The Effect of Contact Frequency with Customers on Relationship Satisfaction

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\textbf{A B S T R A C T}

\textbf{Purpose:} This study is to examine the moderating role of contact mode and customer attachment style on the effects of contact frequency on relationship satisfaction.

\textbf{Design/methodology/approach:} To explain this phenomenon, literature reviews about contact frequency, contact mode, relationship satisfaction, the moderating effect of contact mode (personal vs. impersonal), and attachment style (anxious vs. avoidant). SEM (Structure Equation Model) was suggested to check these relationships using PLS.

\textbf{Findings:} Bootstrapping analysis was performed using process macros to find the relationship between contact frequency and relationship satisfaction. As a result, contact frequency does not significantly affect satisfaction with a company; however, this independent variable affects satisfaction with the service provider. Anxious people are known to be dependent, while avoidant people are independent, so customers’ attachment styles influence their relationship satisfaction. Personal contact modes, such as by telephone, are found to be more positive than impersonal contact modes, such as group email, for relationship satisfaction. The results of this study show that customers prefer personal contact to impersonal contact. Moreover, for both anxious and avoidant customers, frequent contact has positive effects on customer satisfaction with service providers and organizations.

\textbf{Research limitations/implications:} This study provides two contributions. First, it confirmed the mediation effect of the customer-service-provider relationship. Customers’ satisfaction with a company depends on their satisfaction with its service providers. Second, this study identified a moderating role played by the contact mode and the customer’s attachment style. In regard to future research, it would be nice to add cases for increasing customer-satisfaction level with service firms and to focus on other industries to expand current research findings.

\textbf{Originality/value:} The findings provide customer segmentation criteria and guidelines for effective relationship marketing activities in service field.

\textit{Keywords:} Contact Frequency, Contact Mode, Attachment Style, Relationship Satisfaction

I. Introduction

Many firms engage in a variety of marketing activities with their customers, such as advertising and emailing. These activities are important for building strong customer relationships, and relationship marketing is most effective when customers are highly involved in the goods or services, when there is an element of personal interaction, and when they are willing to engage in relationship-building activities (O’Malley & Tynan, 2000; Park, 2018). These activities have
been used as effective strategies for developing mutually beneficial and valuable relationships with customers (Ravald & Grönroos, 1996). Strong customer relationships do not happen overnight; they evolve over time and with repeated encounters (Cooil, Keiningham, Aksoy, & Hsu, 2007). However, customers’ reactions differ depending on how frequently a company uses relational-marketing activities. In certain situations, relationship marketing may have a negative impact on performance (De Wulf, Odekerken-Schröder, & Iacobucci, 2001; Hibbard, Brunel, Dant, & Iacobucci, 2001). Imagine different customers having the same number of total contacts from a firm; would each one be equally satisfied with the company?

This study aims to examine how contact mode and attachment style moderate the effects of contact frequency on satisfaction with a service firm. This topic has not been addressed by previous studies although the importance of personal preferences or characteristics is well-known. Therefore, this study investigates the effects of contact frequency on relationship satisfaction and suggests efficient relational-communication activities.

II. Literature Review

A. Contact Frequency

In service marketing, service providers and customers have expectations about each other’s roles. From the customers’ point of view, it is expected that a firm will engage in its best efforts to use practices that result in customer loyalty to retain his or her relationship with the firm (Han, Cho, & Lee, 2007). Therefore, taking into consideration the frequency of contacts between customers and firms is necessary for relationship strength (Gámez-Abad, Cannière, & Martínez-López, 2011). Contact frequency is the number of interactions between exchange partners (Crosby, Evans, & Cowles, 1990; Doney & Cannon, 1997; Palmatier, Dant, Gremler, & Evans, 2006) and is generally measured as the number of actual transactions per period (Bolton, Kannan, & Bramlett, 2000; Homburg & Stock, 2004). It may be possible that customers initiate contacts with a firm, such as in the manufacturing industry. This study will focus on the relationship in the service industry; thus, we use contact frequency as the number of contacts from the service firm. Many previous studies have assessed the effects of contact frequency on relationships, and it has been found that repeated contacts can signify enhanced service and develop relational bonds, which in turn build customer loyalty (Anderson & Sullivan 1993; Anderson & Weitz 1989). Thus, this study defines contact frequency as relational-marketing activities of firms to build strong relationships with their customers.

B. Contact Mode

Different contact modes provide distinctive advantages for communicating information to customers (Godfrey, Seiders, & Voss, 2011), and all forms, e.g., face-to-face, telephone, mail, and email, are considered an invasion of privacy. Telephone contact modes are commonly perceived as one of the most intrusive forms and have been shown to reduce consumer acceptance (Kushwaha & Agrawal, 2016). However, some customers prefer telephone contact because of its interpersonal nature, which enables them to request clarifications and elaborations of the message (Roberts & Berger, 1999). The reciprocity principle supports the notion that using their preferred contact mode enhances customers’ satisfaction, and as a result, customers react more positively to higher volumes of contact (Godfrey et al., 2011). This is consistent with the previous finding that relational communication increases relationship depth and encourages reciprocity (De Wulf et al., 2001).

C. Attachment Style

An attachment style is the systematic pattern of relational expectations, needs, emotions, and social behaviors that results from the internalization of a
particular history of attachment experiences (Stancu, Ariccia, De Dominicis, Cancellieri, Petruccelli, Ilin, & Bonaiuto, 2020). Anxious individuals worry that relationship partners might not be available in times of need, and they have an excessive need for approval and fears regarding rejection and abandonment. Avoidant individuals distrust relationship partners’ goodwill and strive for emotional and cognitive distance from partners; they have an excessive need for self-reliance and a fear of being dependent on others (Huang & Chang, 2019). Therefore, anxious people direct excessive attention toward attachment figures by using hyperactivation, while avoidant people are independent and have a negative view of others (Mikulincer, Shaver, & Pereg, 2003).

D. Relationship Satisfaction

Several studies have examined the effects of frequency on relationship constructs. The frequency of contact between relational partners reflects relationship depth (Bejou, Wray, & Ingram, 1996; Crosby et al., 1990; Lang & Colgate, 2003). Evaluation of the contact person and / or organization to the service is generally positive if the service has a mechanism of association. The strong form of the relationship-generalization model is that customer satisfaction with a firm’s service depends on satisfaction level with the contact person and the organization (Chung & Park, 2017; Crosby & Stephens, 1987).

III. Hypothesis

A. Contact Frequency and Relationship Satisfaction

Several studies have examined the effects of frequency on relationship constructs. The frequency of contact between relational partners reflects relationship depth (Nicholson, Compeau, & Sethi, 2001) and customer satisfaction. Customers have a relationship with a specific contact person and with a firm itself, but personal relationships form the basis for greater commitment and satisfaction (Crosby et al., 1990). Customers have a relationship with a specific contact person and with a firm itself, but personal relationships form the basis for greater commitment (Liechty & Churchill, 1979). Customers’ perceptions of the quality of relational communication may positively influence their satisfaction with the contact person. Individualized communication increases perceived relationship quality or feelings of gratitude toward the firm (Palmatier, Jarvis, Bechko, & Kardes, 2009). Based on this assumption, Hypothesis 1 is as follows:

Hypothesis 1: Satisfaction with the service provider mediates the effects of contact frequency on satisfaction with the company.

B. The Moderating Role of Contact Mode

Many studies imply that contact-mode preference is idiosyncratic and that heterogeneity in individual preferences influences customer satisfaction with relational communication (Godfrey et al., 2011). In highly interactive professional services, such as private banking, personal contacts play an important role in providing the service that, to a great extent, takes place in cooperation with customers (Halinen & Salmi, 2001). According to Godfrey et al. (2011), it is possible for interaction with customers using preferred contact mode to create positive relationship. Therefore, if the company contacts customers frequently using a personal contact mode, the response level will increase as well as customers’ satisfaction with the service organization. We, therefore, hypothesize a moderate effect of contact mode.

Hypothesis 2: Contact frequency using a personal contact mode has more positive effects on relationship satisfaction than impersonal contact modes.
C. The Moderating Role of Attachment Style

Attachment anxiety is the extent to which a person desires a committed relationship with the partner and tends to form high levels of commitment, while attachment avoidance is the extent to which a person tends to maintain his or her distance in interpersonal relationships (Feeney & Noller, 1990). Thus, we expect anxious customers to be more sensitive to contact frequency. Accordingly, we hypothesize a moderate effect of attachment style.

Hypothesis 3a: Contact frequency has positive effects on the relationship satisfaction of anxious customers.

Hypothesis 3b: Contact frequency has negative effects on the relationship satisfaction of avoidant customers.

IV. Method

In this study, samples were selected according to people who had had experiences of relationship contact with service companies within the previous six months. Figure 1 illustrates the expected relationships.

A. Sampling and data collection

To test the model in this study, a field study method was employed to obtain information directly from individual respondents who had had an experience of relationship contact with service companies (Bank, Insurance, Credit card, Department store, Skin care shop etc.) in South Korea within the previous six months. To obtain a wider representation of sample, data were collected Monday through Sunday via intercept surveys conducted by trained interviewers. To avoid potential bias owing to the use of non-probability sampling and to obtain a wide representation of respondents, intercept surveys were conducted at various times of the day on both weekdays and weekends. Data were collected from 225 people who had an experience of relationship contact with service companies. Respondents were randomly intercepted and recruited to participate in the survey. Of the 199 respondents, 57.3% were male and 42.7% were female. The age ranges of respondents were: n=56 in 20s (28.1%), n=84 in 30s (42.2%), and n=59 over 40s (28.7%).

B. Measurement

To measure the concept of contact frequency, a single item was compiled based on Gázquez-Abad et al. (2011). Respondents were asked to rate the “Number of contacts from the service company” and were then presented with a 7-point Likert-type scales. To measure satisfaction with the service provider, respondents were given three items adapted from Bejou et al. (1996), Crosby et al. (1990), and Lang
In relation to the satisfaction with company measure, the study developed a measure reflecting the definition of the construct as adapted from Lang & Colgate (2003), Crosby & Stephens (1987), and Palmatier et al. (2009), and two items were presented. A question on contact mode was answered using four 7-point Likert-type scales from De Wulf et al. (2001) and Godfrey et al. (2011). Finally, to measure attachment style, eight items were used based on Feeney & Noller (1990) and Mikulincer et al. (2003).

C. Assessment of reliability and validity of measurement scales

Before testing each hypothesis, the reliability and validity of the measurement scales developed for each stage were assessed using PLS. Two procedures were conducted to purify and identify the dimensions of the scales: an exploratory factor analysis and reliability tests. As shown in Table 1, Cronbach’s alphas for all factors were found to be larger than .7 (ranging from .830 to .923), and all constructs were deemed reliable. To check convergent validity, we had to check averaged variance extracted (AVE) and composite reliability (CR); AVE should be higher than .5 and CR should be higher than .6. All constructs have higher than .5 AVE (ranging from .748 to .928) and .6 CR (ranging from .898 to .963).

Discriminant validity was assessed by comparing squared correlations among the constructs against variances extracted by their respective factors (Hair, Black, Babin, and Anderson, 2010). As shown in Table 2, all squared correlations were less than variances extracted. This result implies that the variances shared among variables (squared correlation coefficients) were less than the variances explained by each construct (variances extracted), showing that all indicators are better explained by their respective constructs than other constructs explaining indicators in different constructs. The test shows that all constructs adopted in the present study differ from one another and, thus, have discriminant validity (Koo and Lee, 2011).

The goodness of fit (GoF) of the research model in PLS is defined as the geometric mean of the average variances extracted and average $R^2$ for endogenous constructs (Wetzels, Odekerken-Schröder, and Van Oppen, 2009). The formula for calculating GoF is $\sqrt{AVE \times R^2}$. Three different effect sizes for $R^2$ have different acceptable GoF values. The effect size for $R^2$ ($f^2$) defined by Cohen, Cohen, West, and Aiken

<table>
<thead>
<tr>
<th>Construct Reliability and Validity</th>
<th>Construct</th>
<th>Variable</th>
<th>Loading</th>
<th>Cronbach’s Alpha</th>
<th>AVE</th>
<th>CR</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact Frequency</td>
<td>FREQ</td>
<td>1.000</td>
<td>1.000</td>
<td>1.000</td>
<td>1.000</td>
<td>1.000</td>
</tr>
<tr>
<td></td>
<td>SATP1</td>
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<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>SATP2</td>
<td>.920</td>
<td></td>
<td>.830</td>
<td>.748</td>
<td>.898</td>
</tr>
<tr>
<td></td>
<td>SATP3</td>
<td>.922</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction with Service Provider</td>
<td>WOM1</td>
<td>.964</td>
<td></td>
<td>.923</td>
<td>.928</td>
<td>.963</td>
</tr>
<tr>
<td></td>
<td>WOM2</td>
<td>.963</td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Test of discriminant validity</th>
<th>Contact Frequency</th>
<th>Satisfaction with Service Provider</th>
<th>Satisfaction with Company</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contact Frequency</td>
<td>1.000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Satisfaction with Service Provider</td>
<td>.232(054)</td>
<td>.748</td>
<td></td>
</tr>
<tr>
<td>Satisfaction with Company</td>
<td>.171 (.029)</td>
<td>.787 (.620)</td>
<td>.928</td>
</tr>
</tbody>
</table>

Note. The figures in the sub-diagonal are correlation coefficients (squared correlations) and the bold figures in the diagonal represent variances extracted.
(2013) is determined by $f^2 = R^2/(1 - R^2)$. Three effect sizes for $R^2$ include small = .02, medium = .13, and large = .26. Following GoF criteria for each effect size has been proposed as GoFsmall = .10, GoFmedium = .25, and GoFlarge = .36 (Wetzels et al., 2009). In this study, $f^2$ is .508, which is larger than .26, and GoF is .531, which is larger than .36. All these statistics demonstrate that the proposed research model for the present study has a good fit to the collected datasets.

D. Testing of hypotheses

The results of the proposed structural model are summarized in Table 3. Most of the proposed hypotheses are fully or partially accepted. To check hypothesis 1, bootstrapping analysis was performed using process macros. Bootstrapping, known as resampling method, has been used since high-speed computing is possible. Bootstrapping is a versatile method that can be applied to many inferential problems researchers confront (Hayes, 2013). Contact frequency does not significantly affect satisfaction with a company (Direct effect: $\beta = -.006$, LLCI = -.093, ULCI = .080); however, this independent variable affects satisfaction with a company via satisfaction with the service provider (Indirect effect: $\beta = .165$, BootLLCI = .056, BootULCI = .276). This result means that satisfaction with the service provider could be a key mediating factor between contact frequency with customers and satisfaction with the company; hypothesis 1 was accepted.

Hypothesis 2 was that contact frequency using a personal-contact mode has more positive effects on relationship satisfaction than using an impersonal contact mode. To check hypothesis 2, the contact mode was divided into personal and impersonal modes, and the relationship between contact frequency and relationship satisfaction was confirmed under each condition. In the relationship between contact frequency and satisfaction with service provider, there was a significant relationship in regard to the personal condition ($\beta = .197$, p<.01), while there was none with the impersonal condition ($\beta = .142$, p=n.s.). Furthermore, there was a similar result in the relationship between contact frequency and satisfaction with the company (personal: $\beta = .182$, p<.05; impersonal: $\beta = .074$, p = n.s.). As a result, hypothesis 2 was also accepted (Figure 2).

Hypothesis 3 was that the relationship between contact frequency and relationship satisfaction would differ according to attachment style. To check hypothesis 3, attachment styles were divided into customer attachment anxiety and avoidance, and the relationship between contact frequency and relationship satisfaction was confirmed under each condition. Under the anxious-customer condition, there were significant positive relationships between contact frequency and relationship satisfaction (satisfaction with the service provider: $\beta = .204$, p<.05; satisfaction with the company: $\beta = .257$, p<.01), supporting hypothesis 3a. By contrast, under the avoidant condition, there were no significant relationships between contact frequency and relationship satisfaction (satisfaction with the service provider: $\beta = .152$, p=n.s.; satisfaction with the company: $\beta = .052$, p=n.s.). As such, we conclude that hypothesis 3b was not supported by the data (Figure 3).

Table 3 Result of Bootstrapping (hypotheses 1)

<table>
<thead>
<tr>
<th>IV</th>
<th>DV</th>
<th>MV</th>
<th>DE</th>
<th>SE</th>
<th>t-value</th>
<th>p-value</th>
<th>LLCI</th>
<th>ULCI</th>
</tr>
</thead>
<tbody>
<tr>
<td>CF</td>
<td>SAT_C</td>
<td></td>
<td>-0.06</td>
<td>.044</td>
<td>-.145</td>
<td>.885</td>
<td>-.093</td>
<td>.080</td>
</tr>
<tr>
<td>CF</td>
<td>SAT_P</td>
<td></td>
<td>0.165</td>
<td>.055</td>
<td>Boot SE</td>
<td>Boot LLCI</td>
<td>Boot ULCI</td>
<td></td>
</tr>
</tbody>
</table>

Notes: Number of bootstrap samples for bias corrected bootstrap confidence intervals: 10,000, IV = independent variable, DV = dependent variable, MV = mediating variable, DE = Direct effect, SE = Standard error, LLCI = Lower limit confidence interval, ULCI = Upper limit confidence interval, IE = Indirect effect, Boot SE = bootstrap standard error, Boot LLCI = bootstrap lower limit confidence interval, Boot ULCI = bootstrap upper limit confidence interval, CF = Contact Frequency, SAT_C = Satisfaction with Company, SAT_P = Satisfaction with service provider
V. Conclusion

The results of this study provide two contributions. First, it confirmed the mediation effect of the customer-service-provider relationship. Customers’ satisfaction with a company depends on their satisfaction with its service providers. Second, this study identified a moderating role played by the contact mode and the customer’s attachment style. In relationship marketing, customers prefer personal contact, such as a telephone call, to impersonal contact like mailings. The customer’s attachment style affects his or her decision-making and two distinct mechanisms used for this study. For both anxious and avoidant customers, frequent contact had positive effects on satisfaction, suggesting that customers think that the service provider and the company take care of them as valuable customers if the service provider and company contact them frequently.

A. Theoretical Implication

The present study has several important theoretical implications. First, customer-provider relationship satisfaction mediates the satisfaction level with service companies. In other words, satisfaction with the service provider leads to satisfaction with the company. Second, a personal-contact mode is more effective for anxious customers’ satisfaction levels than an impersonal contact mode. In general, customers feel that face-to-face and telephone contacts are intrusive; however, in the context of relationship mar-

Figure 2. The relationship between contact frequency and relationship satisfaction under contact mode

Figure 3. The relationship between contact frequency and relationship satisfaction under attachment style
marketing, those contact modes are effective personal ways to manage customers. Lastly, attachment style is considered for interpreting the customer-provider relationship. It would be of interest to understand which type of customer is more satisfied with contact frequency. Especially in regard to anxious customers, offering new information or services using personal contact modes will increase their satisfaction with both the service provider and the company.

B. Managerial Implication

This study demonstrates effective strategies for managing customer contact in order to maintain and optimize customer relations. From the customer’s perspective, the relationship-satisfaction level increases if the service organization makes frequent contacts and offers information using face-to-face or telephone contact rather than by using group texts or emails. Customers’ trust in a service organization in an early stage has not yet been developed; therefore, frequent contact may decrease their level of satisfaction. For this reason, the service organization contacts those customers only if they provide the necessary information, which gradually builds customer trust in the organization. Furthermore, firms should integrate and manage customer trust in the service provider and the company. According to the results of this study, we found that trust in the service provider is connected to trust in the company; this means that customers are more likely to leave service providers that do not take charge of service. Therefore, firms should ensure that customers’ trust in the service provider is leveraged with trust in the company by using practical strategies, such as customer-engagement events or brand-image reinforcement (Reynolds & Beatty, 1999). Customers’ trust in service providers is related to their trust in companies, so firms should aim to actively manage trust and increase their overall trustworthiness in order to retain customers’ loyalty.

C. Limitation and Future Research

In regard to future research, several suggestions emerge from this study in which contact frequency was defined as a company’s contact activities for providing information to customers. However, it may also be that customers initiate contact and make requests related to their specific needs or desires. Therefore, to further explore the results presented here, future research should examine cases for increasing customer-satisfaction level with service firms. This research focused on the service industry, especially the financial industry, in order to estimate the effects of relationship marketing and customer satisfaction. However, this kind of relationship can also exist in other industries such as manufacturing and the business-to-business industry. Thus, future research should focus on other industries to augment the present findings and provide more-robust results based on the present study.

References


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