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## **SPAT (SWITCHING PATH ANALYSIS TECHNIQUE) - A METHOD FOR UNDERSTANDING SWITCHING PATHS AND FUTURE BEHAVIOR**

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### **ABSTRACT**

This article describes SPAT- the Switching Path Analysis Technique - a CIT (critical incident technique) development. Its application to different industries over the years has identified interesting patterns in narrowing the identified gaps in the literature on customer decision-making. The findings have enhanced knowledge about customer relationships not only in categorizing the driving factors, but also in enhancing predictability in terms of staying or switching. It has made it possible to forecast the outcome state, which is a neglected area in the literature. The contribution is twofold: (1) a deepened understanding of the future stability of customer relationships, which in turn contributes to the literature on decision processes; and (2) a description of a qualitative method capable of capturing the process of leaving service providers (SPAT).

### **INTRODUCTION**

For decades researchers have been trying to understand the relationship between service providers and their customers. This article represents a real step forward in shedding light on the stability of future behavior. The ultimate focus is on methods and decision-making, both of which are vital ingredients in promoting new thinking and developing new concepts. Readers are taken on an interesting journey, the goal of which is to fill a gap in the literature on decision-making by categorizing the dynamics of the customer relationship. Given that both perceptions of the relationships and the switching decisions are connected to actual behavior, the link to thought processes is obvious. It was through this link that we found the gap (Sheppard, Hartwick and Warshaw 1988) that motivated this thorough description of a method capable of filling it.

Other and more mature concepts constitute the basis of many of the ideas put forward in this article. Poor quality and dissatisfaction are significant factors in customer repurchasing (LaBarbera and Mazursky 1983; Simonson and Tversky 1992; Headly and Miller 1993; Heskett et al. 1994; Strandvik and Liljander 1994; Zeithaml et al. 1996; Rust et al. 1997). Likewise, it is crucial for service providers to be knowledgeable about complaining behavior and the handling of complaints, and how this connects to switching (Grönroos 1990; Bolton and Drew 1991; Edvardsson 1992; Oliva et al. 1992; Blodgett, Wakefield and Barnes 1995; Jones and Sasser 1995; Reichheld 1996; Oliver 1997; Bejou and Palmer 1998; Stauss and Seidel 1998).

The purpose of this article is to describe and empirically demonstrate a method that is capable of mapping customer relationships when the actual behavior has occurred. The results of the studies are presented and their relevance to method development in terms of filling the gap in the literature on decision-making is assessed. As by Sheppard et al. (1988) state, Fishbein and Ajzens's model (1975) predicts future behavior in terms of outcome, but not in terms of its stability.', labeled "the goal situation". The SPAT method is described and the gap in the literature is defined and demonstrated in the model of planned and automatic decision processes, with a focus on outcome stability, which is introduced at the end of the article.

From a managerial standpoint, the understanding of customer switching paths establishes a basis on which to identify and analyze individual differences amongst customers based on their actual behavior. The switching path indicates change in customer preferences by focusing on triggers (Roos 1999) that reflect the dynamism in relationship development. Preference change is related to both the industry in terms of competitors and trend shifts, and the customer's own economic or demographic situation.

## THE ACTUAL SWITCHING PERSPECTIVE – UNDERSTANDING FUTURE BEHAVIOR

### Starting the method development

Gremler's (2004) comprehensive overview includes 141 studies, and provides useful information on applications of the CIT technique. The author's main point is to recommend clear and meticulous guidelines for CIT applications in research, in other words in moving from data collection to the presentation of the results.

This article describes the development of a method and its capacity to reveal actual switching behavior on a switching path (Roos 1999). The path is divided into the trigger, the process and the outcome. The SPAT (Switching Path Analysis Technique) method focuses on critical incidents in customer relationships as aspects of a dynamic switching process. A method that illustrates the dynamism enhances understanding of customer preferences and the way they are influenced by various factors during a relationship. Dynamism on the switching path reflects not merely the customer's perceived reason for switching, but also the influences within and beyond the industry that affect customer behavior. It is seen as a configuration of switching determinants connected to other factors on the path.

Keaveney's (1995) perspective on switching behavior is adopted in this article. Customer relationships are studied in terms of actual switching, including both old and new alternatives. The static CIT technique (Flanagan 1954; Edvardsson 1992; Bitner, Booms and Tetreault 1990; Stauss 1993; Keaveney 1995; Bansal and Taylor 1999) is used as basis for the methodological development. The switching path starts in a relationship with a service provider, and is triggered by something. It proceeds, and ends in a switching decision. All the factors on the path, on which there may be several other service providers, could influence the decision (as reported in a range of empirical studies, including Roos 1999; Roos, Edvardsson and Gustafsson 2004; Roos and Gustafsson 2007).

Keaveney's (1995) study was influential in the development of SPAT (Roos 1999) because of how the categorization came about: her results and the possible underlying dynamism came to light during the reading of her article. She divided categories of switching determinants into simple versus complex: a simple determinant involves one category or factor, whereas a complex determinant involves more than one. Forty-five per cent of the respondents in her study indicated that their switching incidents comprised a single behavioral factor, and the remaining fifty-five per cent reported critical switching incidents that were complex. Core service failure was mentioned, together with both service-encounter failure and unsatisfactory responses to problems. The high percentage of complex switching incidents indicates the difficulty in understanding switching behavior only through identifying the determinants. Given the experiences gained later in the use of process methodology (Roos 1999), it is clear that the Keaveney results indicate dynamism on the switching path.

### The process approach to method development

Bolton (1998) and Smith, Bolton and Wagner (1999) discuss the role of cumulative aspects in the continuation of a relationship. The idea is that the usage (Bolton and Lemon 1999) and the utility of a service differ among customers, and so do the "landmines". In order to understand what happens over a longer time period it is necessary to understand thought processes, which may be either conscious or unconscious (Cleeremans 2001; Milner and Goodale 1998), and are closely related to the theory of reasoned action (Sheppard et al. 1988). The literature on reasoned action is considered more closely in the next section in the search for a method designed for mapping relationships from an actual-behavior perspective.

Assessing the influence of various factors on a switching decision, for example, may reveal something about customer behavior over a longer period. Process theories generally comprise three components: a set of starting conditions, an emergent process of change and a functional end-point (Van de Ven 1992). Processes can be studied from different approaches, although Van de Ven (1992) argues that there is only one possibility; describing and accounting for how some entities or issues develop and change over time. In discussing these issues Pettigrew (1992) proposes a type of process research that is organized around five assumptions: 1. embeddedness (studying processes on a number of levels of analysis); 2. temporal interconnectedness (studying processes in past, present and future time); 3. the explanatory role of context

and action; 4. the search for holistic rather than linear explanations; 5. the need to link process analysis with the location and explanation of the outcomes. The studies referred to in the present article fit into this categorization, especially with regard to time. However, it is difficult to argue for the pure process nature of the analyses. Factors influencing switching are considered as a group (Srinivasan 1987; Heide and Weiss 1995; Van Trijp et al. 1996). Rust et al. (1997) specify the importance of excellence at the launch stage, as customers seem to be extremely perceptive and sensitive to poor performance at the beginning of the relationship. Wirtz and Bateson (1999) suggest that customer groups that are aware of variation in a service provider's performance perceive the risk (Simonson and Tversky 1992). Bansal and Taylor (1999) present a switching model (SPSM), suggesting that attitudes towards switching have a significant impact on switching intentions.

#### The difference between predicting and controlling future behavior

In an early study on the theory of reasoned action Sheppard et al. (1988) assessed how well Fishbein and Ajzen's model (1975) performed in predicting and also controlling future behavior. Their main concern was with the behavioral outcome. For example, the model applies more to the intention to buy a house than to actual ownership of it: attitudes are closely related to behavioral intentions. Moreover, the addition of subjective norms improved the performance of the model in terms of both goals and behaviors. Thus extending the individual weighting had a positive effect in terms of predicting future behavior.

In a later study Ajzen, Brown and Carvajal (2004) shed new light on the discrepancy between how individuals really act and how they intended to act. Previous studies have addressed this problem in varying ways. For example, Campbell (1963) suggested that people with a positive disposition would be more likely to respond favorably in hypothetical as well as in real contexts (intention and actual), whereas those with a negative disposition would probably respond negatively in both contexts. Blumer (1955) had a different view, suggesting that people's construction of a situation may be very different from the real-life situation. Ajzen (1991) discuss stability related to habit when past behavior is considered in the context of the theory of reasoned action. Findings of studies in which past behavior is treated as habit (Bentler and Speckart 1979; Gustafsson, Johnson and Roos 2005) suggest that a direct path between prior and later behavior is a better solution than a mediated path incorporating intention. The theory of planned behavior (Ajzen 1988; 1991) was found to offer further explanation of the discrepancy between behavioral intention and actual behavior. According to the theory, perceived behavioral control affects behavior both directly and via intentions, and is assumed to be a better predictor of actual behavior. A general rule is that the more favorable the attitude and subjective norm and the greater the perceived behavioral control, the stronger is the behavioral intention. However, it seems that this practice is justified only if it can be assumed that intentions are assessed in a context that is likely to produce realistic behavior. In sum, studies that rely on intention as a proxy for actual behavior should be interpreted with caution (Ajzen et al. 2004).

Although the theory of planned behavior expanded the original theory of reasoned action with the addition of "perceived behavioral control", it would still be valuable to further separate the influencing factors so that intention would be more likely to manifest as actual behavior. Ajzen and Fishbein (1975) discuss the stability of future behavior in the context of reasoned action, stating that the relation between past and future behavior is only indicative of its temporal stability. Moreover, observation of temporal stability tells little about behavioral stability. For example, the study of repeated habitual behavior indicates nothing in itself: it is the change in habitual behavior that is interesting (p. 25). Observing habitual behavior does not explain the seemingly stable behavior of using the same bus to the university, for example: if the students change their behavior, *it is the reasons for the change that say more about stability over time.*

#### The outcome of the switching process as the "goal situation"

As Ajzen, Brown and Carvajal (2004) state, there is a connection between speech and actual behavior. Ajzen (1991) discusses the residual effect of past behavior and missing factors on stability: it is a problem to find and include the "right" factors. According to Sheppard et al. (1988), "Fishbein and Ajzen's model, which was originally developed to investigate an intention to perform a single behavior with no choice, performed best in a situation involving an explicit choice among alternatives" (p. 339). Consequently, the present study introduces a research process in which the departure is actual behavior and the switching situation (choice situation) includes several alternatives. Moreover, it is not only "the single behavior" situation but also "the goal situation" that improves. The factors influencing behavior are categorized taking

into consideration the stability in the switched-to alternative. In other words, the stability of future behavior is defined in the light of different influencing factors. Accordingly, the process described complements the “Fishbein and Ajzen model” in two ways: (1) *it includes several alternatives in the choice situation, and (2) it establishes the stability of the future choice (switched-to alternative).*

### SPAT as tool for filling the outcome-state gap

Switching could be considered a clear consequence of a critical incident. The traditional Critical Incident Technique has its origins in Flanagan (1954), who first described it as a set of procedures for collecting direct observations of human behavior. ‘By an incident is meant any observable human activity that is sufficiently complete in itself to permit inferences and predictions to be made about the person performing the act’ (ibid.). To be critical, an incident must occur in a situation, where the purpose or intent of the act seems fairly clear to the observer and where its consequences are sufficiently definite to leave little doubt concerning its effect’ (Flanagan 1954 pp. 327).

Switching represents the request for actual behavior (Ajzen, Brown and Carvajal 2004). The development of the Switching Path Analysis Technique (SPAT) (Roos 1999) was based on the assumption that an incident is critical when the consequences of it are clear. As far as actual switching behavior is concerned, there is no doubt about the consequences of the incidents customers judge to be decisive. Regardless of whether the switching is a consequence of a critical incident or of several incidents in a range, or whether there is a combination of factors, if the customers had not perceived the incidents as important enough, there would not have been any switching. SPAT was used for analyzing the different cases that are described in the results’ section.

### Steps in The Switching Path Analysis Technique

The analysis focuses on the trigger, the process and the outcome. The outcome stage includes the switching decision, the process describes the determinant configuration, and the trigger reflects the sensitive factors influencing the change in customer behavior. The SPAT tools include an interview guide, and analysis (code system) and reporting frameworks. The big challenge is to get the interviewee to tell the switching story so as to include not only the perceived switching reasons but also the reasons behind the perceptions. A successful interview facilitates the analysis of triggers and switching determinants.

1. The interview guide was put together with the objective of giving the interviewees the opportunity to tell their switching stories with minimum influence from the interviewer. The first question, “Why did you switch?” elicits almost enough information in some situations but not in others, in which case the interviewer may have to follow the interview guide to the end. It is a trade-off situation in which the alternatives may be “no information” and “guided information”. The latter alternative was chosen for the studies reported here.
2. The first step in the analysis stage is to determine whether the customer has switched or not. Switching paths differ according to the trigger, in combination with the determinant configuration directing the customer on the path. There are three types of trigger. A *situational trigger* is something beyond the control of the switched-from service provider that has increased the sensitivity of the situation, frequently demographic or economic change affecting the customer. An *influential trigger* is at work when conditions in the switched-to service provider attract the switching customer. It may be active or passive depending on whether the customer or the switched-to provider initiated the switching. The *reactional trigger* influences the customer’s sensitiveness to matters inside the switched-from service provider. The reasons customers give for switching from one service provider to another are referred to as switching determinants.
3. A *pushing determinant* is defined as the switching determinant the customer perceives as the reason for switching to another supermarket, for example.

### CASE ANALYSES

From the many studies where SPAT has been applied, those were chosen where the stability of the outcome was possible to confirm by focusing on the switching path through different steps of deepened understanding of the customer relationship. Referring to the identified gap in the literature on decision processes, Ajzen (1991) points to the importance of including past behavior in the study of later behavior, otherwise acquired knowledge about stability is likely to be deficient. As stated above, Ajzen’s model

(1975) does not fully take into consideration the outcome state of behavior. The three cases in this chapter describe the path towards assessing the stability of the outcome.

The first stage (case 1) gave *the approach in actual switching behavior and the separation of relationship factors* regarding importance for loyalty. The second stage (case 2) was a *confirmation* of those stages in several different industries for confirmation of the category robustness. The third stage (case 3) opened the important door hiding the definitions of the difference between active and passive customers. The longitudinal approach offered the answers through the customers being repeatedly interviewed every year during seven years both regarding their intentions to switch and their actual switching behavior.

Results relevant to SPAT development – assessment of the future stability of customer relationships

The cases included in the SPAT development are listed below. These particular applications were chosen so as to show the developments between 1999 and 2007 that led to the capability of predicting future relationship stability.

The first case establishes *the definition of the triggers and the switching determinants*.

The second case *confirms the switching-process categories in different settings*.

The third case verifies *the further categorization of the influential trigger as either active or passive*.

### Case 1

The application of SPAT to customer switching processes: First case in Table 1 – Supermarket: Roos (1999).

Method-development state: Categorization of the difference between the triggers and the switching determinants

The initial stage of method development concerned identifying and defining the factors of the switching process as triggers and determinants, which have different roles: triggers drive the relationships whereas determinants follow the path (Roos 1999).

Table 1. SPAT applications in different settings

Setting	Data collection	Trigger	Switching determinant	Development level
<b>First case: Supermarket</b>	76 interviews 84 switching stories	27 Situational triggers 36 Influential triggers 21 Reactional triggers	Range of goods, Location, Price, Competitor, Merchandise, Design, Co-customer, Failure of system, Policy, Variation, Product mix, Service policy, Failure of service, Atmosphere, Personnel, Habit, Queuing.	The difference between triggers and switching determinants was established
<b>Second case: 4 different settings</b>				
<u>Banking</u>	27 interviews	20 Situational 4 Reactional 3 Influential	8 Loan conditions; 5 Service; 4 Location of branches; 3 Loan negotiations; 3 Money transfer time	Confirmation of the stability of the categories in different settings
<u>Tele-communications</u>	96 interviews	59 Influential 25 Situational 12 Reactional	46 Price; 21 Customer support; 10 Change in product use; 9 System failure	Confirmation of the stability of the categories in different settings

Setting	Data collection	Trigger	Switching determinant	Development level
<u>Insurance</u>	80 interviews	39 Situational 21 Influential 20 Reactional	44 Price; 8 Effortless negotiations; 10 Insurance terms; 5 Insurance bunching	Confirmation of the stability of the categories in different settings
<u>The Swedish social-insurance system</u>	100 interviews	21 Reactional	Rules and bureaucracy Form design Routines of the social-insurance bureau Unfriendly treatment Waiting time	Changes in customer behavior not supportive of but with implication for stipulated routines.
<b>Third case: Tele-communications Longitudinal study over 6 years</b>	140 interviews -annually over 6 years -switching stories relevant to this analysis include those told by respondents who started and ended with the same telecom operator	At the 'end stations' of the 6-year switching stories, when it was possible to assess stability, the trigger distribution was: 71 triggers <u>Situational</u> : 12 Active and 0 Passive <u>Influential</u> : 10 Active and 47 Passive <u>Reactional</u> : 2 Active and 0 Passive		Verification of the of the influential trigger as either active or passive.  Customers reacting to active triggers are more stable than those reacting to passive triggers.

## Case 2

The application of SPAT to customer switching processes: Second case in Table 1– various settings: (Roos, Edvardsson and Gustafsson 2004).

Method-development state: confirmation of the robustness of the categories in different settings

The empirical studies carried out in this case were all analyzed by means of SPAT (Roos 1999), and were included in a former study (Roos, Edvardsson and Gustafsson 2004). The development lies in the application of SPAT to different settings, including a non-competitive industry (the Swedish social-insurance system).

The first setting represents the banking industry

The dominance of the situational trigger (20) is not surprising considering the specific industry characteristics (Table 1). The lack of influential-trigger (3) dominance, on the other hand, is unexpected. The influential trigger is commonly related to partial switching, and partial changes of business to competitors are therefore less advantageous than total change. Reactional-trigger paucity (4) indicates well-managed critical incidents.

The second setting represents the telecommunications industry

*The telecommunications case* includes two different switching studies carried out during the same year. The telecommunications industry was facing really keen competition at the time because it had to adjust to and enter an unregulated market. Traditional telecom companies offer a wide range of products. The new competitors have restricted their offerings, however, and concentrate mainly on the mobile-phone market. The telecom market turned turbulent and unpredictable because of the new competitors' efforts to achieve a decent market share. At first glance, the price-switching determinant seems to totally dominate the reasons for switching. Comparing the switching-path configurations highlights other reasons.

The third setting represents the insurance industry

The competitive situation of *insurance companies* has changed radically in recent years, at least from the companies' point of view. From the customers' perspective the situation is acknowledged as being easier, with more switching alternatives as a result of more aggressive marketing from competitors.

The fourth setting represents the Swedish social-insurance institution

This sub-case represents a non-competing industry. The situation is inherently different because no "real switching" is doable: *the Swedish social-insurance institution* has no direct business-related competitor. Given this lack of competition, one might assume that changes in customer behavior are not observable. The reality, however, seems to be that customers perceive a modicum of difference between internal suppliers of the service. Those who experienced reactional triggers in their relationships with the social-insurance system changed their behavior. This change is not directly comparable with switching behavior in industries in which the competitive situation is different. As Table 1 illustrates, there is no trigger distribution, for example, because situational and influential triggers have no automatic function in relationships in which neither the personal situation nor non-existent competitors can offend the sensitivities of any particular customer. Because of the relatively low occurrence of reactional triggers (21), it was not considered necessary to rank the switching determinants in terms of frequency. The analysis was more an attempt to connect the triggered sensitivities of the customers to their behavior. Again, movement along the switching path could be described in terms of switching determinants, which in this case focused on customer frustration.

### Case 3

The application of SPAT to customer switching processes: Third case in Table 1 – A longitudinal study on switching in the telecom industry: (Roos and Gustafsson 2007).

Method-development state: verification of the further categorization of the influential trigger as either active or passive

Switching-process mapping was conducted and verified over six years in a telecom company (Roos and Gustafsson 2007). The longitudinal approach made it possible not only to look at detached switching processes but also to comprehend the links between what customers planned to do and what they actually did. The special approach made it possible to establish not only what the outcome of a certain switching process was, but also its stability, which was what Sheppard et al. (1988) meant regarding Fishbein and Ajzen's (1975) model and its obeying of the stability of the outcome state.

A total of 140 interviews were conducted in a telecom company in Sweden. The customers were interviewed regularly over a long period of time, and thus the data included their subsequent switching behavior. Those interviewed for this study were randomly chosen from among the 3,000 customers included in a larger project. The starting sample was 545, and 70 of these were interviewed in the first round. The second round involved 40 of the customers who were interviewed before, and we carried out 30 new interviews for the third round. All in all, 140 interviews were conducted. The stories were not confined to switches from the market leader to a competitor, and thus included movement between all telecom operators on the Swedish market.

One clear pattern detected during the analysis was that *the influential trigger was divisible into passive and active categories* based on the initiation and progress of the switching process. Accordingly, the redefined influential trigger occurred in two forms. The 10 active triggers fitted into the traditional definition according to which customers shop around among telecom operators without consciously comparing and considering price-related issues. They follow the advertising and the offers of the entire market, and readily switch between operators. The 47 passive customers were of another kind: they did not fit into the situational or reactional trigger category. They clearly showed specific elements of the influential trigger as previously defined, the difference being in the initiative and in the initial state of the switching path. Whereas the active customers experiencing an influential trigger seemed to be constantly willing to try new alternatives and to search for the best offer, the passive customers showed latent prejudice against their current telecom operator and were ready to switch because of this, but only if the competitors contacted them. Thus the

first step toward being able to define prejudice was the finding that triggers could be clearly ascribed to both active and passive customers.

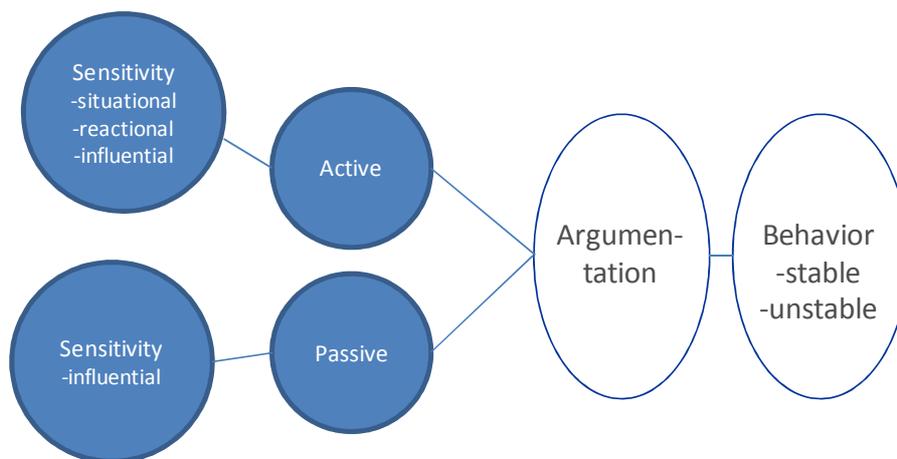
The new analysis revealed that, unlike the other two triggers, the influential trigger is predominantly passive. According to the original definition, these customers reflect the market in their actions: they react to competitors' efforts in the media, their focus being on the financial advantages. What this study on the customers of Swedish telecom operators reveals is that there does not necessarily have to be any kind of customer-initiated awareness of sensitivity to change prior to switching. The competitors take the initiative, and latent prejudice makes the customers switch. The fact that there was a difference between active and passive triggers was a significant finding, with clear implications in terms of assessing the stability of future behavior in customer relationships. Customers whose switching is influenced by a situational, an active-influential or a reactional trigger are more stable in their future relationships, whereas customers influenced by a passive-influential trigger become unstable.

### SUMMARY

The above account of the application of SPAT (Roos 1999) to customers' switching processes is a development of the CIT technique in a relationship direction. The SPAT instrument was presented, and the interacting trigger categories (situational, influential and reactional) and perceived switching determinants demonstrated in different cases. The first supermarket case facilitated the definition and differentiation of the triggers and switching determinants. The second case confirmed the categories through the application of the method to different kinds of settings. Finally, the third application resulted in the first re-definition of the categories: the influential trigger was categorized as either active or passive. This finding also contributes to the literature on decision-making.

The contribution of the results of the SPAT applications to the gap in the literature on decision-making is connected to loyalty: active customers were found to be more loyal than passive customers. Passive customers did not possess real knowledge about the telecom providers, and lived in a world of prejudice, and this could be connected to the comparison between conscious and unconscious thought processes: unconscious process would seem to go with passive customers, and conscious processes with active customers, the significance in terms of behavioral stability being similar. According to Ajzen and Fishbein (1991), factors should be separated in terms of influence on behavior in order to allow better prediction of future behavior. The state of future behavior is referred to as the goal situation, which is better determined in terms of triggers and actual behavior than behavioral intentions. SPAT enables the influencing factors (situational, influential and reactional triggers) to be divided so as to enhance understanding of the future stability of customer relationships (see Figure 1).

Figure 1. A Model of planned and automatic decision processes with a focus on outcome stability



SPAT (Roos 1999) made it possible to predict the outcome state, in other words the stability of the behavior. The definition of active and passive customers highlights the importance of how the argumentation is presented and thereby what makes customers listen to information. The model of planned behavior (Figure 1) is therefore suggested as an extension of Ajzen's (1991) work. Ajzen, Brown and Carvajal (2004) discuss their results in a later study: "The results of the present study confirm the existence of a strong bias for people to overestimate the likelihood that they will engage in socially desirable

behavior. This bias produces unrealistically high estimates of intentions to pay for a worthy cause as well as inconsistencies between intentions and actions in many other domains." The results of the SPAT applications answer this call for new understanding.

## DISCUSSION AND CONTRIBUTIONS

This paper has two main contributions. The first is methodological, based on the new and more in-depth understanding of customer-relationship dynamics achieved through the demonstration of a method that allows the dynamism to show. The second, theoretical contribution is in narrowing the identified gap in knowledge related to decision processes.

The most rewarding result in terms of the stability of the outcome state is the distinction between active and passive customers (Roos and Gustafsson 2007), because it shifts the focus to the right entity. What customers articulate and how they behave are indicative of their future behavior. Active customers, who are more loyal than passive customers, tend to search for information about service providers with which they have relationships, and are easier to communicate with because they want to learn more about the relationship. Passive customers are challenging. They lack information about the service provider and the relationships they pursue, yet they are not receptive when information is offered to them.

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