

EVALUATING SERVICE ENCOUNTERS: A CROSS-CULTURAL AND CROSS-INDUSTRY EXPLORATION

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Do consumers in different countries and industries want the same thing from a service provider? This paper explores the relative importance to consumer satisfaction of eight service encounter dimensions in two different countries and industries. Empirical research with students in two countries examines specific hypotheses. Formality is found to be more important in status-conscious societies than in egalitarian and personalization is more important in individualistic countries than in collectivist. Authenticity is more important for professional services, while courtesy and promptness are more important for generic services. Caring and courtesy receive the overall highest ratings as most important to satisfaction with service encounters.

INTRODUCTION

The service encounter, or interaction between a service provider and customer, has received much recent attention in the marketing and management literature (cf., Keaveney 1995; Ostrom and Iacobucci 1995; Price, Arnould and Tierney 1995). However, we still know relatively little about how consumers evaluate encounters. We know even less about what is important to consumers in countries other than our own, and we have very little understanding of how expectations and evaluation of encounters vary across industry. This study poses hypotheses about the relative importance to consumer satisfaction of eight service encounter dimensions derived from the literature and focus group sessions. We conducted empirical analysis in two countries and two industries to explore the validity of the hypotheses.

Parasuraman, Berry and Zeithaml (1991) found that, while reliability of service provision was most important in meeting customer expectations, the process dimensions related to personal interaction were most important in allowing companies to exceed these expectations. While reliability was needed to compete, the encounter dimensions were what allowed companies to excel and potentially "dominate the competition" (p. 47). Yet, despite widespread recognition of the importance of the encounter in building customer franchises, there is still much more we need to learn (Price, Arnould, and Tierney 1995; Turner and Pol 1995). Service providers need to have a better understanding of the attributes customers use to judge their performance in service

encounters (Peyrot, Cooper and Schnapf 1993; Bowers, Swan and Koehler 1994).

CROSS-CULTURAL ANALYSIS

Today, services are growing more rapidly than any other sector as a portion of the trade package of most developed countries (Plock 1990; Keegan 1995; Survey 1997). An increasing number of services firms are choosing to offer their services in other countries (Keegan 1995). Because service encounters are primarily social encounters, rules and expectations related to service encounters should vary considerably according to culture, yet very little guidance has been provided regarding the influence of culture on perceptions of service provision (Czepiel 1990; Alden, Hoyer, and Lee 1993). Though numerous authors have written conceptually about whether goods and services need to be modified for different cultures (Samiee and Roth 1992; Levitt 1993), few empirical studies have been conducted to help provide answers (Malhotra et al. 1994). And the very few cross-cultural studies conducted in services marketing have, for the most part, studied very similar (e.g., all Western) cultures (cf. Seringhaus and Botschen 1991). A recent exception to this limitation is a study by Malhotra et al. (1994) that explores differences in service quality perceptions between developed and developing countries. The authors say that "it is important for international marketing managers to understand the various environmental, economic and sociocultural factors that . . . affect considerations in service quality evaluation . . . and to emphasize the various

dimensions of service quality accordingly" (Malhotra et al. 1994, p. 14).

This research examines two cultures that have been said to represent "polar extremes" in the areas of personal interaction and communication (Barnlund 1975, p. 55): the United States and Japan. The United States and Japan are major trading partners, with over 20% of each country's trade coming from the other (Nester 1993). Both countries also have very high trade levels with most other countries and are highly developed, high consumption societies. Japan is a particularly interesting country to study because, while it has the highest per capita income in the world (Japan Economic Newswire 1995), its culture is more similar to the cultures of many developing countries (as described in Malhotra et al. 1994). Therefore, while there is much exporting from Western countries to Japan, exporters generally have very little familiarity with consumer values and expectations in that country.

Barnlund (1975) has said of the U.S. and Japan that "the distance that divides these two cultures is so enormous along the same interpersonal dimensions that it is difficult to avoid concluding that they are nearly exact opposites. The qualities that one society nurtures - reserve, formality, and silence in one case - and self assertion, informality and talkativeness in the other - are the same qualities the other society discourages" (p. 57). Moreover, there seems to be little change in these values and differences over time. Longitudinal studies in both countries have found surprising stability of values over time (Pollay 1984; Jeremy and Robinson 1989).

We conducted a thorough review of the services and culture literature to identify dimensions that we thought might be relevant to consumer satisfaction with service encounters in these two countries. Since the service encounter literature is written primarily from a U.S. perspective, we also held three focus groups with Japanese students studying in the United States to help assure a Japanese perspective. Two of the groups of students had been studying for some time in the United States and were asked extensively about differences between Japanese and American service encounters. We also asked participants about differences in cultural values and the possible relationships between these and service encounter expectations. The third focus group was held with students newly arrived in the United States to study at a Japanese university. We asked these participants, in Japanese, to describe service encounter dimensions important to the Japanese and to discuss current Japanese values.

This exploration identified eight service encounter dimensions likely to be important to either American or Japanese consumers. These are authenticity of behavior, caring, customer perceived control, courtesy, formality, friendliness,

personalization, and promptness. These dimensions were selected in an attempt to include as many evaluative criteria as were relevant in either or both cultures being studied. Each is a dimension that is discussed in the literature as a separate evaluative criterion. Two separate groups of students (American and Japanese) confirmed that, while there clearly is some overlap and similarity between these constructs, each is separate and distinct in the minds of most consumers. These groups also said that they felt all relevant service encounter constructs were covered through use of these dimensions. Each of the eight dimensions selected is explained briefly below.

Authenticity was identified for examination when Japanese focus group participants identified genuineness of behavior as a key difference between Japanese and American service encounters. Respondents said that American waiters and other service personnel behave more genuinely than Japanese service people. Focus group participants saw this as a positive aspect of American service encounters. The role of authenticity or natural service providers' behavior is underresearched in the services marketing and management literature, but its importance to the service encounter is addressed by several authors (cf. Grove and Fisk 1983; Hochschild 1983; Lockwood and Jones 1989; Romm 1989; Deighton 1992). Others have examined related concepts of sincerity and trust (cf. Surprenant and Solomon 1987; Goodwin and Frame 1989; Crosby, Evans, and Cowles 1990).

Caring is part of the empathy dimension of SERVQUAL (Parasuraman, Zeithaml, and Berry 1988) and also has been addressed by numerous other authors in the service encounter literature (cf. Surprenant and Solomon 1987; Brown and Swartz 1989; Goodwin and Frame 1989; Bitran and Hoeh 1990; Bowers, Swan, and Koehler 1994). Caring is described primarily as the service provider showing an interest in the customer (Schneider 1980; Brown and Swartz 1989), paying attention to the customer (Bitner, Booms, and Tetreault 1990), and as a component of respect (Bitran and Hoeh 1990). Japanese focus group participants said that a caring attitude and behaviors are the most important component of service encounter evaluation in Japan.

Perceived control is another dimension discussed in the service encounter literature as important to satisfaction with an encounter (cf. Klaus 1984; Bateson 1985; Silpakit and Fisk 1985; Bitran and Hoeh 1990; Bateson and Hui 1992). The literature suggests that it is important for customers to feel in control of a service encounter. Bateson (1985) discusses three types of control important to a service encounter: behavioral control (ability to control a threatening situation, flexibility), cognitive control (ability to reduce stress), and decisional control (a choice in the solution of outcomes or goals). Bateson and Hui (1992) discuss control as customer

dominance versus helplessness. Control is not included in SERVQUAL and was not mentioned until participants were asked to comment in the Japanese focus group discussions. However, since it received substantial attention in the services literature, it was included in this framework to help ensure that evaluative criteria were not missed.

Courtesy is discussed in virtually every study of the service encounter either by itself or as contributing to another construct (cf. Bateson and Langedard 1982; Bitner, Booms, and Tetreault 1990; Goodwin and Smith 1990; Bolton and Drew 1991). In their 1989 study, Brown and Swartz found courtesy to be the dimension most often mentioned first as an important criterion for evaluating personal services. It also was raised as an important dimension in all focus group discussions held for this study. Courtesy is included as part of the assurance dimension of SERVQUAL (Parasuraman, Zeithaml, and Berry 1988), but a study by Carman (1990) found courtesy to be a separate dimension.

Formality of the server was raised by Japanese focus group participants as a very important dimension for service encounters in Japan, and as a major difference between American and Japanese encounters (Americans are much less formal). Formality incorporates the concepts of social distance (Houston and Gassenheimer 1987; Goodwin and Frame 1989), role deference (Stewart 1972), form of address (Goodwin and Smith 1990) and ritual (Stewart 1972). It is underresearched in the services marketing literature, but it is found by Goodwin and Frame (1989) to be a significant factor in evaluation of the service encounter.

Friendliness usually comes up in the discussion of other variables (cf. Goodwin and Frame 1989; Goodwin and Smith 1990) and sometimes as a separate variable in evaluation of an encounter (cf. Fiebelkorn 1985; Surprenant and Solomon 1987). Ostrom and Iacobucci (1995) used friendliness as one of the elements of service that they manipulated, calling it one of the key attributes distinguishing services from goods. Surprenant and Solomon (1987) found friendliness to be one of two major factors (with competence) influencing satisfaction with bank tellers. Japanese focus group participants identified friendliness as an important component of an American service encounter that is not prevalent in a Japanese service encounter.

Personalization of service has been found to have a positive influence on encounter evaluation (Schneider 1980; Surprenant and Solomon 1987; Brown and Swartz 1989). Bitner, Booms, and Tetreault (1990) discuss a similar construct they call customization, and individualized attention is included as part of the empathy dimension in SERVQUAL (Parasuraman, Zeithaml, and Berry 1988). Personalization is discussed as including "recognition of a customer's uniqueness" (Surprenant and Solomon 1987, p. 87), use of a

customer's name (Schneider 1980; Goodwin and Smith 1990), and responding to customer needs (Brown and Swartz 1989). Japanese focus group participants found personalization of service to be one of the most notable components of U.S. service encounters. They said it was present to a much smaller degree in Japanese encounters.

Promptness, the speed and efficiency of a transaction, is addressed by many authors as an important element in evaluating a service encounter (cf. Bateson and Langedard 1982; Solomon et al. 1985; Taylor 1994). It is often presented as a dimension that consumers perceive as traded off with personalization (Lovelock 1983; Mars and Nicod 1984; Surprenant and Solomon 1987; Sutton and Rafaeli 1988). Promptness or timeliness is a key component of the responsiveness dimension in SERVQUAL. Japanese focus group participants said promptness was very important in Japan, while they see Americans as preferring personalization.

We developed hypotheses about expected differences between the U.S. and Japan in relative importance of each dimension contributing to customer satisfaction. As part of each hypothesis, this research also attempted to identify underlying cultural values that cause these differences in the way services are evaluated. This can help to generalize the hypotheses and findings to other countries with similar value structures.

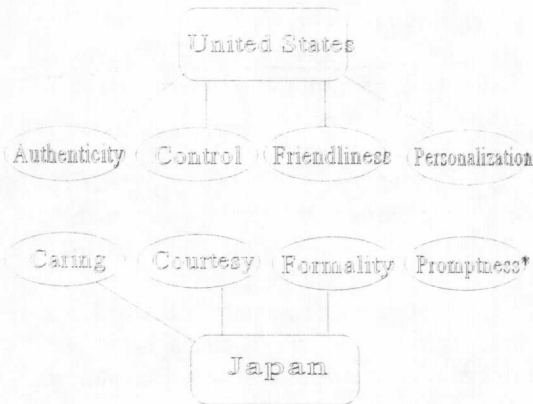
Hypotheses

Figure One summarizes how we expect dimension importance to vary between cultures. In the figure, lines connecting the United States with different dimensions show those dimensions we feel will be more important to satisfaction in the United States. Similarly, lines connecting Japan to other dimensions indicate those dimensions we expect to be more important to satisfaction in Japan. A brief discussion of each cross-cultural hypothesis is included below.

One of the first differences between American and Japanese service encounters noted by Japanese focus group participants was that American waiters, doctors, and other service personnel, act the way they really feel. In Japan, the focus group participants said, everything is done according to a manual, with very little deviation from a script. The literature supports this, saying that Japan's language and its pressure to conform lead to a generally recognized shortage of authenticity in that culture (Fields 1983; Taylor 1983). This is tied both to the collectivist nature of the culture and to the strong orientation of the Japanese to maintaining strict roles in interaction. It also can be linked to the importance of seeking harmony that can be threatened by allowing people

FIGURE 1

Hypothesized relative importance of eight service encounter dimensions in two countries



The lines indicate in which country each dimension is expected to be more important.

* Promptness is expected to be equally important in the two countries.

to behave as they feel. Americans, on the other hand, are viewed as very honest and open, valuing spontaneous, 'natural' feeling and actions (Hochschild 1983). This is generally attributed to the individualistic nature of the U.S. culture and the high value placed on individualistic expression, honesty, and openness (Bellah et al. 1985).

Hypothesis One: Authenticity is much more important to satisfaction with a service encounter in the United States than it is in Japan due to the U.S. focus on individualism and openness and the Japanese focus on harmony and roles.

The Japanese are also perceived as other-oriented and highly sensitive, while Americans are perceived as more self-oriented (Tobin, Wu, and Davidson 1989). Focus group participants confirmed this expected difference, saying that Americans have an 'I' orientation, while Japanese have a 'you' orientation. Japanese service providers were perceived as having a "customer is God" attitude, while American service providers were seen as very often not responding to the customer. These differences could be interpreted to suggest that caring will be more important in Japanese encounters than in American ones.

Hypothesis Two: Caring is of high importance to satisfaction with the service encounter in both the United States and Japan, with greater importance in Japan due to a greater focus on empathy in Japan.

While very little has been written about perceived control in Japan, some authors have addressed the general passivity of the Japanese consumer and the general non-assertiveness of the Japanese people (Caudill and Schooler 1988). This is linked primarily to the harmony-seeking focus of the culture, where confrontation is always to be avoided. In the United States, on the other hand, control is perceived to be "a deep-seated and motivating factor" (Bateson, 1985, p. 68). This could be, in part, due to the U.S. belief that we each are in control of our own destiny, while the Japanese tend to have a more fatalistic view of life (Kashiwagi 1986). Japanese focus group participants described the typical Japanese customer as "timid or nervous" and said that the Japanese prefer a predictable product to having control.

Hypothesis Three: Perceived customer control is more important to satisfaction with the service encounter in the United States than it is in Japan due to the master of destiny concept in the U.S. and the desire for harmony and predictability in Japan.

Courtesy is widely reported to be extremely important in the Japanese culture (Goldstein and Tamura 1975; Fukutake 1981). This is most likely linked to the importance of harmony in the culture, with courtesy helping to prevent possible discord. It also can be linked to the importance of status, since courtesy is a way of paying respect. Courtesy is also perceived as important in the United States, but less important than in Japan (Harris and Moran 1990). Japanese focus group participants said that polite behavior is the "minimum expected" by customers in Japan and is very important to satisfaction. Rules for what to say and when, in order to be polite, are very strictly enforced. By contrast, American service providers were perceived by Japanese focus group participants as frequently rude.

Hypothesis Four: Courtesy is of high importance to satisfaction with the service encounter in both the United States and Japan, with somewhat more importance in Japan, due to the Japanese focus on harmony and status.

The United States is generally viewed as a highly informal culture (Bellah et al. 1985). This is generally attributed to the egalitarian nature of the American society. Conversely, the Japanese are generally viewed as a highly formal society

(Hudson and Wadkins 1988), largely based on the extreme importance of status or rank that permeates virtually all Japanese interactions (Barnlund 1975; Schmidt 1986). The Japanese also have a penchant for predictability and orderliness in society, while people in the U.S. are more likely to seek novelty (Hofstede 1981; Kashiwagi 1986). Formality in interaction helps to guarantee the predictability sought by the Japanese. Japanese focus group participants suggested that formality also helps support the role-role orientation of the Japanese where everyone is treated according to the role being played.

Hypothesis Five: Formality is much more important to satisfaction with a service encounter in Japan than in the United States due to the Japanese greater focus on harmony, predictability, roles, and status.

Complementing their informality, Americans are generally perceived as more friendly than the Japanese, who are perceived as more cold and distant. This can partially be attributed to the intense privacy of the Japanese people (Barnlund 1975), leading to a desire by the Japanese not to quickly befriend a stranger, and to the importance in Japan of maintaining appropriate roles rather than behaving as individuals. It can also be attributed, in part, to the egalitarian nature of the American society that leads service providers to treat customers as friends. In Japan, the importance of status makes friendliness of a service provider to a customer inappropriate.

Hypothesis Six: Friendliness is more important to satisfaction with a service encounter in the United States than it is in Japan due to the Japanese focus on privacy, roles and status.

Personalization is expected to be highly important to U.S. consumers due to the highly individualistic nature of the society (Marin and Triandis 1985; Surprenant and Solomon 1987). The collective nature of the Japanese society leads to a lesser expectation of special, personalized treatment (Deshpande, Farley, and Webster 1993). Focus group participants stressed the lack of personalization in Japan. One said that in Japan the customer is almost faceless and service personnel treat every individual like the same person.

Another expressed amazement that when she had to go to the hospital by ambulance in the United States, the technicians kept using her name throughout. All participants agreed that this would never happen in Japan. They also said that customization of service (e.g., accepting special orders) is very rare in Japan. According to the discussion, to customize for one customer might be perceived as a slight to another, inappropriate due to the stress on empathy in the

culture. Participants also surmised that the Japanese prefer standardized services due to the desire for predictability.

Hypothesis Seven: Personalization is much more important to satisfaction with the service encounter in the United States than it is in Japan due to the U.S. focus on individualism and the Japanese focus on empathy and predictability.

Finally, while promptness is a dimension expected to vary in salience in many different cultures, Japan and the United States are both viewed as M-time cultures (Hall and Hall 1987) where promptness is expected to be very important. The perception of time as a valuable resource is also related to the strong achievement orientation that is prevalent in both the Japanese and American cultures (Terpstra and David 1985; Harris and Moran 1990).

Hypothesis Eight: Promptness is of high and equal importance to satisfaction with the service encounter in the United States and Japan due to a high achievement orientation and an M-time approach in both countries.

CROSS-INDUSTRY ANALYSIS

Beyond understanding differences in expectations and evaluation cross-culturally, managers need to understand in what ways customers using different services expect to be treated differently. Parasuraman, Zeithaml, and Berry (1988) put together a very helpful and widely used scale to measure service quality in any service setting (SERVQUAL). However, the scale has been widely criticized as too generic and not applicable, or only partially applicable, in some industries (Carman 1990; Boulding et al. 1993). Some industry-specific studies have been done to better understand the service encounter and service quality in single industries (Andaleeb and Baser 1994; Bowers, Swan and Koehler 1994). Little research has been done, though, to compare and contrast the importance of different components of the service encounter across industry (Bitner, Booms, and Tetreault 1990).

When a pretest was done for an instrument to be used in this study, respondents said that they could not answer questions about relative importance of dimensions without first knowing what type of service encounter they were considering. This preliminary finding suggests that consumers do not think about service encounters as general, but instead think of encounters as industry-specific and evaluate encounters for different industries quite differently.

To examine possible differences between industries, two industries were selected for this study that are both highly interactive but quite different on many dimensions. This study focuses on consumers' encounters with waiters and waitresses in a sit-down restaurant setting and encounters with doctors and nurses in a medical setting. These encounters are common, everyday encounters that most of us experience frequently. Both industries represent "people businesses" (Parasuraman, Berry, and Zeithaml 1991) that demand high levels of interaction. Research has shown that both restaurant encounters and medical encounters have a substantial impact on customer satisfaction with the service provided (John 1991; O'Connor, Shewchuk, and Bowers 1992; Stevens, Knutson, and Patton 1995). These are industries where customer satisfaction is critical to building a customer franchise (Reichheld and Sasser 1990; Plymire 1991; Strasser et al. 1995). Word-of-mouth recommendations are also crucial in both these industries. Perception of service quality has been linked to both intent to return and intent to recommend (Boulding, Kalra, Staelin, and Zeithaml 1993). It has been estimated that loyal customers' outreach role is equal to two or three times their own value as customers due to word-of-mouth networking (Winston 1988; MacStravic 1995).

A doctor's office and a restaurant are services that also differ in many important ways. A doctor is viewed as a professional, while a waiter is seen more as unskilled or generic labor (Hill and Motes 1995). Waiters have higher contact with physical goods (Lovelock 1980) as part of service provision than doctors. Also, doctors generally have a formal and longer-term relationship with patients (Bitner, Booms and Tetreault 1990), while restaurants do not have formal relationships with most customers. Communication patterns are more complex with a doctor, and customer problems are likely to be more complex than in a restaurant (Bitner, Booms, and Tetreault 1990).

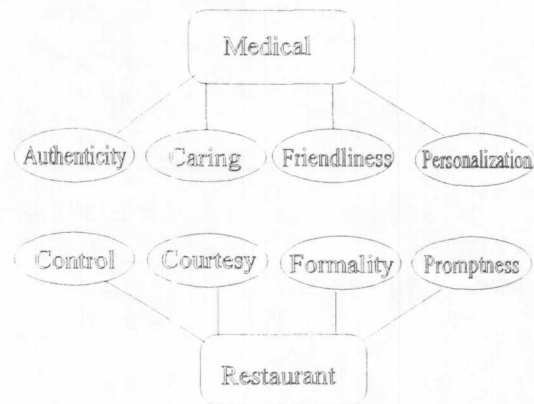
A doctor is likely to provide service with higher customer ego involvement (Solomon et al. 1985), and, while both services offer a high level of opportunity for customization, a doctor generally has far more discretion in meeting individual customer needs (Lovelock 1983). Medical services also tend to be evaluated using credence attributes, while restaurants are more likely to be evaluated based using experience attributes (Zeithaml 1981). Doctors generally are perceived as having high criticality and involving more risk (Ostrom and Iacobucci 1995).

Hypotheses

For each of the eight service encounter dimensions described earlier, hypotheses were developed regarding the differences between the medical and restaurant industries in relative importance to satisfaction of each dimension. We also considered the underlying variables expected to cause these

differences. Figure Two shows how we expect dimension importance to vary between industries. In the figure, lines connecting medical to certain dimensions indicate those dimensions we feel will be more important in the medical industry. Similarly, lines connecting restaurant with other dimensions show the dimensions we expect to be more important to consumers of restaurant services.

FIGURE 2
Hypothesized relative importance of eight service encounter dimensions in two industries



Lines indicate in which industry each dimension is expected to be more important

Because of the high complexity of the task performed by doctors, and the professional nature of the job, customers generally delegate authority to their doctors. This causes them to be more vulnerable and dependent than in a restaurant setting. Patients of medical doctors also generally have a very high level of ego involvement with the process because of the highly personal nature of the work done. Behavioral cues take on increased importance in evaluation of a medical encounter due to the credence nature of the service. Also, the potentially dire consequences of receiving improper treatment lead to higher criticality and perceived risk, resulting in a desire for indications of competence. It is therefore expected that authenticity, or genuineness of behavior and communication, will be more important for a doctor than it will be for a waiter. Similarly, due to the high ego involvement of customers in the medical industry, combined with the high level of physical contact and the long term nature of most patients' relationships with their doctors, caring is expected to be more important for a doctor than for a waiter.



Hypothesis Nine: Authenticity will have higher relative importance in interaction with doctors than with waiters due to the high complexity of the job, high criticality and risk, delegated authority, and high ego involvement of the customer.

Hypothesis Ten: Caring will have higher relative importance in interaction with doctors than with waiters due to the high ego involvement of the customer, the high level of contact, high criticality, and the long term nature of the relationship.

There is expected to be less customer concern with control at a doctor's office, since patients are used to delegating authority and control to their doctors. As previously discussed, this is primarily because of the high complexity of the task and the low level of knowledge of most customers regarding medical details. It is also related to the high perceived professionalism of doctors (Mills and Morris 1986).

Hypothesis Eleven: Control by the customer is expected to have lower relative importance in interactions with doctors than with waiters due to delegated authority, high complexity, and the professional nature of doctors.

Another important difference between a doctor and a waiter is the relative perceived status of each, with doctors having considerably higher status. This is expected to be an especially important difference in Japan. Focus group participants said that, because of the lower status of waiters, customers in Japan expect and want more courtesy from a waiter than from a doctor. This difference is expected to be true, to a lesser degree, in the United States as well.

Hypothesis Twelve: Courtesy is expected to have higher relative importance in interactions with waiters than with doctors due to the lower status of waiters.

Goodwin and Frame (1989) and Goodwin and Smith (1990) discuss the role of friendliness and formality in a service encounter. They link degree of physical contact in service transactions and the status of the service provider with amounts of friendliness and formality desired in service encounters. Their work suggests that the higher degree of physical contact in interaction with a doctor, combined with a doctor's higher status, should lead to increased desire for friendliness from a doctor and increased desire for formality from a waiter.

Hypothesis Thirteen: Friendliness will have higher relative importance in interaction with doctors than with waiters due to the physical contact nature of the interaction and the higher status of doctors.

Hypothesis Fourteen: Formality will have higher relative importance in interactions with waiters than with doctors due to the low contact nature of the interaction and the lower status of waiters.

Personalization is also more likely to be expected from a doctor than from a waiter because of the higher customer ego involvement and because of the increased discretion of the doctor in meeting customer needs (Solomon et al. 1985). Customers are more likely to have high personalization expectations of a doctor due also to the high contact nature of the interaction, "where the customer is, in effect, paying for individualized attention" (Surprenant and Solomon 1987, p. 87). Personalization is also expected to be more important with doctors due to the long-term nature of the relationship.

Hypothesis Fifteen: Personalization will have higher relative importance in interactions with a doctor than in interactions with a waiter due to the higher customer ego involvement, the increased customization possible, the physical contact nature of the interaction, and the long-term nature of the relationship.

Because of the highly professional nature of the doctor's job, and because of a doctor's higher status, customers are less likely to be offended by long waits. In Japan, consumers seem to expect long waits (according to focus group participants). This is true, to a lesser extent, in the U.S. as well. Therefore, it is expected that promptness will be more important for a waiter than for a doctor.

Hypothesis Sixteen: Promptness will have higher relative importance in interactions with waiters than in interactions with doctors due to the higher professionalism and status of a doctor.

Table One summarizes all sixteen hypotheses. It also lists the underlying cultural values or industry differences expected to lead to variations in importance of the eight evaluative dimensions.

TABLE 1
SUMMARY OF HYPOTHESES

CROSS-CULTURAL HYPOTHESES		CROSS-INDUSTRY HYPOTHESES	
HYPOTHESES	UNDERLYING VALUES	HYPOTHESES	UNDERLYING DIFFERENCES
H1: Authenticity will be more important in the U.S. than in Japan.	Harmony Individualism Openness Role orientation	H9: Authenticity will be more important in the medical industry.	Complexity Delegated authority Ego Involvement
H2: Caring will be more important in Japan than in the U.S.	Empathy	H10: Caring will be more important in the medical industry.	Ego Involvement Long term relationship Physical contact
H3: Control will be more important in the U.S. than in Japan.	Determinism Harmony Predictability	H11: Control will be more important in the restaurant industry.	Complexity Delegated authority Professionalism
H4: Courtesy will be more important in Japan than in the U.S.	Harmony Status	H12: Courtesy will be more important in the restaurant industry.	Status
H5: Formality will be more important in Japan than in the U.S.	Harmony Predictability Role orientation Status	H13: Formality will be more important in the restaurant industry.	Physical contact Status
H6: Friendliness will be more important in the U.S. than in Japan.	Openness Role orientation Status	H14: Friendliness will be more important in the medical industry.	Physical contact Status
H7: Personalization will be more important in the U.S. than in Japan.	Empathy Individualism Predictability	H15: Personalization will be more important in the medical industry.	Customization Ego Involvement Physical contact
H8: Promptness will be equally important in the U.S. and Japan .	Achievement orientation Time orientation	H16: Promptness will be more important in the restaurant industry.	Professionalism Status

PRELIMINARY EXAMINATION OF HYPOTHESES

To conduct a preliminary, exploratory examination of these hypotheses, we developed questionnaires to explore the relative importance of each of the eight service encounter dimensions. The study was done in two cultures, Japan and the U.S., and in two industries, medical and restaurant. We used independent samples in each country and each industry to examine the hypotheses. We asked respondents to recall a recent visit to a doctor or restaurant and to rate and rank each of the eight dimensions in terms of importance to satisfaction with *that specific encounter*.

The sample consisted of 593 American college students in the U.S. (340 for restaurant and 253 for medical) and 645 Japanese college students in Japan (387 for restaurant and 258 for medical). In each questionnaire, respondents were asked to rate eight dimensions of service encounters in terms of how

important each dimension was to satisfaction with their encounters. Responses were on a 7-point Likert scale (from one = not at all important to seven = very important). Respondents were also asked to rank each of the eight dimensions in order of importance, from one to eight, with one representing the most important to determining satisfaction with the encounter (see Appendix for actual questions).

In a test version of the questionnaire (tested on 90 Americans and 59 Japanese), the order of items was varied in the versions of the questionnaire to reduce method variance effects (Peter and Churchill 1986). Since no order effects were discovered in analyzing the responses to the questionnaire, only one version of the questionnaire was developed for each industry in each language for the full test (four total questionnaires).

The questionnaires were first written in English, then translated into Japanese. They were then backtranslated into English to check the translation and to "decenter" them (Choudry 1986). Problem words were then retranslated by the original translator and backtranslated until each was accurate. Each instrument was also evaluated by experts in Japanese culture who were also familiar with the American culture to help assure content validity and instrument, functional, and conceptual equivalence across cultures (Hui and Triandis 1985).

Importance ratings were analyzed using oneway analysis of variance, to see if there were significant differences between the ratings on each dimension in each culture and each industry (testing for both nation and industry effects) and whether these differences were in the hypothesized direction. Before comparing, all data were standardized and ipsatized to control for cultural differences in response sets (Yau 1988). Ipsative scores focus on deviations from subject means, examining the relationships between dimension ratings within each respondent's answers, while controlling for differences in levels of ratings across respondents. The technique essentially converts the rating scores to constant sum scales with each respondent's ipsatized scores for the eight ratings adding to 100. Thus, the scores focus only on the **relative** rating of each dimension compared with the other dimensions rated by that respondent (see Breverman 1961). This helps remove potential bias due to cultural differences in overall rating levels. Standardizing the scores before ipsatizing them allows for comparisons both within and across subjects.

An analysis of ranks for each dimension was also used to confirm (or contradict) the ratings information. One advantage of ranks over ratings in a cross-cultural context is that ranks automatically control for cultural bias that can be present in rating levels and force consumers to make choices between items. Therefore, they provide direct information about the **relative** importance of the items. However, because ranking information is nonparametric, the aggregate results are more difficult to interpret than ratings. Using both ratings and rankings to analyze the data provides the advantages of both and provides multiple methods to help confirm the findings. Ranking scores were analyzed using chi-square scores for crosstab analyses of the ranking patterns. The mean ranking and percentage of respondents ranking each item as most important and least important were also analyzed in each sample to provide information about direction of differences.

Also, to help interpret the findings of the research, especially to understand those findings that were not as expected, we held a followup focus group with students exposed to both cultures (five Japanese students studying in the United States). Participants in this focus group were asked for possible explanations for finding that were not consistent with

expectations. The results of this discussion were fascinating and open new doors for further exploration.

Cross-Cultural Differences

We analyzed rating and ranking information within each industry to see if there were significant differences between countries in what was important to respondents in each type of service encounter. Oneway ANOVA F-tests showed that all of the eight dimensions studied have significant differences between the U.S. and Japan in level of relative importance to satisfaction for restaurant transactions (at $p \leq .05$), and all but friendliness and promptness showed significant nation effects for medical transactions (see Table 2). Supporting this finding, chi square analysis of ranking patterns in the two countries, showed between country differences for all dimensions in the restaurant industry and for all but friendliness in the medical industry (see Table 3).

Personalization, formality and control showed significant differences in ipsatized rating means between countries in the same direction in both industries (see Table 2). Differences for both personalization and formality were in the predicted directions. Personalization was consistently much more important in the United States in both restaurant and medical encounters than in Japan (scores of 10 and 15 versus six and four in Japan, see Table 4). Formality was consistently much more important in Japan in both medical and restaurant encounters (scores of 15 and 16 versus five and six in the U.S., see Table 4). Ranking scores are consistent with these findings. Personalization receives very poor mean rankings of above six out of eight (meaning very low in importance) in both industries in Japan. About half of the respondents ranked personalization last in importance, while it is placed about middle in importance in the U.S. (see Table 5). For formality, we find a mirror image of the personalization results. In the U.S., formality gets very poor rankings of around seven out of eight in both U.S. samples, and is ranked last in importance by nearly half of U.S. respondents in both industries. It is ranked about in the middle in the Japanese samples (see Table 5).

The findings for control are contrary to expectations, with control rated significantly higher in Japan in both industries. Normally, this would be of concern and important to analyze, but, on closer analysis, we see that control has the lowest average ratings of any of the dimensions studied in both countries (with ipsatized rating scores from one to less than six, see Table 4, and the second lowest rankings in both countries and industries, see Table 5). This apparent lack of relevance to the consumer could explain the reason for surprise in the findings. The followup focus group participants also had another suggestion. They said that because the Japanese must be the same and very controlled in virtually all aspects of their lives, perhaps when they are

TABLE 2
ONEWAY ANOVA RESULTS USING IPSATIZED RATING SCORES

	NATION EFFECTS		INDUSTRY EFFECTS	
	RESTAURANT	MEDICAL	UNITED STATES	JAPAN
	n=727	n=511	n=593	n=645
AUTHENTICITY	F= 5.44 (.000) (U)	F= 5.40 (.000) (J)	F= 41.13 (.000) (M)	F=101.86 (.000) (M)
CARING	F= 8.10 (.005) (J)	F= 21.12 (.000) (U)	F= 28.68 (.000) (M)	F= 5.37 (.021) (R)
CONTROL	F= 6.68 (.010) (J)	F= 36.78 (.000) (J)	F= 18.14 (.000) (R)	
COURTESY	F= 8.40 (.004) (J)	F= 9.02 (.003) (U)	F= 13.81 (.000) (R)	F= 72.63 (.000) (R)
FORMALITY	F=225.43 (.000) (J)	F=173.41 (.000) (J)		
FRIENDLINESS	F= 76.10 (.000) (U)		F= 20.63 (.000) (R)	
PERSONALIZATION	F= 39.66 (.000) (U)	F=225.71 (.000) (U)	F= 71.76 (.000) (M)	F= 6.57 (.011) (R)
PROMPTNESS	F= 22.58 (.000) (U)		F= 68.47 (.000) (R)	F= 4.32 (.038) (R)

The oneway ANOVA F scores are reported from analysis of the ratings scores in different countries and industries, with significance scores in parentheses. To aid with readability, only scores significant at $p \leq .05$ are reported. The letters in parentheses indicate which mean is higher (U=United States, J=Japan, R=restaurant, M=medical)

TABLE 3
STATISTICAL EXAMINATION OF RANKINGS RESULTS
USING PEARSONS' CHI SQUARE

df=7	NATION EFFECTS Pearson's chi square		INDUSTRY EFFECTS Pearson's chi square	
	RESTAURANT	MEDICAL	UNITED STATES	JAPAN
	n= 727	n= 511	n= 593	n= 645
AUTHENTICITY	47.52 (.000)	51.34 (.000)	62.86 (.000)	121.09 (.000)
CARING	60.32 (.000)	63.57 (.000)	114.83 (.000)	
CONTROL	31.87 (.004)	25.03 (.001)		
COURTESY	72.32 (.000)	30.95 (.000)	72.83 (.000)	63.44 (.000)
FORMALITY	162.34 (.000)	116.30 (.000)		24.12 (.001)
FRIENDLINESS	64.41 (.000)		48.24 (.000)	
PERSONALIZATION	92.96 (.000)	154.29 (.000)	83.92 (.000)	
PROMPTNESS	103.34 (.000)	15.91 (.026)	83.10 (.000)	134.46 (.000)

Pearson's chi square scores indicating differences in ranking patterns are indicated in each cell followed by the significance of the chi squared score in parentheses. To aid with readability, only scores significant at $p \leq .05$ are reported.



**TABLE 4
MEANS OF IPSATIZED RATING SCORES**

	UNITED STATES		JAPAN		OVERALL
	RESTAURANT	MEDICAL	RESTAURANT	MEDICAL	
	n=340	n=253	n=387	n=258	n=1238
AUTHENTICITY	10.63	14.51	9.20	15.96	12.02
CARING	15.33	18.02	16.78	15.44	16.33
CONTROL	4.24	0.84	6.06	5.72	4.38
COURTESY	18.24	16.60	19.50	14.93	17.45
FORMALITY	5.14	5.60	14.74	15.95	10.33
FRIENDLINESS	17.84	15.72	13.72	14.79	15.52
PERSONAL IZATION	10.18	15.34	6.15	4.18	8.93
PROMPTNESS	18.65	14.03	16.27	14.90	16.24

All scores represent data from 7-point Likert scales that have been first standardized, then ipsatized.

**TABLE 5
SUMMARY OF RANKING SCORES**

	UNITED STATES						JAPAN					
	RESTAURANT			MEDICAL			RESTAURANT			MEDICAL		
	Mean	% First	% Last	Mean	% First	% Last	Mean	% First	% Last	Mean	% First	% Last
AUTHENTICITY	5.2	4	7	4.0	10	2	4.8	6	7	2.7	33	2
CARING	4.0	7	2	2.5	40	1	4.2	6	5	3.9	11	5
CONTROL	6.0	5	26	6.4	4	33	5.5	5	20	5.6	4	18
COURTESY	3.0	22	1	4.2	7	3	2.5	47	2	3.7	18	2
FORMALITY	6.7	1	44	6.8	1	46	4.9	4	14	4.5	14	8
FRIENDLINESS	3.1	19	3	4.1	9	3	4.0	16	4	3.9	12	3
PERSONAL IZATION	5.7	2	16	4.0	15	6	6.4	2	47	6.9	2	55
PROMPTNESS	2.4	43	2	4.0	16	5	3.8	15	3	4.7	8	6

Mean numbers indicate the mean ranking score for each dimension, with lower scores indicating higher importance. Percent first numbers indicate percent of respondents ranking each dimension most important. Percent last numbers indicate percent of respondents ranking each dimension least important.

paying for a service, they feel it is a rare opportunity for them to exercise control. This is nearly the only opportunity for the Japanese to do so, while most Americans are used to feeling in control of most things in their lives. This might account for the higher relative importance of control in a service encounter for Japanese participants.

Interestingly, six of the eight hypotheses were supported by the restaurant sample rating data, but some hypotheses showed

differences *opposite* what was expected in the medical sample. Focus group participants suggested that this might be in part due to the public nature of medicine in Japan. Medical service is viewed more as a public good than as a competitive service in Japan, therefore service expectations and demands are much lower.

In ANOVA analysis, courtesy was significantly more important in Japan than in the U.S., as expected. in the



restaurant industry, and ranking data showed courtesy as more important in Japan in both the restaurant and medical industries (see Tables 2 and 5). However, ANOVA analysis found courtesy to be more important in the U.S. than in Japan for encounters with doctors, opposite of the difference expected (see Table 2). Focus group participants suggested that this difference may be due, in part, to the low level of courtesy generally extended to patients in Japan. Status differences are more important in Japan than in the U.S. and focus group participants explained that, due to the high status of doctors, most feel they can be very rude to patients. It might be that, while patients in Japan rank courtesy as very important to them (ranking data), when asked about factors important in an actual transaction (as with the ratings), rudeness may not affect satisfaction much due to a low expectation level.

Caring also is indicated in ANOVA analysis as more important in Japan, as expected, in the restaurant industry, but more important in the U.S. in the medical industry (see Table 2). Ranking scores show caring as more important in the U.S. in both industries, though with very little difference in mean ranks in the restaurant industry (see Table 5). Here the followup focus group sessions added some very interesting insight. Participants unanimously agreed that it would be too selfish for a Japanese patient to expect a doctor to care about his or her needs and desires. They felt that a doctor needs to show empathy to other patients, therefore he or she should not show any extra caring about each individual patient's personal needs and desires. This certainly is quite different than the point of view in the United States.

Similarly, while authenticity was significantly more important in the U.S. than in Japan in ANOVA analysis, as expected, in the restaurant industry, in the medical industry it was more important in Japan (see Table 2). Authenticity was the highest rated dimension for the Japanese medical sample (with an ipsatized rating mean of 16, and had by far the best ranking, with 33% of respondents ranking it most important). Focus group participants suggested that this may be due, in part, to subtle differences in interpretation of the Japanese words used for authenticity and genuineness, where these words also suggest being professional, honest and patient. Translating into Japanese is always a problem due to the many more meanings of most words in Japanese. While the Japanese words did have the same basic meaning as the English words, they also incorporated some additional concepts.

Rating and ranking data both show friendliness to be more important in the restaurant industry in the U.S., but no differences are found in the medical industry. Focus group participants suggested that this may be due, again, to younger people in Japan being dissatisfied with their doctors and wanting them to be more friendly. They said the younger generation in Japan is learning more about Americans and

what they think, and the Japanese sometimes emulate their standards. Also, ratings in the restaurant industry and ranking data finds that, contrary to the hypothesis that posed no differences, promptness is seen as more important (compared with the other dimensions) in the United States than it is in Japan. This is found in all the data except ratings information in the medical industry that found no country differences (see Tables 2 through 5). Table Six summarizes each of the eight cross-cultural hypotheses developed for this study and the support or lack of support from exploratory research findings.

Industry Differences

Similar analyses were done to examine differences in dimension importance between the two industries selected within each country. In oneway ANOVA analysis, the main effects of industry were significant (at $p < .05$) for all but formality in the U.S. and for five of the eight dimensions in Japan (see Table 2). Three service dimensions were significantly more important in one industry than in another consistently across both countries. As predicted, authenticity was significantly more important for medical encounters than for restaurant encounters in both countries. Courtesy and promptness were significantly more important for restaurant encounters than for medical encounters in both countries (see Tables 2 and 4). Ranking data support these findings for all three dimensions. In Japan, authenticity was considered the most important dimension in the medical industry (with the highest ipsatized rating score of 15.96 and 33% of respondents saying it was most important). In the restaurant industry, courtesy and promptness are the two most important dimensions in both countries (see Tables 4 and 5). These findings support the hypotheses for these dimensions.

The hypothesis about caring was supported by the ranking data, with caring consistently ranked as more important in the medical industry than in the restaurant industry (see Table 5), and by the rating data for the United States. In the United States, caring was considered by far the most important dimension for the medical industry with the highest ipsatized rating (18) and mean ranking (2.5), with 40% of respondents saying that caring was most important. But ANOVA analysis of Japanese ratings showed caring to be somewhat more important in restaurant than in medical in Japan. As stated earlier, followup focus group participants suggested this may be due to the Japanese feeling that it is selfish to expect a doctor to care about your personal needs and desires. In a restaurant, it is more acceptable to expect the server to care about your desires.

Similarly, personalization was found in both rating and ranking information in the U.S. to be more important in medical than in restaurant. The opposite, however, was found in Japan (rating and rankings both showed personalization to be more important in restaurant). Followup focus group

TABLE 6
SUMMARY OF SUPPORT FOR HYPOTHESES

CROSS-CULTURAL HYPOTHESES		CROSS-INDUSTRY HYPOTHESES	
HYPOTHESES	FINDINGS	HYPOTHESES	FINDINGS
H1: Authenticity will be more important in the U.S. than in Japan.	Not Supported. Authenticity is significantly more important in the U.S. in the restaurant ANOVA, but significantly higher in Japan in medical and in rankings for both industries.	H9: Authenticity will be more important in the medical industry.	Supported. Ratings and rankings are higher for medical in both countries.
H2: Caring will be more important in Japan than in the U.S.	Not Supported. Caring is significantly higher in Japan in the restaurant ANOVA, but significantly higher in the U.S. in medical and in rankings for both industries.	H10: Caring will be more important in the medical industry.	Supported in the U.S. Ratings are higher for medical in the U.S., but in Japan they are higher for restaurant.
H3: Control will be more important in the U.S. than in Japan.	Not Supported. Control is consistently higher in Japan, but has very low ratings and rankings in all samples.	H11: Control will be more important in the restaurant industry.	Not Supported. Ratings are higher for restaurants in the U.S., as expected, but no differences in Japan or in ranking data.
H4: Courtesy will be more important in Japan than in the U.S.	Supported in Restaurant. Courtesy is significantly higher in Japan in restaurants, but significantly higher in the U.S. in the medical sample.	H12: Courtesy will be more important in the restaurant industry.	Supported. Ratings and rankings are higher for restaurants in both countries.
H5: Formality will be more important in Japan than in the U.S.	Supported. Japanese ratings and rankings are significantly higher than the U.S. in both industries.	H13: Formality will be more important in the restaurant industry.	Not Supported. No industry differences were found in rating, while ranking data for Japan indicated higher importance in medical.
H6: Friendliness will be more important in the U.S. than in Japan.	Supported in Restaurant. U.S. ratings are significantly higher than Japan for restaurant, but not significantly different for medical.	H14: Friendliness will be more important in the medical industry.	Not Supported. Ratings are higher for restaurants in the U.S. (opposite what was expected). No differences in Japan.
H7: Personalization will be more important in the U.S. than in Japan.	Supported. U.S. ratings and rankings are much higher than Japan in both industries.	H15: Personalization will be more important in the medical industry.	Supported in the U.S. Ratings are higher for medical in the U.S., but higher for restaurant in Japan.
H8: Promptness will be equally important in the U.S. and Japan.	Not Supported. Rating and ranking data showed promptness to be more important in the U.S. (except for ratings for medical which showed no difference)	H16: Promptness will be more important in the restaurant industry.	Supported. Ratings and rankings are higher for restaurants in the U.S. and Japan.

participants said the Japanese view medical services as a public good and therefore feel that all patients should be treated equally. One stated, "why would anyone need special treatment?". Participants also said that personal treatment in medicine is viewed as costing more.

Friendliness was more important in the restaurant industry in the United States than in the medical industry, opposite what was expected (no differences were found in Japan). In Japan, formality was found to be significantly more important for a medical encounter than for a restaurant encounter in the ranking information, again opposite what was expected (no differences were found in the ratings data or in the United States). Perhaps, counter to Goodwin and Smith's (1990)

argument that consumers want more friendliness from higher status service providers, what consumers really want from these high-status, professional service providers might be more showing of respect (in the form of less friendliness in the U.S. and more formality in Japan). The role of respect in service encounters merits further exploration.

The hypothesis that control will be more important in the restaurant industry than in the medical industry was supported by ratings data in the U.S. However, no significant differences were found between industries in Japan or in any of the ranking data. Table Six summarizes the eight hypotheses generated for cross-industry differences and how the data support or fail to support each hypothesis.

MANAGERIAL IMPLICATIONS AND RECOMMENDATIONS

Clearly, what matters most to consumers when evaluating a service encounter differs according to both culture and industry. Extending the findings of this research, one could conclude that personalization is much more important to consumers in individualistic countries like the United States than it is to consumers in collectivist countries like Japan. Also, while consumers in egalitarian countries like the U.S. do not expect or even want to be treated formally, formality is one of the most important attributes leading to encounter satisfaction in status-conscious societies like Japan.

These findings suggest that we can predict some of what consumers will want in a service encounter based on cultural values. They also alert us to be sensitive to different cultures and how they affect the way managers and marketers should offer service in different countries. They have major implications for service providers exporting services. Managers designing services and training personnel in individualistic countries like the United States need to avoid strictly manualized procedures and perhaps sacrifice some efficiencies to ensure that customers receive, or at least perceive, some level of personalization. On the other hand, in collectivist countries like Japan, the consistency and efficiency of a strictly followed manual are much more important than offering personalized treatment. Service marketers also need to stress different dimensions when promoting services in different countries. It is clearly very important for companies offering services internationally to understand these differences.

There are also several notable differences between industry regarding what consumers want and expect. As hypothesized, consumers are much more concerned about the authenticity or genuineness of behavior of a professional service provider like a doctor than they are of the behavior of a more generic provider like a waiter or waitress. Conversely, courtesy and promptness of the generic provider are more important for a generic service than they are for a professional services provider. These findings are true across country and were consistent with hypotheses formed. Also as expected, in the United States, personalized treatment and caring are more important in a professional service setting than in a more generic setting. It is important for both managers and researchers in services marketing and management to understand these variations by industry, and to be aware that generic standards and service designs cannot always be transferred from one industry to another.

Besides learning about cross-cultural and cross-industry differences, the findings of this study help give us insight into what consumers want overall and within each country and industry. Courtesy and caring are consistently among the most

important attributes to consumers in both the United States and Japan in both industries studied. Promptness is also very important in restaurant encounters in both countries. For medical encounters, friendliness and personalization are very important in the United States, while formality and authenticity are crucial in Japan.

In the ranking data, there were clear standouts in each industry and each country regarding what dimension was most important to consumers. In the U.S., promptness was ranked first for restaurant by 43% of respondents, while caring stood out in the medical rankings with 40% ranking it first in importance to satisfaction. In Japan, 47% of respondents said courtesy was most important to satisfaction with their restaurant encounter, while 33% said authenticity was most important in a medical encounter. Perceived customer control is consistently at the bottom of importance ratings in both cultures and both industries (see Table 5).

These findings suggest that service design and training programs in the restaurant industry need to focus primarily on server demeanor and efficiency. In the medical industry, service design and training need to focus more on empathy and demonstrating caring for the patient, adding formality and an assurance of authenticity in Japanese medical encounters.

Clearly, excellence in all of the dimensions studied in all industries and all countries is a good goal (with the exception of formality in the U.S.). However, managers in service industries cannot always maximize each of these service attributes, and tradeoffs between them must often be made. For example, personalization /customization takes extra time, competing directly with promptness. Similarly, a service provider needs to make tradeoffs between friendliness and formality. It is crucial for service providers to understand which of these is most important to customers and how this might differ in different cultures and for different types of industries. This study helps to provide a preliminary framework for making these decisions.

This research also presents several findings of importance to managers that are counter to what we expected based on the services and culture literature. Findings from this research can help both managers and researchers to better understand and anticipate these unexpected variations. For example, control was expected to be much less important to Japanese service customers due to the focus on harmony in the Japanese society. However, because the Japanese are forced to give up control and follow prescribed behaviors in most of what they do, they value control more highly in those few situations where they feel they are entitled to control, as when they are paying customers. This is a quite unexpected, but understandable, finding. Also, some factors like courtesy and caring that were expected to be much more important to Japanese customers actually were rated higher in the United

States for medical encounters. Focus group research suggested that these surprising findings are most partly due to the high status of doctors in Japan so that most customers actually expect and accept rudeness from doctors.

Also, the Japanese feel that medicine is a public good and that it would be quite selfish and bad manners for one patient to expect a doctor to care specifically about his or her personal needs or desires. Ironically, the value on empathy in Japan that led us to expect increased emphasis on doctors' caring in Japan, actually led Japanese respondents to value personal caring less, putting more emphasis on empathy and fairness for *other* patients. For similar reasons, personalization was found to be less important for medical encounters than for restaurant encounters in Japan, opposite what we expected. Since medicine is perceived as a public good, fairness is very important and it would be perceived as selfish for anyone to expect special treatment.

Finally, the importance of what might be considered a respect dimension seemed evident in the findings. Counter to expectations, customers seemed to want less friendliness from doctors (compared to waiters) in the United States, and more formality from doctors (compared with waiters) in Japan. Both findings suggest that what customers want most from doctors is respect.

LIMITATIONS AND FUTURE RESEARCH

This work provides important insights into the relative salience of different dimensions of the service encounter and the impact of cultural and industry differences on their relative importance. However, the study is limited by using single-item measures for the constructs being studied. Multiple methods were used to help assure the validity of the findings, with convergent validity evident in the consistency between rating and ranking information. However, there is no way to check for reliability of measures. Multiple measures should be developed for each of these constructs to better understand the domain of each and to allow for reliability analysis.

Also, any time research is done in another language, there is concern about whether meanings are consistent across

languages. Great care was taken to accurately translate and backtranslate concepts being studied, and a followup focus group reconfirmed that the English and Japanese words were approximately equivalent. However, it is not possible to ensure exact replication of all ideas across cultures and languages. In fact, often there are nuances and additional meanings to words that can impact responses (as in the case with the words for authenticity and genuineness in Japanese).

The use of a student sample can also be perceived as a limitation of the study. It is clearly a strength to use homogeneous samples when comparing two countries (to help minimize influences other than those being tested). However, it is not clear whether findings from a sample of only one segment of the population in each country can be generalized to the rest of the population. The findings need to be tested with other segments.

The dimensionality and interrelatedness of each construct studied also needs to be examined further. The dimensions were identified through a thorough exploration of the services literature and extensive discussions with Japanese students, but more should be done to study how consumers view the constructs, especially in Japan. It is important for managers of service businesses to better understand what each of these constructs means and how each is perceived by consumers in terms of actual behaviors of service personnel.

Finally, it is evident from this analysis that the current service encounter literature applies much better to restaurant settings and to encounters in the United States than it does to medical encounters and to encounters in Japan. These are areas that need much further exploration.

It is crucial for researchers to understand that there are significant variations in how consumers evaluate service encounters based on both cultural differences and industry differences. We clearly need to account for these differences as we design and implement further research in the area of services marketing and management.

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