

## **Faculty of Business Administration**

## SEMINAR SERIES No. 17/1112 Marketing Management

"Is Service Heterogeneity a Boon or a Bane? An Empirical Investigation of the Customer's Perspective"

Professor Keh Hean Tat

Professor and Vice Chair
Department of Marketing
Guanghua School of Management, Peking University

## **Abstract**

In the services marketing literature, there is controversy surrounding the concept of service heterogeneity. While some scholars view it as a drawback, others claim that heterogeneity is a desirable characteristic. The present research addresses this debate by examining the pros and cons of service heterogeneity (vs. homogeneity) from the customer's perspective, and the factors that influence customers' preference for heterogeneous (vs. homogeneous) services. Based on a qualitative study and two experiments, the authors find that the advantages of service heterogeneity include greater customers' perceived control and perceived customization, which in turn leads to higher satisfaction. At the same time, the drawbacks of service heterogeneity include greater perceived performance risk. The results also indicate the moderating effects of two individual difference factors; consumption goal and need for uniqueness. Specifically, when having a utilitarian (hedonic) goal, customers prefer homogeneous (heterogeneous) services. In addition, customers with a high need for uniqueness prefer the heterogeneous service, regardless of their consumption goal. However, customers with a low need for uniqueness prefer the heterogeneous service only when they have a hedonic goal.

Date: March 22, 2012 (Thursday)

Time: 14:30 – 16:00

Venue: HG03

**ALL ARE WELCOME!** 

## A Short Biography of Professor Keh Hean Tat

Prof. Keh is the Professor of Marketing at UQ Business School, the University of Queensland, and Professor and Vice Chair of the Department of Marketing at the Guanghua School of Management, Peking University.

An alumnus of our university, Prof. Keh got his Ph.D. in Marketing at University of Washington. He was previously on the faculty of the National University of Singapore, and was a corporate executive at the Wharf (Holdings) Ltd, Hong Kong. His research interests include Brand Management, Services Marketing, Strategic Marketing, and Cross-Cultural Research. His research has been published in prestigious academic journals in marketing such as *Journal of Marketing, Journal of International Marketing, Journal of Marketing Research, Journal of Consumer Research*, and so on.

A recipient of several teaching awards at Peking University, the National University of Singapore, and the University of Washington, Prof. Keh has also served as a consultant and conducted executive programs for companies such as Glaxo Smith Kline (China), British Telecom, Dow Chemical, Samsung China, China Merchants Group, China Merchants Bank, Tenaga Nasional Berhad (Malaysia), Lundbeck (Asia), British-American Tobacco, NOL (Singapore), Singapore Pools, and Motorola.