

# THE EFFECT OF RETAILER COMMUNICATION ON CUSTOMER ADVOCACY: THE MODERATING ROLE OF TRUST

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## ABSTRACT

How can services create more engaged customers? Recent efforts to identify service research priorities have affirmed the need to examine this question. It can be argued that advocacy, or the promotion or defense of a company, product, or brand by a customer to another, is one of the most important outcomes of building customer engagement. Communication has been positioned as one of the most effective firm strategies in building relationships, while the level of trust customers ascribe to the firm also can potentially influence relational outcomes, such as advocacy. Most studies only consider the direct or mediating effect that trust plays in relationships though some literature points to the appropriateness of trust as a moderator. We expect that trust in the retailer will moderate the relationship between the perceived quality of retailer communication and a customer's advocacy, such that increasing communication quality will be strongly related to advocacy behavior for customers who trust the retailer. We examine the direct effect of communication quality on advocacy as well as both mediating and moderating effects of trust on the communication quality-advocacy relationship. The hypotheses were tested with hierarchical regression analysis using survey data from 1068 customers of a regional coffee house chain. Results support the predictions of moderation. Findings hold implications for future research as well as for managerial practice.

## INTRODUCTION

How can service providers create more engaged customers? This question is

highly relevant in the context of ever blurring commercial and psychological boundaries as organizations and customers co-create experiences. The need for theory and research related to this question has been affirmed and expanded on in a recent effort to identify service research priorities (Ostrom, Bitner, Brown, Burhard, Goul, Smith-Daniels, Demirkan, and Rabinovich 2010). It can be argued that advocacy, or the promotion or defense of a company, product, or brand by a customer to another, is one of the most important outcomes of building customer engagement (Christopher, Payne, and Ballantyne 1991). Cheung, Antisal, and Antisal (2007) point to the need for marketer proactivity in managing the positive word-of-mouth (WOM) process, a concept similar to advocacy. This notion is further developed by Jaffe (2010) who proposes that marketers are wasting valuable funds trying to acquire new customers through traditional marketing methods, when instead focus should be on engaging committed customers whom then will communicate the benefits of the product or service more efficiently through advocacy behaviors. Empirical research has shown that positive WOM is nine times more effective at changing attitudes than advertising (Day 1971) and has a direct positive effect on retail sales (e.g., Liu 2006). Furthermore, WOM communications can be even more influential in a services context where the offering is intangible and cannot be experienced before purchase.

Researchers and practitioners have long realized the value of positive WOM to firms. Of those studies that have tested models of positive WOM, most have primarily looked at the role that satisfaction and other relational mediators play in impacting the behavior (e.g., Mittal, Kumar,

and Tsiros 1999). Very little research has given WOM communications the focus it deserves (e.g., Mazarol, Sweeney, and Soutar 2007), and practically no empirical work has examined the drivers of consumer advocacy behaviors. Thus, owing to advocacy's identified importance as well as gaps in our understanding of the concept, we place it as one of the focal constructs of this research.

Two particular constructs have emerged in the B2B relationship literature with the potential to contribute to understanding when and how desired relational outcomes will result in business-to-consumer (B2C) relationships. The first construct, communication, has long been noted as a key enabler of relational exchanges in the B2B literature, but to the best of our knowledge, no study has addressed the effect that retailer communication quality has on a customer's communication with individuals outside the firm (i.e., advocacy behavior in the B2C context). The second construct, trust, has received significant attention in organizational settings, but there has been significantly less empirical exploration of exactly what role trust plays, particularly in communication processes that lead to subsequent positive gains in relational outcomes. Evidence suggests that trust may act as a filter through which interactions are assessed (Dirks and Ferrin 2001) and as such may interact with communication processes. In addition, most studies only consider the mediating effect that trust plays in relationships. Dirks and Ferrin (2001) raise theoretical considerations that point to the appropriateness of examining the role of trust as a moderator of variables influencing individual behavior. The question of how the degree of trust might impact the B2C communication process remains unanswered.

This study addresses this question through an integration of B2C and B2B literature. Specifically, the purpose of this study is to contribute to research in the area by looking at how trust in the retailer moderates the relationship between one of the

most effective relationship marketing tools (i.e., retailer communication) and one of the most important relational behaviors (i.e., customer advocacy). The following sections of the paper include a review of relevant literature that develops reasoning and provides theoretical support for the posited moderated relationship between retailer communication quality and customer advocacy. Next follow descriptions of the methodology, analytic procedures, and results of the test of proposed relationships. The final section includes a discussion of the findings and implications for future research as well as for managerial practice.

### **Customer Advocacy**

Customer advocacy behavior refers to the promotion or defense of a company, product, or brand by a customer to another (Bendapudi and Berry 1997) and is arguably the ultimate test of a customer's relationship with a commercial entity (Cross and Smith 1995; Reicheld 2003). Empirical investigations of customer advocacy behavior are relatively few, as most studies have utilized the more global construct of WOM communications. WOM is defined as "informal communications directed at other consumers about the ownership, usage, or characteristics of particular goods and services and/or their sellers" (Westbrook 1987, p. 261). Advocacy, on the other hand, is more specific than WOM in that it deals only with positively valenced promotion. Advocacy includes positive WOM but is seen as an outcome of a stronger relationship, in that the customer is also willing to defend the company or brand against critics. While recent research studying B2B relationships has portrayed customer advocacy behavior as a broader construct that includes marketing research activities, WOM referrals, sharing customer information, and increasing levels and proportions of purchasing activities (Lacey and Morgan 2009), we utilize Bendapudi and Berry's (1997) original

conceptualization of customer advocacy given its appropriateness for a retail context.

While customer advocacy has received limited empirical attention, studies have examined the benefits of positive WOM communications, giving us some insight into customer advocacy's potential. WOM has long been recognized as more influential than traditional advertising, as recipients view information from peers or even strangers as more unbiased and reliable than that from an economic entity (e.g., Brown and Reingen 1987). Recipients especially appreciate this information in a services context, in which assessing quality is much more difficult due to the intangible nature of services (Zeithaml, Berry, and Parasurman 1993). When compared to other relational outcomes, the unique aspect of positive WOM is its ability to acquire new customers for the firm, growing the firm's customer relationship portfolio. Researchers have recently incorporated word-of-mouth's acquisition ability into customer lifetime value models and have shown that WOM has more long-term value-creating ability than traditional methods of marketing communication (e.g., advertising) (Villaneuva, Yoo, and Hanssens 2008). In addition, the Internet and social media have exponentially increased the effect that advocacy behaviors can have as potential consumers have virtually unlimited access to sharing, receiving, storing, and retrieving information related to companies or their products. Because of its importance, firms have started to proactively and strategically encourage WOM behavior through a process known as WOM marketing (Kozinets, de Valck, Wojnicki, and Wilner 2010).

However, very few studies have given positive WOM the focus it deserves, nonetheless advocacy behavior. Many studies do not even include WOM as its own construct, and rather make it part of a diverse set of measures of loyalty behavior (e.g., Sirdeshmukh, Singh, and Sabol 2002; Chaudhuri and Holbrook 2001). Most of those studies focus on relational constructs, such as satisfaction, and, "little research ...

has addressed antecedents of WOM when considering WOM as a focal construct," (Mazzarol et al. 2007, p. 1478). In addition, to the best of the authors' knowledge, no empirical research has been performed on end-consumer advocacy behavior, which is a potentially more influential form of communication than positive WOM.

A key objective of this research is to utilize core relationship theory constructs to understand what drives the advocacy behaviors of retail customers. A recent meta-analysis by Palmatier and colleagues (2006) reports that communication is one of most effective relationship marketing enablers that a firm can employ across all relationship contexts (Palmatier, Dant, Grewal, and Evans 2006). Further, trust has long been recognized as a key relational construct (e.g., Morgan and Hunt 1994). Therefore, we utilize two of the most important relational constructs to provide theoretical grounding in understanding how communication from a company to a customer affects communication from a customer to potential customers.

### Communication Quality

Palmatier (2008, p. 62) states that, "communication appears to be the most universally positive antecedent in terms of strengthening initial levels of trust and commitment, as well as relating to positive growth rates in the future." Communication has been found to be positively related to satisfaction (e.g., Mohr and Spekman 1994), trust (e.g., Anderson and Narus 1990), commitment (e.g., Palmatier et al. 2006), and co-production (Auh, Bell, McLeod, and Shih 2007). The construct has been conceptualized with a variety of dimensions: amount, frequency, formality, and quality of information shared (e.g., Mohr, Fisher, and Nevin 1996; Morgan and Hunt 1994). We focus on the quality of communication, as opposed to amount or frequency, as it has received support for being instrumental in partnership success (e.g., Mohr and Spekman

1994; Bantham, Celuch, and Kasouf 2003), and define it as the customer's perception of the quality of the information received from the seller regarding its products and services (Mohr and Spekman 1994).

Even though communication quality is noted as an instrumental part of building and managing relationships, most of the relevant research is in the B2B realm which reveals a gap for empirical work on the topic in the retailer-customer context. In one of the few studies conducted in this context, Guenzi and colleagues found that retailer quality communication was the only relationship building strategy in their model of four managerially controlled variables that positively affected all of the following mediators: trust in salesperson, brand, and the store (Guenzi, Johnson, and Castaldo 2009). Therefore, we contribute to the literature by further examining the role that communication quality plays in driving advocacy behavior in the retailing context.

More specifically, no research to the best of the authors' knowledge has assessed the relationship between communication quality and advocacy behaviors. Though, several studies have shown that communication indirectly leads to WOM behavior through various relational mediators (e.g., Palmatier et al. 2006; Guenzi et al. 2009). For example, when customers are provided with clear instructions for healthcare insurance, they are more likely to provide positive WOM to family and friends (Jones, Taylor, Becherer, and Halstead 2003). Clearly, there is some related support for the notion that the quality of retailer communication might be implicated in customer advocacy behavior. Exactly how might trust affect the retailer communication-customer advocacy process?

### **Trust as a Moderator of Retailer Communication and Customer Advocacy**

Trust is an integral component of relational exchange models and is conceptualized many different ways in the

literature with most conceptualizations representing trust as a belief that a partner has in the reliability (Sirdeshmukh et al. 2002), integrity (Morgan and Hunt 1994), or benevolence of the other partner (e.g., Anderson and Narus 1990). Because communication quality closely relates to reliability of the retailer in that it assesses the accuracy and completeness of the information provided by the retailer, we focus on the other aspects of trust and define trust as the perceived benevolence and integrity of the retailer.

Some work exists linking trust to WOM communications. Interpersonal trust between a customer and employee has been found to play a role in influencing customers' WOM communications about the organization (Gremier, Gwinner, and Brown 2001), whereas trust in the company was also found to have strong associations with positive WOM and personal referrals (e.g., Ranaweera and Prabhu 2003; Sichtmann 2007; Verhoef, Franses, and Hoekstra 2002).

As noted earlier, while trust has received significant attention in organizational settings, the vast majority of empirical studies have examined main effects of the construct, with inconsistent results associated with the influence of trust on communication and information sharing (akin to advocacy behavior) (Dirks and Ferrin 2001). Further, with respect to the direct impact of trust on other behavioral outcomes, when significant effects have been found, effect sizes have tended to be modest (Dirks and Ferrin 2001). In addition, some evidence suggests that trust is implicated in interpretation processes and, as such, may moderate some aspects of communication processes (e.g., Schurr and Ozanne 1985; Parayitam and Dooley 2009). For example, in the B2B context, Izquierdo and Cillán (2004) find that trust moderates the relationship between dependence and relational orientation, and in another study, the effect of efficient consumer response adoption on supplier

outcomes was found to be affected by the level of supplier trust in the retailer (Corsten and Kumar 2005).

With respect to a B2C context, brand trust has been found to moderate consumers' attitudes with a website and their perceptions of website quality and intention to use the website (Kim and Jones 2009). Furthermore, some studies have shown that treating traditional relational mediators (e.g., commitment) as moderators increases our understanding of WOM communication (e.g., Brown, Barry, Dacin, and Gunst 2005). Given that the mediating effect of trust on WOM communications has been shown to exist (e.g., de Matos and Rossi 2008), contribution to the literature can be gained by assessing trust's role as a moderator in relational models involving WOM or advocacy behaviors.

Extending this thinking to the customer-retailer communication process we expect that increasing retailer communication quality will be strongly related to advocacy behavior for customers who trust the retailer. When consumers perceive information provided about the retailer's products and services to be accurate and complete, they are more likely to engage in advocacy behaviors if they feel the retailer will follow through on its promises and cares about them. We do not expect this effect for low trust consumers. In summary, an understanding of the joint influence of communication quality and trust is posited to be important in understanding customer advocacy in the retail context. Based on the preceding discussion, we examine the direct effect of communication quality on advocacy as well as both mediating and moderating effects of trust on the communication quality-advocacy relationship. Prior research has found inconsistent and modest effects associated with the direct influence of trust on behavioral outcomes; therefore, we expect mediation to be weak or partial at best. Therefore, we formally offer the following three research hypotheses:

**H1:** The perceived quality of retailer communication will positively influence customer advocacy.

**H2:** Trust in the retailer will partially mediate the relationship between the perceived quality of retailer communication and a customer's advocacy.

**H3:** Trust in the retailer will moderate the relationship between the perceived quality of retailer communication and a customer's advocacy.

## METHOD

Based on the purpose of this research, this study employs a cross-sectional, single retailer approach that provides control over contextual effects. The approach has been used by the majority of studies in the relationship literature (e.g., Garbarino and Johnson 1999; Liu 2007). Even though the relationships are constrained to a single retailer, an acceptable amount of variance can be expected if the retailer is represented by multiple retail locations where customer experiences could differ.

Responses from customers of a large regional coffee house were used to test proposed relationships. A coffee house was deemed a good context for the investigation of the retailer-customer relationship for several reasons. First, coffee houses are a type of business in which both a product and service component exist. Second, the very nature of customers' behavior related to coffee shops makes them a good context for studying relationship issues. For example, the frequency and duration of visits vary substantially across customers, with some customers visiting coffee shops once every three months and others three times a day. Similarly, some customers use drive-thrus while others visit the store for extended periods of time. Finally, coffee houses

currently serve as an interesting and important context of study due to the market's attraction to national coffee retailers (Starbucks) and the increased competition from fast-food restaurants (McDonald's).

A large regional coffee house was chosen as the specific context for studying aspects of retailer-customer relations because of some unique characteristics. First, it is an extension of the nation's largest family-owned coffee brand and serves four geographic markets with over 30 locations. The coffee brand has been serving the local markets for 90 years, with the potential for some strong customer relationships. Furthermore, the coffee house holds a substantial percentage of the market share in the areas that it serves. However, the coffee house also has at least three major competitors in its markets, increasing the likelihood that not all customer relationships are completely committed.

### Sample and Procedure

To assure variability across retailer-customer relationships and that the sample size was large enough to detect the effect of moderation, a purposive sampling plan was implemented. Customers of the coffee house were sampled to reach those at "active stages" of the relationship. In addition, members of a community organization were also utilized to expand the representativeness of consumers that held varying levels of relationships with the coffee house.

Both paper and online versions of the questionnaire were distributed, and all respondents were informed that this was a joint research project between the university and coffee house to examine aspects of customer perceptions and behavior and that their responses would be anonymous. Over six hundred store intercept surveys were conducted in five stores over a four-week period. An online survey was emailed to members of a local community organization requesting their participation in the study with over 400 adults completing the survey. This

procedure resulted in a total of 1068 usable surveys for individuals identified as ongoing customers (i.e., usually go, but might go to other coffee houses or always go to the coffee house).

To ensure comparability of in-store and community respondents, we examined age, gender, occupation, education, and ethnicity variables for samples of these respective participants. There were no significant differences between in-store and community respondents for any of these variables ( $p$ -values > .10). Accordingly, in-store and community respondents were combined for subsequent analyses.

The average age of the respondents was 34 (with a range of 18-90). Sixty-two percent of the respondents were female. Thirty-two per cent of respondents had some college, and 35% held a bachelor's degree. Managers/professionals and full-time students accounted for 38% and 37% of respondents, respectively. Eighty-six per cent of respondents reported Caucasian ethnicity. A majority of the sample (51%) had been a customer of the coffee house between one and five years. The average number of visits per month to the coffee house for a respondent was nine. Discussions with company executives supported the representativeness of the obtained sample to the retailer's customer base. Executives confirmed that their customers skew more heavily toward females, higher education levels, professional occupations, and Caucasian in comparison to the general population statistics reported by the area Chamber of Commerce.

### Measures

The questionnaire included measures of respondent perceptions appearing in the following order: items relating to trust in the retailer, items relating to the communication quality of the retailer interspersed with items relating to their advocacy behavior, and finally, items relating to demographic descriptors. **Table 1** includes a complete description of construct items.

### ***Perceived communication quality of the retailer.***

Following previous research, communication quality broadly assessed the customer's perception of the quality of communication they have received from the coffee house (e.g., Mohr and Spekman 1994; Guenzi et al. 2009), rather than focusing on communication from specific channels (e.g., website, in-store signage). The measure consisted of two, five-point items relating to the accuracy and completeness of product and service information. Communication quality was included as a construct because of its pivotal role in relationship creation and evolution (e.g., Palmatier 2008).

### ***Trust in the retailer.***

Two aspects of retailer trustworthiness were captured from respondents and combined to form the trust construct. Benevolence was appraised with two, five-point items assessing respondents' belief that the coffee house acts in the best interest of the customer and values the relationship (Ganesan 1994; Kumar, Scheer, and Steenkamp 1995). Integrity was measured with two, five-point items assessing respondents' belief that the coffee house can be characterized as an organization that upholds ethical standards (e.g., "keeps its promises") (Verhoef et al. 2002).

### ***Customer advocacy behavior.***

This construct assessed the promotion and defense of the retailer by the customer. Four, five-point items assessed respondents' behavior with respect to communication targeted to friends and relatives, acquaintances, and others. Items were adapted from positive WOM scales or customer referral scales (e.g., Verhoef et al. 2002) by adding an item related to the

customer's defense of the retailer (Bendapudi and Berry 1997; Bhattacharya and Sen 2003).

## **RESULTS**

The purpose of this study was to test for moderation, that is, that the effect of perceived quality of retailer communication on customer advocacy behavior varies across levels of trust in the retailer. As a precursor to analyses, confirmatory factor analysis was used to assess the convergent and discriminant validity of measures before testing hypotheses. With respect to the measurement models, observed indicators were all statistically significant ( $p < .05$ ) for their corresponding factors. Fit statistics of the measurement model ( $\chi^2(32) = 125.10$ ,  $p = .000$ , GFI = .97, AGFI = .96, RMSEA = .05, CFI = .98) suggested that the observed indicators are representative of constructs. **Table 1** presents items and loadings for the measures used in this study.

A series of pair-wise confirmatory factor analyses was conducted to assess the discriminant validity of the measures for each model. For each pair of measures, the chi-square was significantly smaller for the model representing two separate constructs in comparison to the alternative model uniting the constructs as one. Therefore, trying to force measures of different constructs into a single underlying factor led to a significant deterioration of model fit in comparison to the two-factor model. These results provide support for the discriminant validity of the measures (Anderson and Gerbing 1988). Summated scores of the multi-item scales were used to address the research hypotheses. **Table 2** provides the means, standard deviations, correlations, and reliabilities of measures.

**Table 1**  
**Results of Confirmatory Factor Analysis**

Constructs and Items	Standardized Coefficient
<b>Communication Quality</b> ( <i>scaled: strongly disagree/strongly agree</i> )	
My perception of _____ is that it ...	
Provides accurate information about its products and services.	.74
Gives complete information about its products and services.	.79
<b>Trust</b> ( <i>scaled: strongly disagree/strongly agree</i> )	
My perception of _____ is that it ...	
Has customers' best interest at heart.	.68
Goes out of its way for customers.	.76
Won't take advantage of its customers.	.82
Keeps its promises.	.79
<b>Advocacy</b> ( <i>scaled: not at all/extremely well</i> )	
How well do these statements describe what you actually do?	
Say positive things about _____ to people you know.	.79
Defend _____ when someone says something negative.	.72
Encourage friends and relatives to go to _____.	.81
Recommend _____ to people if they want advice on a good coffee house.	.80

**Note:** All standardized coefficients are significant at  $p < .05$ .

**Table 2**  
**Descriptive Statistics and Correlations for Perceived Communication Quality of Retailer, Trust in Retailer, and Customer Advocacy Behavior**

	Standard		X1	X2	X3
	Mean	Deviation			
X1 Communication Quality	4.08	0.63	.74		
X2 Trust	3.97	0.59	.61**	.85	
X3 Advocacy	3.43	0.77	.36**	.49**	.88

\*\* Correlation is significant at  $p < .01$ .

Reliabilities are shown on the diagonal.

Hierarchical regression analysis, involving a series of models increasing in complexity, was used as a means of testing the hypothesized mediating and moderating relationships (Cohen and Cohen 1983; Baron and Kenny 1986). First, H1, which proposed

that the perceived quality of retailer communication will positively influence customer advocacy, received support. Note that this hypothesis is inherent in testing mediating and moderating relationships and is represented in both tests in **Table 3**.



Table 3

**Hierarchical Regression Analyses Testing the Mediating and Moderating Effect of Trust  
in Retailer on Perceived Communication Quality of Retailer  
and Customer Advocacy Behavior**

	Model Results	
	R <sup>2</sup>	F value (df)
<b><u>Mediation Test</u></b>		
Trust = (.61**) Communication Quality	.38	652.52** (1, 1067)
Advocacy = (.37**) Communication Quality	.14	168.42** (1, 1067)
Advocacy = (.10**) Communication Quality + (.43**) Trust	.25	181.01** (2, 1066)
<b><u>Moderation Test</u></b>		
Advocacy = (.37**) Communication Quality	.14	168.42** (1, 1067)
Advocacy = (.10**) Communication Quality + (.43**) Trust	.25	181.01** (2, 1066)
Advocacy = (-.58**) Communication Quality + (-.26*) Trust + (1.25**) Comm. Quality X Trust	.27	134.15** (3, 1065)

Note: Standardized coefficients appear in parentheses.

\*  $p < .05$ .

\*\*  $p < .01$ .

In order to test whether trust mediates the effect of communication quality on advocacy, three conditions must be met. 1. Communication quality should have a significant effect on trust. 2. Communication quality should also have a significant effect on advocacy. 3. As compared to condition #2, the impact of communication quality on advocacy should significantly diminish when trust is included in a regression model with communication predicting advocacy (Baron and Kenny, 1986).

With respect to H2, communication quality has a significant effect on trust, thus, condition #1 is met (please refer to **Table 3**).

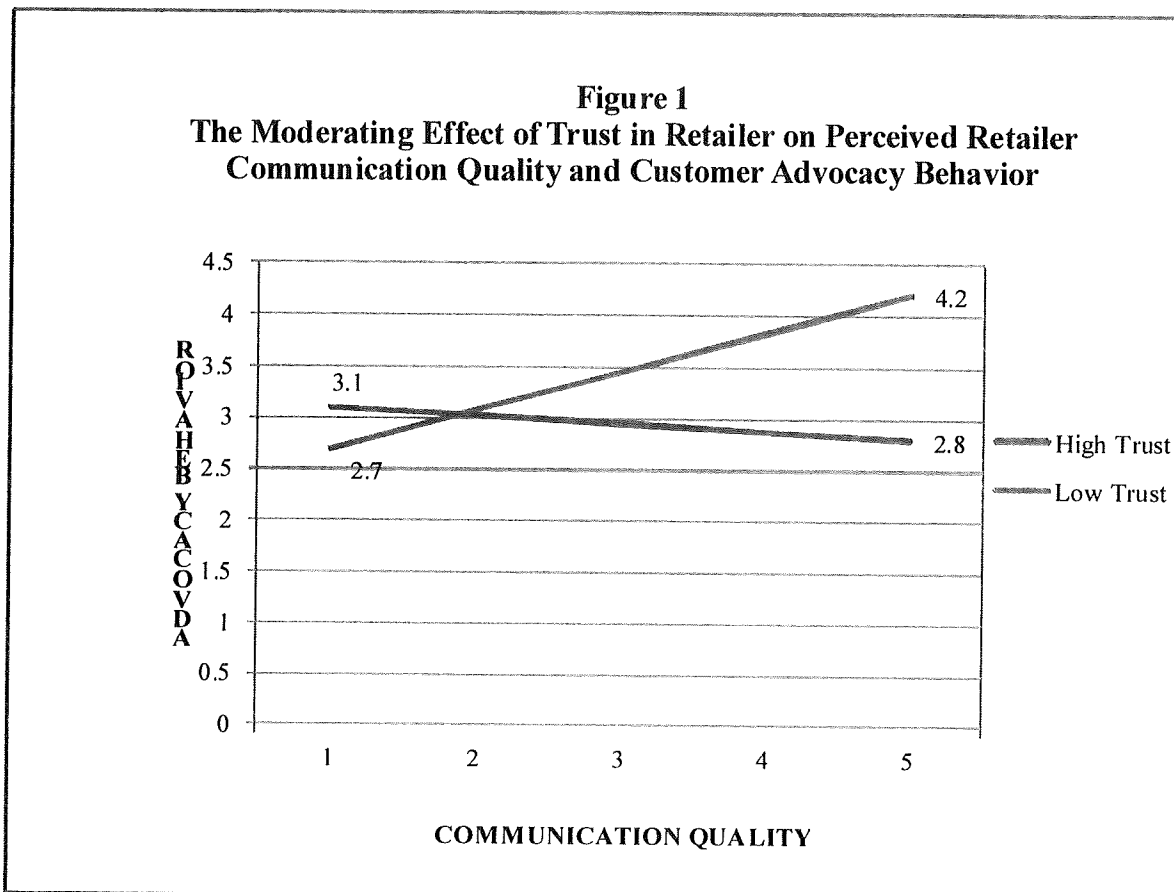
Further, as noted earlier, communication quality also has a significant influence on advocacy; thus, condition #2 is met. Lastly, the influence of communication quality is diminished when trust is included in the regression model predicting advocacy; however, the effect of communication quality is still highly significant. Therefore, condition #3 is not met. Thus, we do not have support for full mediation only partial mediation.

With respect to H3, trust was added to the model with communication quality as a predictor of advocacy. Results of these analyses are presented in **Table 3**. In this

step, communication quality and trust explained 25% of the variability in customer advocacy. As a precaution, the variance inflation factor (VIF) was examined to assess the effects of collinearity among the independent variables. The observed VIF was below 1.7 indicating that the impact of collinearity was relatively small.

In the next step, to test the moderating effect of trust, the interaction term (communication quality x trust) was added to the prior model. Given that the interaction term will correlate with the variables from which it was created (and can cause observed sign changes among coefficients), past convention advocated mean centering to address this issue (e.g., Aiken and West 1991). However, we did not employ this option as recent evidence suggests that there

is no advantage to mean centering in terms of addressing collinearity issues or stability of estimates (Echambadi and Hess 2007). In this step, predictions are supported by the data given that the communication quality x trust interaction significantly explained an additional amount of variance in advocacy ( $R^2$  change = .02, significant at  $p < .01$  level) after controlling for the direct effects of communication quality and trust. Such effects are consistent with common ranges ( $R^2$  changes .02-.03) reported for moderator effects in non-experimental studies (Champoux and Peters 1987). Results support the predictions of moderation, that is, that the effect of communication quality on advocacy varies across levels of trust.



As recommended by Cohen and Cohen (1983) and others (e.g., Aiken and West 1991), to identify the nature of the

interaction, slopes were plotted for individuals one standard deviation above the mean (Group Mean = 4.86) and one standard deviation below the mean (Group Mean =

3.15) for trust in retailer. Figure 1 displays the interaction effect on advocacy. The impact of increasing quality of retailer communication on customer advocacy was strongly positive and significant under conditions of higher trust in retailer ( $F=13.11$  (1, 207),  $p < .01$ ). In contrast, the impact of increasing quality of retailer communication on customer advocacy was slightly negative and nonsignificant under conditions of lower trust in retailer ( $F=1.34$  (1, 203),  $p > .10$ ).

In summary, consistent with predictions, communication quality was a significant predictor of customer advocacy. Further, although often espoused theoretically as a significant mediator, trust was not found to fully mediate the relationship between communication quality and advocacy as the communication construct was still significant after adding trust to the model predicting advocacy thereby supporting partial mediation. Finally, consistent with predictions, trust in the retailer was found to moderate the relationship between communication quality and customer advocacy behavior. Specifically, for customers having stronger trust in the retailer, communication quality positively affected their advocacy. In contrast, for customers having weaker trust in the retailer, communication quality negatively affected customer advocacy, albeit the effect was nonsignificant.

## DISCUSSION

While the need to proactively manage customer advocacy has been increasingly recognized within marketing, its antecedents are not well understood. The present study merges work in the B2C and B2B literature to address how trust moderates the relationship between communication quality and customer advocacy in a retail context. To the authors' knowledge, this study is the first time these constructs have been examined in an integrated approach. Understanding this process is important given that communication is central to relational exchange

and that advocacy can greatly extend the effectiveness and efficiency of an organization's marketing efforts. Results of the present research suggest that it is the combined influence of retailer communication quality and trust that is important in understanding customer advocacy.

These findings contribute to the extant literature in several ways. First, the research extends thinking from the B2B to a B2C service (i.e., retail) setting as a means of deepening understanding of relational dynamics. This study shows that the role communication plays in developing B2C relationships has not been given enough attention. Given its impact on advocacy, quality communication from the retailer should enhance episodic value in relationships (the benefits to sacrifice ratio) for the customer which is implicated in relational satisfaction (Selnes 1998). Future research could examine other aspects of retailer communication beyond the accuracy and completeness of information, such as frequency, content, or channel that might contribute relational-enhancing (or inhibiting) effects. For example, what difference does interpersonal versus mass communication have on relationship creation and enhancement.

A second contribution of the research relates to the exploration of trust as moderator in the communication process. Recall that while trust has received significant attention in organizational settings, the vast majority of empirical studies examine main effects of the construct (i.e., trust as a mediator) with mixed effects observed for outcomes associated with communication (Dirks and Ferrin 2001). The notion that trust is implicated in interpretation processes receives support given stronger effects observed for trust as a moderator rather than as a mediator with communication quality positively influencing advocacy only for high trust customers. The finding of partial mediation also supports prior research which found modest effects associated with the direct influence of trust on behavioral outcomes. With respect to moderation, given

that advocacy was positively influenced by communication quality for high trust customers, an interesting issue relates to the possibility of trust transference from advocates to potential customers. Ferrin and colleagues (2006) suggest that, in organizational contexts, communication may facilitate the transference of trust via third parties. Might committed customers through advocacy initiate the development of trust for new customers?

Future research could also explore if trust moderates extant relationships in the literature. Might trust moderate identified relationships among product/service perceptions and satisfaction, loyalty, and commitment? Further, might low trust help explain why the majority of dissatisfied customers do not complain directly to retailers/companies? If so, this finding would argue for trust as a very substantial construct as it would contribute to a more nuanced understanding of appraisal processes in B2C service contexts. In addition, trust has been implicated in organizational citizenship behaviors (Podsakoff, MacKenzie, and Bommer 1990). Trust engenders a sense of obligation that translates to extra-role behaviors (Pillai, Schriesheim, and Williams 1999). Within a retail context, what extra-role customer behaviors might trust engender? For example, might high trust customers be more likely to contribute to a cause advocated by the retailer? Future research could also incorporate the moderating influence of various types of trust such as competence-based (cognitive) versus relationship-based (affective) dimensions (Parayitam and Dooley 2009).

A final contribution relates to advocacy as a focal construct. Future research could extend this emphasis in exploring how advocacy could contribute to network effects for products and services. Network theory understands customer value as stemming from network value, that is, interdependence in consumer demand (McIntyre and Subramaniam 2009). Customer advocacy behaviors clearly

contribute to interdependent demand. As we continue to deepen our understanding of advocacy as a component of relational theory we might also facilitate the continued development of network theory, specifically, how relational dynamics contribute to the intensity of network effects.

Findings of this study hold practical implications for the management of retailer-customer relationships. First, the results clearly speak to the importance of customer trust in the retailer. Given that, in a competitive environment, retail management will engage in quality improvement efforts, realized benefits from such actions may be minimal (or negative) for customers who do not have sufficient trust in the retailer. Even with increasing communication quality, a lack of trust in the relationship appears to inoculate the retail customer from experiencing perceived benefits perhaps by activating "lack of respect" and "intent to act opportunistically" interpretations. This possibility highlights the importance of retailers attempting to establish trust early in relationships and actively maintaining the trust in ongoing relationships (e.g., Selnes 1998).

Thus, an important implication relates to how retailers can manage trust development and maintenance? The organizational literature links transformational leader/supervisory behaviors to trust. Intellectual stimulation, inspiration, sharing common values, and individualized consideration/concern for followers by leaders have been found to engender benevolence trust in followers (Bass 1999; Gillespie and Mann 2004). Further, creation of reciprocity norms with respect to information sharing and soliciting opinions and providing feedback has been found to contribute to integrity trust (Whitener 1997). By extension, an understanding of how these behaviors manifest themselves at various levels of dyadic interaction (e.g., retail management-service employee, retail management-customer, and service employee-customer), would prove illuminating.

Presumably, mindfulness and learning in this area could offer huge potential returns to retailers in leveraging improvement efforts that are positively perceived and acted upon by customers.

Furthermore, the results support the notion that more value might be gained by investing in quality informative communication targeted at current customers rather than persuasive communication targeted at potential customers (e.g., Jaffe 2010; Villaneuva et al. 2008). By providing customers with accurate and complete information, customers are more likely to become advocates for the firm, in turn recruiting other customers. Therefore, an adequate amount of a promotional budget should be geared towards in-store signage and employee training to ensure that customers are receiving quality information about the retailer's products and services.

The present research employs cross-sectional, single source measures of respondent perceptions of constructs. Future research could certainly address design and measurement issues. For example, the authors recognize that communication quality, globally operationalized in the present research (as well as in prior research) as accuracy and completeness of retailer information, can certainly be extended to include more fine-grained measures specifying various channels such as Websites, in-store personnel, advertising, etc. As with all research, additional construct measures could be included. Further, because the study of advocacy is in its infancy, it is important for future research to expand the current model with the inclusion of other relational constructs. For example, many studies have found a strong linkage between satisfaction and WOM communications (e.g., Anderson 1998). Therefore, it is likely that future research related to advocacy would benefit greatly by determining the role that satisfaction plays in driving this relational outcome. Limitations notwithstanding, it is important to note that common methods variance is not likely to account for

interaction effects, the focus of this study, as method variance should increase correlations consistently between construct measures (Aiken and West 1991). Also, longitudinal designs exploring relationships among study constructs across relational stages could prove useful in understanding relationship adaptation and evolution (Welch and Wilkinson 2005; Schurr, Heda, and Geersbro 2008) in B2C contexts.

In conclusion, while there is still much to be learned about how services can create more engaged customers, communication quality and trust appear to play important roles in the process. The present study, which considers retailer communication, trust, and customer advocacy constructs, hopes to contribute to future research that explores processes critical to high quality retailer-customer relationships.

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