

STUDY ON CONSUMER BEHAVIOUR ON SERVICE QUALITY

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Abstract

The most important factor affecting business performance is the quality of services offered by the service organizations, in relation to its competitors. The influence that others have on individual decisions is often due to the person's concern or caring about reactions to his/her behavior. As per Miniard and Cohen's (1983) saying, "to the extent that consumers' behavior is influenced by concerns over what others might think of them or how others might act towards them functions as a product choice and usage, the identification and separation of normative from personal reasons for preferring a product would appear to be quite useful" (Bearden and Rose, 1990).

Key words: Service quality, Retailing, Social communication, Consumer, Social comparison

Introduction

Quality in services is a measure of the extent to which, the service delivered meets the customer's expectations. The generic determinants of service quality are identified and discussed in the following passages Gronroos (1978) (24) argued that "Service quality, comprises three dimensions, viz.,

1. Technical quality of outcomes; E.g., in a repair garage, the availability of the car at the agreed time
2. Functional quality of the service encounter E.g., courtesy shown to the customer, amount of explanation provided in terms of what needs to be done.
3. The corporate image determined by technical and functional quality of services rendered.

Lehtinen and Lehtinen (1992) also contend that 'Service Quality' has the following three dimensions:

1. Physical quality E.g., Condition of buildings in an apartment provided by a construction company.
2. Corporate quality (organization image & profile)
3. Interaction quality (E.g., interaction between service organizations' personnel and customers).

Service - Quality Gap Model

A model suggested by Parasuraman et al., (1985) brings out the service gaps as follows. These gaps or discrepancies or links bring out the gaps between service characteristics expectations and service characteristics perception (received level of service) The gaps identified by Parasuraman et al., (1985) are as follows:

1. Customer Expectation - Management Perception Gap (Gap 1)

Management may have inaccurate perception of what consumers actually expect. The reason for this gap is lack of proper market / customer focus.

2. Service Quality Specification Gap (Gap2)

There may be an inability on the part of the management to translate customer expectations into service quality specification. This gap relates to aspects of service design.

3. Service Delivery Gap (Gap 3)

Guidelines for service delivery do not guarantee high quality service delivery or performance. The reason could be, lack of sufficient support of the frontline staff, process problems, or frontline / contact staff performance variability.

4. External Communication Gap (Gap 4)

Consumers' expectations are fashioned by the external communication of an organization. A realistic expectation will normally promote a more positive perception of service quality. A service organization must ensure that its marketing and promotional material accurately describes the service offering and the way it is delivered.

5. Expected Service - Perceived Service Gap (Gap 5)

Perceived quality of service depends on the size and direction of gap 5, which in turn, depends on the nature of the gaps associated with marketing, design and delivery of services.

Review of Literature

In social comparison research, a distinction is often made between upward and downward comparison (Buunk, 2005). It is reported that upward comparison or comparison with 'better-off' others may be related to negative effect, such as threatened self-worth, feelings of inferiority and dissatisfaction. Downward comparison, or comparison with 'worse-off' others may lead to a positive effect, such as self enhancement, superiority and satisfaction. Later, researchers have studied social comparison on the basis of appearance (quoted from Irving, 1990; and Richins, 1(91) and also life outcomes (quoted from Wood, 1989; and Wood et al., 1985) (see Lee et al., 2000, p. 467), As mentioned by Davis, (1963), Morse and Gergen (1970) and Zander and Havelin (1960), the major independent variable of interest in social comparison research has been interpersonal similarity. There are at least two senses in which people may be similar in considering the comparison of ability: people may be similar in terms of the ability in question (foreground similarity) or they may be similar in terms of factors other than, but possibly related to the ability in question (background similarity) (Dakin and Arrowood, 1981), A person does not tend to evaluate his opinions or his abilities by comparison with others who are too divergent from himself. If the other person's ability is too far from his own, either above or below, it is not possible to evaluate his own ability accurately by comparison (Festinger, 1954).

Until the mid-1960s, there was little pertinent evidence either to support or to refute Festinger's contentions. In 1966, however, a number of researchers used a common research paradigm in independent tests of the 'interpersonal similarity hypothesis. The evidence suggests that information-seeking can and does occur at all levels of interpersonal similarity (Dakin and Arrowood, 1981),

As Buunk and Mussweiler (2001) noted, unlike classic social comparison without paying attention to individual differences (quoted from Festinger, 1954; and Suls and Miller, 1977), Gibbons and Buunk (1999) proposed the concept of Social Comparison Orientation (SCO) and proposed to refer to the personality disposition of individuals who are inclined to use social comparisons to evaluate their characteristics, who have a tendency to relate what happens to others to themselves and who are particularly interested in information about others' thoughts and behavior in similar circumstances (Buunk. 2005. pp, 656-658).

Others' influence is an important determinant of all individual's behavior. Portrayal of products being consumed in social situations and the use of prominent/ attractive spokespersons endorsing products is evidence of this belief. Further, models frequently include interpersonal influences used to explain consumer behavior. These models recognize then consumer behavior cannot be fully understood unless consideration is given to the effects of interpersonal influence on development of attitudes, norms. Values, aspirations and purchase behaviour (quoted from Stafford and Cocanougher.1977). The susceptibility to interpersonal influence is a general trait that varies across people and people's relative influence ability in one situation tends to have a significant positive relationship to his or her influence ability in a range of other social situations (see Bearden et al., 1989). The susceptibility to interpersonal influence has been conceptualized as being either informational or normative (quoted from Deutsch and Gerard, 1955) (see Bearden et al. 1990) and its conceptualization as a personality trait dates back to the psychology literature of the 1950s. McGuire (1968) bolstered this view with his seminal work on influence ability which described susceptibility to interpersonal influence as related to global personality traits, such as self-esteem (Clark et al., 2007).

Two main concerns dominate consumer social influence research: reference group influence and individual differences (quoted from Warneryd, 1988). In the first case, scholars have concentrated on developing taxonomy of brand and product decisions that vary in their susceptibility to social influence. In the second case, efforts have converged on identifying individual or group discussion in consumer interpersonal influence. Research involving social influence and consumption began with the effort to persuade women to feed their family 'sweetbreads' during 'World War II (quoted from Lewin, 1958) (see Schroeder, 1996). The exact term 'role-relaxed' was apparently first used in a consumer behavior context by Chris Riley. The intellectual roots of the notion relate closely to the concept of susceptibility to interpersonal influence. Role-relaxed consumers are less susceptible to interpersonal influence than non relaxed consumers. Kahle (1995b) has

identified a number of attributes of role - relaxed consumers including a preference for the value of self-respect over the value of being well-respected and other social comparison values, as well as a preference for substantive product attributes over stylistic product attributes (Clark et al., 2007, p. 48). Perhaps, the most interesting trend in 1995 in consumer behavior was the emergence of the role relaxed consumers. Role-relaxed consumers do know social expectations well, decide how to act and what to buy based on other criteria. They experience fewer obsessions with rigidly adhering to the Hurries of minor social stipulations that surround them. Instead, they heed an inner Sense of what is desirable, what is right and what is appropriate. They care more about obtaining excellence from themselves and from their money, than about obtaining stature or faddish popularity (Kahle. 1995a) Status seeking consumers are concerned with what relevant groups consider the best (and by extension, prestigious) choices to help gain group status. Role-relaxed consumers make purchase decisions based chiefly on what they feel to be the salient characteristics of the product. The differences lie in their respective motivations, in what influences their purchase decision-making process and in their behavior. Role-relaxed consumption by definition is less concerned with earning the respect of a reference group rather than with maintaining self-respect. Kahle states that role-relaxed consumers put more emphasis on an internal sense of right and wrong rather than on external sources. Moreover, role-relaxed consumers do not desire social stature or popularity. Therefore, a role-relaxed consumer is less attentive to societal norms associated with consumption. In contrast to the status consumer, the role-relaxed consumer will be less likely to conform to normative pressure (Kahle, 1995b).

Kahle (19953) described the role-relaxed consumer as an individual who is focused on the utilitarian aspects of a product rather than the superficial aspects (e.g., brand, style and sex-appeal). Unlike the status consumer, the role-relaxed consumer purchases products for their intended use rather than the prestige or status the product might convey. This is not to imply that role-relaxed consumers are cheap and avoid brands. Role-relaxed consumers tend to be relatively affluent, self-confident and self-respecting (Kahle, 1995a). Further, role-relaxed consumers view themselves as educated, knowledgeable, logical, sensible and intelligent (Clark. et al., 2007).

Proposition 1 (P1)

Consumers who score high in role-relaxed behavior will assign high importance to independence values such as self respect and low importance to social comparison values, such as being well-respected, beauty, competitiveness and excitement.

Proposition 2 (P2)

Role-relaxed consumers will have more concern for economic value and quality and less concern for style, beauty and fashion. The more role-relaxed the consumer the more important the substantive product attributes and less important the style attributes.

Analysis of the Results Testing of PI

In proposition 1 (P1), it is posited that role-relaxed behavior depends on the value structure of the consumer. To test this proposition, consumers were asked the following question: "We'd like to know how much each of the items listed below is important to you in your daily life." A score of '7' indicates that the value is all important to the consumer in daily life and a score of '1' indicates that the value is not at all important to the consumer in daily life. The seven items and the mean and standard deviation for each of the seven items for the entire sample is listed in Table 1.

Table 1: Items to Measure Role-Relaxed Consumer Scale Including Sample Means and Standard Deviations

| Item | Mean | SD |
|---|------|------|
| How elegant and attractive a product is, is as important as how well it works | 6.15 | 1.24 |
| It is important that others think well of how I dress and look | 3.66 | 1.90 |
| When I am uncertain how to act in a social situation, I try to do what others are doing | 3.19 | 1.83 |
| My friends and I tend to buy the same brands | 1.93 | 1.29 |
| If I were to buy something expensive, I would worry about what others would think of me | 2.52 | 1.85 |
| I buy brands that will make me look good in front of my friends | 2.19 | 1.66 |
| When I buy the same things my friends buy I feel closer to them | 1.73 | 1.27 |

Reliability

Descriptive statistics for the seven item scale include a coefficient alpha of 0.725.

Validity

The factor structure of the multi-item scale was examined through an EFA by SPSS 11.5. As per anti-image results, the item "How elegant and attractive a product is, is as important as how well it works" had low value (0.476) and dropped for further analysis. The six item scale had a coefficient alpha of 0.741. The latter anti-image correlations are given in Table 2. Exploratory Factor Analysis: According to the requirements of the research, Kaiser-Meier-Olkin (KMO) and Bartlett's test was performed. KMO measure of sampling adequacy and Bartlett's test of sphericity are both tests that can be used to determine the factorability of the matrix. The value of KMO measure of sampling adequacy is 0.784 approx chi-square is 193.994, significance is 0.000 (Bartlett's Test of Sphericity) for the sample which shows the factorability is assumed.

Table 2: Anti-Image Correlations for Items of Role-Relaxed Consumer Scale

| Item | Dropped | | | | | |
|--|-----------|-----------|-----------|--|--|--|
| | 0.810 (a) | | | | | |
| How elegant and attractive a product in is as important as well it works. | | | | | | |
| It is important that others think well of how I dress and look | | 0.751 (a) | | | | |
| When I am uncertain how to act in a social situation I try to do what others are doing | | | 0.825 (a) | | | |
| My friends and I send to buy the same brands | | | | | | |

| | | | | | | |
|---|--|--|--|--------------|--------------|--------------|
| If I were to buy something expensive, I would worry about what others would think of me | | | | 0.736 (a) | | |
| I buy brands that will make me look good in front of my friends | | | | | 0.748 (a) | |
| When I buy the same things my friends buy I feel closer to them | | | | | | 0.843 (a) |

The analysis confirmed that six items accounted for 63.49% of the variance. Item loadings ranged between 0.65 and 0.83. A principal component analysis with a varimax rotation was performed to extract the items. Two factors emerged for the Indian sample. Table: 3 shows the relevant portion of the factor loadings for the sample. The mean results of the items are low, meaning that the respondents (Table 1).

Testing of P2

For the second part (If the questionnaire, the six items from Kahle (1995b) were used. All items were asked using the general question “We’d like your opinion about the statements listed below”. The respondents were requested to mark their responses for each statement on the Likert scale where '1' referred to 'strongly disagree' and '7' meant 'strongly agree'. The, six items are detailed in Table 4 (the mean and standard deviation for each of the six items for the entire sample). Descriptive statistics for the scale include a coefficient alpha of 0.73.

Table 3: Factor Loadings for Items of Role-Relaxed Consumer Scale

| Item | Component 1 | Component 2 |
|---|-------------|-------------|
| How elegant and attractive a product in is as important as well it works. | Dropped | |
| It is important that others think well of how I dress and look | | 0.714 |
| When I am uncertain how to act in a social situation I try to do what others are doing | | 0.810 |
| My friends and I send to buy the same brands | 0.647 | |
| If I were to buy something expensive, I would worry about what others would think of me | 0.829 | |
| I buy brands that will make me look good in front of my friends | 0.785 | |
| When I buy the same things my friends buy I feel closer to them | 0.747 | |

Proposition 2 states that the more role-relaxed consumer will assign more importance to substantive product attributes and less importance to stylish product attributes. As in ti1e original study from Kahle (1995b), the values in Table 4 can be divided into two groups. The first group includes socially defined values of the world of beauty, excitement, being competitive and being well-respected. All four of these role-intensive values have a negative relation with role-relaxed consumer scale scores. The more important these values, the less role-relaxed the consumer. Conversely, two independence

values have a positive relation with the role-relaxed consumer scale. The higher the importance of self-respect and equality, the more role-relaxed is the consumer (Kahle, 1995b, p. 61). These results are consistent with P I. In the Indian case the value self-respect and equality besides 'being well respected' has a high significance. This could be related with the young age group those who are between 18-25 and with the effect of the collectivist Indian culture where being respected by others is important.

Table 4: Values and Role-Relaxed Behavior

| Value | Mean | SD |
|----------------------|------|------|
| Self-respect | 6.68 | 0.77 |
| Being well-respected | 6.51 | 0.98 |
| Excitement | 5.42 | 1.32 |
| World of beauty | 4.75 | 1.71 |
| Equality | 6.46 | 1.09 |
| Being competitive | 4.59 | 1.94 |

Validity

The factor structure of the scale was examined through an Exploratory Factor analysis (EFA) by SPSS I 1.5. The anti-image correlations among items indicated no problem (all values above 0.50).

Exploratory Factor Analysis

The value of KMO measure of sampling adequacy is 0.815, approx, chi-square is 970.251, significance is 0.000 (Bartlett's Test of Sphericity) which shows the factorability is assumed. The analysis confirmed that six items accounted for 60.65% of the variance. Item loadings ranged between 0.603 and 0.878. A principal component analysis with a varimax rotation was performed to extract the items. Two factors emerged for the Indian sample. Table 5 shows the relevant portion of the factor loadings for the sample.

Table 5: Factor Loadings for Values and Role-Relaxed Behavior

| Item | Component 1 | Component 2 |
|----------------------|-------------|-------------|
| Self-respect | 0.878 | |
| Being well-respected | 0.814 | |
| Equality | 0.603 | |
| Being competitive | | 0.787 |
| World of beauty | | 0.775 |
| Excitement | | 0.615 |

Product Attributes and Role-Relaxed Behavior

Again as P2 states, role-relaxed consumers will assign more importance to substantive product attributes and less importance to stylish product attributes. The results

in the original study (Kahle. 1995h) suggest that role-relaxed consumers tend to discount the importance of all six product attributes (exciting and stylish, beautiful and attractive, friends must like it, friends also have it, made by a well-known company and cheapest available). Although much of the original social comparison research focused on young adults, researchers have recently established that social comparison occurs across the adult life span (quoted from Rohinson - Whelen and Keicolt-Glaser. 1997) (Lee et al.; 2000).

Status seeking consumers are concerned with what relevant groups consider the best (and by extension, prestigious) choices to help gain group status. Role-relaxed consumers make purchase decisions based chiefly on what they feel to be the salient characteristics of the product. The differences lie in their respective motivations, in what influences their purchase decision-making process and in their behaviors (Clark et al 2007).

The attitude towards product attributes was tested by sixteen items from Kahle (1995b). All items were asked using the general question "We'd like your opinion about the statements listed below". The respondents were requested to mark their responses for each statement on the Likert scale where '1' referred to 'strongly disagree' and '7' meant 'strongly agree'. (In the original questionnaire there were 16 items, 2 items-cheapest available and dependability-were dropped in the pretest on 20 students because 'reasonable price' and 'exact fit with taste' seemed to have the same meaning for the students in Turkey). The items are detailed in Table 6 (the mean and standard deviation for each of the 14 items for the entire sample). Descriptive statistics for the scale include a coefficient alpha of 0.824.

Table 6: Product Attributes and Role-Relaxed Behavior-Sample Means and Standard Deviations

| Item | Mean | SD |
|------------------------------|------|------|
| Exciting and stylish | 3.63 | 1.73 |
| Beautiful and attractive | 4.58 | 1.62 |
| Friends must like it | 3.13 | 1.85 |
| Friends also have it | 2.80 | 1.93 |
| Made by a well-known company | 3.22 | 1.84 |
| Durability | 6.08 | 1.22 |
| Reasonable price | 5.99 | 1.30 |
| Expansiveness in use | 5.88 | 1.28 |
| Ease of use | 6.04 | 1.15 |
| Safety | 6.21 | 1.23 |
| Ease of repair | 6.11 | 1.16 |
| Comfort | 6.23 | 1.14 |
| Exact fit with taste | 5.75 | 1.56 |
| Quality | 6.22 | 1.28 |

Exploratory Factor Analysis: The value of KMO measure of sampling adequacy is 0.765, approx. chi-square is 205, 584, significance is 0.000 (Bartlett's Test of Sphericity)

which shows that the factorability is assumed. The analysis confirmed that 14 items accounted for 71.26% of the variance. A principal component analysis with a varimax rotation was performed to extract the items. Four factors emerged for the Indian sample. Item loadings ranged between 0.609 and 0.878. Table 7 shows the relevant portion of the factor loadings for the sample.

Table 7: Product Attributes and Role-Related Behavior-Factor Loadings

| Item | Components | | | |
|------------------------------|------------|-------|-------|-------|
| | 1 | 2 | 3 | 4 |
| Ease of use | 0.847 | | | |
| Expansiveness in use | 0.836 | | | |
| Ease of repair | 0.826 | | | |
| Safety | 0.824 | | | |
| Reasonable price | 0.806 | | | |
| Comfort | 0.739 | | | |
| Durability | 0.641 | | | |
| Friends must like it | | 0.872 | | |
| Friends also have it | | 0.861 | | |
| Made by a well-known company | | 0.660 | | |
| Exact fit with taste | | | 0.860 | |
| Quality | | | 0.609 | |
| Beautiful and attractive | | | | 0.878 |
| Exciting and stylish | | | | 0.720 |

In the Indian case, the results suggest that student consumers tend to discount the importance of 10 product attributes. Of the product attributes, "friends must like it", "friends also have it" and "made by well-known company" has lower mean values (Table 6). In order to assign the importance of product attributes, a series of regressions were performed. The attributes served as dependent variables and role-related consumer scale items remained as independent variables. The role-related consumers in our sample give importance to 7 of the 14 attributes. Rest of the 7 attributes do not show significance (Table 8).

Table 8: Importance of Product Attributes and Role-Related Behavior

| Product Attributes | B | Beta | t-Value | p-Value |
|------------------------------|-------|-------|---------|---------|
| Beautiful and attractive | 1.789 | 0.781 | 2.291 | 0.024 |
| Friends also have it | 1.839 | 0.859 | 2.141 | 0.034 |
| Made by a well-known company | 1.898 | 0.832 | 2.280 | 0.024 |
| Durability | 5.058 | 0.606 | 8.346 | 0.000 |
| Expansiveness in use | 3.703 | 0.607 | 6.098 | 0.000 |
| Safety | 4.724 | 0.600 | 7.871 | 0.000 |
| Exact fit with taste | 3.973 | 0.760 | 5.228 | 0.000 |

As per the Indian case results beautiful and attractive products which friends also have, which is made by a well-known company, those that are durable, safe and expansive in use and the products in exact fit with taste have significance. The last four attributes denote the properties of the role-relaxed consumer. The young consumers' would probably look for beautiful and attractive products because of their age. In Turkey also the consumption choices are effected by word of mouth, i.e., the reference groups like friends. The products of a well-known company would give the opportunity of being the member of the fashion world, would provide consumer services, i.e. guarantees and reply to claims and have longer durability. These results support P2.

Conclusion

The social comparison theory has been extended to the realm of psychological well-being, demonstrating that one's relative standing in comparison to similar others has an impact on satisfaction with life. The objective of this paper was to compare and contrast two types of consumers, the status seeking consumer and the role-relaxed consumer. Based on the results of the survey of 137 students, the data supported proposition 1 and proposition 2. Most social comparison theorists and researchers assume that people will seek comparison with others who are similar to themselves. Mainly, the role-relaxed consumer does not generally conform to group norms, is typically susceptible to neither informative nor nonnative interpersonal influence does not pay attention to social comparison information, is neither an opinion leader nor an opinion seeker. Thus, further research is needed in order to contrast two different consumers in the future.

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