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# DYSFUNCTIONAL CUSTOMER BEHAVIOR AND SERVICE EMPLOYEES TACTICS

## *COMPORTAMENTO DISFUNCIONAL DO CONSUMIDOR E TÁTICAS DOS FUNCIONÁRIOS DE SERVIÇOS*

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### ABSTRACT

Dysfunctional customer behavior has grown substantially and has inspired academic research. In this theoretical study, the authors point out that the promotion of the myth of customer sovereignty through the culture of customer orientation is considered to be one of the variables that trigger these behaviors. The frontline employee manages the interactions in services and seeks to serve clients, but within the limitations of the offers. The discrepancy between the customers' desires and what he obtains causes disillusionment and potentially dysfunctional behavior. Through their experience, employees accumulate tacit knowledge that grounds their assessment of situations and their development of tactics. On the other hand, organizations do not consider the dysfunctional customer behavior nor the tacit knowledge that exists in the service team in their strategies and actions, eventually not making use of this knowledge that could mitigate such behaviors. This is a theoretical article aimed at opening space for the debate of the dysfunctional customer behavior and service employees' tactics through a theoretical composition that supports propositions and a conceptual model, as well as the suggestion of a future empirical test.

**Keywords:** dysfunctional customer behavior, services, customer orientation, customer sovereignty.

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## RESUMO

*O comportamento disfuncional dos consumidores tem crescido substancialmente e inspirado pesquisas acadêmicas. Neste estudo teórico, os autores apontam que a promoção do mito da soberania do consumidor, através da cultura de orientação para o consumidor, é considerada como uma das variáveis que originam tais comportamentos. O funcionário de frente gerencia as interações em serviços e busca atender ao cliente, porém dentro das limitações das ofertas. A discrepância entre o almejado pelo cliente e o obtido, origina a desilusão e potencialmente o comportamento disfuncional. Através da sua experiência, funcionários acumulam conhecimento tácito que embasa a sua avaliação das situações e o desenvolvimento de táticas. Por sua vez, as organizações não consideram o comportamento disfuncional do consumidor nem o conhecimento tácito existente na equipe de atendimento nas suas estratégias e ações, eventualmente desperdiçando conhecimento que pode atenuar tais comportamentos. Trata-se de artigo teórico que objetiva abrir espaço para o debate sobre o comportamento disfuncional do consumidor e as táticas dos funcionários de serviços através de uma composição teórica que sustenta as proposições e um modelo conceitual, assim como a sugestão de teste empírico futuro.*

**Palavras-chave:** comportamento disfuncional do consumidor, serviços, orientação para o consumidor, soberania do consumidor.

## 1 INTRODUCTION

A great part of the research about the retail environment characterizes the customer-company relationship as functional, imagining that both customer and employee demonstrate proper behavior during their interaction (REYNOLDS; HARRIS, 2009). However, in practice one can observe a series of inadequate behaviors by customers that can seriously harm the retail setting and, consequently, harm the positive results expected from these efforts (FULLERTON; PUNJ, 2004). These behaviors, called dysfunctional, are defined as customer's behaviors that deliberately break the desirable rules of conduct in the context of exchange environments (HARRIS; DAUNT, 2013). Academic literature treats customer dysfunctional behaviors also as "deviant", "jaycustomer behavior" or "misbehavior" (DAUNT; HARRIS, 2012). It means that dysfunctional conduct involves violence, theft, vandalism, fraud, drunkenness or drug consumption and illegitimate claims, among others, which might culminate in verbal or even physical aggression to the frontline employee (ECHEVERRI; SALOMONSON; ABERG, 2012).

These incidents of abuse in the personal relations by dysfunctional customers are frequent and recurrent, and considered by Reynolds and Harris (2006) as endemic in the services sector, becoming more of a rule than an exception. Grandey, Dicker and Sin (2004) have already indicated that service sector employees in the North American context were victims of episodes of aggression at least ten times a day. Voss et al. (2004) in a study conducted in the United Kingdom pointed out that employees directly involved with customers suffer from verbal abuse every 3.75 days, threats every 15 days and acts of violence every 31 days.

The motivations behind these behaviors are still not clear in the literature. Reynolds and Harris (2009) indicated three main factors: (1) psychological obstructionism, which indicates the psychological characteristics of the individual that does not allow them to behave in a normative manner; (2) displeasure with the service offered, which is a cognitive and emotional negative evaluation about the overall service; and (3) the service environment itself (servicescape) involving tangible and intangible aspects such as the layout, design, atmosphere, other people's behavior and others. Daunt and Harris (2012) indicate that there could be financial motives (theft or fraud), motives related to ego (being smarter or appear superior in front of others) or revenge motives (punish employees or the company regarding a previous episode). Fisk et al. (2010) name situational elements that work as motives such as the opportunity for material or financial gain,

the customer's dissatisfaction and perception of justice, as well as personality elements such as Machiavellianism or extroversion.

As consequences of this phenomenon, clearly, there are emotional damages in the long term to the employees exposed to such treatment, causing disturbances in the work environment by affecting the employee's relationships with other clients and fellow coworkers (ECHEVERRI; SALOMONSON; ABERG, 2012). Evidently, other clients (not dysfunctional) present at those episodes are also affected morally or even physically. Ultimately, the whole experience for these clients gets disturbed, affecting their satisfaction and intention to return to the retail establishment (FISK et al., 2010). The investigation conducted by Bitner, Booms and Mohr (1994) showed that situations of dysfunctional customer behavior are responsible for 22% of the incidents of consumer dissatisfaction.

Even with the proven negative effects of dysfunctional customer behavior to frontline employees as well as their managers, the organizations' management does not recognize the perverse side of consumers, leaving a strategic gap in the operational levels regarding the actions required to reduce such harmful effects (KORCZYNSKI; OTT, 2004). This negligence can create a distance between the customer orientation idealized by the company's management and its implementation in the service environment (HARRIS; DAUNT, 2013).

It is possible to observe that the firm's strategy tends to encourage the myth of consumer sovereignty through the promotion of the consumer orientation notion within the firm (KORCZYNSKI; EVANS, 2013; KORCZYNSKI; OTT, 2004). Consumer orientation is defined by Narver and Slater (1990) as the competence in the constant creation of value for customers and the transmission of this information throughout the company. In their efforts to serve their customers in the best possible way, firms promote speeches like "the customer is king" or "have it your way", among other practices that elevate the customer sovereignty myth. When these expectations are not met, the customer wishes have to be narrowed to the firm's possible offers and this contradiction could originate dysfunctional customer behavior (KORCZYNSKI; EVANS, 2013; KORCZYNSKI; OTT, 2004).

The pool of research used as a theoretical base for this article bring information about the rise in the amount of cases of dysfunctional customer behavior in several sectors of the economy specially in services due to its interactional nature, such as call centers, bars, hotels, restaurants, insurance and transportation companies in a number of countries like the US, UK, India and Sweden (ECHEVERRI; SALOMONSON; ABERG, 2012; FISK et al., 2010; HARRIS; DAUNT, 2013; HARRIS, 2013; KORCZYNSKI; EVANS, 2013). These researches bring considerable knowledge about the types of tactics used, which attitudes are involved in these episodes, what types of recovery actions are possible and what the implications are for employees and the organizations (ECHEVERRI; SALOMONSON; ABERG, 2012).

However, little has been investigated about the formation of strategies used by employees and how the organization uses this knowledge (HARRIS; DAUNT, 2013). Thus, the tactics and tacit knowledge accumulated by the frontline employees in customer services sectors have not been considered by the firms as a way to manage or diminish the number of events of dysfunctional customer behavior, which characterizes the theoretical gap and initial inquiry of this paper (HARRIS; REYNOLDS, 2003). This article's guiding question was: Is it possible that the use of tactics developed by frontline employees moderate the effect of consumer orientation in the occurrence of customers' dysfunctional behavior? Therefore, this paper's objective is to open space for the debate about dysfunctional customer behavior including the literature about tacit knowledge and the tactics developed by frontline employees, through the leading of a theoretical

line that supports propositions and a conceptual theoretical model for future empirical test.

In order to write this paper, a desk research was executed using ISI Web of Knowledge as a database, looking for scientific articles related to dysfunctional customer behavior, the effects of such behaviors on frontline employees and their managers and ways to minimize its negative impacts. The search brought articles that inserted consumer sovereignty as one of the variables leading to the dysfunctional customer behavior. The resulting articles were selected according to their relevance for the theoretical building and contribution to the propositions' support.

The first part of this article presents the definitions, types and categories found regarding the subject of dysfunctional customer behavior as well as the identification of its effects in frontline service employees, its managers, the consumers and the firms. The second topic explores the relationship between customer orientation, the myth of customer sovereignty and the events of dysfunctional behavior, and the first theoretical proposition is presented. In the following topic, the paper describes the documented tactics and tacit knowledge accumulated and developed by employees and managers to cope with dysfunctional behavior and its moderating role in the relationship between the promotion of customer orientation and the events of dysfunctional behaviors. The second proposition and theoretical conceptual model are presented at the end of this third topic. Finally, the final considerations bring this study's limitations and suggestions for future researches.

## 2 THE DYSFUNCTIONAL CUSTOMER BEHAVIOR

The recent exploration of this theme within consumer behavior is complemented by studies of other areas such as social psychology (unethical and immoral behaviors and decisions, falsehood), criminology (fraud, piracy, fraud in exchange of products in warranty, among others) (FISK et al., 2010).

The origin of the several definitions and labels published for dysfunctional customer behavior is connected to quality analysis and clients' satisfaction in services. Bitner, Booms and Mohr (1994) were investigating sources of satisfaction and dissatisfaction in services, from the employees' point of view, and have identified the dysfunctional customer behavior as a source of dissatisfaction for the customer in critical incidents in services. The authors affirm that there are strong similarities between clients and the employees' visions about the causes of satisfaction and dissatisfaction in services. However, employees have reported that dysfunctional behavior incidents can rarely be overturned, contributing to their dissatisfaction (BITNER; BOOMS; MOHR, 1994).

The definition of dysfunctional customer behavior involves, among others, drunkenness, which includes situations in which the employee perceives that the consumer is intoxicated or inebriated, harassing other consumers and disturbing the environment; physical and verbal abuse, to the employee or other customers; disrespect for company rules, where rebellion creates conflicts with the employee's role; the non-cooperative stance, when clients demonstrate to be rude or overly demanding, showing little openness to the efforts of the employees (BITNER; BOOMS; MOHR, 1994). The literature cites a number of consumer behaviors that may be considered dysfunctional, in addition to those already mentioned above. Among them, theft or robbery, fraud, sexual harassment, vandalism, threats, unjustified complaints, retaliation, rude behavior or price change or product labeling (FULLERTON; PUNJ, 2004; HARRIS; DAUNT, 2013; FISK et al., 2010; REYNOLDS; HARRIS, 2009).

In their review on this topic, Fisk et al. (2010) adopt the term dysfunctional behavior, proposed by Harris and Reynolds (2004), which refers to the actions of the customers that disturb service encounters, intentionally or not, in a manifest or covert way. Harris and Daunt (2013) follow the definition of dysfunctional customer behavior of Fullerton and Punj (1993) as one that deliberately violates the norms of conduct commonly accepted in exchange environments.

The variety of terms on dysfunctional consumer behavior in the current literature reflects the diversity of perspectives by which the phenomenon was explored. In addition to the above-mentioned definitions, other terms such as deviant, aberrant, inappropriate, dishonest, questionable, non-normative, abnormal, unethical, immoral, unjust and incorrect behavior have been used previously (FISK et al., 2010). Dysfunctional, aberrant or problematic behaviors are part of the consumer behavior studies in general and should not be treated as actions performed by a detached part of society that presents disorders of any kind. The regular citizen may also present inadequate behaviors, depending on situational factors, motivation and inhibitors of such actions (FISK et al., 2010).

Studies that describe the types of consumer deviant behavior were scattered so categories and classifications were created in an attempt to clarify the theory and practice related to the dysfunctional customer behavior. Grove et al. (1989) sort behaviors according to the stage of consumption: acquisitive (store theft and illegal downloads, for example), usage (fraud and intentional waste) and dispositional (vandalism and illegitimate disposal). Lovelock (2001) distinguishes six types of dysfunctional customers in the service setting: the thief (who sets out for robbery), the rule-breaker (who ignores norms and codes of conduct), the belligerent (who voices threats, insults or obscenities), the family feuders (who argue within the family), the vandal (who damages the organizational assets) and the deadbeat (who consumes without the intention to pay). Fullerton and Punj (2004) classified the types of dysfunctional behavior according to the target and the victim, with the intention to harm: employees (physical abuse), other actors (queue jumping), merchandise (theft), physical and electronic property (fire) and the company's physical assets (fraud). More recently, Greer (2015) explores the obstruction of consumer value creation through dysfunctional behavior and describes behaviors as: property abuse, fraud, verbal abuse, physical aggression, under participation and over participation.

Initially, academic research considered the determinants of intentional and deliberate dysfunctional customer behavior as economic motivations, such as material gain, rewards and benefits, the opportunity to cheat, perceived injustice, dissatisfaction with the purchase relationship and external pressures (FISK et al. al., 2010). But there are other triggers and non-economic causes for dysfunctional behavior, and studies in this area involve situational motivators and inhibitors, personality factors, and investigations of the cognitive and emotional processes involved (HARRIS; REYNOLDS, 2003; FULLERTON; PUNJ, 2004). On the other hand, inhibitors of dysfunctional behavior are contextual elements such as predicted penalties, risk of being caught, codes of conduct, perceived seriousness of dysfunctional behavior, visibility or contact with the victim, loyalty, satisfaction and trust in the relationship, as well as personality factors such as honesty, shame, risk aversion, control locus, self-esteem, religion, intelligence, gender and age (FISK et al., 2010). In relation to the psychological processes involved, the explanations for the dysfunctional customer behavior include perception of justice and satisfaction, cost-benefit analysis, processes of neutralization and negation, self-deception, reward mechanisms and character concepts (FISK et al., 2010).

Korczynski and Evans (2013) ponder over three approaches to explaining consumer abuse, defined by the authors as the forms of consumer behavior perceived by employees as aggressive, intimidating or offensive: the psychological approach (investigation of individual traits

common to dysfunctional customers that indicate the propensity for such behavior), the contingency approach (use of contingency theory to identify contextual factors that serve as a trigger for dysfunctional customer behavior) and the sociological approach (centered on the idea that dysfunctional behaviors are often linked to norms that are predominantly accepted in society).

The authors also point out that part of the dysfunctional customer behavior is generated by factors developed due to the service economy evolution: the weakened power of work (where the employee's required skills have little market value and also lack institutional representativeness); employee's social status compared to the consumer social status (the weaker employee social status increases the probability of abuse) and disembodied interactions (when employee-consumer interactions are more transient and impersonal, the occurrence of dysfunctional behavior tends to be greater). These three factors coupled with the promotion of the myth of consumer sovereignty enhances the consumer's social power in their relationship with employees, making the service setting a conducive environment for dysfunctional behavior (KORCZYNSKI; EVANS, 2013).

Regarding consumer sovereignty, Korczynski and Ott (2004) argue that in the service setting, the employee plays an important role on the border between the rational pursuit for quality standards and the freedom to choose consumption. By promoting the consumer enchantment, organizations spread the illusion that the consumer is sovereign and can customize their choices as they want. At the same time, the frontline employee needs to guide the customer through the constraints of the options available, and as the consumer perceives the contradiction, the enchantment gives way to disillusionment. The greater the promotion of the enchantment to customers, the greater the disillusionment, should it appear. Disillusionment can lead to anger, leading to dysfunctional behavior (KORCZYNSKI; OTT, 2004).

The dysfunctional customer behavior phenomenon, in all its forms and types, brings negative psychological, emotional, cognitive, attitudinal and psychosocial impacts to employees, it implies costs to organizations and to the consumers themselves (ECHEVERRI, SALOMONSON, ABERG, 2012; FISK et al., 2010, HARRIS, DAUNT, 2013, HARRIS, 2013, KORCZYNSKI, EVANS, 2013). In the service industry, customer service employees are expected to bring their emotions and personalities to the role, creating empathy with consumers. When dysfunctional customer behavior occurs, it is unlikely that the employee will be able to distance himself from its effects and not take the abuse as a personal offense (KORCZYNSKI; EVANS, 2013).

The work of Harris and Daunt (2013) investigates the theoretical gap previously identified by Fisk et al. (2010) regarding the understanding of the impact of dysfunctional customer behavior on other service-related actors, such as frontline and management employees, focusing on exploring the strategies and tactics that managers apply to deal with dysfunctional customer behavior. The authors state that much of the literature on the subject investigates the consequences of aggressive behavior and sexual abuse of clients on employees and the results show that the negative effects vary from greater intention to resign, loss of interest in the work, reduced customer interaction to reduced work performance (HARRIS; DAUNT, 2013).

The negative effects can be emotional reactions (anger, depression and stress), attitudes and behaviors related to work (less encouragement, satisfaction and motivation) and physical damage (YAGIL, 2008). Investigations about the relationship between the level of consumer violence and the physical and mental well-being of employees have found evidence of a link between verbal and physical aggression and threats, and emotional exhaustion, depreciation and work abandonment in different sectors of the service economy (HARRIS, DAUNT, 2013).

For the managers of frontline employees, dysfunctional customer behavior culminates

in conflicting pressures between the customer orientation and the urgency for high quality service standards advocated by the organization, and the fierce employee complaints about customers' dysfunctional behavior and the manager's own experience through daily contact with such customers (HARRIS; DAUNT, 2013). Managers then face the conflict between the actual client that torments employees and the kind of customer envisioned by the strategic positioning of customer orientation (REYNOLDS; HARRIS, 2003).

Managers also face difficulties in recruiting employees, avoiding potentially vulnerable profiles or candidates that are prone to engaging in legal actions against the firm, also attempting to select candidates with good social and relationship skills that are capable of tolerating frequent customer abuse episodes (HARRIS; REYNOLDS, 2003). An important determinant of employee turnover is the occurrence of episodes of extreme abuse or frequent exposure to dysfunctional customer behavior (HARRIS; DAUNT, 2013; FISK et al., 2010). In addition, managers are forced to spend time and allocate human resources to address the growing need for counseling and motivation of their teams, which is often not an activity included in their job description, and is then passed on to some more experienced and skilled worker in this task (HARRIS; DAUNT, 2013). The episodes of dysfunctional customer behavior absorb time and effort to solve the problems that arise (ECHEVERRI; SALOMONSON; ABERG, 2012).

The dysfunctional customer behavior also entails financial and organizational losses for companies, such as the costs of repairing and compensating the victims, lower quality of services, lower productivity and consequences to the customer experience of the other clients (FISK et al., 2010; HARRIS; DAUNT, 2013).

Therefore, it is necessary to include the tactics related to the dysfunctional customer behavior in the organizational strategy and management models. Organizations are usually not aware of, nor do they offer, ways for employees and managers to handle such situations, making room for improvisation and the creation of informal strategies. Moreover, the development of organizational strategies should be done in the light of existing knowledge about the dysfunctional customer behavior and employees, reflecting more contemporary and realistic business environments (ECHEVERRI et al, 2012; HARRIS; DAUNT, 2013).

### 3 CUSTOMER ORIENTATION AND THE DYSFUNCTIONAL CUSTOMER BEHAVIOR

Studying the formation of tactics and strategies to deal with dysfunctional customer behavior, Echeverri et al. (2012) conducted 63 interviews with customer service workers in Sweden's insurance, mobility and transportation sectors, and none of the interviewees had received formal instruction or training from their organizations on how to deal with the different types of dysfunctional customer behaviors faced by them on a daily basis.

Harris and Daunt (2013) analyzed data from 88 interviews with managers and customer service workers in the retail industry and reported that nearly three-quarters of the employees blame both the customer and the company for dysfunctional customer behavior because they believe that the company is negligent when the manager in charge has no power to act or simply does not act. According to the analysis, the authors state that in large organizations, dysfunctional customer behavior is manifested in some formal training procedures (although treated as misunderstandings); in smaller organizations, this type of occurrence is ignored (HARRIS; DAUNT, 2013).

Despite the evidence of increasing incidents of dysfunctional customer behavior, and the need to form tactics and strategies for both managers and employees, and the proof of var-



ious effects on employees, on the organization and consumers themselves, academic literature indicates that organizations typically do not consider dysfunctional customer behavior in developing their strategic actions, not even to reduce the incidence of consumer abuse or mitigate its effects (ECHEVERRI; SALOMONSON; ABERG, 2012).

In this sense, the stimulus to the entrepreneurial stance of customer orientation, of searching for value aggregation and customer satisfaction as a focus (NARVER; SLATER, 1990), without due consideration of the frontline employees' perspective about the effects of the customer orientation, can hide the dysfunctional consequences of unrestricted customer service (FELLESON; SALOMONSON, ABERG, 2013). For Lam, Kraus and Ahearne (2010), empirical evidence suggests that customer orientation by frontline employees is indirectly related to customers' behavioral outcomes.

In the service sector, in particular, where production and consumption are concomitant, consumer sovereignty is related to the organizations' claims in the discourse "here the customer is king" or "you are very important to us," stressing the idea that service will be individualized according to each one's desires. For frontline employees, the challenge is to direct consumer behavior within the limitations of service, but in a way that the customer feels that he is in charge. As the contradictions become difficult to manage and the service encounter opens a breach of mistrust, the customer's enchantment becomes disillusionment. At this point, it is possible that this disillusionment leads to bad feelings, inspiring several studies on consumer anger in the service sector (KORCZYNSKI; OTT, 2004).

Salomonson and Felleson (2014) point out that not always can the interaction between the company and the customer, considering the customer sovereignty environment, be diagnosed as harmonic and productive. In the case of "difficult clients", according to the authors, the customer orientation can lead to dysfunctional behaviors, once it intends to abide by unattainable or unmanageable needs. Thus, the promotion of customer orientation, through the myth of customer sovereignty, is pointed out as one of the factors generating customers' dysfunctional behavior (KORCZYNSKI; EVANS, 2013; KORCZYNSKI; OTT, 2004). Therefore, the literature presented thus far and the proposed theoretical relationships served as a stimulus for suggestion of the following proposition:

*P1 - Customer orientation increases the occurrence of dysfunctional customer behavior.*

## 4 SERVICE EMPLOYEES' TACTICS AND DYSFUNCTIONAL CUSTOMER BEHAVIOR

Among the few works that approach the perspective in question, we highlight the study of Echeverri, Salomonson and Aberg (2012). In this paper, the lenses of the service-centered dominant logic of Vargo and Lusch (2004), the practice theory and tacit knowledge theory are used to analyze the formation of tactics used by employees when incidents of dysfunctional customer behavior occur. The text highlights the importance of dynamics between creation and destruction of value by the service-centered dominant logic for services marketing, both for theory construction and practice (ECHEVERRI; SALOMONSON; ABERG, 2012).

Even though Reynolds and Harris (2003) and Fullerton and Punj (2004) already pointed out ways to deal with dysfunctional customer behavior, it was from the call of Fisk et al. (2010) that studies started to emphasize and report practices and strategies used to manage such behavior. The studies show that employees develop informal strategies and are not passive to acts

of abuse, showing themselves to be reflexive and adaptive in the work environment (ECHEVERRI, SALOMONSON, ABERG, 2012, HARRIS, DAUNT, 2013).

It is possible to realize that employees manage the customer interaction (important fact for the service-centered dominant logic and, therefore, for services marketing) and they are able to ponder over multiple perspectives regarding the customer (REYNOLDS; HARRIS, 2006). These findings have several implications for the marketing practice, from a managerial and organizational perspective, but also for consideration of the role and effort of frontline employees in service organizations (ECHEVERRI; SALOMONSON; ABERG, 2012). Similarly, to deal with customers' dysfunctional behavior, managers develop practices that alter the company's regular processes and procedures, such as training employees to deal with stress episodes, revision of processes and organizational policies to deal with dysfunctional behavior, differentiation of customer service for separate segments of clients, or even greater awareness and attention in the activities (FISK et al., 2010).

Echeverri et al. (2012) consider that by routinely dealing with customers' dysfunctional behavior, employees and managers accumulate implicit knowledge or tacit knowledge, defined by them as skills, abilities, know-how, experience, and a variety of sparse notions of how to act in such situations. In other words, it is the prior knowledge about these experiences that grounds actions against the episodes. This knowledge is seen as an organizational resource that can be managed and is important to the organization's success (ECHEVERRI; SALOMONSON; ABERG, 2012). Such knowledge, gathered with the ability to adapt to a specific context, situation or problem, supports the actions (tactics) of employees. Because it is difficult to measure, tacit or implicit knowledge can be inferred through everyday actions and behaviors (ECHEVERRI, SALOMONSON, ABERG, 2012). Like this, Harris and Daunt (2013) argue that sharing information about past episodes is an important recommendation to deal with dysfunctional customer behavior.

The tactics are described as intentional employee behaviors in the face of dysfunctional behaviors of the customers and represent a direct response based on the employee's judgment of the situation and their own accumulated tacit knowledge (ECHEVERRI, SALOMONSON, ABERG, 2012).

Echeverri et al. (2012) argues that the employee deliberately thinks about organizational and customer affairs and, by doing so, is able to manage their interaction. Therefore, employees are part of the co-creation of the consumer experience. Considering the various tactics used by employees to deal with dysfunctional customer behavior, it is possible to say that employees seek to manage conflicts, not only reducing or ignoring them, but also accepting them and looking for ways to solve them (ECHEVERRI, SALOMONSON, ABERG, 2012).

There are three ways to connect the employee's judgment of the situation, their tacit knowledge, and the actions they take (tactics) to deal with the problem. The first connection (routine - rules - norms) refers to situations where the employee acts impulsively and quickly tries to get rid of the problem using tactics considered normal or ordinary in their service and does not consider the customer's point of view. The employee uses the organization's rules and solves the situation simply and efficiently. The second connection (situational - balanced adjustment - habitual schemes) is more complex than the first one since it considers previous experiences and also knowledge about different aspects of the organization. In this scenario, employees judge the situation considering different results that their actions will have in the organization and their results in different periods of time, trying to explain the situation to the customer and justifying their position. The third connection (contextual - reflection - multiple perspective) is observed in the solutions developed based on the employee's reflection on the long term consequences and multiple perspectives on the situation and life of the customer, as well as the organizational objectives. Employees learn from their own experiences and develop a broader picture of the situation and the consumers (ECHEVERRI; SALOMONSON; ABERG, 2012).

Harris (2013) suggests managers should have the power to defuse abusive customers in order to contain the impact of such episodes. Sharing those experiences among employees is a valuable source of support and practical advice to other employees. In order for these experiences and knowledge to be passed on efficiently, the organization needs to develop its learning capacity, transforming tacit knowledge into useful strategies for employees and managers. Learning has presented positive effects on teamwork (BUNDERSON, SUTCLIFFE, 2003), employee effectiveness (MARTOCCHIO; HERTENSEIN, 2003) and management decision-making (CELUCH et al., 2002).

The literature indicates to executives that rules should be reworked in the light of episodes of customer abuse (FELLESON; SALOMONSON; ABERG, 2013). When a type of dysfunctional behavior becomes common, it is a sign that the service setting needs broader changes and it is appropriate for managers to rethink the reason behind their rules and their implementation (FISK et al., 2010), providing improvement of the services offered (ECHEVERRI, SALOMONSON, ABERG, 2012).

Guiding executives, Bitner et al. (1994) mention that it is necessary for the organization to establish its position regarding the cases and types of dysfunctional customer behavior by providing its employees and managers with the appropriate training and skills to deal with such situations on a daily basis. In addition, the elucidation of the attributions and expected behaviors also towards the clients can contribute to the improvement of the level of service offered, as well as to the customer's own satisfaction (BITNER; BOOMS; MOHR, 1994).

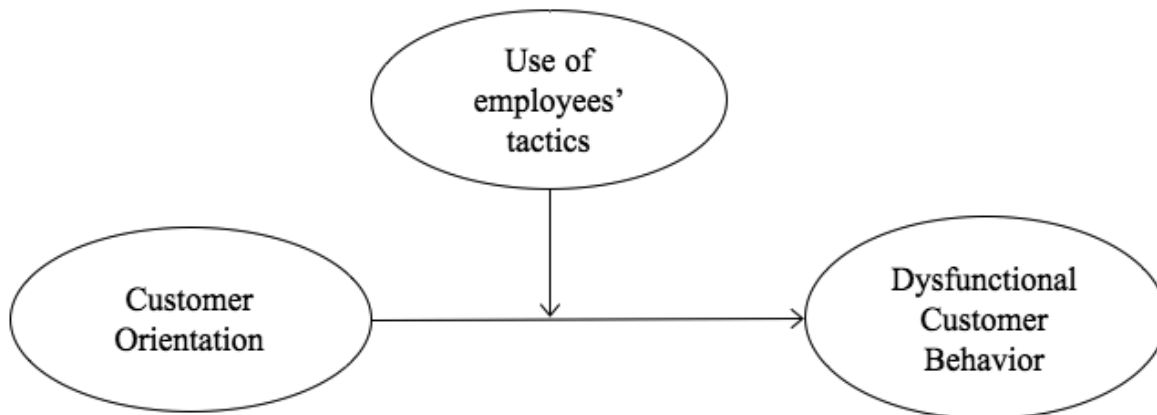
As organizations are formed by individuals, who are the learning agents within the organization (SENGE, 1990; SINKULA, 1994), learning occurs only when other members of the organization also learn and communicate by sharing this information (ARGYRIS, SCHON, 1996). This process also involves the communication between managers, in an integrator role, and their subordinates (JAWORSKI, 1988). Shared learning relates to Echeverri et al. (2012)'s position, who assert that in order to deal with the effects of dysfunctional customer behavior from an organizational perspective, support for interpersonal learning is imperative.

Service employees are critical sources of information about customers and this is revealed in two ways: knowledge that is used by the employees themselves in order to improve their interactions with customers, or is used by the company to make decisions. Frontline employees are more likely to seek clues that result in information about how to improve service and customer interaction, causing modifications or adaptations to employees' behaviors (BITNER; BOOMS; MOHR, 1994). With a better understanding of dysfunctional customer behavior, it is possible to achieve more appropriate methods for eliminating or addressing the underlying causes of problems created by customers (BITNER; BOOMS; MOHR, 1994).

This way, the tactics developed by frontline employees to deal with episodes of dysfunctional customer behaviors can be used in training new employees, formation and team management activities and, in a general way, broadening the spectrum of employee competency (ECHEVERRI; SALOMONSON; ABERG, 2012). The ability of employees to act according to their tacit knowledge and judgment of the situation, reflecting and considering different perspectives, can turn negative incidents into positive encounters, mitigating effects and reducing the events of dysfunctional customer behavior. From the integration of theoretical perspectives on the effects of customer orientation on dysfunctional customer behavior, it is important to introduce the use of employees' tactics and knowledge. Therefore, it is proposed that:

*P2 – The use of employee-developed tactics might mitigate the effect of customer orientation on the occurrence of dysfunctional customer behavior.*

Built on the theories developed so far, the model below demonstrates the suggested relationship between the variables and the expected dynamics between them. The proposed relationships between the mentioned constructs compose the model presented in Figure 1:



**Figure 1: Proposed Model**

Source: developed by the authors.

## FINAL CONSIDERATIONS

From the recognition that, in addition to employees, customers also present unwanted behaviors (FISK et al., 2010), the academic literature goes as far as to say that dysfunctional behavior is taken as the rule rather than the exception in services, given the frequency of deviant behavior and the severity of the impacts generated for employees and companies (ECHEVERRI; SALOMONSON; ABERG, 2012; FISK et al., 2010; HARRIS; DAUNT, 2013).

There are several definitions and terms used for this type of customer behavior. One is dysfunctional behavior, which refers to customer actions that disrupt service encounters, intentionally or unintentionally, overtly or covertly, proposed by Harris and Reynolds (2004). Furthermore, literature has categorized the types, motivators, inhibitors and approaches for analyzing dysfunctional customer behavior, as reported by Fisk et al. (2010).

Researchers in this area have reported on the effects of dysfunctional behavior on front-line employees, their managers, the customer themselves and the organization, possibly affecting performance measures indirectly (BITNER; BOOMS; MOHR, 1994; ECHEVERRI; SALOMONSON; ABERG, 2012; FISK et al., 2010; HARRIS; DAUNT, 2013).

Contradictions within the service environment motivate the belief that the promotion of customer orientation as the main focus of the company's activities (NARVER; SLATER, 1990) contributes to the promotion of the consumer sovereignty myth in service settings where production and consumption overlap and are mediated by the interaction with the frontline employee (KORCZYNSKI; OTT, 2004). When the consumer sovereignty myth makes room for the contradictions between what is propagated by the culture of consumer orientation and the limitations of the offer or service, disillusionment can lead to anger and dysfunctional customer behavior (KORCZYNSKI; EVANS, 2013, KORCZYNSKI, OTT, 2004). Theory suggests that the promotion of customer orientation may be related to the behavior of customers in the environment (FELLESON; SALOMONSON; ABERG, 2013; LAM; KRAUS; AHEARNE, 2010).

Considering that the interactions between the organization and the customer are not consistent and that there are “difficult” customers, the customer orientation promoted by the firm can lead to uncontrollable situations, creating disillusionment and dysfunctional behavior (KORCZYNSKI; EVANS, 2013; KORCZYNSKI, OTT, 2004).

To achieve the objective of opening space for the debate on dysfunctional customer behavior including the tactics of service employees, two theoretical propositions and a conceptual model were proposed and supported by the interweaving of theoretical perspectives. Thus, the first proposition of this article is that customer orientation, through the myth of customer sovereignty, increases the occurrence of dysfunctional behavior.

To face such behavior, employees and their managers develop tactics and strategies to deal with these effects, building a tacit knowledge base that generates changes in the activities of their daily life (ECHEVERRI, SALOMONSON, ABERG, 2012; HARRIS; DAUNT, 2013; HARRIS, 2013). The analysis of frontline employees’ actions regarding dysfunctional customer behavior reveals that employees reflect on the consequences and are not passive to the process, on the contrary, they seek to manage the episodes from multiple perspectives, including the customer’s perspective (ECHEVERRI; SALOMONSON; ABERG, 2012).

Given that the occurrence of dysfunctional behaviors is frequent in service settings (FISK et al., 2010; HARRIS; DAUNT, 2013), employees accumulate knowledge and develop useful skills in the practical judgment of each situation and develop abilities to adapt to different situations. This tacit knowledge is the basis for the tactics and is considered a manageable resource of the organization. The ways of assessing the situation and actions by employees vary from the adoption of impulsive, routine and rule-based solutions, the consideration of the various scenarios and explaining the posture to the customer to the more complex form that involves reflection using multiple perspectives, including the customer and the firm in the long-term (ECHEVERRI, SALOMONSON, ABERG, 2012).

The literature analysis on the phenomenon allows affirming that the companies do not use the tacit knowledge generated in the development of their activities with dysfunctional clients, often even neglecting the occurrence of such events. By making little use of this information both formally and informally, they make room for the improvisation of employees and managers and potentially compromise the quality and regularity of the service and the customer experience (ECHEVERRI; SALOMONSON; ABERG, 2012; HARRIS, 2013; KORCZYNSKI; EVANS, 2013; KORCZYNSKI; OTT, 2004).

These situations bring greater learning to employees and should be considered for the development and planning of the organization (FISK et al., 2010) and shared among employees (HARRIS, 2013), not only to generate adequate forms of training and development of the employees’ abilities but also to raise the level of services offered and customer satisfaction (BITNER; BOOMS; MOHR, 1994). Based on this, the second proposition of this article refers to the moderating effect of the use of employee tactics on the relationship between customer orientation and the occurrence of dysfunctional customer behavior. This idea is grounded on suggestions found in the literature claiming that organizations should manage the tacit knowledge developed by employees and managers and share this information within the organization (BITNER; BOOMS; MOHR, 1994; ECHEVERRI; SALOMONSON; ABERG, 2012; FISK et al. 2010; HARRIS; DAUNT, 2013).

It is important to point out the limited number of countries where research on dysfunctional customer behavior has been developed and the fact that most of these countries differ from the Brazilian environment, which is on the one hand a limitation, but on the other a research gap. As a suggestion, future research should perform a deeper exploration of the possible integration between the visions of frontline employees and managers and strategic executives

to potentially decrease dysfunctional customer behavior or mitigate its effects. With the expansion of theoretical argumentation about the dysfunctional customer behavior represented by the theoretical propositions and the conceptual model, it is expected that the present study will inspire other researchers to form hypotheses from the propositions and test the model, offering empirical validity for the relationships in question.

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