Service Sweethearting Value Construction and Destruction Processes

Ping-Jen Kao
Warwick Business School, University of Warwick
Scott G. Dacko
Warwick Business School, University of Warwick

Introduction

Service sweethearting is a common phenomenon and a strategic dilemma in hospitality industries. It is initially defined as “acts of employee deviance in which frontline employees give unauthorized free or discounted goods or services” to customers (Brady, Voorhees, & Brusco, 2012: 81). In practice, service sweethearting is a double-edged sword. Some service managers see it as an effective way in strengthening firm-customer relationships; others see it as a main source of firms’ annual revenue loss (Tarnowski, 2008). Given that service sweethearting is inevitable in service industries, service managers should consider this practice as part of a differentiation strategy.

Prior studies have found that service sweethearting can increase customer satisfaction, loyalty, and positive word of mouth, and also contributing to firms’ revenue losses (Brady et al., 2012). However, research to date has provided very little understanding of how customers change their value perception of service offerings after receiving service sweethearting from frontline employees. Therefore, it is critical for service research scholars to identify different forms of service sweethearting behaviors.
and fully understand when these behaviors are constructive or destructive to the value co-creation process. The extant marketing literature has generally considered that value co-creation process is the interactions between service providers and customers (Grönroos & Voima, 2013; Vargo & Lusch, 2004, 2008a), and the value can only be perceived by customers after the value co-creation process (Vargo & Lusch, 2016). In response, this study adopts the customer perspective and attempts to address the following three research gaps.

The first research gap pertains to the narrow conceptualization of service sweethearting. Marketing and organizational researchers have generally seen service sweethearting as a calculative and self-interested behavior which is driven by the expectation of reciprocity (Leo & Russell-Bennett, 2014; Perugini & Gallucci, 2001; Rosenbaum, 2008; Uhl-Bien & Maslyn, 2003) and assumed that frontline employees perform service sweethearting because they expect to receive either concrete or symbolic benefits from the receiving customers (Brady et al., 2012; Wetzel, Hammerschmidt, & Zablath, 2014). In practice, however, frontline employees sometimes go above and beyond the call of duty to help customers. According to prosocial motivation theory, frontline employees may have a desire to sacrifice themselves to benefit others (Bolino & Grant, 2016). They may use service sweethearting as a way to help customers to solve their urgent problems (Brief & Motowidlo, 1986; Grant & Mayer, 2009; Ramus & Killmer, 2007; Zhu & Akhtar, 2014). Therefore, this study proposes a new conceptualization of service sweethearting as two forms: calculative and prosocial service sweetheartings.

The second research gap concerns the value construction and destruction of service sweethearting. Several studies have examined the effects of service sweethearting on customer outcomes (Boukis, 2016; Brady et al., 2012). Nevertheless, how service sweethearting influences customers’ value perception of a service offering in the value co-creation process has been received very limited attention. Drawing on service-dominant logic (Vargo & Lusch, 2004, 2008a, 2016), this study investigates the value construction and destruction processes of service sweetheartings because the perceived value of a service offering may be changed when frontline employee provides a service sweethearting to customers (Merrilees, Miller, & Yakimova, 2017; Osei-Frimpong, Wilson, & Owusu-Frimpong, 2015).

The third research gap is related to the value-in-context nature of service sweethearting. Service-dominant logic suggests that value is always uniquely and phenomenologically determined by service beneficiaries (Vargo & Lusch, 2008a, 2016). This implies that contexts matter when frontline employees perform service sweethearting to customers. However, the investigation of service sweethearting and value co-creation in different contexts is missing in the existing literature. In this study, we explore the contingent nature of service sweethearting because performing this practice in an appropriate time is critical to the value co-creation process (Bolton & Drew, 1991; Brady et al., 2012; Cronin Jr, Brady, & Hult, 2000; Wetzel et al., 2014).

This study addresses these gaps and makes three research contributions. First, we draw on service-dominant logic to redefine service sweethearting as ‘a customer-oriented and relational behavior in which frontline employees give free or discounted service that is value-experiencing to customers in a given context’. This broadened definition is critical for researchers to enhance our understanding of the influence of service sweethearting on customer outcomes (Ladik & Stewart, 2008). In addition, this study extends the marketing and organizational literature by proposing a two-category view of service sweethearting. The underlying assumption of existing marketing and organizational literature is that service sweethearting is a calculative and self-interested behavior (Brady et al., 2012; Leo & Russell-Bennett, 2014). Drawing on prosocial motivation theory, we suggest another form of sweethearting behavior: prosocial service sweethearting.

Second, we extend the marketing literature by delineating a research model that draws on service dominant logic to explore the service sweethearting value construction and destruction processes. Our qualitative data show that both calculative and prosocial service
sweetheartings are critical to the value co-creation process. This finding suggests that while calculative service sweethearting is a common practice in service industries (Tarnowski, 2008), researchers and practitioners should also look into prosocial service sweethearting given that their value construction and destruction processes are different. Our qualitative research approach also contributes to the study of service sweethearting because the change of perceived value is difficult to capture in service industries (Ladik & Stewart, 2008).

Third, we advance the understanding of value-in-context in marketing literature by investigating service sweethearting behaviors in differing contexts (Chandler & Vargo, 2011; Edvardsson, Tronvoll, & Gruber, 2011; Vargo, Maglio, & Akaka, 2008). Drawing on service-dominant logic, this study finds that both calculative and prosocial service sweetheartings are effective ways to enhance the value of a service offering when they are unexpected to customers. However, these service sweetheartings would undermine the value of a service offering in certain contexts. Specifically, calculative service sweethearting is detrimental to value co-creation process when this practice is unacceptable to customers’ own culture and prosocial service sweethearting is unfavorable to customers’ value perception when failing to solve their problems.

**Literature Review**

**Frontline Employees’ Service Sweethearting Behaviors**

“Research suggests that frontline service employees are key determinants of service evaluations...Especially in face-to-face interactions, customers often use frontline service employees’ actions and behavior during service delivery to assess or predict the quality of service experiences” (Lim, Lee, & Foo, 2017: 657). From the customer perspective, frontline employees represent the service firm and thus shape customers’ service experience and value perception (Di Mascio, 2010; Siriani, Bittner, Brown, & Mandel, 2013; Verhoef, Lemon, Parasuraman, Roggeveen, Tsiros, & Schlesinger, 2009; Zhang, Liu, Wang, & Shen, 2011). Prior studies have shown that frontline employees’ behaviors can lead to many customer outcomes, such as customer satisfaction and loyalty (Hogreve, Iseke, Derfuss, & Eller, 2017; Stock & Bednarek, 2014), positive word-of-mouth (Xia & Kukar-Kinney, 2014), and positive affect state (Boukis, 2016). Therefore, it is important to understand how to manage service sweethearting behaviors because these behaviors may be constructive or destructive to the customers’ perceived value (Collier, Barnes, Abney, & Pelletier, 2018; Wirtz & Jerger, 2016).

Service sweethearting was initially defined as “an act of employee deviance in which frontline employees give unauthorized free or discounted goods or services to a friend or acquaintance” (Brady et al., 2012: 81). It is a discretionary behavior because frontline employees bend the organization policy to benefit customers (Arnold, Reynolds, Ponder, & Lueg, 2005; Bittner, Booms, & Tetreault, 1990; Chi & Chen, 2019). Examples of service sweethearting behaviors include frontline employees offering an unauthorized room upgrading service to customers in hotels (Hui, Au, & Fock, 2004), using extra time or resources to solve customer problems that defy prescribed rules of higher authority (Gwinner, Bitner, Brown, & Kumar, 2005; Leo & Russell-Bennett, 2014), or undercharging customers (Gillison, Northington, & Beatty, 2014).

**Calculative Service Sweethearting**

The extant literature has assumed service sweethearting as a calculative and self-interested behavior that is driven by the expectation of reciprocity (Leo & Russell-Bennett, 2014; Sarpong & Maclean, 2015). Frontline employees perform service sweethearting behaviors because they expect to receive concrete (e.g.,

---

1 Service sweethearting is different from service recovery. Conceptually, service recovery is defined as the process of “converting a previously dissatisfied customer into a loyal customer” whereas service sweethearting is a customer-oriented and relational behavior in which frontline employees give free or discounted service that is value experiencing to customers in a given context (Fitzsimmons & Fitzsimmons, 2011: 136). Empirically, service recovery involves a series of actions of solving a ‘service failure’ caused by the firm. In contrast, service sweethearting does not involve any situation of service failure though frontline employees may perform service sweethearting to solve customers’ urgent problems.
tips) or symbolic (e.g., compliments) benefits (Lynn & Brewster, 2018). Thus, efficient service sweethearting can be defined as an act in which frontline employees provide free or discounted services based on the expectation of reciprocity from customers. Although this type of service sweethearting can be observed in many service industries, it falls short of explaining why some employees perform service sweethearting without the expectation to receive reciprocity from customers. That said, the implicit assumption that service sweethearting behaviors are calculative and self-interested in nature limits our understanding of service sweethearting because frontline employees may perform sweethearting behaviors with prosocial motivations.

Prosocial Service Sweethearting

According to prosocial motivation theory, some frontline service employees perform prosocial behaviors that are helpful to customers, co-workers, or the service firm (紀乃文與李學佳, 2018; Bolino & Grant, 2016; Brief & Motowidlo, 1986; Van Dyne & LePine, 1998). Prosocial behaviors are critical to the individual performance and organizational effectiveness (Merrilees et al., 2017; Podsakoff, Whiting, Podsakoff, & Blume, 2009). From the prosocial motivation perspective, service sweethearting can be viewed as a prosocial behavior toward customers when this practice is driven by frontline employees’ motivation to help others. In this paper, we thus define prosocial service sweethearting as an act in which frontline employees provide free or discounted services based on their prosocial motivation to solve customers’ urgent problems.

Although prosocial service sweethearting is similar to employee extra-role behaviors, these concepts are different in at least two ways. First, prosocial service sweethearting is a customer-oriented behavior whereas employee extra-role behaviors can be seen as organization-oriented behaviors (Van Dyne & LePine, 1998). These employee extra-role behaviors include supporting other fellow employees, providing constructive suggestions to the company, taking actions that protect the firm from the risk, and actively learning new knowledge and skills that are beneficial to the company (Chen, Eisenberger, Johnson, Sucharski, & Aselage, 2009). Second, prosocial service sweethearting directly leads to a firm’s revenue loss because frontline employees perform prosocial service sweethearting by providing free or discounted services. In contrast, employee extra-role behaviors are not directly related to firm’s revenue gain/loss.

Service Sweethearting Viewed Through a Service-Dominant Logic Lens

The current understanding of service sweethearting is limited and fragmented. Therefore, this study adopts service-dominant logic as an overarching theoretical lens to further deepen the conceptualization of service sweethearting, explore the service sweethearting value construction and destruction in the value co-creation process, and examine the value-in-context nature of service sweethearting. Service-dominant logic leads services marketing scholars to use a different angle to view frontline employees’ service delivery behavior. The delivery of service offerings is a continuous learning process between frontline employees and customers, and thus frontline employees become a source of strategic competitiveness for service firms (Madhavaram & Hunt, 2008; Sok, Sok, Danaher, & Danaher, 2018).

There are eleven foundational premises for service-dominant logic (Vargo & Lusch, 2016); three of them are able to serve as the theoretical foundation of this study. The first premise is that ‘service-centered view is inherently beneficiary oriented and relational’. This premise implies that a service sweethearting is a customer-oriented behavior. Such behavior is delivered by frontline employees and may influence customers’ perceived value of service offerings in a positive or negative way (Chi & Chen, 2019). In other words, service sweethearting is critical to value construction/destruction processes because it is a customer-oriented behavior. The second premise is that ‘value is co-created by multiple actors, always including the beneficiary’. This premise suggests that perceived value is the result of value co-creation process (Payne, Storbacka, & Frow, 2008). Services marketing literature has shifted its focus from value
creation to value co-creation process, in which the interactions between customers, employees and other actors are critical (Chan, Yim, & Lam, 2010; Vargo & Lusch, 2017). Since frontline employees continuously co-create value with customers in the service delivery process, the unexpected provision of service sweethearting would change customers’ value perceptions of service offerings. The third premise is that ‘value is always uniquely and phenomenologically determined by the beneficiary’. This premise suggests the importance of value-in-context. The marketing literature has gradually changed its focus from value-in-use to value-in-context (Macdonald, Kleinaltenkamp, & Wilson, 2016; Vargo & Lusch, 2016). This change implies that the value of service offerings can only be perceived by customers themselves in different contexts. Based on the concept of value-in-context, our research also investigates how differing contexts would influence customers’ perceived value when frontline employees offer service sweethearts. In short, the three premises are theoretically related to the value construction and destruction processes of service sweethearting. In this paper, they therefore serve as the foundation for following theoretical arguments.

A Broadened Conceptualization of Service Sweethearting

The existing definition of service sweethearting mainly focuses on the deviance behavior of frontline employees. However, service sweethearting is also a customer-oriented and relational behavior because service exchanges are inherently beneficiary-oriented (Vargo & Lusch, 2004). Drawing on service-dominant logic, we thus extend the original definition of service sweethearting and redefine it as ‘a customer-oriented and relational behavior in which frontline employees give free or discounted service that is value experiencing to customers in a given context’.

Service Sweethearting in the Value Co-Creation Process

Value or value perception is a critical element for service firms to differentiate themselves from other competitors (Sánchez-Fernández & Iniesta-Bonillo, 2007). It is defined as the “consumer’s overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given” (Zeithaml, 1988: 14). Value is determined by the customers on the basis of the value co-creation process (Vargo & Lusch, 2004, 2008a).

“The value co-creation process involves the supplier creating superior value propositions, with customers determining value when a good or service is consumed” (Payne et al., 2008: 84). Grönroos and Voima (2013: 135) suggested that “although value creation is not explicitly defined, extant literature on SDL generally treats it as co-creation, in that it emphasizes a process that includes actions by both the service provider and customer”. In this process, customers learn and adapt service offerings in order to co-create value and satisfy their higher-order needs (Melton & Hartline, 2015; Payne et al., 2008).

Service sweethearting is part of value co-creation process because it involves interpersonal interactions between customers and employees (Collier et al., 2018; Zablah, Sirianni, Korschun, Gremler, & Beatty, 2017). Since service sweethearting is something different from customers’ initial expectations, it may lead to a change of customers’ value perception (Boukis, 2016). However, prior studies have not examined how service sweethearting behaviors influence the value perception of a service offering. As a result, this study investigates whether the provision of service sweethearting is constructive or destructive in the value co-creation process.

---

2 The concepts of value perception, satisfaction, and loyalty are different. Conceptually, value perception is defined as the “consumer’s overall assessment of the utility of a product (or service) based on perceptions of what is received and what is given” (Zeithaml, 1988: 14); customer satisfaction is an emotional response by the consumer to the most recent experience with an offering (Oliver, 1993); customer loyalty is considered as a customer’s commitment to rebuy a product or service consistently in the future (Hogreve et al., 2017). Prior studies have demonstrated that value perception leads to customer satisfaction, which in turn, enhances customer loyalty (Hogreve et al., 2017; Yang & Peterson, 2004). However, these relationships are even more complex in the practice. For instance, customers may switch to other sellers even when they are satisfied with the most recent service offering.
The Value-in-context Nature of Service Sweethearting

The service firms cannot unilaterally create and/or deliver value but can only make potential value propositions that provide the prerequisites for value co-creation to intended customers (Vargo & Lusch, 2008b; Vargo et al., 2008). The value is then translated and determined by customers when they participate in the value co-creation process, which implies a phenomenological nature and idiosyncratic determination of value (Edvardsson et al., 2011; Vargo & Lusch, 2011, 2016). Such elaboration of value is the extension from value-in-use to value-in-context. Consequently, value is considered to be idiosyncratic, experiential, interactive, and meaning-laden in a given context (Vargo & Lusch, 2008a). On the basis of value-in-context, this paper examines the context-dependent nature of service sweetheartings because calculative and prosocial service sweethearting behaviors may have different value construction and destruction processes in differing contexts.

The current study has reviewed literature on service sweethearting and service-dominant logic. Based on this literature review, this paper intends to answer a guiding research question: How frontline employees enhance or undermine customers’ value perception of a service offering through the value co-creation process of service sweethearting in differing contexts? To address this research question, we conduct a qualitative study with in-depth interviews in multiple service industries.

Methods

Empirical Setting and Sampling Criteria

Given the complexity of our research question, we adopted an exploratory qualitative research approach with in-depth interviews to advance the understanding of service sweethearting behaviors. We devised the following purposeful sampling criteria to minimize external variation beyond phenomena of interest (Patton, 2002; Silverman, 2013). First, the interviewees needed to be customers who received service sweethearting from frontline service employees because the value could only be perceived by customers. Second, all service sweetheartings that interviewees received must be offered in the same geographical area of Europe (i.e., United Kingdom) because the organizational rules and expectations of frontline employees’ behaviors may differ across countries (Hofstede & Hofstede, 2004). Third, since the service offerings are very different between service sectors, we restricted our research boundary to hospitality industries, including airlines, hotels, and restaurants (Coelho & Augusto, 2010; Karatepe, 2013; Noone, Kimes, Mattila, & Wirtz, 2009). Based on these criteria, our empirical setting is to investigate customers’ service sweethearting experiences in hospitality industries of United Kingdom.

Data Collection

There are three phases of data collection. This multi-source approach can minimize the concern of common method bias (Podsakoff, MacKenzie, Lee, & Podsakoff, 2003). In the first phase, the research team collected three pages of secondary data relevant to service sweethearting behaviors from company reports, newspapers, and website reviews. This enabled the researchers to familiarize with the phenomenon of service sweethearting in the chosen industries (Reay, 2014).

In the second phase, the research team conducted empirical observations in a hotel. The main focus in this stage was to observe how frontline service employees offer service sweetheartings to customers and how customers respond to such behaviors. In the hotel, the researchers sat in front of the reception to observe the interactions between service employees and customers. Field notes were taken during our observations and these also usefully served as the basis of further interview protocol (Corley & Gioia, 2004).

In the third phase, the researchers designed a semi-structured interview protocol based on the literature review, secondary data, and observation data collected (Gubrium & Holstein, 2003). The interview protocol includes semi-structured questions that stimulate
discussions between interviewer and interviewees (Viswanathan, Rosa, & Ruth, 2010). Then through professional contacts, the research team conducted multiple in-depth interviews with customers who received service sweetheartings from frontline service employees in hospitality industries. The interviewees were encouraged to identify the role of frontline employees in the service delivery process, report their service sweethearting experiences, and discuss their positive or negative feelings after receiving service sweethearting from service employees. The interviews were concluded on reaching data saturation when no new concepts have emerged from the interviews’ data pattern in terms of service sweethearting experiences (Lincoln & Guba, 1985). All interviews were conducted face-to-face and digitally recorded. Each interview lasted approximately half an hour and was transcribed within 24 hours. We also made theoretical notes of each interview in addition to the notes taken during interviews. These theoretical notes can relate empirical data back to theoretical development and further data analysis. These retrospective in-depth interviews allowed us to understand how frontline employees perform service sweethearting behaviors, and how calculative and prosocial service sweetheartings influence customers’ value perception of a service offering in differing contexts. Table 1 presents the description of interviewees. 62.5% of interviewees are female and 37.5% of interviewees are male. Their ages range from 20 to 36.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Gender</th>
<th>Age</th>
<th>Service Sweethearting Experiences from Frontline Service Employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Interviewee 1</td>
<td>Female</td>
<td>20-24</td>
<td>An extra size meal in a restaurant</td>
</tr>
<tr>
<td>Interviewee 2</td>
<td>Female</td>
<td>25-28</td>
<td>A free breakfast in Airbnb</td>
</tr>
<tr>
<td>Interviewee 3</td>
<td>Female</td>
<td>33-36</td>
<td>Flight ticket change two days before departure without charging any service fees</td>
</tr>
<tr>
<td>Interviewee 4</td>
<td>Male</td>
<td>29-32</td>
<td>An extra size of ice cream for free in an ice cream shop</td>
</tr>
<tr>
<td>Interviewee 5</td>
<td>Male</td>
<td>29-32</td>
<td>A free luggage limit upgrading in an airline company</td>
</tr>
<tr>
<td>Interviewee 6</td>
<td>Female</td>
<td>20-24</td>
<td>A free room upgrading service in a hotel</td>
</tr>
<tr>
<td>Interviewee 7</td>
<td>Female</td>
<td>25-28</td>
<td>Additional foods in a restaurant</td>
</tr>
<tr>
<td>Interviewee 8</td>
<td>Male</td>
<td>25-28</td>
<td>Free cup of coffee in a coffee shop</td>
</tr>
</tbody>
</table>

**Data Analysis**

A systematic combining approach was used for data analysis. “Systematic combining is a process where theoretical framework, empirical fieldwork, and case analysis evolve simultaneously, and it is particularly useful for development of new theories” (Dubois & Gadde, 2002: 554). This approach entails a continuous movement between a theoretical world and an empirical world along with data analysis.

The data analysis was undertaken in four rounds by adapting Gioia, Corley, and Hamilton’s (2012) approach. In the first round, the notes on empirical observation and notes on in-depth interviews with customers were analyzed to understand different forms of service sweetheartings and different service sweethearting experiences. In the second round, the interview transcript data were entered into NVivo software using core codes for coding (Hollmann, Jarvis, & Bitner, 2015). These core codes were derived from the interview protocol and interview notes. All interview data were coded manually and read repeatedly. The researcher then did a first-order analysis to find general concepts (i.e., informant terms) that emerged from the transcripts, theoretical notes and core codes (Gioia et al., 2012). In the third round, drawing on theoretical insights from the existing literature, the
identified general concepts were then analyzed and interpreted iteratively until common second-order themes emerged and became saturated (Suddaby, 2006). In the fourth round, the theoretical themes were then sorted, reconstituted, and indexed to generate the theoretical categories (Silverman, 2013), including calculative service sweethearting, prosocial service sweethearting, quality/price value, and emotional value in different contexts. Probing further the connections between each theoretical theme, we developed the aggregate theoretical dimensions.

Figure 1 illustrates the data structure: from first-order concepts used by informant terms, to second-order theoretical themes, and to aggregate theoretical dimensions. The data structure allows us to configure complex data into a sensible structure that shows the progress from raw data to concepts and theoretical themes. These first-order concepts and second-order themes led to the development of a research model of service sweethearting value construction and destruction processes demonstrated in the next section.

<table>
<thead>
<tr>
<th>First-Order Concepts</th>
<th>Second-Order Theoretical Themes</th>
<th>Aggregate Theoretical Dimensions</th>
</tr>
</thead>
<tbody>
<tr>
<td>- INT4: By giving more scoops [more foods] to me, they can earn my heart and my feelings. In this way, they gave me invisible benefits to convince me to go to the shop again.</td>
<td>Calculative service sweethearting</td>
<td>Two forms Of service sweethearting</td>
</tr>
<tr>
<td>- INT7: I think it’s something they do to make customers like them.</td>
<td>Prosocial service sweethearting</td>
<td></td>
</tr>
<tr>
<td>- INT3: I didn’t say is there anything you can help me … She did everything for me and I did not pay a single cent more for changing my ticket.</td>
<td>Quality/price value</td>
<td>Customers’ value perception</td>
</tr>
<tr>
<td>- INT5: My luggage is overweight … She gave me a favor [luggage limit upgrading].</td>
<td>Emotional value</td>
<td></td>
</tr>
<tr>
<td>- INT3: I didn’t need to pay for the extra so it makes me feel very special.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- INT4: It makes me feel that I need to go to the shop again because their service and product are very good.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- INT7: It makes you feel your meal is terribly good value for money because you get so much more than you order.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- INT1: I feel happy because I know someone is care about you in this restaurant.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- INT2: It almost made our day.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>- INT3: It’s free so I was very happy and impressive.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Results

The iterative process between literature review and data analysis shows that both service sweethearting behaviors can increase customers’ quality/price and emotional value perception of a service offering. However, the results also show that calculative and prosocial service sweethearings may cause unintended consequence to customers’ value perception in certain contexts. To ground our findings in informants’ point of views, we included quotes from the in-depth interviews in addition to the evidence provided in Figure 1.

Service Sweethearting and Customers’ Value Perception

Two Forms of Service Sweethearting
Our findings show that service sweethearting behaviors of frontline employees can be classified into two forms: calculative and prosocial service sweetheartings. Both calculative and prosocial service sweetheartings can enhance customers’ perceived value of a service offering. Calculative service sweethearting is performed when frontline employees expect that they can receive concrete or symbolic benefits from the receiving customers (Leo & Russell-Bennett, 2014; Perugini & Gallucci, 2001; Rosenbaum, 2008). As one interviewee said,

*By giving more [more foods] to me, they can earn my heart and my feelings. In this way, they gave me invisible benefits to convince me to go to the shop again.* [customer interview #4]

In contrast, service sweethearting can be seen as a prosocial behavior when this practice is driven by frontline employees’ prosocial motivation to help customers (Bolino & Grant, 2016; Merrilees et al., 2017). One of the interviewees said,

*I didn’t say is there anything you can help me ... She did everything for me and I did not pay a single cent more for changing my ticket.* [customer interview #3]

**Calculative Service Sweethearting and Value Perception**

Frontline service employees perform calculative service sweethearting to their customers when they expect to receive concrete or symbolic benefits from the customers they serve. These benefits are not restricted to the immediate payback, such as tips (Lynn & Brewster, 2018); they can also be realized in the future. As one interviewee illustrated,

*Especially the waiter may take the initiative to offer you something for free if you have established good rapport. And the waiter may bring some liquid at the end of the meal. And they will get small tip or better tip ... It’s a way to make you feel you are getting a good deal ... I think it is part of their image. They try to keep you happy and people go back.* [customer interview #8]

Our findings show that calculative service sweethearting is one of the most common practices for frontline employees to develop and manage employee-customer relationships in hospitality industries (Brady et al., 2012). By offering calculative service sweethearting, frontline service employees are able to build stronger relationships with their customers. As one interviewee remarked at the end of the interview,

*I will say this special service [service sweethearting] will definitely tighten our relationship. That’s why I visit there so often. Even if I don’t have any plan to buy food there, I still go inside and chat with him.* [customer interview #1]

In general, calculative service sweethearting is constructive to the value co-creation process between frontline employees and the receiving customers because the relationship between the two is tightened above and beyond that for simply selling and purchasing services. All the interviewees were quite systematic in stating that calculative service sweethearting increased their positive feelings toward the received service offerings and the service firm:

*We feel good that day. It almost just made our day.* [customer interview #2]

*It makes me feel that I need to go to the shop again because their service and product are very good.* [customer interview #2]

Thus, calculative service sweethearting can be considered as a value-enhancing practice when it increases customers’ overall value perception of a service offering. This enhanced value perception will then be transformed into desirable outcomes (e.g., sales, online word-of-mouth, and positive brand image) for service firms:

*We gave them very good feedback [on the website]. I wrote that ‘we highly recommend this [firm]’.* [customer interview #2]

*If I come to Canterbury again, I will definitely book their hotel because they upgraded my room and had good service ... I will probably recommend my friends to stay there because I know their service is good.* [customer interview #6]
Prosocial Service Sweethearting and Value Perception

Frontline service employees may also provide prosocial service sweethearting to their customers. Frontline employees performing prosocial service sweethearting have sympathy and are more willing to stand in customers’ position. Thus, they try their best to resolve customers’ problems in an appropriate way. One of the interviewees experiencing prosocial service sweethearting said,

*Just before I flight off ... I got a very severe food poisoning ... I am really expecting to pay a heavy amount of money to change my flight because it’s too late ... When I called to [the company] ... she said, ‘Look [the interviewee], what we can do for you right now is that I can help you to rebook a ticket but I need you to now pay for this new ticket and trust me we will cancel your first ticket.’ ... She even spent some time to ask where I am going to travel.* [customer interview #3]

Frontline employees perform prosocial service sweethearting behavior without expectations of reciprocity from customers. They help customers in a very sincere manner. Our findings show that prosocial service sweethearting is constructive to value co-creation process because this practice makes customers go through a service experience involving frontline employees’ effort, surprise, and empathy (Collier et al., 2018). Thus, prosocial service sweethearting can be viewed as a value-enhancing mechanism in hospitality industries:

*I feel very lucky because I was ready to pay the extra. But, the fact is I didn’t need to pay for the extra so it makes me feel very special. When you get good service or anything that is free, it becomes special.* [customer interview #3]

*I feel good and great because it’s something you don’t expect every day or even something that happens very often. So, a present surprise!* [customer interview #8]

In addition, prosocial service sweethearting can bring some long-term and unexpected desirable outcomes to the service firms when such practice enhances the value perception of a service offering. As one interviewee said,

*The other thing is I never join the membership in the past. But, when this lady asked me ‘would you like to join us our membership’, I said yes. In the past, when everybody asked me to join, I would say no. But, this time, I join it because of this lady.* [customer interview #3]

The above example demonstrates the value co-creation because the interviewee joined the membership club afterwards, which the customer would otherwise have routinely declined.

**The Value-in-context Nature of Service Sweethearting: Unintended Consequences to Value Co-creation**

Although service sweethearts are constructive to value co-creation between frontline employees and customers, our findings show that they are a double-edged sword and would result in some unintended consequences. Specifically, we found that service sweethearts undermine customers’ value perception of a service offering when (1) calculative and prosocial service sweethearts becomes an expected additional service provision, (2) calculative service sweethearting does not fit customers’ own culture, and (3) prosocial service sweethearting cannot completely solve customers’ problems.

**Service Sweethearting as an Expected Additional Service**

Both calculative and prosocial service sweethearts can be effective strategies for value enhancement. However, customers would generate higher expectations on service offerings when frontline service employees frequently perform service sweethearts to them. Service firms need to be careful of this dark side of service sweethearting because failing to address such expectations would undermine the value perception of original service offerings. As two interviewees said,
My expectation is that this level of service is already here. So, unfortunately for them, I will be quite disappointed if they can’t do anything for me. I will feel a little bit of upset. [customer interview #3]

I feel disappointed. I just feel why...? I think they create a sort of expectation of a standard service you may receive, especially for something noticeable. [customer interview #7]

Repeated service sweethearings would make the receiving customers feel that service sweethearings, either calculative or prosocial, is an expected addition along with original service offerings. As one interviewee noted at the end of interview,

I think one has to be very careful when it becomes too common because the experience itself won’t be as genuine or as pleasure as before. So, I think they need to be a balance and it shouldn’t be something you are going to expect. [customer interview #8]

Cultural Fitness for Calculative Service Sweethearting

When service firms purposefully use calculative service sweethearting as a value construction strategy, they need to consider the issue of cultural fitness. If calculative service sweethearting is not an acceptable and comfortable behavior in the receiving customers’ own culture, this practice would be detrimental to the value co-creation process, as the following comparative statements suggest:

I guess in other locations it will feel a little bit embarrassed in the sense because you don’t know how to react it. Are you supposed to tip more? Or because I give you something for free, how do you reciprocate it in that sense. So, in other locations, it can lead to a different feeling. I will feel like I get a special treatment here and I don’t know how to deal with it. [customer interview #7]

In the Turkish restaurant, the special treatment is normal. [customer interview #7]

Incomplete Problem-solving for Prosocial Service Sweethearting

Frontline service employees perform prosocial service sweethearting because they intend to solve customers’ problem. Although such behavior is beneficial to customers, we found it would undermine their value perception of original service offerings when prosocial service sweethearings cannot completely solve customers’ urgent problem. As one interviewee said,

In this experience, she actually gave me a favor at beginning. I appreciate that favor. However, I am not really happy because I still had to pay 2 kg for my luggage. [customer interview #5]

Discussion and Conclusion

This study explores the value construction and destruction processes of service sweethearings. Adopting service-dominant logic as an overarching theoretical lens (Vargo & Lusch, 2004, 2008a, 2016), we answered the research question of how frontline employees enhance or undermine customers’ value perception of a service offering through the value co-creation process of service sweethearings in differing contexts. Our inductive analysis supports the view that both calculative and prosocial service sweethearings can play an important role in enhancing customers’ perceived value. Moreover, the analysis also shows that the consideration of value-in-context is critical for service sweethearing practices. A research model of service sweethearing value construction and destruction processes then emerged from our findings (see Figure 2).

Theoretical Implications

This study offers a broadened view of service sweethearing based on service-dominant logic and develops a research model of service sweethearing value construction and destruction processes. We extend the existing service sweethearing literature by using a new theoretical lens and qualitative method to investigate this phenomenon in different contexts (Ladik & Stewart, 2008). Specifically, the current study makes three contributions.

First, we develop a solid foundation for research on
service sweethearting by proposing a new definition and offering new explanations of a phenomenon of interest. Drawing on service-dominant logic (Vargo & Lusch, 2004, 2008a, 2016), we redefine service sweethearting as 'a customer-oriented and relational behavior in which frontline employees give free or discounted service that is value experiencing to customers in a given context'. Compared with Brady et al.'s (2012) findings, we also find that the receivers of service sweethearings could be new customers and are not restricted to friends or acquaintances. In addition, this study proposes a two-category perspective of service sweethearting. The underlying assumption in prior literature is that service sweethearting is a calculative and self-interested behavior (Brady et al., 2012; Leo & Russell-Bennett, 2014; Sarpong & Maclean, 2015). In contrast to this point of view, our findings show that service sweethearting can also be a prosocial behavior when frontline employees sympathize with their customers and help them solve problems (Bolino & Grant, 2016; Merrilees et al., 2017). The broadened view of service sweethearting illustrates the potential to derive rich and valuable insights on service sweethearting that is distinct from the extant services marketing and organizational literature. In other words, our new conceptualization of service sweethearting would shed light on the investigation of service sweethearting behaviors across different contexts (Bolino & Grant, 2016; Stock & Bednarek, 2014; Wirtz & Jerger, 2016).

![Figure 2: A Research Model of Service Sweethearting Value Construction and Destruction Processes](image)

Second, this study extends on the extant services marketing literature by revealing the value construction and destruction processes of service sweethearting. Our results show that both calculative and prosocial service sweethearings have unique influences on customers’ value perception of a service offering (Plewa, Sweeney, & Michayluk, 2015; Sweeney & Soutar, 2001). This finding further suggests that the investigation of calculative and prosocial service sweethearings is critical because the value co-creation process between frontline employees and customers is largely impacted by the presence of service sweethearting behaviors. The service firms need to
carefully consider service sweetheating practices when delivering service experiences to their customers (Collier et al., 2018; Zablah et al., 2017). Our results also complement and add to the recent findings of Chi and Chen’s (2019) study, which demonstrates that service sweethearings are critical to the relationship between frontline employee’s emotional labor and customer outcomes.

Finally, we deepen the current understanding of value-in-context by exploring calculative and prosocial service sweethearing in various contexts. Although marketing scholars stress the importance of value-in-context (Akaka, Vargo, & Schau, 2015; Edvardsson et al., 2011; Vargo & Lusch, 2008a), few have attempted to explore the value-in-context nature of service sweethearing. Our findings show that there are at least three contexts that frontline employees need to pay more attention to when performing service sweethearing behaviors. First, calculative and prosocial service sweethearings are only value-enhancing when they are unexpected to customers. If the receiving customers feel that sweethearings are additions to the service offerings, such practices would become destructive to the value co-creation process. Second, calculative service sweethearing is highly related to the issue of cultural fitness (Hofstede & Hofstede, 2004). If calculative service sweethearing is not an acceptable practice in customers’ own culture, customers may generate negative feelings and impression toward the performing firms. Third, even though prosocial service sweethearing is a sympathetic behavior, frontline service employees need to be very careful because failing to resolve problems would undermine customers’ satisfaction, and thus decrease value perception of a service offering.

Managerial Implications

Although service sweethearing could be part of a differentiation strategy for firms in hospitality industries, service managers still face a strategic dilemma in this practice. On the one hand, service sweethearing facilitates the value co-creation process between service employees and customers. On the other hand, it directly causes a firm’s revenue loss. Thus, it is important to transform a loss caused by service sweetheating into value enhancement. In response, this study suggests several practical insights for practitioners when implementing service sweethearing.

First, our findings indicate that service firms must include service sweethearings in their training programs given that such practices are complex and context-dependent (Brady et al., 2012). The understanding of two categories of service sweethearings enables management team to design and implement better training programs that guide frontline employees in the service delivery process. For example, service managers can educate their frontline service employees to understand calculative and prosocial service sweethearings. Such training is critical because our results reveal that calculative and prosocial service sweethearings have differing value construction and destruction processes.

Second, it is important for service managers to understand some unintended consequences resulting from inappropriate service sweethearing behaviors (Lim et al., 2017). For example, when restaurant waiters perform calculative service sweethearing to customers, they need to be careful of customers’ own culture. As our findings suggest, service sweethearing is part of a value co-creation process. If a particular type of service sweethearing (e.g., providing a free glass of wine) does not fit with customers’ own culture, it would undermine their service experience and value perception. Another example can be an airline company. When ground staffs perform prosocial service sweethearing (e.g., free luggage limit upgrading) to customers, they need to make sure that the problem will be completely solved.

Finally, we suggest the importance of frontline service employees’ empowerment (Coelho & Augusto, 2010; Karatepe, 2013). As our findings show that the value construction and destruction of service sweethearings is largely determined by contexts, it is important for service firms to empower frontline employees when attempting to use service sweethearing practices as a differentiation strategy (Sok et al., 2018). Especially in hospitality industries, frontline employees
face various situations in the service encounter where they need to make decisions based on organizational policy (Noone et al., 2009). Thus, frontline service employees must be empowered to choose the best decisions according to the situation they encounter (Beatty, Ogilvie, Northington, Harrison, Holloway, & Wang, 2016).

Limitations and Future Research Directions

Although this study provides substantial evidence of the service sweethearing value construction and destruction processes, there are four limitations that suggest potential avenues for future research. First, the focus on hospitality industries may limit observed variability and thus decrease the external validity of our findings. The value construction and destruction processes may differ across other service industries. Further insights might be derived from additional studies conducted in different types of service industries. For example, the influence of service sweethearings on customers’ value perception of a service offering may be different in the professional services industry (Ho, Sharma, & Hosie, 2015; Ng, Plewa, & Sweeney, 2016). Second, the current study is limited to the single interview source from customers. Prior studies on service sweethearing have collected multi-source survey data from employees and customers in order to better understand the influence of frontline employee’s service sweethearing behaviors on customer outcomes (Brady et al., 2012; Chi & Chen, 2019). Our interview findings based on single-source data may hence be potentially biased as service managers and frontline employees may offer different insights on the design and implementation of service sweethearing. We thus call for additional research that conducts in-depth interviews with service managers and frontline employees in order to advance our understanding of how the service firms can best use service sweethearing as a differentiation strategy. Third, the interviewees in this paper are mainly young customers (i.e., 20-36 years old). Future studies are encouraged to investigate the influence of calculative and prosocial service sweethearings on older customers. Finally, we have noted that there are increasing frontline technology infusions in hospitality industries. Frontline technology infusions are broadly defined as “the deployment of technology interfaces into employee-customer service encounters” (Giebelhausen, Robinson, Siriani, & Brady, 2014: 113). Future research therefore should investigate how service sweethearings can enhance or undermine the value perception of a service offering when the service delivery process involves intensive use of technology, such as tablets, smart watches, and artificial intelligence. This investigation would be insightful because technology infusions in frontline employee-customer service encounters can be considered as a barrier in the value co-creation process. How service sweethearings conquer the barrier of technology infusions and further lead to enhanced value perception could be an interesting research topic for future studies.

References


We thank the anonymous reviewers for pointing out this limitation and providing insightful directions for future research in this area.


Grant, A. M., & Mayer, D. M. 2009. Good soldiers and

good actors: Prosocial and impression management

motives as interactive predictors of affiliative
citizenship behaviors. Journal of Applied

Grönroos, C., & Voima, P. 2013. Critical service logic:

Making sense of value creation and co-creation.

Gwinner, K. P., Bitner, M. J., Brown, S. W., & Kumar, A.
2005. Service customization through employee
adaptiveness. Journal of Service Research, 8(2):
131–148.
customers’ zone of tolerance for B2B professional
Hofstede, G., & Hofstede, G. J. 2004. Cultures and
Hogreve, J., Iseke, A., Derfuss, K., & Eller, T. 2017. The

service–profit chain: A meta-analytic test of a
comprehensive theoretical framework. Journal of

Reaching the breaking point: A dynamic process
theory of business-to-business customer defection.
Hui, M. K., Au, K., & Fock, H. 2004. Reactions of service
employees to organization–customer conflict: A

cross-cultural comparison. International Journal of
Karatepe, O. M. 2013. High-performance work practices

and hotel employee performance: The mediation of
work engagement. International Journal of
Hospitality Management, 32: 132–140.
continuum. Journal of the Academy of Marketing
Leo, C., & Russell-Bennett, R. 2014. Developing a

multidimensional scale of customer-oriented
Lim, E. A. C., Lee, Y. H., & Foo, M.-D. 2017. Frontline

employees’ nonverbal cues in service encounters: A
double-edged sword. Journal of the Academy of

Newbury Park, CA: SAGE.
Lynn, M., & Brewster, Z. W. 2018. A within-restaurant

analysis of changes in customer satisfaction

following the introduction of service inclusive

pricing or automatic service charges. International
Macdonald, E. K., Kleinaltenkamp, M., & Wilson, H. N.
2016. How business customers judge solutions:
Solution quality and value in use. Journal of
Marketing, 80(3): 96–120.
Madhavaram, S., & Hunt, S. D. 2008. The service-
dominant logic and a hierarchy of operant resources:
Developing masterful operant resources and

implications for marketing strategy. Journal of the

Melton, H., & Hartline, M. D. 2015. Customer and

employee co-creation of radical service innovations.
Merrilees, B., Miller, D., & Yakimova, R. 2017. The role

of staff engagement in facilitating staff-led value co-
creation. Journal of Service Management, 28(2):
250–264.
Ng, S. C., Plewa, C., & Sweeney, J. C. 2016. Professional

service providers’ resource integration styles (PRO-
RIS): Facilitating customer experiences. Journal of
Noone, B. M., Kimes, S. E., Mattila, A. S., & Wirtz, J.
2009. Perceived service encounter pace and customer

380–403.
Oliver, R. L. 1993. Cognitive, affective, and attribute

bases of the satisfaction response. Journal of


Vargo, S. L., & Lusch, R. F. 2008b. From goods to
service(s): Divergences and convergences of logics. 


服務甜心行為之價值創造與破壞

高炳仁
Warwick Business School, University of Warwick
Scott G. Dacko
Warwick Business School, University of Warwick

論文編號：3837

「服務甜心行為 (service sweethearting)」係指前線服務人員透過給予顧客免費或折扣的服務進而在特定情境中創造價值體驗的一種顧客導向行為。此行為一向是行銷策略管理與消費者關係管理範疇中的重要議題，也是實務上管理者所關注的焦點，然而過去研究對於前線服務人員是如何透過服務甜心行為來創造價值的了解仍顯不足。本研究主要從顧客的角度出發，採用深度訪談個案研究法探討服務甜心行為之價值共創機制。實證結果發現，服務甜心行為可以區分為「計算式服務甜心行為」與「利社會式服務甜心行為」。本研究亦歸納出服務甜心行為之價值創造與破壞流程。縱言之，若服務甜心行為是一個未預期的事件，其將能有效地提升顧客知覺價值。然而在特定情境中，服務甜心行為會降低顧客對於服務的知覺價值。本研究的發現除了深化過去學理之外，亦提供管理者擬定前線服務方案之具體建議。

關鍵字：前線服務人員、服務甜心行為、服務主導邏輯、價值共創流程、情境價值。

通訊作者高炳仁為華威大學華威商學院之博士候選人，地址：Scarman Rd, Coventry CV4 7AL, United Kingdom，電話：+44-7541907366，Email：Ping-Jen.Kao.15@mail.wbs.ac.uk。Scott G. Dacko 為華威大學華威商學院行銷與策略管理副教授。作者衷心感謝匿名評審們與領域編輯為本研究提供寶貴意見。
Ping-Jen Kao is a Ph.D. candidate at Warwick Business School, the University of Warwick. His research interests include service innovation, business model innovation, marketing strategy, services marketing, and online consumer behavior. His research has been published in The Service Industries Journal and presented at several international conferences, including American Marketing Association Conference, ISMS Marketing Science Conference, European Marketing Academy Conference, Frontiers in Service Conference, and Academy of Marketing Conference.

Dr Scott G. Dacko is Associate Professor of Marketing and Strategic Management at Warwick Business School, the University of Warwick. He has ten years’ new product development, management and marketing experience in large and small companies in the United States. His research interests include service innovations, temporal issues in marketing strategy, and imitation strategies. He is the author of The Advanced Dictionary of Marketing and he has published in journals including Journal of Services Marketing, Technological Forecasting and Social Change, Economics of Innovation and New Technology, Industrial Marketing Management, Journal of Marketing Management, and the International Journal of New Product Development and Innovation Management.