THE EFFECT OF MOOD STATES ON THE DYADIC SERVICE ENCOUNTER

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ABSTRACT

Service encounters in people based services are primarily dyadic in nature. This paper examines the influence that affect, particularly moods states have on the service encounter. The relevance of mood states prior to, during and subsequent to the service encounter are discussed. Findings from two exploratory studies highlights the need to investigate the effect of mood states on the dyadic interaction of the service encounter. It is further proposed that the level of the interdependency between the customer and service provider could influence the intensity of mood states in the encounter. Future research will also investigate the effect of mood states on the service outcome and evaluation.

INTRODUCTION

Service firms are continually challenged to find new ways to monitor and enforce service quality and enhance customer satisfaction. This focus on the customer requires service firms to examine in-depth how the customer feels during service encounters. The customer’s affective states are an important managerial concern.

As service encounters are primarily a dyadic interaction (Solomon, Surprenant, Czepiel and Gutman 1985) between the customer and the service provider, the affective states of the service provider will also influence the service encounter and the outcome for both parties. A two-way interaction will occur in the service encounter. Despite the wealth of research on affect, a limited number of conceptual writers have discussed the impact of mood (an affect state) within the service encounter (Gardner 1985; Hoffman 1992; Knowles, Grove and Pickett 1993; Manrai 1993) and little empirical work has been done concerning mood and the service encounter. Moods can be briefly described as mild affective state, that are easily induced and are transient and pervasive in nature (Gardner 1985).

This paper initially examines the concept of affect and the lack of clarity that exists between the underlying dimensions of affect. The main streams of consumer research as they relate to mood are then reviewed. The final section of this paper examines the effect of mood on the service encounter. The relevance of mood in service encounters is discussed, followed by a brief critique of the main studies in this area. The paper concludes by stating the research problems to be addressed in future research.

AFFECTIVE CONTEXT

Affect is a psychologically rich concept referring to the domain of human emotions (Peterson, Hoyer and Wilson 1986). Affect has not been well defined in the marketing literature and consequently it is difficult to explain. For instance, Batra (1986, p.54) while acknowledging there is some confusion between affect, emotion and feelings goes on to define affect as #the sort of feelings towards a stimulus that leads to relative preferences for that stimulus out of a class of similar stimuli#. Westbrook (1987, p.259) takes a different view and interprets it as a #... class of mental phenomena uniquely characterised by a consciously experienced, subjective feeling state, commonly accompanying emotions and moods#. This is reflective of the confusion with regards to the definitions and distinctions among the various concepts like affect, emotion and mood (Clark and Isen 1982; Fiske and Taylor 1991).
Cohen and Areni (1991, p.191) attempt to derive a distinction between affect, emotion and mood by defining affect as ‘...a general descriptor of a valenced feeling state’. They go onto say that ‘emotion and mood can be thought of as specific examples of such states’. If affect is the overriding concept relating to a feeling state, what distinctions are made between emotion and mood?

Emotions have been suggested to be more intense and stimulus specific affect states than mood (Clark and Isen 1982; Isen and Daubman 1984; Gardner 1985) that demand more attention to the instigating stimulus and can disrupt ongoing goal-directed activity (Clark and Isen 1982). Moods are feeling states that are milder in intensity than emotions (Cohen and Areni 1991; Clark and Isen 1982) which are subject to change by surprisingly small commonplace events (Gardner 1985; Isen 1984). They are seldom attributable to a particular or specific source but, rather, are transient and pervasive feeling states that occur in specific situations or at specific times (situational construct) (Knowles, Grove and Pickett 1993; Gardner 1985; Westbrook 1980).

Unlike emotions which are more intense and tied to specific behaviour, moods are unfocused, antecedent conditions that are present when a consumer experiences a service, advertisement or brand (Knowles, Grove and Burroughs 1993). Moods may be viewed as having two characteristics: direction (type of feeling experienced—e.g., happy, cheerful, hopeful, sad) and intensity of its arousal e.g., the pounding heart of the angry individual (Gardner 1987).

Though emotions and mood states are different constructs, there is a close link between them. What emerges from the above discussion is that mood states are more frequently experienced than emotions. While mood states invariably accompany an emotion, the reverse is not necessarily true. This is so because emotions require a level of arousal sufficient enough to interrupt cognition and redirect attention, and mood states may colour—but rarely interrupt ongoing behaviour (Gardner 1987).

Although researchers have found differences to exist between moods and emotions, these two constructs have been used interchangeably in some affect research, with little consideration given towards their unique differences (e.g., Goldberg and Gorn 1987). A considerable amount of empirical research has focused on emotion and its relationship to consumer behaviour. There have been several psychological frameworks that define and operationalise emotion (e.g., Izard 1977; Mehrabian and Russell 1974; Plutchik 1980). The purpose of the present study is to examine the scope of the effects of mood states on consumer behaviour with a particular focus on service encounters, an area where further empirical research is needed. The next section will briefly review mood related research before examining the limited amount of theoretical and empirical research relevant to the area of service encounters.

MEASUREMENT OF MOOD

The role of consumer mood in relation to consumer decision making has received considerable attention over the last decade. Researchers have examined issues dealing with the impact of mood states on advertising effects (Batra and Stayman 1990; Stayman and Batra 1991), decision making (Mano 1990; Isen and Means 1980; Isen 1984; Kacen 1994, Gardner and Scott 1990; Hadjimarcou and Marks 1994), the context effects of television programs on commercial effectiveness (Manrai, Broach and Manrai 1992; Murry, Lastovicka and Singh 1992), memory (Bowen 1981), retrieval and evaluation of advertisement and brand information (Knowles, Grove and Burroughs 1993; Gardner and Hill 1988), information processing (Gardner 1987), situation (Gardner and Vandersteel 1984), gender (Kellaris and Mantel 1994); prosocial behaviour and service quality (Cunningham 1979; Hoffman and Kelly 1994).

A landmark article by Gardner in 1985 provided a critical review of mood states and consumer behaviour. She suggests that there are three areas where mood effects appear to be significant and where mood states can be influenced by marketing tactics: service encounters, point-of-purchase stimuli and communications (context and content). Based on this early work by Gardner (1985), a small number of researchers have undertaken exploratory research in these areas. To date, in the area of mood effects and the service encounter, research has remained at a conceptual level and empirical findings have yet to be published (Manrai 1993; Hoffman 1992; Hoffman and Kelly 1995; Knowles, Grove and Pickett 1982; Knowles, Grove and Pickett 1993; Knowles, Pickett.
and Grove 1993). The next section of this paper examines the relevance of mood in service encounters and then briefly reviews the research in this area.

MOOD EFFECTS IN SERVICE ENCOUNTERS

Relevance of Mood in Service Encounters

The role that mood states play in the context of service encounters has been especially emphasised by Gardner (1985 p. 291):

Service encounters offer marketers many opportunities for mood inductions that are temporally contiguous to a transaction and so are of potential strategic importance. The service setting, the procedure, and the interaction with the service provider present opportunities for marketers to influence or respond to mood states.

With particular relevance to service encounters, Manrai (1993) identifies three areas where mood states influence the transaction. First, the effects of mood may be greater in ambiguous situations as opposed to unambiguous, where mood effect on performance may be minimal or nonexistent (Gardner 1985). The intangible nature of services creates uncertainty concerning the delivery and outcome. As a consequence, customers look for signs of service quality and other cues to infer quality. Due to the lack of a tangible entity and objective information, positive mood inductions during the service encounter can have a favourable effect on transactions. Positive mood inductions can be used as a cue to infer quality.

Second, the interactive nature of the service encounter between the customer and service provider may be mutually effected by the mood state of each other. Hence, the mood states of both parties may affect the service delivery process and outcome. Gardner (1985) proposed that mood may influence the service provider’s performance as well as the consumer’s behaviour, evaluation process and recall of the encounter.

The third reason relates to service quality and the personalisation of the relationship between the service provider and customer. The very nature of the five dimensions of service quality identified by Parasuraman, Zeithaml and Berry (1985, 1988) in their SERVQUAL instrument is such that they are likely to affect and be affected by mood. With the exception of tangibles, reliability, responsiveness, assurance and empathy are closely associated with the service provider’s personal characteristics. Many customers develop a relationship with the same service provider and when this provider is not available the customer’s mood state will be influenced.

Hoffman and Kelly (1995 unpublished paper) identify a further reason that relates to search attributes. When no one alternative dominates the evoked set, and there is a lack of search attributes, services are difficult to differentiate and are often selected as a result of the relationship that develops between the service provider and customer. The mood of the service provider, that is observable through some physical manifestation, particularly in the early stage of the encounter, may play an important role in differentiation among service alternatives that the customer may select from in the market place.

Several reasons have been identified to highlight the particular importance of the effect of mood on the service encounter. These reasons suggest that mood influences the service prior, during and subsequent to the service encounter. The mood states of the service provider and the customer should be of critical concern when examining service encounters. The following section begins by considering the nature of the service interaction and then proceeds to review the literature relating to mood states and service encounters. The critique of the existing literature will identify gaps that provide the researcher with an opportunity to position her future research and add to the limited body of knowledge in this area.

Mood States and Service Encounter Research

Service Interactions. Services cover a wide spectrum of interactions, from monadic interactions (e.g., customer/machine transaction-ATM) to complex dyadic interactions (e.g. customer / service provider transactions-doctor/patient) (Gardner 1985). As a result, the nature of the interaction between the service provider and customer can vary across services. Since the focus of this paper is to examine the role of mood
states in the dyadic interactions between the service provider and customer, there is a need to define the scope of interactions to be able to see it in perspective.

Mills and Morris (1986) argue that clients should be seen as potential "partial employees" in services where the customer is willing to participate in the production of the service. On the other hand, Bowen and Schneider (1985) argue that service providers should be seen as "partial customers" since the service provider is an "internal customer" of the front-office staff.

What emerges is a blurring of the distinction between the "customer" and the "service provider". The inclusion of the "internal customer" in the definition of the "customer" increases the complexity of the relationships involved in a service setting, besides expanding the role of mood states in interpersonal relationships. A flexible approach to integrate all these disparate approaches or orientations is to view the service encounter as consisting of mutually interdependent relationships, where the nature of this interdependency is determined by the nature of the service.

The interdependency construct is potentially an important moderator of mood states in service encounters. When there is a high level of interdependency, the nature of the service is more complex or differentiated than a service which is low in interdependency or more standardised in nature. The three research studies specific to this area have to date not considered this construct. Interdependency is worthy of consideration in future studies as the intensity of the mood is posited to be dependent on the complexity of the interaction between the service provider and the customer.

Current Research. Current research investigating the effect of mood states within the service encounter is limited to three studies, two of which are empirically based. Research by Hoffman (1992) and Hoffman and Kelly (1995) focus on the encounter from the service providers perspective, while the research undertaken by Knowles, Grove and Pickett (1993) and Knowles, Pickett and Grove (1995) concentrate on the customer in the service encounter. The final study by Manrai (1993) is a conceptual paper that attempts to address the dyadic nature of the service interaction.

Hoffman (1992) proposed a conceptual framework to investigate four main dimensions of positive mood states on service exchange relationships. Positive stimuli (first dimension), inherent in the service encounter are proposed to influence the service provider and consumer mood states (second dimension) which have a direct impact upon prosocial behaviours (third dimension) and service quality assessment (fourth dimension). Service providers and consumers engaging in prosocial behaviour are proposed to give favourable service quality assessments. Service quality assessment has been posited to directly influence subsequent prosocial behaviour and indirectly influence service providers and consumer mood states. Lastly, service providers and consumers influence each others' mood states through their respective behaviours.

In a conceptual framework, Hoffman (1992) acknowledges that mood states are influenced by stimuli, many of which are situational variables (inanimate environment, organisational systems, contact people and other consumers). He does, however, only focus on positive mood states. He argues that the inducement of negative moods by service providers seems self-defeating, lacking in practicality, and is unethical (Hoffman 1992). Mood theory research strongly supports the contention that prosocial behaviour is most likely to occur when service providers and customers experience positive mood states (Berkowitz 1987; Eisenberg and Fabes 1991). Introducing prosocial behaviour into the framework is a valuable addition to the research in this area. As expressed earlier in this paper the linkage between mood states and service quality appears to be a worth while contribution to make in this framework. Positive mood states of service providers and customers appears to have a positive influence on service quality. The relationship between prosocial behaviour and service quality is reciprocal (Hoffman 1992).

Hoffman and Kelly (1995 unpublished paper) operationalise a modified version of Hoffman's (1992) earlier conceptual model. Data was collected from 122 Bank contact personnel using a questionnaire. Established scales were used to measure mood, prosocial behaviour and service quality. The PANAS (positive and negative affect schedule) was used to assess mood of employees regarding their feelings while working at the bank. Are the researchers really measuring mood or emotion? As described earlier in this paper, moods are a transient and pervasive feeling states that occur in specific situations or at specific times (Gardner 1985; Westbrook 1980). The
measurement tool is being applied to measure how they (respondent) feels while working at the bank and not in relation to a service encounter with a customer. This general measure of a feeling state strongly indicates that the researchers are measuring emotion and not mood. The validity of this measure in the context of this study is in serious contention. Further, the PANAS scale has been selected and applied without sound justification. Are other mood scales such as Mood Short Form:MSF (Peterson and Sauber 1983) and the mood scale developed by Allen and Janiszewski (1989) more suited to measuring mood. Further discussion on the selection of the mood scale is needed.

The prosocial scales selected for this study attempted to assess behaviour in relation to fellow employees, and customers. The scales assess fellow employees and customers as if they were generic groups and do not take into account the individualistic nature of the service interaction. This approach also seriously weakens the value of the study. Service quality was assessed using the SERVQUAL instrument (Parasuraman, Zeithaml and Berry 1988). In the context of the present study SERVQUAL may not be the appropriate tool to measure service quality. Due to limited information in the article it was difficult to assess this dimension of the model further. Finally, the impact of stimuli from the environment were not assessed in this operationalised model. In conclusion, Hoffman and Kelly’s (1995) study provides a foundation for further research in this area.

The research by Knowles, Pickett and Grove (1993;1995 unpublished paper) investigates the effect of mood states (positive, neutral and negative) on recall, evaluation and behaviour towards service encounters. Their initial work in 1993 was a conceptual paper that provided a series of propositions that linked mood states with recall of information about service encounters, evaluation of a service encounter and behavioural responses towards service encounters. These propositions were subsequently reworded into hypotheses and empirically tested in a laboratory setting. The subjects were initially induced into a positive or negative mood state and then were asked to recall information from one of four service scenarios concerning retail banking (renting a safe deposit box). Next the subjects were asked to evaluate the service organisation and, finally, indicate their behavioural intentions toward the service situations they encountered. One hundred and twenty-one M.B.A and undergraduate students served as subjects in this study.

Appropriate mood manipulation (independent variables) procedure was used to install positive and negative moods in the subjects. The results of the manipulation check revealed a significant mood difference in the correct direction. Four scenarios in the study were positive, neutral, negative and mixed that were used to determine the likelihood that subjects in different moods might react differently to different service situations. Pre-experimental manipulation check on the valence of the scenarios revealed that the scenarios were recalled as intended. Post hoc analyses of the actual experiment revealed the same result.

The three dependent variables in this study, namely, recall (memory), evaluation, and behavioural intentions were each tested using appropriate methods in the experiment. Appropriate statistical techniques including ANOVA and MANOVA were used to tested the data collected in this mood state experiment. Overall mood states appear to have minimal impact on subject’s recall of service encounters.

With regards to service evaluation, mood states appear to have little direct impact on the service encounter evaluation. Some marginal interactive effects were uncovered for both recall and evaluation based on the experimental design. Findings with regard to the third variable, behaviour intention revealed that subjects in a positive mood that experienced a positive scenario were more likely to exhibit positive behaviour towards the service. While the results of this study do not lend strong support for the tested hypotheses, finding do indicate that mood states may influence service encounters.

Knowles, Pickett and Grove’s (1995) study makes a marginal contribution to the limited body of knowledge in this area. The use of students as subjects in this experiment is a significant weakness. The study has failed to capture the dyadic interaction between the service provider and customer using a scenario based approach. As with Hoffman and Kelly’s (1995) study, data is only being collected from one party in the interaction. In the case of this study the students are defacto customers of the bank. Even though there are a number of limitations to this study, the research design is more rigorous then that used in Hoffman and Kelly’s (1995) study.
In the final paper, Manrai (1993) propose an integrated conceptual model of mood effects on service encounters. The model comprises of the constructs tested in Hoffman and Kelly’s (1995) model and attempts to address a number of the limitations identified in the two previous studies. The model has three main sections, namely, pre service encounter, the encounter and post service encounter. In the first section, Manrai (1993) incorporates the impact of situational and environmental factors on prior mood of the service provider and customer. A significant feature of this model is the dyadic interaction between the two parties, that is the impact of prior mood on the encounter, the influence of the encounter on prosocial behaviour and the effect that prosocial behaviour has on the customers subsequent mood, the outcome and evaluation in terms of service quality and customer satisfaction.

Manrai (1993) is the first researcher to the author’s knowledge to develop an integrated model that attempts to address many of the mood effect issues on the service encounter as highlighted by Gardner (1985). In her paper she gives no indication on how the model could be operationalised but it does provide researchers of the future with an enormous challenge.

In summary, specific research relating to the effect of mood on the service encounter has primarily focused on developing the area at the conceptual level, with only two studies attempting to empirically test a small number of constructs relating to mood states and the service encounter. Findings from these exploratory studies do indicate that mood may effect the service encounter, however, the limitations of the two studies need to be seriously considered. Future research in this area has enormous potential at both the conceptual and more particularly, in the empirical research area.

**FUTURE RESEARCH DIRECTION**

Services that are categories as being more people-based services as opposed to equipment-based or product-related services rely on people to deliver the service. The service interaction for these types of services can be referred to as being dyadic in nature. Gardner (1985) and Manrai (1993) have both proposed that the mood states of both parties may effect the service interaction. The first research problem to be investigated is:

What is the effect of mood on the dyadic service encounter?

Due to the intangible nature of services, customers level of dependency on the service provider will vary with the nature of the service. The service provider is also dependent on the customer (eg., information). A mutually interdependent relationship exists, where the nature of this interdependency is determined by the nature of the service. As discussed earlier in this paper, the intensity of the mood states are posited to be dependent on the complexity of the interaction between the service provider and the customer. The second research problem is stated as:

Does the level of interdependency influence the intensity of mood states in the dyadic service encounter?

The final area that will be investigated in future research is the effect of mood states on the service outcome and evaluation in terms of customer satisfaction and repeat purchase. The final research problem is stated as:

What is the influence on the service outcome and evaluation of the level of interdependency on mood states in the service encounter.

**CONCLUSION**

This paper presents the literature review and research problems to be investigated for a study on the effect of mood states on the dyadic service encounter. In this paper the author has sought to clarify the mood concept in the context of the affect literature and expound the differences between mood and emotion. Moods in the context of this study are defined as a mild affective state, that are easily induced and are transient and pervasive in nature. A distinction is drawn between moods and emotions with the latter being more intense and stimulus specific. The role of consumer mood in the context of consumer decision making has received considerable attention in the literature, however in relation to the service encounter research is in it's infancy. Gaps identified in previous research and the introduction of the interdependency construct in a dyadic service encounter provides...
the author with an opportunity to contribute to the limited body of knowledge in this area. Finally, evidence presented in this paper indicates that the mood construct in the context of the service encounter requires further refinement and needs to be operationalised using a new methodology that captures the dynamic nature of the service encounter.

REFERENCES


