

# Impacts of COSER Strength on Service Loyalty: Case of Automobile Repair Service in Tunisia

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## ABSTRACT

This paper investigates the effects of customer-one service employee relationship (COSER) strength on personal loyalty and organizational loyalty within the Tunisian automobile repair service context. The study is based on automotive repair dealers in Tunisia and draws on quantitative data. A causal model was tested via structural equations modeling. Data were collected from a random sample of 332 customers. The results confirm that the COSER strength has a considerable impact on service loyalty. However, and contrary to the literature, it is an indirect effect through personal loyalty. The results have major implications for marketing practices of service firms that generate customer loyalty through personal loyalty to benefit from its impact while avoiding its risks.

## KEYWORDS

Automobile Repair Service, Customer-One Service Employee Relationship, Organizational Loyalty, Personal Loyalty, Quantitative Study, Service Loyalty, Service Marketing, Service Relationship Strength

## INTRODUCTION

The relationship marketing approach has attracted intensive attention in the service marketing literature as that leads to foster customer loyalty (Czepiel 1990; Gremler & Brown, 1996; Genzi & Pelloni, 2004; Bove & Johnson, 2006). Companies have increasingly realized the importance of creating and maintaining a strong customer loyalty, since the cost of acquiring new customers is five times the cost of satisfying and retaining current customers (Reichheld, 1996). Consequently, past studies have focused on various factors (e.g. service quality, satisfaction, trust, commitment) to develop and maintain effective customer-service employee relationships (CSER) (e.g. Morgan & Hunt, 1994; Driver & Johnston, 2001), as antecedents expected to increase service loyalty. However, it may be difficult to generalize studies' results to other personal, professional or industrial services contexts, which have different characteristics, and cultures (Patterson & Smith, 2001).

So that, this research focuses on customer relationship with one-service employee (or a personal relationship with an appointed service representative) in the automobile service industry, particularly, in after-sales service of dealership companies within the North Africa context, particularly in Tunisia.

Worldwide, the customer relationship with the automotive mechanic is characterized by a great need for trust and commitment (Shemwell et al., 1994; Liljander & Roos, 2002). Especially, the Tunisian automotive repair service is characterized by a high risk and low level of trust between the customer and the service employee (Ben Ayed, 2017).

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The automotive sector in Tunisia remains dynamic and provides business opportunities for production of automotive components and for export (Trape et al., 2014; CEDARE, 2015). Despite its small size, Tunisia is ranked second producer of automotive components in Africa (IHK, 2011). Besides, Tunisia is an attractive site for large international groups (e.g. Renault, Peugeot, Volkswagen, Citroën) to create specific subsidiaries and dealer activity for the automotive industry (CEDARE, 2015).

Although the international automotive sector, particularly in Africa, shares similarities in many aspects, it is also characterized by domestic attributes such as its structuring and governance by the state (policies, strategies,) that influence its performance (Black & McLennan, 2016). Indeed, the dynamic of the Tunisian automobile sector is ensured by the opening of the competition to new actors, which are not fully controlled and regulated. Thus, the Tunisian automobile market is, on the one hand, a structured market governed by dealer quotas, even if there is no legal or regulatory provision on this subject, and on the other hand, a completely free and uncontrolled parallel market (DG Tresor, 2018).

In addition, automotive technology has evolved tremendously and is currently based on electronics and computers. Today, the sector is characterized by a lack of after-sales technicians trained in repair and maintenance, which may affect the service quality, customer satisfaction, trust in the auto mechanic, and the viability of customer relationship with the service employee (Le manager, 2016; Ben Ayed, 2017).

For example, in response to these circumstances of the automotive sector, a network labeled Euro Repair Car Service Maintenance and Repair of all brands, has recently settled for the first time on the African continent and more specifically in Tunisia (Challenges, 2017). This wide network is animated by teams of experienced professionals to repair the automobile in respect of the builders' recommendations. Therefore, it invites the Tunisian multi-brand repairers to join Euro Repair Car Service in order to increase quality of service and customer satisfaction. It may be an opportunity for Tunisian dealership companies to benefit from the support of an international brand while preserving their independence and flexibility (Challenges, 2017).

This landscape of the Tunisian automobile sector gives a great interest to study the customer-service relationship in this specific context.

In marketing studies, the positive effect of relationship marketing on service loyalty has been widely accepted and is believed to be an evidence for services because of the benefits generated from the personnel contact between customers and service providers. This service relationship can be described, according to Liljander and Roos (2002), as ranging from spurious to true, depending on customer perceived relationship benefits, trust and commitment. In this research, we suggest studying the true service relationship when the personnel contact is between customers and one-service provider. Therefore, to treat the loyalty service in its two-dimensional model version, rather a whole concept, that highlights the personal loyalty as well as the organizational loyalty (Bove & Johnson, 2006).

Past research has focused mainly on the simple and direct effect between two constructs (relationship marketing and service loyalty), while less attention has been paid to effects of a true service relationship on service loyalty given the weight of the personal loyalty concept.

Bove and Johnson (2000, 2006) supported that a strong CSER lead to true customer loyalty to the service firm, as positive attitude towards service employee is transferred directly to the service firm. They mentioned that personal loyalty can be risky to the service firm characterized by a limited number (one or two) of service employees, as loyalty to the firm will be dependent on the continual presence of the employee in the firm (Bove & Johnson, 2006). This study can be an extension of Bove and Johnson's works inciting researchers to empirically test the impacts of service relationship strength on service loyalty: (1) in the case of a relationship of customers with one-service employee, (2) in an industrial service setting such automotive repair service and (3) outside the Western context: the Tunisian context. Therefore, this study tries to answer the three following questions: Does the strong CSER constantly generate a significant positive effect on service loyalty? What are the impacts of

COSER strength on service loyalty considering the personal loyalty concept? Are results replicated in the Tunisian automotive repair service context?

This article is organized as follows: Firstly, we set the theoretical context of the paper while discussing the concept of COSER and developing the research hypotheses. Secondly, we detail the methodology, analysis and presentation of the main results. Finally, we conclude with a discussion, implications, and limitations and avenues for future research.

## THEORETICAL BACKGROUND AND HYPOTHESES

### COSER Strength

In the services context, Liljander and Roos (2002) distinguish between two types of customer-service relationships: true versus spurious relationships. While “true customer relationship” is with respect to one service provider out of a set of such providers (...), “spurious customer relationship” is with respect to one or more alternative service providers out of a set of such providers (...). According to those definitions, a relationship with one-service employee is a “true CSER” since it involves only one service employee out of a set of such employees (...) characterized by the presence of trust, relationship benefits, the absence of negative bonds all of which result in service employee commitment.

The literature indicates that the customer “trust” in the service employee, defined as “willingness to rely on an exchange partner in whom one has confidence” (Moorman et al., 1993, p. 82) and “commitment” to the service employee, defined as “an enduring desire to maintain a valued relationship” (Moorman et al., 1992, p. 316), are essential to develop a strong and ongoing service relationship (Morgan & Hunt, 1994; Liljander & Roos, 2002; Bove & Johnson, 2006). Those two variables (trust and commitment) are central to measure the magnitude of the CSER strength (Bove & Johnson, 2006).

Bove and Johnson (2001) argue that “service relationship strength” is a second-order latent construct made up of the two dimensions: “trust” and “commitment” to the service personnel.

Based on this research we can advance the following hypotheses:

- COSER strength is a high-order construct composed of: **(H1)** personal trust and **(H2)** personal commitment.

### *Personal Trust*

Trust, as a key concept in service marketing relationship, has been intensively studied in the literature with particular emphasis on the conceptualization of Personal Trust concept and its dimensions (e.g. Ganesan, 1994; Morgan & Hunt, 1994; Doney & Cannon, 1997). This succession of researches demonstrates the importance of studying and measuring this concept that may vary depending on the service context and the culture country.

Indeed, in the industrial context, several conceptualizations have been supported having a common consensus that interpersonal trust depends heavily on customers’ perception of the service provider skills (Liljander & Roos, 2002; Coulter & Coulter, 2003; Ben Ayed, 2017). Nevertheless, different dimensions and components have been offered to the marketing literature, with an extensive attention has been given to the two-dimensional model: credibility (or honesty) and benevolence, reliability (benevolence) and integrity (credibility) (e.g. Moorman et al., 1993; Ganesan, 1994; Morgan & Hunt, 1994; Doney & Cannon, 1997).

Ben Ayed (2017) has recently studied consumer’s personal trust perception in the automobile repair service, particularly in the Tunisian context. Referring to this research, Personal trust attributes were explored in this specific context and classified on hard and soft skills of employee service. Based on previous research (Driver & Johnston, 2001; Coulter & Coulter, 2003; Seigyoung, 2005), Ben Ayed (2017) explains that the service provider performance includes “hard skills” such as technical

knowledge and expertise and “soft skills” such as interpersonal communication and honesty. These results affirm the two-dimensional solution of the personal trust that reflects the two-trust dimensions: credibility and benevolence of service employee (Mayer et al., 1995).

### *Personal Commitment*

Commitment plays a crucial role in the development of a service relationship (Morgan & Hunt, 1994; Tellefsen & Thomas, 2005). This variable provides the strength, sustainability and profitability of the service relationship (Moorman et al., 1992; Morgan & Hunt, 1994; Bove & Johnson, 2001). Relationship commitment includes desire and motivation of the partners to maintain their relationship (Morgan & Hunt, 1994), and their willingness to invest their resources (interest, time and effort) to continually generate value (Morgan & Hunt, 1994). Accordingly, the customer’s relationship with the service employee is stronger when both parties are more committed.

### **Service Loyalty**

Service loyalty is viewed by Dick and Basu (1994, p. 99) as the strength of the relationship between an individual’s relative attitude and repeat patronage. This definition highlights two-dimensional conceptualization of loyalty based on both the strength of attitude and repeat purchase behavior.

Besides, other researchers contrast the two distinct levels of customer loyalty: loyalty to the individual service worker (personal loyalty), and loyalty to the firm (organizational loyalty) (i.e., Reynolds & Arnold, 2000; Bove & Johnson, 2006).

In accordance with these researches, this study focuses on two types of service loyalty: Personal Loyalty and Organizational Loyalty respectively on two-dimensional conceptualization based on both attitude and repeat purchase behavior. Therefore, a COSER can lead to increase loyalty to the service firm by directly and indirectly link (through personal loyalty).

### *Organizational Loyalty*

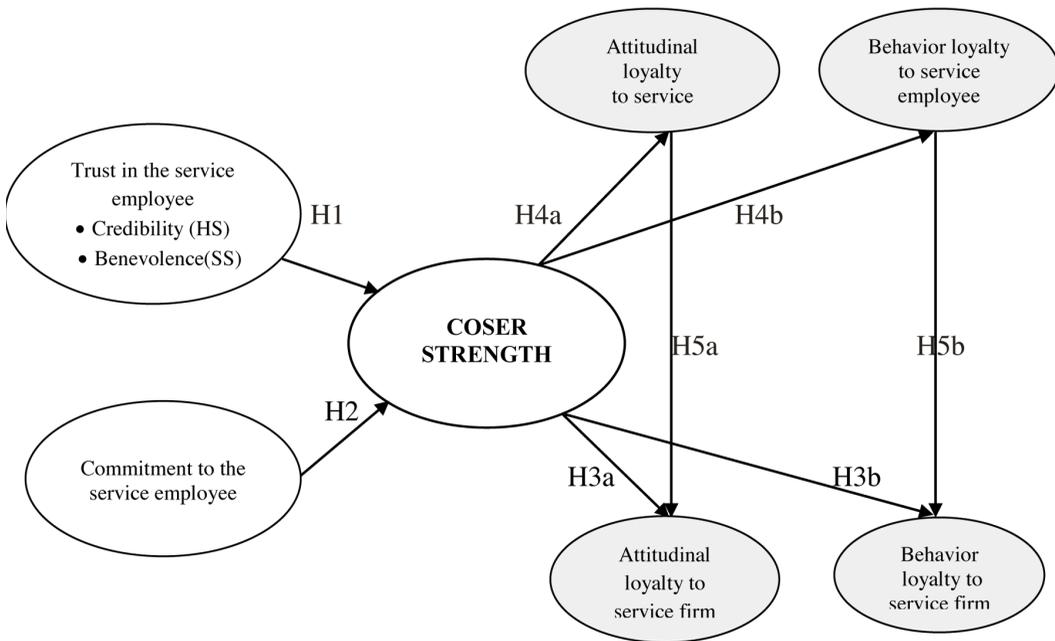
Many researchers argue that CSER is a stimulus to the development loyalty towards the service firm (e.g. Bove & Johnson, 2000). Customers consider service employees as symbols of the service firm (Solomon et al., 1985). Bove & Johnson (2000) assert that the strong CSER causes positive attitudes transferred directly to the firm. These attitudes are likely to promote the firm compared to its competitors. Besides, Barnes (1997) states that customers having a closer relationship with a service employee present higher share of business with the service firm. Therefore, the intention to repurchase and recommend this firm will increase (Genzi & Pelloni, 2004).

**H3:** The stronger the COSER (as perceived by the customer), the greater (H3a) the attitudinal loyalty and (H3b) the behavioral loyalty to the service firm.

### *Personal Loyalty*

Genzi and Pelloni (2004) argue that if a customer to a service employee relationship develops, the customer prefers to interact with this specific firm employee. They support that personal loyalty intention towards frontline employees are affected only by CSER closeness. When the customer develops a strong relationship with a service employee, the high levels of trust and commitment will result in a high level of personal loyalty (Bove & Johnson, 2006). Therefore, the customer’s attitude toward a preferred service employee will be relatively higher than his attitudes towards other employees in the same firm. The level of interaction between the customer-service employee will be very important and exclusive (Bove & Johnson, 2006). Behavioral loyalty to one-service employee indicates, according to Gutek et al. (1999), that customers having a personal relationship with one particular service employee require a high level of service use.

Figure 1. A causal model of COSER strength on service loyalty



**H4:** The stronger the COSER (as is perceived by the customer), the greater (H4a) attitudinal loyalty (H4b) behavioral loyalty to the service employee.

#### *Relationship Between Personal Loyalty and Organizational Loyalty*

In the retail context, research indicates that loyalty occurs first to the salesperson and then to the store (Goff et al., 1997; Reynolds & Arnold, 2000). Bove and Johnson (2006) confirm the positive association between “personal loyalty” and “organizational loyalty” and explain that is moderated by the number of service employees. The degree of positive transfer of personal loyalty to organizational loyalty is more important when the service firm has a low number of employees.

**H5a:** The attitudinal loyalty to the service employee affects positively the attitudinal loyalty to the service firm.

**H5b:** The behavioral loyalty to the service employee affects positively the behavioral loyalty to the service firm.

The conceptual model, which summarizes these hypotheses, is shown in Figure 1.

## **METHODS**

### **Sample and Data Collection**

The data are collected from six international dealer’s repair shop in Sfax, an industry city located in southeast Tunisia. This questionnaire is distributed by convenience to the following dealer garages: Peugeot, Renault, Ford, Citroen, Mercedes Benz and Volkswagen.

In order to test the impacts of COSER on service loyalty in the automobile context, a quantitative study was conducted among customers of the selected companies. The questionnaire was administered to 450 customers of these dealerships. A total of 332 of usable responses were ultimately retained in this survey.

The sample in this study consists mainly of participants whose demographic profile is very heterogeneous: it is made up of young as well as elderly participants, singles and married couples, occupying quite different jobs with different educational levels and monthly income. This heterogeneity draws on the extensive technical and social skills of the service employee and a great personalized effort to establish a strong service relationship.

Several analysis methods were used to test the research hypotheses are exploratory factor analysis (EFA), confirmatory factor analysis (CFA), reliability analysis and convergent and discriminant validity analysis. The theoretical model was tested by applying structural equation modeling using SPSS AMOS 22.

## Measures

All constructs are measured by a 7-point Likert scale (with 7= strongly agree and 1= strongly disagree).

Referring to exploratory research of Ben Ayed (2017), the results affirm the two-dimensional solution of the personal trust: Hard skills (HS) and Soft skills (SS). The (HS) trust dimension consisted of five factors: “Deep and full assessment of the problem,” “provide adequate and effective repair”, “punctuality”, “decision authority” and “proactive behavior. The (SS) trust dimension was explained by four factors: “Honesty”, “clear and complete communication”, “politeness” and “personal relationship”.

The measures of personal commitment (CT) were adapted from the four-indicator scale of Bove and Johnson (2006) who were based on the work of Morgan and Hunt (1994) and Shemwell et al. (1994). An EFA was performed on the 13 items of the COSER construct generated from the data collected in the final survey. The results of EFA applied on the data matrix of the final sample (n = 332) revealed a high-order factor explaining of 76.93 percent (see Table 1). Therefore, the three dimensions distinctly emerged from the data: (1) credibility/HS dimension, (2) benevolence/SS dimension, and (3) commitment dimension.

The thirteen factors were analyzed by a CFA. The reliability testing of the different COSER dimensions yielded satisfactory results (all Cronbach’s alphas were > 0.70); in addition to a good convergent validity and discriminant validity which was checked according to the approach of Fornell and Larcker (1981).

“The attitudinal loyalty” towards service personnel and service firm was measured using four items adapted from the scale of Mitchell and Olson (1981), and “behavioral loyalty” towards service personnel and service firm was derived from the study of Lu Ting Pong and Tang Pui Yee (2001). The results of reliability analysis of service loyalty constructs showed that the items of each construct were significant and had good consistency ( $0.812 < \alpha_{c_r} < 0.976$ ).

The CFA proceeded independently on the four items of each construct. The values of fit statistics of four specified loyalty measurement models were checked, and the results proved that they met all the criteria of fitness statistics. The convergent and discriminant validity of the constructs were also satisfactory (see Table 2). In conclusion, all the measures of the dependent variables used in this study were distinct, reliable and valid.

## RESULTS

### Structural Model

The results revealed that the fit of the structural model was highly satisfactory. The ratio of ( $\chi^2/dl$ ) was 1.945, a value that was slightly below 2.0. The GFI, IFI and the CFI values were 0.900, 0.973

Table 1. Reliability and validity of COSER strength construct- (n = 332)

Factor and Item	Factor Loading	t-Value	%VE	$\alpha$
<b>Hard Skills (HS)</b>			76.64	.920
My automotive mechanic...				
HS1- Evaluates problems thoroughly	.917*	-		
HS2- Provides appropriate and effective repair	.865	14.575		
HS3- Represents punctuality	.853	13.277		
HS4- Has a decision-making authority	.861	13.144		
HS5- Has a proactive behavior	.880	13.563		
<b>Soft Skills (SS)</b>			79.51	.887
My automotive mechanic...				
SS1- Communicates clearly and completely	.935	36.837		
SS2- Represents honesty	.948*	-		
SS3- Represents politeness	.877	24.760		
SS4- His personalized relationships	.800	16.963		
<b>Commitment (CT)</b>			71.46	.850
CT1- I am willing to wait or make another appointment so that this mechanic serves me	.835	14.242		
CT2- Continuous interaction with this mechanic is important to me	.907	16.775		
CT3- I am very committed to this mechanic	.921*	-		
CT4- If this mechanic leaves, I have nothing to lose ®	.702	11.496		

Notes: %VE = percentage of variance explained. ® = score reversed. \*The parameter that most represents its construct, it is fixed at 1. T-values greater than 1.96 are significant.  $\alpha$  = Cronbach's alpha

and 0.973, respectively, indicating an acceptable fit. Other fit indices are shown (NFI = 0.947, TLI = 0.963, RMR = 0.076, and RMSEA= 0.05), also reflected the goodness of fit of the model.

## Hypotheses Testing

The results of testing hypotheses are presented in Table 3. The standardized solution was used to interpret the causal relationships supported by the structural model.

The measures supported that COSER was conceived as a multidimensional construct consisting of personal trust dimensions (HS and SS) and personal commitment (CT). Significant standardized regression coefficients were observed, reaching values of 0.667, 0.184 and 0.313, respectively. These results confirmed H1a, H1b and H2.

The analytical results partially rejected H3, according to which the COSER strength directly and significantly affects the organizational loyalty; it was not positive on organizational attitudinal loyalty (H3a:  $\gamma_{1,4} = -0.030$ ,  $p = 0.317$ ), but positive and not significant on organizational behavioral loyalty (H3b:  $\gamma_{1,5} = 0.343$ ,  $p = 0.000$ ).

The COSER construct significantly contributed to the two dimensions of personal loyalty: Attitudinal loyalty (H4a:  $\gamma_{1,6} = 0.468$ ,  $p = 0.000$ ) and behavioral loyalty (H4b:  $\gamma_{1,7} = 0.437$ ,  $p = 0.000$ ). The results, therefore, suggested that the strength of COSER significantly influences the attitudinal and behavioral personal loyalty.

Table 2. Reliability and validity of service loyalty constructs - (n = 332)

Factor and Item	Factor Loading	t-value	%VE	$\alpha$
<b>Organizational attitudinal loyalty-OAL</b>			85.989	.941
OA1- I like this dealership a lot	.942	34.810		
OA2- This dealership reflects the high quality	.925	36.416		
OA3- The atmosphere within dealership is pleasant	.972*	-		
OA4- I will recommend this dealership to others	.867	24.435		
<b>Organizational behavioral loyalty-OBL</b>			65.348	.815
OB1- There is a very high probability to repair again in this dealership	.820	12.955		
OB2- I planned to address myself to another firm during my last repair®	.717	10.083		
OB3- I have recommended this dealership to others	.827	14.460		
OB4- I provided positive feedback for this dealership	.863*	-		
<b>Personal attitudinal loyalty-PAL</b>			93.556	.976
PA1- This mechanic is good	.974	52.857		
PA2- I appreciate this mechanic	.979*	-		
PA3- The work of the mechanic is of high quality	.948	37.606		
PA4- I would recommend this mechanic to others	.968	49.189		
<b>Personal behavioral loyalty-PBL</b>			77.073	.900
PB1- There is a high probability to have my car repaired again by this mechanic	.883	19.472		
PB2- I have seen another mechanic on my last repair®	.860	17.998		
PB3- I recommended this mechanic to others	.903*	-		
PB4- I provided positive feedback for the mechanic	.863	18.011		

Notes: % VE =percentage of variance explained. ® = score reversed. \* The parameter that most represents its construct, it is set to 1.T-values greater than 1.96 are significant.

The results showed that the direct effects of both attitudinal and behavioral dimensions of “personal loyalty” on the two dimensions of “organizational loyalty” were significant (H5a:  $\beta_{4,6} = 0.863$ ,  $p = 0.000$ ; H5b:  $\beta_{5,7} = 0.707$ ,  $p = 0.000$ ). These results suggested the acceptability of H5a and H5b. Hence, the findings showed that personal loyalty has a significant mediating effect with regard to the influence of “the service relationship strength” on “organizational loyalty”.

## DISCUSSION

This present study investigated the effects of CSER strength on personal loyalty and organizational loyalty in Tunisian automobile repair service context. The findings support that COSER is a multidimensional construct consisting of two components of personal trust (i.e. credibility/hard skills and benevolence/soft skills) and personal commitment.

In the context of this study, technical competence is more crucial than interpersonal competence to establish personal trust. It is also the most critical component of “service relationship strength” in a dealership, compared to soft skills and personal commitment. In fact, deep diagnosis that provides a

Table 3. Results of the structural model

Hypotheses Result	Expected Sign	Standardized Coefficient	t-value	Notes
Service relationship strength				
H1a: HS → COSER	(+)	.667	-	A.
H1b: SS → COSER	(+)	.184	2.216	A.
H2: CT → COSER	(+)	.313	3.455	A.
Organizational loyalty				
H3a: COSER → OAL	(+)	-.030	- .100	R.
H3b: COSER → OBL	(+)	.343	6.331	N.S.
Personal loyalty				
H4a: COSER → PAL	(+)	.468	7.658	A.
H4b: COSER → PBL	(+)	.437	6.393	A.
Interrelations between the constructs of loyalty				
H5a: PAL → OAL	(+)	.863	22.721	A.
H5b: PBL → OBL	(+)	.707	11.422	A.

Notes: A. = accepted; R. = rejected; N.S. = not significant

“perfect evaluation of problems” is a highly valuable factor in the trust relationship. Similarly to Ben Ayed (2017) result’s, “deep and perfect assessment of problems” is a significant component of “hard skills” dimensions of trust in a responsible customer service relationship mechanics. So That, the frontline service employees of dealership should be perceived by customers as technical competent, as it is a key of increasing strength of service relationship and building service loyalty.

Focusing on interpersonal skills (SS), the results support that the “honesty” is essential to maintain CSER strength in the automobile repair service. This can be attributed to the crisis of trust in this Tunisian service context (Ben Ayed, 2017). This finding is in the gap with several Western services marketing reports highlighting the importance of the “communication” variable (e.g. Morgan & Hunt, 1994), particularly in the professional service context (e.g. Leisen & Hyman, 2004).

The results affirm that “personal commitment” has a significant contribution to the service relationship strength. This result is in agreement with the findings previously reported by Bove and Johnson (2006) who argued that, in hairdressing services, trust and commitment are two major concepts that stimulate customers to maintain a relationship with their service provider, but does not match the results of Izogo and Ogba (2015) who argued that, in Nigerian automobile services, “commitment” is a dimension of service quality.

Although the results showed that H3b is positive, referring to the customer loyalty definition provided by Dick and Basu (1994), the hypothesis H3 is not supported. Service loyalty is a two-dimensional construct made up of attitudinal and behavioral components (Bove & Johnson, 2006). Consequently, “the true loyalty towards a service” can only be attained when the customer has a high level of positive attitude towards the entity and a high level of repeat patronage behavior. Otherwise, customers face “spurious loyalty” or “latent loyalty”.

This result rejection can be explained from the attitudinal loyalty perspective, considering that participants surveyed represent customers that maintain a strong relationship with one employee and can have, at the same time, a negative, neutral or positive attitude towards the service firm. Regarding the organizational behavioral loyalty, the results do not provide evidence in support for the strong dependence of behavioral loyalty to attitudinal loyalty (Dick & Basu, 1994; Bove & Johnson, 2006).

Furthermore, the results show a significant direct effect of the service relationship on personal loyalty. This result is consistent with the findings previously reported by Bove and Johnson (2000), Genzi and Pelloni (2004) and Gutek et al. (1999). The customer's attitude towards this service employee is considerable compared to other service employees in the firm. Similarly, the customer's level of dealing with this particular employee is very significant. This is in agreement with the study of Gutek et al. (1999) suggesting that customers have strong personal relationship with a specific employee requires a high level of service use.

The results from the mediating effects analysis showed that the effects of personal loyalty on organizational loyalty are more considerable than that of the service relationship. These results confirm the ones previously reported by Goff et al. (1997), Reynolds and Arnold (2000), and especially Bove and Johnson (2006) who demonstrated that this transfer is strongest when the service firm has only one service employee. Compared to the findings of Bove and Johnson, the result justifies that the degree of positive transfer of personal loyalty is more important when the customer relationship is developed with one-frontline employee. Moreover, the organizational attitudinal loyalty effect proves to be more important than that organizational behavioral.

In summary, when the customer develops a strong COSER in service industry, personal loyalty is a significant mediator and organizational loyalty is, therefore, a result of a high personal loyalty. However, this management approach still represents a risky loyalty as the probability of the service employee leave the firm.

### **Managerial Implications**

This research aims to study the effects of customer with one-service employee relationship (COSER) on personal loyalty and organizational loyalty in the automobile repair sector in Tunisia. Studying the most relevant technical and interpersonal abilities of the service employee in automobile repair context can help managers better select their personnel staff, manage a true customer-mechanic relationship that leads to true customer loyalty to the service firm.

The significant results from the first three hypotheses clearly imply that in order to establish a strong CSER, dealerships need to achieve personal trust and personal commitment. Notable managerial implications emerge for the service companies seeking to maximize this objective. First, during the service employees' recruitment process, managers should give great importance to technical expertise of service employees as a key contributor to the trust: the ability to make an adequate diagnosis and reparation (the core service). Second, they should encourage technical training to provide employees with opportunities to polish and improve their technical competences. For example, for the automotive repair service in Tunisia, the Dealers' Chamber is required to restructure the sector and to insist on the training of technicians by creation of a training school for automotive technicians, which remains indispensable in the western automotive sector such as France.

Third, to enhance personal commitment, managers should also guarantee the employee commitment to their firm (organizational commitment). The employees must feel a strong connection with their firm that means, with its values, goals, and work environment. This type of commitment will enable the employee to feel more productive, empowered, proactive and more determined in their work.

In addition, personal loyalty can be considered a real risk for car repair companies in Tunisia, since these are generally designed as small business. Therefore, the problem of personal loyalty is obvious when the service employee leaves the firm that is characterized by a limited number of staff (one or two) (Bove & Johnson, 2006). The attitudinal loyalty and purchase can drop following the loss of the service employee

Therefore, to protect the service firm from the risk of personal loyalty, the manager should increase the organizational commitment, since in reference to its detailed benefits below; service employees are less likely to leave their firm.

In order to increase organizational commitment, managers should implement a clear strategy, and in particular, to communicate regularly to his staff about the organizational objectives and its implementation process, as well as values, ambition and vision of the firm. It is therefore vital to invite employees to participate in decision-making process, for instance by discussing the scope of the work, the frustrations that they encounter and the solutions that they propose.

New management approach in work organization of Tunisian dealerships suggests that the execution of services would be provided by several repair teams (more than 2 teams) so that the customer fails to differentiate between them. The performance of teams should be equal, and a network of information should be established between them so that the car repair history can be accessible at any time for any team.

Similarly, a new conception of technical workshops within leaderships in Tunisia is recommended to ensure visibility of the technical expertise of all staff to the perception of customers. This transparency can be an important factor in improving the perceived credibility of staff, particularly for professional services

The service firm can enhance the customer retention through several ways other than personal loyalty. Izquierdo et al. (2005) mentioned the development of consumer attraction strategies (warranty, reputation, advertising and promotions) and the programs for achieving firm loyalty of existing customers (discounts, free services, gifts and fidelity cards). Therefore, managers need to expand a variety of loyalty programs and organizational benefits that boost the organizational loyalty and increase customer commitment to the service firm.

## **LIMITATIONS AND FUTURE RESEARCH DIRECTIONS**

Some limitations linked to the generalization of the results should be considered. The first is in other specific personal services contexts such the dentist, physician since the personal loyalty perfectly coincides with the organizational loyalty. The second is that the magnitude of the relationship and the need for trust and commitment vary across customer perceptions, industries and cultures.

Accordingly, to generalize some results, future research can apply the structural model across other services contexts notably in non-Western context (insurance, telecommunication, banking, etc.). This will help to check the service relationship strength dimensions' and its impacts on service loyalty.

A set of moderating variables influencing the effects of the CSER strength on the service loyalty such as warranties repair, perceived risk, customer expertise, relationship duration and gender, may also opened new horizons for future research.

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