RELATIONSHIP BUILDING:
HAIR BEAUTY SALONS AND THEIR CUSTOMERS

Rabaah Tudin and Ellen Tambabaki

Working Paper Series No. 1211

December 2012

The FEB Working Papers describe research in progress by the author(s) and are published to elicit comments and further debate. The views expressed in this Working Paper are those of the author(s) and do not necessarily represent those of Faculty of Economics and Business (FEB) or Universiti Malaysia Sarawak (UNIMAS). Working papers published under this Series may subsequently be published elsewhere.
RELATIONSHIP BUILDING: HAIR BEAUTY SALONS AND THEIR CUSTOMERS

Rabaah Tudin* & Ellen Tambabaki, Faculty of Economics & Business, UNIMAS, Sarawak
*trabaah@gmail.com

Abstract

Building and maintaining relationship with customers can facilitate in satisfying their needs and wants. The aim of this research was to investigate how service providers (Hair Beauty Salons) turn walk-in customers into loyal consumers and if service providers’ age influences their approaches in enhancing relationship with their consumers. Data was gathered through in-depth interview with thirty (30) salon owners or their representatives in Kuching City, Sarawak. All of the respondents claimed that they behave friendly with walk-in customers, a majority socialized by chatting with their customers, half of the respondents asserted that they increase commitment towards their customers by giving the customers good services, many respondents keep in touch with their customers through phone, initiated or joined consumers on their outings during weekends and several respondents keep in touch with their consumers through Facebook. Research findings also showed that service providers’ age influences their approaches in enhancing relationship with their consumers. Those ages from 20 to 30 execute activities outside their normal working time and beyond the traditional activities such as outing with customers in weekend and keeping in touch through Facebook whilst those ages from 31 to 45 did not perform these activities. Results of this study provide references for managers.

Keyword: Relationship Marketing, Relationship Building, Hair Beauty Salon.

1. Introduction

In the world of services, it is very difficult to escape from the notions of “customers are king” (Wilson, 1998) or “customers are always right”. Staying competitive and profitable, service providers should satisfy customers and meet their need and wants. In the beauty salon industry, retaining profitable customers is very crucial to ensure continuous high earnings. In order to retain customers, there is a need to carefully evaluate the importance of the buyer relationship to meet the organization needs (Freeman, 2003). Many service providers often lost their customer to competitors due to their failure to satisfy the customers. In many cases customer ‘satisfaction’ can be sustained with a long-term relationship with the customers. Kellstadt and Sheth (1990), claimed that retaining customers is important to an organization to prevent other competitive intimidation such as to reduce market desire for another supplier and customers can give more profit to the organizations. In a highly competitive industry such as beauty salon, developing, building, maintaining and improving buyer-seller relationship is a critical issue (Weber, Current & Benton, 1991). Similar to living organism, relationship between service providers and their customers evolve and it has to be formed, developed, maintained and continuous improvement is essential as time goes on and trend revolutionize and customers preference changes. Time will eventually comes when the relationship is terminated by either party due to lack of satisfaction or self-terminated if the relationship is no longer relevant to either or both parties.

Relationships between business-to-business (B2B) have been explored (Gronroos, 1990; Perry, Cavaye & Coote, 2002) in great depth in the previous study and limited studies (Duffy & Fearne, 2004; Masuku & Kirsten, 2004) have been conducted to evaluate the relationship as a whole and in particular addressing dyadic concerns between the buyer and seller in the beauty salon industry. As the market conditions across the beauty industry are more challenging and competitive than before, a research focusing at this industry is essential. The objectives of this study are to investigate how service providers turn walk-in customers into loyal consumers and if service providers’ age influences their approaches in enhancing relationship with their customers.