DOES SELF-SERVICE TECHNOLOGY PAY OFF?

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The use of self service technology (SST) has been increasing rapidly in all service industries. While some companies see it as a possible way to attract valuable customers and to save money on personnel, the introduction of SSTs involve strategic long-term investments that need to be justified by positive returns. We address this central issue of whether SST really pays off. Based on data from two field studies in locations where SSTs are employed, we identify factors affecting SST use by consumers. We find that technological anxiety, novelty seeking, trust and perceived waiting time have an influence on SST use. We compare SST users with non-users and find that SST users
spend more money, buy products with higher margins, are more loyal and display a
generally more favorable attitude towards the service company. Finally, we provide
insights from longitudinal data supporting the thesis that SST use has a positive impact
on consumer buying behavior and firm profitability.