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Enhancing customer self-efficacy in co-producing service experiences

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Abstract The service sector is dependent upon customers' willingness to contribute their knowledge, skills, and abilities to co-produce the service experiences they want and expect. Service organizations therefore seek to employ strategies that will enhance their customers' ability to do whatever they must to be successful in co-producing those experiences. Applying the concept of self-efficacy, we offer a theory-based approach to developing these strategies that firms may utilize. These strategies involve focusing both employee training and environmental cues on how to enhance the self-efficacy of the customer in performing whatever tasks are necessary toward a successful service experience.

1. Co-production builds the service they desire

Mary's first visit to the ski slopes of Colorado left her uncertain of what to expect. Though she had successfully negotiated many trails in the northeast, she was unfamiliar with the challenges of the Rockies. Despite feeling a bit reluctant, she entered the lift line wondering if her abilities were up to par. As she waited, she read welcoming signs, listened to words of encouragement from resort employees helping people onto the lift, and even saw a video of skiers already on the slopes. A smile grew on her face, along with confidence in her ability to successfully navigate this trail. Mary hopped on the lift and headed for the top, ready to tackle this new experience.

People seek out service organizations to have experiences. In order to obtain these experiences, people are even willing to pay those organizations to successfully manage them in such a way that they get the quality of experience they desire. Whether dealing with a for-profit (e.g., retail, financial, hospitality) or a nonprofit (e.g., healthcare, philanthropy, spiritual), the organization must provide what the customer expects; otherwise, consumers will seek out other alternatives.

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Service experiences almost always involve co-production whereby consumers must successfully perform some task or group of tasks. For example, patients must describe their symptoms (i.e., tell the doctor what's wrong) for healing to occur; likewise, students must actively listen to gain the knowledge teachers have to offer. Co-production adds value to customers in a number of ways including saving time, adding convenience, enhancing customization, increasing times of access to services, and providing an enjoyable opportunity to show affirmation of the skill and ability to perform a task (Zeithaml, Bitner, & Gremler, 2008). Co-production also adds value to organizations: labor costs are saved when customers perform tasks that would otherwise have to be carried out by paid employees, and clients who contribute to the service process are typically more loyal to the organization and reluctant to switch providers.

The degree to which co-production occurs is a function of the organization's and the customers' capabilities, motivation, and beliefs that both can successfully perform in their co-production roles. Customers checking in at the airport, patients doing their at-home rehabilitation routines, and online purchasers at Amazon all require a careful assessment by these organizations regarding what customers can or will do. Successful service organizations, however, go even further: they seek to not only understand customers' willingness and actual ability to co-produce their experiences, but also customers' belief that they can successfully perform the tasks required. In other words, these firms know what their customers can do, as well as what they can't or won't do—and why.

While much has been written on how organizations can assess and respond to customer capabilities to co-produce (Bateson, 2001; Bettencourt, 1997; Ford & Heaton, 2001; Larsson & Bowen, 1989; Mills & Morris, 1986; Nambisan, 2009) and ways to motivate them to perform their assigned tasks in co-producing their service experiences (Bendapudi & Leone, 2003; Cheung & To, 2011; Rodie & Kleine, 2000), little is known about how organizations can enhance customers' belief in their ability to successfully perform in the co-production roles. This confidence in one's ability to perform the tasks necessary to do something is termed *self-efficacy* (Bandura, 1997, 2001). If the organization has the responsibility of ensuring that the customer co-produces a successful experience, it must develop strategies to enable customers to perform the required tasks. Not only must it design co-production tasks in a way that falls within customers' capabilities, and then motivate them to do what they must to be successful in realizing their desired service experience; but it must also develop strategies to build customers' belief in their self-efficacy. Research has shown that a gain in customers' confidence to successfully perform (self-efficacy) co-production tasks can be a unique contribution to creating value in services (van Beuningen, de Ruyter, & Wetzels, 2011). Organizations can gain a competitive advantage by enhancing their customers' self-efficacy (McKee, Simmers, & Licata, 2006).

The purpose of this article is to propose self-efficacy strategies that organizations may employ to enhance customers' success in co-producing service experiences. While much is known about the theory of self-efficacy as it pertains to employees (Latham, 2007), little attention has been paid to how organizations can enhance customers' self-efficacy. These are two very different capabilities, requiring distinct tools and techniques for each capacity (Bowen & Ford, 2002). Once one accepts the idea that organizations must develop ways to successfully manage their customers in co-producing their service experiences, however, the importance of enhancing customer self-efficacy becomes clear. Even when the organization has carefully designed the co-production tasks to align with their customers' knowledge, skills, and abilities—if customers don't believe they can perform those tasks, they won't do what they must to be successful. It is as important to know why customers *won't* co-produce as it is to know *why they do*. One reason they won't is that they don't believe they can. Organizations must, therefore, develop a strategy for building up this belief. Herein, we illustrate how this can be done by using examples and illustrations for enhancing self-efficacy from successful service organizations.

2. Self-efficacy

Self-efficacy, defined as an individual's belief in his/her capability to perform a task, is a key element of Bandura's (1997, 2001) social cognitive theory. It arises from people's experiences as they weigh, integrate, and evaluate information about their capabilities. Based on this information processing, people make decisions about what they think they can do and how much effort it will take for them to do it. The determination of self-efficacy for a specific task has three dimensions: magnitude, strength, and generality (Gist, 1987). *Magnitude* refers to the level of task difficulty the person believes he/she can attain. *Strength* refers to the level of conviction the person holds about that belief in task attainment. *Generality* refers to the degree to which that belief can be generalized to