CONSUMER-DEFINED SERVICE EXPECTATIONS AND POST PURCHASE DISSATISFACTION IN MODERATELY-PRICED RESTAURANTS: A CROSS-NATIONAL STUDY

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ABSTRACT

Relatively little attention has been devoted to consumers' judgements of service quality and dissatisfaction in industries in which there is a close relationship between the service and the tangible product and/or physical environment, i.e., the so called customer services. At the same time, many service providers are catering to international customers. Therefore, the manner in which customers of differing national backgrounds evaluate product and service quality and the resulting satisfaction or dissatisfaction have become ever more important. In order to address these issues, we conducted a cross-national study on service quality and dissatisfaction in moderately-priced restaurant settings in the United States and the Netherlands. The study was also designed to meet several methodological challenges. First, it is not clear whether the dimensions of consumer-perceived service quality (e.g., SERVQUAL) can be transferred a priori to the area of customer services. Second, it is difficult to transfer certain concepts (e.g., "a moderately-priced restaurant") and Likert-type questionnaires across national boundaries, since these are by nature culturally determined. Therefore, we explored the Critical Incident Technique as a comparatively cultural-neutral method that invites consumers to define service quality and outcomes rather than indicate their perceptions in response to researcher-initiated questions. Results indicate that while staff attitude and behavior are important determinants of service quality perceptions, subtle differences between the two countries occur. Significant cross-national differences were also found between customer reactions and expected remedial action following a negative service experience. Multinational service management implications are briefly discussed.

INTRODUCTION

Quality has become a new clarion for modern business as seen in the many popular press articles featuring firms and persons responsible for its implementation. Its importance to business has been enhanced by the realization that profits and firm survival depend ever more on consumer perceptions of quality and the resulting satisfaction or dissatisfaction with the products and services they buy. The perceived importance of measuring these perceptions has been enhanced by the publicity received by the Malcolm Baldridge National Quality Award. This award is given annually to an American business demonstrating high standards in (among other things) recognition of customer requirements and expectations, customer satisfaction, satisfaction results, and the comparison of satisfaction results to those of other companies. One key to receiving the award is the measurement of customer perceptions of quality and satisfaction (Dutka 1994; Hayes 1992).

While the Malcolm Baldridge is typically awarded to manufacturing enterprises, we specifically chose here to investigate dissatisfaction and quality issues in a largely service industry albeit one in which the service is closely associated to the tangible product (i.e. food): that is, the restaurant industry. Earlier research has placed substantial emphasis on "pure" services and not much on services where the evaluation is likely to be a combination of the service and product components, (i.e., service+product) (Gronroos 1983).

Service quality is commonly regarded as a multi-dimensional construct, so service experience (as well as subsequent customer reactions) should also be approached in this way. A research method is needed that can detect the multi-dimensionality of the service experience. Additionally, service quality is a subjective concept, commonly seen as a long term view built on the cumulative basis of customer outcomes with

specific service incidents. These factors guided our choice of method in the study.

Additionally we wished cross-nationally to assess service quality perceptions. Cross-national research on service quality has suggested two propositions which needed to be validated:

Is the axiomatic relationship between service quality and customer loyalty in fact cross-cultural? (Lefevre 1989).

Can concepts such as moderately-priced restaurants be transferred across cultures even when these cultures are to seemingly similar, western, industrialized countries?

In this study we focus primarily on cross-national differences and similarities in service quality in the context of a dissatisfying incident.

In the next section we shall discuss two means of determining customer quality dimensions and some of the drawbacks of applying traditional survey instruments to the measurement of service quality in a cross-national context. Subsequently we develop a number of hypotheses on the basis of a review of the literature to formalize the focus of our empirical research. Next, we briefly introduce our research method and then report on the results that were obtained in an empirical study on service quality expectations in moderately-priced restaurants. Finally, we conclude our paper by discussing the theoretical and managerial implications of our findings for service providers in this category.

MEASUREMENT OF SERVICE QUALITY

Based on their survey of the services literature, Parasuraman, Zeithaml, & Berry (1988) suggested:

Service quality is more difficult for consumers to evaluate than goods quality.
Service quality perceptions result from a comparison of consumer expectations with actual service performance.

Quality evaluations are not made solely on the outcome of a service; they also involve evaluations of the process of service delivery.

Therefore, unlike measurements in the manufacturing sector, quality cannot be assessed using hard measures of tensile strength or weight, but needs rather to be measured using softer measures of consumer perceptions.

There are two basic ways of determining customer quality requirements: the firm can determine them perhaps though a quality dimension development approach or the customers can decide for themselves using an approach such as the Critical Incident Technique (CIT) (Hayes, 1992). Once these requirements are established, then surveys are generally constructed to collect the data upon which subsequent firm judgements are based.

There is danger in predetermining the dimensions of service quality in any setting since factors which are critical may not be included while others of no importance are. (Some of the methodological problems in establishing service quality are discussed in Farshad and Elsennawy 1989). Consumer perceived service quality is commonly regarded as a multi-dimensional construct although single item instruments were often used in the past and are occasionally used even now (Hayes, 1992 and others).

The Parasuraman et al. (1988) SERVQUAL instrument for measuring perceived service quality is multi-dimensional and is commonly accepted despite some disagreement on the precise nature of the model (Cronin & Taylor 1992; Teas 1993; Parasuraman, Zeithaml & Berry 1994; Cronin & Taylor 1994 and Teas 1994). Our concern, however, focused more on the lack of generalizability of this model across different retail sectors which suggests the potential of other evaluative dimensions (Carman 1990; Finn and Lamb 1991) based on setting. This brought to our attention the need to customize measures to various retail settings. Service quality perception is a cumulative concept built on the basis of satisfaction with service incidents.

Complicating the measurement issue even more was the desire to investigate in a cross-cultural context. Translation of the language of a survey alone creates difficulties which can play an important role in interpretation of outcomes (Bontempo 1993). The question became, "how does one operationalize and transfer culturally determined concepts like moderately-priced

restaurant?" Likert-type questionnaires (such as SERVQUAL and SERVPERF) by their natures are culturally biased. Both the determination of the areas covered by the questions as well as the effects of the translation and the meaning of the words are culturally determined.

Our solution to these methodological problems was to let the consumers define service quality in the context of a dissatisfying incident rather than to ask them to react to a researcher-initiated questionnaire. We therefore developed a CIT instrument for collecting the data which we supplemented with survey items designed to aid in data coding, analysis, and hypothesis testing.

DEVELOPMENT OF HYPOTHESES

To formalize the focus of our paper, hypotheses were developed on the basis of a review of the literature. In developing the hypotheses our focus was twofold: 1. cross-national (all A type hypotheses refer to this) and 2. service experiences without respect to nation (all B type hypotheses refer to this).

The basic intentions in this exploratory study are twofold: identify service quality dimensions in the context of a dissatisfying service experience in a specific retail setting and to do so across national boundaries.

We strongly believe the nature of subjectively perceived service quality will be dependent on consumers' experience and their cultural heritage. Therefore we predict there are differences but we are unable to specify exactly those differences a priori. To formalize the focus of our paper the following hypotheses were developed on the basis of a review of the literature.

> **H1A:** Differences in emphasis in consumer-defined service quality dimensions in moderately-priced restaurants occur across nations.

Research suggests that personnel are an important factor in establishing service quality. For our category, Paltschik (1987) concluded that personnel was the most important factor in determining service quality in moderately-priced restaurants. Furthermore, it is generally agreed that the service experience is multi-dimensional.

A large majority of the service quality dimensions relate to personnel. Lethinen and Lethinen (1982) suggest that the service process is perceived to be a more salient determinant of service quality by customers of three types of moderately-priced restaurants (i.e., dance hall, lunch restaurant and pub-type restaurant) than the quality of the core service or service product (i.e., food).

> **H1B:** While differences occur between nations, personnel will be the most important determinant of consumer-defined service quality.

Since service quality will be defined differently by consumers from different cultures, it is to be expected that subsequent post purchase reactions will be different also. This belief is supported by research which compared Puerto Rican VCR owners complaint behavior with that of American VCR owners (Strahle, Hernandez, Garcia & Sorensen, 1992). It was found that Puerto Rican VCR owners were less likely to complain at all and, when they do, it is less likely to be done in public compared to their American counterparts.

> **H2A:** There will be differences in customer reactions to a negative service experience across cultures.

There is extensive evidence that dissatisfied consumers engage in more than one (re)action ("reaction intensity"). That is, when confronted with a dissatisfactory experience, consumers often take more than one action as a result. For example, they may complain and reduce their intentions to repurchase (Halstead and Page, 1992); or complain, change their purchase intentions, and engage in negative word-of-mouth (WOM) (Tax and Chandrashekaran, 1992). Therefore:

> **H2B:** Critical negative service experiences motivate the majority of dissatisfied customers to engage in multiple expressions of dissatisfaction.

Personnel are an important determinant of service quality, yet there are likely to be

differences across cultures as to what is expected in a given setting. This may well be related to differences in defining the concept of moderately-priced restaurants from culture to culture. Therefore we hypothesize:

> **H3A:** There will be cross-national differences in the desired remedial action following a negative service experience in the two countries.

In the service quality literature, training is considered the essential instrument for dealing with employee role ambiguity (Zeithaml et al. 1990; Gronroos 1990), and role ambiguity is the key to many inappropriate personnel behaviors.

> **H3B:** Training will be the major personnel-related remedial action desired by dissatisfied customers.

As it appears that post purchase behavior in the context of a dissatisfying experience varies by culture (see Strahle, Hernandez, Garcia & Sorensen, 1992; Feinberg et al. 1993), we hypothesize that there would likely be additional differences related to post purchase consumer reactions. Specifically we believe there are likely to differences in the perceived desirability of various compensations that may be offered to "make up for" negative satisfaction experiences.

> **H4A:** Differences in the preferred form of compensation following a negative service experience will occur across nations.

Basically, two kinds of compensation following a negative service experience can be distinguished: monetary and non-monetary. Gilly and Gelb (1982), for instance, suggest that the expectations of those consumers whose complaints involve products are different from those who complained about such non-monetary problems as impolite personnel. A monetary problem is expected to be solved by a refund and not by psychological compensation.

> **H4B:** Following a negative service experience involving personnel, dissatisfied consumers prefer a non-monetary rather than a monetary

form of compensation.

METHOD

In order to explore satisfaction with service incidents across cultures, we made use of the Critical Incident Technique (CIT). The CIT has been developed and documented extensively by Flanagan (1954). General validity and reliability of the method has been confirmed by Anderson and Nilson (1964), Ronan and Latham (1974) and White and Locke (1981). The CIT has been applied predominantly within the context of operational and personnel management (e.g., George 1989). However, recent studies have reported a number of successful applications within a service marketing context (Duffy 1983; Bitner et al. 1985; 1989; 1990; Nyquist et al. 1985; Feinberg and Widdows 1989; Feinberg et al. 1990; Stauss and Hentschel 1991).

The principal strength of the CIT is that the customer perspective is used as the basis for identifying detailed information about a specific service situation. Respondents are requested to render a detailed account of a personal experience which relates to the topic of the study. There is no preconception or idiosyncratic determination of what will be important to a customer.

The CIT was developed to "collect direct observations of human behavior in such a way as to facilitate their potential usefulness in solving practical problems" (Flanagan 1954). According to Hayes 1992, "A 'critical incident' is an example of organizational performance from the customers' perspective. That is, critical incidents are those aspects of organizational performance [with] which customers come in contact directly. As a result, these incidents usually define staff performance (in service organizations) and product quality (in manufacturing organizations)" (page 13). In restaurant settings, both staff performance and product quality would apply as patrons will be assessing the food and the environment as well as the service aspects of the experience.

Critical incidents within the context of our study were defined as "specific interactions between customers and contact personnel or the environment in a moderately-priced restaurant setting and specific observations that were perceived to be especially dissatisfying". The

critical incidents had to meet the following criteria; they had to (1) be specific; (2) relate to a distinct service encounter; and (3) describe as exactly as possible the respondent's account of the episode with the help of distinctive adjectives using the I-narrative perspective. Respondents were asked to relate their dissatisfying experience first and subsequently answer a number of coded questions. Specifically respondents were asked, "Think of a time when you had a particularly dissatisfying or unhappy experience in a moderately-priced restaurant such as a pizza parlor, Chinese, or family restaurant. Can you describe what happened, what was said and what you saw? What exactly made this a very dissatisfying experience? Please write down your story in the space below." The actual survey is in Table 1.

An additional advantage of the method is that the CIT is a less culturally bound technique than traditional surveys, i.e., there is no a priori determination of what will be important. It is detailed enough to detect the multi-dimensionality of the service experience which may include the personnel, the food, the check, etc. A pre-test in the United States led us to the realization that respondent generated stories alone may or may not contain all the information desired for hypothesis testing. For example, some respondents did not tell us the end of the story; i.e., they did not relate what they did as a result of the negative experience. Others would focus on their actions, but not provide all the details that described the creation of the dissatisfaction. Only rarely were we able to glean demographic information. Therefore a number of closed questions relating to the negative service experience were added to aid quantitative analysis and hypothesis testing. These closed questions acted to ensure that all stories would contain certain information such as the resolution of the experience well as basic demographic information which would not necessarily be related without prompting.

Table 1
Data Collection Instrument

Think of a specific time when you had a particularly dissatisfying or unhappy experience in a moderately priced restaurant such as a pizza parlor, Chinese, or family restaurant. Can you describe exactly what happened, what was said and what you saw? What exactly made this a

very dissatisfying experience? Please write down your story in the space below.

Please answer the questions below. You may use as many responses as seem appropriate. (Ignore the numbers which are for coding purposes only.)

What did you do when this happened?
  5   left and never returned
  6   sat quietly and did not complain
  7   complained to the person who gave the bad product or service
  8   complained to the manager of the person who gave the bad product or service
  9-10 told friends how many? _____
  11   expressed dissatisfaction in some other way. (Please describe.)
     3 left no tip
     4 reduced the tip
     5 filled out a comment card
     2 something else (please describe)

12 When did this experience happen?
  1   within the last month
  2   within the last year
  3   over a year ago

How could the restaurant have PREVENTED this dissatisfying incident from occurring in the first place?
  13 use more staff (help) in the restaurant
  14 better training of the staff in the restaurant
  15 better screening/hiring of the staff
  16 make changes in the seating, lighting or other physical surroundings of the restaurant
  17 change the ingredients or method of preparation of the food
  18 other (please specify)

19 How important do you think it is that the restaurant try to make the changes you described in the answer you gave to the question above?
  1   very important
  2   moderately important
  3   only a little important
  4   not very important
  5   not important at all
  6   other (please specify)

Given that the unpleasant experience you had did occur, what action should the restaurant have taken AT THE TIME to "make it up to you?"
  20   make a financial gesture
     21 reduce the price of that meal
     22 "comp" the meal (give it to you for free)
     23 give you an inducement to come back such as a coupon for a reduction on your next meal

24   apology
   25   from the person responsible for the experience
   26   from the management
   27   from both
   28   from someone else (please specify)
   29   other (please specify)

30   How important do you think it would be for the restaurant to take the action you suggested in your answer above?
   1   very important
   2   moderately important
   3   only a little important
   4   not very important
   5   not important at all

31   If the restaurant had taken the action you suggested above at the time of the incident, how satisfied would you have been with the restaurant?
   1   very
   2   moderately
   3   neutral
   4   not very
   5   not at all

32   Across all the times you have been to this restaurant, how satisfied are you with the restaurant as a whole?
   1   very satisfied
   2   somewhat
   3   neutral
   4   very little
   5   not at all

33   In the past, how frequently had you been a customer in this restaurant?
   1   at least once a week
   2   at least once a month
   3   once or twice a year
   4   less that once a year
   5   never before

34   Since the incident you described happened, how frequently have you been a customer in that restaurant?
   1   I never returned.
   2   I go as often as ever.
   3   other (please specify).
   4   since it happened out of town, I have never gone back

35   What is your age?
   1   less than 18
   2   19-23
   3   24-30
   4   31-50
   5   older than 50

36   What is your gender?
   1   female
   2   male

37   What is your racial heritage?
   1   caucasian (white)
   2   black (afro-american)
   3   asian
   4   native american

Thank you for your participation in this research project.

RESULTS

Descriptives

Both samples were collected by students in colleges and the data collectors themselves selected the sample. As a result, neither of the samples were representative of the populations from which they were drawn. In the Dutch sample there were 187 usable responses: 48% female, 52% male and 54% were between 19-23 years of age. The U.S. sample totalled 390 usable surveys. 96% were white, 70% were female and 77% were between 19-23 years of age. While these biased samples limit the generalizability of our results, it is important to realize the importance of college aged patrons to moderately-priced restaurants. In most cases, people between 19 and 23 cannot afford the more expensive restaurants and therefore select moderately-priced restaurants even for special occasions. Therefore a substantial number of those patronizing moderately-priced restaurants in the evening are young people.

Classification of incidents

First, the service incidents were analyzed in terms of the service topic they referred to via a two-step classification method. First they were classified into 28 subcategories. These 28 fine categories were reduced to the following five major categories: food (F), physical environment (E), personnel (P), check (C), and menu (M). We received a wide variety of incidents, two of which we share here.
Example of Dutch critical incident:

"After we had ordered food from the menu it took nearly 40 minutes before the waitress

showed up with our plates. When we tasted the food it turned out to be cold. After debating what to do we decided to ask the waitress to return our food and serve it at the proper temperature. She was very indifferent to our complaint about the food and made a fool of us by loudly repeating our complaint so that the other guests in the restaurant could hear everything. Finally, to make the disaster complete it turned out that our check was incorrect also so that we had to complain again. It was a very embarrassing experience and we decided to leave the restaurant without any tip. If looks could have killed we would have been dead while we were walking out of the restaurant".

From the American sample:

"The hostess seated us and we waited about 10 minutes before our waitress came to take our drink orders. Then we waited another 5-10 minutes before she brought our drinks and

took our food order. After she took our order, we waited 1/2 hour for our food. After we received our food and the waitress left, we realized that we did not receive our entire order so, we attempted to get the waitress' attention. After she finally came back to our table, she apologized and explained that she was a new employee. After this explanation, things only seemed to get worse. For everything that went wrong, she would say, "Oops, sorry! I'm new here." Needless to say, we left without leaving a tip & we have not returned to the restaurant since."

From the examples presented above, it follows that negative service experiences are multi-dimensional. We took this into account when analyzing the data. According to set theory, the five major categories or service dimensions can be regarded as sets consisting of n subcategories. In both countries a considerable number of negative service experiences were coded as multidimensional, i.e., consisting of elements from different sets.

Figure
Distribution Service Dimensions
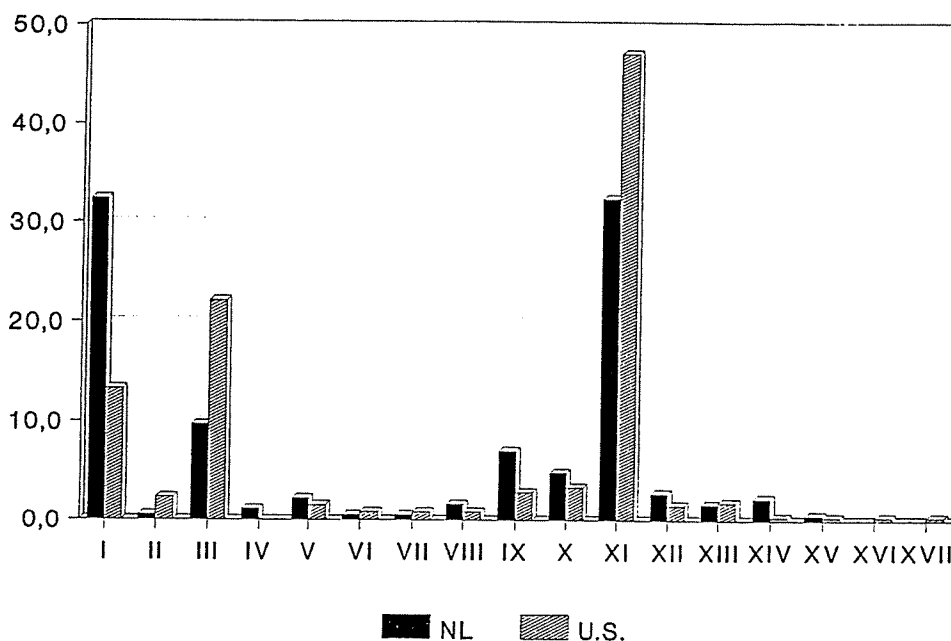
(relative %)

The following sets could be identified from the data.

I	F	X	F P
II	F E	XI	P
III	F P	XII	P C
IV	F C	XIII	P M
V	F E P	XIV	C
VI	F E C	XV	M
VII	F P C	XVI	E P C
VIII	F P M	XVII	F E P M
IX	E		

The distribution of the major categories relative to the negative service experiences is shown in the Distribution Service Dimensions Figure. From this figure we may conclude that personnel is seen as an important determinant of service quality.

A Kolmogorov - Smirnov goodness of fit test of the distribution of the critical incidents over time (last month, within last year, over a year ago) in both countries (NL: $X^2=6460$, p=.040 / U.S.: $X^2=12.662$. p=.002) yielded no significant differences across these time categories. Hence, critical incidents make a powerful and lasting impact on customer perceptions of service quality in dissatisfying contexts regardless of how long ago they may have occurred.

Hypotheses Testing

H1A: fail to reject (accepted)

Using the CIT data only, service incidents that were multi-dimensional were coded as such with the use of dummy variables. We cross-tabulated the distribution of the incidents across the 5 major categories. Significant differences between the two countries were found ($X^2=18.94058$, df=4, p=.00081). This means that the complaints were different by category between the two countries.

H1B: fail to reject (accepted)

Again using the CIT data only, we found that incidents are most frequently personnel related (either uniquely or marginally). A cross tabular analysis of the incidents in terms of personnel and non-personnel focus yielded differences as to the extent of occurrence between the two countries ($X^2=37.89688$, df=1, p< .000005). In the Dutch sample 55.7% of complaints were personnel related and 44.3% non-personnel related. In the U.S. sample, 80.3% of complaints were personnel related and 19.7% non-personnel related.

H2A: fail to reject (accepted)

The remaining hypotheses were tested using the closed questions. In both countries the most frequently mentioned customer reaction is to complain to the person who gave the bad product/service (NL=31.2% / U.S.=23.9%). However a substantial number sat quietly and did not complain (NL=22.9% / U.S.=11.5%), while also a considerable number spread negative word-of-mouth (NL=20.6% / U.S.=23.1%). Significant differences were found between the two countries with regards to customer reactions ($X^2=32.10116$, df=5, p=.00001).

H2B: rejected

As to "reaction intensity" (i.e., the number of expression to which dissatisfaction gives rise), it was found that the large majority in the two countries expressed their dissatisfaction in one way only (NL=74.2% / U.S.=55%), two options were elected by a few (NL=19.4% / U.S.=31.8%), and only a small minority engaged in three expressions of dissatisfaction (NL=6.5% / U.S.=13.2%). No statistically significant differences were found here.

H3A: fail to reject (accepted)

In both countries better training of the staff in the restaurant is mentioned most frequently as the appropriate managerial action desired, an overall cross tabular analysis of perceived remedial action reveals that differences occur cross-culturally ($X^2=21.58432$, df= 5, p=.00063).

H3B: fail to reject (accepted)

In both countries training is perceived to be the most important form of remedial action (NL=31.6% / U.S.=31.1%).

H4A: rejected

An analysis was made between the expected type of compensation following a negative service experience. A basic distinction was made between monetary and non-monetary compensation. No significant cross-cultural differences were encountered ($X^2 = 5.06469$, df=2, p=.07947).

H4B: fail to reject (accepted)

In both countries people (NL=46.6% / U.S.=50%) prefer a non-monetary form of compensation usually in the form of an apology.

DISCUSSION

In looking at all the A hypotheses, our results suggest there are indeed substantial differences as well as similarities between countries in the perceptions of patrons having dissatisfying dining experiences in moderately-priced restaurants. All the cross-cultural hypotheses save one could not be rejected indicating there are substantial differences in (H1a) emphasis, (H2A) customer reactions to negative experiences, and (H3A) emphasis on personnel training as the perceived remedial need. Counter to our hypothesis, we found that patrons in both countries most wished to receive similar compensation for dissatisfying experiences.

We tested four B hypotheses without regard to culture. We found that personnel issues were favored as the reason for service failure (H1B) and training was the remedial action most recommended (H3B). We also found that non-monetary expressions of regret were preferred to monetary options (H4B)--most notably an apology from the responsible party. Perhaps it is a universal that expressions of regret are expected from those who discommode others. This expectation is all the more likely where differential status (server versus patron) prevails (Blau 1964). Counter to our hypothesis, we found people in the two countries tended to report recourse to only one expression of dissatisfaction.

Taken all together these results suggest that despite some commonality, important differences divide countries and these have managerial implications.

The CIT method we chose to use here appears

to be efficacious relative to our initial concerns: avoidance of cultural bias, respondent selection of satisfaction criteria, and encaption of the multi-dimensionality of the service experience. We coupled the CIT with simple survey items to aid coding and ensure that certain features of the incident (i.e., time of occurrence, assignment of blame, etc.) and the actors (i.e., demographics) were indeed recorded for all incidents. The two in concert provided enough structure without interfering with or obviously biasing the events reported.

It is also interesting to note that a negative service experience with respect to a specific episode lingers on in a customer's mind across large periods of time. Respondents seemed to have little trouble recalling incidents that took place many years ago. We made no effort to evoke incidents of ancient history, so it is indeed important that given the opportunity to tell the story of any dissatisfying incident, so many people chose to relate a long-ago experience. Dissatisfaction with a specific service transaction apparently has a long-lasting effect.

CONCLUSION: THEORETICAL AND MANAGERIAL IMPLICATIONS

The strength of any study lies partly in its ability to acknowledge its limitations and to provide ways and means of dealing with them. Perhaps the single most obvious limitation of the study is due to the non-representativeness of the non-probability largely student sample utilized in this research. It is undeniable that our sample failed to adequately capture the experiences of those older than 23 as they would have been related by those older cohorts. While this is something of a handicap to generalizability, it is important to note and understand two issues: the criticality of this younger consumer segment to moderately-priced restaurants, and the likelihood of similarity of experiences between age groups.

Student aged people form an important target audience of the service providers of this study. As argued previously, young people cannot afford more expensive restaurants when they are paying the bill and so even special date occasions often occur in these more moderately-priced environments. Older cohorts are often financially

able and often willing to spend more. Also note that the research was conducted in college towns and these very restaurants depend even more heavily on the support of younger patrons than those in non-college towns. In fact, the rather larger number of moderately-priced establishments in such environments argues heavily for the younger cohort influence in location decisions.

Secondly, although we did not code for the number and characteristics of other members of the party who were present when the dissatisfying experience transpired, these others basically fell into same cohort/other cohort categories. In most cases the other cohort category consisted of family members. It is our impression that about half of all the incidents reported included family members. Presumably if other family members were asked to relate the critical incident reported by our informants, in all likelihood many of the same elements would emerge.

In order to address and improve the representativeness of the data, a second study is currently being undertaken. This study is to counterbalance the largely female and young sample originally collected.

We no longer live in a world governed so rigidly by borders. The advances in travel, international trade and communications have acted to create a smaller, closer world. The European Common Market and the North American Common Market created by NAFTA uniting Canada, the United States and Mexico have also changed the face of international trade. Service providers are facing the opportunity of internationalizing their operations and many have already done so (Dwyer, Miller, Toy, Oster, 1993). As they do, they must deal with the challenge of delivering and assessing service quality in different cultures. Apart from the theoretical implications, we feel that the results of our study are also of interest to managers in the service industry.

Understanding how consumers define and experience good and bad service, however, must precede measurement of service quality. The results of our study suggest that while there are similarities in how consumers in varying countries define service quality and react in the face of dissatisfying experiences, there are differences based on local tastes. There is thus no pan-

internationalism or standardization in the delivery of service quality in moderately-priced restaurants. Programs to train employees to deliver customer service and render appropriate remedial action in the event of a failure of service should take into account the unique experience, history, and culture of the particular market place. Varying expectations of customers should guide differential training to satisfy specific markets.

Among methodological issues, it appears the CIT is a fairly powerful method for researching trans-national consumer behavior and retailing. It has fewer biases and problems than more traditional survey questions and lets consumers put what they experience in their own words without losing any of the quantitative power that is desirable in service quality data. As an instrument for measuring consumer-defined service quality, therefore, the CIT is suitable for identifying relevant service quality dimensions.

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