

## USING FIELD RESEARCH TO EXAMINE THE ETHICAL ISSUES OF CUSTOMER SERVICE AND TARGET MARKETING

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### ABSTRACT

Does a middle class consumer get better service at a retailer targeting the middle class, or at retailer targeting the upper-middle class known for good customer service? Does an upper-class consumer get better service at an upper-middle class retailer or at middle class retailer? Do lower class consumers get good service anywhere? While the benefits of segmentation are well documented in almost all Principles of Marketing and Consumer Behavior textbooks, the effects of segmentation and target marketing on customer service have not been fully addressed. In fact, when it comes to customer service, most management and marketing experts favor a non-segmenting approach where all consumers who come to a retail establishment are treated with respect. But, when it comes to customer service received by real people in retail establishments targeting a specific socio-economic group, which approach dominates? Do salespeople treat customers who belong to different socio-economic groups differently, or do all customers receive the same level of service?

This article summarizes the results of a field study measuring customer service assigned to ninety-eight upper division business students enrolled in Consumer Behavior classes at a private university in 1992, 1997, 1998, and 1999. The field research had with two goals: (a) to allow students to observe how retailers targeting different socio-economic segments changed their product mix and their service to satisfy the needs of their target customers, and (b) to observe how salespeople respond to a potential customer who is not in the store's target market. Students working in small groups were asked to select (a) a product category they had a genuine interest in, (b) visit stores where they would have to interact with a salesperson to receive service, (c) vary their appearance so that

some group members appeared to be of higher socioeconomic status than others, and (d) visit several stores each targeting a different socioeconomic group. The categorization of retailers was decided jointly by students and the supervising professor. Students had to agree among themselves as to the appropriate attire and grooming to reflect different socio-economic groups. In appearing as customers belonging to a certain social class, students considered not only their clothing and shoes, but also accessories such as watches, jewelry, and eyeglasses. They also altered hairstyles, grooming, language, and mannerisms to reflect the desired image.

As expected students pretending to be lower class consumers received far worse service than those pretending to be middle or upper-middle class consumers. Students pretending to be lower class consumers received poor service in the majority of retailers they visited, regardless of the retailers' target market. Students had not anticipated the high incidence and magnitude of poor customer service directed to lower class consumers. At the conclusion of the field project, students were asked to evaluate the customer service they received both from in terms of business effectiveness and ethical principles. The article discusses the implications of target marketing for customer service, and examines the conflict between business efficiency and the ethical issues involved in providing good customer service to all customers regardless of likelihood of purchase.