Grounding and the Service Encounter

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Abstract

Language plays a central role in person-to-person service encounters. However, there is little empirical research on service interactions, including how specific words or phrases influence perceptions of service and service performance. In this study, we collected examples of opening statements issued by frontline service employees at the beginning of service encounters to explore the process of *establishing common ground* or *grounding,* whereby individuals interact through language to align expectations and mental models. Our study shows wide variation in how frontline employees initiate interactions, even among employees of the same large national chains. Despite great variability in communication styles, our results show a few basic types of openings, many of which are attempts to establish common ground with the customer. The results can help inform practice, specifically, how employees interact with customers and deliver good service.

Key words – Language use, common ground, service encounter, service interaction, communication

Grounding and the Service Encounter

Language plays an important role in person-to-person service encounters. For instance, the interaction between the service provider and the customer can affect bother the service outcome and the customer's perception of service quality (e.g., Bitner, Booms, & Tetreault, 1990). Still, there is very little empirical research on how and when specific words or phrases influence perceptions of service and service performance. In this study, we collected hundreds of examples of opening statements issued by frontline service employees at the beginning of service encounters. Getting the opening of a service encounter right has the potential to set the service encounter on the path toward effective interactions and to lead to efficient results (e.g., Brown & Sulzer-Azaroff, 1994). Here, we explore the process of *establishing common ground*, or *grounding,* whereby individuals interact through language to align expectations and mental models (Clark & Brennan 1991; Clark, 1996) in the context of service. Specifically, we view service encounters as prototypical examples of grounding that can be best understood through Clark's theory of language use. Though others have used grounding to make sense of specific service interactions (e.g., Kandogan, Maglio, Haber & Bailey, 2012), ours is the first empirical study of grounding across a variety of service settings, and also the first to focus on the initial phase or opening of a service encounter.

Everyday conversations have different phases or sequences, including openings (see Schegloff, 1968). Over the course of a conversation, including the very onset, two (or more) people attempt to establish common ground with each other (Clark & Brennan 1991; Clark, 1996). This dynamic process allows them to reach mutual understanding and to achieve mutual goals over the course of a conversation. The person initiating the interaction starts by making a statement

and waits for the other person to respond. If the person responds, they engage in turn taking (see Clark, 1996; Clark & Brennan, 1991).   In this way, both parties contribute to the conversation and begin to build mutual understanding (Clark & Shaefer, 1987). In initiating a service interaction, be it in person, at a drive-through, or on the phone, people need to establish common ground. This process naturally starts with an opening, often a greeting or a question. Questions are useful to initiating interactions and establishing common ground because they implicitly require a response (Clark & Brennan, 1991).

On the classic view of service, value emerges from interactions between customer and provider as mediated by the provider's frontline personnel (Teboul, 2006). The specific interactions between customer and the frontline personnel are critical, comprising a series of "moments of truth" that together add up to a full service experience. Whereas frontline personnel need to know their business and communicate effectively, service *requires* customer interaction. That is, service is not the sole responsibility of the service provider or frontline employee; it is a shared responsibility of both customer and provider. The hallmark of service is that customers play an active role, whether this is by providing input or information or by taking action. Enabling effective and efficient flow of information between provider and customer depends on service design and execution to capture the right information in a way that supports operational and managerial needs, putting the right data, information, and knowledge in place for employees and customers (Qiu, 2013).

Some empirical studies of the service encounter have focused on attributes of service and service outcomes and their effects on customer satisfaction and the service experience (Bitner, Booms,

Tetreault, 1990; Ostrom & Iaccobucci, 1995). For instance, the specific actions frontline

employees take to respond to service failures, service requests, or simply to be helpful, all have

specific and reliable consequences for customer satisfaction across industries (Bitner, Booms,

Tetreault, 1990). Other studies have focused on the role of customer expectations (Ford, 2001) or

emotional responses (Mattila & Enz, 2002). Some have focused on communication style (Kang

& Hyun, 2012). And still others have addressed non-verbal communication (Gabbott & Hogg,

2001; Jung & Yoon, 2011; Sundaram & Webster, 2000). Studies of the language used in service

encounters have examined high-level aspects of service communication (Nikolich, & Sparks,

1995; Sparks, 1994; Williams, Spiro & Fine, 1990), the role of scripted interactions (Victorino &

Bolinger, 2012), and the impact of regional dialects (Mai & Hoffmann, 2011). Here, we focus on

the specific language used to initiate the service encounter.

For us, service is cocreation of value between economic entities, each deploying its own

resources and capabilities for mutual benefit (Vargo & Lusch, 2004; Vargo, Maglio, & Akaka,

2008). More precisely, we define *value* as change that people prefer, and *value cocreation* as a

change people prefer that is realized as a result of communication, planning, or other purposeful

activities (Spohrer & Maglio, 2010; Maglio & Spohrer, 2013). To co-create value effectively

within a system of interacting entities, such as a customer and a provider, the resources must be

arranged appropriately; the resources must be accessible; the concerns of multiple stakeholders

must be taken into account; and understanding of potential mutual benefit must be

communicated (Maglio & Spohrer, 2013; Spohrer & Maglio, 2010). On our view, effective

communication and value cocreation depends on establishing common ground (Maglio &

Spohrer, 2013). Though a literature on language use in service appears to be emerging (e.g.,

Holmquist & Gronroos, 2012), ours is the first study to investigate how service system entities coordinate activities and cocreate value through establishing common ground. Moreover, ours in the first to focus on the critical first moments of the interaction.

In what follows, first, we describe our field study, including data collection, data analysis, and results. Second, we discuss some implications of our results for the theory and practice of service encounters. Finally, we discuss some limitations of the work and opportunities for future work.

Field Study

We conducted a field study of service encounters in local and national businesses in a small city in the Western United Stateds. Our data include service openings in large businesses, such as McDonalds, and small businesses, such as a local salon, Divine Hair Design in Merced, California.

Method

We audio-recorded the initial words spoken by 125 frontline workers at the start of a service encounter. We transcribed the recordings and then analyzed them along several dimensions. All interactions were recorded by the second author, who entered a service establishment and had a face-to-face service interaction. In speaking to the service provider, he set his cell phone on "record". These establishments ranged from local mom-and-pop shops to large national chains, including restaurants, clothing stores, and telecommunications providers, among others. Of the 125 encounters we recorded, there were 82 unique establishments, including 26 local

establishments and 56 national chains. All interactions occurred in California, primarily central California, especially in Merced and in Sacramento.

Overall, we observed a number of different types of openings. For example, when entering a fast-food restaurant, we were greeted with "I can help you whenever you are ready?" When entering a fitness center, we were greeted with "Hello, how are you today?" Prior to analyzing the data, we coded several aspects of the opening, including whether it contained a greeting, such as "Hello" or "Hi", whether it contained a question, such as "How may I help you?" or "Are you doing ok?", whether the opening was specific and helpful, such as "What can I help you with today?" or not, such as "I'll be right with you, ok?", and whether the brand or store name was used, such as "Hi, welcome to Vitamin World" (Vitamin World) or "Hi, welcome to Panda" (Panda Express).

Results

Our first goal was to learn what patterns would naturally emerge and how frequent they were. For instance, how often did the opening contain a greeting? How often did it include a question? When did it include the brand name? And when was there an explicit offer to help?

The data show 65% of all service interaction openings contained a question; 67% contained a greeting; 17% contained a brand name; and 16% contained an offer to help (see Table 1). Overall, 47% of the questions were specific and helpful.

Table 1: Overall frequencies of observed attributes of service openings.

	Local	National	Total
Started with a greeting	69%	66%	67%
Asked a question	76%	61%	65%
Asked a specific question	41%	49%	47%

Offered help	5%	32%	16%
Mentioned the brand	7%	20%	17%

In total, 23% of all the encounters we recorded and analyzed were at local providers. Of all local providers, only 7% used brand names, as in "Hello, welcome to Styles" (Styles). About 69% of all local providers used a greeting, for instance, "Hey guys" (Zuminez) and "Hi guys, welcome" (Pac Sun). And 76% of all local providers used a question, as in "Hello, how are you guys doing tonight?" (Fusion Cafe), with about 41% of these being specific questions, as in "Questions about any earrings?" (Claire's). Finally, about 5% stated an offer to help, as in "Hi, what can I help you with today?"

Of all the national chains, 20% used brand names, as in "Welcome to KFC" (KFC) and "Hi, thank you for choosing El Pollo Loco" (El Pollo Loco). Of all national chains, 66% of the initial statements were in the form of a greeting, as in "Hello" (Food for Less) and "Hi, welcome to Cinnabon" (Cinnabon). Also, of all the national chain openings, 61% contained a question, with 49% of these being specific questions, as in "Would you like to try one of our happy hour slushies today?" (Sonic) or "Hi, would you like to try our mile high burgers today?" (Carl's Junior). And 32% of the national chain service initiations included an offer of help, as in "I can help you" (Forever 21) and "How can I help you?" (Victoria's Secret).

Implications for Service Encounters

Our analyses suggest that, for the most part, service encounters opened with a greeting and question. Some of the questions were clearly conveying an interest in offering help, and some were not. There were differences between local and national firms in consistency, probably related to training. Of course, the key to an effective service encounter is grounding, establishing

common understanding and expectations between provider and customer (Clark, 1996). The opening, greeting, and framing questions set the stage and lay the foundation for the rest of the encounter. We see several implications in this work for service managers, especially in improving communication of employees and improving service experience for customers.

Our study focused on the opening of the service encounter: How frontline employees initiate interactions with customers. Getting the opening right should set the service encounter on the path toward effective results (e.g., Brown & Sulzer-Azaroff, 1994). Our analysis of service openings suggests that most start with the combination of a greeting, such as "Hello," and a question, such as "What can I help you with today?" These openings start the process of establishing common ground by aligning with what is conventional and putting the customer in control of the next contribution. When frontline employees deviate from convention, starting, for instance, with "I'll be right with you, ok?," it discourages or even prevents the customer from taking the next conversational turn, and impedes achievement of mutual common ground.

Conclusion

Our study contributes to an emerging literature on language use in service (e.g., Holmquist & Gronroos, 2012), and provides support for the fundamental principle that service system entities coordinate activities through symbolic communication and establishment of common ground (Maglio & Spohrer, 2013). Though it shows wide variation in how frontline employees initiate interactions, even among employees of the same large national chains, there were a few basic types of openings, many of which are attempts to establish common ground with the customer.

The results can help inform practice, specifically, how employees interact with customers and deliver good service.

The preliminary study reported here is only the first step in our larger research program investigating language use in service encounters. Our conclusions are necessarily limited by both the type and amount of data collected. Here, we focused only on the first words spoken by frontline service workers, primarily in retail settings and primarily in one geographical area in the Western United States. We did not focus on how the interactions continued and on the outcomes of the encounters. Future work will examine the language used across all phases of the service encounter to develop a language-based theory of grounding and value cocreation.

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