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By Laura Straeter



Do apologies and favours make for happy consumers?

By *Laura Straeter*

The purchase or receipt of gifts by consumers is an area loaded with intention and expectation and one that is highly influenced by the way in which such gestures are pitched. This should provide food for thought for retailers seeking to build up customer loyalty or for consumers seeking to repair previous errors. “Saying it with flowers” does not necessarily offer any guarantees.

loaded with intention. The customary Christmas bottle of wine is always happily accepted from a client with a view to the same client continuing to work with the giving service provider.

The hard-working freelancer may send luxury chocolates to a regular supplier as an extra reminder of the quality of service that they have already provided. The day that neither party continues such a tradition may be averagely regarded, and so the expectation created needs to be perpetuated.

Gift-giving involves a three-step process, but that does not necessarily guarantee 100 per cent success. Firstly, the giver “gestates” an idea whereby the thought of offering something is translated into a choice. From there, he or she then offers a gift in expectation of a positive response (or “prestation”). Finally, the recipient “reformulates”, meaning they consume the gift (commercial or personal) and decide how to react to the gesture.

Whilst this breakdown in the process, as described by Sherry (1983), may seem at first scientific, it is crucial in contexts where individuals may need to go through such a procedure with a particular objective in mind. The question is – who wins? As a recent study suggests, it is often the identity of the giver that can have significant bearing on the recipient’s desire to reciprocate.

Redressing the balance

The research in question focuses on the “relational equity” inherent in offering favours and gifts in the spontaneous act of doing someone a favour

Consumption is not an isolated phenomenon, but it can take place between friends or in a more commercial context. One thing is for sure. When gestures are made, either to apologise for mistakes or to do a favour for someone with whom one has a personal connection, there exists a careful thought process on the side of the giver to ensure that the recipient feels duly rewarded.

However, once such a transaction is placed in a more corporate context, the stakes are no longer the same. What retailers need to retain above all is the emotional minefield of consumer emotions and their potential reaction to gestures either given or received.

Individuals have offered gifts or favours for all kinds of reasons since time immemorial. Such gestures are



and in the attempt to apologise for harm done. This theory hinges on the extent to which people's consumption decisions are guided by relationships that are not balanced in terms of outcomes of both partners.

When receiving a favour, people might feel gratitude, pressured or even guilty and therefore pressured into making a positive gesture in return. In the former case, the research focuses on the effects of an imbalance that is to the consumer's advantage and emphasises upon the desire of the recipient to want to give something back.

The main discrepancy examined concerns the identity of the relationship (commercial or personal). In the latter case, people may feel guilty when they perceive that another person is angry with them, focusing on the responses to an imbalance that is to the consumer's disadvantage. The studies considered the negative influence of the relational inequity on the perception of the gift. The prime objective was to analyse the emotional reaction of consumers in order to figure out under what conditions such a gesture could offer some guarantee of success and when it results in a failure

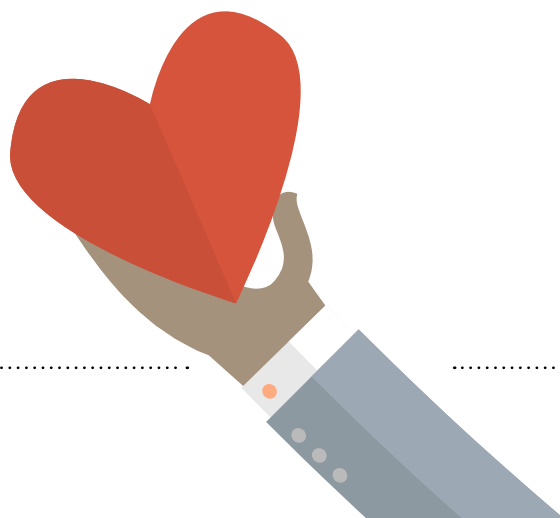
Commercial versus personal

In the first line of research, a selection of target audiences comprising US-based adults and Dutch university students responded to various hypothetical consumption situations: a lunch covered by a friend or a business associate in order to discuss finances; or a product given for free to a customer or a friend.

The key to each scenario was to test to what extent the recipient felt the need to respond. One might reasonably expect that within business relationships a balanced relationship is more important than in personal relationships and that one might prioritise smoothing over professional relations. However, this was shown not to be the case for consumers receiving a favour.

In all situations it was found that consumers felt guiltier towards a friend than a commercial partner and therefore also returned the gesture more often. Specifically in the commercial sphere, the relational inequity is especially pronounced as the giver has a far more obvious vested interest in ▶

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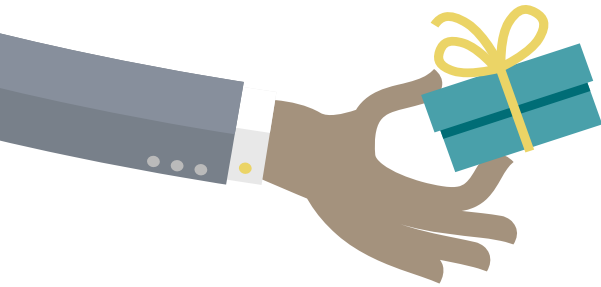


Do apologies and favours make happy consumers? *(continued)*

By **Laura Straeter**

favouring the customer. They are seeking to extend a business and maximise their profits.

Restoring an imbalanced relationship with either a friend or a professional associate is a fraught business but, ultimately, business is business and therefore commercial rather than personal gestures offer far fewer guarantees of success.



Calming the waters

Via a series of online experiments, an apology gift was compared to spontaneous gifts or other types of apologies. This second line of research emphasised that a gift given to apologise is rather ineffective in its aim to restore the relational balance and resolve angry feelings. Not only was a gift product liked less when it was received as an apology, it also showed that it was less effective than a spoken apology.

The surprising but very revealing statistical findings of the study underline the importance of careful considerations on the type of apology when it comes to calming the waters. When one is making a gesture in apology mode the results are generally ineffective, and especially so for gifts.

Exploring to deliver

Based on the results of the research conducted, retailers would be well advised to keep in mind the

role of imbalanced relationships in consumers' decisions.

First, it is suggested not to pitch "apology gifts" in their stores, given their apparent ineffectiveness. The products themselves are not in question but the response from recipients would suggest that "saying it with flowers" does not ensure the desired response from the giver.

Second, when it comes to using relational imbalance to the retailer's own advantage, it is advised not to heavily rely on favouring the consumers or clients. It might be recommended to follow the example of a number of companies that have positioned themselves as more friendly, responsible or charitable by, for example, contributing to a good cause. Although this friendly image has to be shown to be effective, the research presented would support this claim.

In short, retailers, and consumers need to explore all the avenues required to build relationships, as they are seemingly proving ever more difficult. ■

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This article draws its inspiration from the PhD thesis *Interpersonal Consumer Decision Making*, written by Laura Straeter and published as part of the ERIM PhD Series Research in Management. It can be freely downloaded at [WEB https://repub.eur.nl/pub/100819](https://repub.eur.nl/pub/100819)

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