

**IMPACT OF CULTURAL ORIENTATION ON SERVICE
QUALITY DIMENSIONS**

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ABSTRACT

Service quality and culture studies have traditionally used polar opposite cultures to make their case. This paper explores the existence of value variations within apparently homogenous groups. It is argued that the knowledge of this spectrum of value orientations will enhance the service marketers' ability to 'customize' services as they enter new markets or introduce service innovations. A study conducted among 712 Indian university students produced 2 significantly different value clusters. Variance analysis showed that these clusters labeled as Conformers and Adaptors have significantly different impact on service quality dimensions. The findings support the argument that service quality and culture studies must examine between as well as within culture variations.

INTRODUCTION

The globalization of service products and inherent intangibility and human interactivity that marks most services has sharply raised the potential for service product failures. There is, therefore, a growing interest in understanding the interaction between the national and sub-national cultural influences and service products. Concurrently, there is a noticeable burst of research examining the culture-service nexus in regions other than Europe and North America (Winstedt 1997; Stauss and Mang 1999). Due to the interactive and intangible nature of services, cultural expectations play an important role in predisposing the customers towards the consumption experience and their attention and reaction to cues in the service environment. It strongly influences the values that customers are likely to assign to specific service attributes, the perception of the characteristics of the service providers and the strength of their reaction to the

presence or absence of the attributes (Matilla 1999). Since their appeal, there have been several studies to examine the influence of culture on customer satisfaction (Winsted 1997; Donthu and Yoo 1998; Matilla 1999). Despite the obvious role of culture in service quality, the understanding is still rather nascent. As services become more global, there is need to develop better understanding of the influence of different cultures on different dimensions of service quality. The research thus far has exclusively focused on national cultural groups. Because these groups are distinct and commonly become the basis of marketing decisions, they are selected as the natural units of observation. While broad cultural categories still form the basis of global market segmentation, the cultural stereotyping often conceal significant variations within groups that allow for finer segmentation (Matilla 1999). Yet, much of the culture and service quality research relies on the most notable cultural denomination, the national culture.

Additionally, the focus of culture-service quality interaction study has been on polar opposite cultures. The national cultural classifications and distinctions conceal much of the distinct cultural sub-groups. These subgroups evince variations, which range from shades of the main culture to vastly different cultural preferences within supposedly homogenous cultures. There is need, therefore, to look for cultural variations within supposedly homogenous cultural groups.

REVIEW OF LITERATURE

The dominant service quality model places the customer expectation as the subjective standard by which a customer evaluates the service performance (Zeithaml, Parasuraman and Berry 1993). Although the explanatory role of customer expectations in service quality assessment has been questioned, it still is accepted as providing valuable means to judge performance assessments by the customer (Cronin and Taylor 1992). The expectation itself is a product of a complex number of factors. The values or cultural orientations of the customer are believed to provide the broadest framework to understand expectations. Winsted (1997) succinctly brings out the conceptual link between service encounters and social encounters through the following observation; "Because service encounters are social encounters, rules and expectations related to services encounters should vary considerably according to culture, yet very little guidance has been provided regarding the influence of culture on perceptions of service provision" (p.106).

Many writers have argued for the need for goods and services to be adapted to the different local cultures. Generally, the cultural comparisons have been between cultures that can be characterised as polar opposites like the Japanese and the Americans. Winsted (1997) studies showed that the Americans expected egalitarianism in service and higher degree of personalisation while their Japanese counterpart preferred more formality in treatment. Malhotra, Ugaldo, Agarwal and Baalbaki's (1994) found that the value orientations as measured via Hofstede's 5 dimensional continua had a significant bearing on the service quality evaluations of the respondents. The findings point toward the need to localize in international marketing.

Donthu and Yoo (1998) examined the effect of cultural values captured via Hofstede's five dimensional scales and the SERQUAL dimensions of reliability, assurance, empathy, responsiveness and tangibles. On most of the service quality dimensions there were statistically significant differences in their evaluations of the retail banking services. Stauss and Mang (1999) tested the hypothesis that inter-cultural service encounters are more problematic than intra-cultural encounters using critical incident method. Interestingly, the results confirmed the reverse. Intra-cultural encounters were more problematic than the inter-cultural ones. The study also used somewhat polar cultures in testing this hypothesis. The exploration of the conceptually viable thesis of finer cultural variations and their effect of services evaluations has been put forth by Matilla (1999) who observed that "...consumer experiences do not remain stable across cultures but instead are open to influences of specific cultures". Indeed, the study of this postulation within what is known as homogenous cultures, can open the same advantages to marketers as has been suggested about inter-cultural studies in international marketing. Niche marketing can immensely benefit from the understanding of the differences in what is otherwise believed to be mono-cultural societies, by exploiting the interaction between specific cultural nuances and the sensitivity to specific service dimensions. Where the service attributes can be easily modified, the within culture value orientations can be a basis to customise services for the niche markets.

Problem Statement

From the review of the literature, it is evident that there is a dire need for culture-service studies to examine the role of value orientations within a culturally homogenous context (Wmsted 1997; Matilla 1999). This study explores this new and potentially fruitful focus question. The inquiry is of distinct value orientations within a cultural group.

The Theoretical framework

Service encounters are essentially social exchanges, the values undoubtedly affect the perception of both parties. Though not directly apparent, values underpin the expectations, biases, preferences, self-confidence etc. of the customers. Hofstede (1980) captured the 'collective programming of the mind' via four value dimensions namely, Power Distance (PD), Uncertainty Avoidance, Masculinity-femininity and Collectivism-individualism (**Fig. 1**).

Power distance refers to the acceptance of asymmetrical power distributions by members of a group or community. In high PD societies, hierarchy is accepted and may even be revered. In service contexts, PD conditions the perceptions of the status of the service provider and the desired behaviour on the part of the customer.

Masculinity-femininity relates to the extent to which strong, aggressive and assertive behaviours are preferred or accepted or desired.

Uncertainty avoidance is the aversion to risks and unstructured behaviour situations. The clarity of one's role is desired as opposed to self development of the roles in any context.

Collectivism-individualism indicates the premium placed on self as opposed to the group, be it the society, community or the team.

The impact of the values on services is eventually felt in the customers' evaluation of the service quality itself. The values are expected to impact service quality through the customers' perceptions of the extent of responsiveness, reliability, empathy, assurance and tangibles.

However, the interaction between the values and the services is not likely to be the same in all types of service encounter (Chase 1978; Lovelock and Wright 2002: 54). Some services involve high contact between the customer and the service provider. The extended nature of the social exchange, in high contact services creates more opportunity for values to affect service quality perceptions. In low contact services, the interaction may be momentary. Therefore, the social expectations and value orientations are unlikely to leave much impact.

Research Hypotheses

H1: There are significantly differing value orientations.

H2: Value orientations correlate significantly with service quality dimensions.

RESEARCH DESIGN

A cross-sectional correlational study was carried out involving 712 post graduate students of an Indian university to determine the influence of value orientation of students on their service quality expectations and perceptions. The increasing technology and liberalization policies have exposed them to dramatic socio-economic changes over the last two decades. This is further escalated by multitude of religious beliefs followed in the country. This has introduced and amplified the cultural variations within the Indian community. The university students are a close microcosm of the larger Indian society. Therefore, it offers a good setting to test the research question advanced in this study. The influence of the user's value orientation is most likely to be its effect on his/her involvement and his/her reaction to the behaviour of the service provider in high contact services. The service chosen for the study is counseling/mentoring as it is a high contact service.

Development of the Measurement Instruments

The value orientations were measured using standardized Hofstede's 5 dimensional instrument (Hofstede 1980,1991). These dimensions are Power-Distance, Individualism-collectivism, Uncertainty Avoidance, Masculinity-femininity and Time Orientation. Although this instrument

was developed and used to measure the national values, it has been successfully used to study culture at an individual level (Sharma2013,Matilla 1999). The pilot test based on a sample of 30 individuals was collected and the Cronbach Alphas were determined. The measure attained the minimum threshold of 0.7 (unnally 1978).In the study however, the reliability coefficients were slightly below the recommended threshold of 0.7.

The service quality perception was measured using the SERQUAL dimensions (Parasuraman *et at.* 1988). This standardized instrument has five service quality dimensions namely; tangibles, responsiveness, reliability, assurance and empathy. Parasuraman *et at.* (1989) viewed service quality as the difference between the perception and the expectation. The items were measured on a 7-point Likert scale with 1denoting Strongly Disagree. All measures attained a minimum Cronbach Alpha of .60 in the main survey, slightly less than the values obtained during the piloting stage.

Data Collection and Data Analysis

Data were collected from the university students pursuing post graduate course. The students were asked to complete a questionnaire containing the instruments. In the case of the counseling service, the counselors provided the questionnaires to the respondents when the students came in for consultation.

Cluster analysis was carried out to examine the cluster properties of the respondents. Subsequent analyses of variance (ANOVA) used the value clusters (Conformist and Adaptors) to examine the relationship between the value clusters and service quality dimensions.

Profile of the Respondents

The respondents were in the age group of 23-25. (Table1.1). The females were less in number. This skewed distribution is reflective of the overall student composition in post graduate universities in India. Since the sample was homogeneous the demographic profile was not studied.

Table 1.1: Profile - Age

Age (yrs)	Frequency	Percent
23	59	59.6
25	40	40.4
Total	99	100.0

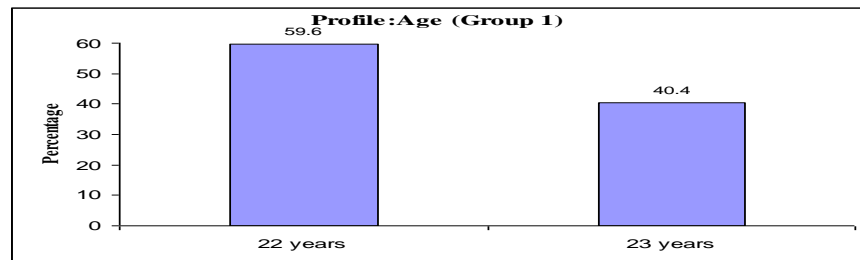


Figure 1.1: Profile –Age

Table 1.2 Profile: Gender

Gender	Frequency	Percent
Female	54	54.5
Male	45	45.5
Total	99	100.0

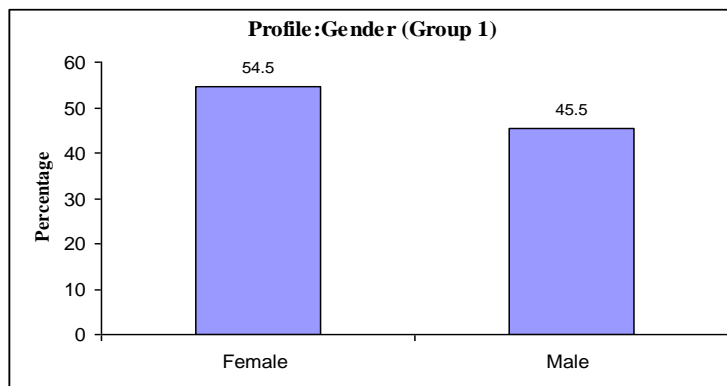


Figure 1.2: Profile –Gender

FINDINGS

The correlation matrix in **Table 1.3** displays the specific dynamics of the culture-service quality relationships. All correlation coefficients > .10 are significant. The correlation between the service quality dimensions and cultural dimensions is of particular interest. Power distance is significantly correlated with all service quality dimensions except responsiveness. However, the correlation values are small or low. This suggests that while the relationship is significant, the impact of this orientation on service quality is quite limited. The correlation between the service quality and the cultural orientation dimensions is low. This is to be expected given that this study is focussed on examining relationship between these dimensions within a mono-cultural context. Uncertainty avoidance also displays similar correlation with all service quality dimensions but appears to be relatively more correlated with Reliability.

It has been argued that since cultural values condition the mind and behaviour in a collective fashion, it should be combined to create recognisable value groups for analysis (Furrer *et ai.* 2000). Consequently, it is imperative that the value orientations are understood as a bundle or cluster rather than individual variables. Following in the footsteps of Furrer *et ai.* (2000), the data was cluster analysed to detect groups that have distinctive combinations of the 5 value dimensions. Cluster analysis generated two distinct groups. We have labeled the clusters as Conformist (cluster 1) and Adaptors (cluster 2). The value orientations were measured on a 7-point scale with 1 denoting low and 7 high. Cluster 1, the Conformists exhibit a greater proclivity to the collective interest, appears to accept the appropriacy of greater assertiveness, greater power distance in general relationship and greater aversion to uncertainty.

Table 1.3
Correlation Between the Dimensions of Service Quality and Dimensions of Culture

Dimensions of Service Quality	Dimensions of Service Recovery				Power Distance
	Uncertainty Avoidance	Masculinity	Long Term Orientation	Collectivism	
Empathy	0.121	0.137	0.373	0.174	0.106
Assurance	0.108	0.150	0.217	0.137	0.108

Responsiveness	0.125	0.139	0.24	0.135	0.301
Tangible	0.135	0.219	0.076	0.110	0.172
Reliable	0.245	0.125	0.261	0.147	0.172

*Significant at .05 level. ** Significant at .01 level.*

Table 1.4
Value Clusters

Value Orientation	Cluster	
	Conformist (Means)	Adaptors (Means)
Collectivism	4.69	3.72
Masculinity	4.69	3.90
Power Distance	4.00	3.69
Uncertainty Avoidance	4.49	3.25
Long Term Orientation	4.42	3.72
N	179	121

Table
Table 1.5

Influence of Cultural clusters on service quality

Servqual Dimensions	Value Clusters	Sum of Sq	df	Mean Sq	Sig
Empathy	Between group	31.496	1	31.496	.000
	Within Group	923.860	298	1.304	
Assurance	Between group	14.046	1	14.046	.000
	Within Group	410.631	299	.574	
Responsiveness	Between group	18.252	1	18.252	.000
	Within Group	762.768	299	1.076	
Tangible	Between group	36.252	1	36.252	.000
	Within Group	741.772	299	1.046	

Reliable	Between group Within Group	41.492 725.207	1 299	41.492 1.020	.000
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The Adaptors (cluster 2) scored lower on all dimensions of the value orientations but in case of Masculinity, it is only marginally lower than their Conformist peers. The Adaptors are a group experiencing some dilution of the cultural values that typify the Indian community at large. From Table 1.4, we can conclude that there are distinctly differing groups within the Indian student community. Therefore, the 1st hypothesis that there are distinct sub-cultural groups within presumably homogenous groups is supported. Table 1.5 provides some answers to the question whether there is significant relationship between the value clusters and the perceptions of service quality. The one-way ANOVA shows that the service quality dimensions differ significantly between the 2 value clusters. This then provides the support for the hypothesis that value orientations influence or have some impact on service quality perceptions. Thus, the second hypothesis is also supported.

DISCUSSION AND CONCLUSION

From a theoretical standpoint, this study expands on the current culture-service quality research by seeking out finer distinctions and how they may be pertinent to service providers. Past researches used cultural extremes to show the effect of culture of service perceptions (Furrer *et al.* 2000; Winsted 1997; Marilla 1999). It could be said that the design is too powerful and therefore, the outcome is almost a certainty. This study by examining the same issue in an intra-cultural setting is actually putting the postulation to a much more rigorous test than has been the case thus far. The study also provides some evidence of the existence of a spectrum of value orientations (though the range is limited) within an ostensibly homogenous group. Although polar opposite cultures dominate culture-service studies, value orientations within homogenous cultures are equally valid and fruitful areas of scrutiny (Winsted 1997). This study established that there were two cultural clusters. These groups, labeled as Adaptors and Conformists, provide a significantly different value profile. The Adaptors is markedly less respectful of old values. The universities have become grounds to question the wisdom of the old ways. The value profile showed here reflects the changing socio-psychological landscape within the university student

population and to some extent, within the society at large. The lack of strongly distinct value orientations among the groups is more a function of the homogeneity of the sample than anything else. If a more heterogeneous sample had been acquired, the value profile would have varied much more than observed in this study.

Managerial Implications

From a managerial standpoint, the service providers must be more aware of the value orientations and how they impact the many quality initiatives that are currently instituted (Cheong 2000). Students still have and are therefore, likely to display values that place a high premium on collective interests. Therefore, services that explicitly or implicitly require one to show individualistic tendencies may cause significant dissonance. Students are likely to feel at ease when doing things together and for the help of all rather than self only. Relatively high tolerance for power distance is expected to manifest itself in rather passive, and unassertive behaviour. This disposition will prevent effective feedback from the service users. Users are likely to be very cognizant of the structure, hierarchy, order and authority and thus less inclined to question or complaint or provide feedback which is not anonymous. Quite unexpectedly, the respondents have expressed a more masculine interest. This inclination for assertive behavior does not quite fit with the other orientations especially power distance and collective interest. The exposure to the other cultures because of world wide web may account for the contradiction (Mastor, Jin and Cooper 2000).

The interface between the value orientations and service quality dimensions allows for changes that are aligned with the cultural preferences of the students. In summary, the study has shown that there exist significant value variations within relatively homogeneous groups. Being familiar with this will open up new possibilities for service adaptations, which is necessary to compete in the highly competitive market place as well as the non-competitive public sector.

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