An examination of the marketing and relationship concepts, by analysing power, disciplining and compliance in customer-provider relations

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‘An Examination of the Marketing and Relationship Marketing Concepts, by Analysing Power, Disciplining and Compliance in Customer-Provider Relations’

E R Kasabov

A thesis submitted in partial fulfilment of Coventry University’s requirements for the Degree of Doctor of Philosophy

2011
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1. Introduction

1.1. The Area of Inquiry

The main aim of this thesis, ‘An Examination of the Marketing and Relationship Marketing Concepts, by Analysing Power, Disciplining and Compliance in Customer-Provider Relations’, is to expand knowledge and thinking in the subject area of marketing by researching power, disciplining and compliance in relations between customers and providers. As such, it is part of current developments in marketing theory, as the following discussion will illustrate.

Marketing is a dynamic and evolving discipline (Saunders and Lee 2005) and has been enriched by the introduction of significant new topics such as consumer passion, longing, gift giving, and history of ownership (Belk et al. 2003; Lowrey et al. 2004). The ‘variety and eclecticism’ in current marketing research (Saunders and Lee 2005) have been achieved partly by drawing on frameworks, concepts and models developed in other disciplines (Baumgartner 2002). In recent years, ‘a more open minded attitude to research’ and ‘methodological relaxation’ have been encouraged (Tapp and Hughes 2008), and new methodological approaches have been explored (e.g. Thompson 1998, 2002; Sherry and Schouten 2002). Moreover, the supremacy of experimental-nomothetic methodological positions of quantification is being questioned (Fournier and Glenn Mick 1999) and, even though quantitative research continues to dominate (Hanson and Grimmer 2007), previously ‘unconventional’ methodologies such as narrative analysis and hermeneutical frameworks demonstrate the growing acceptability of a wider range of methodologies (Saunders and Lee 2005).
Such developments in marketing thought and approaches result from the identification of weaknesses or gaps in the conventional received wisdom on the subject (Wells 1993), and so place existing interpretations under scrutiny (Dawes and Brown 2000). However, commentators suggest that further growth and development are required. For instance, while Svensson (2006) argues that traditionalism still predominates, Tapp and Hughes (2004) and Katsiekas et al. (2007) invite scholars to analyse new topics and areas which are pertinent to practitioners and which contribute to a better understanding of marketing practice. At stake is the degree to which marketing research offers practitioners and society something ‘novel’ and ‘of relevance’ (Gummesson 2005).

For marketing thinking to develop further, topics which are as yet inadequately researched need to be analysed more systematically (Katsiekas et al. 2007). An example of such a topic is the expression of power, influencing, disciplining and relational problems during interactions between customers and providers (Brown et al. 2000; Keysuk 2000; Ivens and Blois 2004). Though present in marketing theory, there are aspects of power which deserve greater attention. Examples of such issues are the types of power applied by providers and the ways in which providers design and carry out the disciplining of consumers during interactions in order to make them more compliant. These are the issues addressed in this thesis.

1.2. The Research Topic: Aims and Objectives

As stated earlier, this thesis examines marketing and relationship marketing concepts by analysing power, disciplining and compliance in customer-provider relations.
The research **aims** to test assumptions about the relationships between customers and providers that are central to the marketing concept, the relationship marketing concept and particularly to customer centricity, which is at the heart of both concepts. Such research aims are relevant to theory development in view of the fact that concepts such as power, influence, discipline and making customers compliant are not key to the marketing and relationship marketing concepts but are found in interactions between customers and providers, as will be demonstrated later in this document.

The **objectives** of the thesis are:

1. to think conceptually and empirically about interactions between providers and consumers to reveal the use of power, disciplining and compliance;
2. to understand how businesses discipline customers and make them compliant;
3. to study current changes in marketing practice which are driven by new information technologies and the increased automation of interactions;
4. to theorise about such changes, by contrasting the suggested customer compliance business model (CCBM) against the traditional customer centric business model and by relating it to the more robust marketing and relationship marketing concepts.

In addition to the above, this portfolio of papers and their accompanying document intend to show how the work presented is equivalent to PhD standard by:

1. providing evidence that the candidate is capable of carrying out research on a specific topic on a sustained basis;
2. demonstrating that the research illustrates that the candidate has more than sufficient knowledge of the subject matter;
3. demonstrating that the candidate is able to apply appropriate research methodologies in pursuing the aims and objectives of the thesis;
4. showing that the work presented is original in nature, as evidenced by publications in peer-reviewed journals and conference proceedings;
5. demonstrating that the candidate is capable of exercising critical judgment throughout the work to arrive at the conclusions drawn.

1.3. Structure of the Thesis

The remainder of the discussion is organised into six further sections:

Background to Research – Origins of the Research.

Research Methodology.

Overview of Contribution to Marketing and Knowledge.

Research Limitations and Future Research.

Contribution of Other People to Outputs and Research.

Conclusion and Claim for PhD Equivalence.

Figure 1. Structure of the Thesis:
2. Background to Research: Origins of the Research

This section describes how the candidate came to engage with research into aspects of interactions between customers and providers and the way in which the analysis of such interactions encouraged the critical assessment of key concepts in marketing such as customer orientation and customer centricity. Customer orientation and customer centricity have been described by critical marketing scholars as ‘the dominant discursive practice in marketing’ (Skalen et al. 2006, 275). The study of equally dominant discursive practices and their deconstruction was at the heart of the last degree that the candidate completed prior to his engagement with marketing research. The candidate’s background in political economy and his interest in the question of power are reflected in his marketing research which is analysed and critically evaluated in this document and which aims to ascertain the validity of discourses and practices such as that of customer centricity.

Marketing as a discipline constantly reinvents itself in order to understand, anticipate and react to changes in markets and the people it serves. However, the take-up of ideas can produce trends and fashions (Abrahamson and Fairchild 1999) which create a path dependent body of knowledge. An example of such thinking in marketing is the marketing concept which encourages marketers to view the needs and wants of their customers as the basis for decision-making. More recently, the concept has been expanded into the relationship marketing concept, which is even more emphatic about the importance of building lasting relationships with customers and satisfying their demands and needs (Michel 2001; Grönroos 2004).
The marketing theories derived from this line of thought, however, do not always reflect the ways in which providers interact with customers:

1. There is the issue as to whether providers exert undue influence over customers and discipline them by forcing them to behave in ways which are beneficial to the providers, but not necessarily to the customers.

2. There is also the question of the manner in which new technologies have facilitated the introduction of new marketing techniques and philosophies that offer better value to the customers and meet their needs more effectively (Jagdish and Arun 2005), while at the same time disciplining and controlling customers during interactions with providers.

2.1. The Marketing Concept Literature

The roots of the marketing concept can be traced back to the normative claims in the 1950s that corporations should pay greater attention to the needs of their customers (McKitterick 1957). Drucker (1954) was among the first to note that marketing was not solely about selling. Later, Felton (1959) defined the marketing concept as a ‘state of mind’, while McNamara (1972) pronounced that the marketing concept was ‘a philosophy’ founded on ‘customer orientation’, ‘profit orientation’ and company-wide communication. More recently, Kohli and Jaworski (1990) stretched the list of the contents to include customer orientation, coordinated marketing, and profitability. From these beginnings, the trend towards customer orientation has gained further momentum (Brady and Cronin 2001), by placing customers and their needs centre-stage, but not disregarding, at least not in theory, the interests of other stakeholders. (Hartline et al. 2000). There is growing pressure to theorise about and practise customer centricity (Seth,
Sisodia and Sharma 2000), leading to the emergence of the notion of market orientation, which in turn has been defined as the implementation of customer orientation (Narver and Slater 1990; Deshpandé et al. 1993).

2.2. The Relationship Marketing Concept Literature

Starting in the 1970s, marketing has been reshaped by the relationship marketing concept (Addis and Podesta 2005), as an extension of the marketing concept, with roots in the Nordic School of Services (Lindgreen et al. 2004), business-to-business (B2B) and channel management (Mitussis, O’Malley and Patterson 2006). Its near-contemporary geographic European variant owes much to the work of the Industrial Marketing and Purchasing (IMP) group (e.g. Ford 1990; Mattson 1997), which developed some of the underlying arguments that economic transactions may lead to the development of social ties.

Although definitions of relationship marketing vary, among the more frequently cited is Gummesson’s (1999) to whom it is about forming and maintaining mutually rewarding relationships with customers and business partners, based on developing equity, trust, communications and involvement. The concept encompasses aspects of relations such as relational contracting, symbiotic marketing, internal marketing, and emotional intelligence (Osarenkhoe 2008). As an entity, it is distinct from market orientation and the marketing concept in that it emphasises relations not only with customers but also with employees, suppliers, competitors and other business partners across the entire supply chain in an attempt to improve marketing and organisational productivity. This presupposes the creation of a
‘relationship portfolio’ which strengthens organisational competences. As part of the relationship marketing literature, research on stakeholder orientation (Greenley et al. 2004) identifies key stakeholder groups: customers, competitors, employees and shareholders. Indeed, it has been the stakeholder group of customers that has dominated relationship marketing discourses (Maignan et al. 2005).

2.3. Gaps in the Literature

The thesis, and the accompanying selected publications which it analyses, builds upon a growing marketing literature on power. A widely used definition of power is borrowed from outside the marketing discipline, namely power as social control over others and an ability to affect and change others’ behaviours (see Dahl 1991). The marketing literature on power questions some of the propositions underlying both the marketing and the relationship marketing concepts. Research on marketing channels and business-to-business marketing has studied issues of power systematically (Moore et al. 2004), but much rarer are references to such matters in the business-to-consumer, relationship marketing and marketing concept literatures. Equally, there are not many examples of marketing studies dealing with such issues in the context of service provider-customer interactions. The publications which underlie this thesis have worked towards addressing the above-mentioned gaps. The research tests the following assumption in the marketing and the relationship marketing concepts: that the relations between providers and customers are not marked by elements of power and undue influence, but are informed by the desire of providers to understand and meet the needs and wants of customers and by ‘pleasing’ their customers.
2.4. Legitimacy of the Studied Topic

Disciplining and the application of power are significant and legitimate areas of study, as demonstrated by the volume of research on the subjects in other social science disciplines (May 1972; Percy 1998; Rose 1998, 1999; Martin and Hewstone 2003). Such issues need to be analysed and incorporated more systematically in mainstream marketing theory because:

1. various types of power, ways of influencing customers, channelling their behaviour, and making them compliant are part of social exchanges.

2. to understand interactions between providers and customers, there is a need to explain the role of power during exchanges as well as the effect that it has on such exchanges.

3. the incorporation of such aspects of exchanges should make marketing theory more realistic and may inform practice and policy.

2.5. The Research and Research Outputs Informing the Thesis

The portfolio critically evaluates the outputs of the research which was conducted over a period of 11 years (1999-2009) and which consists of ten conceptual and empirical studies (henceforth referred to as ‘outputs’: seven journal articles and three conference papers appearing in conference proceedings) which have been produced during the 2000-2009 period. To investigate power application and disciplining with greater precision, two related research streams have been designed and incorporated into Table 1:
Table 1. Numbered List of Portfolio Outputs:

<table>
<thead>
<tr>
<th>Output No.</th>
<th>Publication:</th>
<th>No Pages</th>
<th>Applicant % Contribution:</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Stream One:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Stream Two:</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1. **Research Stream One (1999-2007) (‘Application of Power and Disciplining’):**

   This area of work studied the extent to which power, influencing and disciplining were present during face-to-face and telephone interactions between customers and providers of services. In the context of Research Stream One, Foucault’s definition of disciplining was applied. This signified the shift in modern social management towards continuous, refined surveillance and recording of individuals’ characteristics and behaviours on the part of service providers (for instance, manifesting itself in the development of one-to-one database marketing enabled by IT technology). Thus, disciplining was defined in
terms of the effective harnessing of knowledge about customers to channel their behaviours in ways which best suit the company. The research was carried out across service contexts, more specifically in medico-professional (hospitals) and small-scale service provision (retail outlets) contexts. Consumers who had experienced dissatisfaction during their interactions with providers were interviewed during two rounds of a cross-national study in Bulgaria and Ireland\(^1\). The research findings confirmed the existence of four types of power and influence tactics to which providers resorted, contrary to the expectations of proponents of the customer centricity concept: ‘direct power’, ‘gendered power’, ‘information inequities’ and ‘disciplining’.

2. **Research Stream Two (2007-) (‘Customer Compliance’):**

This second stream forms part of an ongoing research and is built upon Research Stream One by focusing only on one major finding in that Stream: the use of ‘compliance’ as a specific type of disciplining processes and procedures that modern organisations utilise for the purposes of providing cost-efficient and cost-effective services (Outputs 6, 7 and 9; Table 1). Whereas disciplining applies to any aspect of service provision and to any provider eager to control the behaviour and even the behavioural options available to customers compliance concerns the particular practices of channelling customers which a set of successful, mainly online and call-centre based businesses have designed and applied in the past decade. Compliance is more visible and less hidden than disciplining, as defined by Foucault. Compliance systems and procedures are often openly discussed by companies practicing them, not the least so that the customers learn to conform. This generally benefits customers through better service and lower price. Customers who do

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\(^1\) The locations were chosen due to the opportunity for a cross-cultural analysis of two rather non-mainstream and relatively under-researched locations.
not conform are excluded from service provision by the provider or are encouraged to ‘exclude’ themselves. Research Stream Two also aims to ascertain the extent to which such disciplining tactics on the part of providers are accidental or are planned and deliberate (Outputs 6, 7, 9 and 10; Table 1). This question emerged late in Research Stream One and thus was not studied in detail. Research Stream Two analyses a set of highly successful companies which appear to have redesigned the rules of service provision (complaint management and service recovery). These businesses have taken advantage of Internet and call-centre technologies, as well as advances in electronic storage and management of databases, deregulation and privatisation, to offer new approaches to handling customer complaints, service recovery, fulfilment strategies and market research. Although these businesses are facilitated by new technologies, their success is primarily the result of redesigning traditional marketing norms and practices, especially with respect to managing customer complaints and service recovery. Many of these practices may appear counterintuitive to proponents of customer centricity, but they offer better value and a high level of service (defined as meeting customer needs) at considerably lower prices to the consumer, as evidenced by the growth of these businesses across sectors both in terms of expanding the market and attracting customers from traditional businesses. In return, such businesses expect their customers to abide by clearly defined rules and regulations of interaction with the company. This allows companies to cut their operating costs and gain an advantage over traditional businesses. It was discovered that companies such as Ryanair, Amazon, eBay and IKEA disciplined their customers in a planned fashion and that such disciplining was at the heart of their
competitive success, benefitting these companies as demonstrated in Outputs 7 and 9 (see Table 1).

2.6. Research Stream One: Outputs

Research Stream One was the earlier of the two streams and was initiated solely by the candidate. The main argument was that interactions between customers and providers might include an element of providers applying power over, and disciplining, customers. The thinking of some marketing academics who advocate the benefits and the prevalence of the customer centricity concept (Brown 2001) were re-examined. Research Stream One empirically tested the validity of previous thought in relation to specific assumptions of customer centricity by showing that interactions between customers and providers were neither always positive nor focused on the needs of customers. Findings from a qualitative study of power in Bulgaria and Ireland were incorporated in Outputs 3 and 4 and formed the basis of a theoretical framework concerning power types by building largely upon the Foucauldian thesis of power and disciplining\(^2\) which, though influential and consistently adopted across the social sciences and studies in management science because of its ability to explicate power and control aspects of social interactions, is more rarely seen in marketing texts (Skalen et al. 2006). It was argued that the marginalisation of significant topics – power and disciplining being prime examples – in marketing theory posed a challenge to certain assumptions underlying customer centricity.

\(^2\) The candidate’s research has adopted only a few aspects of the voluminous work of Foucault on knowledge, power and disciplining. Particularly relevant has proved to be Foucault’s theory that in modern societies, the technology of power has shifted from earlier forms of ‘exemplary punishment’ and observable control to the modern power apparatus of hidden observation, inspection and control (Foucault 1980, 55).
Output One

‘Towards a Collaborative Understanding of Consumer Dissatisfaction’ was a paper presented at the Irish Academy of Management conference in 2000. The aim in writing this work was to draw attention to empirical issues of consumption that had received little attention on the part of marketing theorists: examples of power and disciplining in consumption situations. The discussion explained how the initial focus of the empirical research had been on the analysis of ‘negative consumption’, defined as consumption situations which customers perceive as stressful or unpleasant and which may involve attempts on the part of providers to control customers or apply undue influence. The research gradually focused on specific incidents of customer dissatisfaction in which power could be identified. Even at this early stage of the research, it became obvious that these issues were not only significant (they repeatedly appeared in accounts), but were also somewhat marginalised in marketing research. However, Output 1 did not emphasise conceptual aspects of power. As a largely empirical study, it demonstrated how narratives of power were collected and why they appeared important. The discussion did not attempt to design a conceptual framework but used narratives to illustrate the incongruence between aspects of marketing theory and empirical findings of actual business practices.

Output 1 raised some critical issues about the state of development of marketing thinking. Its findings indicated that even though power and influence did not appear to be widely discussed in marketing texts, they were present in interactions and therefore deserved attention. Thus, the analysis encouraged the adoption of a more critical and questioning attitude (see also Hill et al. 2007) that persisted in Research Streams One and Two.
Output Two

The findings and conclusions reported in Output 1 were pursued further in the 2002 article ‘4 Ps of Consumer Behaviour Mythodeology - 4 Glimpses of Service Malpractice’. While the ideas in this output emanated from Output 1, Output 2 set the rest of the scene for Research Stream One by introducing the candidate’s thinking about service providers’ ‘malpractice’ and by suggesting that marketing should encourage a ‘mindset of questioning’ by revisiting ‘myths’ in marketing research. The study critically evaluated the following key assumptions of the marketing concept:

1. interactions between customers and providers being ‘politics-free’;
2. such interactions being ‘problem-solving orientated’, or aimed at identifying and resolving customers’ needs;
3. interactions being ‘people focused’ by taking the customers’ needs as the starting point of such interactions;
4. interactions being ‘pretence liberated’, or based on genuine providers’ concern.

The generalisations drawn from the cases discussed in the article are empirically based and have theoretical implications, with narratives demonstrating how, at times, providers might forget or ignore basic rules of civility and respectful treatment of customers. Providers were shown to openly demonstrate their physical and social superiority by threatening customers, forcing them to make choices which would benefit the provider, or by limiting the list of choices available to customers. Elements of the narratives were incorporated also to illustrate the ‘political nature’ of some service encounters where one finds conflicts and examples of contests for supremacy between providers and customers. Power and politics were, for instance, expressed in the frequent appearance of descriptions of ‘belligerent attitude’ on the part of providers during face-

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3 Defined as ‘free of elements of power and undue influencing’.
to-face and telephone interactions. Thus, ideas about customer-focused and power-free service provision did not fully reflect what actually happens in some interactions.

Output Three
The 2004 article ‘Power and Disciplining: Bringing Foucault to Marketing’ was constructed upon the empirical work in Output 1 by analysing in more depth the two concepts which set the parameters of Research Stream One – ‘power’ and ‘disciplining’. Due to the relatively less wide coverage of the question of power in marketing texts, the discussion was mainly based on theories imported from other social sciences. Foucault’s theory of modern and pre-modern power application was reviewed in much detail, due to its centrality to Research Stream One and to Output 3. The paper also introduced another novel aspect of the candidate’s thinking, which is the application of hermeneutical methodology to generate findings. Hermeneutics is rarely used in marketing, yet it offers a promising approach which has been widely applied in theology and legal studies where it has been shown to reveal important aspects of interactions. It has also been applied to study consumption in some marketing texts (Thompson 1998, 2002). Four types of power application on the part of providers were identified and assessed in this output. These were ‘direct power’, ‘gendered power’, ‘information inequities’ and ‘disciplining’. Special attention was paid to the notion of ‘disciplining’, disguised as a concern for equity and the use of standard operating procedures allegedly aimed to treat all customers alike. It was discovered that channelling might not be responsive to the customers’ needs but might instead ‘normalise’ customers who are perceived as ‘difficult’ and ‘awkward’. The article called for awareness of such topics and for marketing thinking to become ‘more contingent’ and ‘less positive’. 
Output Four

The 2007 paper ‘Power and Opposition to Power: Mirror Realities of Complex Consumption Interactions’ developed further the analysis of power and the framework of the four power types presented in Output 3. It accomplished that:

1. by developing a typology of the power types;
2. by identifying key characteristics of the power types (power dimensions of ‘design & execution’, ‘scope’, ‘importance of knowledge requirements’, and ‘continuity’);
3. by identifying the sources of the four types of power applied by providers;
4. by discussing the new issue of customers’ ‘opposition’ to providers’ power application and manipulation;
5. by suggesting the possibility of customer emancipation from the restrictions of providers’ power (as examined in Output 1 and Output 3) (Table 1).

It was contended that consumer activism may assume the formats of ‘silence’, ‘impulsive agency’, ‘rational agency’ and ‘calculating, proactive agency’. This typology of ‘consumer opposition’ types was illustrated with examples from the interviewees’ narratives. Even though the study did not extend far enough to suggest whether there were alternatives to the marketing concept, the paper was presented as an opportunity to make marketers more aware of, and comfortable with, power-laden aspects of interactions between providers and customers. Practice implications included the role of modern technology in facilitating continuous power execution through observation and the amassing of detailed knowledge of customers. Some interview narratives also revealed a more mundane, though equally important, aspect of disciplining, which is the inability of front-line service personnel to resolve or even understand the problems faced by their customers, attributed by some interviewees to inadequate training of
staff. Due to the dearth of marketing studies dealing with such issues (Bitner et al. 2000; Blois 2003), the discussion was primarily backed by arguments found in the business press about the ‘undeclared war’ waged by companies ‘against their customers’ (Reichheld and Allen 2006) and of customer treatment problems ‘getting worse’ (Croft 2004).

Output Five

In the 2007 paper ‘Towards a Contingent, Empirically Validated, and Power Cognisant Relationship Marketing’, the empirical and conceptual discussion in the previous four articles was summarised. Specific recommendations were made for the development of marketing theory. It was argued that in spite of recent developments, research remained rather ‘non-contingent’, ‘theoretical’ and ‘not observation-informed’. Some research also tends to be biased towards the discussion of positive aspects of relationships. The message behind the relationship marketing concept is simple yet clear: relations, long-term orientation and customer focus need to be recognised as fundamental principles of exchanges with customers. It was argued that these principles were inadequate to ensure the future development of theory. The paper also identified promising sources for importing ideas into marketing. These included theories of organising which cover more comprehensively the ‘negative’ in one form or another (such as ‘competition’, ‘antagonism’ and ‘power application’). Ways of borrowing arguments and frameworks were suggested. An example is the more balanced analysis of trust and mistrust by transaction cost economists and by theorists such as Nooteboom (1996, 2000). Therefore, by identifying these marketing practices, the paper was designed to become part of a set of analyses which added further to ‘the nature of marketing thinking’ (Hill et al. 2007).
2.7. Research Stream Two: Outputs

Research Stream Two grew out of the first stream and, more specifically, out of the discussion of implications for practice in Output 4 where an argument was advanced that modern technology had facilitated the observation and the amassing of detailed knowledge about customers, allowing customers to be disciplined through database management and marketing. A more ‘mundane’ method of disciplining was also noted in Output 4, which was the failure of front-line staff to understand and follow up the particular needs of specific customers – as already noted, attributed by some interviewees to inadequate training of staff. Such ideas led to the current research (Research Stream Two), which aims to find out if disciplining is actually ‘mundane’ and ‘coincidental’ or deliberate and key to the competitive success of some businesses. Thus, the interest in the study of power and disciplining has been extended to the current analysis of innovations in marketing, implemented by a set of businesses which have been successful across sectors and which have grown their markets. The emphasis is on understanding the strategies and practices of such companies mainly in areas of:

1. service recovery and complaint management (Output 6; Table 1);
2. their overall business model (thus adding strategic management and strategic marketing issues into Research Stream Two) (Outputs 7 and 9; Table 1);
3. market and marketing research (Output 10; Table 1).

The implications of such changes for marketing research, theory (Outputs 6, 7, 9 and 10; Table 1) and education (Output 8; Table 1) are also discussed below.

Research Stream Two extends Research Stream One by researching and analysing disciplining as practiced by call-centre and internet-based businesses which appear to have abandoned customer
centricity in favour of a model of organisational practices which the candidate has labelled the customer compliance business model (CCBM hereafter), as illustrated in Figure 3 (p. 41, Output 7). These businesses appear to practise service recovery and manage customer complaints differently to the approach suggested in much of the literature. An understanding of customers being made compliant has only recently started to appear in marketing theory. The customer compliance-related innovations of CCBMs were summarised into 16 propositions by the candidate (Output 6; Table 1), many of which call into question conventional marketing thinking about service recovery and complaint management as well as assumptions of customer centricity as found in the literature. Some of the propositions were empirically investigated through qualitative and quantitative research. Empirical findings largely supported the conceptual thinking informing Research Stream Two.

**Outputs Six and Seven** were the initial attempt by the candidate to study disciplining, not in general terms (as was done in Research Stream One) but with respect to the service recovery and complaint management practices of a specific set of providers which the academic and practitioner literatures had identified as managing relations with customers in a manner different from that which would be commonly expected. While some academics viewed such practices as immoral, unethical and countering the spirit of customer centricity, the candidate aimed to test such claims empirically. The nature of this research, which was not exploratory but tested existing assumptions, necessitated an in-depth review and a critical evaluation of existing research on service recovery and complaint management, thus explaining the review of extant research being the first stage of Research Stream Two.
Towards a New Model of ‘Customer Compliance’ Service Provision’ critically reviewed the literature about service recovery and complaint management and questioned the validity of assumptions in the literature. In this conceptual paper, the authors used the term customer compliance business model (CCBM) to contrast it with customer centricity as it seems that practice had moved beyond research arguments about service provision. The service recovery and complaint management strategies of CCBMs were summarised into the earlier mentioned 16 propositions which were based on the differences between academic analysis of service recovery and complaint management and practitioner accounts of actual business practices and also on the customers’ narratives of such practices collected by the candidate during Research Stream One. The propositions cast doubt on conventional marketing thinking about service recovery and complaint management, which appeared unable to offer a theoretical explanation of what CCBMs were practising.

The 16 propositions were empirically investigated through survey research and interviews in 2008 and 2009 and the empirical findings were published in ‘Automated Marketing and the Growth of ‘Customer Compliance’ Businesses’. This aimed to:

1. briefly introduce the authors’ conceptual thinking about recent changes in the service recovery and complaint management procedures of providers by reviewing the main propositions and thus drawing links with the 2010 EJM article;

2. describe and analyse innovations that CCBM businesses have introduced, most importantly the automated marketing service recovery practices.

It was shown that CCBMs did not seem to share the common expectations that customer demands and complaints were legitimate (Tomlinson 2002) and that the service recovery
paradox\(^4\) should be practised (Maxham III and Netemeyer 2002). The use of methods to discipline customers, referred to as ‘innovations’ by the candidate, enabled CCBM staff to utilise rules and procedures to force customers to ‘comply’ with company regulations and processes. The reason that the majority of customers appear to be willing to comply so readily with the CCBM procedures is the promise of much lower price coupled with good service, confirmed during the candidate’s empirical research with 235 interviewees in the West Midlands (and more recently by an online survey with 1241 respondents, yet to be published). Customers continue to use the services of CCBMs (BBC 2008; Kollewe 2008), contrary to reports in the popular press (e.g. BBC’s Watchdog programme, 1\(^{st}\) October, 2009) and, therefore it needs pointing out that in spite of negative publicity, CCBMs are still rapidly expanding and rewriting the rules of engagement with customers. In the paper in question (Output 7; Table 1), the candidate also distinguished CCBM compliance from traditional compliance. It was argued that elements of compliance were not entirely new and that companies had traditionally required customers to comply with their regulations. However, it needs stressing that the forms of compliance practised by CCBMs break from previous compliance practices by being much more visible and better understood by the customer. CCBMs appear to attempt to *educate* their customers about their operating procedures, for instance by clearly stressing the rules of engagement with the providers (on their websites) and by offering incentives to those customers who comply with the conditions set by the provider. Such practices would be regarded as instances of negative publicity by traditional companies, but are approached as opportunities to educate customers by CCBMs. Findings from the candidate’s research indicated that customers feel a sense of being treated fairly and equally and it appears that CCBMs concentrate on the vast majority of their

\(^4\) The service recovery paradox suggests that effective service recovery can positively affect, even reverse, secondary customer satisfaction. Thus, satisfaction following service failure and recovery might be higher than the original, pre-failure satisfaction.
customers rather than spending disproportionately on the few customers who complain. The article also extended the conceptual thinking of Output 6 by reporting findings derived through mixed-mode (quantitative and qualitative) empirical analysis of 122 (undergraduate and postgraduate) marketing students through survey research and 235 respondents (the general public in the West Midlands) through interview-based research. The empirical findings confirmed the expectation that customers understood the ingredients of customer compliance practices and many of them appeared non-deterred by such practices, contrary to popular press reports. Customers realise that in return for complying with company systems, they get a lower price often linked to a better service measured in terms of simplicity and timeliness which better meets customers’ needs.

During the empirical research about customer compliance and CCBMs with the above-mentioned 122 students in Coventry University, it became obvious that some of them misunderstood the basis of the competitive advantage of CCBM businesses. Further evidence of such misunderstanding was collected when key findings for CCBM practices were introduced to a class of MSc and MBA students (different from the 122 students) during a discussion which aimed to help the students when researching and compiling reports on their assessed coursework. Many MSc and MBA students were not aware of these new CCBM practices and found it difficult to understand these practices, because of the lack of analysis of such issues in the academic literature. Reflection on the in-class discussions and student projects stimulated an analysis of pedagogical implications of:

1. CCBM business practices;
2. the paucity of the coverage of issues of customer compliance and customer disciplining in marketing textbooks.

The exercise pointed the way to the need to incorporate more practice-based pedagogy into teaching, also prompting Output Eight.

Output Eight

The above noted in-class discussions and the student reports prompted the design of ‘The Need for Evidence-based Marketing Theory, Research and Education; Or What Happens When Marketing Theory Lags Behind Marketing Practice’. The paper reviewed new marketing practices of customer compliance and suggested ways of introducing them into the classroom, by teaching students about them. The main argument was that it was felt that the dominance of customer centricity in academic texts had left students unprepared for certain aspects of marketing practice. The teaching experience demonstrated the need for a change of emphasis to teaching ‘evidence-based’ marketing through analysis of the latest marketing and management practices, similar to Hill et al.’s (2007) plea for re-engaging practitioners. The candidate shares the currently growing enthusiasm for evidence-based teaching in academia, partly due to the concrete and disappointing findings of the thinking of the cohorts of MSc and MBA students discussed earlier. As far as the candidate is aware, the very notion of evidence-based practice has not been consistently applied to marketing research, theory and education whereas it has been used extensively in management education and in medicine. The article explained the reasons for the need to understand and apply ‘evidence-based’ marketing and lessons were offered, including designing and carrying out joint research that involves multiple partners and
practitioners. This was a topic that was further developed in an article on the same subject that is currently under review at *Journal of Marketing Management*.

**Output Nine**

‘*Conceptualising Current Innovations in Services Marketing: the Case of the ‘Customer Compliance’ Businesses*’ was published in the *Proceedings of the annual EMAC conference*. It built upon the earlier conceptions of customer compliance and CCBMs (Outputs 6, 7 and 8; Table 1) by analysing and assessing the changes that had been designed and implemented by CCBM businesses in areas of service recovery and compliance management, as in Outputs Six and Seven, and then went on to argue that CCBM innovations with a bearing on customer compliance also involved various aspects of the business model of these companies such as:

1. ‘Process and Partnering’ with business partners, defined with respect to the innovations made by CCBMs in areas of collaboration with partner-organisations and operational management where ruthless cost control is combined with distinct measures to ensure that quality and service innovation are areas contributing to strategic success;

2. ‘Planning and Procedures’ which are simple and are typically facilitated by flat organisational structures and open, inclusive cultures;

3. ‘People and Publics’, including internal publics such as the role of ‘transformational leaders’ and external publics such as customers.

Customer compliance-related innovations across the three areas were discussed and were linked to the underlying, highly successful customer compliance logic of CCBM businesses. The innovations were contrasted with traditional business models and dot.com firms. It was concluded that the analysis of CCBMs sheds light on literature expectations and claims of the
changed nature of competitive advantage and the very possibility of attaining such advantage. It is only by practising hybrid strategies and by innovating across areas of business operations that companies such as the CCBMs can achieve a ‘series of temporary competitive advantages’ (Lawler and Worley 2006) and thus flourish even in the currently demanding environment. It was also noted that, if taking advantage of new technologies, other companies could try to emulate the business model of successful CCBMs. However, emulation on the part of traditional businesses has often been unsuccessful, examples being failures of British Airways and KLM to operate Go and Wizz and their subsequent disposal.

Output Ten

Through extending Research Stream One and building upon academic writings about service provision, service recovery and complaint management, it was felt necessary to engage more directly with the practitioner side of the literature and present the candidate’s thinking to a wider practitioner audience, in order to test the audience’s reactions to the candidate’s thesis. ‘The Compliant Customer’ presented the candidate’s work by emphasising the novelty in thinking in CCBM businesses when carrying out research. Although being a relatively short, conceptual paper, it considered that many traditional research techniques and the information so collected had become obsolete due to the adoption of technological innovations by CCBMs. Traditional research techniques have been replaced by developments which make extensive use of company databases and provide management with instantaneous, real-time feedback used even to power automated marketing algorithms (for example, to set pricing). The speed with which practitioners have developed the new techniques has produced a lag between such innovations and theoretical work on them, and so is supportive of arguments by Sivakumar (2001) and
Katsiekas et al. (2007) that marketing research lags behind practice. The paper also explored the significance of these innovations to practice and theory, including the need to reassess the application of aspects of customer centricity which may be costly, such as the use of complaints as a form of market intelligence.
3. Research Methodology

The literature of research designs, approaches and methods of data collection identifies a number of options which are available to marketing academics and social scientists. The more traditional approaches view social phenomena and their meanings as existing independent of social actors, while the more recent arrivals in marketing analyse categories (such as culture, organisation, competitive success, etc.) not as pre-given and external. The latter approaches study social phenomena and their meanings as accomplished by individuals (subjectivist, constructivist research) and even as communally derived and co-produced (subjectivist, social constructionist research). Because of the candidate’s focus on understanding and not on explanation, but also because of the exploratory nature of the empirical research at least in the opening stages of Research Stream One, an interpretivist research design was chosen.

The two research streams combined the more commonly used methodologies in marketing, such as survey research, and data collection and analysis such as hermeneutics. Of the two research streams, Research Stream One employed more consistently an inductive, social constructionist and interpretative framework (Gergen 2009). The in-depth, semi-structured interviews were appropriate because of the exploratory nature of the research, at least in its opening stages, as they allowed interviewees to communicate their views of interactions with providers. In total, 54 narrators were interviewed in Bulgaria and Ireland. A social constructionist (Gergen 2009), hermeneutical framework proved to be well suited to explore new concepts by emphasising the interviewees’ perspective and thus capturing their understandings of interactions rather than
imposing the researcher’s explanations of customer-provider exchanges. Its theory-building potential was substantial, as demonstrated in Outputs 3, 4, 5 and 7.

In spite of commonalities, the methodology of Research Stream Two is dual: interview-based and standard survey-based. Interviews were carried out with 235 consumers in the UK Midlands in March 2009. The interviews were structured and were not tape-recorded, to avoid interviewees’ confidentiality concerns, but notes were taken in the process of interviewing the narrators and were expanded immediately after the interviews when they were added to the reflective logs about the interview. Three rounds of online survey research were carried out in 2008 and 2009. The survey was designed to test those of the 16 propositions which could be researched from the customer’s point of view. The results were reported in Output 7 (Table 1). The combination of qualitative and quantitative research methods is believed to be well suited to the empirical confirmation (not ‘testing’ in the strictest, statistical sense) of the 16 propositions which first appeared in Output 6 (Table 1).

Thus, Research Streams One and Two:

1. were based on extensive literature reviews which have stimulated the research;
2. collected and analysed original information by using a variety of research methods;
3. used novel (to marketing) frameworks such as hermeneutics, which is the art of interpreting texts and actions, including narratives from interviews. Though being rarely used in marketing, hermeneutics is prominent in anthropology, legal studies and Biblical studies (e.g. Sherry 1995);
4. used both qualitative and quantitative data (with descriptive statistical analysis used for Output 7, coupled with inferential statistical methods used in two publications currently in first and second rounds of review at *Journal of Service Research*) and analysed them using variance, regression and correlation analysis. Thus, the research combined new and trusted methodologies (Van Maanen 2000). As regards validation, statistical techniques and interviews confirmed findings;

5. linked the literature and the research methods, with a systematic approach which was inductive in the opening stages of the research but which has been coupled with deductive thinking more recently. The approach and the links drawn between Research Stream One and Research Stream Two provide a unity to the work of the candidate;

6. applied predominantly dialectical-ideographic research (Denzin and Lincoln 2005; Belk 2006). Interest was taken in the dialectic exchange when compiling and analysing narratives, placing the emphasis on interaction among observers while producing knowledge of a phenomenon. Analysis was co-created, with the help of the narrators (Bryman and Bell 2007).
4. Overview of Contribution to Marketing and Knowledge

It is posited here that overall, the candidate’s research has made a positive contribution to both marketing as a subject and the knowledge base that surrounds it.

4.1. An Overview of Contribution to Marketing

1. The research contributed to marketing knowledge by analysing key aspects of interactions between customers and providers, such as power, disciplining and compliance, which appear to be widespread and inherent in exchanges.

2. The research explored ‘negative’ and stressful aspects of interactions, and its empirical findings did not support normative marketing discourses of the customer always being satisfied and ‘delighted’ by providers.

3. The interview stories showed the narrators’ awareness of, and their opposition to, surveillance and normalisation.

4. The research findings showed that the customer-centric approach, at least as habitually discussed in marketing texts, was not always applied in practice. Instead, there appeared to exist a fundamental desire to dominate, control, and compel on the part of some providers. The candidate placed emphasis on the role of modern technology and how it was used to compel customers to behave in accordance with company practice.

5. Another knowledge-related contribution concerned the findings about observation and counter-observation in service encounters. The interview narratives demonstrated how such observation-based power was not dispensed so much in a top-bottom (vertical)
manner, as frequently discussed in the social sciences, but was nested in (horizontal) networks of providers and customers interacting on a daily basis. Such power was shown to be exercised thanks to detailed knowledge of the subject that companies collect and use when managing their relations with customers.

Though being distinct, the two Research Streams are closely linked. Both study aspects of interactions between customers and providers during which providers attempt to apply power, discipline customers and make them compliant. However, while Research Stream One studied power application and disciplining during face-to-face and telephone interactions between customers and providers in the context of small-scale service and professional establishments, Research Stream Two analysed one of the two types of disciplining uncovered during Research Stream One (planned, deliberate disciplining) with respect to the service recovery and complaint management practices of a set of new businesses facilitated by the Internet, Intranet, and back-office software, which allowed new strategies of dealing with customers, and especially with customers perceived by CCBM companies as ‘troublesome’ and ‘uncooperative’, to be developed with respect to service recovery and complaint management.

In researching aspects of customer-provider interactions, the candidate’s research findings were in broad in agreement with:

1. Brown’s (2005) questioning the marketing theorists’ ‘fixation with customer focus’;
2. McCole’s (2004) call for a realignment of marketing as an academic discipline and the marketing concept, so that they ‘reflect’ real-life marketing ‘outside of the ivory tower’;
3. Hill et al.’s (2007) argument that ‘marketing-as-content’ with its ‘inward focus’ needs to
be replaced by ‘marketing-as-questioning’ to address as yet under-researched topics and open new areas of work.

This is precisely what the research outputs attempted to do by getting to grips with key issues that affect both providers and customers and so helping to overcome at least partially the paucity of analysis on such topics from a marketing perspective.

4.2. An Overview of Contribution to Theory

1. The research built upon an extensive analysis of research across areas in marketing. Theories about these topics in other social science disciplines were reviewed in order to fill in gaps in marketing theory about power, disciplining and compliance. Thus, this research enriched marketing theory by demonstrating the need to incorporate under-researched and marginalised issues such as influence and power (Outputs 1, 3, 4 and 5) and by bolstering the still-limited interest in conflict and conflict handling in marketing (Zolkiewski 2004).

2. Issues of power and influence tend to be found in specific areas of marketing: the channel literature and research on business-to-business relations to the neglect of others (e.g. Keysuk 2000; Taylor and Jackson 2000; De Ruyter et al. 2001; Moore et al. 2004). The candidate’s work on power, disciplining and compliance in interactions addressed this more specific weakness in the literature by demonstrating the need for studies on power and disciplining in areas of marketing outside those of b2b marketing.

3. Reservations were expressed conceptually (Output 6), and were empirically proved (Output 7), about marketing theorists’ expectations about how companies practise service
recovery and complaint management. Some practitioners did not necessarily emphasise these aspects of service provision and did not seem to invest heavily in service recovery and complaint management, contrary to the expectations of some academics. The research made a significant original contribution to marketing, more specifically by studying the marketing concept and the relationship marketing concept against the practices of customer compliance companies in terms of the manner in which providers manage interactions and relations with their customers.

4. The conceptual (Outputs 1, 5 and 6) and empirical (Outputs 3, 4 and 7) work of the candidate demonstrated the need for greater emphasis to be placed on the question of disciplining and compliance and especially on the uncovered differences between accidental and planned disciplining (Outputs 6, 7, 9 and 10). This argument enriches the limited marketing literature on the subject by analysing disciplining not in generic terms (as done so far, by other academics) but as a set of distinct practices.

5. The research identified novel marketing approaches of successfully and effectively serving customers, through customer compliance, and not through customer centricity. The research identified the strategies behind such marketing practices and provided a framework (p. 41, Output 7) for academics of serving customers which is distinct from the emphasis in mainstream marketing on customer service through customer centricity.

4.3. An Overview of Contribution to Methodology

The candidate has:

1. carried out original research about the interactions between customers and their
providers, with the emphasis being on understanding interactions during service recovery and complaint management;

2. used rare methodological frameworks (such as hermeneutics);

3. applied tested methodologies alongside ones which are less often used in marketing.

In this respect, the portfolio demonstrates:

1. the value of using qualitative methodologies whose application in marketing ‘in the truest sense is still in its infancy’ (Goulding 2005: 294) and with which marketing academics are still relatively unfamiliar (Perry and Gummesson 2004); and

2. the possibility of combining qualitative and quantitative methodologies in the discipline, thus bridging the ‘divide’ between these traditions (Saunders and Lee 2005).

The use of a mix of methodologies, and especially the application of hermeneutics, has yielded specific insights into provider-customer relations and has revealed the type and significance of power application in such interactions. The value of such research needs to be assessed against the propensity of some research in marketing to resort to ‘quick fixes’, by employing cross-sectional survey research, in order to address research assessment (RAE) pressures (Littler and Tynan 2005).

4.4. An Overview of Contribution to Practice

1. A whole generation of practitioners have been educated about customer centricity. While the rhetoric of building lasting relationships with customers and other stakeholders is
important in certain service provision contexts and with respect to the provision of certain
types of service, the work of the candidate has sought to draw attention to, and popularise
among academics and practitioners, the recent innovations of a set of businesses that have
questioned the applicability of customer centricity. The outputs have aimed to acquaint
practitioners with the ingredients and sources of success of such compliance practices and
also to demonstrate that it is not only possible but also desirable to question customer
centricity.

2. The portfolio has invited practitioners to re-think the intelligence gathering and analysis
value of complaints. It has been suggested that the value of the feedback of complainers
may be of relatively little use to companies (Outputs 6 and 10), in support of growing
evidence that complaint management systems tend to be rather costly (Brennan and
Douglas 2002) and that providers can and do implement measures in order to deter
customers from voicing their concerns (see Bechwati and Siegal 2005), including
excluding serial complainers or encouraging them to exclude themselves.

3. Making customers ‘compliant’ should not be seen as a negative, undesirable development
in managing relations with customers because the companies that implement such
practices have ‘democratised’ a number of aspects of service provision (low-cost and
affordable air travel and retail are only two such examples). Secondly, such companies
offer good value services which seem to be accepted and even preferred by customers, as
evidenced by the market share and the strong financial position of these companies even
during the current recession. Thirdly, these companies openly disclose some of the
practices which the candidate has labelled ‘compliance’, which contrasts with the hidden
commissions, margins and variable pricing (depending on who the client is) practised by traditional businesses.

4. Businesses aiming to imitate the efforts of CCBMs should understand the importance of managing customers’ perceptions when redefining relations between providers and customers. One most significant lesson, in the opinion of the candidate, which can be learnt from the companies that have successfully designed and implemented compliance management, suggests that customers would be willing to comply with CCBM systems if there are clear benefits to them and not only to the companies practising compliance management.

4.5. An Independent Assessment of Contribution

An independent assessment of the contribution of the candidate’s work can be found in the RAE 2008 report (Appendix 1). Citations of the candidate’s work include:

5. Research Limitations and Future Research

5.1. Critical Evaluation and Research Limitations

The critical evaluation and reflection on the outputs in the portfolio reveal a number of limitations and areas which need to be addressed in future research. Steps taken are assessed:

1. The research and the publications are recent. References to the work of the candidate are rare, suggesting that the research has not engaged widely as yet with sections of the academic community.

2. Reviewers’ comments on papers submitted to academic journals tend to be polarised, either accepting the ideas enthusiastically or rejecting them. Reaction during conference presentations has been much more positive, partly because the candidate has had the opportunity to respond to questions and thus explain his thinking. The negative reactions by some reviewers (such as ‘this author does not have a basic understanding of marketing’) can be explained by the fact that the candidate is questioning long-held ideas and also by the negative press coverage of CCBM companies as Ryanair.

3. To present such new ideas, counter negative reactions, and encourage others to research compliance requires publishing in more and wider-ranging academic outlets. Publications based on the statistical analysis of the large scale survey should provide credibility to the research, as should the forthcoming publication of a book.

4. With regard to conceptual issues, the use of the term CCBM and the suggested contrast with customer centricity may need to be reconsidered or communicated more clearly, as the term has confused some EMAC reviewers. Typically, practices such as those described as ‘compliance management’ are equated with bad business procedures and are
even described by some analysts as unethical, an example being BBC’s Watchdog programme on 1st October 2009. The practices in question have been used in past studies to demonstrate that providers ‘do not care’ (Naylor 2003) and to evidence a ‘surrender’ on the part of UK service providers of ‘customer-service improvements’, marking a move towards ‘old tricks’ (Skapinker 2005).

5. As regards methodological choices, there is a lack of large-scale empirical research, which is required by many high ranking journals. This has been addressed by launching an online survey of customer experiences and attitudes which has been completed recently. The pilot-tested survey was released in the summer of 2010, with an online panel of 18,800 consumers being provided by GMI, a commercial marketing research firm. The response rate was 6.6%, or 1,243 completes. Checks were carried out by the marketing research firm and by the candidate to ensure the representativeness of the respondents of the UK general population. The sample was confirmed to be representative of the UK population, when findings were compared with data available from the UK’s Office for National Statistics and HM Revenue & Customs. The amount and depth of the data collated should allow the candidate to produce a number of papers which statistically test the 16 propositions mentioned earlier in this document.

6. Research Stream One was conducted on a relatively small-scale, based on interviews in Bulgaria and Ireland only. Even though the findings were informative about the application of power and disciplining, the research could not claim generalisability, at least not in statistical terms.

7. The choice of journal outlets is a strategic issue. This is particularly the case with respect to Research Stream Two. The recognition of the need for a deeper, more sustained
engagement with academic audiences is reflected in the articles which are in the candidate’s research pipeline at present. Target journals include the *European Journal of Marketing* and *Journal of Service Research* as well as more widely read practitioner journals, including *Harvard Business Review*.

Lessons have also been learned from the candidate’s research experience.

1. The initial phase of the candidate’s marketing research of provider-customer relations was exploratory in nature, with various topics considered legitimate for analysis. It was because of the emphasis in a number of early interviews on influence-dimensions of interactions such as disciplining and power application that the candidate came to explore these in greater depth.

2. It may be possible to formulate alternative conceptualisations of the findings. Apart from readings in political science, sociology and social psychology as discussed in the outputs in the portfolio, the candidate’s early reading of power, disciplining and influence included the work of Bourdieu, Goffman and Foucault, among others. Whereas the candidate’s analysis has come to rely more on Foucault’s than rival interpretations, an early emphasis on Goffman’s thesis may have, for instance, produced a very different analysis in Research Stream Two on total institutions or dramaturgical aspects of customer-provider relations. This is particularly evident in Research Stream Two, where alternative understandings that rival Foucault’s, such as Bourdieu’s conception of capital, are underrepresented.

3. The starting point from a methodological perspective could have been different. For instance, the early empirical research relied upon a limited set of interviews gathered in
Bulgaria and Ireland, using a non-probability sample. While such a sample is often used in exploratory research, the choice of Bulgaria and Ireland as research settings could be questioned. The two settings were chosen due to their similar stage of development but also because they were under-researched. A larger set of interviews, across service sectors, should have been organised much earlier than those organised in the UK’s West Midlands, whose findings were reported only in 2009. The nature of the empirical research, and especially the early research, thus raises questions about the generalisability of the findings and the extent to which they represent standard practices on the part of service providers when interacting with customers. These limitations were addressed only very recently, when the candidate released a large-scale survey with a sample representative of the general UK population. On the basis of these survey findings, it was possible to conclude for the first time that disciplining and compliance appear to be widespread and seem to be widely practised. In turn, this provides support for the fundamental question which underlies this thesis: whether we find evidence for customer centricity and customer orientation, as suggested in parts of marketing academia.

4. The opening phases of the candidate’s research and especially during much of Research Stream One were rather broad, in that the candidate was interested in gathering information and insights about many aspects of power, influence and disciplining during customer-provider interactions. Lessons have been learned, and the current stage of research (Research Stream Two) is focused on compliance as only one type of disciplining and on compliance as practised only in service recovery interactions. This should increase the precision of analysis and interpretation which could be described as lower in the opening stages of the research.
5. The candidate seeks greater clarity of understanding and defining compliance. The candidate’s definition of compliance at the start of Research Stream Two was slightly different from the current definition, which is likely to develop further in the future.

5.2. Future Research

The candidate’s thinking has developed from a rather broad and more general investigation of ‘negative consumption’ at the start of the research to the current conceptualisation and empirical investigation of ‘compliance’ as only one case or example of disciplining which appears to have positive effects on customers and companies, as discussed in Outputs 6, 7 and 10. Thus, the development of thinking and the greater focus and clarity of understanding of power- and influence-related aspects of interactions between customers and providers are evidenced by the transition from Research Stream One to Research Stream Two. The interest in studying power and disciplining during Research Stream One as well as the identification of two distinct types of disciplining led to the candidate’s current thinking about power- and influence-related aspects of interactions between customers and providers not in general terms but only with respect to providers’ compliance practices during service recovery and complaint management and the benefits that accrue to both companies and customers.

The research is ongoing and has expanded over the years, even though it is still focused on the initial research questions: power application, disciplining customers and making them compliant. In association with a co-author, the candidate has implemented the earlier mentioned survey research – a major piece of empirical research on compliance. Following a considerable
financial investment which was not previously available, a survey was designed to empirically test the propositions presented in Output 6.

Future publications are being planned, as part of Research Stream Two, in *Journal of Marketing Management*, *Marketing Theory* and *Harvard Business Review*. They expand the research by looking at the impact that the concept of compliance has had on business models of CCBM companies, education practice and interactions with customers.
6. Contribution of Other People to Outputs and Research

Research Stream One was initiated solely by the candidate. The candidate was also solely responsible for the design and implementation of the empirical research. Only one of the five publications from this earlier research (Output 2) was co-authored. As far as this article is concerned, the idea for the article was the candidate’s and the first draft was designed by Kasabov, while John Murray reviewed a preliminary draft of the publication and edited the manuscript.

Research Stream Two is a joint product with Alexander Warlow, a Fellow of the Institute of Direct Marketing. This collaboration is with a practitioner with considerable experience in marketing of industrial products and in digital and direct marketing. The skills of the co-authors are complementary. Kasabov conducted the desktop research of current thinking, composed the literature review in the area of service recovery and complaint management, and generated the 16 propositions which form the backbone of Output 6. Warlow reviewed the work and helped re-work the propositions. The survey was designed jointly by the two co-authors and was tested by the candidate.

Three of the five outputs of Research Stream Two are co-authored with Warlow. The 2010 *EJM* article (Output 6; Table 1) was co-authored. Kasabov read and reviewed the literature on service recovery and complaint management. Warlow revised the paper, contributed to the final draft of the section on Implications, and redesigned the Introduction, suggesting a more effective way of
introducing the subject matter. The candidate took the lead during the two review cycles with *EJM*.

The empirical research is a joint effort of the two authors. It builds on the conceptual thinking and past conclusions of the candidate about relational difficulties, power and disciplining and on the practitioner’s experience.

Output 7 (Table 1) reported empirical findings discovered by the candidate during the analysis of the qualitative and quantitative data. Nonetheless, the output is a joint creation and was reviewed by Warlow prior to final submission to the journal. Kasabov reviewed the second draft and populated the sections reporting the empirical results. Warlow finalised and submitted the paper.

Output 9 (Table 1) was designed by Kasabov. Warlow commented on the first draft, strengthened the discussion by incorporating additional illustrative material and examples supporting key arguments. Kasabov suggested targeting the *Annual EMAC Conference*. 
7. Conclusion and Claim for PhD Equivalence

This document presented the origins, development, empirical findings, conclusions, implications for practice and marketing theory, and contribution of an ongoing research programme in marketing.

The academic aims and objectives discussed in the opening of this document have been met to a large extent.

1. Regarding Research Objective 1, Research Stream One started with the interest in exploring negative interactions between customers and providers. From this research, it can be concluded that even though such issues appear to be rarely studied by marketers, power and disciplining are prevalent in marketing exchanges, more specifically in the context of small service establishments and medico-professional service provision. The findings and analysis during Research Stream Two confirmed such prevalence of disciplining, through compliance management, in the context of highly successful, innovative companies which have the resources to apply new technological solutions in order to serve their customers and thus dominate their respective sectors and markets.

2. Regarding Research Objective 2, Research Stream Two studied disciplining in a different context (service recovery and compliant management), with regard to a different set of companies (the earlier mentioned CCBMs) and in relation to a different type of customer-provider interactions (online, non-face-to-face interactions). From this body of work, it can be argued that compliance is widely practised and that it appears to benefit the companies practising it (by reducing costs of operation) and the majority of their
customers (by addressing previously unmet needs and by offering good value, at service levels which meet customer needs and which are often designed by the customers themselves through automated systems).

3. Regarding Research Objectives 3 and 4, the conclusions drawn from Research Stream Two indicate that new information technologies have a pronounced effect on the increased automation of interactions and on marketing practice. It can be concluded that the specific change, or ‘innovation’, identified (the suggested customer compliance business model) is different from the traditional customer centric business model and may, under specific circumstances, be superior to it by helping address previously unmet needs and by reducing the cost of services provided.

4. Research Stream One and Research Stream Two have added to the current approaches to studying marketing by enriching the analysis and understanding of relations and by taking a somewhat novel approach in methodology, such as the application of hermeneutics to the analysis of narratives.

The research programme has been guided by a set of research questions and objectives which, though changing, have proved to be intrigued by a consistent set of conceptual and empirical issues: power, disciplining and compliance. These issues have been empirically investigated on a number of occasions, using a mix of methods of data collection. The underlying philosophical fundamentals of the research, however, have remained unaltered. Therefore, the collection of papers and accompanying document presented here form the basis of a claim for PhD by Portfolio predicated on the points listed below:
1. The aims and objectives presented at the beginning of the thesis have largely been achieved. This has been illustrated conceptually, theoretically, methodologically and sequentially throughout the portfolio of papers and the current discussion.

2. The collection of papers and accompanying discussion document indicates an ability to conduct a major piece of research.

3. The work reflects a specific, detailed body of knowledge related to the relevant academic areas in marketing.

4. The portfolio follows a sequential development path, with Research Stream Two being a logical, if more specialised, development from Research Stream One.

5. The portfolio is indicative of research methods training to an appropriate level in a number of ways: literature reviews across relevant subject areas, face-to-face interviews, online survey techniques, quantitative data analysis and interpretation, and hermeneutics.

6. The research has advanced the state of the art in two specific areas: Relationship Marketing and Power, Disciplining and Compliance in Customer-provider Relations.

7. There is an appropriate degree of originality, which is evidenced by publications in refereed journals, conference proceedings and comments made by the RAE subject panel.

8. Inherent in the research is the use of critically independent judgement in assessing the work of other authors and in self-critique.

9. Lastly, the research has been carried forward and future publications are planned, including a book on compliance management to be published with Palgrave Macmillan.

It is considered that the body of research presented here is equivalent to PhD standard.
8. References


9. Bibliography


*Journal of Relationship Marketing* 1, (1) 3-16.


The appendix 1 RAE 2008 report has been removed as it contains references to named individuals. The unabridged version of the thesis can be viewed at the Lanchester Library, Coventry University.
11. Portfolio of Outputs

The following paper: Kasabov, E. 'Towards a collaborative understanding of consumer dissatisfaction', Irish Academy of Management Conference, Ireland, Dublin 2000 has been removed. The unabridged version of the thesis can be viewed at the Lanchester Library, Coventry University.

The following paper: Kasabov E and Murray, J. (2002) 4PS of consumer behaviour mythodeology - 4 glimpses of service malpractice, in Irish Marketing Review 15 (1) pg 57+ has been removed. The unabridged version of the thesis can be viewed at the Lanchester Library, Coventry University.

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From Corporate Brand Image To Consumer Loyalty. Looking For A Route In Banking Institutions

Bravo Rafael, Matute Jorge, Pina José M.

A strong corporate brand image has been usually considered as a main asset to build up consumer loyalty. The present paper tries to explain the role of consumer perceptions and affection on the development of consumer loyalty in commercial banking. Hence, a SEM model is proposed that includes a series of relationships between corporate image, perceived price fairness, satisfaction, commitment and loyalty. By means of an empirical study with a representative sample of the Spanish population, support was found for most hypotheses. According to results, loyalty to commercial banks depends on satisfaction and consumer commitment. Both factors will depend, in turn, on consumer perceptions regarding corporate image and price fairness.

Keywords: Corporate Image, Loyalty, Financial Institutions

Exploring The Online Experience Cycle - A Study Of Irish Online Banking

Loonam Mary, O'Loughlin Deirdre

This paper provides an overview of key findings from a qualitative consumer study exploring the impact of Internet experience levels on customers’ online expectations and corresponding e-service dimensions within the context of the Irish financial services sector. Using a combined research strategy the study conducted twenty semi-structured in-depth interviews and unstructured observation sessions. Insights gained from the study reveal the importance of the uses and gratification technique in explaining audience continued use and expectations of e-banking services. The study recommends that both general e-service providers and e-banks adopt the proposed user group categorisation system and conceptualised experience cycle as a means of more effectively profiling customers and better serving their individual needs.

Keywords: Internet Uses And Gratifications, E-Service Expectations, Banking

Conceptualising Current Innovations In Services Marketing: The Case Of The ‘Customer Compliance’ Businesses

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Technological developments, deregulation, trade liberalisation and globalisation have allowed small, entrepreneurial companies to experiment with new service concepts, business models, and strategies. Such companies have replaced traditional ‘customer-centricity’ strategies with ‘customer compliance’ practices. In this discussion, we analyse the sources, nature and consequences of the growth of these ‘customer-compliance business model’ (CCBMs henceforth) companies. CCBMs help address a question which has preoccupied practitioners and academics for some time: how to attain and how to sustain one’s competitive advantage. We link the answer to this question to CCBMs’ ability to innovate, grow and ‘drive markets’.

Keywords: Customer Centricity, Competitive Advantage, Customer Compliance
‘Conceptualising Current Innovations in Services Marketing: 
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Abstract
Technological developments, deregulation, trade liberalisation and globalisation have allowed small, entrepreneurial companies to experiment with new service concepts, business models, and strategies. Such companies have replaced traditional ‘customer-centricity’ strategies with ‘customer compliance’ practices. In this discussion, we analyse the sources, nature and consequences of the growth of these ‘customer-compliance business model’ (CCBM henceforth) companies. CCBMs help address a question which has preoccupied practitioners and academics for some time: how to attain and how to sustain one’s competitive advantage. We link the answer to this question to CCBMs’ ability to innovate, grow and ‘drive markets’.

Keywords: service marketing, innovation, customer centricity, customer compliance, competitive advantage

Track: ‘Services Marketing’

The above paper has been removed. The unabridged version of the thesis can be viewed at the Lanchester Library, Coventry University