



Contingency variables for customer share of visits to full-service restaurant

Wansoo Kim^{*}, Chihyung Ok¹, Deborah D. Canter²

Hospitality Management and Dietetics, Kansas State University, Manhattan, KS 66506, United States

ARTICLE INFO

Keywords:

Contingency variables
Consideration set
Brand preference
Customer share of visits
Full-service restaurant

ABSTRACT

This study sought to reveal the direct effect and/or moderating effects of contingency variables in relation to customer share of visits. The hypotheses of this study were tested based on responses from 277 general U.S. full-service restaurant customers, using a series of (moderated hierarchical) regression analyses. The direct effects of social switching costs, lost benefits costs, procedural costs, and intrinsic inertia were positive whereas that of intrinsic variety-seeking was negative on customer share of visits. Consumer involvement and perceived brand heterogeneity were found to enhance the effect of brand preference on customer share of visits.

© 2009 Elsevier Ltd. All rights reserved.

1. Introduction

Customer retention has inherent limitations in detecting how much profit retained customers contribute to the firm individually and collectively (Blattberg et al., 2001; Coyles and Gokey, 2002; Verhoef, 2003). Contrarily, the concept of 'customer share (of wallet)' enables companies to design and evaluate strategies to obtain a greater share of customers' category spending and thus increase profitability of retained customers (Coyles and Gokey, 2002; Mägi, 2003; Perkins-Munn et al., 2005). Moreover, decreases in 'customer share (of wallet)' can be more damaging to firms' profitability than decreases in customer retention rates (Coyles and Gokey, 2002; Reinartz and Kumar, 2000). As a result, in recent years, researchers and managers have shown increasing interest in the concept of customer share as an ultimate measure of customers' behavioral loyalty (Cooil et al., 2007). Recent studies indicate that increasing customer share might require different strategies than retaining customers (Verhoef, 2003). This view is intuitively persuasive in that retained customers can either increase or decrease their share of wallet to the company by affecting retention rate.

In a broad sense, switching refers to not only complete dissolution of the business relationship, but also lower customer share to the current provider (Zeithaml et al., 1996). To increase customer loyalty/share or reduce customer switching, marketing

researchers and practitioners have paid extensive attention to the customer satisfaction-retention linkage and customer switching (Patterson, 2004; Wieringa and Verhoef, 2007). Customer satisfaction is surely a prerequisite for customer retention. However, realizing that various contingency variables affect the relationship between satisfaction and retention, researchers have investigated switching by satisfied customers (e.g., Bansal et al., 2005; Sharma and Patterson, 2000) and non-switching by dissatisfied customers (e.g., Burnham et al., 2003; Colgate et al., 2007). Such contingency variables that have received extensive attention by researchers in a variety of industry contexts include various switching costs, alternative attractiveness, and consumers' intrinsic inertia/involvement/intrinsic variety-seeking/perceived brand heterogeneity. The influences of these contingency variables are likely to be more complex for customer share than for customer retention in that the former is a matter of degree while the latter is a matter of existence.

Contingency variables for customer share play vital roles in explaining actual patterns of purchase behavior (Yanamandram and White, 2006). In other words, some variables come into play between customers' attitudes toward a firm and their observed purchasing behavior, weakening or strengthening the attitude-behavior relationship. As such, those contingency variables limit the explanatory power of customer satisfaction and brand preference for customer share of visits. Therefore, to more realistically predict customer share for a firm, managers should take contingency variables into account, in addition to customer satisfaction and brand preference. Overall, as a result of its inclusion of brand preference and contingency variables, this study of customer share in a full-service restaurant setting will help researchers and practitioners appreciate contingency variables for customer share of visits.

^{*} Corresponding author. Tel.: +1 785 532 2213; fax: +1 785 532 5522.

E-mail addresses: warooo@ksu.edu (W. Kim), cok0307@ksu.edu (C. Ok), canter@ksu.edu (D.D. Canter).

¹ Tel.: +1 785 532 2207; fax: +1 785 532 5522.

² Tel.: +1 785 532 5507; fax: +1 785 532 5522.

In this perspective, the main purpose of this study was to test individual effects of contingency variables on customer share of visits to full-service restaurants and/or in the relationship between brand preference and customer share of visits. These contingency variables include three types of switching costs (i.e., procedural costs, social switching costs, lost benefits costs), four types of customer-intrinsic factors (i.e., intrinsic inertia, consumer involvement, perceived brand heterogeneity, intrinsic variety-seeking), and one competition factor (i.e., alternative attractiveness).

To date, empirical tests of customer share are largely limited to retail and bank industries. Further, all the contingency variables included in this study have never been tested yet in the 'customer share' context—although widely tested in the 'customer retention' context (cf. Verhoef, 2003). By taking account of the contingency variables for customer share of visits to their restaurants, managers can improve their understanding of customers' purchasing behavior and the overall competitive landscape. Although managers have very little or no control of those variables, armed with this information they would be able to better design their marketing strategies. Consequently, the study results were expected to offer rich insights to researchers and managers alike in this business category.

2. Theoretical background and hypotheses

2.1. Brand preference

In any industry, direct competitors strive to outperform one another to win greater brand preference and customer share (of wallet). Hellier et al. (2003, p. 1765) defined 'brand preference' as "the extent to which the customer favors the designated service provided by a certain company, in comparison to the designated service provided by other companies in his or her consideration set. . . ." Given the increasing trend of loyalty to multiple brands (i.e., multi-loyalty), customers are likely to form preferences for multiple brands rather than for a single brand in most purchase situations.

This notion of brand preferences for multiple brands fits well with the theory of the consumer choice process. In the study of the consumer choice process, it is commonly accepted that using a sequence of stages, a consumer typically decreases the number of brands until a brand remains for purchase (Roberts and Lattin, 1991). As one way to reduce the complexity of the purchase decision process, consumers often use a two-stage decision model (e.g., Gensch, 1987; Wright and Barbour, 1977). In the first step, a retrieval set is reduced to a consideration set; and in the second step, a brand is chosen for purchase from the consideration set. The retrieval set consists of the brands that the consumer can access from memory among all available brands in the marketplace and the consideration set consists of the brands that are scrutinized from a retrieval set (Kardes et al., 1993). Roberts and Lattin (1991) further defined a consideration set as the brands that a consumer would consider buying in the near future.

To maximize expected utility, consumers form a consideration set by trading-off the expected future benefits of having more brands from which to choose against the total costs associated with keeping those brands in a consideration set (e.g., physical and mental search costs, mental processing and storage costs) (Hauser and Wernerfelt, 1990). Therefore, consideration would be a more binding constraint when costs are high to maintain a consideration set in relation to the differences in expected utility across brands (Roberts and Lattin, 1991). In the full-service restaurant context, however, both consideration costs and the differences in expected utility would be relatively low due to frequent purchases and wide availability of similar menu types and quality service. Thus, consideration would be less binding in this business category, indicating that being and remaining as a preferred brand to a

consumer would be relatively more challenging in the full-service restaurant context.

2.2. Customer share of visits

In the literature, behavioral loyalty has reflected customer retention (or repurchase) only, but recently it has evolved to encompass customer share as well (e.g., Coyles and Gokey, 2002; Verhoef, 2003). Customer retention is a measure of the continuance of a relationship with a firm (i.e., a matter of 'yes' or 'no') (Cool et al., 2007) whereas customer share is a measure of the strength of a relationship with a firm, represented with relative expenditures allocated to a firm. As such, in that customer share is a relative term in comparison with competition and a type of 'ratio scale', which is statistically most flexible among different types of measurement scales, customer share holds richer information for researchers and managers than does customer retention. Therefore, customer share can replace customer retention not only theoretically, but also functionally, whenever customer share data are available or reasonably obtainable.

Despite such significance and growing popularity of the concept of 'customer share' (Zeithaml, 2000), the empirical testing of the antecedents of customer share has been largely limited to the retail and banking industries. This is largely a result of the inherent difficulty in collecting exact information on customer share in most other business categories (Perkins-Munn et al., 2005). Accordingly, managers have little insight into how to manage efforts to improve customer share (Perkins-Munn et al., 2005). Luckily though, in restaurants, customers' spending is typically limited to one meal per visit (i.e., fairly constant amount of purchase per visit) whereas customers can spend as much as they want in retail stores and banks. Hence, customer 'share of visits' would serve as a reasonable proxy for 'customer share' in the restaurant setting.

In its definition, brand preference indicates customers' favoritism toward a company or its product/service over alternatives. Therefore, preferred brands are more likely to be retained in customers' consideration sets than others. The more likely a brand remains in a customers' consideration set, the more often the brand would be chosen for purchase by the customer. Therefore, when a customer prefers a brand to others, the customer would allocate greater share of visits to the brand in aggregate.

H1. Brand preference positively affects customer share of visits.

2.3. Contingency variables for customer share of visits

Contingency variables for customer share of visits represent a potential customer retention strategy (cf. Patterson, 2004). Most contingency variables are not directly under the influence of managers but any potential effects of those variables need to be taken into consideration when designing and evaluating strategies aimed at increasing customer share of visits (Mägi, 2003). Customer share of visits to restaurants would be primarily influenced by customer satisfaction (e.g., Liljander and Strandvik, 1995; Szymanski and Henard, 2001) and brand preference as reviewed earlier. However, given a highly competitive market situation, actual customer visits to restaurants appear to depend on various customer-intrinsic and situational variables in the context of purchase decision (Jones et al., 2000). Consequently, the main contention in this study was that the effect of brand preference on customer share of visits to full-service restaurants is contingent on various switching reducers and inducers.

2.3.1. Switching costs

Switching costs are increasingly recognized as a means of defending customers (Jones et al., 2007). Although some research-

ers interchangeably use 'switching costs' and 'switching barriers', the extant literature appears to better support the contention that switching costs are a category of switching barriers (Colgate and Lang, 2001). Switching costs can be defined as the sacrifices or penalties consumers perceive they may incur in moving from one provider to another (Jones et al., 2007). Switching costs range from foregone benefits available from the current provider to joining and adapting costs to a new provider (Colgate and Lang, 2001; Jones et al., 2000). Among various typologies of switching costs, Burnham et al.'s (2003) categorization appears to be most systematic and encompassing. However, given that they developed their typology in the credit card and long-distance telephone-service industry contexts, Jones et al.'s (2007) typology, which was largely based on Burnham et al.'s (2003) typology, appears to be more applicable to the foodservice context. Therefore, this study was built on both the works of Burnham et al. (2003) and Jones et al. (2007). According to Jones et al.'s (2007) conceptualization, three major types of switching costs have emerged: procedural costs, social switching costs, and lost benefits costs. *Procedural costs* primarily involve the time, effort, and hassle of finding and adapting to a new provider; *social switching costs* relate to the potential loss of a personal bond or friendship with a service provider; and *lost benefits costs* involve the potential loss of benefits such as special deals or concessions received from the service provider (Jones et al., 2007, pp. 336–337). As such, switching costs include not only monetary costs, but also time, effort, and psychological costs as all previous research has acknowledged since Jackson (1985) popularized the term switching costs. The value of identifying distinct dimensions of a multifaceted construct lies in adequate assessments of the global construct and each dimension's distinct relationships with other variables (Kumar et al., 1992).

Jones et al. (2007) drew a distinction between negative and positive sources of switching constraints. Specifically, while procedural costs are derived from negative sources of switching constraints (i.e., new costs occurring from finding and adapting to a new provider), social switching costs and lost benefits costs result from positive sources of constraints (i.e., losing social ties and benefits available from the current provider). This distinction is critical to firms in that compared to procedural costs, social switching costs and lost benefits are more associated with customers' favorable attitudes and behaviors toward service providers (Bendapudi and Berry, 1997; Jones et al., 2000, 2007; Reynolds and Beatty, 1999). Such distinct effects of procedural costs and social switching/lost benefits costs on customers' responses to firms are likely to lead them to work differently in the relationship between brand preference and customer share of visits. Specifically, while procedural costs directly affect customer share of visits and moderate the relationship between brand preference and customer share of visits, social switching costs and lost benefits costs are unlikely to moderate the relationship, but simply directly affect customer share of visits. These propositions are supported in detail in the following sections.

2.3.1.1. Procedural costs. Procedural costs reflect the most traditional view of switching costs (Jones et al., 2000) that refer to the time, effort, and hassle that the customer anticipates in finding a viable new provider (Jones et al., 2007). Burnham et al. (2003) viewed this type of switching costs as including economic risk costs, evaluation costs, learning costs, and set-up costs. Given that dining out in a new restaurant rarely requires new skills and initial costs, learning costs and set-up costs seem inapplicable to the restaurant setting. Thus, among the four, only economic risk costs and evaluation costs appear to be applicable to the typical dining-out context.

Specifically, *economic risk costs* are the costs of accepting uncertainty with the potential for a negative outcome when a customer adopts a new provider (Burnham et al., 2003; Jackson, 1985; Klemperer, 1995). Although dining out in a new restaurant does not require any new skills, some unfamiliar menu items or servicescape can pose risks to customers. As economic risk costs increase, evaluation costs would increase as well because higher risks require more careful evaluations. *Evaluation costs* are the time and effort costs associated with searching for and analyzing potential alternatives (Burnham et al., 2003; Shugan, 1980). For example, when a customer is unfamiliar with a potential alternative restaurant, the customer may want to learn about the restaurant's menus and servicescape elements to avoid unexpected losses or costs. Therefore, when customers perceive high economic risk costs and evaluation costs, they are more likely to patronize familiar current restaurants to avoid the costs of switching. As such, procedural costs are likely to increase customer share of visits. Further, when customers perceive high procedural costs, customers are likely to allocate a greater share of visits to current restaurants even with relatively low levels of brand preference, rather than venturing on alternatives. Thus, procedural costs are likely to enhance the effect of brand preference on customer share of visits.

H2a. Procedural costs positively affect customer share of visits.

H2b. Procedural costs enhance the effect of brand preference on customer share of visits.

2.3.1.2. Social switching costs. Social switching costs are the costs associated with the potential loss of relationships that customers have developed with current providers and their employees (Burnham et al., 2003; Jones et al., 2007). Burnham et al. (2003) identified brand/personal relationship loss costs as two sub-dimensions of social switching costs. *Brand/personal relationship loss costs* are the affective losses associated with breaking the bonds with the current provider and its employees (Burnham et al., 2003; Porter, 1980). This type of switching costs appears to be a mirror image of customer-to-firm and customer-to-employee bonds. That is, when a customer perceives high-quality relationships with a service firm and its employees, the customer is likely to anticipate high social switching costs.

In the customer-to-firm relationship context, Bendapudi and Berry (1997) suggested that customers' dedication to a relationship is led by dependence on and trust in the service provider. Thus, dedicated customers are characterized by free will-based relationship maintenance and therefore should be less interested in and receptive to alternatives (Bendapudi and Berry, 1997). In the terms of customer-to-employee relationships, researchers have identified several factors that comprise interpersonal service relationships such as familiarity, care, friendship, rapport, and trust (e.g., Gremler and Brown, 1998; Gremler and Gwinner, 2000; Price and Arnould, 1999). In fact, in a full-service restaurant setting, Kim and Ok (in press) revealed that rapport contributes to customers' revisit intention. Further, customer-employee social bonds have been found to foster customer loyalty not only to the employee, but also to the firm (e.g., Gutek et al., 2000; Price and Arnould, 1999). Consequently, high social switching costs, led by high-quality relationships with current restaurants and their employees, are likely to lead customers to allocate a greater share of visits to current restaurants.

H3. Social switching costs positively affect customer share of visits.

Social switching costs should be treated as a mirror image of social benefits in that both concepts reflect customers' social bonds

with a firm or its employees. In this sense, social switching costs should work the same way as social benefits do in relation with brand preference. Social benefits has been contended and found to work as an antecedent of customers' positive attitude and behavior toward a firm such as commitment, positive word-of-mouth, and loyalty (cf. Hennig-Thurau et al., 2002). Likewise, in that brand preference is a type of customers' favorable attitude toward a firm and customer share of visits is a type of customers' behavioral loyalty to a firm, social switching costs are more likely to work as an antecedent of brand preference and customer share of visits rather than to moderate the relationship between them. In other words, brand preference is likely to mediate the relationship between social switching costs and customer share of visits rather than social switching costs moderate the relationship between brand preference and customer share of visits.

2.3.1.3. Lost benefits costs. According to Jones et al.'s (2007) definition, lost benefits costs are the costs reflecting the potential loss of special discounts and unique benefits that are available from the current provider. Their lost benefits costs concept appears to be equivalent to the loss of *special treatment benefits* that are available to long-term relationship customers, but typically unavailable to new customers (Gwinner et al., 1998). Special treatment benefits are associated with special considerations to customers including price breaks, additional service, faster service, extra attention, and customized services (Gwinner et al., 1998). Such benefits provide monetary and non-monetary advantages that may outweigh the potential merits of switching to alternatives (Patterson and Smith, 2001; Williamson, 1981). As such, when a provider offers customers special treatments, the result is an increase in emotional and/or cognitive switching barriers (Fornell, 1992) and economic motives for staying in a relationship (Patterson and Smith, 2001). When customers perceive high lost benefits costs, driven by special treatment benefits, they may not want to lose those benefits by switching to alternatives. Thus, lost benefits costs should positively affect customer share of visits.

H4. Lost benefits costs positively affect customer share of visits.

Both lost benefits costs and special treatment benefits stem from a firm's preferential treatment of customers. In this sense, lost benefits costs should be regarded as a mirror image of special treatment benefits. Special treatment benefits is parallel with social benefits in its relationship with service outcome variables in that they are two different types of relational benefits (Gwinner et al., 1998; Hennig-Thurau et al., 2002). Therefore, lost benefits costs would work as an antecedent of brand preference and customer share of visits rather than moderate the relationship between them as social switching costs would.

2.3.2. Intrinsic inertia

The literature on inertia offers two meanings for the term: extrinsic and intrinsic inertia. Customers' extrinsic inertia is the outcome of external factors such as unattractiveness of alternatives and high perceived switching costs or barriers (Bozzo, 2002). In that sense, high customer share of visits to a firm can be considered a form of extrinsic inertia. In contrast, intrinsic inertia refers to customers' inherent laziness, inactivity, or passivity (Bozzo, 2002; Zeelenberg and Pieters, 2004). In purchase situations, customers' intrinsic inertia is perceived as customers' disinterest in actively processing relevant information to make the best possible choice (Yanamandram and White, 2006). Thus, customers' intrinsic inertia leads them to repeat the same purchase pattern, similar to a habit (Bozzo, 2002), concentrating on familiar few restaurants. Making a purchase decision requires cognitive as well as physical consideration costs (e.g., search costs, thinking

costs, mental processing and storage costs, etc.) (Roberts and Lattin, 1991). In a full-service restaurant context, for example, accessibility of the restaurant, value of menu items for prices, and service quality would be often considered by customers when making purchase choice, thus adding to consideration costs. Motivated to avoid such costs, intrinsically inertial customers are likely to habitually patronize familiar a few familiar restaurants even with relatively low levels of brand preference. Therefore, intrinsic inertia is likely to directly increase customer share of visits and also enhance the relationships between brand preference and customer share of visits.

H5a. Intrinsic inertia positively affects customer share of visits.

H5b. Intrinsic inertia enhances the effect of brand preference on customer share of visits.

2.3.3. Consumer involvement

Involvement is an internal state of goal-oriented arousal (Park and Mittal, 1985; Warrington and Shim, 2000), reflecting the subjective perception of the personal relevance of an object. In a purchase choice situation, involvement bears on the meaningfulness of the choice task and the perceived relevance of the goal-oriented consequences of choice behavior (Antón et al., 2007; Van Trijp et al., 1996). In general, highly involved customers tend to react more strongly to certain aspects of the firm's behavior (Antón et al., 2007)—aspects perceived to be relevant to goal-oriented consequences (Van Trijp et al., 1996). In a full-service restaurant setting, highly involved customers would respond more sensitively to food quality, employees' behavior, and servicescape when forming loyalty to a restaurant. The arousal inherent in involvement leads highly involved customers to show higher levels of satisfaction or dissatisfaction (Richins and Bloch, 1991). Likewise, highly involved customers are likely to respond more sensitively to their brand preference levels when making a purchase choice. Therefore, consumer involvement would enhance the effect of brand preference on customer share of visits. However, involvement itself does not appear to have a direct effect on customer share of visits (cf. Warrington and Shim, 2000).

H6. Consumer involvement enhances the effect of brand preference on customer share of visits.

2.3.4. Perceived brand heterogeneity

Perceived brand heterogeneity is defined as the extent to which the brands in the market are seen as different or nonsubstitutable (Burnham et al., 2003). In a consumption situation, heterogeneous brands require more careful attention to the brands' attributes that are relevant to customers' consumption outcomes (Van Trijp et al., 1996). Therefore, in a market of heterogeneous brands, both consideration costs and the additional utility of adding one more brand into a consideration set increase (cf. Stigler, 1961), offsetting each other's effect on customer share of visits. However, when brands are heterogeneous, customers make purchase choices and form brand preference more carefully and expend more consideration costs, and therefore are more likely to be committed to their purchase decisions. Thus, perceived brand heterogeneity is likely to enhance the effect of brand preference on customer share of visits.

H7. Perceived brand heterogeneity enhances the effect of brand preference on customer share of visits.

Burnham et al. (2003) found that perceived brand heterogeneity positively affects customers' perception of procedural costs and relational costs (social switching costs in this study context). However, as much as perceived brand heterogeneity

involves risks of switching to worse ones, it also implies opportunities of switching to better ones. That is, the risks and opportunities inherent in switching between heterogeneous brands counterbalance each other. Therefore, perceived brand heterogeneity is not likely to have a direct effect on customer share of visits.

2.3.5. Alternative attractiveness

In the service-switching literature, alternative attractiveness is the only existing external factor that induces customers to switch to alternatives (Bansal et al., 2005). Alternative attractiveness has been conceptualized as the customer's estimate of the likely satisfaction available in an alternative relationship (Patterson and Smith, 2003; Ping, 1993; Rusbult, 1980). In essence, alternative attractiveness is determined by the customer's perception of the relative merits of an alternative in terms of the ratio of 'benefits of switching' to 'costs or sacrifices of switching'. For example, better prices, more choices, and better service quality add alternative attractiveness (Goode and Harris, 2007) by increasing the benefits of switching. Therefore, alternative attractiveness, as perceived by a customer, should have a negative effect on customer share of visits to the current provider.

H8a. Alternative attractiveness negatively affects customer share of visits.

In a highly competitive market such as the restaurant industry, there are numerous competitive alternatives. Further, due to tiredness or saturation, a customer may switch to acceptable alternatives even when highly satisfied with the current provider (Antón et al., 2007). Thus, owing to a competitive market situation and ever-changing and -diversifying customer tastes, it is difficult even for the best providers to retain customers. Patterson (2004) articulated that reduced loyalty appears to be the norm as markets become increasingly competitive. Therefore, alternative attractiveness, as perceived by customers, would weaken the effect of brand preference on customer share of visits.

H8b. Alternative attractiveness buffers the effect of brand preference on customer share of visits.

2.3.6. Intrinsic variety-seeking

Van Trijp et al. (1996) provided a clear distinction between intrinsic and extrinsic variety-seeking. They argued that variation in brand choices should be attributed to intrinsic variety-seeking only when variation is sought out for the sake of variety and stimulation, regardless of the consequences implied by variation in choices (cf. McAlister and Pessemier, 1982). On the other hand, extrinsic variety-seeking is prompted by instrumentality or functionality in attainment or avoidance of another purchase or consumption goal (cf. McReynolds, 1971). They added that although intrinsic and extrinsic variety-seeking lead to the same behavior, the different underlying causes hold different marketing implications.

Intrinsic variety-seeking values the utility inherent in variation itself (Van Trijp et al., 1996). When the customer feels bored or satiated with repeated purchases of the same brand, switching to another is one way to increase stimulation and restore it to the preferred level (Fiske and Maddi, 1961; Van Trijp et al., 1996). Consistent with this, marginal utility theory explains that as variation in consumption increases, the marginal utility of consumption increases as well (cf. Kauder, 1965). In a full-service restaurant context, intrinsic variety-seeking would lead customers to show more interest in trying brand new restaurants and/or new cuisine/menu theme restaurants. Consequently, the customer's variety-seeking tendency would act to decrease his/her share of visits to the incumbent provider. Further, even when a customer

highly prefers a current provider, s/he may switch to an alternative simply 'for a change' owing to his/her high variety-seeking tendency.

H9a. Intrinsic variety-seeking negatively affects customer share of visits.

H9b. Intrinsic variety-seeking buffers the effect of brand preference on customer share of visits.

3. Contingency model of customer share of visits

As market competition ever increases and customers have greater access to information of competitive offers, a firm's strategy to defend their customer base against the competition has become a critical issue for their survival in the market (Antón et al., 2007). As a primary means to promote customer loyalty, customer satisfaction has received extensive attention from researchers and practitioners (Patterson, 2004). However, it has been proven that some external factors intervene between customer satisfaction and retention (e.g., Burnham et al., 2003; Jones et al., 2000). Those factors come into play when customers make purchase decisions. As a result, satisfied customers do not necessarily allocate a greater share of visits to the current provider just as dissatisfied customers do not always reduce their share of visits (Yanamandram and White, 2006). As such, influenced by competition and customer-intrinsic decision-making mechanism, a customer's actual purchase behaviors – as represented by customer share of visits – are shaped by various contingency variables as well as the customer's brand preference.

Among others, the contingency variables shown in Fig. 1 represent some of the most researched contingency variables relating to customers' behavioral loyalty. These include switching costs (procedural costs, social switching costs, lost benefits costs), customer-intrinsic factors (intrinsic inertia, consumer involvement, perceived brand heterogeneity, intrinsic variety-seeking), and competition (alternative attractiveness). In essence, these variables are likely to influence customer share of visits by affecting either the merit of brand switching or the number of brands in a customer's consideration set, or both.

Given that the number of brands in a customer's consideration set would be affected by some of the contingency variables, the measure of customer share of visits (CSOV) in this study should be allowed to be affected by the number of brands in a consideration set unlike that of relative customer share of visits (R-CSOV). For example, in this study, 30% of customer share of visits are treated the same no matter how many competing brands may be found in the customers' consideration sets because the number of competing brands in a consideration set is affected by contingency variables—one of the phenomena of interest in this study.

4. Methodology

4.1. Measures

The conceptual model for this study suggested eight 'contingency variables for customer share of visits'. There were three types of switching costs, four types of customer-intrinsic factors, and alternative attractiveness. The three types of switching costs were procedural costs, social switching costs, and lost benefits costs. The measures for these constructs were all adapted from Burnham et al. (2003). The customer-intrinsic contingency factors were intrinsic inertia, customer involvement, perceived brand heterogeneity, and intrinsic variety-seeking. Intrinsic inertia was measured with the three-item scale based on discussions from Bozzo (2002), Colgate and Lang (2001), and Yanamandram and

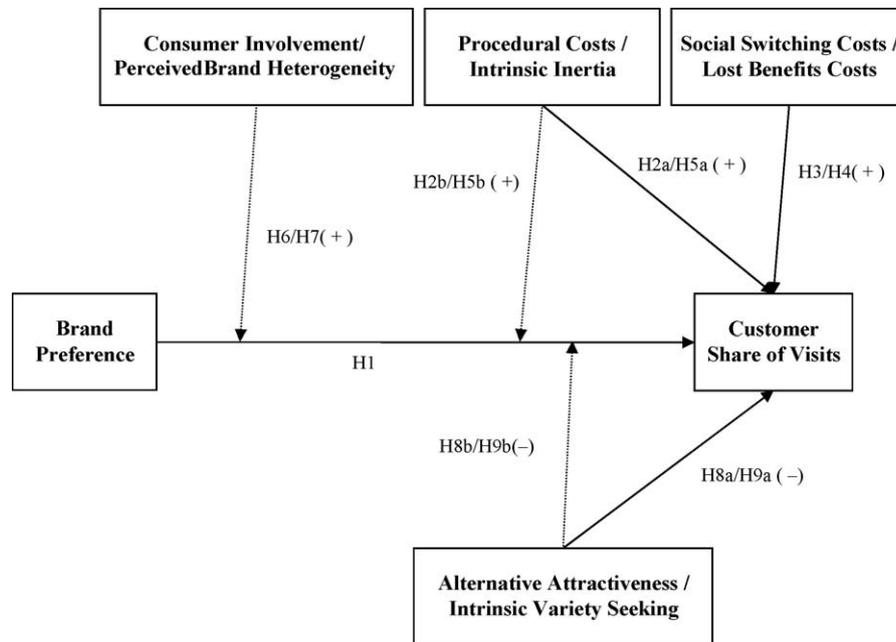


Fig. 1. Contingency model of customer share of visits.

White (2006). Measures for customer involvement were adapted from Van Trijp et al. (1996) and Antón et al. (2007). Measures for perceived brand heterogeneity were drawn from Burnham et al. (2003) and Van Trijp et al. (1996). The intrinsic variety-seeking scale was designed based on Donthu and Gilliland (1996). Lastly, the measures for alternative attractiveness were adapted from Ping (1993). Reflecting the increasing multi-loyalty trend, the brand preference scale for this study was designed to measure preferences for multiple restaurants rather than for a single restaurant, largely based on Hellier et al. (2003). Given that virtually all customers have preferences for multiple restaurants rather than for only one restaurant, the multi-preference approach appears to be more adequate than the single-preference approach in the restaurant setting in particular. The actual measures are presented in Table 1. All these measures were assessed using 7-point scales anchored by 'strongly disagree (1)' and 'strongly agree (7).'

4.1.1. Operationalization of customer share of visits

In contrast to the relative customer share of visits (R-CSOV) adopted in the previous study, the concept of customer share of visits (CSOV) in this study treated a CSOV percentage as itself regardless of the number of brands (restaurants) in the customer's consideration set—including the consideration set(s) of a member(s) of a company. For example, 30% of CSOV was treated as 30% no matter whether from two or five viable brands in a customer's consideration set. The reason for using this concept of CSOV in this study is that some of the contingency variables are likely to affect customer share of visits or its relationship with brand preference by influencing the number of brands in a customer's consideration set. For example, a customer's intrinsic inertia and perceived switching costs would decrease the number of brands in the customer's consideration set while a customer's intrinsic variety-seeking and perceived alternative attractiveness would increase the number. Thus, to explore how the contingency variables affect CSOV, it needs to be considered how they affect the number of brands in a consideration set. Therefore, CSOV was calculated here simply by dividing the number of a customer's visits to a full-service restaurant by the number of the customer's total visits to full-service restaurants.

4.1.2. Measures for customer share of visits

To measure a respondent's CSOV to a full-service restaurant, two questions were asked at the beginning of the questionnaire. The measure for a respondent's total visits to full-service restaurants was obtained by asking, 'how often do you dine at full-service restaurants on an average (emphasis added)?' The measure for the respondent's total visits to a particular full-service restaurant visited most recently by the respondent was acquired by asking, 'how often do you dine at this restaurant on an average?' By dividing the measure for the particular restaurant by the measure for all full-service restaurants, the author of this study obtained a CSOV for a respondent. To enhance the accuracy of CSOV measures, the questionnaire also directly inquired about a respondent's CSOV to a particular restaurant by asking, 'for the past 3 months, the number of my visits to this restaurant was about (%) (emphasis added) of my total visits to full-service restaurants.' The ultimate measure of a respondent's CSOV was obtained by averaging the first indirect measure and the second direct measure.

4.1.3. Qualifiers for study participation

To obtain more accurate responses to questions that were mostly retrospective, the author limited study participants to those who had visited a full-service restaurant within the past 1 month. In addition, because CSOV was measured based on a 3-month period in this study, participants were limited to those who have been patronized the restaurant that they named at least for the past 3 months. Lastly, the restaurant against which a respondent's CSOV was to be measured was disqualified if the one was a respondent's workplace, out-of-town, or owned or operated by one of the respondent's family members, relatives, or close friends because in such cases, the respondent's visit frequency to the restaurant would be highly irrelevant to his/her brand preference level and perceptions of the contingency variables.

4.2. Data collection

To test the hypotheses, the author conducted an online survey. The questionnaire was distributed to 2800 general U.S. full-service restaurant customers through an online survey company's system.

From these samples, 480 customers participated in the survey (17.1% response rate). Of the 480 participants, 64 participants were disqualified because they last visits to a full-service restaurant were more than 1 month ago. Additional 49 participants were disqualified because their first visit to the most-recently visited restaurant was less than 3 months ago. Next, 35 incomplete and 22 inconsistent responses were dropped off. Most of the inconsistencies in responses were found in their reported share of visits to the restaurant that they named. Lastly, tests for multivariate and univariate outliers found 23 outliers. After all, 277 respondents remained for hypotheses testing. Based on a conventional cases-to-IV (independent variable) ratio of 40 to 1 for stepwise regression analyses (Tabachnick and Fidell, 2007), we concluded that a total of 277 responses was a sufficient sample for our regression analyses in that each analysis uniformly includes only three IVs (i.e., one contingency variable, brand preference, and their interaction term).

5. Results

5.1. Sample characteristics

The sample ($n = 277$) in the analysis was 57.0% female ($n = 158$). The age of respondents ranged from 19 to 92 with a median age of 43. The age group of 25–34 years old (25.3%) and that of 19–24 years old (7.6%) accounted for the largest and smallest proportions of the respondents, respectively. In terms of income, the respondents were fairly evenly distributed, with the two largest groups (equally 20.9%)

reporting an income between US\$25,000 and \$39,999 or US\$40,000 and \$55,999 and the smallest group (6.9%) reporting an income between US\$85,000 and \$99,999. On an average, the respondents were relatively highly educated. The largest categories were college graduate (36.5%) and some college (32.9%) followed by graduate degree (21.7%) groups. Lastly, in terms of ethnicity, Caucasian/White was 67.5% of the respondents, followed by African American (10.5%), Asian (9.7%), and Hispanic (7.6%).

5.2. Measurement reliability and validity

Prior to the regression analyses, a confirmatory factor analysis was conducted to assess reliability and validity (convergent and discriminant) of the construct measures included in the conceptual model. Then, a series of (moderated) regression analyses was performed to examine the hypotheses.

As shown in Table 1, the factor loadings for the scales were equal to or greater than .583 ($p < .001$) and all indicators loaded on the proposed constructs. Table 2 shows the descriptive statistics and associated measures for the constructs. Average variance extracted (AVE) was greater than the .50 cutoff for all constructs (Bagozzi and Yi, 1988). The factor loadings and AVE estimates together indicated adequate convergent validity of the scales (Fornell and Larcker, 1981). Strong discriminant validity was demonstrated when each squared correlation (R^2) between a pair of constructs was found to be less than the AVE for each corresponding construct (Fornell and Larcker, 1981) as can be seen in Table 2. Lastly, adequate internal consistency of the scales

Table 1
Measurement items and loading.

Constructs and scale items	Standardized loading ^a
Brand preference	
When I make a dining out decision, I consider this restaurant a viable choice very often.	.815
This restaurant meets my dining needs better than other comparable full-service restaurants.	.882
I am interested in trying various menu items in this restaurant more than in other comparable full-service restaurants.	.665
Social switching costs	
I highly value my relationships with the employees in this restaurant.	.820
I am more comfortable interacting with this restaurant's employees than I would be with the employees of another full-service restaurant that is new to me.	.845
I feel good about my relationship with this restaurant.	.715
Lost benefits costs	
This restaurant sometimes provides me with faster service or extra attention to my needs.	.765
Some employees in this restaurant know my preferences or special needs.	.896
Procedural costs	
It is hard to find a good full-service restaurant that meets my expectations.	.632
Trying a new full-service restaurant is likely to incur some unexpected costs.	.691
Searching for an acceptable full-service restaurant takes a lot of time and effort.	.841
Intrinsic inertia	
It is too much trouble to find an acceptable full-service restaurant.	.890
Searching for an acceptable full-service restaurant is too much trouble in terms of my time and effort.	.973
Consumer involvement	
When I make a decision where to dine out, I do it very carefully.	.695
Choosing a full-service restaurant to dine out at is important to me.	.899
Perceived brand heterogeneity	
I think service quality varies a lot among different full-service restaurants.	.583
In terms of menus or menu themes, full-service restaurants vary a great deal.	.773
It matters which full-service restaurant I dine out at. They are quite different from one another.	.912
Alternative attractiveness	
I think there are a variety of full-service restaurants that provide similar or better food and service than this restaurant.	.745
I would be similarly or more satisfied with other restaurants than I am with this restaurant.	.835
I think there are many restaurants are that are similarly or more attractive than this restaurant.	.832
Intrinsic variety-seeking	
I prefer 'trying new things' to 'doing familiar things.'	.860
I like 'change' more than 'consistency.'	.908
I enjoy 'variety' more than 'familiarity.'	.820

^a All factor loadings are significant ($p < .001$).

Table 2
Descriptive statistics and associated measures.

	No. of items	Mean (S.D.)	AVE	SSC	LBC	PC	InIn	CI	PBH	AA	InVS	BP	CSOV
SSC	3	4.38 (1.39)	.633	.839^a	.742 ^b	.464	.456	.402	.141	-.071	.001	.490	.407
LBC	2	3.57 (1.77)	.694	.551 ^c	.818	.258	.383	.245	.037	-.087	-.022	.389	.397
PC	3	4.41 (1.50)	.528	.215	.067	.768	.630	.425	.231	.132	.166	.164	.197
InIn	2	3.23 (1.58)	.869	.208	.147	.397	.930	.183	.021	.160	.042	.157	.291
CI	2	4.71 (1.37)	.646	.152	.060	.181	.033	.782	.521	.026	.215	.265	.028
PBH	3	5.61 (1.07)	.590	.020	.001	.053	.000	.271	.807	.178	.152	.223	-.018
AA	3	4.40 (1.44)	.648	.005	.008	.017	.026	.001	.032	.846	.450	-.319	-.084
InVS	3	4.35 (1.35)	.745	.000	.000	.028	.002	.046	.023	.203	.898	.110	-.107
BP	3	5.20 (1.35)	.628	.240	.151	.027	.025	.070	.050	.102	.012	.833	.235
CSOV	N/A	.31 ^d (.22)	N/A	.166	.158	.039	.085	.001	.000	.007	.011	.049	N/A
Goodness-of-fit statistics													
$\chi^2(230)=382.8, p < .001$													
$\chi^2/df=1.66$													
NFI = .900; TLI = .944; CFI = .957													
RMSEA = .049													

Note: SSC = social switching costs; LBC = lost benefits costs; PC = procedural costs; InIn = intrinsic inertia; CI = consumer involvement; PBH = perceived brand heterogeneity; AA = alternative attractiveness; InVS = intrinsic variety-seeking; BP = brand preference; CSOV = customer share of visits; AVE = average variance extracted; NFI = normed fit index; TLI = Tucker–Lewis index; CFI = comparative fit index; RMSEA = root mean square error of approximation.

- ^a The scale for CSOV is a percentage and those for the other measures are 7-point scales.
- ^b Composite reliabilities are along the diagonal.
- ^c Correlations are above the diagonal.
- ^d Squared correlations are below the diagonal.

was confirmed by computing composite reliabilities. The reliability of each construct was above the recommended value of .70 (Hair et al., 2006).

5.3. Hypotheses testing

Contingency variables were tested in a series of moderated hierarchical regression models. As a first attempt to test contingency variables of CSOV, this study was more interested in the contingency variables' individual effects on CSOV and/or on the path from brand preference to CSOV than their collective effects. Such collective effects and potential interrelationships between the contingency variables were beyond the scope of this study.

5.3.1. Effects of social switching costs (SSC) and lost benefits costs (LBC)

Two separate moderated hierarchical regression analyses were performed to test the direct effects of social switching costs and lost benefits costs on CSOV and check whether those switching costs moderate the relationship between brand preference and CSOV. In steps 1 and 2, BP and SSC/LBC were entered in order to test the main effects. In step 3, the interaction terms (BP × SSC and BP × LBC) were entered into the models to test moderating effects.

As shown above, brand preference showed a significant direct effect on CSOV. In other words, when a customer prefers a restaurant to others, s/he tends to allocate greater share of visits to

the restaurant. Thus, Hypothesis 1 was supported. In turn, SSC and LBC showed significant direct effects on CSOV, but did not significantly moderate the relationship between brand preference and CSOV as shown in Table 3. These results indicated that when customers perceived high social switching costs and lost benefits costs, they tended to allocate a greater share of visits to the current full-service restaurant, supporting Hypothesis H33 and H44. In relative terms, SSC affected CSOV more strongly and significantly than LBC in terms of the extent of effect and R² increase. This result is consistent with Gwinner et al.'s (1998) finding that customers perceived social benefits to be more prevalent and important than special treatment benefits (significantly at p < .001) in the contexts of high-contact, customized, personal services such as a full-service restaurant context (cf. Bowen, 1990).

5.3.2. Effects of procedural costs (PC) and intrinsic inertia (InIn)

Two separate moderated hierarchical regression analyses were also performed to test whether procedural costs and intrinsic inertia directly affect customer share of visits and enhance the relationship between brand preference and customer share of visits. The procedures were identical to those outlined in the previous tests, except that entered contingency variables were PC and InIn.

The results of these analyses, as shown in Table 4, suggest significant the main effects of PC and InIn on CSOV. The customers who perceived high procedural costs or had high intrinsic inertia in terms of full-service restaurant choice reported greater shares of

Table 3
Testing moderating effects of SSC and LBC on CSOV.

Model and variable	Contingency variable: social switching costs				Model and variable	Contingency variable: los benefits costs			
	B	β	t-Value	ΔR ²		B	β	t-Value	ΔR ²
Step 1					Step 1				
Intercept	.308		23.69		Intercept	.308		23.69	
BP	.049	.202 ^{***}	3.42	.041 ^{***}	BP	.049	.202 ^{***}	3.42	.041 ^{***}
Step 2					Step 2				
SSC	.081	.353 ^{***}	5.66	.100 ^{***}	LBC	.069	.310 ^{***}	5.20	.086 ^{***}
Step 3					Step 3				
BP × SSC	.020	.093	1.61	.008	BP × LBC	-.008	-.032	-.55	.001

Note: SSC = social switching costs; LBC = lost benefits costs; CSOV = customer share of visits; BP = brand preference.
*** p < .001.

Table 4
Testing moderating effects of PC and InIn on CSOV.

Model and variable	Contingency variable: procedural costs				Model and variable	Contingency variable: intrinsic inertia			
	B	β	t-Value	ΔR^2		B	β	t-Value	ΔR^2
Step 1 Intercept	.308		23.69		Step 1 Intercept	.308		23.69	
BP	.049	.202***	3.42	.041***	BP	.049	.202***	3.42	.041***
Step 2 PC	.032	.147*	2.48	.021*	Step 2 InIn	.057	.255***	4.42	.064***
Step 3 BP × PC	.007	.028	.46	.001	Step 3 BP × InIn	-.005	-.022	-.38	.000

Note: PC = procedural costs; InIn = intrinsic inertia; CSOV = customer share of visits; BP = brand preference.

* $p < .05$.
*** $p < .001$.

Table 5
Testing moderating effects of CI and PBH on CSOV.

Model and variable	Contingency variable: consumer involvement				Model and variable	Contingency variable: perceived brand heterogeneity			
	B	β	t-Value	ΔR^2		B	β	t-Value	ΔR^2
Step 1 Intercept	.308		23.69		Step 1 Intercept	.308		23.69	
BP	.049	.202***	3.42	.041***	BP	.049	.202***	3.42	.041***
Step 2 CI	.001	.003	.04	.000	Step 2 PBH	-.010	-.040	-.68	.002
Step 3 BP × CI	.038	.160**	2.67	.024**	Step 3 BP × PBH	.045	.183**	3.04	.031**

Note: CI = consumer involvement; PBH = perceived brand heterogeneity; CSOV = customer share of visits; BP = brand preference.

** $p < .01$.
*** $p < .001$.

visits to the current full-service restaurant. The effect of intrinsic inertia was relatively stronger and explained more variance (i.e., ΔR^2) in CSOV than procedural costs. On the other hand, unlike the hypotheses, both PC and InIn did not interact with BP in affecting CSOV. Thus, Hypothesis 2b and 5b (moderating effects) were not supported while Hypothesis 2a and 5a (direct effects) were supported by the data.

5.3.3. Effects of consumer involvement (CI) and perceived brand heterogeneity (PBH)

Again, two separate moderated hierarchical regression analyses were performed to test the moderating effects of customer involvement and perceived brand heterogeneity in the relationship between brand preference and customer share of visits. The procedures were the same as those outlined in the previous tests, except that entered moderators were CI and PBH (Table 5).

The results of the analyses were exactly identical as predicted. That is, both CI and PBH did not show significant direct effects on

CSOV while both revealed enhancing effects in the relationship between BP and CSOV, supporting Hypothesis H66 and H77. These results indicate that high consumer involvement in dining out choices and high perceived heterogeneity among full-service restaurants do not necessarily increase customer share of visits to a full-service restaurant, but they lead customers to respond more strongly to their brand preference in allocating share of visits to a full-service restaurant.

5.3.4. Effects of alternative attractiveness (AA) and intrinsic variety-seeking (InVS)

Another set of moderated hierarchical regression analyses were performed to test whether alternative attractiveness and intrinsic variety-seeking negatively affect customer share of visits and buffer the effect of brand preference on customer share of visits. The same procedures were followed as with the previous tests, except that AA and InVS were entered as quasi-moderators (Table 6).

Table 6
Testing moderating effects of AA and InVS on CSOV.

Model and variable	Contingency variable: alternative attractiveness				Model and variable	Contingency variable: intrinsic variety-seeking			
	B	β	t-Value	ΔR^2		B	β	t-Value	ΔR^2
Step 1 Intercept	.308		23.69		Step 1 Intercept	.308		23.69	
BP	.049	.202***	3.42	.041***	BP	.049	.202***	3.42	.041***
Step 2 AA	-.006	-.029	-.48	.001	Step 2 InVS	-.029	-.136*	-2.30	.018*
Step 3 BP × AA	.019	.092	1.44	.007	Step 3 BP × InVS	.004	.016	.27	.000

Note: AA = alternative attractiveness; InVS = intrinsic variety-seeking; CSOV = customer share of visits; BP = brand preference.

* $p < .05$.
*** $p < .001$.

The results of these analyses indicate that customers' perception of alternative attractiveness does not necessarily reduce their share of visits while customers' intrinsic variety-seeking significantly decreases their share of visits to a current full-service restaurant. In addition, no evidence was found to support significant interactions between BP and AA/InVS in predicting CSOV.

6. Discussion and practical implications

6.1. Discussion

Although numerous studies have tested the contingency variables adopted in this study in the 'customer retention' context, no study has yet tested them in the 'customer share' context. As a first attempt, this study succeeded in verifying the contingency variables' significant direct effects on customer share of visits or moderating effects in the relationship between brand preference and customer share of visits, except for alternative attractiveness. Specifically, the results revealed that three types of switching costs and two customer-intrinsic variables (intrinsic inertia and intrinsic variety-seeking) directly affected customer share of visits; the other two customer-intrinsic variables (consumer involvement and perceived brand heterogeneity) enhanced the effect of brand preference on customer share of visits.

The first interesting aspect of the results is that social switching costs, as a mirror image of social benefits, showed a stronger effect on customer share of visits than lost benefits costs, which is a mirror image of special treatment benefits (cf. Gwinner et al., 1998). This result is consistent with Gwinner et al.'s (1998) finding that customers perceived social benefits as being more prevalent and important than special treatment benefits in the context of high-contact, customized, personal services such as the full-service restaurant (cf. Bowen, 1990) and with Hennig-Thurau et al.'s (2002) finding that social benefits are a better predictor of customer attitudinal loyalty than special treatment benefits in a general service context. The results indicate that in the full-service restaurant context, when customers highly value their relationships with a restaurant and/or its employees and perceive high special treatment benefits from the restaurant, they tend to allocate a greater share of visits to that restaurant, motivated by social comfort from social benefits and monetary/non-monetary advantages from special treatment benefits (Gwinner et al., 1998).

Also interestingly, so-called positive switching costs (social switching costs and lost benefits costs) explained much more variance in customer share of visits than did negative switching costs (procedural costs) ($\Delta R^2 = .100$ and $.086$ vs. $.021$). Parallel with Bendapudi and Berry's (1997) theory, Jones et al. (2007) suggested distinguishing between those deriving primarily from positive sources of constraints (e.g., the loss of social bonds with and special treatment benefits from a current provider) and those deriving primarily from negative sources of constraints (e.g., the time and hassle of finding a new provider). They maintained that the distinction between positive and negative switching costs is critical to understanding the different mechanism through which different types of switching costs influence loyalty outcomes. This argument is in line with Bendapudi and Berry's (1997) argument that a free will-based relationship may lead customers to dedicational behaviors while a constraint-based relationship may lead them to opportunistic behaviors. In this sense, this finding is encouraging to restaurateurs in that it indicates that positive switching costs exert greater influences on customer shares of visits which are 'better-quality' shares in contrast to those derived from negative switching costs.

The results also revealed that both customer-intrinsic inertia and perceived procedural costs contribute to customer share of visits. As hypothesized, they may increase customer share of visits by reducing the number of brands in customers' consideration sets. Moreover, it is interesting to compare customer-intrinsic inertia with procedural costs in relation to their effects on customer share of visits in that the latter encourages customers' 'extrinsic' inertia (cf. Bozzo, 2002). The results indicate that customer-intrinsic inertia is a better predictor of customer share of visits than customer-perceived procedural costs in terms of the extent of effect, significance level, and R^2 change (i.e., variance explained). This finding suggests that focusing marketing efforts on customers' inherent disinterests in alternative seeking is more efficient in increasing customer share of visits than focusing on procedural costs. In addition, restaurant marketers may attempt to alleviate potential customers' procedural costs perceptions of switching to their restaurants (i.e., 'inbound switching'), given that they have very limited influences on that of switching to competitors (i.e., 'outbound switching') due to the presence of numerous competitors in the market.

In terms of consumer involvement and perceived brand heterogeneity, the test results were exactly as anticipated. That is, neither directly affected customer share of visits but enhanced the effect of brand preference on customer share of visits. These results indicate that the more carefully customers evaluate alternatives (including the current one) because they attach great importance to restaurant choices (due to high involvement) and/or perceive restaurants to be heterogeneous (due to perceived brand heterogeneity), the more likely they are to rely on their brand preference when choosing a restaurant. In other words, the more serious customers are about their purchase choices, the more frequently they tend to include preferred brands in their consideration sets. As such, for those customers who are highly involved in purchase choices and/or perceive high brand heterogeneity, brand preference is more binding and thus of greater managerial relevance.

The results indicate that customers' intrinsic variety-seeking tendency reduces customer share of visits to current restaurants. This finding may result from the fact that intrinsically variety-seeking customers have more brands in their consideration sets than do others. Because such customers tend to become bored more quickly than others with repeated purchases, they are inclined to patronize a wider range of brands than others (cf. Van Trijp et al., 1996). In contrast, alternative attractiveness showed neither a direct effect on customer share of visits nor a moderating effect in the relationship between brand preference and customer share of visits. This result may be due to the prevalence of similarly attractive full-service restaurants in the market. Thus, the difference in attractiveness is trivial in their meaning to purchase choice even when customers indicate that an alternative is more attractive. In this sense, future research may adopt different measurement items to ascertain the importance attached to the difference in attractiveness when making a purchase decision.

Lastly, the findings revealed that the R^2 change by social switching costs and lost benefits costs is greater than that by brand preference. Thus, they explained more variance in customer share of visits than did brand preference. However, given that brand preference's causal relationships with social switching costs and lost benefits costs are not obvious yet in theory and empirical evidence in the literature, it seems too early to make a direct comparison between those R^2 changes. Theoretically, it is more likely that social benefits and special treatment benefits contribute to customers' brand preference (review Gwinner et al., 1998; Hennig-Thurau et al., 2002 for their study results). Future research may examine their relationships in relation to customer share of visits.

6.2. Practical implications

A highly competitive market situation makes it easy for customers to switch among brands and thus to be increasingly multi-loyal. Therefore, firms should have an in-depth understanding of the mechanism of customers' share allocation to capture a greater customer share of visits. In this sense, in addition to the drivers of customer share of visits (perceived value, customer satisfaction, and brand preference), this study revealed the contingency variables' individual effects on customer share of visits.

As shown, all three types of switching costs contribute to customer share of visits. As discussed earlier, restaurant marketers may seek to alleviate customers' procedural costs perceptions of 'inbound' switching. In that economic risk costs and evaluation costs are the most salient procedural costs in the restaurant setting, and that when economic risk costs are high, it takes customers more evaluation costs, a restaurant may attempt to reduce economic risk costs first in customers' perceptions. For example, a restaurateur may introduce a 'satisfaction guarantee' to reduce performance risk costs or occasionally issue 'coupons' to lessen financial risk costs.

In that social switching costs and lost benefits costs are mirror images of social benefits and special treatment benefits, these can be enhanced by improving customers' perceptions of social benefits and special treatment benefits. Social benefits reflect customers' enjoyment of personal recognition and social comfort in social relationships with employees (cf. Gwinner et al., 1998). These sources of social benefits closely coincide with two rapport dimensions (i.e., personal connection, enjoyable interaction). Therefore, by nurturing rapport between employees and customers, a restaurant can directly improve customers' perceptions of social benefits and thus social switching costs. For customer–employee rapport development, Kim and Ok (in press) emphasized the importance of service employees' customer orientation which includes employees' technical skills, social skills, motivation, and perceived decision-making authority. Gremler and Gwinner (2008) provided a thorough description of rapport-building behaviors that can be efficiently adopted by service employees. Broadly, those behaviors include uncommonly attentive behavior, common grounding behavior, courteous behavior, connecting behavior, and information-sharing behavior (review Gremler and Gwinner, 2008 for further details).

Likewise, lost benefits costs can be enhanced by increasing special treatment benefits which refer to special considerations to customers such as better prices, additional services, faster service, and extra attention (Gwinner et al., 1998). However, such special considerations should be provided with careful discretion and perhaps only to high-share customers, considering potential cost increases and other customers' jealousy or perception of unfairness which can backfire on overall customer share of visits to the restaurant. Kim et al. (in press) found that customers' perception of special treatment benefits can be enhanced by customer–employee rapport. It may be due to the fact that the employee is likely to better know the customer's preferences and/or the customer's perception is more likely to be biased in favor of the employee's behavior when they have a close personal relationship with each other. Overall, customer–employee rapport can be a powerful hard-to-imitate advantage to a restaurant in terms of customer share of visits.

Intrinsically inertial customers are characterized by disinterest in actively processing purchase-relevant information (Yanaman-dram and White, 2006). This study found that once attracted, intrinsically inertial customers tend to concentrate their purchases on a selected few brands. Thus, attracting them to the restaurant in the first place is critical for these customers. Because they are

inherently inactive in processing purchase-related information, alleviating their consideration costs would be the key to attract them. In this sense, simple/straightforward or memorable advertising messages and highly visible locations may be helpful to attract them by easing their information processing.

The results indicate that both consumer involvement and perceived brand heterogeneity enhance the effect of brand preference on customer share of visits. In other words, highly involved customers and those who perceive high heterogeneity among restaurants tend to respond more sensitively to their brand preferences when making purchase choices. For these customers, preventing their brand preference from degrading is as important as upgrading it. Building trust with consistent value provision and satisfactory service recovery would mitigate negative effects of occasional shortcomings in food/service quality on brand preference (e.g., Bendapudi and Berry, 1997; Morgan and Hunt, 1994). Marketing scholars generally agree that trust is a necessary ingredient for long-term relationships.

Intrinsically variety-seeking customers tend to become easily tired of repeated purchases and thus seek variety to restore stimulation to the preferred level (Van Trijp et al., 1996). For these customers, occasional menu item changes based on 'menu engineering' (cf. Kasavana and Smith, 1982) or rotations of seasonal menu items would be helpful in mitigating their boredom of repeated visits to the same restaurants.

7. Limitations and suggestions for future research

The one potential limitation of this study involves the use of a retrospective approach in collecting data on customer share of visits. However, given that the customer is the only one who can ever know how often s/he has visited a given restaurant and others, this study collected data on customer share of visits via direct questioning of respondents. In fact, such retrospective, self-reporting approach has often used in measuring customer share (Verhoef, 2003). In an effort to improve the accuracy of responses, the questionnaire asked three different forms of questions about a respondent's share of visits to a restaurant and encouraged a respondent to think carefully in responding to those questions. Future research may utilize point-of-sale data if available from participating restaurant samples to enhance the accuracy of CSOV data.

The insignificant effects of alternative attractiveness on customer share of visits are thought to be due to the fact that the measures for alternative attractiveness in this study simply measured the degree of relative attractiveness of alternatives. Future research may adopt different measurement items to ascertain the importance attached to relative attractiveness from the customers' perspective rather than mere differences in attractiveness. Such measures are more likely to help managers understand the influence of competition on customer share of visits.

Lastly, as a first attempt to assess contingency variables for customer share of visits, this study focused on revealing the individual effects of those variables. Future research may test interrelationships among the variables or their collective effects on customer share of visits. Future research may also test mediating variables between the contingency variables and customer share of visits. In essence, as a fairly new concept, customer share (of visits) is yet to be tested in various approaches and hospitality contexts.

References

- Antón, C., Camarero, C., Carrero, M., 2007. Analyzing firm's failures as determinants of consumer switching intentions: the effect of moderating factors. *European Journal of Marketing* 41 (1/2), 135–158.
- Bagozzi, R.P., Yi, Y., 1988. On the evaluation of structural equation models. *Journal of the Academy of Marketing Science* 16 (1), 74–94.

- Bansal, H.S., Taylor, S.F., James, Y.S., 2005. Migrating to new service providers: toward a unifying framework of consumers' switching behaviors. *Journal of the Academy of Marketing Science* 33 (1), 96–115.
- Bendapudi, N., Berry, L.L., 1997. Customers' motivations for maintaining relationships with service providers. *Journal of Retailing* 71 (3), 223–247.
- Blattberg, R.C., Getz, G., Thomas, J.S., 2001. *Customer Equity: Building and Managing Relationships as Valuable Assets*. Harvard Business School Press, Boston.
- Bowen, J., 1990. Development of a taxonomy of services to gain strategic marketing insights. *Journal of the Academy of Marketing Science* 18 (1), 43–49.
- Bozzo, C., 2002. Understanding inertia in an industrial context. *Journal of Customer Behaviour* 1 (3), 335–355.
- Burnham, T.A., Frels, J.K., Mahajan, V., 2003. Consumer switching costs: a typology, antecedents, and consequences. *Journal of the Academy of Marketing Science* 31 (2), 109–126.
- Colgate, M., Lang, B., 2001. Switching barriers in consumer markets: an investigation of the financial services industry. *Journal of Consumer Marketing* 18 (4), 332–347.
- Colgate, M., Tong, V.T.-U., Lee, C.K.-C., Farley, J.U., 2007. Back from the brink: why customers stay. *Journal of Service Research* 9 (3), 211–228.
- Cool, B., Keiningham, T.L., Aksoy, L., Hsu, M., 2007. A longitudinal analysis of customer satisfaction, and share of wallet: investigating the moderating effect of customer characteristics. *Journal of Marketing* 71 (January), 67–83.
- Coyles, S., Gokey, T.C., 2002. Customer retention is not enough. *The McKinsey Quarterly* 2 (2), 81–89.
- Donthu, N., Gilliland, D., 1996. Observation: the infomercial shopper. *Journal of Advertising Research* 36 (2), 69–76.
- Fiske, D.W., Maddi, S.R., 1961. *Functions of Varied Experience*. Dorsey Press, Homewood, IL.
- Fornell, C., 1992. A national customer satisfaction barometer: the Swedish experience. *Journal of Marketing* 56 (1), 6–21.
- Fornell, C., Larcker, D.F., 1981. Evaluating structural equation models with unobservable variables and measurement error. *Journal of Marketing Research* 18 (1), 39–50.
- Gensch, D.H., 1987. A two-stage disaggregate attribute choice model. *Marketing Science* 6 (3), 223–231.
- Goode, M.M.H., Harris, L.C., 2007. Online behavioural intentions: an empirical investigation of antecedents and moderators. *European Journal of Marketing* 41 (5/6), 512–536.
- Gremler, D.D., Brown, S.W., 1998. Service loyalty: antecedents, components, and outcomes. In: Grewal, D., Pechmann, C. (Eds.), *AMA Winter Educators' Conference: Marketing Theory and Applications*. American Marketing Association, Chicago, pp. 165–166.
- Gremler, D.D., Gwinner, K.P., 2000. Customer–employee rapport in service relationship. *Journal of Service Research* 3 (1), 82–104.
- Gremler, D.D., Gwinner, K.P., 2008. Rapport-building behaviors used by retail employees. *Journal of Retailing* 84 (3), 308–324.
- Guterk, B.A., Chery, B., Bhappu, A.D., Schneider, S., Woolf, L., 2000. Features of service relationships and encounters. *Work and Occupations* 27 (3), 319–351.
- Gwinner, K.P., Gremler, D.D., Bitner, M.J., 1998. Relational benefits in services industries: the customer's perspective. *Journal of the Academy of Marketing Science* 26 (2), 101–114.
- Hair Jr., J.F., Black, W.C., Babin, B.J., Anderson, R.E., Tatham, R.L., 2006. *Multivariate Data Analysis*, 6th ed. Prentice-Hall, Upper Saddle River, NJ.
- Hauser, J.R., Wernerfelt, B., 1990. An evaluation cost model of consideration sets. *Journal of Consumer Research* 16 (4), 393–408.
- Hellier, P.K., Geursen, G.M., Carr, R.A., Rickard, J.A., 2003. Customer repurchase intention: a general structural equation model. *European Journal of Marketing* 37 (11/12), 1762–1800.
- Hennig-Thurau, T., Gwinner, K.P., Gremler, D.D., 2002. Understanding relationship marketing outcomes: an integration of relational benefits and relationship quality. *Journal of Service Research* 4 (3), 230–247.
- Jackson, B.B., 1985. *Winning and Keeping Industrial Customer: The Dynamics of Customer Relationships*. Lexington Books, Lexington, MA.
- Jones, M.A., Mothersbaugh, D.L., Beatty, S.E., 2000. Switching barriers and repurchase intentions in services. *Journal of Retailing* 76 (2), 259–274.
- Jones, M.A., Reynolds, K.E., Mothersbaugh, D.L., Beatty, S.E., 2007. The positive and negative effects of switching costs on relational outcomes. *Journal of Service Research* 9 (4), 335–355.
- Kardes, F.R., Kalyanaram, G., Chandrashekar, M., Dornoff, J., 1993. Brand retrieval, consideration set composition, consumer choice, and the pioneering advantage. *The Journal of Consumer Research* 20 (1), 62–75.
- Kasavana, M., Smith, D.L., 1982. *Menu Engineering: A Practical Guide to Menu Pricing*. Hospitality Publications, Lansing, MI.
- Kauder, E., 1965. *A History of Marginal Utility Theory*. Princeton University Press, Princeton, NJ.
- Kim, W., Ok, C., in press. Customer orientation of service employees and rapport: influences on service outcome variables in full-service restaurants. *Journal of Hospitality & Tourism Research*.
- Kim, W., Ok, C., Gwinner, K.P., in press. The antecedent role of customer-to-employee relationships in the development of customer-to-firm relationships. *Service Industries Journal*.
- Klemperer, P., 1995. Competition when consumers have switching costs: an overview with applications to industrial organization, macroeconomics, and international trade. *Review of Economic Studies* 62 (4), 515–539.
- Kumar, N., Stern, L.W., Achrol, R.S., 1992. Assessing reseller performance from the perspective of the supplier. *Journal of Marketing Research* 29 (2), 238–253.
- Liljander, V., Strandvik, T., 1995. The nature of customer relationships in services. In: Swartz, T.A., Bowen, D.E., Brown, S.W. (Eds.), *Advances in Services Marketing and Management*, vol. 4. JAI, Greenwich, CT, pp. 141–168.
- Mägi, A.W., 2003. Share of wallet in retailing: the effects of customer satisfaction, loyalty cards and shopper characteristics. *Journal of Retailing* 79 (2), 97–106.
- McAlister, L., Pessemier, E.A., 1982. Variety-seeking behavior: an interdisciplinary review. *Journal of Consumer Research* 9 (3), 311–322.
- McReynolds, P., 1971. The nature and assessment of intrinsic motivation. In: McReynolds, P. (Ed.), *Advances in Psychological Assessment*, vol. 2. Science and Behavior Books, Palo Alto, CA, pp. 157–177.
- Morgan, R.M., Hunt, S.D., 1994. The commitment-trust theory of relationship marketing. *Journal of Marketing* 58 (3), 20–38.
- Park, C.W., Mittal, B., 1985. A theory of involvement in consumer behavior: problems and issues. In: Sheth, J.N. (Ed.), *Research in Consumer Behavior*, vol. 1. JAI Press, Greenwich, CT, pp. 210–231.
- Patterson, P.G., 2004. A contingency model of behavioral intentions in a services context. *European Journal of Marketing* 38 (9/10), 1304–1315.
- Patterson, P.G., Smith, T., 2001. Relationship benefits in service industries: a replication in a southeast Asian context. *Journal of Services Marketing* 15 (6), 425–443.
- Patterson, P.G., Smith, T., 2003. A cross cultural study of switching barriers and propensity to stay with service providers. *Journal of Retailing* 79 (2), 107–120.
- Perkins-Munn, T., Aksoy, L., Keiningham, T.L., Estrin, D., 2005. Actual purchase as a proxy for share of wallet. *Journal of Service Research* 7 (3), 245–256.
- Ping Jr., R.A., 1993. The effects of satisfaction and structural constraints on retailer exiting, voice, loyalty, opportunism, and neglect. *Journal of Retailing* 69 (3), 321–349.
- Porter, M.E., 1980. *Competitive Strategy*. Free Press, New York.
- Price, L.L., Arnould, E.J., 1999. Commercial friendships: service provider–client relationships in context. *Journal of Marketing* 63 (4), 38–56.
- Reinartz, W.J., Kumar, V., 2000. On the profitability of long-life customers in a noncontractual setting: an empirical investigation and implications for marketing. *Journal of Marketing* 64 (October), 17–35.
- Reynolds, K.E., Beatty, S.E., 1999. Customer benefits and company consequences of customer–salesperson relationships in retailing. *Journal of Retailing* 75 (1), 11–32.
- Richins, M.L., Bloch, P.H., 1991. Post-purchase product satisfaction: incorporating the effects of involvement and time. *Journal of Business Research* 23 (2), 145–159.
- Roberts, J.H., Lattin, J.M., 1991. Development and testing of a model of consideration set composition. *Journal of Marketing Research* 28 (4), 429–440.
- Rusbult, C.E., 1980. Commitment and satisfaction in romantic associations: a test of the investment model. *Journal of Experimental and Social Psychology* 16 (2), 172–186.
- Sharma, N., Patterson, P.G., 2000. Switching costs, alternative attractiveness and experience as moderators of relationship commitment in professional, consumer services. *International Journal of Service Industry Management* 11 (5), 470–490.
- Shugan, S.M., 1980. The costs of thinking. *Journal of Consumer Research* 7 (2), 99–111.
- Stigler, G., 1961. The economics of information. *Journal of Political Economy* 69 (3), 213–225.
- Szymanski, D.M., Henard, D.H., 2001. Customer satisfaction: a meta-analysis of the empirical evidence. *Journal of the Academy of Marketing Science* 29 (1), 16–35.
- Tabachnick, B.G., Fidell, L.S., 2007. *Using Multivariate Statistics*, 5th ed. Pearson Education, Boston, MA.
- Van Trijp, H.C.M., Hoyer, W.D., Inman, J.J., 1996. Why switch? Product category-level explanations for true variety-seeking behavior. *Journal of Marketing Research* 33 (3), 281–292.
- Verhoef, P.C., 2003. Understanding the effect of customer relationship management efforts on customer retention and customer share development. *Journal of Marketing* 67 (October), 30–45.
- Warrington, P., Shim, S., 2000. An empirical investigation of the relationship between product involvement and brand commitment. *Psychology & Marketing* 17 (9), 761–782.
- Wieringa, J.E., Verhoef, P.C., 2007. Understanding customer switching behavior in a liberalizing service market: an exploratory study. *Journal of Service Research* 10 (2), 174–186.
- Williamson, O.E., 1981. The economics of organization: the transaction cost approach. *American Journal of Sociology* 87 (3), 548–577.
- Wright, P., Barbour, F., 1977. Phased decision strategies: Sequels to initial screening. In: Starr, M., Zeleny, M. (Eds.), *Multiple criteria decision making: TIMS studies in the management sciences*, Vol. 6. North-Holland, Amsterdam, pp. 91–109.
- Yanamandram, V., White, L., 2006. Switching barriers in business-to-business services: a qualitative study. *International Journal of Service Industry Management* 17 (2), 158–192.
- Zeelenberg, M., Pieters, R., 2004. Beyond valence in customer dissatisfaction: a review and new findings on behavioral responses to regret and disappointment in failed services. *Journal of Business Research* 57 (4), 445–455.
- Zeithaml, V.A., 2000. Service quality, profitability, and the economic worth of customers: What we know and what we need to learn. *Journal of the Academy of Marketing Science* 28 (1), 67–85.
- Zeithaml, V.A., Berry, L.L., Parasuraman, A., 1996. The behavioral consequences of service quality. *Journal of Marketing* 60 (2), 31–46.