



The influence of active and passive customer behavior on switching in customer relationships

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Abstract

Purpose – The purpose of this study is to examine the relationship between active/passive customer behavior and loyalty (responses to switching triggers) in customer relationships.

Design/methodology/approach – A longitudinal study (seven years) is undertaken of the roles of various triggers and active/passive customers in analyzing the processes that lead to customers changing their service provider in the context of the Swedish telecommunications retail industry.

Findings – Triggers affect customers' evaluations of service in different ways and cause varying kinds of behavior, depending on whether the customers are active or passive in their customer relationships.

Originality/value – The study offers new insights into the difference between active and passive customers, which facilitates the design of loyalty-enhancing communications between providers and their customers.

Keywords Active and passive customers, Stability in customer relationships, Triggers, Sensitivity in customer relationships, Conscious and unconscious thoughts, Consumer behaviour, Customer relations, Sweden

Paper type Research paper

1. Introduction

The dominant theories in marketing are based on the premise that customers follow a conscious process of decision-making in choosing to purchase a certain good or service from a particular provider. This view is epitomized in the “theory of reasoned action” (Fishbein and Ajzen, 1975), which holds that if a person intends to behave in a certain way, he or she probably will behave in that way. However, it is often difficult to trace the exact path of such “reasoned action”; for example, long-term commitments to a given provider can end without any apparent evidence of prior consideration. To explain this sort of phenomenon, Ajzen and Fishbein (2000) proposed the “expectancy-value model” to describe the formation of attitudes over time. According to this model, when new issues that require an evaluative response arise, people can draw on relevant information or beliefs that are stored in their memories; as a consequence, they can react without much apparent consideration of the issues involved. Decisions may be viewed as either active based on that they are deliberate on the customer part or more passive in that they build on an a customer reaction that is initiated by an outside action from a company.

The prevailing consensus in the services literature is that switching from one service provider to another (Keaveney, 1995) involves a cognitive process that is



initiated by a so-called “trigger” (Roos, 1999). Such triggers have been categorized into three groups:

- (1) reactional triggers (such as a service provider having dealt poorly with a customer);
- (2) situational triggers (such as a change in the customer’s life situation); and
- (3) influential triggers (such as a change in the market).

In accordance with the “theory of reasoned action”, researchers have regarded these triggers as initiating a deliberate and conscious switching process. However, recent research has suggested that this might not necessarily be the case (Gustafsson *et al.*, 2005).

In developing the conventional view that switching is a deliberate cognitive process, researchers have adopted the traditional approach of service research, which holds that evaluations of service quality are based on direct evaluations of certain attributes of the service itself, the service process, the service personnel, and/or the service environment (Edvardsson *et al.*, 2005; Grönroos, 2000; Heide and Weiss, 1995; Srinivasan, 1987; Vargo and Lusch, 2004; Stauss and Weinlich, 1997). If this approach is applied to the issue of customer relationships, decisions on staying or leaving are assumed to be based on the same kind of evaluative procedures (Ganesh *et al.*, 2000), which implies that customer relationships are totally dependent on a cognitive evaluation of objective facts. It is the contention of the present study that such an approach overlooks the reality of how functional psychological mechanisms, some of which are unconscious, impact upon human evaluations in real life.

The problem is that people know much more than they can tell; in other words, there is dissociation between the cognitive process itself and a person’s ability to report on that cognitive process. Conversely, people also claim to know more than they could possibly know and/or misinterpret what they do know. For example, studies have shown that customers frequently evaluate the quality of merchandise that they have never used; in making such an evaluation, they take into account such factors as the item’s position in a display, without mentioning (or even realizing) that the position in the display has been an influential factor in determining their evaluation of the presumed quality of the item (Nisbett and Wilson, 1977). In short, customers are sometimes unaware of the stimuli of their responses and how these stimuli have influenced their responses (Cialdini, 1993).

It is thus apparent that the connection between reasoning and behaviour is not as clear as has often been assumed (Ajzen and Fishbein, 2000; Fishbein and Ajzen, 1975; Sheppard *et al.*, 1988). The present study therefore aims to achieve a deeper understanding of the conscious and unconscious processes that determine the stability of customer relationships. In particular, the study examines the question of whether triggers of relationship breakdown have differential effects on so-called “active” and “passive” customers.

2. Theoretical framework

2.1 Reasoned action and planned behavior

Following a meta-analysis of studies of Fishbein and Ajzen’s (1975) theory of reasoned behavior, which holds that if a person intends to behave in a certain way he or she probably will behave in that way, Sheppard *et al.* (1988) noted that the intention did not

always correspond to the behavior when such variables as action, context, and time were taken into account. Fishbein and Ajzen (1975) had already admitted that their model suffered from an inherent limitation in failing to distinguish between goal intention and behavior intention; for example, an intention to buy a car is different from actual ownership of a car. In other words, Fishbein and Ajzen (1975) acknowledged that their model referred only to the intention to behave in a certain way, not the consequence of behaving in that way.

The essential weakness of Fishbein and Ajzen's (1975) model relates to choice and alternatives (Sheppard *et al.*, 1988). In other words, the situation in the presence of choices of behavior is qualitatively different from the situation with only a single behavior. Once choices are introduced into the scenario, predictions of future behavior must also consider time, context, and the attitudes and subjective norms of the individual involved. In this regard, Sheppard *et al.* (1988) suggested that future behavior is formed repeatedly by individuals considering their attitudes and subjective norms towards each of the alternatives in the choice situation.

Ajzen and Fishbein (2000) responded to these criticisms by expanding on the "theory of reasoned action" to develop the "theory of planned behaviour" (TPB). According to the TPB, the frequent performance of a certain behavior leads to the formation of habit, which influences subsequent behavior without conscious cognitive negotiation. Moreover, in developing the TPB, Ajzen and Fishbein (2000) admitted that attitudes were much less stable than they had initially believed. They noted that attitudes change according to the context in which they occur; indeed, the mere presence of the attitude object tends to activate such attitudes automatically without extensive deliberation. Nevertheless, they contended that more complex behavior appears to be the result of cognitive connection and conscious awareness.

2.2 Conscious and unconscious-memory processes

Memory of previous events can be explicit (as a conscious recollection) or implicit (as an automatic and unconscious influence on behavior). Conscious evaluation processes can certainly influence behavior, but several studies have also suggested that unconscious processes are significant determinants of behavior (Cleeremans, 2001; Milner and Goodale, 1998; Cialdini, 1993).

The term "dissociation" is used to describe a mechanism that allows the mind to compartmentalize certain memories from normal consciousness, without erasing these separated thoughts. According to Jacoby (1991, 1999), these conscious and unconscious processes work in parallel, but they can interact in certain circumstances (such as a customer making an evaluation of a potential purchase). However, conscious processing differs from unconscious processing in several respects, including the depth and specificity of processing. In general, direct (conscious) processing exhibits greater sensitivity and specificity than indirect (unconscious) processing; moreover, the former consciously recalls memories whereas the latter is unaware of memory influencing behavior. Nevertheless, it is possible to initiate action without consciousness, and some aspects of perception can also take place during action without consciousness. Such unconscious processing always tends to reflect habitual or strong responses. The distinction between conscious and unconscious processing appears to involve both a dynamic continuum (in terms of the underlying mechanisms) and a dichotomy (in terms of subjective experience) (Steffens *et al.*, 2000).

According to Cleeremans (2001, p. 9):

[...] any task, evaluation or measure, is always sensitive to both conscious and unconscious influences [...] no task is process-pure.

In other words, a combination of conscious and unconscious processes is at work in every task or evaluation. For example, the process whereby a customer makes a decision that is linked to behavior involves an interaction between consciousness and unconsciousness (Cleeremans and Sarrazin, 2007; Steffens *et al.*, 2000).

Several authors (Cleeremans and Sarrazin, 2007; Erdelyi, 2004; Steffens *et al.*, 2000) have contended that the time that is available for processing is a major determinant of whether a person becomes conscious of a perception that might lead to action. Differences in the time that is available for processing determine both the extent to which one becomes conscious of the perception and the extent to which an action can be attributed to that perception. If stimuli are presented in such a way that a customer fails to perceive them consciously (for example, by allowing too short a time), that customer cannot undertake a conscious process that leads to action. Time, strength, and distinctiveness are characteristic of conscious representations that facilitate voluntary and considered control over action; in contrast, unconscious representations have none of these characteristics.

2.4 Active and passive customers

The distinction between “active” and “passive” customers has been studied in some detail by Cioffi and Garner (1996). According to these authors, active customers are those who search for information in order to be able to make a deliberate and conscious decision. Although such a search process takes time, the result of the process is an ability to cite more conscious reasons for the deliberate decision. In contrast, a passive customer is one who has not searched for information and therefore has fewer conscious reasons for his or decision.

In general, the likelihood of a passive customer switching to a competitor is greater than that of an active customer switching (Roos and Gustafsson, 2007). This is because of the inability of a passive customer to think of a deliberate reason for staying in the current relationship when a competitor tempts the customer to switch; in contrast, an active customer is more likely to remain in a relationship because such a customer has accumulated more (conscious) reasons for remaining in the relationship (Cioffi and Garner, 1996). Moreover, the passive customer who does not seek information is likely to mobilise cognitive reasons through actual behavior – such as a decision to leave – because such customers do not usually perceive “non-actions” as being informative (Cioffi and Garner, 1996). Indeed, a customer who does not possess enough information to argue with a competitor about a possible switch becomes even less certain about the issue if they do not switch when tempted by the competitor (Cioffi and Garner, 1996; Eagly and Chaiken, 1993).

On the basis of the above discussion, the following hypotheses are therefore proposed:

- P1. Active customers are associated with stable relationships.
- P2. Passive customers are associated with unstable relationships.

2.5 Triggers in customer relationships

As previously noted, so-called “triggers” to the breakdown in a customer relationship have been categorized into three groups:

- (1) reactional triggers (such as a service provider having dealt poorly with a customer);
- (2) situational triggers (such as a change in the customer’s life situation); and
- (3) influential triggers (such as a change in the market) (Roos, 1999; Roos *et al.*, 2004).

Accordingly, customers who have experienced situational and reactional triggers are more committed to their new (“switched-to”) providers than customers who have experienced influential triggers. Moreover, customers who experience situational and reactional triggers are more “active” in their relationships, whereas customers who have experienced influential triggers are more likely to be “passive”. It would seem that situational triggers (which refer to changes in customers’ personal situations that cause them to re-evaluate their existing relationships) and reactional triggers (which reflect the increased inclination of customers to switch to a competitor after experiencing critical incidents) are more likely to be associated with customers who search for information and make conscious decisions about their situation, whereas influential triggers (market changes) are more likely to be associated with the behavior of passive customers, who have relatively poor knowledge regarding their current relationships.

This discussion leads to the following hypotheses being proposed:

- P3. Situational and reactional triggers influence stable relationships.
- P4. Influential triggers influence unstable relationships.

2.6 Argumentation and switching behavior

The term “argumentation” is used in the present study to refer to what customers can articulate as switching reasons. Sheppard *et al.* (1988), who referred to such argumentation as “wording”, considered that such argumentation (or “wording”) was significant for behavior in the context of the single-behavior model of Fishbein and Ajzen (1975).

As noted above, several authors (Cleeremans and Sarrazin, 2007; Erdelyi, 2004; Steffens *et al.*, 2000) have contended that the time that is available for processing is a major determinant of whether a person becomes conscious of a perception that might lead to action. In other words, it would seem that time is important for the ability to be definitive in making evaluations that lead to behavior (although behavior can occur without being definitive in evaluation).

It would thus seem that any analysis of switching behavior must take account not only of triggers (situational, reactional, influential) but also of the customer’s ability to express reasons for switching. The following hypotheses are therefore proposed:

- P5. A customer’s propensity to be loyal is associated with: (i) that customer’s ability to express switching reasons and (ii) the reactional and situational triggers to which the customer is exposed.

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- P6. A customer's propensity for switching is associated with: (i) that customer's inability to express switching reasons; and (ii) the influential triggers to which that customer is exposed.

3. Methodology

3.1 Research setting

To test the above hypotheses, an empirical study was conducted on data on customer switching behavior in the Swedish telecommunications industry. This industry was highly competitive during the years (2004-2005) in which the data were gathered. As a result of industry deregulation in 2000, no fewer than 24 companies were competing for the same customers. As a consequence, customers frequently switched between providers (especially during the earlier stages of the research project).

3.2 Data collection

The original longitudinal dataset on switching behavior had been generated over a period of several years was augmented by a new a repeated analysis at the point when all interviews were completed after seven years from the first data collection. The initial interviews for the present study were conducted with a sample of customers randomly chosen from among 3,000 customers, all of who had switched from their service provider. The initial sample consisted of 545 customers, of whom 70 were interviewed in the first round in 2004. The second round of interviews in 2005 involved 40 of the customers who had been interviewed in 2004. The third round involved 30 new interviews in 2005. A total of 140 interviews were thus conducted by a trained professional, who followed the principles described by Riessman (1993) regarding customer narratives.

All respondents were asked two questions:

- (1) Which service provider do you have an account with at the moment?
- (2) Can you tell me about your present service and any switching between service providers you have done over the last year?

The flow of the interview then depended on the interviewee. Some respondents gave long and detailed accounts of switching between different service providers, including their reasons for switching and the factors that influenced their decisions to switch. Those who gave short answers with unclear and imprecise details were asked directly about their reasons for switching.

The reasons for the three-stage study are the interest of having both the future-intention behavior and the actual behavior pictures. In other words, during the annual interviews the respondents were asked both about their actual behavior during the past year, but also about the intentions for the future. The time when all interviews were re-analyzed the pattern appeared; there is a difference between active and passive customers regarding their behavior despite their intentions to behave.

The longitudinal dataset on customers' switching behavior, which had accumulated over the previous seven years, was reread and re-categorized in 2008. Each new series of interviews led to re-categorization with a separate and new analysis the following year. On re-reading the interviews from this period of seven years, a completely new dataset emerged. The difference was in the approach. The study organized the new dataset according to individual switching histories, in cases for which deciding

whether the switched-to relationship had developed into a stable or unstable relationship at the end of the individual-switching history was possible. For example, a connection to the triggers (sensitivity) appeared regarding active and passive customers. In addition, the connection between trigger-active or trigger-passive customers and stability also emerged and brought a new insight, which indicated that silent messages as well as expressed arguments in customer relationships reveal a great deal about stability and instability in customer relationships when the perceptions relate to actual behavior.

3.3 Data analysis

All of the interviews were transcribed verbatim. Two researchers categorized the data in the transcripts by repeatedly reading and comparing their separate analyses. As a result, the switching processes were described, identified, and categorized in terms of triggers, active and passive customers, and the customers' ability to explain their reasons for switching.

The analysis of the triggers was conducted according to the definitions and procedures of "switching path technique" (SPAT) (Roos, 1999). Situational triggers were defined as changes in customers' personal situations that caused them to re-evaluate their existing relationship with their service provider. An influential trigger was defined as marketing activities that influenced customers, either indirectly through commercials or directly by a competitor contacting the customer. Reactional triggers were defined as a critical incident that caused a customer to have an increased inclination to switch to a competitor.

During the annual interview procedure, the study categorized respondents as either "stable" (those who had not switched during the preceding year) or "unstable" (those who had switched during the preceding year). In addition, the longitudinal dataset on customers' switching behavior, which had been accumulated over the previous six years, was re-read and re-categorized in 2008. An awareness of differences between active and passive customers initiated the new series of analyses. Upon re-reading the interviews from this period of six years, a completely new dataset emerged. This new dataset was organized according to whether the switched-to relationship had developed into a stable or unstable relationship, whether there was a connection between types of triggers and active/passive customers, whether expressed arguments about customer relationships impinge on the stability or instability of such relationships, and whether conscious perceptions relate to actual behavior.

4. Results

4.1 Sensitivity in customer relationships

According to previous research (Roos *et al.*, 2004; Gustafsson *et al.*, 2005), situational and influential triggers are involved in the majority of switches. However, there is limited knowledge about the function of influential triggers that gradually build up sensitivity for switching; the sensitivity is defined as triggers (Roos, 1999). This can become manifest when a customer who experiences an influential trigger switches quite abruptly – without appearing to have planned the switch or without having had time to build up sensitivity. A possible explanation for this phenomenon is that some of the customers experiencing influential triggers are passive customers who switch frequently without seeking information and/contacting their providers. This suggests

that the influential trigger should be analysed in terms of “sensitivity” – that is, either active or passive. Active customers search for information and consciously initiate their switching, whereas passive customers wait for a competitor to contact them – and then often switch immediately once contacted.

The dominant category of triggers in the present dataset were influential triggers, which impinged on both active and passive customers; in contrast, situational triggers were associated only with active customers. Table I shows some typical comments that reveal the “sensitivity” of customer relationships in terms of types of triggers and whether customers are categorised as “active” or “passive”. It is apparent that the situational triggers impinged on customers who had actively planned their switching and could explain exactly why they switched to the chosen competitor. The “active influential” category of sensitivity also involved active customers, but different competitor market actions influenced them (such as newspaper or television advertising). The “passive influential” category of sensitivity involved customers who did not plan their switching and did not search for information, but they were still ready to switch immediately when contacted. Finally, reactional triggers involved customers who had built up sensitivity over a period of time and who were aware of their reasons for switching; this was often because they felt that they no longer trusted their provider and were therefore actively searching for new alternatives.

4.2 Triggers and future behavior

There were 297 customer switching processes during the six-year study period of the longitudinal dataset. These consisted of 51 situational triggers, 228 influential triggers, and 28 reactional triggers. Of the customers, 90 were categorized as active and 207 were categorized as passive. On the basis of the interviews, it was apparent that 91 customers had developed stability in their switched-to relationships, whereas 206 remained unstable and continued to switch frequently. At an individual level, 29 customers switched once, 48 switched twice, 34 switched three times, 15 switched four times, and two switched five times. Stability was achieved in 83 of the 128 switching processes, whereas 45 were characterized by persistent switching.

4.3 Individual switching processes

As noted above, only 91 customers become stable in their relationships with providers whereas 206 remained unstable. These numbers represent an almost exact match with the number of active (90) and passive (207) customers. However, interesting patterns emerged when these differences were analyzed across different sensitivity conditions, as shown in Table II.

Situational-trigger customers (51) developed stability in 36 (71 percent) of switched-to relationships, whereas 15 (29 percent) remained unstable. Of the 51 situational-trigger customers, 33 (65 percent) were categorized as active and 18 (35 percent) were categorized as passive. Of the active-influential customers (79), 26 (33 percent) became stable, whereas 79 (67 percent) remained unstable. Of the passive-influential customers (139), only 13 (9 percent) became stable customers, whereas the vast majority of customers (26; 91 percent) remained unstable. Of the reactional customers, 16 (57 percent) became more stable, whereas 12 (43 percent) became unstable; 17 (61 percent) of customers were active and 11 (39 percent) were passive.

Table I.
Sensitivity (triggers and active/passive customers) in customer relationships

| Customer citations | Situational | Influential active | Influential passive | Reactional |
|--------------------|--|---|---------------------|---|
| Active | <p><i>I:</i> Why did you switch operators? <i>C:</i> I switched because I wanted a fixed fee <i>I:</i> Did you plan to switch? <i>C:</i> We discussed the costs of mobiles in the family and compared the operators <i>I:</i> Where did you find information about the prices? <i>C:</i> We found information on the internet and contacted the operator with the best fixed price <i>I:</i> Okay, if we look at your latest switch, why did you switch at that time? <i>C:</i> I had planned to switch when my contract expired and I did so. I regret that I switched there in the first place. The amount they mentioned in the price did not make much difference. My financial situation is better now, I work as a nurse, so I switched back to my former operator <i>I:</i> We have discussed the operators amongst friends and we have all come to the same conclusion</p> | <p><i>I:</i> What made you switch your telecom operator? <i>C:</i> It was the price. The competitor sent information about their offers, I read it and noticed they had competitive prices. I contacted them and switched <i>I:</i> Did you plan your switch for a long time? <i>C:</i> No. I looked at advertising in newspapers and on TV, then I found this information. <i>I:</i> Do you constantly compare this kind of service? <i>C:</i> Yes, I used to do that. One has to follow prices <i>C:</i> I did not plan my switch for very long. I followed the price ads in the newspapers for some time. I compared the alternative operators and decided to switch to the cheapest one, so I contacted them <i>I:</i> Are you satisfied? <i>C:</i> I must say the price difference is really small. I only have fixed telephone so the money I save per month is not a fortune</p> | | <p><i>C:</i> Their support service is so terrible; long queues and they really do not offer good service. I have not had to phone them often but I have decided to switch back to my former operator because of the terrible support service <i>I:</i> Do you look around as actively today as you used to do? <i>C:</i> No, I do not compare as much as I used to. Therefore, I switch to my former operator <i>I:</i> Why did you switch back to your former operator? <i>C:</i> We wanted to collect all telecom business to the operator we switched from. We discussed it and planned it and so we switched back <i>I:</i> Were you dissatisfied with the one you switched to before? <i>C:</i> Very much so, things have not functioned as they promised and now I want to change back to the operator I know has a good service and who keeps their promises</p> |

(continued)

| Customer citations | Situational | Influential active | Influential passive | Reactional |
|--------------------|-------------|--------------------|--|------------|
| Passive | | | <p><i>I</i>: Why did you switch operators? <i>C</i>: I switched because the competitor offered me a better price <i>I</i>: How was your switching process? <i>C</i>: They phoned me and offered me a good price <i>I</i>: Had you compared the prices before you were contacted? Did you have thoughts about switching? <i>C</i>: No, I had never thought about switching. I had so many other things on my mind, I had never planned to switch <i>I</i>: Why did you switch from this operator to the next one? <i>C</i>: It was some kind of offer, somebody phoned from Gothenburg and offered us a subscription to a lower price <i>I</i>: Did you have thoughts about switching before the switch? <i>C</i>: No, we received the offer over the phone. There were all kinds of special prices, like, if you phone there it is for free and everything else is really cheap. It was a real seller that phoned us. So we switched, but it was only for some months, then we switched again</p> | |

Table I.

Table II also shows that the category that was clearly separate from the others was that designated as “influential Type 2”, which were characterized by the lack of a clearly defined process leading up to a decision to switch. Customers in this category made a decision to switch after a salesperson contacted them, without any evidence of the customer having given a prior sign of being about to leave the service provider. These customers were also very unstable in their new relationships; indeed, 91 percent had switched again. It would thus seem that an active process with a definite rationale leading up to a switch clearly leads to greater stability.

The difference between situational triggers and “influential Type 1” was also interesting. In the case of situational triggers, respondents had begun to search for a new service provider after experiencing a life change (such as a change in working conditions or family life). As a consequence, they experienced a change in their needs. Influential Type 1 respondents scanned the market for a better service or value proposition without a prior change in their needs. The differences in stability between these two categories indicates that if customers change their service provider based on a change in their needs, rather than based on a perception, they become more stable.

4.4 Individual switching histories

The data were also analyzed in terms of individual switching histories over six years, taking into account time, context, sensitivity, activity/passivity, stability in customer relationships, and ability to express reasons for switching. The idea behind looking at individual switching histories is to point to the stabilization process that goes on in every switching story seen in a longitudinal perspective. Table III shows a summary of this analysis telling that stability increases over time most with the situational triggers and instability decreases likewise most with the situational triggers. The frequent numbers of unstable customers that start their switching history with a passive influential trigger (83 percent) end their switching stories with the same trigger only to 31 percent, the customer relationships of the rest of the switching stories have been stabilized during the switching history. In contrast, the stable switching stories lack

Table II.
Relationship between sensitivity (triggers/active and passive customers) and stability in customer relationships

| | Active (%) | Passive (%) | <i>n</i> | Stable (%) | Unstable (%) |
|----------------------|------------|-------------|----------|------------|--------------|
| Situational | 65 | 35 | 51 | 71 | 29 |
| Influential (Type 1) | 41 | 59 | 79 | 33 | 67 |
| Influential (Type 2) | 6 | 94 | 139 | 9 | 91 |
| Reactional | 61 | 39 | 28 | 57 | 43 |

Table III.
Triggers and stability in individual switching histories

| | Start (%) | Stable End (%) | <i>n</i> | Start (%) | Unstable End (%) | <i>n</i> |
|----------------------|-----------|----------------|----------|-----------|------------------|----------|
| Situational | 17 | 83 | 29 | 89 | 11 | 9 |
| Influential (Type 1) | 11 | 89 | 18 | 80 | 20 | 30 |
| Influential (Type 2) | 0 | 100 | 10 | 69 | 31 | 80 |
| Reactional | 0 | 100 | 16 | 83 | 17 | 6 |

initial passive influential triggers but are all stable at the end of the history; the same situation is valid for the reactional trigger.

Table III shows that 83 percent of the situational triggers occurred at the end of stable relationships, which indicates that relationship history ended more stable than it started because of conscious and clearly argued reasons; in contrast, only 11 percent of customers in unstable relationships histories had a situational trigger at the end of the history. The findings with regard to influential trigger Type I were similar; however, the reasons were different. Both situational and influential Type I customers represent active customers. Situational triggers occur among customers who have had changes in their lives in terms of job, family, or other circumstances. The market influences Type 1 influential triggers, who search actively in newspapers and television advertisements for better and cheaper alternatives. This supports *P1*, which had proposed that active customers are associated with stable relationships. Moreover, *P3*, which had proposed that situational and reactional triggers influence stable relationships, was also supported. *P4*, which had proposed that influential triggers influence unstable relationships, was supported regarding influential Type 2, but not regarding influential Type 1.

Influential trigger Type 2 represents instability. When starting and ending is compared in unstable relationships, a clear majority (69 percent) starts their switching histories but learn through switching and by the end of the switching histories a clear minority (31 percent) are still unstable. These frequent switchers were mostly passive; they had limited knowledge about their current relationships, and were easy targets for competitors' arguments. Rather than searching for information about competitors, they waited for competitors to contact them; moreover, they learned by switching. These findings supported *P2*, which had proposed passive customers are associated with unstable relationships. It also supports *P4*, which had proposed that influential triggers influence unstable relationships.

Reactional triggers and situational triggers in customers switching histories were similar when viewed from the stability/instability perspective, but not when viewed in terms of the underlying reasons. Customers who respond to reactional triggers during their switching histories were aware that they switched because of poor treatment; as a consequence, if they find a better alternative they switch and remain stable (100 percent end compared to only 17 percent end for unstable).

Given the development of the switching histories, in which the connection between activity and situational triggers and between passivity and influential Type 2 triggers, looking at what the expressing ability can add to the understanding of activity/passivity and stability/instability in customer relationships is of the utmost importance and interest.

4.5 Customers' ability to express their reasons

A total of 179 switching processes included a non-definitive expression of reasons, whereas 56 included a definitive expression of reasons. The expressed reasons included: mistrust (nine customers), uncertainty (nine customers), and service (44 customers). Most customers (179) were apparently unable to express reasons for switching, whereas the rest (118) had clear reasons, including a diverse picture of the switched-from provider.

These results suggest that active customers used fewer non-definitive rationales than did passive customers; active customers had more specific reasons for switching, such as service. These reasons included a desire for more options, or a desire to combine all of their telecommunications business with one provider; in contrast, price was generally less important. When stability/instability was added to the switching determinants, stability appeared in 39 of the 52 switching processes. However, when looking at the non-definitive explanations, instability increased to 33 (compared to 43 for stability).

These findings supported *P5*, which had proposed that a link exists between a customer's propensity to be loyal and that customer's ability to express switching reasons, and the reactional and situational triggers to which the customer is exposed.

The findings also supported *P6*, which had proposed that a link exists between a customer's propensity for switching and that customer's inability to express switching reasons and the passive influential triggers to which the customer is exposed.

4.6 Summary of results

The results show that being an "active" or "passive" customer contributes significantly to staying/switching in customer relationships. Active customers respond to situational, reactional, and influential (Type 1) triggers whereas passive customers respond to most of the influential Type 2 triggers. (In this regard, Type 1 was characterized by customers who scanned the market for a better service or value proposition without a prior change in their needs, whereas Type 2 was characterized by the lack of a clearly defined process leading up to a decision to switch.) Active customers relate to stability whereas passive customers to instability in customer relationships.

It would seem that the degree to which active customers have definitive perceived reasons for switching is a significant influence on their switching processes. Passive customers use non-elaborated switching reasons, which change towards elaborated reasons during a long individual switching process.

Findings from previous studies complement the present findings. Cleeremans (2001) and Milner and Goodale (1998) have noted how conscious and unconscious thought processes influence behavior. Milner (1962) referred to "sensitivity" in explaining events that customers do not remember, noting that they can still "sense" the event and its effect on behavior. This terminology is similar to the notion of "sensitivity" developed in the present study. Jacoby (1991, 1999) also noted the moderating role of switching determinants, and Sheppard *et al.* (1988) noted that the level of diversity of the perceived switching reasons affects stability in switching processes, and that activity and passivity are indicative of a customer's explanatory ability.

At the level of individual switching history, customer loyalty increases with activity. Moreover, having more explanatory ability seems to enhance loyalty (Sheppard *et al.*, 1988). In summary, the present results indicate that individual switching histories are longer in case of passive customers, and that switching is less frequent when customers are more active.

5. Conclusions and implications

5.1 Major conclusions

The present study shows that indications of future loyalty do not always seem to be an issue of expressed attributes (Ajzen and Fishbein, 2000; Sheppard *et al.*, 1988); rather, two important factors enhance stability in customer relationships:

- (1) sensitivity (triggers and active/passive customer); and
- (2) argumentation.

The difference between the behavior of active and passive customers is related to these factors. Passive customers are more likely to respond to influential triggers, and passivity is associated with instability in customer relationships. However, development towards stability is possible if the argumentation becomes clearer. Customers need knowledge in order to develop clearer argumentation for or against the current relationship. Therefore, maintaining appropriate communication with customers is important in order to increase knowledge about their current relationships.

When competitors tempt customers to switch, without those customers having time to obtain enough knowledge for proper argumentation for or against, these customers switch. Frequent switching is associated with an inability to express switching reasons. Rather than actively searching for information in order to base a relationship on stabilizing factors, frequent switchers receive that information by actually switching. The results of the Keaveney and Parthasarathy (2001) study indicates also that stayers (non-switchers) had made their initial adoption decision based upon more extensive information search whereas switchers had relied more on word-of-mouth.

Customers' expressed switching reasons (argumentation) may have several different effects in customer relationships depending on the triggers they are expressed together with. The price switching reason, for example, may have a stabilizing effect in a new relationship if the argumentation stays with a situational trigger. On the other hand, referring to the influential trigger and price as a customer-expressed switching reason may be a sign of instability. Therefore, relying on detached customer expressions regarding perceptions appears to be insufficient; the function of silent messages (triggers/sensitivity) appears to be just as important.

5.2 Future research

The finding that time and argumentation are important factors for stability in customer relationships raises some interesting questions for future research. This study has mainly examined triggers. Future studies could pay greater attention to customer-expressed reasons for switching, which would enable the service provider to communicate effectively with customers in influencing the stability of customer relationships.

The insight that conscious and unconscious processes work independently and in parallel implies that the processes might influence each other during an evaluation. It would therefore be interesting to undertake a longitudinal study that follows customers that do not switch when communication is based on both conscious and unconscious principles in customer relationships.

5.3 Limitations

A limitation of the study is that the data were obtained from only one industry in one country. However, the fact that the study was longitudinal compensates (at least to some degree) for this limitation. It would nevertheless be useful to have the effects of active and passive behavior on loyalty examined in other industries and socio-cultural contexts.

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Further reading

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