MANAGING JOB-VARIETY-SEEKING BEHAVIOR

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Abstract

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Relationship marketing is directed toward the development and maintenance of close relationships to customers and often based upon personal ties between customers and their key contact person in the company. It is particularly important for the marketing of services as there is typically a high degree of interaction between the company and the customers in the service delivery process. If customer contact employees exhibiting job-variety-seeking behavior, i.e. leave the company because of a desire for change, the relationship to customers might get weakened or even break. The article discusses the existence and explains the consequences of job-variety-seeking behavior for relationship marketing of services. Further instruments for the management of job-variety-seeking behavior are discussed.

JEL-Classification: M31, M54

Keywords: variety-seeking, job-variety-seeking, relationship marketing

Note:

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1 Introduction

Relationships and interactions between a company and its suppliers, customers, competitors, and others are being increasingly considered in marketing under the concept of relationship marketing. It includes all marketing activities directed toward initiating, developing, and maintaining close relationships with the stakeholders of the company to increase mutual benefits, whereby the focus is on relationships to customers. (Gronroos; 1990, Morgan, Hunt; 1994, Berry; 1995, Gummesson; 1996, Bruhn; 2001). The emergence of relationship marketing has its roots in the insufficiency of transactional marketing (Zeithaml, Bitner; 2000). Traditional marketing concepts are often targeted at a rather anonymous group of customers. At the same time, due to changed customer behavior a clear separation of homogenous, durable customer segments gets more difficult. Hence, the efficiency of those traditional marketing concepts is decreasing. Relationship marketing is one approach to reduce these insufficiencies by the development of an intensive dialogue with valuable customers, i.e. by individualizing the marketing activities according to the particular desires of those customers (Faix, Buettgen; 1999). Another finding supports the importance of relationship marketing: improvement in customer perceived quality and customer satisfaction will not – although widely believed - automatically increase customer loyalty and profitability. “The provider must actively maintain the customer relationship to make it sustaining and provide incentives for repurchase loyalty” (Gummesson; 2001, p. 864). Relationship marketing does also make sense as in many industries it is usually cheaper to keep a current customer than to attract a new one (Zeithaml, Bitner; 2000).

Strong vendor firm-customer relationships are often built through key contact employees of the vendor firm (Bendapudi, Leone; 2002). Even more, a relationship marketing approach of a company encourages relationship-building efforts of employees with customers. As a result the customers’ relationships with the firm’s key contact employees might be stronger than their relationships with the firm itself. If the contact employee leaves the company, the firm’s relationship with the customer may become vulnerable.

The following article addresses a particular phenomenon concerning employee turnover: job-variety-seeking behavior. We discuss its practical relevance as well as its consequences for the management of services, particularly for relationship marketing of services.
2 The Role of Personnel in the Marketing of Services

In the context of services management relationship marketing is a useful concept as services are often characterized by a higher degree of individuality. Furthermore the production of services often needs the integration of the customer or production factors of the customer into the production process (Engelhardt et al.; 1993), leading to close interaction between the customer and the personnel of the supplier. Eventually, uncertainty about the quality of the service as well as uncertainty about the capabilities of the market partner and its willingness to serve is of high importance for the marketing of services. The immateriality of services, the complexity of a service, the number of firms involved in the production process of a service, the duration of the production process, and the customer’s level of information are only some reasons leading to market uncertainty (Woratschek; 2001).

Highly integrative, customized services that are characterized by a high degree of market uncertainty involve most challenges for marketing, as there are most differences to the marketing of consumer goods. The mentioned characteristics of services do not only require a modification of the 4P’s (Product, Place, Price, Promotion) of the marketing mix. Additional variables such as the design of the service process (Process), Personnel (People) and Physical evidence are useful to communicate with customers (7P’s of the services marketing mix, Zeithaml, Bitner; 2000). By providing instruments for signalling they help to reduce the uncertainty involved in a service transaction (Roth; 2001, Woratschek; 2001). Signalling refers to providing reliable information to the customer. It is effective, if it leads to high costs for a supplier of poor quality to send such signals. For example guarantees cause a lot of expense if the offered products or services are of poor quality.

Personnel participating in the delivery of a service provide cues to the customers regarding the quality of the service. For some services, such as consulting or teaching, the customer contact employee is, in fact, the service. As recruitment and development of highly qualified personnel causes a lot of expenses it is associated with a trustworthy supplier of high quality. Hence, qualified and motivated personnel is an important instrument to reduce uncertainty. Furthermore personnel is an important factor due to the individuality of services. The service employee’s task is to arrange the individual elements of the service process, for example a physiotherapist customizes the therapy according to the needs of each patient. Eventually personnel plays an important role due to the integrative character of services. As the customer often must participate in the service delivery process there are a lot of contacts between customers and service personnel. Depending on the degree of interaction these contacts might
develop to a close relationship between customers and service personnel. As mentioned above, such close relationships are at once a curse and a blessing. On the one hand they are perceived to increase customer satisfaction and customer loyalty, on the other hand they cause serious problems when the contact employee leaves the company.

Personnel is a major factor in marketing of services. It influences all three dimensions that distinguish services from consumer goods for mass markets. The mentioned aspects show that the influence of personnel on services marketing is widespread. Further, the inherent characteristics of services lend themselves to customization and support the applicability of relationship marketing.

3 The Concept of Variety-Seeking Behavior

Suppliers on a number of markets are facing the problem that customers are satisfied with the products or services offered but switch to another supplier for the next purchase. There might be several reasons for such behavior, e.g. external factors (e.g. out-of-stock-conditions), or a change of situation-specific preferences. But as research has shown it might as well result from the simple desire for change, i.e. as a result of curiosity, the need for change in an attempt to resolve the boredom associated with a brand, the need for exclusiveness or uniqueness, or attribute satiation (Zuckerman; 1979, McAlister, Pessemier; 1982, van Trijp et al.; 1996, Helmig; 1997). To Givon (1984, p.2) variety-seeking (or avoidance) behavior is “the phenomenon of an individual consumer switching brands (or repeat buying) induced by the utility (or disutility) she derives from the change itself irrespective of the brands she switches to or from”.

There is wide believe that high service quality leads to customer satisfaction, which is a prerequisite for customer loyalty and that loyal customers eventually increase a firm’s profits (Zeithaml, Bitner; 2000). However, variety-seeking behavior is a disruptive factor in that profit chain. For example, in an empirical investigation in the popular German destination Garmisch-Partenkirchen in summer 2000, 75% of tourists answered that they were very satisfied with their vacation in Garmisch-Partenkirchen. But only 33% of the tourists intend to visit Garmisch-Partenkirchen again. Customers who engage in variety-seeking behavior are satisfied with the service delivered, but switch to another supplier as they derive a value from the change itself.
Taking these considerations into account, relationship marketing activities seem to be counterproductive if consumers exhibit variety-seeking behavior. If people switch between products or services, for example between vacation destinations, just for the sake of variety, investment in close relationships to customers appears to be inefficient as nothing can be done, for example, about the desire of tourists to see something else next time they go on vacation. However, this must not lead to the assumption that customer satisfaction is obsolete. Although customers who exhibit variety-seeking behavior will not increase a firm’s profit by a repeat purchase of their products or services, they will probably engage in positive word-of-mouth communication, if they have been satisfied, and thus increase profits indirectly. In our empirical studies is Garmisch-Partenkirchen for example, 37.7% of the tourists answered that they had asked relatives and friends for information about the destination. Even relationship marketing might be useful, given a sound cost-revenue-relation, to cause the customer to purchase the products or services of the firm again, if not the next time, then at some time in the future.

A number of terms are associated with variety-seeking behavior, e.g. “variety-seeking tendency”, “variation-in behavior”, and “novelty seeking”. Variation-in behavior refers to the observable switch of consumers between products, but does not include their underlying motives, i.e. it’s a simple description of their purchase history. Hence, variety-seeking behavior is a subset of variation-in behavior. Both are identical when the motive for variation-in behavior of a consumer is the desire for change (Helmig; 1997). Variety-seeking tendency refers to the internal drive for change of each consumer, i.e. it is a factor that influences the intensity of variety-seeking behavior (van Trijp; 1989). Novelty seeking is the phenomenon that consumers buy products which are new to them and possibly involve risk, whereas variety-seeking concentrates on the switch between products or brands within a set of familiar product alternatives (Venkatesan; 1973).

4 Theoretical Explanations for Variety- Seeking Behavior

The central theoretical explanation for the phenomenon of variety-seeking behavior provides the theory of the Optimum Stimulation Level (OSL). Not only does OSL explain the existence of varied behavior but it also helps to understand the influence of personal factors on the intensity of variety-seeking behavior. Furthermore there is evidence that product category differences influence variety-seeking behavior (van Trijp et al.; 1996).
4.1 The Theory of the Optimum Stimulation Level

Individuals seek and maintain cognitive consistency and avoid risks as any cognitive inconsistency is viewed as uncomfortable. Any inconsistency arouses psychological tension in the individual (Venkatesan; 1973). Therefore people tend to show repeat behavior, e.g. they always buy the same brand of toothpaste. (Baensch; 1995). People tend to hold on to their habits as these make them feel comfortable. But there are situations in which the lack of stimulation causes boredom. People then tend to look for new stimulus. At first glance, such behavior seems rather illogical: consistency on the one hand, but desire for a change in stimulus on the other. An interpretation of this inconsistency is that people strive for an optimal level of stimulation. The theory of the “Optimum Stimulation Level”, first applied to varied behavior of individuals by Berlyne (1960) and Fiske and Maddi (1961), concentrates on this issue. This theory postulates that individuals always try to maintain a specific level of arousal. Each individual has its own specific optimal level of stimulation, which is relatively constant over time. In situations containing an increased level of arousal further stimulation will be avoided, whereas in situations when the level of stimulation is too low, ways to increase stimulation must be found. Figure 1 illustrates these mechanisms.

![Figure 1: The effect of arousal induced by a stimulus and stimulus evaluation](image)

Figure 1: The effect of arousal induced by a stimulus and stimulus evaluation

A purchasing situation may provide a suboptimal level of stimulation for a consumer leading to a state of boredom. As a consequence, the consumer will try to increase the arousal potential of the situation by making the purchase situation more complex. Variety-seeking behavior is one opportunity to increase the complexity of a purchase situation (Helmig; 1997). On the other hand, a purchase situation may include an increased level of stimulation above the optimal level, e.g. a purchase in an overcrowded supermarket. Those situations will lead to the choice of familiar products because the optimal level of arousal is already exceeded.
Variety-seeking behavior will be omitted as this would further increase the level of arousal (Menon, Kahn; 1995).

The occurrence of variety-seeking behavior depends further on the actual level of stimulation of the individual (Steenkamp et al.; 1996). The relevant factor is the discrepancy between the current level of stimulation of an individual and his optimum stimulation level. This difference results in attempts to reduce or augment stimulation. Hence, variety-seeking behavior will be exhibited if the actual level of stimulation of an individual is lower than his optimum stimulation level.

Evidence exists that there is a positive correlation between the individual optimum stimulation level and the intensity of variety-seeking behavior (Raju; 1981, McAllister, Pessemier; 1982). Nevertheless, people with a low optimum stimulation level are likely to exhibit variety-seeking behavior if their current level of stimulation does not achieve their optimum stimulation level. Hence, the probability of a consumer to engage in variety-seeking behavior is changing depending on situational factors.

Current stimulation levels of individuals which are not significantly higher or lower than their optimal levels of arousal will not automatically induce a reaction of the individual. Only if the actual degree of arousal is at a lower or higher level than the individual tolerance thresholds, an active behavior to achieve the optimal level will occur (Baensch; 1995).

The purchase of a particular product leads to a decrease of its stimulation potential, i.e. a repeat purchase of this product would not increase the individual’s level of stimulation to the same extent. Hence, if an individual has a particular need for stimulation, the probability of a repeat purchase decreases and the probability of variety-seeking behavior increases (Helmig; 1997).

4.2 The Influence of Personal Factors

Personal factors seem to influence the optimal level of stimulation of an individual and hence the degree of variety-seeking behavior (Hoyer, Ridgway; 1983). The age of an individual plays an important role. ‘Childhood’ and ‘Youth’ are characterized by a higher level of curiosity than retirement age mainly due to more experience of life. Generally, the desire for change decreases as people grow older, although this cannot be applied to all areas of life and to all purchasing situations. Furthermore, people’s cultural backgrounds, ideological attitudes and their lifestyles influence their variety-seeking tendency. People dedicated to a rather
spartan life are less likely to engage in variety-seeking behavior than people living a hedonistic lifestyle (van Trijp et al.; 1996). Venturesome, spontaneous and extrovert people will as well have a higher tendency to show variety-seeking behavior than riskavers, rational people. The degree of education and income are also assumed to be positively correlated with the degree of variety-seeking behavior (Raju; 1980, McAllister, Pessemier; 1982). The degree of variety-seeking behavior even appears to depend on gender: men are more likely to exhibit variety-seeking behavior than women (McAllister, Pessemier; 1982, Tscheulin 1994).

McAllister and Pessemier (1982) suggest that there are also motives like the desire for group affiliation or individual identity that influence variety-seeking behavior as social pressures for conformity create the need to express individuality in subtle ways.

The variety-seeking tendency of an individual is not constant over time. As personal characteristics, e.g. age, moral concepts, lifestyles etc. change, the optimal degree of stimulation changes. Consequently the variety-seeking tendency may change over time.

4.3 The Influence of Facilitating Factors

Facilitating factors (van Trijp; 1989) have an important influence on whether people show variety-seeking behavior. These include characteristics of the product category, time constraints, availability of desired products, the number of alternatives available and others. Although a consumer may have a high optimum stimulation level, and hence will be more likely to exhibit variety-seeking behavior, he will not necessarily do so for all products and in all choice situations to the same extent. An explanation for that observable fact is probably that consumers might as well derive value from the consumption of a particular product as from the act of changing between products. Hence, the intensity of variety-seeking behavior will be determined by those both components of value.

They will only show variety-seeking if the amount of stimulation inherent in the switch resolves the discrepancy between their actual and their optimum level of stimulation (Steenkamp et al.; 1996). Provided that consumers’ perceptions about the stimulation potential of different product categories vary, variety-seeking behavior is a phenomenon depending on characteristics of the product category.

The level of competition on a market has an influence on the correlation between customer satisfaction and customer loyalty (Bhote; 1996). On markets with a low level of competition, customer retention rates are high, even if customers are not highly satisfied. The reason is that
customer retention on such markets is not only based on true customer loyalty but also on forced customer loyalty, i.e. repeat purchase intention that is due to a lack of alternatives (Jarvis, Wilcox; 1977, Bliemel, Eggert; 1998). Contrary, fierce competition makes it easier for customers to switch between product alternatives. Hence, the correlation between customer satisfaction and customer loyalty will be lower and variety-seeking behavior will be easier. Frequent purchases in a product category will also have a positive influence on variety-seeking behavior (Hoyer, Ridgway; 1983). Socially conspicuous products are used by consumers to communicate their self-portrayal to the society. Hence, consumers devote a lot of attention to those products, which may sooner lead to a state of boredom. People may even expect others to feel boredom about their use of products, as those products are used to send signals to the environment. A new car, new clothes, a new haircut make people feel to be more interesting for their environment (Baensch; 1995). For the same reason fashionable products are subject to variety-seeking behavior.

The risk involved in the purchase of a product is another factor that influences variety-seeking behavior. When purchasing products, that involve high risk, consumers will be more likely to hold on to familiar alternatives to reduce risk (Hoyer, Ridgway; 1983). This relationship might also be true for social risks, i.e. as the risk of social sanctions as a reaction to the purchase of a product increases, people will be less likely to purchase unfamiliar products.

In the following section we will use the mentioned theoretical foundations and influences of variety-seeking behavior to discuss whether the concept of variety-seeking behavior can be applied to the change of jobs.

5 Job- Variety- Seeking Behavior

Following Givon’s (1984) definition of variety-seeking behavior we define job-variety-seeking behavior as the phenomenon of employees changing jobs induced by the utility they derive from the change itself irrespective of their satisfaction with their current job.

5.1 Job- Variety- Seeking Behavior – An Existing Phenomenon?

The theory of the optimum stimulation level states that each individual has a specific optimal level of arousal. If an individual’s actual level of arousal deviates from the optimum, actions will be taken to return to the optimal level. Variation in product choice is one opportunity to overcome a state of understimulation or boredom as there is more stimulation inherent in the
change to another product than in a repeat purchase of the last product consumed (Helmig; 1997).

The desire for variety may, however, not only be expressed in product contexts but also in other aspects of an individual’s life (Hirschman, Wallendorf; 1980). There is evidence to support the notion, that individuals who exhibit a certain level of variety-seeking in one area of their lives, e.g. in product choice, will seek variety in other areas of living as well. Variety-seeking can be characterized as a basic human need, although there are individual differences in its intensity. Hence, it might as well occur in the context of job changes provided the availability of job opportunities (Baensch; 1995). This appears to be plausible as a job might become monotonous over time. Although companies may try to prevent job monotony, for example by means of job rotation, trainings, etc., employees may have a desire for experience that cannot be offered by the firm. Consequently, employees will exhibit job-variety-seeking behavior.

Possibly, job-variety-seeking behavior might not reach the same extent as variety-seeking among products, because there are higher barriers to a change of jobs than to a switch between products. Therefore, there will be greater tolerance for boring situations in jobs than for boredom caused by the use of products as a change of jobs cannot as easily be realized.

With reference to the context of variation in jobs, the same should be true as for the influence of facilitating factors in product choice. The opportunity to exhibit job-variety-seeking behavior will depend on the number of job alternatives, i.e. on the probability to find another job or the number of offers of other companies. Hence, similarly to variety-seeking behavior among products the level of competition in labor markets will probably have an influence on whether variety-seeking behavior can be observed. Therefore we assume that observed variety-seeking behavior differs among different industries. The economic situation will probably also influence job-variety-seeking behavior as in times of boom more job alternatives will be available than in times of recession. However, there are positions in companies that require highly qualified personnel which is always a scarce resource. Further, there are probably jobs which sooner lead to a state of boredom than others, e.g. bank clerk vs. management consultant. Consequently, there might be job-specific differences of the probability of job-variety-seeking behavior.

Similar to the use of variety-seeking behavior among products to express individuality this might be true for job-variety-seeking behavior, as the expression of individuality by means of
changing the job may provide stimulation to the individual that fulfills his needs. On the other hand, high perceived risk associated with a change of jobs will probably decrease the probability of job-variety-seeking behavior. Not only job variety seekers have to bear risks concerning the security of a new position or risks associated with the content of future jobs, but also there are social risks. If a change of jobs involves high risks concerning the acceptance of a new job in the society, the probability of job-variety-seeking behavior will decrease. Concerning the influence of personal factors on job-variety-seeking behavior like age, lifestyle, etc. the same correlations should be true as for the switch between products.

Quite surprisingly there is little evidence for variety-seeking being the motive of employees to change jobs. Overall job dissatisfaction appears to be the main reason for an employee to voluntarily leave his job. Satisfaction with work content, pay satisfaction, satisfaction with supervision, with promotional opportunities, with co-workers as well as with working conditions have all found to be negatively correlated to turnover (Mobley; 1982, Cotton, Tuttle; 1986). There is further strong evidence that organizational commitment is negatively correlated to turnover (Dougherty et al.; 1985). The amount of job stress as well as problems to balance work and home life are found to increase the employee’s intention to leave his job (Stum; 1998). The number of alternatives available has been found to be positively correlated to turnover (Mobley; 1982). With respect to job-variety-seeking behavior this is probably an important finding, as the expectancy of the employee to find an alternative job will possibly increase the probability of job-variety-seeking behavior.

Taking the theoretical considerations into account it is quite probable that variety-seeking behavior is an existing phenomenon. However, empirical research is necessary not only to investigate whether it is existing but also for what kind of jobs it is particularly relevant. In the following section we will discuss the consequences, monetary and other components, of job-variety-seeking behavior.

5.2 The Relevance of Job-Variety-Seeking Behavior

People who exhibit job-variety-seeking behavior simply want to do something else in their job. For example they look for experience in a foreign country or in another industry sector. Possibly they would like to work in a small company after a number of years in a large company or they simply want to live in another town. There might be other reasons for such behavior but all have one thing in common: as long as the company has not the opportunity to offer employees the kind of change they are looking for, it will lose those employees.
Typically employee turnover involves a lot of costs. Monetary cost of replacing an employee is a big expense for an employer. Cost of acquiring a replacement includes cost of advertising, travel, campus recruiting, reference checks, interviewing, testing, and assessment centers. The development of a replacement leads to cost of orientation, formal and on-the-job training, trainer’s time, as well as lost productivity among other employees during the training of a new employee. Further there are administrative costs and costs of interim personnel (Mobley; 1982).

However, there are other than monetary components of turnover costs. There might be decreasing efficiency of the leaving employee prior to the separation. Performance might also suffer from the loss of the specific knowledge of the leaving employee. To the extent that other employees must fill in the gap during the search for a replacement, their own performance may suffer (Mobley; 1982). If leaving employees are central in social and communication networks of the company, turnover can have a negative effect on team processes in the company (Price; 1977). Moreover, employee turnover might have a negative motivational effect on the remaining employees, which might even induce a search for job alternatives among them. This is possibly even more critical in case of job-variety-seeking behavior. Employees who exhibit job-variety-seeking behavior have been satisfied with their job, but they highlight the fact to others that alternative jobs may be available. Thus, employees who previously were not thinking about changing their job, may start to do that. Given a replacement cannot be found very soon, employee turnover can as well have serious consequences for the firm’s overall strategy as planned strategic ventures must possibly be cancelled or postponed due to a lack of personnel.

If employees leave a company due to their desire to do something else, the company has to take additional consequences which will be discussed in the following.

6 Job-Variety-Seeking Behavior and Relationship Marketing

As stated above, employee turnover may have serious consequences for relationship marketing as it may weaken the relationship to customers, in case the leaving employee is the customer’s key contact person. Moreover, for an employer job-variety-seeking behavior is a type of employee turnover which is extremely difficult to handle. Managing a situation of a key contact employee exhibiting job-variety-seeking behavior is thus a challenging problem for a company, even more, if a company focuses on relationship marketing.
6.1 The Impact of Job-Variety-Seeking Behavior on Relationship Marketing

Relationship marketing is targeted at supporting the profit chain high service quality – customer satisfaction – customer loyalty – increased profits. As discussed above, personnel plays an important role for the production of services. Hence, for the delivery of high service quality, outstandingly qualified personnel is necessary. Moreover, relationship marketing is aimed at increasing service quality by developing intensive relationships with the customer. Further there is probably a direct influence of relationship marketing on customer loyalty as a well-managed relationship to the customer provides incentives for repeat purchase (Gummesson; 2001). Successful relationship marketing is often based on the relationship between the customer contact employee and the customer. Thus, two types of customer loyalty will be developed: loyalty to the vendor firm itself and loyalty to the key contact employee.

![Diagram of customer loyalty components]

Figure 2: Components of customer loyalty

In case of key contact employee turnover it is important that customers value the relationship to the company over the relationship to the contact person. Otherwise customer defection will occur, at least if the employee starts to work for a competitor. In a study of Beatty et al. (1996), for example, retail customers stated that they would follow a store employee to a competing store if comparable products were available. Therefore the vendor firm must ensure, that there is higher customer loyalty to the firm than to the contact employee. This is even more important, if job-variety-seeking behavior is the employee’s motive to leave his job, as the firm has no opportunities to make the employee stay.

There are a number of key contact employee characteristics that contribute to high loyalty of customers to the contact person. Research revealed characteristics of the customer contact employee such as familiarity, expertise, empathy, likeability, trust, and power within the organization (Brown, Swartz;1989, Doney, Cannon; 1997) that lead to a greater likelihood of the customer continuing to do business with the firm. This behavior is mainly based on the
development of emotional ties with the contact employee (Beatty et al. 1996). A recent investigation by Bendapudi and Leone (2002) revealed a number of factors customers value in their relationships with key contact employees in the business-to-business context: competence, friendliness and trustworthiness were the main factors mentioned.

However, highly qualified personnel which is able to maintain intensive relationships to customers is not sufficient to induce high customer satisfaction. As long as employees are not happy with their job they will neither be willing to deliver high service quality nor develop and maintain intensive relationships to customers. Hence, satisfied employees, particularly satisfied customer contact personnel are a prerequisite for customer satisfaction and retention. Figure 3 represents the resulting profit chain.

![Figure 3: Service profit chain and moderating factors](image_url)

In addition to the notion that variety-seeking among products and services is a disruptive factor in the customer satisfaction – customer loyalty chain, job-variety-seeking behavior might be a disruptive factor in the employee satisfaction – service quality relationship. Employees who exhibit job-variety-seeking behavior are satisfied with their jobs, but leave the firm, because they are looking for a change. If a customer contact person exhibits job-variety-seeking behavior this might have a negative impact on customer satisfaction.

Apart from that, relationship marketing has two contradictory effects: on the one hand it leads to higher customer satisfaction through the development of an intensive relationship. On the other it probably even increases customer dissatisfaction when the key contact person leaves the vendor firm. Customer dissatisfaction caused by contact employee turnover might even result in customer defection, which will occur if customers value their relationship to the contact person over their relationship to the company. An explanation for this type of customer defection is possibly the resource dependence framework (Barney; 1991) which suggests that the perceived dependence on a resource is greater when the resource is rare and valuable. Based on that assumption, Lovett et al. (1997) posit that customer defection depends on the relative inimitability of the contact employee versus the firm.
A study by Bendapudi and Leone (2002) tried to find out what customers’ main concerns about losing a key employee are. There appeared to be much concerns about key contact employee turnover if customers believed that the contact person was a critical element of their satisfaction with the firm. Consequently there are concerns about the replacement employee: about his knowledge of the product, the industry, and the customer’s specific situation, his trustworthiness, friendliness, and service orientation. Generally there is uncertainty about the consistency of the quality and performance of the vendor firm after the key contact employee leaving the firm which might eventually result in customer defection.

These findings suggest, that there are conflicts between relationship marketing and job-variety-seeking behavior. Hence, the relevant question is how to manage job-variety-seeking behavior to lessen the impact of those conflicts.

6.2 The Management of Job-Variety-Seeking Behavior in the Context of Relationship Marketing

As job-variety-seeking behavior of a key contact employee will often result in customer dissatisfaction, or even worse, in customer defection, the best solution seems to be to make the employee stay. The problem is, that even an improvement of the working conditions or higher payment will not satisfy the need of those employees for change. Assuming it were possible to convince an employee to stay, it would probably not be the best solution. If the employee stays in the company regardless of his desire for change, he will probably be dissatisfied sooner or later and leave the company at the next opportunity. Customer satisfaction will decrease due to employee dissatisfaction and/ or employee turnover and hence, the probability of customer defection will increase. Consequently, employee retention is not a reasonable measure in managing job-variety-seeking behavior.

In most cases a company will not succeed in employee retention if the employee is searching for variety. The loss of the key contact person will in most cases lead to dissatisfaction on customer’s side. Customers might even follow the leaving employee to another firm. But customers who can be retained although they are not satisfied are not truly loyal to the company. They simply stay, for example, due to a lack of alternatives. The problem of this forced customer loyalty is that customers might change the supplier at the next occasion if customer satisfaction remains at a low level.
Both, customer defection and forced customer loyalty, are severe consequences of job-variety-seeking behavior which are induced by customer dissatisfaction due to the loss of their key contact person in the firm. Hence, management of job-variety-seeking behavior should be targeted at the alleviation of customer dissatisfaction in case of a change of the contact employee. As discussed above, retention of job variety seekers is not effective. Rather measures should be taken to lessen the impact of a change of the contact person.

A positive reputation of the vendor firm will usually reduce the criticality of a key contact employee to customers, because the probability increases that customers are loyal to the firm and not only to the contact person. It is further important that customers trust in the ability of the firm to always attract new and highly qualified personnel. Hence, the firm must develop and maintain a positive reputation as employer to provide incentives for highly qualified personnel to work in that company.

Further, companies can use teams to serve customers or rotate the contact employee on a regular basis, because this will reduce customers’ dependence on one person. Moreover this is a signal that shows the customer that the company has more than one employee who is able to deliver high service quality. The same is true for temporary replacements (while a contact employee is ill or on vacation). High performance of temporary replacements will increase the firm’s reputation as it shows that highly qualified personnel to serve the customer is always available to the firm.

However, customers might prefer to always interact with one contact person as this will reduce coordination effort (Bendapudi, Leone; 2002). If customer service teams are not applicable, the handling of the replacement by the vendor firm is important to reduce
customer’s concerns. Early information about impending changes and about the replacement employee and his competences are extremely valuable to customers. Regular training of personnel and communication about that to the customers will also increase the firm’s reputation and hence reduce customer’s concerns about contact employee turnover.

Most importantly vendor firms must maintain the ability to replace a leaving customer contact employee adequately. This includes the retention of as much of the knowledge of the leaving employee as possible. There must be opportunities to recruit highly qualified personnel. One option is to ask the leaving employee for a recommendation. Because he has been satisfied with his job he is probably a good word-of-mouth communicator. To better exploit that option it might be useful to encourage employees to maintain relationships to other people of their profession. A second opportunity, if only under particular circumstances, is cooperation with freelancers which might fill in the position of a leaving employee, particularly in the short run. To ensure that these people are able to deliver high service quality it is useful to maintain intensive relationships to them.

Job-variety-seeking behavior is a phenomenon that might affect each company. Not only do all these companies need replacements for leaving employees, but also they provide a leaving employee of another firm those opportunities he is looking for. Therefore it seems to be a logical consequence to build networks with other firms to exchange job variety seekers.

Desires for different kinds of change can lead to job-variety-seeking behavior. Employees might want to look for experience in another country or another industry sector, they might want to work in another city or they simply might look for a change in the kind of job. Obviously it will be difficult to find out what kind of change employees are seeking. Possibly an ongoing dialogue with employees is the key to find out what they are missing in their job. In some cases a company might be able to offer the experience employees are looking for itself, for example if there are branches abroad or in another cities. Sometimes even job rotation might help to satisfy employee’s needs for change. In those cases job-variety-seeking behavior can be prevented.

For the management of job-variety-seeking behavior, networks of trustworthy partners who offer the opportunities employees are looking for and which are not available within in the own company, are helpful. The network model has a number of positive effects. The company itself can provide the leaving employee with an opportunity to satisfy his need for change. This supports the employee’s positive opinion about the firm and hence increases the
probability of positive word-of-mouth communication. Even more, it gives the company the chance to offer the employee to return after gaining the desired experience.

A network expands the internal labor market of the firm to a “quasi-internal” labor market consisting of the resources of all network partners (Eigler; 1997). Further it reduces the uncertainty about the qualification of a replacement employee. An exchange of personnel within a network of companies can even be a useful model to share knowledge.

Further, partners must have a high reputation concerning the quality of their personnel. Because partners’ employees might serve as replacement employees in the own firm they must be highly qualified to ensure customer satisfaction.

As long as employees are looking for experiences that can be provided by firms that are not the company’s competitors, networks are probably advantageous, for the exchange of job variety seekers as well as for the exchange of knowledge. If employees are looking for experience in competitive firms the formation of networks is not necessarily an applicable solution. The network advantages must outweigh the dangers concerning the transfer of sensible information to the competitor to make the formation of those networks an attractive alternative.

As stated above, the main objective of managing job-variety-seeking behavior is to reduce customer dissatisfaction caused by key contact employee turnover. If customers are satisfied

![Management of Job-Variety-Seeking Behavior](image-url)

Figure 5: Management of job-variety-seeking behavior
although their contact person leaves the company, true customer loyalty can be developed which leads to long-term profits for the firm.

7 Conclusion

Based on the concept of variety-seeking behavior among products and its theoretical foundations, this paper introduced the concept of job-variety-seeking behavior. This concept refers to a type of employee turnover induced by an employee’s desire to do something else in his job. As employee turnover causes a lot of costs, both monetary and non-monetary, companies apply measures to keep employee turnover low. With job-variety-seeking behavior being the motive of employees to leave a job, a company has no opportunity to prevent them from leaving. Relationship marketing is based upon personal ties between customers and their contact person. If the contact employee exhibits job-variety-seeking behavior, the relationship between the company and its customers might get weaker or even break. Several measures to manage this situation have been discussed: usage of customer contact teams, building high reputation, particularly concerning quality of personnel, early information of customers about impending changes and developing networks to exchange job variety seekers.

As empirical research in the field of job-variety-seeking behavior is rare, a number of research questions occur. Most importantly it should be investigated whether job-variety-seeking behavior is an existent phenomenon. Further a deeper insight into its dimensions and major areas of its occurrence would be helpful and the applicability of methods for its management should be examined.
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