The influence of individual cultural value orientation on the evaluation of

a retail store environment

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ABSTRACT

The role of culture in consumer behaviour and the importance of service quality delivery as a differential factor among businesses have received much interest in recent times, especially within the retail environment. With similar products being offered, service quality is seen as a critical tool to ensure customer loyalty. This implies that building customer loyalty requires understanding the cultural dimension of the consumer.

On the other hand, literature reviewed shows the danger in stereotyping individuals into a national culture since sub-cultures exist especially in the case of a multicultural society as South Africa. Thus, this study aims at examining the individual cultural value orientation of retail patrons and to investigate its influence on their perception of retail service quality.

To achieve the research objective a structured questionnaire was administered to retail patrons in a mall intercept. The questionnaire was structured around attitudinal questions and the Retail Service Quaity Scale.

The results showed a relationship between the individual cultural value orientation and the importance of the retail service quality dimension. Although some of the findings were not what was expected; the study provides a framework by which retailers can segment their market and allocate resources. It also contributes to the knowledge base and provides a platform for further research.

DECLARATION

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research.

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       Genevieve Anum   Date

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TABLE OF CONTENTS

List of Tables

List of Figures

CHAPTER ONE: INTRODUCTION TO RESEARCH PROBLEM

1.1 INTRODUCTION

In this chapter, the researcher motivates the need for the research, highlighting the growing interest in consumer psychology and the impetus of businesses to use service quality as a competitive strategy. The chapter also outlines the research objectives, the context and scope under which the study will be carried out are defined.

1.2 BACKGROUND TO THE PROBLEM

A great deal has been learned in recent years about the role of culture in consumer psychology (Shavitt, Lalwani, Zhang, Torelli, 2006). Maheswaran and Shavitt (2000) demonstrate the growing interest in cultural differences in consumer behaviour, and highlight the importance of understanding the cultural context of consumer behaviour in an increasingly globalized market place.

Furthermore, the percentage of organisations ranking their established customer base as the most important asset after their employees but higher than financial resources, intellectual property, corporate and product brands has increased in recent years (Economist Intelligence Unit, 2006). This shows the need to understand the consumer in order to build customer loyalty which would increase market share and profitability eventually. Thus, building customer loyalty is rooted in understanding the cultural dimension of consumer behaviour. This

understanding forms the basis of market share increase and although price and cost are important factors, they are not the principal differentiating drivers needed to obtain competitive advantage (Economist Intelligence Unit, 2006). Customers are now much more concerned about quality of service amongst businesses thus; there is the need to factor cultural orientation in service deliver.

As a result of the foregoing, businesses entering the global market, try to adjust their services to suit the culture of that environment. The bulk of cross-culture comparison in the literature contrasts people in different countries, for instance United States (individualistic) with countries in East Asia (collectivism) (Shavitt *et al* 2006). However, political boundaries do not define cultures and there are culture overlaps between and within nations (Mattila, 1999).

It is therefore not sufficient to know only the national culture of a country, since subcultures may exist which, when overlooked, could mean ignoring or not meeting the need of a whole group of customers (Trandis & Singelis, 1998).

1.3 THE PROBLEM DEFINITION

Globalization, migration, education and inter-marriages, among others, have made the stereotyping of individuals by their national culture obsolete; this is especially the case in a multicultural society as South Africa with its recent history of apartheid. As a result of this researchers have cautioned that segmentation and

targeting of markets can therefore not be done by using only demographic factors (Eaton and Louw, 2000).

The foregoing indicates that for retailers to stay ahead of competition it is imperative for them to know their customers.

Adopting a general approach to address customer needs has not delivered the results that most retailers expect or desire. Implementing the same retail environment in markets that market researchers believed shared the same culture has been unsuccessful. As an emerging market, retailing in South Africa is growing at an increasing rate to meet the demand due to improvement in purchasing power especially among the young black middle class. Furthermore, awareness of the need for excellence in service delivery among consumers galvanise the need for retailers to organise their service quality delivery so as to retain their customers.

Whereas much research was not done regarding culture and service quality in the retail sector, extensive research has been carried out in tourism, financial, transport, and the hospitality sectors, to mention a few. This study therefore looks at the retail sector. However, the Retail Service Quality Scale (RSQS) has been replicated in the South African context by Boshoff and Terblanché (1997). While this yielded encouraging results about its applicability to department stores, hyper markets and speciality stores in South Africa, there is the need to provide an ongoing study about the applicability of this scale in the South African environment.

In summary, the extant literature shows the effects of cross culture on perceived service quality, the importance of investigating culture at the individual level, and the reliability of the Retail Service Quality Scale in measuring service delivery within the retail environment. This study relies on these findings and contributes to knowledge by investigating the influence of individual level culture on service quality perception in the retail environment within the South African context.

1.4 THE RELEVANCE OF THE RESEARCH

The results will help local and international retailers to understand their customers and thus to determine how to manage and train their employees so as to meet the level of customers' expectations in terms of retail store service.

Service quality has gained much importance among all the services marketing topics in recent times (Schneider and White, 2004). Research has shown that customers' satisfaction with service quality results in loyal customers. Service quality is therefore perceived as a tool for increasing value for the consumer. It provides businesses with the means of positioning themselves in a competitive environment. By ensuring that customers are satisfied, retention and patronage levels can be increased (Kaul, 2007).

1.5 THE RESEARCH OBJECTIVE

This study aims at examining whether there is a relationship between individual cultural value and retail service quality perceptions.

The research will identify the four individual level cultural values posited by Triandis 1995, namely, horizontal/vertical individualism and collectivism. The level of importance of each of the five dimensions of the Retail Service Quality to the cultural orientation will be measured.

The expected relationship which the study will test is illustrated in Figure 1.

Figure 1 Expected Importance Of Service Quality Perceptions Of Horizontal/Vertical Individualism – Collectivism.
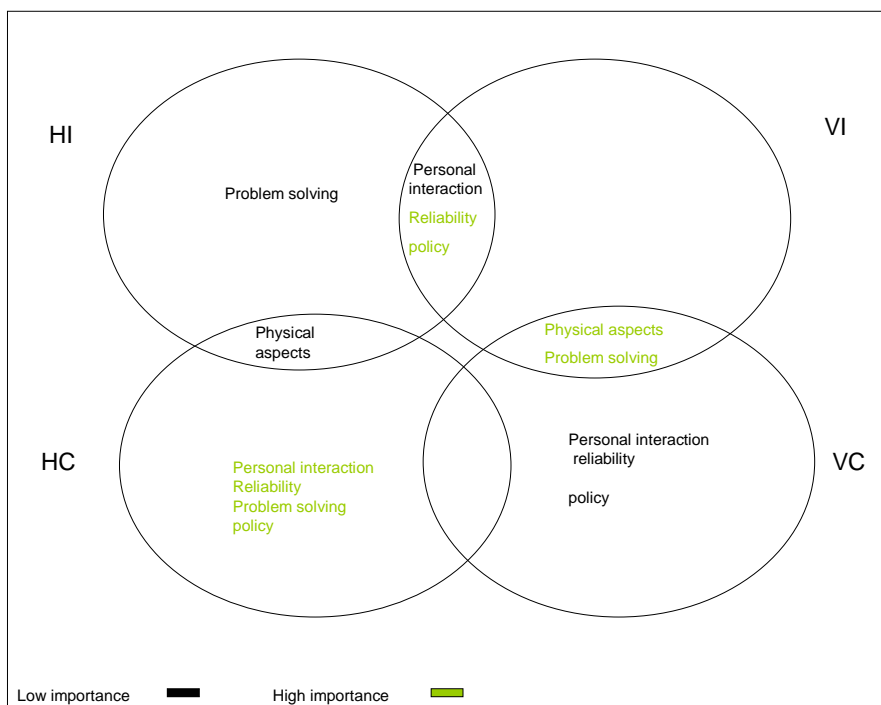
1.6 SCOPE OF RESEARCH

To achieve its objective, the study elicited responses from 181 retail patrons of a hyper market.

A structured questionnaire, based on attitudinal questions posited by Triandis (1995) and the Retail Service Quality Scale developed by Dabholkar, Thorpe and Rentz (1996) were administered face-to-face. The patrons were intercepted as they finished their shopping at the hyper market. On completion of the survey, the results were captured manually by the researcher, and data was analyzed.

1.7 CONCLUSION

The main limitations of this study are that it is based on a single retail store environment and a non-probability sampling method is used. Despite these limitations, the study presents the potential for further research and provides a tool by which retailers can segment markets and allocate resources appropriately to make them more competitive in the retail environment.

CHAPTER TWO: LITERATURE REVIEW

2.1 INTRODUCTION

In this chapter, literature relating to the two main concepts of this study, culture and service quality is reviewed.

Culture is defined and both cross-culture and individual level dimensions of cultural values are covered. The chapter also reviews literature on the importance of culture in consumer behaviour in general, and service quality in particular. The service quality measurement is reviewed with emphasis on the retail service quality dimensions and measurement.

The relationship between the two concepts is reviewed and the chapter concludes with the expectations of what this study will investigate.

A pictorial overview showing the connection between the various constructs discussed in this chapter is provided in Figure 2.

Figure 2 An Overview Of The Literature Review

Illustrated by Researcher
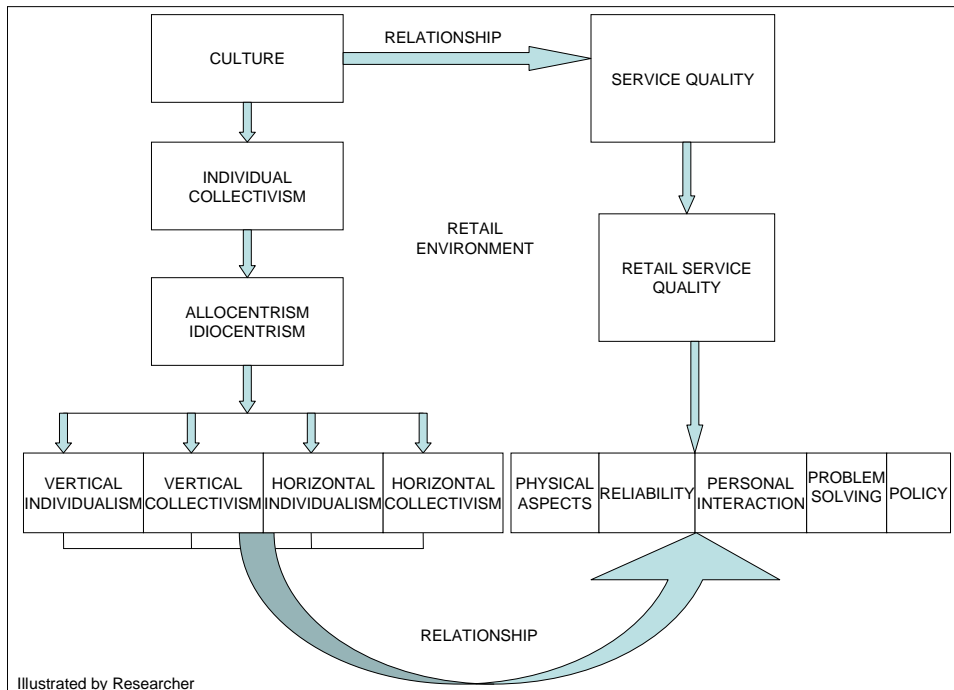
2.2 CULTURE

2.2.1 Definition of Culture

Hofstede defines culture as the 'collective programming of the mind that distinguishes the members of one group or category of people from others' (Hofstede 1994 p. 4).

On the other hand, Gupta's (2003) definition supports extant studies which hold that culture is a way of life portrayed in learned behaviours, shared mental

programmes, compelling ideologies, and inter-related symbols whose meanings provide a set of orientations for the members of that society.

Furthermore, to develop a better understanding of culture Graig and Douglas (2006), suggest that, there should be an incorporation of three important components of culture:

a) abstracts of intangible elements of culture such as values and belief systems (Hofstede, 1991; Schwartz 1994);

b) the communication links which bind and perpetuate a cultural system (Hall's, 1976); and

c) metrical aspects of culture such as artefacts, symbols and rites (McCracken's, 1986).

These components they explain capture the richness of culture and its impact on consumer service experiences. In an attempt to explain culture in the light of consumer behaviour, Kueh and Voon (2007) deduce that implicit in many definitions of culture is the fact that culture influences the belief system and perceptions of consumers, and subsequently their behaviour, such as attitudes, preferences and responses.

It is evident in the above definitions that researchers have diverse views on culture and this diversity transcends into the debates on its measurement.

2.2.2 A Critique of Hofstede's Model of Culture

Hofstede's framework although originally studies the work values of IBM employees, has received widespread use and popularity (Kueh and Voon 2007). Although literature provides other frameworks to discuss the differences between the cultures of societies Hofstede's model of culture creates a platform which facilitates comparative research and stimulates a rapidly expanding body of cultural and cross-cultural research (Oyserman, Coon & Kemmelmeier, 2002).

Hall (1960) explains culture in terms of time, space, communication context and friendships. Relationship with nature, people and time were three dimensions of culture that Trompenaars and Hampden-Turner (1997) discuss in their study.

Hofstede (1980) classifies culture into five main dimensions, namely power distance, uncertainty avoidance, individualism and masculinity and later, long-term orientation was added to better explain Chinese cultural values (Hofstede, 1994).

Scholars in recent years raise concerns about the over-reliance on Hofstede's framework since it was conducted in 1968-1973 (Zhang, Beatty and Walsh, 2008). Kueh and Voon (2007) point out that many cultural studies use Hofstede's country-level measurements of national culture without taking into consideration any updates in cultural values. In their studies, although Malaysia is ranked high in power distance in Hofstede's country scores, it is found to be the lowest among all the cultural dimensions thirty-four years later. Fam and Merrilees (1998) also realise that within twenty-five years, Australia was becoming more collective while

Hong Kong was becoming more individualistic when compared to Hofstede's scores.

Yau, Chan and Lau (1999) comment that Hofstede's work might be more relevant to work values rather than consumer behaviour.

Another disadvantage of obtaining country-level measurements of cultural values is that it ignores variability in cultural values among individuals in the same country.

Zhang *et al* (2008) argues that Hofstede's dimensions do not capture some of the rich differences across cultures, for example the horizontal or vertical dimensions propounded by Triandis and Gelfand (1998) and supported by Shavitt *et al* (2006), and calls for further research to adopt alternative cultural dimensions.

However, despite these criticisms, Hofstede's model of culture creates a platform which facilitates comparative research and stimulates a rapidly expanding body of cultural and cross-cultural research (Oyserman, Coon & Kemmelmeier, 2002).

2.3 INDIVIDUALISM AND COLLECTIVISM

Another most widely used cultural dimension for analysing cultures appears to be the individualism-collectivism cultural syndrome (Triandis, 1996). Greenfield (2002) refers to it as the deep structure of cultural differences. Triandis (1995) describes individualism and collectivism as constructs that provide both a social psychological theory and a framework for interpreting cultural differences.

Collectivists are concerned with relationship and they are interdependent within their in-groups – mainly family, tribe or nation. Their primary focus during conflict is therefore to maintain the relationship. Individualists are independent from their in-groups and give priority to their own goals over that of their in-group. Their primary focus during conflict is to achieve justice (Triandis, 2001).

The four defining attributes of the constructs of individualism and collectivism are: definition of self; structure of goals; emphasis on norms versus attitudes; and emphasis on relatedness versus rationality (Triandis 1995).

2.3.1 Factors That Shape Individualism-Collectivism Orientation In Societies

Triandis (2001) mentions that ecological factors like geography, resources, the history of a society and child-rearing patterns shape culture. Relatively isolated societies tend to be high in tightness. Tight cultures are high in collectivism because they are highly interdependent and are sanctioned for the least deviation from norms (Carpenter, 2000; Triandis, 1994, 1995), whereas in loose cultures there is tolerance for deviation. Secondly, the more complex the culture the more individualist it is likely to be (Triandis 2001). Indices of cultural complexity include per capita income, population in urban areas and size of cities to mention a few.

Spiro (1993), in a competing theory, criticises the contrast of individualist and collectivist cultures. He is of the view that the characterisation of such cultures is wildly overdrawn since culturally normative conceptions are not necessarily

manifested in the behaviour. Shweder (1991) also argues that individual differences in conduct should not be generalised across contexts since they are only narrowly context-dependent. He therefore advocates that global traits do not exist.

Eaton and Louw (2000) point out that although African cultures are considered collectivist, the continent has been neglected when it comes to studies in self-concept and culture. In their research, which studies South Africa, they find that in accordance with predictions of the individualism-collectivism theory, the African-language speaking South Africans produce more interdependent and concrete self-description than the English speakers.

They caution against the use of creating cultural orientation groups based on language or race due to heterogeneity in terms of ethnic, religious and cultural heritage.

2.3.2 Individual-Level Culture

Using individualism-collectivism as a cultural characteristic, thereby stereotyping individuals into one of these constructs, has been contested by most researchers, since both can be evident in one culture. However, they all agree that the people in individualistic cultures are more individualist-oriented than collectivist in individualist cultures (Triandis, Bontempo, Villareal, Asai and Lucca, 1988).

Triandis (2001) examines differences obtained when data is analysed at the cultural and individual levels. He further states that at the cultural level individualism and collectivism are opposite sides of a single dimension. However, with individuals as the unit of analysis for within culture, usually several orthogonal factors reflecting individualism and collectivism emerge (Triandis and Gelfand, 1998; Triandis and Suh, 2002).

Based on this, Triandis, Leung, Villareal and Clark (1985) use the terms idiocentrism and allocentrism to depict individualism and collectivism at the individual level respectively.

Idiocentrism

Emphasises autonomy, self-interest, self-determination and freedom.

Allocentrism

Like collectivism, these are individuals that tend to emphasise shared values and common goals with in-groups, and inter-relatedness and maintaining harmony with others.

Most individuals can be high or low on both allocentrism and idiocentrism depending on their cultures. Secondly, cultures have both idiocentric and allocentric individuals in different proportions (Triands *et al*, 1998; Triandis and Suh 2002).

2.3.3 Horizontal and Vertical Individualism-Collectivism

The idea that the construct individualism and collectivism form bi-polar opposites as suggested by Hofstede (1980) has been questioned by various researchers (White, 2005). Many are of the view that individuals could exhibit both patterns in different proportions. Triandis (1995), in support of this multidimensionality of the construct, identified two types of individualism and collectivism, namely the vertical and the horizontal.

Horizontal Individualism (HI)

People prefer to be unique by doing their own thing.

Vertical Individualist (VI)

People want to be unique and the best as well.

Horizontal Collectivism (HC)

People merge themselves with their in-group.

Vertical Collectivism (VC)

People submit to the authorities of the in-group and are prepared to sacrifice themselves for their in-group (Triandis, 2001).

Vertical culture accepts hierarchy as given, holding that people are different. Those at the top have more power and privilege than those at the bottom. Conversely, horizontal cultures accept equality as given and as such, resources should be divided equally (Triandis, 2002). Importantly, he emphasises that all individuals access combinations of horizontal or vertical individualistic or collectivist cognitive elements depending on the situation.

In their article, Shavitt *et al* (2006) address the importance of hierarchy and equality values in the cultural patterning of consumer judgement and behaviour. They mention that the vertical and horizontal distinction is a 'predictor of new consumer psychology phenomena not anticipated by broader focus on individualism-collectivism' (Shavitt *et al*, 2006 p. 325).

Table 1 Motives Characterising Horizontal And Vertical Individualism And Collectivism.

Cultural Dimension	Horizontal *(self at the same level as others)*	Vertical *(Self in a Hierarchy relative to others)*
Individualism (independent self)	Being distinct and separated from others Being self-directed, self-reliant Modesty, not conspicuousness Expressing uniqueness	Improving individual status via competition Seeking achievement, power, prestige Standing out Display of success, status
Collective (interdependent self)	Maintaining benevolent relationships Common goals with others Social appropriateness Sociability cooperation	Maintaining and protecting in-group status Deference to authorities and in-groups Conformity Harmony

Source: Shavitt et al (2006)

The Table 1 defines the motives characterising horizontal and vertical individualism and collectivism.

In a consistent view, Oyersmann *et al* (2002) in their meta analysis, suggest that when constructs like competition and hierarchy are included in measuring individualism-collectivism, the patterns in the individualism (Americans) and collectivism (Japanese) orientation change. This shows that competition is a construct not related to individualism. This is because the two societies, in this case American and Japanese, have vertical orientation.

Literature suggests that vertical and horizontal represents distinct themes that may underlie or influence the observed effects of individualism-collectivism. The need to narrow the definition and measurement of individualism-collectivism to help isolate any underlying causes needs to be addressed.

Studies undertaken by Eaton and Louw (2000) show that there is a difference between African and Far Eastern collectivism. Collectivism in the former is associated with a closer link to independent-interdependent and abstract-concrete (Rhee, Uleman , Lee and Roman, 1995) dimensions of the self than in the case of collectivism in the latter. They also support the notion put forward by Markus and Oyserman (1989) that women show collectivism at the individual relationship level. Studies of personal values, self-presentation and persuasion suggest that attributes linked to individualism-collectivism may differ depending on whether

horizontal individualism versus vertical individualism, or horizontal collectivism versus vertical collectivism is considered (Shavitt *et al*, 2006). Thus, vertical and horizontal individualism-collectivism helps to explain the differences within individualistic and collectivist cultures.

Shavitt *et al*, (2006) explains that preference of products with superior attributes is driven by values that emphasize achieving status through competition (vertical individualism), not emphasizing personal goals and independence. Further still, the collectivistic tendency to favour one's country's product over others is driven by cultural values that stress hierarchy and respect for the in-group and its authorities and institutions (vertical collectivism), not by values that stress interdependence and group goals.

However, despite the stretch of studies on the consequences of vertical and horizontal dimensions of individualism-collectivism, knowledge is limited to cross-national comparisons between the United States (vertical individualism) and East Asian countries (vertical collectivism). This creates a gap in cultural studies, in that differences occurring in consumer behaviour may be due to vertical and horizontal differences (Shavitt *et al*, 2006).

2.4 SERVICE QUALITY

Grönroos (1982) in Parasuraman, Zeithmal, and Berry (1985) categorises service quality into two types: technical and functional qualities. Technical quality refers to

what the customer actually gets from the service, and functional quality refers to the manner in which the service is delivered.

On the other hand, Zeithmal, Berry and Parasuraman (1988) defines service quality as an overall judgement of the excellence or superiority of a product or service to a consumer.

There is an element of perception in both definitions, representing the difference between the customer's expectation and the actual service received (Grönroos, 1984; Parasuraman, Zeithmal and Berry 1985).

Service quality perceptions are still a debatable construct in marketing literature. Parasuraman *et al* (1985) base their premise on the idea of perception gaps. This is the gap that exists between the service provider's perception of quality provided and the customer's perception of quality received.

Other researchers explain it as an evaluation of performance based on the consumers' judgement, thereby equating it to attitude, and by so doing, emphasising the importance of culture to affect the measurement of service quality (Arnold and Luthna, 2000).

Laroche, Ueltschy, Abe, Cleveland and Yannopoulos, (2004) support the argument that due to influences such as word of mouth and/or advertising, customers'

assessment of quality goes beyond the core service that is being offered, in that they weigh other factors as well.

2.4.1 Measuring Service Quality Perception

The intangibility, heterogeneity, perishability and inseparability of service make it difficult to measure service quality objectively. Parasuraman *et al* (1985) identify various criteria to measure service quality, irrespective of the type of service. Initially, they propose ten key dimensions which they later reduce to five dimensions in (1988). These dimensions, known as the SERVQUAL, are most popularly used for measuring service quality:

Tangibles

Physical facilities, equipment and appearance of personnel.

Reliability

Ability to perform promised service dependably and accurately.

Responsiveness

Willingness to help customers and provide prompt service.

Assurance

Knowledge and courtesy of employees and their ability to convey trust and confidence.

Empathy

Caring, individualised attention that the firm provides its customers.

The robustness of SERVQUAL has been tested in various ways by researchers, either to assess its psychometric properties by examining the structure and relative importance of the resulting dimensions across cultures (Donthu and Yoo, 1998; Furrer, Lui and Sudharshan 2000), or to find other dimensions to suit the culture or industry being studied.

2.4.2 Measuring Service Quality In The Retail Sector

Service quality in retailing is different from other environments (Kaul, 2007). As a result of this, Dabholkar *et al* (1996) develop the Retail Service Quality Scale (RSQS) as the appropriate scale for measuring retail service quality.

Figure 3 The Retail Service Quality Scale (RSQS)
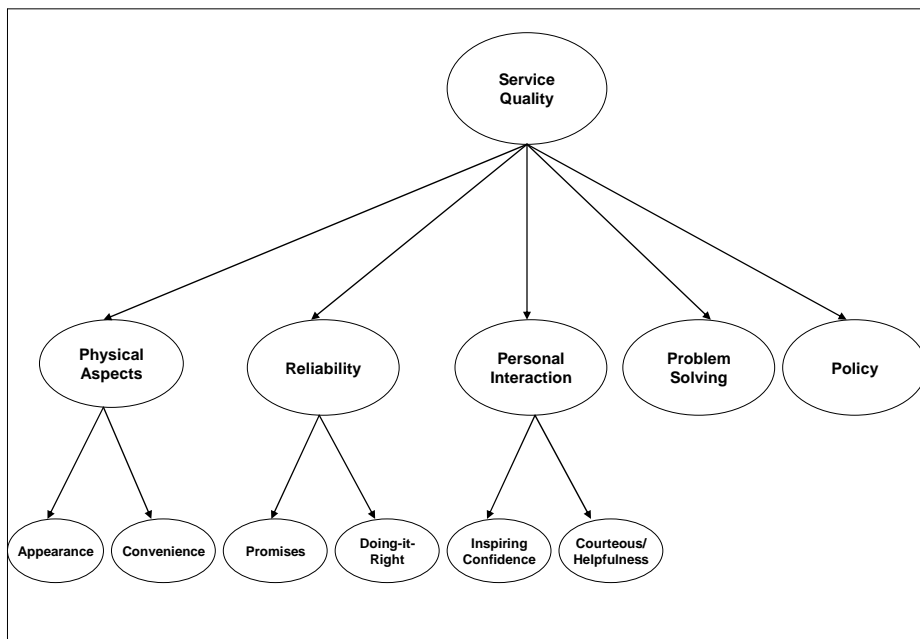
Source: Adapted from Kaul, 2007

The scale has five main dimensions, namely: physical aspects, reliability, personal interaction, problem solving and policy. The first three dimensions have two sub-dimensions each, as indicated in Figure 3.

Physical Aspects

Reflects in the appearance of the physical facilities and the convenience offered to the customer by the layout of the physical facilities.

Reliability

Found in the combination of keeping promises and doing it right.

Personal Interaction

Service employees inspiring confidence and being courteous or helpful. These sub-dimensions are very closely related and capture how the customer is treated by the employee.

Problem Solving

Addresses the issues of handling of goods returned and exchanges as well as complaints. The ease of returning and exchanging merchandise is very important to retail customers.

Policy

Captures aspects of service quality that are directly influenced by store policy. For example, convenient hours show whether the store's policy is responsive to customers' needs. Credit and charge account policies of the store and availability of parking are also of value in retail shopping.

The validity of the scale is proven in the U.S. (Dabholkar *et al* 1996), Singapore (Mehta, Lalwani and Han, 2000) and South Africa (Boshoff and Terblanchè, 1997). Kim and Byoungho (2002) find four out of the five dimensions when it was researched in South Korea. However, neither the six sub-dimensional nor the five-dimensional structure is applicable in the Indian retail setting (Parikh, 2006; Kaul, 2007), although they agree that the scale is useful in assessing overall service quality.

2.4.3 Service Quality In The Retail Environment

Unlike pure service set-ups, service quality in retail stores measure both service quality and product quality (Mehta *et al*, 2000). Research suggests that the retail environment plays a significant role in customer relationships. For example, tangible elements influence service evaluation and perceptions of service quality in the retailing environment (Bitner, 1990; Dabholkar *et al*, 1996).

In his conceptual paper, Abu (2004) further argues that the size of the store influences the evaluation of a store's service quality. Thus, hypermarkets will be

evaluated high on physical aspects, reliability and policy. This is because they offer lower prices and have a wide variety of products. There is more efficiency and consistency in their service delivery, in addition to convenient parking. On the other hand, smaller stores have limited space, offer a narrow product range (Abu, 2004), and as such will have to offer more personal service and be efficient at problem solving.

In a similar study in South Africa, Klemz, Boshoff and Mazibuko (2006) point out the contradictory arguments between retail and service literature. The former purports that township retailers should focus on improving empathy whereas, on the other hand, large national chain retailers should focus on responsiveness and assurance. Furthermore, service literature suggests that small and independent retailers, such as the ones found in townships, should focus on improving empathy and responsiveness, whereas the large retailers, because they are perceived to have power, should focus on assurance.

2.5 RELATIONSHIP BETWEEN CULTURE AND SERVICE QUALITY PERCEPTIONS

The four distinguishing characteristics of service; inseparability, variability, intangibility and perishability (Kotler, 2003) suggest that in any particular service consumption experience, the cultural characteristics of the consumer are likely to interact with these service characteristics.

Literature reveals that different aspects of service delivery mean different things to different people. For instance, a consumer's race or socio-economic circumstances can impact on their service quality perceptions. Thus cultural norm can influence service encounter perceptions and behaviour (Winsted, 1997).

Research by Furrer *et al* (2000) suggests that power differences between the customer and the service provider influence both expectations and perceptions. This was earlier confirmed by Mattila (1999) when she realised that higher service expectations were expected by travellers from larger power distance. As a result they were more dissatisfied with the personalised service delivery they received than were travellers from lower power distance.

Winsted (1997) highlights behavioural differences in individualistic and collectivist cultures. Whereas the former evaluates service encounters in the light of friendliness, promptness, being personal and having a positive attitude, the latter, on the other hand, emphasises behaviours such as caring, kindness and formality. This study suggests that customers evaluate good service differently. Thus, measures and scales may not work well in different countries (Kueh and Voon 2007). Laroche *et al* (2004) reinforce this in their research, which suggests that service quality can be non-equivalent across cultures, creating a response bias.

Studies relate Hofstede's cultural dimensions to service quality dimensions using the SERVQUAL scale (Kueh and Voon 2007). Donathu and Yoo (1998) show that

reliability and responsiveness matter to low power distance consumers, while empathy and assurance were of high importance for individualistic customers.

An extension of this research by Furrer *et al* (2000) reveals the following results shown in Table 2.

In a recent study on the effect of culture on customer satisfaction, Tsoukatos and Rand (2007) find an inverse relationship between power distance, masculinity and uncertainty avoidance on the one hand, and reliability, responsiveness and assurance on the other. This shows inconsistency between the two researches.

Table 2 Mapping SERVQUAL Dimensions With Hofstede's Cultural Dimension

Cultural Dimension	Positive Correlation	Negative Correlation
Individualism (independent and self centred)	responsiveness, reliability, tangibles	Assurance, empathy
Power Distance (large power distance)	tangibles	Empathy, responsiveness, reliability, assurance
Masculinity* (High degree of masculinity)	tangibles	Responsiveness
Uncertainty Avoidance	Responsiveness, empathy, reliability, assurance	Tangibles
Long Term Orientation* (long term relationship with service providers)	Reliability, responsiveness	Assurance, tangibles

*Other SERVQUAL dimensions not significantly detected from data

Source: Furrer et al (2000)

Based on existing literature, Kueh and Voon (2007) confirm that culture influences the evaluation of service quality. However, contrary to expectation and previous research (Donthu and Yoo, 1998; Furrer *et al*, 2000), collectivism is not significantly related to service quality dimension. They propose the need to use to verify these findings.

Figure 1 Expected Importance Of Service Quality Perceptions Of Horizontal/Vertical Individualism - Collectivism
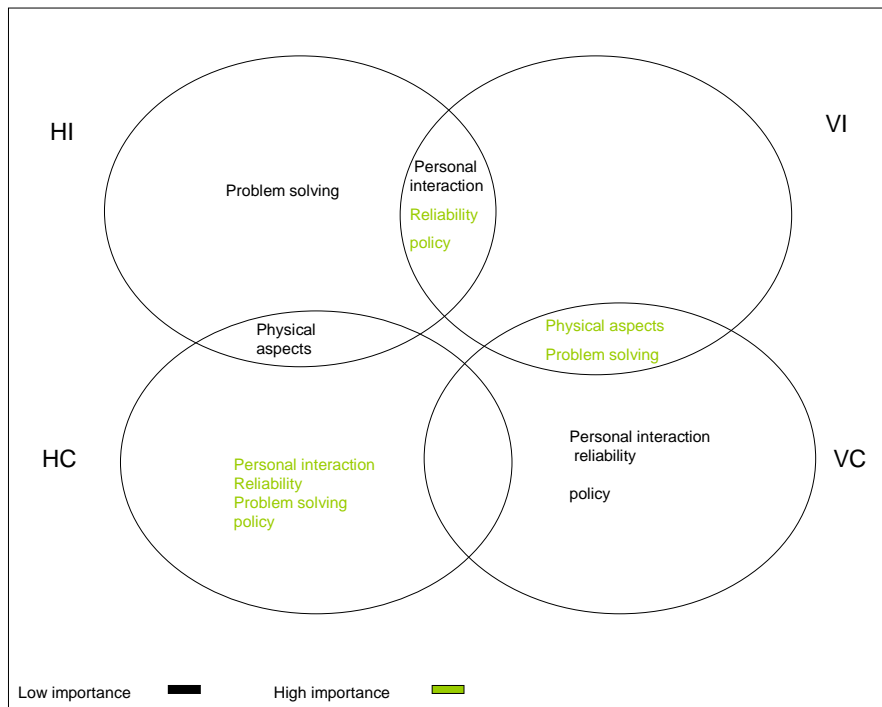
2.5.1 Expected Relationship Between Retail Service Quality And Horozontal/Vertical Individualism-Collectivism

Based mainly on the findings of Shavitt *et al* (2006) and Furrer *et al* (2000) the relationships shown in Figure 1 are expected between horizontal/vertical individualism-collectivism and retail service quality. In the retail environment inequality could either be in the form of powerful customers facing weaker

27

employees (like tellers) or weaker customers facing powerful employees (for example sales representatives and technicians) who have the expertise in their department (Donthu and Yoo,1998; Furrer *et al*, 2000).

Vertical individualists with the characteristics of standing out and the need to display success and status (Shavitt *et al*, 2006) would behave like powerful customers facing weaker customers. They expect good treatment and as a result, attach high importance to store policy, reliability and problem solving. Personal interaction, which inspires confidence in the customer, would not be important to the vertical individualist since they are confident and do not see the employee as capable of knowing better than them. However, they would expect courteousness from employees to enhance their status.

On the other hand, the vertical collectivist would be more tolerant of failures in service providers. This is due to their character of willingness to conform, harmony and deference to authority. They would not expect reliability in relationships and would be tolerant of low personal interaction since they would not expect courteousness and help from employees. Furthermore, they would attach low importance to policy since they would be prepared to conform to what the service provider offers. However, tangibles are important since they help them distance themselves from the service providers in order to avoid conflict. Problem solving would also be important since they would depend on service providers with the skill

and expertise to solve their problems. Furthermore, a proper system of returns and exchanges would prevent any embarrassing situations with employees.

Horizontal individualists are very self-centred and self-reliant. Such people demand that others be efficient. They would therefore attach high importance to prompt service, therefore reliability and good policy would be important to them. Problem-solving would not be important to them since they would be capable of handling their own problems. Additionally, they would not expect personal interaction since they do not need service providers to assure them. They are, however, modest and not conspicuous; as a result, they would not attach much importance to physical aspects.

Maintaining a benevolent relationship and social appropriateness is characteristic of horizontal collectivist individuals. These characteristics are found in individuals with long-term cultural orientation. Therefore, similar to them, service quality dimensions that result in a close relationship with service providers would be important to them, namely reliability, policy, problem-solving and personal interaction. Physical aspects would not be important to the horizontal collectivist.

2.6 CONCLUSION

The literature reveals the role of culture in service quality perceptions. Literature reviewed reveals that, most studies build their premise on Hofstede's five dimensions of culture or on the border level of individualism and collectivism.

Secondly, the focus in most of these studies is in the service environment, mainly banks, food service and insurance. Although cultural studies in retail environments have received much attention in recent times, there is lack of empirical evidence to show the relationship between the vertical/horizontal individualism and collectivism cultural orientation in this environment.

In the next chapter, hypotheses will be drawn to the above expected relationships. Finally, culture is not static. It is increasingly changing. These changes affect the importance of service quality dimensions and call for monitoring. It is therefore relevant to continually carry out research in this area to contribute to knowledge.

CHAPTER THREE: RESEARCH HYPOTHESIS

3.1 INTRODUCTION

The hypothesis to be tested in this research emanates from the findings and conclusion of the literature review in the previous chapter.

A hypothesis according to Zikmund (2003 p. 44) is "a proposition that is empirically testable. It is an empirical statement concerned with the relationship among variables'. In simpler terms it is a form of guess to a research question.

Based on the findings illustrated in Figure 1, the following hypotheses are drawn.

3.2 HYPOTHESIS

In Figure 1, the VC quadrant shows that personal interaction policy and reliability will be of low importance to the vertical collectivism, whilst physical aspects and problem solving are of high importance.

Hypothesis 1

H_0: Vertical Collectivism will have no relationship with physical aspects, reliability, personal interaction, problem solving and policy.

H_{1a}: Vertical Collectivism will be negatively related to personal interaction, policy and reliability.

H_{1b}: Vertical Collectivism will be positively related to physical aspects and problem solving.

Hypothesis 2
Vertical Individualism will associate high importance to all the dimensions except personal interaction as illustrated in the VI quadrant in Figure 1.

H_0: Vertical Individualism will have no relationship with physical aspects, reliability, personal interaction, problem solving and policy.

H_{2a}: Vertical Individualism will be negatively related to personal interaction

H_{2b}: Vertical Individualism will be positively related to physical aspects, policy, reliability and problem solving.

Hypothesis 3
The HC quadrant shows high importance in reliability, policy, problem solving and personal interaction, and low importance in physical aspects because relationship is more important to this group than tangible ones.

H_0: Horizontal Collectivism will have no relationship with physical aspects, reliability, personal interaction, problem solving and policy.

H_{3a}: Horizontal Collectivism will be negatively related to physical aspects

H_{3b}: Horizontal Collectivism will be positively related to reliability, personal interaction, problem solving and policy.

Hypothesis 4

As illustrated in the HI quadrant (Figure 1), Horizontal individualism will place low importance on physical aspects, problem solving, and personal interaction, but they value responsiveness and things being done right, so policy and reliability will be important to them.

H_0: Horizontal individualism will have no relationship with physical aspects, reliability, personal interaction, problem solving and policy.

H_{4a}: Horizontal individualism will be negatively related to physical aspects, problem solving, and personal interaction.

H_{4b}: Horizontal individualism will be positively related to policy and reliability.

3.3 CONCLUSION

The above hypotheses will be tested using the methodology design discussed in the next chapter.

CHAPTER FOUR: RESEARCH METHODOLOGY

4.1 INTRODUCTION

This chapter discusses the research methodology used in this study. It spells out the research design, and defends the methodology applied. The unit of analysis, population, sample size and method will also be mentioned. The research instrument based on the literature review and how the data was collected and analysed will be discussed. The limitations of the research will be discussed in the concluding section of the chapter.

4.2 RESEARCH METHODOLOGY DESIGN

The purpose of the research was to measure the influence that the consumers' individual cultural value orientation had on the way they perceived service quality in a retail store environment. Much has been done in the area of culture and service quality, and therefore a qualitative research, which would elicit in-depth response is not required. This research was therefore quantitative in design.

Secondly, the study was descriptive. This enabled the researcher to describe the characteristics of the population in order to help in segmentation and targeting of markets. A survey therefore, was conducted (Zikmund, 2003). Zikmund explains that descriptive studies, unlike exploratory research, are used where there is previous understanding of the nature of the research problem.

A cross-sectional study which allows data to be collected at a single point in time (Zikmund, 2003) was used to address the research objective. A diverse sample was required to represent various segments of the population.

4.2.1 Unit Of Analysis

This refers to the individual participant or object on which the measurement is taken or focuses on (Cooper and Schindler, 2006). The unit of analysis for this study was retail patrons.

4.2.2 Population

A population is a complete group of entities sharing a common set of characteristics (Zikmund, 2003) from which inferences can be made (Cooper and Schneider, 2006). Retail patrons of hyper markets located within commercial and residential areas in Pretoria constituted the population of relevance.

4.3 SAMPLING METHOD

4.3.1 Retail patrons

A quota sampling method was used. This sampling technique "ensures that certain characteristics of a population sample will be represented to the exact extent" that the researcher desires (Zikmund, 2003 p. 383). It is very convenient, fast and cheap; however, it can result in finding people who are easily available or known to the researcher.

This method was chosen to enable the researcher to select respondents with diverse economic, geographic, ethnic, occupational and educational backgrounds since these are primary determinants of cultural individualism and collectivism (Trandis *et al*, 1988).

The first quota allocation considered was gender distribution; an equal quota was given to each gender. Previous researchers have shown that gender differences play a vital role in an individual's cultural orientation. Shavitt *et al* (2006) offers support to the value gender plays in the horizontal/vertical distinction.

Secondly, each gender quota was further divided by home language. Three main home languages found in South Africa were identified and given the following quotas, namely Afrikaans (30%); English (10%); Black South African languages (55%) and a last category was given to any other language (5% - these included languages like Indian, Chinese, Portuguese and German). This demographic factor was used to capture a diversity of cultural backgrounds. The larger quota was given to Black South African languages in order to capture the multiplicity of languages within this category and due to the fact that they make up 79% of the population (Statistics South Africa, 2001).

Although Afrikaans and English speakers make up only 10% of the population, there was a need to increase the quota so as to get a meaningful sample.

The above quotas were allocated as a guide to facilitate the data collection process. However this changed as indicated in Table 3. The researcher, on account of the inability to predict the willingness of patrons to participate in the survey within the designated time, was willing to deviate from the quotas by a +/- 5%.

4.3.2 Retail Store

A convenient sampling method was used to select the hypermarket for the study. Only one retail store was used for this study. It was close to the researcher and its location attracted a diversity of patrons, a situation which was appropriate for this study. Consent was sought from the management of the store before the survey was conducted.

4.4 SAMPLING SIZE

Based on the quota sampling the a sample size of 150 respondents was expected to be used. However 181 respondents participated in the survey this has explained been explained in the next chapter. This was further divided under the following demographic factors.

Table 3 Quota Sizes

	Male		Female		Total	
Ethnicity	Target	Actual	Target	Actual	Target	Actual
Black South African Language	41	44	41	40*	82	84
Afrikaans speaking	22	25	22	21**	44	46
English speaking	8	15	8	24	16	39
Other	4	8	4	4	8	12
Total	**75**	**92**	**75**	**89**	**150**	**181**

* 4 questionnaires were discarded, ** 1 questionnaire was discarded.

4.5 DATA GATHERING PROCESS

Data collection was done over two weeks in the month of September. A structured questionnaire in English, based on the findings of the literature review, was administered face-to-face. This was a form of information-gathering through face-to-face contact with the individual. The main advantage of this method was that it helped the researcher to obtain complete and precise information (Zikmund, 2003). Item non response was less likely to occur.

However, the researcher was not proficient in any of the other languages with the exception of English, and therefore required the assistance of an interpreter when necessary.

Permission was obtained from the retail store management. The data was collected on weekdays, weekends, and holidays and at different times of the day to enable the researcher to obtain both frequent and infrequent patrons. According to extant research, the frequency with which a service is provided influences the level of importance that the customer assigns to the service quality delivery.

Guided by the quota requirements, the respondents were intercepted at the hyper market immediately after they completed their shopping experience. This technique was used by Boshoff and Terblanché (1997). They argue that respondents are more attentive and responses more meaningful where the evaluation of the quality of service is done in the environment being evaluated. Thus, problems associated with memory loss or relapse was avoided.

On the other hand, the incidence of refusal was high since some patrons were in a hurry or reluctant to speak to a stranger. Zikmund (2003) cautioned that the mall intercept method of data collection, is not appropriate for surveys where demographic factors are vital to the research findings as was the case with this study. According to him, refusals can seriously bias survey data. The researcher was of the view that the diversity of the patrons of the retail outlet chosen, and the use of quota sampling, mitigated against this shortfall.

Furthermore, since the questionnaire was administered face-to-face, it was subjected to all the disadvantages associated with personal interviews (Zikmund,

2003). Some respondents were reluctant to answer certain questions and the interviewer's appearance influenced the answer of the respondents. An acquiescence bias was detected in some respondents who felt the right thing to do was to strongly agree with all the attitudinal statements so as to give a good impression of themselves to the researcher. Patrons shopping alone were willing to participate. The researcher avoided intercepting patrons with young children since they needed to keep an eye on them, which would be distracting.

Respondent volunteer bias was another limitation of this research, since only patrons who were willing to be interviewed participated in this study. Nevertheless, it was a cheap and quick way to collect data.

4.6 THE RESEARCH INSTRUMENT

The questionnaire comprised three sections. The first section consisted of the respondents' demographic characteristics. The second and third parts measured the respondents' individual cultural value orientation and the importance of the various service quality dimensions respectively (APPENDIX 3). Sivadas, Bruvold and Nelson (2008) reduced the 32-item attitudinal scale posited by Singelis, Triandis, Bhawuk and Gelfand (1995) into a 14-item scale. They argued that it was more psychometrically stable and easy to administer. In view of the mall intercept situation under which the data was collected, the shorter version was adopted. Three questions each measured vertical and horizontal individualism while four questions addressed vertical and horizontal collectivism separately (APPENDIX 1).

Respondents were asked to indicate the attitudinal statement which applied to them. This was measured in a Likert scale of 1 to 7 where '1' was strongly disagree, '7' was strongly agree.

Some questions had to be rephrased to accommodate the level of education of some of the respondents as shown in Table 4

Table 4 Rephrased Attitudinal Questions

Statement	Rephrased
Competition is the law of nature	It is natural to compete against those around you
My happiness depends very much on the happiness of those around me	I am happy only if the people around me are happy
I enjoy working in situations involving competition with others	I like events where I can compete with my friends or those I work with
I am a unique individual	I see myself different from those around me
I enjoy being unique and different from others in many ways	I like to stand out in a group

Due to various controversies regarding the use of expectation measurement in measuring service quality, the study in agreement with Ellis, Williams and Zuo (2003), measured respondents' perception of the service quality dimension to be surveyed by measuring the importance of the different service quality dimensions on a 7-point scale, where '1' depicted not important and '7' showed highly important. This was later changed to important, and of utmost importance after the questionnaire was pre-tested. Two questions were used for four of the retail quality

service dimensions, namely, physical aspects, reliability, personal interaction and problem-solving, as well as one question for the policy dimension (APPENDIX 2).

One question was allocated for each of the sub-dimensions. This was done to shorten the questionnaire in view of the environment in which it was being administered. As a result, neatness and modernity were measured under one item.

Two questions were used for problem-solving although it had no sub-dimensions (Daholker *et al,* 1996). Ellis *et al* (2003) realised that dimension loaded onto policy, therefore a second item was added to measure this dimension, so as to reduce the policy effect that it carried.

Finally, only store hours was used to measure the responsiveness of the retail store since the store was located within a shopping mall, and as such, convenient parking was seen as a service being offered by the mall and not the store. This was therefore excluded from the measurement.

4.6.1 Pre-Testing

The instrument was pre-tested by using ten respondents. It was realised that the service quality dimension was perceived as very important and as such all ten respondents chose 'highly important'. The researcher therefore revised the scale as follows: 1 indicates 'important', 4 for 'extremely important' and 7 as 'utmost important'. These responses were excluded from the research data compiled.

4.7 VALIDITY AND RELIABILITY

The validity of a scale is in its ability to measure what it sets out to measure (Zikmund, 2003).

4.7.1 The Retail Service Quality Instrument

The Retail Service Quality Scale (RSQS) has been empirically evaluated in South Africa by Boshoff and Terblanché (1997). They found it to be a valid and reliable instrument, supporting the claim of construct reliability by Dabholkar *et al* (1996).

The study assessed the predictive, convergent and discriminated validity of the retail service quality questionnaire. The results were a strong positive correlation of 0.564 ($p<0.0001$) confirming its predictive validity and 0.721 ($p<0.0001$) confirming the convergent validity of the instrument. This strong positive correlation holds for the entire scale as well as for the individual underlying dimensions of retail service quality construct. Strong evidence of discriminate validity was also provided by a negative correlation of -0.308, not only for the scale but for other underlying dimensions as well (Boshoff and Terblanché 1997).

The reliability of the research instrument is concerned with the 'degree to which measures are free from error and therefore yield consistent results' (Zikmund 2003 p. 300).

The internal reliability of all the underlying dimensions was above the Cronbach alpha coefficient of 0.7 with the exception of the policy dimension which returned a coefficient of 0.68. An overall coefficient of 0.93 was returned for the scale depicting a highly reliable instrument.

4.7.2 The Horizontal/Vertical Individualism and Collectivism Scale

In their paper, Sivadas *et al* (2008 tested the scale in four countries that were examples of each of the four cultural dimensions. Their aim was to overcome significant correlations between horizontal collectivism and vertical collectivism associated with the 32-item scale. They arrived at a 14-item scale which was more psychometrically stable and of a superior content validity. The items retained on the scale were fully able to adequately capture the domain of the construct.

The coefficient alpha reliabilities range from 0.806 (Horizontal Individualism) to a low of 0.645 (Horizontal Collectivism). On the whole, the scale showed signs of reliability.

The reliability of the scale for this study is reported in the next chapter.

4.8 DATA ANALYSIS APPROACH

Data collected was compiled manually by the researcher.

Pearson's correlation coefficients between cultural and service quality dimensions were calculated to determine the relationship between these variables (Furrer *et al*, 2000). This takes any value between -1 and +1. It measures how closely two variables are related to each other and further shows whether the relation is linear, strong or weak.

Frequencies, percentages and means were used to help condense the information collected. The frequency distribution was used to summarize the demographic profiles to ascertain the number of times a particular value of a variable occurred (Zikmund, 2003). This was further illustrated in proportions in the form of pie charts to facilitate interpretation.

Percentage distribution was also calculated to summarize the responses received (Zikmund, 2003), as illustrated in the bar graphs. By calculating the means and standard deviation, the central tendency, which is the middle area of the frequency, and the variability or dispersion were determined to help interpret the data (Zikmund, 2003).

4.9 RESEARCH LIMITATIONS

By using a quota sampling technique which is a non-probability sampling method, the data collected would be restricted to the use of descriptive statistics: and no statistical inferences can be made on the population on the basis of the sample.

As mentioned earlier, the questionnaire was administered face-to-face and it was therefore subject to all the risks associated with personal interviews, mainly respondent biases, in the form of acquiescence and volunteer biases.

Despite the above limitations, the study presents a valid basis for future research and contributes to the knowledge of consumer behaviour in marketing research.

CHAPTER FIVE: RESULTS

5.1 INTRODUCTION

In this chapter, the results of the survey will be reported. 181 retail patrons participated in the research. Based on their responses, four hypothesis of the relationship between their horizontal/vertical individualism and collectivism cultural orientations, and each of the service quality dimensions were tested, and the results are presented in this chapter.

The presentation will be divided into four sections and the results are presented using both tables and figures to facilitate the discussion.

▶ The first section of the research results will summarise the demographic profile of the sample.

▶ The second section will summarise the responses obtained from the two scales used to measure the individual level culture and retail service quality perceptions.

▶ The third section reports the reliability of the instrument employed to measure the individual cultural dimensions.

▶ Finally, the fourth section reports on the results after testing the hypothesis propounded in chapter 3.

5.2 RESEARCH INSTRUMENT

The results were manually captured after they were all received by the researcher. The study intended to use only 150 respondents but to ensure that this target will

be achieved should there be the need to discard any questionnaires 186 completed responses were collected. Five questionnaires were discarded because the responses had no variations in their individual cultural level dimensions, due to acquiescence or extremity bias and as such their cultural orientation could not be measured. The researcher obtained responses from respondents so long as they were willing to participate and finished completing the questionnaire. In all, 181 responses were analysed.

5.3 DEMOGRAPHIC PROFILE OF THE SAMPLE

The following demographic profiles were elicited from the respondents and the findings are illustrated in Tables 5 to 7and Figures 4 to 5.

5.3.1 Gender Distribution

The gender distribution of the sample is illustrated in Table 5.There were more male respondents than females. 51% were males and 49% were females.

Table 5 Frequency Table Of Gender Distribution

Gender	Frequency	Percent (%)
Male	92	50.83
Female	89	49.17
Total	181	100

5.3.2 Educational level

Majority of the respondents were graduates (34%) with the least percentage coming from those with less than matric (12%) as shown in Figure 4.

Figure 4 Pie Chart   Educational Level
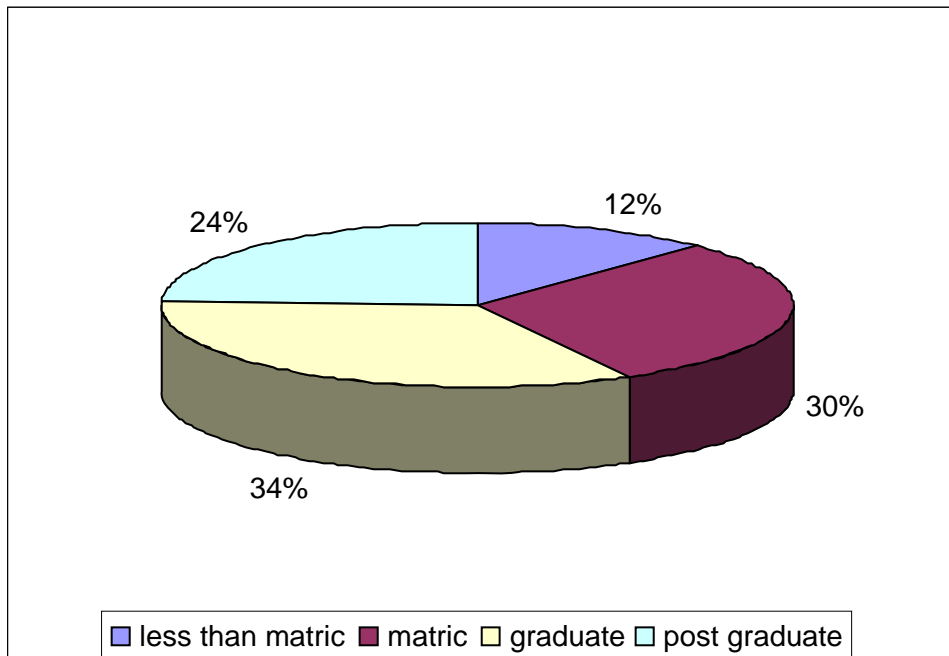
5.3.3 Home Language

To arrive at the diversity required to measure the various individual cultural levels quota sampling was demarcated for three home languages namely Afrikaans, English, and African. A forth category "other" was to carter for any other languages. Languages that fell within this last category were Portuguese, German, Indian and Chinese languages.

The researcher used these quotas to reflect on the distribution of these home languages within the population in the country. The quota was however exceeded for especially English speaking respondents.

This was due to the fact that more English speaking people were willing to participate. Secondly, some Blacks and Asians who were intercepted for the African and "other" language category ended up being English speaking. Thirdly, in an effort to meet the Afrikaans quota the researcher got more English speaking respondents. The later group were more willing to participate than the former. The 10% quota given to the English home language was based on the assumption that not much of such respondents will be found, therefore achieving a 22% helps to improve the diversity that this study requires.

Table 6 Frequency Table For Home Language And Gender

Ethnicity	Male	Female	Total
Black South African Language	44	40*	84
Afrikaans speaking	25	21**	46
English speaking	15	24	39
Other	8	4	12
Total	**92**	**89**	**181**

* after 4 questionnaires were discarded ; **after 1 questionnaire was been discarded

On the other hand the targets for females of African and Afrikaans languages were not achieved because five of the questionnaires were discarded; this did not distort the quota significantly. Table 6 show the actual numbers of respondents whilst Figure 5 illustrates the percentage distribution of each of these languages.

Figure 5 Pie Chart Home Language
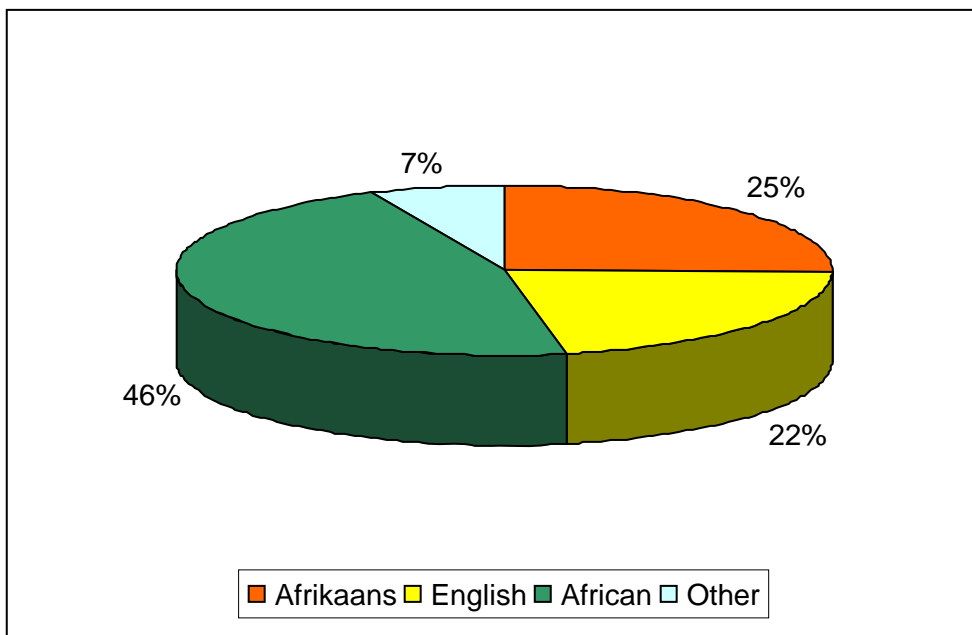
4).   To further describe the nature of the sample, the ethnic grouping of the sample was also elicited from the respondents. This has been summarised in Table 7.

Table 7 Ethnic Group Frequency Table

Ethnic Group	Frequency	Percent (%)
Black	95	52.49
Coloured	8	4.41
Asian	11	6.08
White	67	37.02
Total	181	100

5.4 SUMMARY OF RESPONSES

5.4.1 Individual – Level Cultural Value Orientation

Table 8 Table Of Means And Standard Deviation Of Culture Distinction

Culture Distinction	HC	HI	VC	VI
Mean	5.6	5.8	4.6	4.9
Standard Deviation	1.0	1.0	1.1	1.5

The mean is a measure of central tendency whilst the standard deviation shows the measure of variability or dispersion of the distribution (Zikmund, 2003).

The highest mean was found in HI (5.8) followed by HC (5.6). VC recorded the lowest mean of 4.6 as shown in Table 8

The standard deviation of each of the cultural distinctions reveals low variability, with highest being 1.5 found in VC. This illustrates that the responses are clustered around the mean.

The responses from the questionnaire have been summarised in the tables below. Responses on the Likert scale 1-7 have been compressed into three, namely disagree, neutral and agree (APPENDIX C). Respondents that chose the scale 1-3 mainly disagreed with the statement whilst those who chose '4' were neutral about the statement. All responses above the scale '5' are categorised under agree.

Table 9 Percentage Of Horizontal Collectivism Responses

HC	Disagree 1-3 (%)	Neutral 4 (%)	Agree 5-7 (%)
My happiness depends very much on the happiness of those around me	19	14	67
The well-being of my co-workers is important to me	6	11	83
If a co-worker gets a prize, I would feel proud	9	10	81
I feel good when I cooperate with others	7	8	86
Average	**10**	**11**	**79**

Horizontal collectivism: In all, there were more respondents agreeing to the statements (79%) than those who disagreed (10%) or were neutral (11%) with the highest agreeable item being 'I feel good when I cooperate with other' (86%) and the most disagreeing item being 'my happiness depends very much on the happiness of those around me' (19%).

Table 10 Percentage Of Vertical Collectivism Responses

VC	Disagree 1-3 (%)	Neutral 4 (%)	Agree 5-7 (%)
I would do what would please my family, even if I detested that activity	33	16	51
I usually sacrifice my self-interest for the benefit of my group	36	19	45
Children should feel honoured if their parents receive a distinguished award	9	8	83
I would sacrifice an activity that I enjoy very much if my family did no approve of it	33	15	52
Average	**28**	**15**	**58**

Vertical Collectivism: The strongest agreeable item in this measurement was 'children should feel honoured if their parents receive a distinguished award' (83%). Apart from this item, all the others received just above a 50% agreeable response with 'I usually sacrifice my self-interest for the benefit of my group' receiving the least agreeable response (45%).

Table 11 Percentage Of Vertical Individualism Responses

VI	Disagree 1-3 (%)	Neutral 4 (%)	Agree 5-7 (%)
I enjoy working in situations involving competition with others	17	10	73
Competition is the law of nature	23	15	61
Without competition it is not possible to have a good society	24	13	63
Average	**21**	**13**	**66**

Vertical Individualism: Again most of the responses agreed to the statement, (66%), with the highest disagreeable statement being 'without competition it is not possible to have a good society' (24%).

Table 12 Percentage of Horizontal Individualism Responses

HI	Disagree 1-3 (%)	Neutral 4 (%)	Agree 5-7 (%)
I enjoy being unique and different from others in many ways	7	13	80
I often "do my own thing"	13	9	78
I am a unique individual	6	4	90
Average	**9**	**9**	**83**

Horizontal Individualism: The percentage of responses agreeing with the statements in this dimension exceeded that of the other dimensions, (83%). 'I am a unique individual' received the highest agreeable response, (90%). Only 6% of the responses disagreed with this statement.

Figure 6 Histogram Of Individual Level Culture Responses
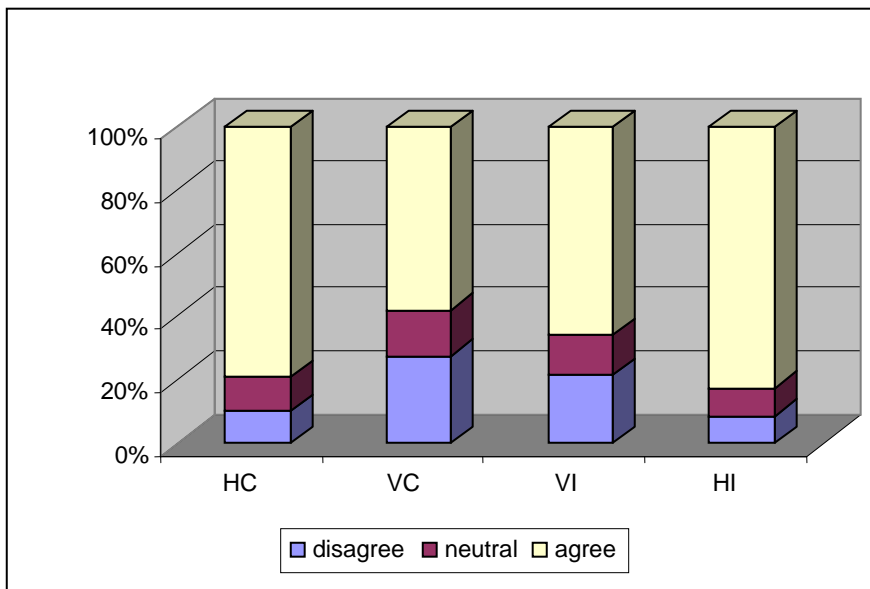
Although in all four dimensions the percentage of responses that agreed with the statements were higher than neutral or disagreed responses, these percentages where much lower in the VC and VI responses; 55% and 65% respectively.

5.4.2 Retail Service Quality Dimension

Table 13 Table Of Means And Standard Deviation Of Retail Service Quality Dimensions (RSQD)

RSQD	Physical Aspects	Reliability	Personal Interaction	Problem Solving	Policy
Mean	4.6	4.5	4.8	4.8	4.5
Standard Deviation	1.7	1.7	1.7	1.7	4.8

Table 5.6 shows only slight differences between the means of the RSQD. Problem solving and personal interaction recorded the highest means of 4.8 each and reliability and policy the lowest means of 4.5. The standard deviation of policy was the highest (2.0) whilst all the other dimensions recorded a 1.7 standard deviation.

To summarize the responses of the importance of the various retail service quality dimension, the 7 Likert-scale was collapsed into three parts where 1-3 represents low importance, 4 – extremely important and 5-7 signifies utmost importance.

Table 14 Percentage Of Physical Aspects Responses

Physical Aspects	Low Importance 1-3 (%)	Extremely Important 4 (%)	Utmost Importance 5-7 (%)
All physical facilities that are used in service delivery are neat and modern-looking	27	24	50
The store layouts allows customers to find everything they need and move around with ease	24	24	52
Average	**26**	**24**	**51**

Physical Aspects: About 51% of the responses indicated that this dimensions was more than extremely important to them, as such it was of utmost importance. More respondents (52%) classified the store layout as utmost importance than the neatness and modernity of the physical facilities. As a result, the table shows that 27% of the responses felt that physical facilities were of the least importance than store layouts. 24% of the responses classified this dimensions as extremely important for both items used in the measurement.

Table 15 Percentage Of Reliability Responses

Reliability	Low Importance 1-3 (%)	Extremely Important 4 (%)	Utmost Importance 5-7 (%)
They deliver their services reliably by keeping all promises made	28	16	56
They do things right the first time such as sales transaction and records	30	21	49
Average	**29**	**19**	**53**

Reliability: 29% of the responses gave low importance to reliability, however 'keeping all promises made' was more important than 'doing things right the first time'.

Table 16 Percentage Of Personal Interaction Responses

Personal Interaction	Low Importance 1-3 (%)	Extremely Important 4 (%)	Utmost Importance 5-7 (%)
Employees are courteous and helpful in all personal interaction with customers	23	15	62
Employees inspire confidence in customers	29	17	55
Average	**26**	**16**	**59**

Personal Interaction: As much as 62% of respondents are of the view that the courteousness and helpfulness of employees during personal interaction with customers are more than extremely important to them. Whilst one 55% attached that same importance to inspiring confidence.

Table 17 Percentage Of Problem Solving Responses

Problem Solving	Low Importance 1-3 (%)	Extremely Important 4 (%)	Utmost Importance 5-7 (%)
All problems customers experience are solved promptly	25	14	61
There is a proper system of returns and exchange	27	17	57
Average	**26**	**16**	**59**

Problem Solving: Respondents attributed more importance to their problems being solved promptly (75%) than they did to 'proper system of returns and exchange' (57%).

Table 18 Percentage Of Store Policy Responses

Store Policy	Low Importance 1-3 (%)	Extremely Important 4 (%)	Utmost Importance 5-7 (%)
They have a store policy that is responsive to customer needs such as convenient store hours	28.18	20.44	51.38

Store Policy: 28% of respondents were of the view that a store policy that is responsiveness to customer needs such as convenient store hours was not very important to them.

Figure 7 Importance Of Service Quality Dimensions
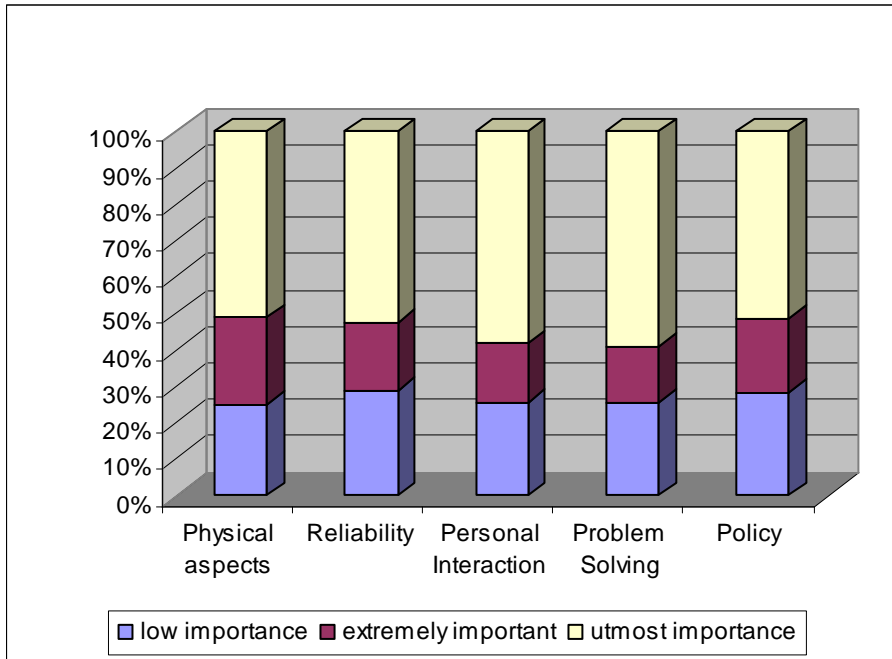
In all the service quality dimensions, more than 50% of responses perceived each of the dimensions to be more than 'extremely important' to 'utmost importance'. Problem solving and personal interaction received the highest importance (59% and 58% respectively).

Reliability and store policy where of least importance, 29% and 28%. However, although Personal Interaction was the item given high importance, the 'employees inspire confidence in customers' was of low importance to 28% of the respondents.

5.5 RELIABILITY OF THE HORIZONTAL VERTICAL INDIVIDUALISM COLLECTIVISM SCALE

Table 19 Reliability of Scale

Cultural Oreintation	Cronbach Alpha
HC	0.571
VC	0.517
VI	0.723
HI	0.523

The above table shows that with the exception of Vertical Individualism, all the other dimensions had a Cronbach alpha lower than 0.7. According to research experts reliability of a scale can be determined by the Cronbach alpha which should be more than 0.65.

In cases where the Cronbach alpha is low, the deletion of an item can improve the Cronbach alpha. Reliability of HC will improve to 0.619 if the item 'my happiness depends very much on the happiness of those around me' is deleted. The Cronbach alpha for vertical individualism could even improve further (0.776) if the item 'I enjoy working in situations involving competition with others' is removed.

However, for the other dimensions the Cronbach alpha does not get any better with the deletion of any item.

Table 20 Reliability Of Scale

Culture Orientation	Cronbach alpha
HC	0.59
HI	0.65
VC	0.51
VI	0.66

Source: Chipp, 2007

The following Cronbach alpha's were reported for the same scale used for a South African content (Chipp, 2007)

In comparism, the results show reliability of HI, but again HC and VC are still below 0.65. On the other hand, although VI is still reliable, it reports a lower Cronbach alpha.

5.6 RESULTS OF THE HYPOTHESIS TESTING

The hypothesis was tested using Pearson's correlation (R). This is a useful method to describe the relationship between two variables, in this case, individual cultural values and service quality dimensions.

Hypothesis 1

H_0: Vertical Collectivism will have no relationship with physical aspects, reliability, personal interaction, problem solving and policy.

H$_{1a}$: Vertical Collectivists will be negatively related to the personal interaction, policy and reliability.

H$_{1b}$: Vertical Collectivism will be positively related to physical aspects and problem solving.

Table 21 The Correlation Between Vertical Collectivism And RSQD

VC	Physical Aspects	Reliability	Personal interaction	Problem Solving	Policy
Pearson's Correlation	.137	.133	0.102	0.084	0.077
P value	0.033	0.037	0.086	0.132	0.152

At a 0.05 significance level, p<0.05 for physical aspects and reliabity but p>0.05 for personal interaction, problem solving and policy. Therefore, we partially reject the null hypothesis, that there is no relationship between vertical collectivism and the five retail service quality dimensions. There is a relationship with VC and PA and reliability. Although there is a significant relationship between VC and Reliability, it is not in the expected direction, therefore we cannot reject the null hypothesis for H$_{1a}$.

Hypothesis 2
H$_0$: Vertical Individualism will have no relationship with physical aspects, reliability, personal interaction, problem solving and policy.

H$_{2a}$: Vertical Individualism will be negatively related to personal interaction.

H$_{2b}$: Vertical Individualism will be positively related to physical aspects, policy and reliability.

Table 22 Correlation Between Vertical Individualism And RSQD

VI	Physical Aspect	Reliability	Personal interaction	Problem Solving	Policy
Pearson Correlation	-0.014	-0.028	-0.047	-0.110	-0.112
P value	0.428	0.355	0.264	0.070	0.066

At a 0.01 significance level, p>0.01 for all the dimensions. Although there is a negative relationship between VI and personal interaction, it is not significant. Therefore we fail to reject the null hypothesis for both H$_{2a}$ and H$_{2b}$.

Hypothesis 3

H$_0$: Horizontal Collectivism will have no relationship with physical aspects, reliability, personal interaction, problem solving and policy.

H$_{3a}$: Horizontal Collectivism will be negatively related to physical aspects.

H$_{3b}$: Horizontal Collectivism will be positively related to reliability, personal interaction problem solving and policy.

Table 23 Correlation Between Horizontal Collectivism And RSQD

HC	Physical aspects	Reliability	Personal interaction	Problem Solving	Policy
Correlation	0.110	.166	.143	0.077	0.051
P value	0.070	0.013	0.027	0.153	0.247

At a 0.05 significance level p>0.05 for physical aspects, problem solving and policy. Whilst p<0.05 for reliability and personal interaction. Therefore we partially reject the null hypothesis. HC has a significant relationship with reliability and personal interaction and it is in the expected direction.

Hypothesis 4

H_0: Horizontal individualism will have no relationship with physical aspects, reliability, personal interaction, problem solving and policy.

H_{4a}: Horizontal individualism will be negatively related to physical aspects, problem solving, and personal interaction.

H_{4b}: Horizontal individualism will be positively related to policy and reliability.

Table 24 Correlation Between Horizontal Individualism And The RSQD

HI	Physical aspec	Reliability	Personal interaction	Problem Solving	Policy
Correlation	0.190	0.083	0.115	0.017	0.144
P value	0.005	0.133	0.062	0.412	0.026

Physical aspect is significant at 0.01 significance level p<0.01 and policy is also significant at 0.05 significant level p<0.05. Therefore we partially reject the null hypothesis. There is a relationship between HI and policy, but although that is a significant relationship with physical aspects, it is not in the expected direction. Therefore we cannot reject the null hypothesis for H_{4a}.

5.7 CONCLUSION

In the next chapter, an interpretation of the above findings will be discussed.

CHAPTER SIX: DISCUSSION OF RESULTS

6.1 INTRODUCTION

This chapter discusses the results found in the previous chapter. The objective of this research was to find out the relationship between individual cultural value orientation by measuring the vertical and horizontal individualism-collectivism orientation, and retail service quality perceptions of consumers. Two recognised scales were used: a reduced version of the vertical and horizontal individualism-collectivism scale by Sivadis *et al* (2008) and the retail service quality instrument posited by Dabholkar *et al* (1996). Figure 1 shows the expectations to be realised in this study.

Figure 8 Expected Importance Of Service Quality Perceptions Of Vertical And Horizontal Individualism-Collectivism
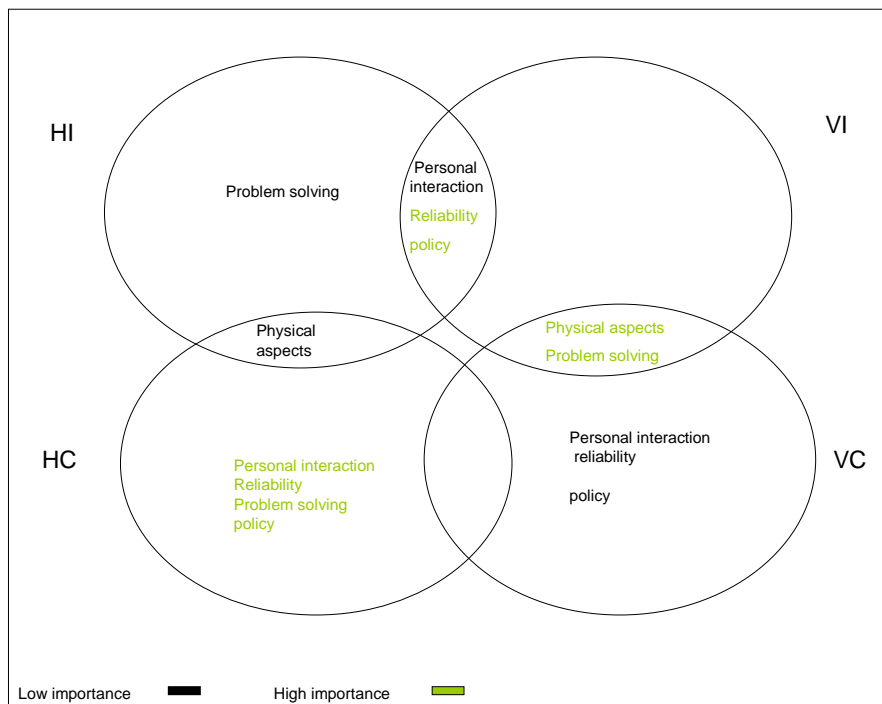
6.2 DEMOGRAPHIC PROFILE

The demographic results confirm Triandis *et al* (1998) and Zhag *et al* (2008), who argue that individuals cannot be stereotyped by culture. By using gender differences (Shavitt *et a*l, 2006) and different ethnic backgrounds (Gaines *et al*, 1997; Eaton and Louw, 2000), all four dimensions were obtained from the sample (Table 8) drawn from retail patrons within the South African context (Triandis, 1995).

6.3 INDIVIDUAL-LEVEL CULTURE

Although South Africa's history of apartheid advocates a hierarchical consciousness, it is surprising to realise that the sample means represent a fair distribution of both vertical and horizontal cultural orientation, with a slight difference in favour of horizontal individualism and collectivism (5.6 and 5.8), (Table 8). Vertical individualism-collectivism has a mean of 4.9 and 4.6 respectively. Secondly, the result as presented in Table 8 contradicts Hofstede's country cultural profile described in 1980, which classifies South Africa as a collectivist culture. The results show that individualism exceeded collectivism by a mean of 0.5 (individualism 5.8 and 4.9; collectivism 5.6 and 4.6).

These results confirm theories that advocate that there is variability in cultural values among individuals in the same country, and that the individual has the ability to show levels of both individualism and collectivism depending on the situation (Triandis and Suh, 2002; Yoo and Donathu, 2002).

It can also be argued that the methodology applied in the research influenced the results. Zikmund (2003) pointed out that the appearance of the interviewer influences face-to-face interviews. The researcher, being black and also a woman, is likely to attract patrons with a low individual orientation of hierarchy in order to be prepared to participate, while those who refused to participate did so because of their strong vertical orientation.

Acquiescence bias, discussed in the methodology chapter, could explain the high responses in the horizontal dimension. The high level agreement for cooperating with in-group (Table 9), but at the same time showing uniqueness and being in control of oneself (Table 12) are desirable qualities. On the other hand, competitive values (Table 11) could be attributed to arrogance and disrespect for authority which are socially frowned upon. This might explain the high responses to the former and low responses association with the latter.

Despite these limitations, the sample has a fair representation of all the four individual-level cultural dimensions required for the study.

6.4 VERTICAL COLLECTIVISM AND THE RETAIL SERVICE QUALITY

It was expected that vertical collectivism (VC) would be tolerant of service failures and as such, the more aligned towards this cultural distinction a consumer is, the less importance they would place on personal interaction, reliability and policy, while placing more importance on physical aspects and problem solving.

The results support the expected positive relationship (R =.137, p< 0.05) between vertical collectivism and physical aspects. The assumption here is that they value their in-group relationship and harmony and as such, they need the physical aspects not to show their status, but rather to help them avoid any conflicts with employees. This findings supports Donthu and Yoo's (1998) results that tangibles help maintain a distance for those in high power distance, in this case depicted by deference to authority. Thus, a well laid-out store with facilities that are functioning, for example shopping carts that can easily be used, will enable them to achieve this goal.

Table 25 Vertical Collectivism

Characteristics	Expected Relationship	Findings (Hypothesis 1)
Maintaining and protecting in-group status	Negative Relationship:	Positive relationship:
	Personal interaction	Physical aspects
Deference to authorities and in-group.	reliability	reliability
	policy	No relationship:
Conformity	Positive relationship	Personal interaction
Harmony	physical aspects	Problem solving
(Shavitt *et al*, 2006)	problem solving	policy
	Fig.1	(Table 5.8a)

Secondly, the expected negative relationship between VC and reliability (Table25), was not found; instead, the test shows a positive relationship (R=.133, p<0.05). It was expected that they would be more tolerant of failures by the service providers, but apparently their desire to be in deference to authorities and in-group makes them expect the same from their service providers, thus making reliability important to them.

There was no relationship found with personal interaction, problem solving and policy.

6.5 VERTICAL INDIVIDUALISM AND THE RETAIL SERVICE QUALITY

Table 26 Results For Vertical Individualism

Characteristics	Expected Relationship	Findings (Hypothesis 2)
Improving individual status via competition Seeking achievement, power, and prestige. Display of success status Standing out	<u>Positive relationship</u> Physical aspects Policy Reliability Problem solving <u>Negative relationship</u> Personal Interaction	<u>No relationship</u> All dimensions

Vertical individualism is characterised by the need to stand out and display success and status (Shavitt *et al*, 2006). Based on this premise, it was expected

that high importance would be placed on physical aspects particularly, and that they would have a high expectation of service delivery. Although VI had the highest Cronbach alpha of 0.723 (Table 19) showing the reliability of the scale in measuring this distinction, there was no relationship with any of the service dimensions. Although there was a negative direction of the correlation with personal interaction as expected (R= -047, p>0.05), it was not significant and the correlation was very weak.

Surprisingly, although not significant, VI related negatively to all the dimensions, even physical aspects. Thus, in the retail environment and in a hypermarket in particular where the products (groceries) do not depict status and power unlike clothes or cars, vertical individualism cultural orientation does not influence the importance of any of the retail service quality determinants. The VI may be more conscious of the product quality than the service quality (Mehta *et al*, 2000). Items like brand preference, price and quality of goods might be items that may be used to perceive service quality.

This finding supports the theory that when individuals are used as a unit of analysis for culture analysis (Triandis, 2001) several factors emerge. Thus, this area requires further research to disintegrate the relationship between VI and retail service quality.

6.6 HORIZONTAL COLLECTIVISM AND THE RETAIL SERVICE QUALITY

The positive relationship found with personal interaction (R=.143, p<0.05) and reliability (R=.166, p<0.05) are in line with the expectations based on the characteristics of horizontal collectivism (Shavitt *et al*, 2006). Personal interaction is important to HC because they value sociability, and to maintain a benevolent relationship they will place much importance on reliability.

Table 27 Results for Horizontal Collectivism

Characteristics	Expected Relationship	Findings (Hypothesis 3)
Maintaining benevolent relationship	Positive relationship	Positive relationship
	reliability	reliability
Common goals with others	personal interaction	personal interaction
	problem solving	No relationship
Social appropriateness	policy	Problem solving
Sociability	Negative relationship	Policy
Co-operation	physical aspects	Physical aspects

A negative relationship was expected with physical aspects since they are more people oriented, but this was not realised; actually, the relationship was in a positive direction although this was not significant. The positive relationship expected for problem solving and policy were found, but these were also not significant.

The absence of a significant negative relationship between horizontal collectivism and physical aspects shows that when equality values are introduced in the cultural

patterning of individuals, their consumer judgement and behaviour change (Shavitt *et al*, 2006). In view of the fact that they expect resources to be shared equally (Triandis, 002), they will see physical aspects, problem solving and policy as their right and as such will not evaluate these services as important. Also in support of)

6.7 HORIZONTAL INDIVIDUALISM AND THE RETAIL SERVICE QUALITY

Table 28 Results For Horizontal Individualism

Characteristics	Expected	Findings (Hypothesis 4)
Distinct and separate from others	Positive relationship	Positive relationship
	Reliability	policy
Self directed, Self reliant	policy	physical aspects
Modesty, not conspicuous	Negative relationship	No relationship
Express uniqueness	personal interaction	Reliability
	problem solving	Personal Interaction
	physical aspects	Problem solving

Being self directed and self reliant horizontal individualism will not be tolerant of inconveniences caused by service providers. It was expected that they will place more importance on reliability and policy because prompt and efficient service will be important to them. On the other hand, due to modesty and the need to separate themselves from others, they will attach low importance to physical aspects, problem solving and personal interaction.

The expected relationship with policy was realised (R= 0.144, p<0.05). On the other hand the negative relationship expected with physical aspects turned out to be positive (R= 0190, p<0.05). This shows that their individualistic dimension, being the need to be self directed and self reliant, places precedence over their modesty. This means that they will place importance on physical aspects and policy, to help them depend on themselves.

Table 14 shows that the convenience of the store layout to enable consumers to find what they need is more important to patrons than neatness and modernity of the facilities. Horizontal Individualism can be more of the former and less of the latter. The importance of physical aspects to HI will be more of convenience and less of modernity.

6.8 RETAIL SERVICE QUALITY DIMENSION (RSQD)

Table 29 A Summary Of The Relationship Between The Retail Service Dimensions And Cultural Orientation

Dimensions	Physical Aspect	Reliability	Personal Interaction	Problem Solving	Policy
VC	Positive	Positive	None	None	None
VI	None	None	None	None	None
HC	None	Positive	Positive	None	None
HI	Positive	None	None	None	Positive

In all, there was no negative relationship found. This proves the importance of service to consumers.

Physical Aspects

Again, Klemz, Boshoff and Mazibuko (2006) emphasise the importance of physical aspects in large urban retail outlets, Table 29 shows that this truly was of importance to individuals with horizontal individualism and vertical collectivism cultural orientation. On the other hand based on this most large retailers emphasis the importance of physical aspects, however this findings show that it is not important to all urban retail patrons.

Personal interaction

Contrary to literature that advocates that large retailers should specialise in non-personalized services (Abu, 2004; Klemz, *et al* 2006), the findings suggest that personal interaction is important to horizontal collectivists and as such, the evaluation of service to this group will be low if large retail stores neglect this dimension.

Reliability

Vertical Collectivism and Horizontal Collectivism both show a positive relationship to reliability. This shows that the collectivist dimension in consumers places importance on reliability. They rely on the expert skills of employees.

Problem solving

Problem solving was the only dimension that had no relationship with all the four cultural dimensions. Most of the patrons commented that they had not really been faced with that aspect of service. In a previous study by Ellis *et al* (2003), they commented that the problem solving dimension was not distinctive enough to constitute an independent dimension since it could easily fall under reliability or policy. However, it is interesting to note that (Table 29) shows that problem solving received the highest importance response of 60% (17). This implies that although most respondents have not experienced this service they still perceive it to be highly important.

Policy

Horizontal individualism was the only cultural dimension that attached high importance to policy. Such individuals like to do things by the self either my choice or by circumstances, for example single mothers. As a result, store policies such as convenient store hours will be very important to them.

6.9 CONCLUSION

The findings in this study confirm extant literature that culture influences service quality perceptions not only in the service environment but in retail as well. Thus, there is empirical supporting evidence that the individual cultural level orientation influences the service quality evaluation in a retail environment.

This finding further confirms Shavitt *et al* (2006) and Oysermam *et al* (2002), who argue that when vertical and horizontal distinctions (as competition and hierarchy) are included in measuring individualism collectivism, the patterns or attributes of the individualism collectivism orientation change. Thus, by measuring the horizontal and vertical distinctions of individualism and collectivism, the study was able to reveal the richness within the differences and to show that individualism and collectivism are not two opposite constructs, but individuals depending on the situation can exhibit more or less of the other.

Vertical collectivists and horizontal collectivists both show a positive relationship with reliability. This relationship was not expected in the vertical collectivists but was expected in the horizontal collectivists. The findings suggest that the importance that consumers place on reliability is due to the collectivism in the individual. In both cultural orientations, consumers expect that the retail provider will do things right and keep promises despite their values.

On the other hand, vertical collectivism and horizontal individualism both showed an importance to physical aspects. This was expected in vertical collectivists, but not in horizontal individualism. In general, importance to physical aspects is attributed to the vertical dimension of the individualism collectivism. However, the findings did not confirm this prediction. Instead, the findings show that in the retail environment, physical aspects are not used as status symbols (which explains why there was no relationship with vertical individualism), but rather, as a cue to be self

reliant (HI) and promote a harmonious relationship (HI) between the consumer and

the service provider. The findings of this study are illustrated in Figure 9.

Figure 9   Importance   Of   Retail   Service   Quality   Perceptions   Of Horizontal/Vertical Individualism-Collectivism
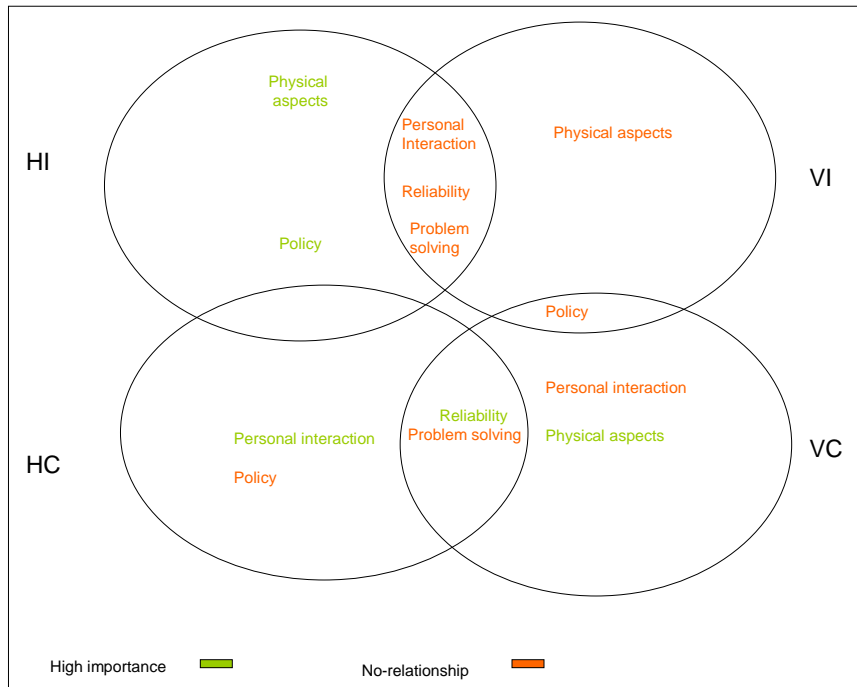
CHAPTER SEVEN: CONCLUSION

7.1 INTRODUCTION

Improving service quality is critical to building customer loyalty, and although there has been extensive research in this area, there is still lack of substantive empirical evidence to show the effect of individual cultural values on consumer's evaluation of service in the retail environment. The findings from this study provide the evidence that retail patrons exhibit different levels of cultural value orientation which affects the level of importance they place on service . Thus, within the same retail service environment, culture affects the service quality perception of the consumer.

In this chapter, the implication of the findings in chapter six for the relevant stakeholders will be discussed and recommendations will be given about future research ideas.

7.2 MANAGERIAL IMPLICATION

Based on the findings the managerial implications of this research have been illustrated in Table 30.

7.2.1 Segmentation Of Markets

Based on the research findings, the retail market can be segmented into the following:

- **Silent shoppers:** These are vertical collectivist who place importance to physical aspects and reliability. They do not want to be seen but they expect that they will not have to face any complications during their shopping experience.

- **Mysterious Shoppers**: These are vertical individualistic customers who although do not show any relationship to the retail service quality dimensions, might switch service providers if their status or power is threatened

- **Loyal shoppers**: Horizontal collectivists like to feel welcomed and form lasting relationships with their service providers.

- **Self-reliant shoppers:** Horizontal individualists do not rely on employees and might even feel offended if employees offer assistance.

Table 30 Summary of Managerial Implications for each of the Segments Proposed

Segmentation	Cultural orientation	Service needs	Managerial Implications
Silent Shoppers	Vertical Collectivism	Physical Aspects and reliability	Allocate resources on improving store appearances: in-store advertising, modern looking equipments and shop floor assistance to keep the place neat and tidy. Train and empower employees to be able to provide one stop service to customer queries and enquiries
Mysterious Shoppers	Vertical Individualism	None	May be difficult to win their loyalty since providers do not know what service dimensions are important to them. Managers will need to train employees to be sensitive to such customers so as to know their needs before any resources are allocated, to avoid waste. Other factors like brands might be more important to them.
Loyal Shoppers	Horizontal Collectivism	Reliability and personal interaction	Recruit employees that are friendly, sociable and willing to go the extra mile. Train employees to be knowledgeable of products and services offered.
Self-reliant Shoppers	Horizontal Individualism	Physical aspect and policy	Invest in convenient shopping deliverables; more equipment and lesser employees. Internet shopping will be welcomed by such shoppers.

Motivated from Furrer *et al* (2000)

7.2.2 Allocation of Resources

Depending on which market that the retailer hopes to attract, allocation of resources will be directed to the service quality dimensions that meet the needs of that group as shown in Table 30.

7.2.3 Building customer loyalty

By training employees in order to be able to detect individual needs and serve them accordingly.

7.2.4 Selection of Managers

To be able to achieve service goals, managers who are congruent with the needs of the market will be employed. Therefore, depending on the dimension of service needed, managers that fall within that individual cultural orientation will be recruited. In other words, vertical collectivist managers will be selected for vertical collectivist markets.

7.3 FURTHER RESEARCH

- The absence of any relationship between vertical Individualism and the retail service quality dimension will need further research. This is to investigate whether this is only peculiar to the grocery retail environment because this does not bring out their individualism as a clothing retail outlet will.

- Although some patrons buy home appliances, clothing, and footwear from the hypermarket, majority of them patronise food and general groceries. As a

- The study can also be replicated using more than one hypermarket outlet. This will enable findings to be more generalised. Also it can be replicated in other parts of the country to see if the same results will be obtained.

- The individual level attitudinal scale used for the research had a low reliability for the various dimensions with the exception of vertical individualism (Table 19) There is therefore the need to measure the individual level culture by other means to get a better reliability. Triandis *et al,* (1998) proposed the use of scenarios that fit the culture in which the research is being done or a variety of methods.

- Finally, culture is dynamic and the culture of countries, groups and individuals keep changing due to socio-economic factors and generational changes. It is therefore necessary for academic research to stay valid by continuous research in this research area. These changes in demographics need a longitudinal study:

7.4 CONCLUSION

This research provides empirical evidence to support the importance of consumer psychology to market researchers and managers in the retail environment. By knowing the individual level cultural orientation of retail patron managers can segment their markets and allocate resources to meet the service needs of their customers. This is of utmost importance to retailers, since when the expectations of consumers are realised their evaluation of service increases resulting into increased customer satisfaction, purchasing power and word of mouth advertising.

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APPENDIX 1
CODING OF HORIZONTAL/VERTICAL INDIVIDUALISM-COLLECTIVISM

STATEMENT	CODING
My happiness depends very much on the happiness of those around me	HC
I would do what would please my family, even if I detested that activity	VC
I usually sacrifice my self-interest for the benefit of my group	VC
I enjoy working in situations involving competition with others	VI
The well-being of my co-workers is important to me	HC
I enjoy being unique and different from others in many ways	HI
Children should feel honored if their parents receive a distinguished award	VC
I often "do my own thing"	HI
Competition is the law of nature	VI
If a co-worker gets a prize, I would feel proud	HC
I am a unique individual	HI
I would sacrifice an activity that I enjoy very much if my family did not approve of it	VC
Without competition it is not possible to have a good society	VI
I feel good when I cooperate with others	HC

APPENDIX 2

RETAIL SERVICE QUALITY DIMENSION

STATEMENT	DIMENSION
All physical facilities that are used in service delivery are neat and modern-looking	Physical Aspect
The store layouts allows customers to find everything they need and move around with ease	Physical Aspect
They deliver their services reliably by keeping all promises made	Reliability
They do things right the first time such as sales transaction and records	Reliability
Employees are courteous and helpful in all personal interaction with customers	Personal Interaction
Employees inspire confidence in customers	PersonalInteraction
All problems customers experience are solved promptly	Problem Solving
There is a proper system of returns and exchange	Problem Solving
They have a store policy that is responsive to customer needs such as convenient store hours	Policy

APPENDIX 3

The purpose of this survey is to examine the influence of individual level culture on service quality perceptions. By completing this survey you indicate that you voluntarily participated in this research. All data will be confidential. Do you agree to participate in this survey? Yes □

1	**Gender**	**Male** □ **Female** □	
2	**Educational Level**	**Less than Matric** □ **Matric** □ **Graduate** □ **Post Graduate** □	
3	**Home Language**	**Afrikaans** □ **English** □ **African** □ **Other** □	
4	**Ethnic Background**	**Black** □ **Coloured** □ **Asian** □ **White** □	

On a scale of 1 to 7 where 1 is *strongly disagree* and 7 is *strongly agree*. Indicate which statement applies to you

		Strongly disagree						Strongly agree	
5	My happiness depends very much on the happiness of those around me	1	2	3	4	5	6	7	
6	I would do what would please my family, even if I detested that activity	1	2	3	4	5	6	7	
7	I usually sacrifice my self-interest for the benefit of my group	1	2	3	4	5	6	7	
8	I enjoy working in situations involving competition with others	1	2	3	4	5	6	7	
9	The well-being of my co-workers is important to me	1	2	3	4	5	6	7	
10	I enjoy being unique and different from others in many ways	1	2	3	4	5	6	7	
11	Children should feel honored if their parents receive a distinguished award	1	2	3	4	5	6	7	
12	I often "do my own thing"	1	2	3	4	5	6	7	
13	Competition is the law of nature	1	2	3	4	5	6	7	
14	If a co-worker gets a prize, I would feel proud	1	2	3	4	5	6	7	
15	I am a unique individual	1	2	3	4	5	6	7	
16	I would sacrifice an activity that I enjoy very much if my family did not approve of it	1	2	3	4	5	6	7	
17	Without competition it is not possible to have a good society	1	2	3	4	5	6	7	
18	I feel good when I cooperate with others	1	2	3	4	5	6	7	

On a scale of 1 to 7 where 1 is *important* and 7 *utmost importance*. Indicate the importance of the various retail service quality dimensions.

		Important			Extremely important			Utmost important	
19	All physical facilities that are used in service delivery are neat and modern-looking	1	2	3	4	5	6	7	
20	The store layouts allows customers to find everything they need and move around with ease	1	2	3	4	5	6	7	
21	They deliver their services reliably by keeping all promises made	1	2	3	4	5	6	7	
22	They do things right the first time such as sales transaction and records	1	2	3	4	5	6	7	
23	Employees are courteous and helpful in all personal interaction with customers	1	2	3	4	5	6	7	
24	Employees inspire confidence in customers	1	2	3	4	5	6	7	
25	All problems customers experience are solved promptly	1	2	3	4	5	6	7	
26	There is a proper system of returns and exchange	1	2	3	4	5	6	7	
27	They have a store policy that is responsive to customer needs such as convenient store hours	1	2	3	4	5	6	7	