

Other Factors Contribute To Customer Response 1) Age - "Older service providers can more easily get away with first name usage, especially if they are of the high status

professions," Frame told prr. "On the flip side, if a younger svc provider in a low status profession uses a customer's first name, it's the kiss of death, especially if they're dealing with an older customer."

Frame: "The safest thing to do, even if you're in a high status profession, is to let the customer set the pace -- ask what s/he prefers to be called." If you're in a business setting, e.g. lawyers or pr counselors meeting with CEOs, the rule remains the same. "If you're the service provider, let the client or customer determine the social distance."

2) Solidarity - "Consumers will express preference for a more intimate or 'solidary' relationship with service providers when the provider's status is similar to their own."

3) Touch - The degree of personal contact between provider & customer has a bearing on whether or not latter is comfortable with first-name basis. Most respondents welcome such address by a nurse or regular hair stylist. But note low-status jobs require no physical contact with customers.

4) Time Spent - providers who touch spend considerable time with customers, too -- a compounding factor.

ITEMS OF INTEREST FOR PRACTITIONERS

¶ First European PR Directory To Debut At Yearend. Chester Burger Co. (NYC) will publish a reference work that promises in-depth listings of all major pr firms in western Europe & Scandinavia. Summaries of comm practices, policies & programs in each country will precede listings. "While the basic listings represent an ambitious project, the analyses of issues & trends for each country will greatly enhance the Eurodirectory," says pres Jim Arnold. (More info at 171 Madison Ave, NYC 10016; 212/725-0000.)

¶ In Era Of Scandal, Dead Celebs May Be Only Answer. Following the flap over Madonna's Pepsico contract, prr suggested perhaps animals & cartoons are the only way to go (3/27). Then reader Bill Moore pointed out that they, too, can be controversial: "Spuds McKenzie got in trouble by appearing in a Santa suit & selling beer." Now the employment of deceased celebrities is catching on. According to Newsweek, the likes of Babe Ruth, Buddy Holly, James Dean, Marilyn Monroe, Sigmund Freud, Abbot & Costello et al increasingly grace print ads for everything from software to tennis shoes. "Unlike living stars... they're not going to be arrested next week for cocaine." Careful, tho. At least 11 states have laws protecting estates of late legends.

¶ More On Monikers. So far this year, 195 savings & loans have dropped S&L from their names. "They're clearly trying to distance themselves from the controversy tagging the S&L industry," Bill Schneider of identity consultants Anspach Grossman Portugal (NYC) told USA Today. Name changing activity has dropped 18% from same time last year -- merger mania has cooled.

REVAMPED VALS TYPOLOGY REFLECTS A BLENDING OF SOCIETAL VALUES AS PSYCHOGRAPHICS TURNS TOWARD PURCHASING BEHAVIOR

In 1976, SRI Int'l (Menlo Park, Calif) introduced VALS, a psychographic system which segments publics according to values, lifestyles & demographics (pr 11/28/88 & 9/20/82). Now, VALS 2 grasps at the influence of unchanging psychological stances on purchasing behavior. Move toward making the system particularly useful in marketing -- vs. broader relationships -- undoubtedly reflects SRI's own market, large consumer product companies.

To develop new categories, SRI steered clear of "issue" questions (e.g. "How do you feel about abortion?") & asked 2500 randomly selected people nationwide to respond to statements like "My idea of fun at a nat'l park would be to stay at an expensive lodge & dress for dinner" or "I could stand to skin a dead animal." Resulting new typology:

I. Strugglers: constricted, chronically poor, ill-educated, low-skilled, without strong social bonds. Aging, health-concerned. Focused on the urgent needs of the present moment, their chief concerns are security & safety. Cautious consumers, loyal to certain brands.

II. Action Oriented

1. Makers: practical with constructive skills, they value self sufficiency, family, practical work, & physical recreation; few interests beyond that realm. Unimpressed by products without practical purpose.

2. Experiencers: young, impulsive, rebellious with values, beliefs & behavior patterns still unformed. Trendy, avid consumers of clothing, fast food, music, movies, videos.

"About 2 years ago, we began to see that groups were blending, demographic changes were occurring," dir Ed Flesch told prr. "The original VALS is no longer predictive of consumer behavior." Crises like toxic trauma & global warming render environmentalism important to all people -- not just "socially conscious." AIDS resurrected strict sexual mores among "experientials" as well as "belongers." Baby boomers, who dominated the market a decade ago, still do -- only now their values & tastes have matured. "Also, the US is in a mid-life crisis, having lost its footing as greatest diplomatic & economic power. Almost all electronic equipment comes from Japan. European companies have made inroads here. Americans are changing the way they think of themselves & their place in the world."

III. Status Oriented

- 1. Strivers: possess few economic, social, psychological resources; value jobs & families, tend to be conservative, favor established products & service, try to emulate...
- 2. Achievers: similar values but richer resources. Buy for status, like to show off their opulence to peers.

IV. Principle Oriented

- 1. Believers: have modest incomes, favor American brands. Conservative & predictable, their lives center on family, church, community & nation.
- 2. Fulfilleds: mature, responsible, well-educated, professional. Leisure activities center on home, but they're well-informed about the world. Open to new ideas & social change. Tho well off, they are practical & value oriented.

V. Actualizers: highest incomes & self esteem. Abundant resources. Image important not as evidence of status or power, but as expression of independence, taste & character. Choose finer things in life.

How Systems Differ New system can better target segments than original VALS, in which category size varied dramatically. Why would anyone bother with "emulators," 10% of the general public, when "belongers" made up nearly 40%? Now "strivers" comprise the largest segment at 20%. Only 5% of the population had been "integrated" -- incorporating power of the outer-directed with the sensitivities of the inner-directed. Now 8-16% are "actualizers." New categories are more practically defined. Tho social values are considered, resources, social interaction, energy level & age are seen as the factors which directly influence consumer decision-making. (For copy of original VALS, call prr.)

WITH REORGANIZATION THE TREND, MORE COMPANIES TURN TO TEMP LABOR; HOW IS LOYALTY, PRODUCTIVITY SECURED?

Study by Administrative Management Society (Trevese, Penn) indicates "hiring out" may be increasingly prevalent among US & Canadian companies. Of 305 various-sized organizations surveyed, nearly all employ alternative staffing methods on a regular basis.

Temporary Help Used by 90% (86% in '87). Most assignments are clerical, last 1-2 weeks. Reasons: to alleviate overload; obtain assistance with special projects & start up new depts; screen for permanent employees.

Contract Employees 41% use freelancers & consultants -- performing prof'l svcs, responsible for own benefits & taxes. Often ex-employees with at-home setups, cited as very prof'l, qualified.

Contracted Services Regular duties performed by 3rd party companies (usually maintenance, security, prof'l/tech) are used by 48%. Many smaller firms cite such arrangements as indispensable.

Most frequent users of contracted office & prof'l support are banks, insurance companies, "white collar office-intensive org'ns," says McKendrick. Retail industry leads in the use of contracted services.

None of the respondents cite lack of loyalty as a problem -- despite widespread practitioner & mgmt reports of real or feared difficulty. "Most are just grateful to get help & have their workload alleviated." Still, organizations can benefit from programs that make the temp part of the team, as illustrated by Beaumont Hospital's treatment of construction workers building its new facility (pr 4/3).

"Tho the sample size is small, our cross section of companies is wide & results concur with similar studies," researcher Joe McKendrick told prr. "It has definitely become a late-80s trend. Companies are downsizing, adopting 'lean & mean' staffing policies. They're shaving down personnel, but they still need help. That's where the contracted employee comes in."

WHEN IT COMES TO CUSTOMER SERVICE, FIRST NAMES ARE VERBOTEN, STUDY FINDS Let the customer decide upon the degree of familiarity in a business relationship, advise researchers Charles Frame (Emory U, Atlanta) & Cathy Goodwin (U of Alaska). 440 subjects from Conn. & Ga. were asked to judge their own status level & those of various jobs; respond to hypothetical customer service situations.

Nearly identical results indicate people: a) view jobs as being on various status levels; b) measure themselves against them; c) gauge social distance accordingly. Example: Mrs. Stone may not want the bank teller calling her "Sarah," but doesn't mind her physician using her first name. Conversely, she calls her teller "Ruth" but her physician "Dr. West."

Why First Names? According to Frame, some service providers, especially in high-status professions, use first names as a subtle, perhaps unconscious power play -- to gain upper hand in the relationship. A physician may introduce him/herself: "Hello, Sarah, my name is Dr. West." But more often, service providers -- mainly of low-end status -- choose familiar monikers in an effort to be friendly. "It's an irony. The service people who use a customer's first name are often the ones who try the hardest. They make an effort to remember the person, & befriend them." But customers bristle at such overtures & regard them as low-quality indicators.

<u>High Status</u>	<u>Mid Status</u>	<u>Low Status</u>
Doctor Lawyer Dentist	Nurse Hair Stylist Insurance Agent	Wait Person Bank Teller Gas Attendants