measure actual behavior of the employee (as perceived by the customer) rather than the employee’s self-reported customer-oriented disposition. Items were measured on a 7 point Likert scale, with 1 being strongly disagree and 7 being strongly agree. Sample items comprised “The service provider nurtured me”. The coefficients alpha for four dimensions (need to pamper, need to read, need to deliver, need for personal relationships) were 0.86, 0.88, 0.89, and 0.85.

Donavan, Brown and Mowen (2001) established a customer orientation scale to measure the customer orientation disposition of service employees in several service environments. It consists of four facets: pamper, read, deliver, personal relationship. This has been effectively tested in banking and restaurant service environment by using 7
point Likert scale, ranged from strongly disagree to strongly agree. Need to pamper was measured with a three item scale that included items, such as “I enjoy nurturing my service customers”. Need to deliver was reflected with a four item scale that incorporates “I enjoy delivering the intended services on time”. Need for a personal relationship was measured with a four item scale that included items, such as “I enjoy remembering my customers' names”. They further suggested that items used to evaluate customer orientation are complementary to the needs and enjoyment facets of customer orientation stated by Brown and colleagues (2002). Furthermore, both the desires to meet customer needs and the enjoyment of doing so have been reflected across the four dimensions.

Peccei & Rosenthal (2001) analytical study has been conducted on customer oriented behavior by making use of the six-item (three items related to continuous improvement and other three related to effort on behalf of customers) adapted from COBEH scale developed by Peccei and Rosenthal (1997). The coefficient alpha for the study was 0.80. Responses to all items were scored on five-point Likert scales measuring respondents’ degree of agreement or disagreement with the item in question (1 = strongly disagree; 5 = strongly agree). Sample items comprised ‘I put a lot of effort into my job to try to satisfy customers’ and ‘I often make suggestions about how to improve customer service in my department’. The results of this study indicated that customer service training and customer service climate play a vital role in enhancing commitment (attitudinal and behavioral) toward customers. In addition to it, gender has a significant impact as a moderator in the relationships of customer service climate and employee responses.

Brown et al., (2002) made an investigation about the impact of customer orientation and basic personality traits on service performance. The results indicated that personality traits, such as agreeableness, emotional stability and need for activity are predictor of customer service performance. They found that personality traits, such as agreeableness need for activity are positively associated with customer oriented selling and emotional stability. Whereas, negatively associated with customer oriented selling.

Jones, Busch, & Dacin (2003) examined the influence of a firm’s market orientation and salespersons’ customer orientation on buyer–seller relationship. Data from a national manufacturer’s sales force and retail trade customers was used to test the influence of
sales managers’ perceptions on salesperson attitudes towards a firm’s market orientation and its salesperson customer orientation. The impact of salesperson attitudes on customers’ perceptions of service delivery and their propensity to switch suppliers was also examined. The results demonstrate that a firm’s market orientation positively influences salesperson work attitudes. Sales managers influence salesperson customer orientation through their organizational commitment, and salesperson customer orientation influences industrial customers’ switching intentions. In line with previous studies Daniel and Darby (1997) measured customer orientation from both perspectives.

Licata (2003) conducted three studies. In first study the respondents were employees of a midsize bank. Respondents in second and third study were restaurant employees and nurses of a regional hospital, respectively. For first study they adapted a measure of customer orientation established by Saxe and Weitz (1982) by selecting the four items with the highest factor loadings from the customer orientation dimension (e.g., "I am able to keep the best interest of the customer in mind") self-rated performance scale has been measured on 9 points (from among the worst in the company to among the best in the company). The coefficient alpha for self-rated performance was 0.87. For second and third study, they used the customer orientation scale employed by Brown et al. (2002), which was also based in part on the work of Saxe and Wietz (1982). The supervisor rated performance measure ranged from 1 (poor) to 5 (outstanding). The results indicated that job resources has a significant role to predict customer orientation.

Liao and Chuang (2004) conducted a multilevel study consisting of 257 employees, 44 managers, and 1,993 customers from 25 restaurants, demonstrated that both individual and store-level factors were significantly associated with employee service performance. Conscientiousness and extraversion explained within-store variance, and service climate and employee involvement explained between-store variance. Further, employee service performance aggregated to the store level explained between-store variance in customer satisfaction and loyalty. Results indicated that conscientiousness and extraversion had significantly positive relationships with employee service performance.
Periatt, LeMay, & Chakrabarty (2004) conducted a study to investigate the cross validation of the shorter version of the 10 items selling orientation-customer orientation (SOCO) scale proposed by Thomas and Ryan (2001) and claimed that the shortened version of scale was a reliable and valid measure of sales and customer orientation.

Harris, Mowen and Brown (2005) examined the relationships between personality influencers, goal orientations, customer/selling orientation, and overall work satisfaction. The hypotheses were tested using data obtained from a sample of 190 real estate agents. The results demonstrated support for their hypothesized model. In particular, the learning orientation is shown to be positively influencing customer orientation, while performance orientation is shown to be positively influencing selling orientation.

Martin & Bush (2006) have utilized the original 24 item SOCO scale to evaluate salesperson’s customer oriented selling. They also examined the antecedents including the sales managers’ leadership styles, psychological empowerment and the psychological climates of organizations. Data was collected from two separate measures of performance outcome. Responses from 106 sales managers and 313 sales representatives were analyzed. The result indicated that transformational leadership, empowerment, and specific components of the psychological climate are significant predictors of customer oriented selling. To analyze the data assembled from the participating sales managers and sales representatives, they used a structural equation model procedure by using LISREL 8.3. The data analyzed from 106 sales managers matched with the 313 sales representatives. Sales managers’ use of transformational leadership had a positive and significant influence on sales representatives’ customer-oriented selling. Finally, the result indicated that support, autonomy, and cohesion positively predict customer-oriented selling, whereas, recognition, innovation, and pressure do not significantly influence it.

Knight, Kim, & Crutsinger (2007) made a survey on 259 salespersons by utilizing 24-item SOCO scale to evaluate customer oriented behavior by using SEM technique. The scale responses were ranged from 1 (always false) to 5 (always true). The coefficient alpha for customer orientation dimension was 0.76 and 0.78 for selling orientation dimension.
Periatt, Chakrabarty, & Lemay, (2007) examined the relationship between personality traits and customer orientation by using the five factor model of personality and the SOCO scale for customer orientation. Data for this study was collected as part of a larger multi-organizational job classification study sponsored by the Council of Supply Chain Management. Responses were gathered from 354 respondents in 43 logistics organizations. Two hundred eighty-five responses were retained for data analysis. Respondents' positions included; CEO, warehouse supervisors, customer service representatives, and crew leaders and represented 168 different job titles. Results indicated that agreeableness and openness to experience were significant predictors of the customer orientation of front-line logistics employees.

Huang (2008) adopted the modified version of SOCO scale developed by Michael and Day (1985). He examined the impact of selling orientation versus customer orientation behavior on customer relationship quality and retention in financial services selling using structural equation model. Responses were reported on a 1-5 scale with 5 indicating maximum agreement and 1 no agreement. The sample was drawn from a life insurance company and a bank providing house mortgage services in Taiwan. The reliability coefficients for customer orientation dimension and selling orientation dimension were 0.79 and 0.83. The results of this study have shown that a service employee with Customer orientation approach strengthens relationship quality while a selling orientation approach deteriorates relationship quality with customers. Furthermore, relationship quality positively affects customers’ future retention.

Lin (2008) analyzed the effect of factors, such as management behavior, organizational climate and self efficacy on customer oriented behavior of employees for the data collected from top five insurance companies in Taiwan and analyzed by using regression analysis. In addition to it, Fuzzy neural network model was used to understand the interaction between variables. The results revealed that self efficacy, supportive organizational climate have positive and significant effects on customer oriented behavior.
Pelham & Kravitz (2008) examined the possible impact of the content of consulting oriented sales training and evaluation of salesperson’s behavior (adaptive selling, customer orientation, listening, and consulting), based upon the perceptions of salespeople. Four hundred and twenty non-retail salespeople were surveyed by using 5 items from original SOCO scale. Furthermore, items were selected to reflect both attitudinal and behavioral aspects of customer orientation. The coefficient alpha score was 0.93. Results indicated that listening behaviors positively influence customer orientation behaviors, which in turn, influence adaptive selling behaviors.

Kim et al., (2009) employed scale proposed by Henning-Thaurau (2004) to evaluate the customer orientation of service employees. COSE was measured with 12 items previously employed by Hennig-Thurau (2004). The findings indicate that the COSE positively influence customer satisfaction, and repurchase intention.

Ha and John (2010) measured customer orientation from customer perspective, with four items adapted from Saxe and Weitz (1982) by using a five-point Likert scale. Further, they examined the simultaneous effects of customer orientation, perceived quality, brand associations, and satisfaction on brand loyalty. Data was assembled from two different service industries, banks in the financial services industry (the First Bank, Shinhan Bank, Hanmi Bank, CHB, and City Bank) and discount stores in the retail services industry (Lotte, E-mart, Home-Plus, and Hanaro Mart) to examine the direct and indirect effects of customer perceptions of customer orientation and quality on brand loyalty. It was found that customer orientation has a direct effect on brand loyalty and indirect effects through customer satisfaction, perceived quality, and brand associations as mediators. Further, perceived quality has a direct effect on brand loyalty as well as an indirect effect with satisfaction as a mediator. The results demonstrated that effective management of brand loyalty would require tracking of customer perceptions of a firm’s customer orientation, quality and brand, in addition to measuring customer satisfaction.

Lee et al., (2010) redesigned the SOCO scale to evaluate the customer orientation from customer perspective on a five point Likert scale. The reliability coefficient estimates for
customer orientation dimension was 0.9 and selling orientation was 0.8. The data were analyzed with statistical methods such as Pearson’s correlation analysis, linear structure relation and analysis of variance. The results indicated that customer orientation, service quality and satisfaction were positively related to each other.

SECTION II

PERSONAL ANTECEDENTS OF CUSTOMER ORIENTATION

Siguaw, Brown and Widing (1994) administered 24 item SOCO scale to a national sample of 306 industrial salespeople. The coefficient alpha (α) for SOCO scale was 0.86. The mean SOCO score was 7.7 on a 9-point scale. The result suggests that market orientation of the firm significantly influence the salesperson customer orientation.

Swenson and Herche (1994) used the original SOCO scale to evaluate customer orientation of 271 industrial salespeople. The reliability coefficient was 0.88 for SOCO scale. The result demonstrates that customer oriented behavior is positively related to the performance of salespersons’ among industrial salespeople.

Wray, Palmer & Bejou (1994) used SOCO scale to ascertain salespersons customer orientation from the customers’ perspective. A telephone survey was conducted in 1992 in four south-eastern cities of the United States. The Cronbach’s alpha for selling orientation was 0.76 and for customer orientation was 0.82. Neural network analysis has been used to explain the relationship between two indicators of relationship quality (relationship satisfaction and trust) and five of its antecedents (level of salesperson’s customer orientation, level of salesperson’s sales orientation, salesperson’s ethics, salesperson’s expertise and the duration to date of the relationship). The neural network analysis has been able to indicate that each of these factors has a statistically significant effect on the level of perceived relationship quality.

were no alterations made to the original SOCO scale. The results suggested that females
engage in more customer oriented behavior than males.

McIntyre et al., (1995) used SOCO scale to investigate the influence of cognitive styles
on customer orientation. He slightly modified the wording of SOCO scale items to
accommodate to the sample of salespeople and sought responses on a 9-point Likert-type
scale, where 1 was for never and 9 was for always. Scores for all items were summed up
to calculate a total customer orientation score and a higher score indicates higher
customer orientation. The results demonstrated that cognitive style can influence one's
orientation. Further, respondents were drawn from students enrolled in introductory
marketing courses, providing a more diverse population base than a salesperson sample
which would probably result in under representation of some cognitive styles. 202 out of
218 questionnaires were usable and alpha for two different samples of salespeople was
0.86 and 0.83.

Tadepalli (1995) has modified the original SOCO scale and reduced the number of items
to 21. Two modifications were made; first the scale items were changed to refer to a
particular salesperson rather than salespeople. Second, the seven point scale was used
instead of nine point scale. Verbal anchors, such as Strongly Disagree to Strongly Agree
were used. He suggested that scale was uni-dimensional and reliable. The coefficient
alpha was reported higher than in most of the existing studies (0.94). Uni-dimensionality
of the scale was insured through the use of a confirmatory factor analysis. Convergent
and discriminant validities were also evaluated. The scale as modified in this article can
be used to evaluate buyers’ perceptions of salespeople.

William and Attaway (1996) examined 459 buyer and seller combinations and assessed
customer orientation by adapting 18-item from SOCO (Saxe and Weitz, 1982). The
reliability coefficient was 0.97. The original wording of SOCO scale items was retained
to find out the customer oriented behavior of salespeople.

Pettijohn, Pettijohn and Parker (1997) used the original SOCO scale to ascertain the
customer orientation of 180 real estate sales personnel. Simultaneously, they examined
the relationship between customer-orientation and sales productivity and also determined
the influence of sales training on the salesperson's level of customer-orientation. It also examined situational factors which may relate to the salesperson's level of customer-orientation. Training has a significant effect on salesperson customer orientation. Salesperson customer orientation has been found to be related to sales productivity. Sex and age does not relate to individual level customer orientation. Level of education, real estate sales experience and total sales experience have been found related to individual level customer orientation.

Williams (1998) studied the personality antecedents of two types of customer service behavior (i.e., role-prescribed and extra-role) in conjunction with the effects of experimentally manipulating participants' accountability. A sample consisting of 286 undergraduate students attending a metropolitan university in the southeast participated in this study. The results (n=286) of a videotape-based questionnaire demonstrated differences between the personality antecedents of these two types of service behavior, suggesting that personality-based selection procedures should be consistent with the extent to which the organization's customer service philosophy promotes imaginative vs. scripted reactions to customer queries. Results have shown that Extraversion, Agreeableness, and Conscientiousness were statistically significant predictors of role-prescribed behavior. Extraversion, Agreeableness, and Openness to Experience were statistically significant predictors of extra-role behavior.

Williams and Sanchez (1998) explored personality traits as antecedents of customer oriented behavior. They found that big five factors of personality have a significant impact on service oriented behavior. It has been revealed that extraversion; agreeableness and openness to experience were statistically significant predictors of extra-role behavior and extraversion, agreeableness, conscientiousness are predictors of role prescribed behavior. It was hypothesized that personality attributes has more influence on extra role behavior than role prescribed but it has not been supported.

Thomas, Soutar, and Ryan (2001) proposed a shortened version of the 24-item SOCO scale (Saxe and Weitz, 1982) and found that customer orientation of salespeople could be measured with a little information loss by using 10 items rather than 24 items suggested
By Saxe and Weitz (1982). Further, they alleged that the shortened version is reliable and valid and the reduction in items from 24 to 10 will also reduce response fatigue and acquiescence bias. Based on this scale customer orientation and selling orientation dimensions were measured by five items each. A sample item for customer orientation dimension was “I try to figure out what a customer's needs are” whereas sample item for selling orientation incorporates “I try to sell as much as I can rather than to satisfy the customer.”

Pettijohn, Pettijohn and Taylor (2004) used 14 items from the 24 items of the original SOCO scale to evaluate the customer orientation of food service employees. Items selected were based on their applicability to the food service environment. The coefficient alpha was 0.85 for the study.

Wieseke et al., (2007) measured customer orientation of individual travel agency by adapting 5 items from the shortened version scale established by Thomas et al., (2001) by making use of 7 point scale ranging from strongly disagree to strongly agree. Sample item included “I try to figure out what a customer's needs are”. Two studies were conducted to test the hypothesis. In the first study matched data from 125 service managers and 309 frontline employees in 125 travel agencies was taken. For testing the hypothesis a hierarchical linear model was set up. The sample of study 2 included matched data from 92 service managers and 236 frontline employees. These two empirical studies of the travel industry indicated that employees’ customer orientation depends on employees’ organizational identification and their leaders’ acting as role models of customer orientation.

Wachner, Plouffe & Grégoire (2009) examined that whether selling skills has a direct and moderate impact on both “sales orientation” and “customer orientation” and ultimately on the sales performance. This study utilized a modified, shortened, and empirically validated version of the SOCO scale established by Thomas, Soutar and Ryan (2001). Based on this new scale, customer orientation was ascertained with a five item scale that included items such as “I try to figure out what the customer's needs are.” Whereas, sales orientation is reflected in a five items scale that incorporates “I try to sell as much as I
can rather than to satisfy a customer.” Coefficient alpha for customer orientation dimension was 0.91 and for selling orientation dimension was 0.94. The mean scores for both dimensions (CO, SO) were 7.92, 3.34. The first sample consisted of a firm-sponsored survey of an entire sales force of 69 salespeople selling industrial cleaning supplies and related products to a wide variety of customers in B2B markets. Using multiple contacts to maximize completion rates, 43 surveys were completed with a response rate of 62.3 percent. The second online survey sample consisted of a large division of a residential real estate firm (i.e., real estate agents). This firm had 320 representatives, and a response rate of 36.5 percent was achieved (117 usable cases).

Wagenheim & Rood (2010) has explored the relationship between satisfaction with the organizational communication and external customer orientation among the front-line employees in a commercial recreation setting. Front line employees’ customer orientation was measured by using shortened version of the 24-item SOCO scale (Saxe and Weitz, 1982) validated by Thomas et al. (2001) to evaluate the customer orientation of front-line employees of a large regional family entertainment center (go carts, mini golf, arcade, etc) in the Midwest USA. Each question was on a nine-point Likert scale, anchored from Never to Always. Results demonstrated that the front-line employees within a commercial recreation setting may be fundamentally different in regard to the organizational communication satisfaction and the customer orientation as compared with frontline employees in other service settings. The results indicated that there is no positive correlation between communication satisfaction of frontline employees and their customer orientation.

Yavas & Babakus (2010) examined the nature of relationships between six organizational support resources (supervisory support, training, servant leadership, rewards, empowerment and service technology support), personal resource (customer orientation) and selected psychological and behavioral work outcomes (behavioral outcomes (Job performance) and psychological outcome (organizational commitment, job satisfaction and turnover intentions) among the front line bank employees. Canonical correlation analysis was employed to examine the relationships between the independent and the dependent variables. To ascertain the customer orientation of front line bank employees
of a large bank in New Zealand, 3 items from the Donavan (2001) scale were adapted. Data for this study was assembled from the 530 employees of a large bank in New Zealand. Responses to each of these items were also obtained on five-point scales. The results of this study indicated that customer orientation influences job performance.

Singh & Koshy (2011) carried out a study in the context of small and medium sized firms in India and empirically examined from the SOCO perspective (Saxe and Weitz, 1982), the value creation in customer oriented selling, and the value destruction in sales-oriented strategies. This investigation model value creation, relationship development, and customer satisfaction as direct and indirect consequences of salesperson's customer orientation. Based on a sample of 249 small and medium sized Indian firms, the study demonstrate that salesperson's customer orientation directly effects and leads to value creation and relationship development with customers. On the other hand, a sales orientation destroys value, although it may lead to relationship development in the short term. The analysis also discovered that customer satisfaction was unrelated to both types of salesperson's orientations.

Pettijohn, Pettijohn and Taylor (2002) evaluated customer orientation by using a 24-item SOCO scale on 109 salespeople from five apparel retailers (one national department store location, four franchised automobile dealerships, and two appliance retailers). The coefficient alpha used for the SOCO scale in this study was 0.93, and a mean of 180.7.

SECTION III

JOB ATTITUDES AND CUSTOMER ORIENTATION OF EMPLOYEES

Hoffman and Ingram (1991) investigated the influence of role perceptions (role ambiguity, role conflict) and job satisfaction on the customer-oriented behaviors of home and health care representatives. Simultaneously, they found that role stress impacts salesperson customer orientation through its effects on job satisfaction. The data were analyzed further by causal path analysis. The Cronbach’s alpha for Role ambiguity, Role conflict and Job satisfaction was 0.80, 0.81, and 0.88, respectively. The results indicated that job satisfaction affects customer orientation directly. Role conflict appears to affect
customer orientation indirectly through role conflict's direct effect on job satisfaction. In addition, role ambiguity indirectly affects job satisfaction through role ambiguity's effect on role conflict.

O’Hara et al., (1991) examined the influence of personal variables; Job tenure, gender, organizational commitment, work involvement, and supervisory support on customer oriented selling. The study was conducted on two different samples (advertising and industrial sales groups) of sales personnel. In both advertising and industrial sales groups, increased levels of organizational commitment are significantly related to a more customer oriented selling style. On the other hand, job involvement was not significantly related to customer oriented selling in either sample. Apart from these two variables, findings from the two samples diverge. For the advertising salespeople, results indicated that female salespeople demonstrate a greater customer orientation than males. Relationships between Tenure and supervisory support were not supported. For the industrial product salespeople, results indicated supervisor-employee relations were positively related to a salesperson's selling orientation. In contrast, job tenure was negatively related to customer oriented selling. Finally, gender appeared to have no effect on the degree of customer orientation exhibited by the salesperson.

Hoffman and Ingram (1992) utilized Sales-Orientation Customer-Orientation (SOCO) scale to measure customer orientation of 112 home healthcare representatives. SOCO scale wording was slightly modified to suit to the context of health care representatives. Coefficient alpha SOCO scale was 0.70. The results of study suggest that there is positive correlation between job satisfaction and customer orientation.

Siguaw, Brown and Widing (1994) investigated empirically the constructs of market orientation, customer orientation and job attitudes and the effect of customer orientation on job attitudes, for a national sample of 306 industrial salespeople of USA, involved in the sale of document imaging supplies, equipment, and services. They found no significant effect of salesperson’s customer orientation on job attitudes; role ambiguity, role conflict, job satisfaction, and organizational commitment. Bettencourt and Brown,
(2003) demonstrated that role conflict and role ambiguity had an indirect negative effect on customer orientation mediated by job satisfaction and organizational commitment.

Siguaw & Honeycutt (1995) examined gender-related differences regarding job satisfaction, organizational commitment, role conflict, role ambiguity, and performance for both male and female industrial sales persons. Women reported lower levels of role conflict and role ambiguity and higher levels of customer-oriented selling than men. Women also believed that they performed as men in industrial sales situations performed and didn’t require special managerial considerations to succeed.

Joshi and Randall (2001) carried out a survey study on 151 direct sales agents in cosmetics industry and developed a conceptual model that recognize the indirect effects of organizational controls on salesperson’s performance and on salesperson’s customer orientation. Task clarity and affective commitment was put forward as key mediating variables of the relationships between organizational controls and salesperson outcomes; salesperson performance and customer orientation. The results demonstrated that organizational controls influenced both the salesperson’s task clarity and the salesperson’s affective commitment to the organization. Further, results showed that task clarity affected salesperson’s performance, but it didn’t influence customer orientation. Effective commitment, however, had a significant impact on both outcomes. Organizational commitment influences the use of customer oriented selling.

Pettijohn, Pettijohn and Taylor (2002) examined the relationships between factors, such as salesperson job satisfaction, organizational commitment, sales training, skills and customer oriented selling using a multiple regression analysis. The findings focused on the importance of the relationships existing between salesperson skills, training, organizational commitment, job satisfaction, and salesperson customer orientation.

Pettijohn, Pettijohn and Taylor (2004) examined the relationship between staff level customer orientation and their sales skills, job satisfaction and organizational commitment. Simultaneously, relationship between the demographic variables and customer orientation levels were also found. Data were analyzed using regression analysis. The results indicated positive relationship between staff level customer
orientation and job satisfaction. No significant relationship has been found between staff level of customer orientation and organizational commitment. T-tests were calculated to determine the relationship between the demographic variables and customer orientation levels. The results of these tests indicated that age, gender, education, and hours worked were not significantly related to the respondents’ levels of customer orientation.

Rozell, Pettijohn, and Parker (2004) conducted a study to ascertain the relationships existing between customer-oriented selling, emotional intelligence, and organizational commitment using a correlation analysis. The SOCO scale (Saxe and Weitz, 1982) was used to assess the sample’s customer-orientation levels. The cronbach alpha for customer orientation, emotional intelligence, performance and organizational commitment was reported as 0.87, 0.83, 0.85, and 0.84. The scale had a mean value of 107.8 and an alpha coefficient value of 0.87. Results of study have shown that emotional intelligence was positively associated with customer orientation. No relationship has been found between organizational commitment and customer orientation.

Noor & Muhamad (2005) examined the impact of three individual factors; organizational commitment, self monitoring, and intrinsic motivation level of employee for the data collected from 445 life insurance agents. Results indicated that organizational commitment and intrinsic motivation positively impact salespeople to display customer oriented behavior but self monitoring has not been found related to customer oriented behavior.

Franke & Park (2006) combined findings from 155 samples of more than 31,000 salespeople to test alternative models of antecedents and implications of adaptive selling behavior (ASB) and customer orientation (CO). A random-effects meta-analysis yields average values for 28 different correlations ranging from 0.16 to 0.35 and 19 of these were found to be significant. Controlling for salesperson gender and selling experience, structural equation modeling demonstrate that adaptive selling behavior increased self-rated, manager rated, and objective measures of performance, whereas customer orientation increased only self-rated performance. Both adaptive selling behavior and customer orientation increased job satisfaction. Tests of reciprocal relationships indicated
that adaptive selling behavior increased customer orientation and job satisfaction increased performance rather than vice versa. Selling experience increased performance but not job satisfaction, and saleswomen rate their performance and satisfaction slightly higher than salesmen do. The extent of the relationships indicated that adaptive selling behavior and selling experience have greater influences than customer orientation and gender on salesperson performance.

Lee et al., (2006) analyzed the structural relationship between empowerment, service training, service reward, job attitudes, such as job satisfaction and organizational commitment, and customer-oriented pro-social behavior of employees against a sample obtained from Korean hotel employees. Structural equation analysis is used to test various research hypotheses and examine the extent to which job satisfaction and organizational commitment mediate the effect of empowerment, service training, and service reward on customer-oriented pro-social behavior. Data were collected from 219 hotel employees from food and beverage and housekeeping departments. The coefficient alpha for empowerment, training, reward, job satisfaction, organizational commitment, role prescribed customer service and extra role customer service were reported as 0.83, 0.86, 0.80, 0.81, 0.90, 0.76, and 0.62. The results have shown that greater the job satisfaction, greater was the role prescribed customer service of employees and greater the organizational commitment. Empowerment has a significant effect on organizational commitment and extra-role customer service. Service training has a significant positive effect on job satisfaction, but it has a negative direct effect on organizational commitment. It has been found that service reward has a significant influence on job satisfaction and organizational commitment.

Dean (2007) made a systematic research on the potential benefits of employees’ customer orientation to service providers. To accomplish that goal, the researcher tested relationships between customer focus (creating value for customers) and customer feedback (seeking evaluations of work and quality) and perceived service quality and customers’ affective commitment and loyalty to service firms. Mail survey data was assembled from customers of two call centers in Australia. The samples also consisted of end consumers of insurance services (n = 289) and business customers of a bank (n =
Two key findings emerged from the final structural model. First, customer focus was related to loyalty, with partial mediation by perceived service quality. Second, and in contrast, customer feedback exhibited a direct relationship only to affective commitment. The findings were highly compatible for the two samples and have consequences for both managers and researchers.

Karatepe, Yavas, & Babakus (2007) examined the effects of customer orientation and job resources (supervisory support, training, empowerment, and rewards) on frontline employees’ job satisfaction, affective organizational commitment, and turnover intentions for a sample of 723 frontline hotel employees (e.g., food servers, front desk agents, concierges, and bartenders) of three, four, and five-star hotels in Turkey. Responses to each of these items were elicited on 5-point scales ranging from 5 = strongly agree to 1 = strongly disagree. The Cronbach alpha for customer orientation, supervisory support, training, empowerment, employee reward, job satisfaction, affective organizational commitment and turnover intentions were reported as 0.7, 0.637, 0.912, 0.727, 0.864, 0.845, 0.801, and 0.827). Reliability value indicated that measures were reliable and they exhibited convergent and discriminant validity. The results indicated that customer orientation and job resources enhanced frontline employees’ job satisfaction and affective organizational commitment diminished their turnover intentions. Also, job satisfaction has a significant effect on affective organizational commitment and a negative effect on turnover intentions.

Knight, Kim & Crutsinger (2007) examined causal relationships between role stress, customer orientation, selling orientation, and job performance of retail salespeople for a sample of 259 salespeople using structural equation modeling. Composite reliability for role conflict was 0.65, Role ambiguity 0.74, Customer orientation 0.76, Selling orientation 0.78, Job performance 0.79. Role stress (i.e. role conflict and role ambiguity) affected customer orientation and also had direct and indirect effects on job performance mediated by customer orientation. The impact of role conflict was negative on customer orientation, but positive on selling orientation and job performance. Role conflict was negatively related to customer orientation but positively related to selling orientation and job performance.
Farrell & Oczkowski (2009) examined the relationship between service worker customer orientation and several job response variables, comprising job satisfaction, organizational commitment and organizational citizenship behavior—courtesy. It also analysed the relationship between perceived organizational support and organization fit within the service worker context. Using a questionnaire, data was collected from 170 employees of a major fast food restaurant. Data was analyzed and evaluated using structural equation modeling. For managers, the findings demonstrated that hiring customer-oriented employees was only the beginning. There was a need to give a thought to ensure that the employee was able to fit with the job and the values of the organization and that the organization offered support to its employees.

SECTION IV

CUSTOMER ORIENTATION AND CUSTOMER OUTCOMES

Sharma et al., (1999) carried out a study on 22 industrial salespeople one from U.S. technology firm and two from large Greek organizations (travel and advertising agencies). The results of the study suggested that customer oriented sales behavior is required for effective relationships.

Schultz and Good (2000) made a systematic investigation of two important characteristics of salespeople and their influence on the usage of long term relationships. The results of the detailed investigation suggested that salespeople who practice customer oriented selling tend to be more long term customer oriented.

Donavan and Hocutt (2001) investigated influence of customer oriented behavior of employees working in restaurants in Midwestern U.S., on customer satisfaction and commitment. Data for the said purpose collected from 219 customers and analyzed by using SEM. The results revealed that customers were more satisfied when contact employees exhibited customer oriented behavior. Customer oriented behavior of service employees have also been found positively associated with customer’s commitment to service firms.
Brady and Cronin (2001) assessed the impact of firm’s level of customer orientation on consumer’s perception of a service firm for a sample of 649 consumers. The results reveal that customer orientation has been found both directly and indirectly related to customer service perceptions and outcome behavior which ultimately impact firm’s performance.

Widmier (2002) demonstrated numerous strategies for increasing customer orientation of salespeople, containing customer satisfaction based on incentives and selective recruiting. Customer satisfaction incentives and the level of the empathy of salespeople were positively connected to customer orientation. Sales volume incentives and job tenure were negatively connected to customer orientation. Moreover, empathy moderated the influence of customer satisfaction and sales volume incentives on customer orientation.

Heeing-Thaurau (2004) examined the impact of COSE on customer satisfaction, commitment and retention against a sample of 989 consumers from two service contexts (Book/CD/ DVD retailers and travel agencies) by utilizing SEM technique. The results have shown strong correlation among all the four dimensions (employee motivation, social skills, technical skills and authority). It has been found that all the four dimensions have stronger impact on customer satisfaction in travel agencies than for media retailers. He found that COSE has stronger impact on customer satisfaction.

Cross et al., (2007) investigated the impact of customer orientation on salesperson performance at the level of company and salesperson. Data for said purpose gathered from 283 salespeople in southeastern U.S. and tested using SEM technique. The findings of this study revealed that an organizational customer orientation has impact on salesperson customer orientation which in turn leads to salesperson performance. Salesperson customer orientation fully mediates the relationship between company customer orientation and salesperson performance.

Dean (2007) conducted a study to examine the possible benefits of employee customer orientation to service providers. He tested relationships between customer focus (creating value for customers) and customer feedback (seeking evaluation of work and quality) and perceived service quality and customer affective commitment and loyalty to the service.
firm to accomplish that aim. Data gathered from customers of two call centers in Australia. The findings of this study have shown that customer focus associated with loyalty with partial mediation by perceived service quality and customer feedback show a direct relationship only to affective commitment.

Karatepe, Yavas, & Babakus (2007) examined the effects of customer orientation on frontline employees’ job satisfaction, affective organizational commitment, and turnover intentions against a sample of 723 frontline hotel employees in Turkey. The results indicated that customer orientation enhance frontline employees’ job satisfaction and affective organizational commitment, and diminish their turnover intentions. Also, job satisfaction has a significant effect on affective organizational commitment and a negative effect on turnover intentions.

Macintosh (2007) probed the potential links between customer orientation, expertise and relationship quality at the interpersonal level and the link between relationship quality and service outcomes (such as loyalty and positive word of mouth) at the firm level. Data obtained from 220 business travelers regarding their relationships with travel agents in Canada was tested utilizing SEM. Both customer orientation and expertise have been found significantly associated with relationship quality. It was also found that significant links between relationship quality at the interpersonal level and positive outcomes at the organizational level. Interpersonal relationship quality enhanced customer satisfaction with the service firm but was also directly linked to loyalty to the firm and positive word-of-mouth about the firm.

Huang (2008) investigated the influence of selling orientation and customer orientation on customer relationship quality (customer satisfaction, trust and commitment) and customer retention in two financial services industries (banking and insurance) providing house mortgage services in Taiwan. He also made comparison of selling orientation and customer orientation selling behavior of service employees for a sample of 412 respondents and tested using structural equation modeling technique. Out of total respondents 56 percent were women, 44 percent were men and 32 percent respondents were college students. Data for this study collected from customers to evaluate the impact
of two selling behavior (customer orientation and selling orientation) on relationship quality and customer retention. In his study he found that salesperson customer orientation have positive and significant effects on 3D of relationship quality, i.e. customer satisfaction, trust and commitment, with the standardized path coefficient between (0.72, 0.62, and 0.28) for insurance industry and (0.35, 0.30, 0.48) for banking industry. The results have shown that salesperson selling orientation was negatively related to relationship quality (customer satisfaction, trust and commitment) while customer orientation was positively associated with relationship quality (customer satisfaction, trust and commitment).

Koc, Paksoy, & Torlak (2008) examined the relationship between customer orientation and organizational citizenship behavior of salespeople’s and their combined effect on salesperson performance. Data from superstore retailing and pharmaceutical industries in the cities of Eskisehir and Istanbul, Turkey are used to test the effect of customer orientation and organizational citizenship behavior on performance, tested by using SEM. A significant and positive association has been found between organizational citizenship behavior and customer orientation, in addition to it OCB has been found positively influencing performance and customer orientation negatively affects performance quality.

Rafaeli, Ziklik, & Doucet (2008) investigated specific customer orientation behaviors of call center employees and demonstrate that these behaviors relate to customer evaluation to service quality. They also empirically tested the association between customer orientation behaviors and service quality. They further identified an important contextual variable – the length of service interaction which provides clear understanding of the relationship between customer orientation and service quality. Data for this study collected from 166 retail bank call centers employees of Northeastern U.S. to test hypothesized relationships. They found that there is positive association between customer oriented behavior and service quality for service interactions lasting longer than three minutes but no such relationship for service interactions lasting less than three minutes. They also showed that customers rate quality of service encounter higher when employees display customer oriented behaviors.