



INTERNATIONAL
HELLENIC
UNIVERSITY

THE SERVICE ENCOUNTER IN RESTAURANTS: THE CASE OF GREEK MARKET

MSc in Management 2009/10

**MSc student: Georgios Marselos
ID number: 1102100028**

September 2010

Abstract

For economies like Greece, where the major part of GDP is produced through the service sector (76%), it is understood how crucial service quality is for the long run viability of the companies. Contact employees play an important role in the creation of successful service encounters as from the customer's point of view, they are the most immediate evidence of service quality in the service encounter. This study examines the service encounter in Greek restaurants with the critical incident method by collecting 161 responses from restaurants' customers and distinguishes the satisfactory from the dissatisfactory service encounters. The results indicate that the application of proper response to customer needs and requests can lead to customer satisfaction even in cases where a dissatisfactory service encounters have initially emerged. Moreover, the implications for managers and policy makers are further discussed.

Keywords

Service encounter, Customer satisfaction, Service quality, Restaurants

Acknowledgments

Firstly, I would like to express my gratitude to my academic advisor, Dr Vassiliki Grougiou for her overall guidance and advice. Without her useful insights, directions and comments, the completion of this study would not be possible. Additionally, I would like to thank all the staff of the School of Economics and Business Administration for the extensive knowledge they have offered me during the year of my studies. Also, I want to thank all the people who participated in the interviews for their kind assistance during the developing of this study. Finally, I am grateful to my parents for their encouragement and support.

Table of Contents

Abstract	II
Keywords.....	II
Acknowledgments.....	III
CHAPTER 1 INTRODUCTION	1
CHAPTER 2 LITERATURE REVIEW.....	4
2.1 Introduction.....	4
2.2 Service Encounter.....	4
2.2.1 Defining Service Encounter	4
2.2.2 Models on Service Encounters	5
2.2.3 Empirical work on Service Encounters	6
2.3 Customer Satisfaction	7
2.3.1 Defining Customer Satisfaction	7
2.3.2 Research on Customer Satisfaction.....	8
2.4 Service Quality.....	9
CHAPTER 3 METHODOLOGY.....	12
3.1 Introduction.....	12
3.2 The Method of the Critical Incident Technique	12
3.3 Methodological Considerations	13
3.4 Questionnaire Format	14
3.5 Mode of Data Collection	14
3.6 Data Collection Procedure	15
3.7 Characteristics of the Sample.....	16
3.8 Data Analysis	17
CHAPTER 4 DATA FINDINGS	19
4.1 Introduction.....	19

4.2 The major Groups.....	19
4.2.1 Group 1: Employee response to service delivery system failures.....	19
4.2.2 Group 2: Employee response to customer needs and requests	19
4.2.3 Group 3: Unprompted and unsolicited employee actions.....	19
4.3 The subcategories	20
4.3.1 1.A. Response to unavailable service	20
4.3.2 1.B. Response to unreasonably slow service	21
4.3.3 1.C. Response to other core service failures.....	21
4.3.4 2.A. Response to "special needs" customers	22
4.3.5 2.B. Response to customer preferences	23
4.3.6 2.C. Response to admitted customer’s error	24
4.3.7 2.D. Response to potentially disruptive others.....	25
4.3.8 3.A. Attention paid to the customer	25
4.3.9 3.B. Truly out-of-the-ordinary employee behaviour.....	26
4.3.10 3.C. Employee behaviors in the context of cultural norms.....	27
4.3.11 3.D. Gestalt evaluation.....	27
CHAPTER 5 FINDINGS DISCUSSION	30
5.1 Introduction.....	30
5.2 Discussion on Research Questions	30
CHAPTER 6 CONCLUSION	35
CHAPTER 7 LIMITATIONS AND DIRECTIONS FOR FURTHER RESEARCH	36
Appendix	38
References.....	39

CHAPTER 1 INTRODUCTION

Service quality has become a very important factor for service companies which have the difficult task of covering and fulfilling all the needs and expectations of their customers (Parasuraman *et al.*, 1985; Buzzell & Gale, 1987; Zeithaml, 2000). Especially for economies like Greece, where the major part of GDP is produced through the service sector (76%)¹ and the majority of the population is employed there (65%), it is understood how crucial service quality is for the long run viability of the companies. Hence, the main target of service businesses (in this case the restaurants) should be a continuous quest for the customer's satisfaction by starting from what is the customer's point of view of the services offered i.e., the service encounter.

The importance of contact employees for the creation of successful service encounters has been emphasized in numerous studies. For instance, according to Bitner *et.al.*, (1994, p. 95), "from the customer's point of view, the most immediate evidence of service quality occurs in the service encounter or the 'moment of truth' when the customer interacts with the firm. Thus, one central goal in the pursuit of 'zero defects' in service is to work toward 100% flawless performance in service encounters". Despite the fact that guests' experiences of service encounters in hospitality are influenced by a number of aspects (e.g., restaurant interior, cuisine, company, other guests and service, see e.g., Andersson & Mossberg, 2004), it has been suggested that the interaction between front liners and guests, is essential part in customers' evaluation of the service offered.

The knowledge, skills and motivation of contact employees are shown as important prerequisites for the creation of successful service encounters (Grönroos, 2006). By using these attributes, employees may be able to understand and satisfy guests' expectations of service encounters and thereby enhance the guests' overall perceptions of the company in question (Zeithaml *et al.*, 1988). The contact personnel's role in increasing sales has been pointed out by Bowen & Morris (1995). Their study has shown that menu design alone does not increase sales; however, it could be used by front-line workers in order to increase sales. It is also suggested that increased guest

¹ <http://epp.eurostat.ec.europa.eu/portal/page/portal/eurostat/home/>

satisfaction results in positive word-of-mouth and repurchase situations (Parasuraman *et al.*, 1994).

Bitran and Lojo (1993) further explain that service encounters are not random events; they can be treated systematically. Scope is thus high for management control over the success or failure of specific service encounters. Accordingly, “the quality of the service encounter has been recognized as a key strategic competitive weapon” (Mattila & Enz, 2002, p. 269). Thus, knowledge of what happens in connection to service encounters is necessary for service organizations in order to succeed in their strategic planning and service delivery.

The purpose of this research paper is to examine the service encounter in restaurants of Greece, by using the critical incident method. The aim is to target customers coming from restaurants. This choice was due to the fact that Greece is among the top European touristic destination. It is a country that attracts around 15 million tourists per year². This study is expected to have some important managerial implications. In particular, it is expected that the resulting findings of the project will assist companies (in this case the restaurants) to understand the complex behaviours of their front line employees that lead to either highly satisfactory or dissatisfactory service encounters. Afterwards, the company will be able to apply an effective management of the service encounter by proceeding to the appropriate training, motivation and rewarding schemes in order their employees to exhibit the desired behaviours.

The key research questions that this study is willing to answer are:

1. What specific events lead to satisfying service encounters from the customer's point of view? What do contact employees do that causes these events to be remembered favourably?
2. What specific events lead to dissatisfying service encounters from the customer's point of view? What do contact employees do that causes these events to be remembered with distaste?
3. Are the underlying events and behaviours that lead to satisfactory and dissatisfactory encounters similar? That is, are these events and behaviours opposites or mirror images of each other?

² <http://www.sete.gr/default.php?pname=GreekTourism2009&la=1>

The remainder of this paper is divided into six sections. The next section overviews the literature on service encounter, customer satisfaction, and service quality. Section 3 introduces the research method followed by the study, and the data. Section 4 presents the findings and section 5 discusses on them. Section 6 concludes the dissertation and finally, section 7 presents the limitations of the present study and gives directions for further research in the area.

CHAPTER 2 LITERATURE REVIEW

2.1 Introduction

This chapter responds to the aim of examining customers' evaluations over their service encounter interactions in Greek restaurants. It intends to review theories and empirical findings on service encounter, customer satisfaction, and service quality.

2.2 Service Encounter

2.2.1 Defining Service Encounter

The concept of service encounter includes any type of contact that the customer has with the core service itself e.g., on-line banking and with the service firm's employees (Lovelock, 2007). Thus, the encounter can include any contact with either human or non-human service components or may be viewed as the physical presence of the customer in the system (Chase, 1978). The low-contact services generally do not involve customer/service employee physical contact e.g., internet shopping, whereas medium-contact services require only limited customer/provider contact e.g., dry cleaning. The high-contact services are those in which customers are actively involved with the firm and its personnel throughout service delivery e.g., nursing home (Lovelock, 2007). Customer's contact with employees can be either via face-to-face interactions or via remote interaction with an employee e.g., by telephone or computer. The level of contact the customer has with any or all parts of the service delivery system usually depends upon the type of core service being offered, its physical location, the roles that both the firm and the customer expect the customer to fulfil and the motivation or ability of the customer to have contact with any of the service activities. The core service can focus on processing either people, possessions, mental stimuli, or information, and the service can be provided in the form of either tangible or intangible actions (Lovelock, 1996).

Employee's behaviour during the service encounter can have a profound effect upon customer satisfaction (Bitner, 1990). For example, during salesperson-customer

interactions, service provider responses to consumer consumption emotions can affect customer behaviour during the remainder of the episode and impact customer satisfaction (Menon and Dube', 2000).

At this point it must be stressed out that the focus of this study on the service encounters deals only with the relationships between the restaurants' personnel (i.e., restaurant manager and waiters) and the customers.

2.2.2 Models on Service Encounters

The following paragraphs discuss some of the service encounter models that have been evolved over the last decades.

The Servuction System model (Bateson, 1985; Eiglier and Langeard, 1987) consists of the invisible and the visible components of the service experience. The first one refers to the invisible part of organizations and systems. It deals with the rules, regulations and processes upon which the organization is organised. The second component consists of the Serviscape (inanimate environment), contact personnel/service providers and other consumers. The servicescape refers to the use of physical evidence to design service environments. It consists of ambient conditions such as music, inanimate objects (e.g., furnishing and business equipment), that assist the firm in completing its tasks. The contact personnel refer to the employees other than primary providers that interact with consumer while the service provider refers to the primary provider of core service, such as dentist, physician or instructor. Other customers refer to those who are part of another's customer experience who is the recipient of a bundle of benefits created through service experience (Bateson, 1985).

By defining the situational environment/setting in which a service is delivered, Aubert-Gamet and Cova (1999) equate the service setting with the servicescape (Bitner, 1992), the atmospherics (Kotler, 1973) and the physical evidence (Berry and Parasuraman, 1991), but adopt Eiglier and Langeard's (1987) definition, stating that the service setting is "the environment in which the service is delivered that facilitates the performance and communication of the service" (p. 37). They further explain that in a customer/servicescape interaction, the setting consists of not only a defined stimuli, but also a personal construct and a sociospatial construct, in all of which the customer is an active part. Unlike other models however, Aubert-Gamet and Cova (1999) differentiate

between three motives for service consumption. Customers may seek service settings based upon their use-value and/or their linking-value (satisfying a need for community links) (Aubert-Gamet and Cova, 1999). Depending upon the nature of the service encounter interaction between the customer and all other persons within the service setting, the customer typically might seek three types of service exchange:

1. Solely economic - for use-value only (e.g., self-service transactions),
2. Socioeconomic - for both use-value and linking-value by interacting with the service personnel or
3. Societal - for linking-value only, seeking a sense of community by interacting with the other customers present (Aubert-Gamet and Cova, 1999).

The model of Gronroos (1990), the Service Production System, distinguishes between: 1) the support systems and core service, and 2) the augmented service offering (consisting of accessibility, interactions, and customer participation activities). In his model, the service encounter occurs within the "Interactive Part" of the model; it is a buyer-seller interaction; and the customer is a quality-generating resource. The service interaction occurs as interactive communication between the customer and the contact personnel, the physical and technical systems, and other customers (Gronroos, 1990). Influences upon the human communications include the attitudes, intentions, and promptness of each person; and, the style of performance of the service personnel must be matched with the style of communication (or style of consuming) of the customer (Gronroos, 1990).

2.2.3 Empirical work on Service Encounters

Some of the studies that have been conducted regarding the service encounters in service marketing are presented in the following paragraphs.

Many researchers have tried to understand which variables may have an effect on customers' perceptions of service encounters and focus on individuals' subjective experiences, thoughts and information processes (Echeverri, 1999; Eksell, 2005). This approach has also been used extensively by many studies in restaurants (e.g., by Andersson, 1990; Oh, 2000; Andersson & Mossberg, 2004; Andaleeb & Conway, 2006), which is also the target industry of the present study. What all these studies conclude is that despite the fact that guests' experiences of service encounters in

hospitality are influenced by a number of aspects (e.g. restaurant interior, cuisine, company, other guests and service) (Andersson & Mossberg, 2004), it has been suggested that the interaction between front liners and guests is among the most important factor for guests' perceived service quality.

Other studies treat service encounters as central for building relationships between customers and companies and the focus is on the interaction, relationships and the creation of value (Eksell, 2005). Studies presented using this approach are for instance Roos (1999; 2002), Echeverri (1999; 2005) and Salomonson (2005). What these studies point out is that service failures are often linked with the front line personnel's to customers' needs and wants.

2.3 Customer Satisfaction

2.3.1 Defining Customer Satisfaction

Customer satisfaction is one of the most popular topics in marketing for more than 30 years but without a commonly accepted definition of the term (Host and Knie-Andersen, 2004). Johnson *et al.*, (1995) argue that customer satisfaction is a cumulative construct that is affected by market expectations and performance perceptions in any given period, and is also affected by past satisfaction from period to period. According to Fornell (1992) customer satisfaction is a function of customer expectation and perceived performance. These definitions focus on expectations and performance as an instrumental construct of customer satisfaction. Oliver (1980) supports that satisfaction outcomes are a function of perceived performance and perceived disconfirmation. As a result of the reviewed studies it could be suggested that perceived disconfirmation depends on perceived performance and functions as a standard of comparison. Standards of comparison may include expectations, ideals, competitors, other service categories, marketer promises and industry norms (Oliver, 1980; Wirtz & Bateson, 1999). When perceived performance is significantly worse than the comparison standard, a customer will experience negative disconfirmation; in other words, products and services do not meet the comparison standard.

2.3.2 Research on Customer Satisfaction

Customer satisfaction is considered by the companies as a key strategic indicator of a company's success and long-term competitiveness (Woodruff & Gardial, 1996; Law *et al.*, 2004). Research on customer satisfaction has revealed several advantages for companies. These are summarised and organised into the following groupings:

1. A satisfied customer is more likely to stay with the same company and is less likely to switch to other companies (Dick and Basu, 1994; Oliver, 1997; Gremler and Brown, 1999; Fecikova, 2004). As a result, customers often engage into positive evaluations and word-of-mouth publicity (Keaveney, 1995; Shankar *et al.*, 2003),
2. The longer a customer stays with a company, the more products or services he/she purchases from the company (Kotler, 1991; Moutinho and Smith, 2000; Law *et al.*, 2004),
3. It costs more to capture a new customer than to retain a current customer (Peters, 1988; Sheth *et al.*, 1999).

Hence, the subsequent links of customer satisfaction to individual loyalty, aggregate retention rate, market share and profitability lead many companies in placing much attention on examining their customers' satisfaction.

On the contrary, some researchers argue that higher customer satisfaction does not necessarily result in higher repurchase and positive word-of-mouth communication. For instance, Hennig-Thurau and Klee (1997) support that satisfaction is a poor predictor of loyalty and customer retention. Also, Brandt (1997) states that satisfaction scores have become an expensive end in themselves as a result of companies failing to link satisfaction measurements with customer loyalty, propensity to purchase, or profits. With regard to this view, the study by Anderson *et al.*, (1997) indicate that the association between customer satisfaction, productivity, and profitability is negative for services.

Since, there is a causal relationship between customer satisfaction and service quality concept (Santouridis *et al.*, 2009), as both share the disconfirmation paradigm as the core of their theoretical frameworks, next section is dedicated to what many researchers perceive as an antecedent of customer satisfaction, the service quality (e.g., Cronin & Taylor, 1992; Spreng & McKoy, 1996).

2.4 Service Quality

Over the last decades, the theory and practice of service quality has received considerable attention from academics and practitioners alike. It is viewed as a means by which customers distinguish between competing organisations (Marshall & Murdoch, 2001), and is known to contribute to market share and customer satisfaction (Anderson & Zeithaml, 1984; Parasuraman *et al.*, 1985; Buzzell & Gale, 1987; Zeithaml, 2000). Thus, the pursuit for service quality has become an imperative factor for all organisations that are driven by the need to survive and remain competitive.

However, it has been proven to be a difficult task, causing long-lasting debates among those involved, mainly due to the intangible nature of services and problems stemming from the simultaneous production and consumption of a service (Carman, 1990). Despite the controversy, it can be argued that there is a convergence towards the Parasuraman *et al.*, (1988, p. 16) view that customer perceived service quality, is a 'global judgement or attitude, relating to the superiority of the service.'

The introduction of service quality in many service firms was perceived as an element designed to effect competitive advantage. Moreover, the position of quality, from a customers' point of view, has assumed the uncompromisable core component of the service promise. Parasuraman *et al.*, (1988) proposed that a customer's evaluation of overall service quality depends on the gap between expectations and perceptions of actual performance levels. Zeithaml (1988) has defined perceived service quality as the customer's assessment of the overall excellence or superiority of the service. However, it has been argued that service quality is not a singular but a multi-dimensional phenomenon (Vandamme & Leunis, 1993).

SERVQUAL has been developed by Parasuraman *et al.*, (1988) and it is a 22-item instrument for measuring quality across a broad spectrum of services. Actually, it is based on the notion of a gap between what customers expect in terms of service quality from the providers of the service and their assessment of the actual performance of that particular service provider. By applying the SERVQUAL model, customer's assessments of service quality result from a comparison of service expectations with actual performance. The SERVQUAL dimensions capture how consumers differentiate performance on these dimensions (Bebko, 2000) and can be described as follows:

- *Reliability*: The ability to perform the promised service dependably and accurately.

- *Tangibles*: The appearance of physical facilities, equipment, personnel and communication material.
- *Responsiveness*: The willingness to help customers and to provide prompt service.
- *Assurance*: The knowledge and courtesy of employees and their ability to convey trust and confidence.
- *Empathy*: The provision of caring, individualised attention to customers.

Despite its great popularity and wide application in several service contexts, SERVQUAL has also been under criticism. Some of the most important topics of debate include:

1. *The applicability of the 'perceptions minus expectations' model to measure quality*. Cronin and Taylor (1992, 1994) suggest that perceptions of performance measurement alone is sufficient, while Teas (1994) argues that quality is derived from the comparison of perceptions with relevant ideal standards.
2. *The dimensionality of service quality*. There is a debate in literature regarding the number and type of the instrument's dimensions as well as their generic applicability to all contexts. A lot of research studies have shown that the five dimensions of SERVQUAL are not generic and that the dimensionality of service depends on the particular service under investigation (e.g., Carman, 1990; Babakus & Boller, 1992; Freeman & Dart, 1993; Johnston, 1995; Buttle, 1996).

Yet, despite the concerns over the validity of the instrument, Buttle (1996) argues that it is still a useful tool for the measurement of service quality.

The need for further studies testing the positive relationship between perceived service quality and customer commitment has been noted by several researchers (Bitner, 1990; Parasuraman *et al.*, 1991; Fornell, 1992; Cronin *et al.*, 2000; Fullerton, 2003). Bitner (1990) suggests that a high level of service quality can lead to service loyalty while Parasuraman *et al.*, (1991) claim that there is a positive and significant relationship between customer's perceptions of service quality and their willingness to recommend the company. In addition, Fornell (1992) points out that high quality leads to high levels of customer retention which in turn are strongly related to profitability. Moreover, Bolton and Myers (2003) investigated the determinants of price elasticity. The results of their study indicated that customers who receive more responsive service are less price

sensitive than customers who receive less responsive service. In addition, customers are more tolerant of price changes and less apt to defect to alternative suppliers when they experience highly reliable service. Customers who receive more assurance or empathy from service representatives over time are less price sensitive than customers who receive less assurance. Hence, it could be suggested that happy customers might be willing to pay more for better quality of service.

CHAPTER 3 METHODOLOGY

3.1 Introduction

This chapter presents the method of the Critical Incident Technique, the issues concerning the face-to-face interviews and the demographics of the collected data.

3.2 The Method of the Critical Incident Technique

Traditionally, service encounter studies have collected data by using the critical incident technique (CIT) which consists of a set of specifically defined procedures for collecting observations of human behaviour and classifying them in such a way as to make them useful in addressing practical problems (Flanagan, 1954). CIT is categorized with other inductive grouping procedures such as factor analysis, cluster analysis, and multidimensional scaling (Hunt, 1983, p. 354). These methods usually determine categories based on the analysis of a specific set of data and are particularly useful when there is little documentation of the properties that are likely to be important for classification. However, in contrast to the other grouping procedures mentioned above, CIT uses a content analysis of stories, rather than quantitative solutions, in the data analysis stage of the procedure. It takes the stories that people have told and asks questions of the stories in order to classify each one within the scheme (Bitner, 1990).

As it was explained above, CIT is a systematic procedure for collecting events and behaviours that lead to the success or failure of a specific task (Bitner *et al.*, 1990; Grove & Fisk, 1997). An incident is defined as an activity that is sufficiently complete in itself as to allow predictions and inferences about the person performing the act (Bitner *et al.*, 1990). A critical incident is one that contributes significantly, positively or negatively, to the general aim of the activity (Bitner *et al.*, 1990; Grove & Fisk, 1997). It must be pointed out that not all service incidents are classified, only those that customers find memorable because they were particularly satisfying or dissatisfying. By examining such memorable critical incidents, is likely to gain insight into the necessary factors leading to customers' dis/satisfactory evaluations. For the reasons stated, an incident is required to meet four criteria: (1) involving employee-customer interaction,

(2) being very satisfying or dissatisfying from the customer's point of view, (3) being a discrete episode, (4) having sufficient detail to be visualized by the interviewer and (5) coming from the last 12 months in order to avoid as much as possible the consequences of the retrospective effects i.e., memory defaults.

Data analysed using the critical incident technique has proven to be valid and reliable (e.g., Piercy *et al.*, 1994; Bendtsen *et al.*, 1999; Mallalieu, 1999; Meuter *et al.*, 2000).

It is clear from above that this technique, in contrast to others used in service encounters, is able to identify specific events and behaviours rather than general dimensions and to explore the causes of both satisfactory and unsatisfactory service encounters. According to Eksell (2005), studies based on this method have often been of a qualitative character and have a positivist outlook. The findings of these studies have generated knowledge important for the planning and execution of successful service encounters by, for example, investments in education and training of personnel (Wong & Sohal, 2003).

3.3 Methodological Considerations

As it has been argued, CIT uses content analysis to analyze people's stories about favourable and unfavourable experiences. While the respondents use their own terms and language in order to describe specific events of their experiences, the researcher catches a glimpse of how respondents have reacted in specific situations, as this can also happen in the depth interviews. Nyquist and Booms (1987) call it "pure" consumer data as opposed to forcing respondents into a given framework or leading them in a given direction. Furthermore, CIT provides the researcher the opportunity to explore the complexities of the transactions between customers and service providers where it is difficult to predetermine all the variables affecting the phenomenon. In other words, CIT allows a holistic approach to collecting data that are very context dependent (Walker & Truly, 1992).

As it was stated earlier, CIT takes advantage of the fact that respondents recall more vividly incidents that were particularly satisfying or unsatisfying than incidents that were more mundane in nature. This is supported by empirical evidence (Flanagan, 1954; Stauss & Hentschel, 1992). In their study of German car dealer service, Stauss and Hentschel (1992) learned that respondents were able to recall critical incidents with

dealers that dated back more than 10 years. However, it must be stressed out that due to the retrospective effect i.e., people after long period of time use to remember more the negative experiences and do not easily recall the good ones, or people tend to twist also the facts and confusing good and negative experiences, or older people whose memory became weaker also tend to remember more the negative experiences (Taylor, 1991; Baumeister *et al.*, 2001), the questionnaires will be distributed to people who had an experience in a restaurant the last passing 12 months.

3.4 Questionnaire Format

As it is was made clear in the previous paragraphs, the aim of the critical incident technique is to collect very detailed descriptions or stories from respondents about a memorable experience. For this study respondents were asked to think of a time when they have had what they believe to be a particularly satisfying or unsatisfying experience in the last year with a restaurant in Greece.

Then, the following questions were asked:

1. How did the respondent evaluate the incident? [satisfying or unsatisfying]
2. When did the incident occur?
3. Describe the circumstances leading to the incident.
4. What happened exactly?
5. Who was involved?
6. How did the incident end?
7. Why did the respondent believe the incident was satisfying or unsatisfying?

The purpose of the above questions aims to draw respondents' rich descriptions of the incident. The respondents will focus on describing the events and details of the incidents. All the inferences, abstractions, and conclusions are going to be done by the researcher (e.g., Bitner *et al.*, 1994).

3.5 Mode of Data Collection

Generally, in the service encounter studies, critical incidents have been collected through face-to-face interviews (e.g., Bitner *et al.*, 1994; Mohr & Bitner, 1995; Heckman & Guskey, 1998). Collecting critical incidents through face-to-face interviews

provide researchers the ability of probing respondents in order to collect very rich and detailed data. This method of data collection was also used in the present study.

Similar to the verbal accounts of critical incidents, written descriptions of critical incidents have been proven to be valid and reliable data (Timpka *et al.*, 1995; Hensing *et al.*, 1997; Bendtsen *et al.*, 1999). This method of collecting data is less demanding for the researcher in terms of resources, cost and time (Hensing *et al.*, 1997). However, due to the fact that: 1) respondents tend to generate shorter and less developed written accounts as compared to verbal accounts of critical incidents (Andersson & Nilsson, 1964) and 2) the potential for ambiguity and misunderstanding in interpreting the incidents may be greater than in face-to-face interviews, it is expected that all the responses will be obtained through the face-to-face interviews.

This method of data collection, for the particular study, assembles the following advantages: 1) it is the best method for in-depth analysis of personal opinions, beliefs, and values, 2) it allows flexibility in that the researcher can modify the research design and structure at any time, 3) the interviewer can obtain simultaneously both the respondents' stories as well as his/her facial expressions and the body language, 4) it allows new questions to be brought up during the interview as a result of what the interviewee says, 5) the researcher can adapt the questions as necessary, clarify doubt and ensure that the responses are properly understood, by repeating or rephrasing the questions, 6) there is no social pressure on respondents to conform and no group dynamics in contrast with the method of focus groups and 7) some unexpected and unsolicited responses may emerge during the process of interviewing, providing invaluable information for newly-researched area. Of course, there are some disadvantages too such as: 1) geographically limitations might be imposed on the resources needed if face-to-face interviews need to be done nationally and 2) respondents might feel uncomfortable about the anonymity of their responses when they interact the face-to-face interviews.

3.6 Data Collection Procedure

The contact of face-to-face interviews took place between 27th of July and 8th of September in the area of Athens and was carried out only by the researcher himself. This area gathers the majority of Greece's population and includes a wide range of ages,

socioeconomic and education levels. The interviews were conducted either in the interviewer's or the interviewee's place at a time convenient for the second one, usually the days between Friday to Sunday and each interview lasted around 20 to 40 minutes. It was very important the fact that the room should be quiet in order the participant not to be distracted. In the beginning of each interview the purpose of the study was explained to each interviewee who was also guaranteed confidentiality and the right to withdrawal at any time. Then, the questionnaire, presented in section 3.3, was given to the participant and further explanations were provided when necessary. It was given plenty of time to the interviewee in order to remember an incident and the appropriate details and to further think on that. When the interview was over, the participant was thanked.

3.7 Characteristics of the Sample

A total of 172 were interviewed during the period of data collection. However, 11 responses were eliminated from further analysis due to the fact that the respective incidents failed to meet at least one of the five critical incident criteria (see section 3.1). This resulted in a final sample of 161 incidents, 77 (47,8%) describing satisfactory encounters and 84 (52,2%) describing dissatisfactory encounters. The sample of respondents was composed of slightly more men (51%) than women (49%). The largest group of respondents was between the ages of 40 and 69 years old (43%) and the smallest was between 17 to 25 years old (18%). In terms of education, 53% of the sample had a university or a master degree. Generally, the sample was a representative one of the age and education of the general population. The gender, age and level of education of the realised sample are outlined in Table 1 below.

TABLE 1 Sample characteristics		
Category	No. of interviewees	
Gender	Female	79
	Male	82
Age	17 – 25	29
	26 – 39	63
	40 – 69	69
Education	Secondary School	17
	High School Completed	33
	Technikon Diploma/Certificate	26
	University Degree	68
	Masters Degree	17

3.8 Data Analysis

As it was mentioned in section 3.1, CIT uses a content analysis of stories, rather than quantitative solutions, in the data analysis stage of the procedure. Content analysis has been defined as a systematic, replicable technique for compressing many words of text into fewer content categories based on explicit rules of coding (Krippendorff, 1980; Weber, 1990). The rationales for using this method of analysis for the present study lie at its strengths: 1) it looks directly at communication via texts or transcripts, and hence gets at the central aspect of social interaction, 2) it allows a closeness to text which can alternate between specific categories and relationships and also statistically analyzes the coded form of the text, 3) it is an unobtrusive means of analyzing interactions and 4) it is considered as a relatively "exact" research method (GAO, 1996). Once the data were collected, the incidents were categorized by applying content analysis with the goal of making the data useful for answering the research questions. This analytic induction process was consisted of repeated, careful readings and sorting of the collected incidents into groups and categories according to similarities in the reported experiences. After the researcher's reading of the incidents, similarities among incidents began to become apparent. The next step was the process of articulating or identifying the exact nature of the similarity, which formed the basis for the labeling of each category of incidents. Again and again the incidents were sorted, combined, and resorted until all the incidents included in a category to be more similar to each other than they were to those in any other category.

Two stages of the incident analysis were emerged. The first was the inductive delineation of major groupings that collectively could account for all of the incidents and began to answer in a general way the basic research question: *What are the events and behaviors leading to satisfying and dissatisfying service encounters from the customer's perspective?* That stage resulted in the emergence of three major groups.

The second stage involved the process of delineating categories within the groups. Using an iterative process, the researcher read, sorted, reread, and recombined the incidents until consensus was achieved on category labels and the assignment of each incident to one of 11 resulting categories.

CHAPTER 4 DATA FINDINGS

4.1 Introduction

By following the work of Bitner *et al.* (1990), when the data were collected, the incident classification system of the CIT was used to categorize the incidents. This chapter presents the classification of the incidents collected into three major categories and 11 subcategories as antecedents of customer satisfaction with the restaurant industry. For the incident sorting process, see figure 1 in Appendix.

4.2 The major Groups

4.2.1 Group 1: Employee response to service delivery system failures

This group (n=52) consists of incidents where the service delivery system fails and the front line employees are required to respond to customers' complaints or disappointments. The ability and/or the willingness of the contact employee to respond and handle failures in the restaurant meal service will result in the incident being remembered as very satisfactory or very dissatisfactory.

4.2.2 Group 2: Employee response to customer needs and requests

In this group (n=41), the customer requires from the contact employee to adapt the service delivery system to suit his or her special needs. The employee's response determines the customer's dis/satisfaction who perceives that his/her "special" requests - needs have been, or not, accommodated.

4.2.3 Group 3: Unprompted and unsolicited employee actions

This group (n=68) includes those events and employee's behaviours that are truly unexpected from the customer's point of view and either enhance or detract from the delivery of the core service. The satisfactory incidents represent very pleasant surprises, e.g., special attention, being treated like royalty, something nice but unrequested, while

the dissatisfactory ones comprise negative and unacceptable employee behaviours, e.g., rudeness, stealing, discrimination and ignoring the customer.

4.3 The subcategories

4.3.1 1.A. Response to unavailable service

In this subcategory, services which are normally available are lacking or absent. In such cases, the way in which this unavailability is handled by the restaurant's personnel influences the customer's perception of the service. The customer will remember the incident as a very satisfactory one (n=7) if for example, he/she is offered a free meal or drink.

*The chief waiter admitted that they lost my table reservation and since no other table was available, he offered me another one for the next day with 50% discount!
It was very kind of him.*

(Male, 25)

Even acknowledging the problem, explaining why the service is unavailable and assisting the customer in solving the problem by suggesting possible solutions can be enough to cause the customer to remember the event favourably.

Although I had booked a table for my birthday and I had ordered a birthday cake as well, the chief waiter informed me that unfortunately they had forgotten to bring one due to a misunderstanding with the patisserie, but instead the chief waiter said that all the drinks will be free of charge and as many as we want!! For me was just perfect!

(Female, 20)

In contrast, in cases where there is no apology, no offer to compensate, or an explanation, that can result in an incident being remembered as a very dissatisfactory one (n=7).

I booked a table in a restaurant at a day especially for the live music, but at the day of the reservation there was no music and when I asked the reason, no explanation was given from the waitress.....she just moved her shoulders...

(Male, 45)

Although I arrived at the restaurant five minutes late, I was informed that I had lost my reservation without an explanation or even an apology...

(Male, 51)

4.3.2 1.B. Response to unreasonably slow service

This subcategory includes incidents in which services or employee's performances are perceived as unusually slow. In such cases, the employee's reaction to such delays determines the customer's satisfaction or dissatisfaction. By acknowledging the delay or explaining the cause of it, and by offering a compensation, it can alleviate dissatisfaction and even cause the customer to remember the event favourably (n=3).

Despite the fact that I didn't make any complaint for waiting 20 minutes, the waiter was apologizing to me and kept saying that the bill was on the house. That was a nice behaviour towards me....

(Male, 36)

In the end of our meal, the waiter asked apologize for the delay of the service and asked us if we would like for free either coffee, sweat or both! I found the offer a fair one...

(Female, 41)

In contrast, acting as there is no problem, not explaining the delay, and leaving customers to figure out what to do on their own are ways to irritate the customer (n=18).

Finally, after waiting almost 25 minutes for the waiter to order, he appeared without explaining why such a delay existed and not even asking for apologise...at least he should try....

(Male, 58)

Despite that there was generally a problem with the slow services offered in the restaurant, the waiters were acting like nothing wrong was taking place. They were even whistling.....amazing!

(Male, 65)

4.3.3 1.C. Response to other core service failures

This subcategory includes incidents in which other aspects of the core service do not meet basic performance standards for the industry. The employee's responds to these failures determines the customer's perceptions of the encounter. Again, as in the previous cases of unavailable (1A) and unreasonably (1B) slow services, the key for

satisfied customers (n=7) is to acknowledge the problem, apologize when appropriate, explain what happened, and try to compensate them.

The soup that I ordered was half frozen and the fish was not boiled well. The waiter apologized, and brought me a new one without delay at all!

(Female, 58)

I said to the waitress that the table's tablecloth was dirty and immediately change it, asking apologise and explaining that the employee who is responsible for changing them was ill and that she had forgotten to change it due to the big numbers of served customers.

(Male, 39)

In the opposite case, customers become unsatisfied (n=10).

When I realized that my children were eating with spoons and forks covered with a layer of a black oily substance on the surfaces I ordered the waiter to come and see them and after that the only that he did was to replace them without asking even an apology!

(Female, 42)

The veal steaks were not well cooked (you could see blood inside!) and the potatoes were full of fried oil. After discussing that for around ten minutes with the waitress, she finally replaced them without admitting that I was right to complain....

(Male, 46)

4.3.4 2.A. Response to "special needs" customers

This subcategory involves customers who have a special medical, dietary, psychological or sociological difficulty. A failure to recognize the seriousness of the customer's need and/or inappropriate or inadequate treatment of the problem can result in a very dissatisfactory incident (n=3).

I told to the waitress during the order that due to health issues I would prefer my meal with no salt at all, but when I tested it, it was full of salt!

(Female, 66)

Despite the fact that I asked a special chair to place my broken leg, the waiter brought me a small box which was very uncomfortable and made me fell ashamed!

(Female, 29)

On the other hand, acknowledgment of and success in accommodating the needs of these special customers often will be remembered as very satisfying from the customer's perspective (n=9).

We ask the waitress if they had a special chair for our 2 years old baby, and she brought one immediately! I didn't expect them to have one since in other taverns I have been the answer was always no. I was surprised positively....

(Female, 30)

Due to my ears' sensitivity, I ask from the waiter to move me to a new table as much as quiet as possible. The waiter managed to find another table and to ask from the occupiers to exchange by explaining them politely my situation.

(Male, 62)

4.3.5 2.B. Response to customer preferences

This subcategory includes incidents when "special" requests are made from the customer. These requests are not related to the customer's sociological or physical characteristics but reflect personal preferences. The requests recorded in this category might be within firm policy and norms, but nevertheless require the employee to adapt the system in some way. Other incidents included are those where the customers request a level of service customization clearly beyond the scope of firm's policies or norms. In cases of satisfying incidents (n=13), the employee acknowledges the request, exhibits an accommodating attitude and attempts to adapt to the customer's preferences.

Due to the fact that my 9 years old son wanted to eat "magiritsa" but he doesn't like cooked vegetables, the waitress served the vegetables and the meat in two different dishes.

(Female, 41)

I asked from the chief waiter for my reserved table to have on it a specific kind of rose when I would arrive with my wife to celebrate our 10th anniversary of marriage. However I did not tell him where to look for since I did know... He managed to find it despite of being a very rare one! To be honest I was not expecting to find it but he did it!

(Male, 46)

On the other hand, customers can be very dissatisfied when their preferences are not accommodated, especially in cases where the employee shows no interest and exerts no effort to be responsive or promises to do something and then fails to follow it (n=5).

Despite the fact that I asked from the waiter to move me from a table next to the window on a hot day, he responded that there was nothing available in his section but when a table was empty he had forgot my request and put another client!

(Male, 49)

When I asked for a receipt from the cash machine, the waiter said that it was out of order and we had to count only to the handmade receipt...

(Male, 27)

4.3.6 2.C. Response to admitted customer's error

In this subcategory, a customer's error is the main event that strains the service encounter (e.g., incorrect order and missed reservations). The satisfactory encounters (n=6) result when the employee acknowledges the customer's problem, takes responsibility and assists the customer in solving the dilemma without embarrassing him/her.

Despite the fact of being late for my reserved table, the waiter informed me that he would try to check which table was to be left. After five minutes I was seating in one with a magnificent view.

(Male, 54)

When I realised that one of the sauce's ingredients was red pepper and despite the fact that it was written in the catalogue but I had not noticed it, I informed the waiter of my allergy and he kindly brought me a new dish without this sauce.

(Female, 49)

On the other hand, dissatisfactory employee's responses include laughing at and embarrassing the customer for his/her mistake, efforts to avoid any responsibility and generally demonstrating an unwillingness to assist the customer in solving the problem (n=2).

When the waiter brought the dishes that we had ordered and ask him to change one salad with another one, he made an erroneous comment about our hungry!

(Male, 25)

When we arrived at the restaurant and we said that instead of taking the reserved table for 4 people, we wanted one for 8, the waitress responded that they were very busy to look for another one....

(Female, 60)

4.3.7 2.D. Response to potentially disruptive others

In this subcategory, are included cases where within the environment of the service encounter, other customers' behaviours strain the encounter (e.g., rudeness, social deviance). The contact employee either does (n=1) or does not (n=2) cope with the disruptive person to the satisfaction of other customers' present. For instance, for the first case:

When the waiter realised that the guy next to us was flirting us and becoming annoying, he intervened by asking him if he had any request....showing by that an indication to stop this behaviour..

(Female, 23)

In the second case:

I told to the waitress that the customers seating next to us where speaking very loudly. She said ok and that she would settle it but in fact she didn't take any action.....

(Female, 21)

The guy next to us was sucking his soup and making a terrible noise. I said to the waitress to ask him stop doing it and although she said she would, she never did it.....it was disgusting!

(Female, 32)

4.3.8 3.A. Attention paid to the customer

The incidents included in this subcategory refer to the attention paid to the customer, which is viewed as either favorably or negatively. Satisfactory encounters (n=12) occur when contact employees make the customer feel "unique".

As we were eating, the waiter passed next to our table three times in order to ask us if everything was ok and if we would like something else...it was the first time happening to me such a behaviour and I liked it.

(Male, 56)

Due to the fact that everything in the menu was written in Mexican, we started asking the waitress for each one separately, and she dedicated to us a lot of time in explaining and making suggestions in a very polite way!

(Female, 28)

Dissatisfactory encounters (n=14) result when exactly the opposite happens i.e. contact employees demonstrate poor attitudes toward the customer, ignore or treat him/her impersonally by being impatient, not anticipating needs, not caring about the customer's comfort or failing to provide information.

As I was making my order to the waiter, he was listening to me while he was watching the football mach in the TV and paying more attention to the TV than to me!

(Male, 21)

Despite of making myself clear that the chair I was sitting on was damaged, the waiter did not change it or respond at all! I felt so embarrassed!

(Male, 38)

4.3.9 3.B. Truly out-of-the-ordinary employee behaviour

This subcategory includes incidents in which the contact employee does something small which for the customer evolves into a highly satisfactory or dissatisfactory encounter. For satisfactory service encounters (n=4), such behaviour consists of extraordinary actions or expressions of courtesy or thoughtfulness.

The waitress knew that we were celebrating our marriage anniversary and asked from the piano player to dedicate us a song!

(Male, 62)

As we were ordering, my wife noticed in the restaurant's gardens some beautiful roses. Few minutes after the order, the waitress came back to our table with a vase full of these roses!

(Male, 58)

In cases of dissatisfactory encounters (n=7), an extraordinary employee behavior may consists of profanity, yelling, inappropriate touching or impoliteness.

As I was reading the menu and trying to decide, the waiter was looking at me and making a terrible noise by chewing a gum, just next to me!

(Female, 35)

When the waiter came to our table, he took a chair, had a seat and start telling us what was available for dinner! I was thinking 'what on earth is he doing' instead of looking at the menu....

(Male, 31)

4.3.10 3.C. Employee behaviors in the context of cultural norms

The incidents of this subcategory reflect employee's behaviors relating to cultural norms such as equality, honesty and fairness. Satisfactory encounters (n=11) evolve when customers are pleasantly surprised that an ideal cultural norm is upheld by an employee.

The waiter ran after us to return a 20euro bill my husband had dropped under the table while he was paying! We felt so pleased that we gave him back 10 euro!

(Female, 53)

The waiter realised my mistake of giving him a 10euro tip and politely informed me again that the bill order was 70euro instead of 80euro!

(Male, 69)

On the other hand, dissatisfactory encounters (n=9) are associated more with employee's behaviors which clearly violate cultural norms.

Although it was an expensive restaurant, the waiter did not treat us respectfully but like we were high school students on a usual date! I never step in again there and I wouldn't recommend it definitely!

(Male, 23)

I asked the waiter if the fish that I ordered was fresh and he replied positively. He was lying to me or at least had no idea since my friend, who is fisherman, ensured me that it was frozen!

(Female, 35)

4.3.11 3.D. Gestalt evaluation

In this subcategory, for both kinds of incidents, customers are unable to attribute dis/satisfaction to any single feature of the service encounter which is evaluated holistically, as either "everything went right" or "everything went wrong." The incidents

reflect a number of employee behaviors and it is not possible to categorize them within one of the above categories. The satisfactory incidents (n=4) are reported by a combination of words and phrases such as "a sincere and professional team effort", "accommodating", "warm atmosphere", "no waiting", "best service I ever had" and "everything was perfect".

Eating at that restaurant was such a pleasant experience. Everything went smoothly and perfectly from the time we arrived up to the time we left! Perhaps it was one of the best service I ever had....ok it was an expensive one but it was great value for money.... 'what you pay is what you get' is totally applied here...

(Male, 40)

The cosy decoration, the subdued lights and the soft music were composing such a warm atmosphere in the restaurant! A real satisfaction...

(Female, 29)

On the other hand, the reports of dissatisfactory incidents (n=7) are associated with a combination of types of behaviors such as inefficient, unprepared, slow, not accommodating or attentive, no assistance and bad decor/atmosphere.

I was totally dissatisfied from the inefficient and slow service and there was no recovery to make me feel better! I was complaining but the waiter never said or did anything that possibly would pull me back to that restaurant!

(Female, 32)

I was feeling hot and uncomfortable with that poor ventilation. The air conditioning was not suitable for eating. It was unhygienic and generally very unpleasant situation!

(Female, 19)

Table 2 below presents the classified incidents for each category, with their respective proportions.

TABLE 2
Group and Category Classification by Type of Incident Outcome

Group and Category	Type of Incident Outcome				Row Total	
	Satisfactory		Dissatisfactory			
	No.	%	No.	%	No.	%
Group 1. Employee Response to Service Delivery System Failures						
A: Response to unavailable service	7	9,1%	7	8,3%	14	8,7%
B: Response to unreasonably slow service	3	3,9%	18	21,4%	21	13,0%
C: Response to other core service failures	7	9,1%	10	11,9%	17	10,6%
<i>Subtotal, group 1</i>	17	22,1%	35	41,7%	52	32,3%
Group 2. Employee Response to Customer Needs and Requests						
A: Response to "special needs" customers	9	11,7%	3	3,6%	12	7,5%
B: Response to customer preferences	13	16,9%	5	6,0%	18	11,2%
C: Response to admitted customer error	6	7,8%	2	2,4%	8	5,0%
D: Response to potentially disruptive others	1	1,3%	2	2,4%	3	1,9%
<i>Subtotal, group 2</i>	29	37,7%	12	14,3%	41	25,5%
Group 3. Unprompted and Unsolicited Employee Actions						
A: Attention paid to customer	12	15,6%	14	16,7%	26	16,1%
B: Truly out-of-the-ordinary employee behavior	4	5,2%	7	8,3%	11	6,8%
C: Employee behaviors in the context of cultural norms	11	14,3%	9	10,7%	20	12,4%
D: Gestalt evaluation	4	5,2%	7	8,3%	11	6,8%
<i>Subtotal, group 3</i>	31	40,3%	37	44,0%	68	42,2%
Column Total	77	47,8%	84	52,2%	161	100,0%

CHAPTER 5 FINDINGS DISCUSSION

5.1 Introduction

By taking into consideration the results from chapter 4 as well as the proportions indicated in table 2, the following paragraphs are concentrated on the findings emerged for the basic research questions, presented in the introductory section of the research.

5.2 Discussion on Research Questions

Research Q1: Sources of satisfaction in service encounters. The examination of the frequencies and proportions reported in table 2 can provide insights to the types of events and behaviours that lead to satisfactory encounters. First of all, it is important the fact that 22,1% of the memorable satisfactory encounters belong to group 1 which includes the incidents related to the way employees respond to difficulties attributable to failures in core service delivery. Hence, when a contact employee compensates the customer for his/her long wait in a restaurant by offering for example a free drink or desert, the customer usually remembers such incidents as very satisfying, despite the fact that the incident began with a failed attitude of the system. This finding might be very important from a management perspective since it suggests that even the cases of a failed service delivery system can be remembered as highly satisfactory encounters if during the service experience, are handled properly by the contact employee. It is also in line with the studies of Roos (1999; 2002), Echeverri (1999; 2005) which support that the service system failures do not necessarily cause customer dissatisfaction since the employees' appropriate responses can have a great impact on customer's degree of satisfaction.

Moreover, it can be noticed in table 2 that an important percentage (37,7%) of satisfying encounters are classified within group 2 which represents those incidents where the contact employees are able to accommodate customer needs for customized service. The data show that these incidents range from minor "special requests" such as a customer

asking for a special chair for children to more "extraordinary requests" such as asking for a rare rose to be on the booked table. These incidents, where the perceived performance of the contact employee is significantly better than the comparison standard, can lead a customer to experience positive disconfirmation, as it has been found in previous researches (Oliver, 1980). Hence, management should look for improvements in their employees' behaviour by also taking into consideration the comparison standards of their competitors.

In addition, as it is presented in table 2, 40,3% of satisfactory encounters are a result of customer delight with unprompted and/or unsolicited employee actions (group 3). Such attitudes and behaviours are usually unexpected by the customer. In these cases the core service (meal) appears adequate, but the employee's attitude (i.e., "treating me like royalty") or unusual exemplary behaviour (i.e., the waitress knew that we are celebrating our marriage anniversary and ask from the piano player to dedicate us a song.") transforms the encounter into a highly satisfactory incident. Hence, irrespective of core service requirements, and even when customers have no special need or request, customers would remember with considerable frequency those occasions when they receive special treatment by the contact employee. This result takes a bit further the suggestion of Gronroos (1990) who claims that the style of performance of the service personnel must be matched with the style of consuming of the customer. Contact employees should be alert to identify any possible ways that will make customer's service experience unique and memorable one. These ways may be from simple actions (e.g., asking if everything goes well during the service experience, up to offering special treatment, which was not asked e.g., a vase with beautiful flowers).

Research Q2: Sources of dissatisfaction in service encounters. First of all, the figures in table 2 reveal that a large proportion of dissatisfactory encounters (41,7%) were related to employees' inability or unwillingness to respond in service failure situations (group 1). More interestingly, by a repeated and careful reading of the incidents, it is inferred that it is not the initial failure to deliver the core service alone that causes dissatisfaction to the customers, but rather the contact employee's response to the failure. The importance of the contact employee's response comes out clearly in the respondents' answers to the question, "What resulted that made you feel the interaction was dissatisfying?" In all the dissatisfactory incidents of group 1, the employee failed to handle the situation in a way that could satisfy the customer. By taking into

consideration the fact that the interaction between front liners and guests is one of the most important factors for guests' perceived service quality as suggested by Andersson & Mossberg (2004), it is understood that an inappropriate and/or inadequate response to failures in the service delivery system may result to a "double deviation" from role expectations that consumers hold for providers, resulting in the magnification of the negative evaluation.

In addition, group 2 has the lowest proportion (14,3%) of dissatisfying service encounters. These recorded incidents reflect the contact employee's response to customer needs and requests for customized service. Perhaps the restaurants' contact employees, recorded in this study, do a good job handling customer requests for customized service so that the proportion of failures in this group is relatively small. Also, many of the incidents recorded in group 2 reflect customer's perceptions of the need for customized service. Perhaps, from the contact employee's point of view, most of these requests are perceived as routine and the ability to respond is well-practiced. Of course, such a well practised response emanates from the fact that satisfied customers are more likely to stay with the same company and less likely to switch to other companies (Gremler and Brown, 1999; Fecikova, 2004), leading to aggregate retention rate, market share and profitability for the firm and perhaps to better working and financial conditions for them. Hence, a failure to respond to the need for customized service is relatively infrequent in comparison with other sources of dissatisfaction.

Finally, the data in table 2 reveal that an important proportion of dissatisfactory service encounters (44%) might be related to the customers' negative reactions to unprompted and unsolicited employee behaviours (group 3). In line with Bitner's study (1990), for all the incidents categorised in group 3, it was not the quality of the core service or failure to address a special need or request that caused customer's dissatisfaction, but rather the peculiar character or attitude of the contact employee, as this was inferred from particular behaviors, both verbal and nonverbal, towards the customer. The negative emotions that arise between the customer and the contact employee can affect the customer satisfaction negatively as also Menon and Dube', (2000) have indicated . In these cases management should first examine why such behaviours are exhibited and then try to identify ways to overcome the problem. Usually, employees who are highly dissatisfied indicate a high level of emotional tension through facial expressions, vocalization and other observable behaviours (Wild *et al.*, 2001).

Research Q3: Underlying similarities between satisfaction and dissatisfaction. The final exploratory question asks whether relationships are present among the underlying causes of satisfactory and dissatisfactory service encounters. Thus, whether the underlying causes of satisfaction and dissatisfaction are mirror images of behaviours along particular dimensions.

Table 2 indicates a considerably larger proportion of dissatisfactory incidents (41,7%) than satisfactory incidents (22,1%) in group 1 i.e., incidents related to the way employees respond to difficulties attributable to failures in core service delivery. Nevertheless, what is important here is the way contact employees respond to such failures that determines how the incident is remembered by the customers. The details appeared in the incidents suggest that the employees, by offering sincere apologies, compensatory actions as well as explanations, can dissipate anger and dissatisfaction. It could be argued that dissatisfaction can be mitigated in failure situations if contact employees receive special training to respond, but the fact that such incidents can be remembered by the customers as very satisfactory ones, bring this finding more close to Salomonson' s study (2005) which supports that service failures may not necessarily cause customer dissatisfaction.

Furthermore, table 2 exhibits the big difference between satisfactory and dissatisfactory incident proportions for group 2. Nevertheless, group 2 has twice as many satisfactory as dissatisfactory incidents. These results suggest that at least for the sample studied, contact employees are doing a good job of accommodating the explicit needs and requests of their customers and that customers often remember such accommodations as very satisfying. That can possibly result to customers' engagement into positive evaluations and word-of-mouth (Keaveney, 1995; Shankar et al., 2003), leading to a better position towards competitive firms.

Finally, an interesting fact is the high proportion of both satisfactory (40,3%) and dissatisfactory (44%) encounters related to unprompted and unsolicited employee actions (group 3). This evident seems to be in line with Bitner's suggestion (1990), that the spontaneous interactive quality in service delivery becomes extremely important. With more than 40% of all incidents reported, both satisfactory and unsatisfactory, emerged as the direct result of unexpected treatment by a contact employee, the importance of the "how you should treat customers" in service delivery is clearly supported. Secondly, the large frequencies of both satisfactory and dissatisfactory incidents presented in group 3 indicate that contact employees are presenting a variety

in their behavior towards customers. This could be a positive factor in cases where this is due to guidelines and training provided by the firm and it is in accordance with Cronroos' support (1990), that the style of performance of the service personnel must be matched with the style of communication of the customer. In addition, the customers' claim that *'it was an expensive one but it was great value for money.... 'what you pay is what you get' is totally applied here'*, it is an indication that when customers receive more responsive service are less price sensitive than customers who receive less responsive service, as also Bolton and Myers (2003) support. Hence, the management of restaurants, especially the expensive one, have the potentiality to retain customers, despite the high prices, through an appropriate and continuous training on the behaviour of their employees. On the other hand, behaviors that are exercised by the initiative of the employee without some former guidance, according to the norms of the firm, might be harmful for the encounter interaction and the company itself. As it was shown in findings, *'I never step in again there and I wouldn't recommend it definitely!'* the customer's perceptions of service quality and his/her willingness to recommend the company has a significant relationship, in line with the study of Parasuraman *et al.*, (1991). Hence, management should be aware of any negative behaviour of its employees and be able to rectify it through the provision of constant training and recommendations to the employees.

CHAPTER 6 CONCLUSION

This study has tried to uncover specific events and behaviors that underlie service encounter dis/satisfaction in Greek restaurants and by using a classification system for them, ended up with an overall management approach for improving customer satisfaction. More specifically, it was shown that with the proper employee response, dissatisfactory encounters due to failure of the delivery system can be transformed into satisfactory ones. In addition, the application of proper response to customer needs and requests can lead to customer satisfaction. Moreover, the contact employees' actions, either pleasing or not, indicate that sometimes employees are less subject to the management control. Since the last case was the one that most attracted the attention of the research, due to the data, it could be argued, as Bitner (1990) also supports, that firms can try to control such employees' behaviors by initiate in their service environment three basic elements: 1) a strong service culture, 2) an effective supervision and monitoring of the employees and 3) the provision of quick feedback to their contact employees.

Finally, another conclusion drawn from the recorded incidents is that the ability of a contact employee to make a proper response to the customer was related to the employee's knowledge and control. More specifically, the first refers to the knowledge of the service concept, the service delivery system and the system standards which were enabling the employees to inform the customers about what was happening, what could be done, and why their needs or requests were satisfied or not. The incidents revealed that often a customer's need was related to knowledge. The second, control, refers to the provision of control to the employees who in cases where they were empowered by management, they were able to respond to problems and requests made by the customers, in a more effective way.

CHAPTER 7 LIMITATIONS AND DIRECTIONS FOR FURTHER RESEARCH

When evaluating the results of research it is always pertinent to consider the limitations inherent in the work.

First of all, the CIT used to analyse the data, receives critique on the issues of reliability and validity of the categories created in the groups of incidents. Problems may arise as a result of the ambiguity of word meanings, category labels, and coding rules (Weber, 1985). In addition, Echeverri (1999) argues that this method has mainly offered explanatory categories of attributes (e.g., empathy, responsiveness, respect and personality) and that this has been done at the cost of research on dynamics and interaction in service encounters. While the CIT is a fruitful approach, other observational research methods could be considered in the future for the specific topic (Grove and Fisk, 1992). For example, various forms of participant observation techniques may be used to develop a deeper understanding of employee-to-customer experiences. The phenomenological interview (Thompson *et al.*, 1989) and various projective techniques might also be helpful.

Another limitation of the current study concerns the method used to collect the data, the face-to-face interviews. There is always the possibility of interviewer bias, in which the interviewer may try to adjust the wording of a question to fit the interviewee, to influence interviewees' responses by verbally or non-verbally encouraging and rewarding "desired" answers or to record only selected portions of the interviewee's answers (Babbie *et al.*, 1998). In order to cope with these limitations, participants were encouraged to speak in their own voices and they were guaranteed confidentiality at the beginning of each interview. During all interviews the present interviewer remained neutral upon participants' responses.

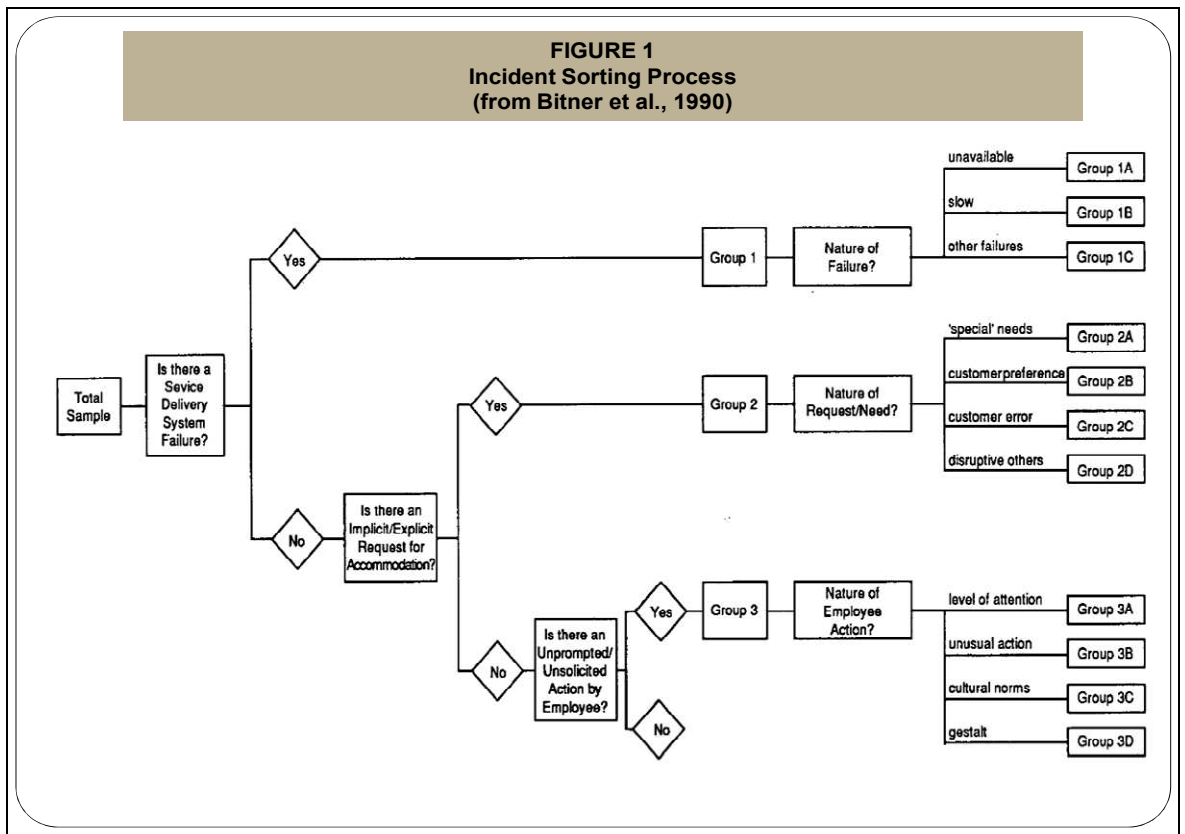
Moreover, the present study has required from the respondents to recall an event from the past. Thus, problems associated with memory loss or enhancement and issues of retrospective effect could have potentially an impact on the findings (Smith and Bolton, 1998; Baumeister *et al.*, 2001). There was an attempt to avoid such problems by recording only incidents up to twelve months old.

Another limitation of the current study is that it is based upon a purposive rather than a truly random sample i.e., only the incidents that customers found memorable and were particularly satisfying or dissatisfying were recorded with an aim to have an almost balanced number (50-50) of negative and positive replies. However, due to the absence of a suitable sampling frame for the population of interest (i.e., customers that had recently experienced a service recovery encounter), a conventional random sampling approach is clearly not feasible.

Another fact that must be taken into consideration is the choice of the participants who were only Greek customers, living in the area of Athens who had experiences around Greece. Thus, useful insights would be gleaned if future research could use a mix of "foreign" customers with local ones that often occurs in service encounters of Greek restaurants. "Foreigners," whether they are from other countries or other urban and suburban places of Greece, might have a slight different human tendency and the strain that it can create in social situations such as the service encounter cannot be ignored. Also it would be interesting for a future research to target customers who have visited restaurants in Greece, in places with highly touristic movement, especially in summer, e.g., islands, to identify the behaviours that led to dis/satisfied incidents.

Furthermore, it must be pointed out that the present study aimed to detect behaviours of the front line employees in Greek restaurants that can distinguish a highly satisfactory service encounter from a dissatisfactory one. However, restaurants, according to their characteristics, can be classified as chain restaurants, independent restaurants, quick service, fine dining, and hotel food and beverage outlets. Hence, in the future, a research could take place separately for each one in order to identify similarities and differences in the service encounters of these restaurants and the specific behaviours required by the contact employees.

Appendix



References

- Andaleeb S.S, Conway C. (2006). Customer satisfaction in the restaurant industry: an examination of the transaction-specific model. *Journal of Service Marketing* 20:171–7.
- Anderson C., Zeithaml C.P. (1984). Stage of the product life cycle, business strategy, and business performance. *Academy of Management Journal*, 27(1), 5–24.
- Anderson E.W., Fornell C., Rust R.T. (1997). Customer satisfaction, productivity, and profitability: Differences between goods and services. *Marketing Science*, 1997, Vol. 16 Issue 2, p.129.
- Andersson B.E., Nilsson S.G. (1964). Studies in the reliability and validity of the critical incident technique. *Journal of Applied Psychology*, 48(6), 398-403.
- Andersson T. (1990). Gothenburg restaurants and restaurant guests. FE Report No. 1990:309. Business Department, School of Gothenburg University: Gothenburg.
- Andersson T.D, Mossberg L. (2004). The dining experience: do restaurants satisfy customer needs? *Food Service Technology* 4:171–7.
- Aubert-Gamet V., Bernard C. (1999). Servicescapes: From Modern Non-Places to Postmodern Common Places. *Journal of Business Research*, 44 (1), 37-45.
- Babakus E., Boller G.W. (1992). An empirical assessment of the SERVQUAL scale. *Journal of Business Research*, 24(3), 253–268.
- Babbie E., Cicourel A.V., Perlstadt H., (1998). Commentary on turner. *Sociological Perspectives*, Vol. 41 Issue 2, p259-271.

- Bateson J.E.G. (1985). Self-Service Consumer: An Exploratory Study. *Journal of Retailing*, 61 (3), 49-75.
- Baumeister R.F., Bratslavsky E., Finkenaur C., Vohs K.D. (2001). Bad is stronger than good. *Review of General Psychology*, 5, 323–370.
- Bebko C.P. (2000). Service intangibility and its impact on consumer expectations of service quality. *Journal of Service Marketing*, 14(1), 9–26.
- Bendtsen P., Hensing G., McKenzie L., Stridsman A. (1999). Prescribing benzodiazepines: A critical incident study of a physician dilemma. *Social Science & Medicine*, 49(4), 459-467.
- Berry L.L., Parasuraman A. (1991). *Marketing Services: Competing Through Quality*. New York: The Free Press.
- Bitner M.J. (1990). Evaluating service encounters: the effects of physical surroundings and employee responses. *Journal of Marketing* 54:69–82.
- Bitner M.J., Booms B.H., Tetreault M.S. (1990). The service encounter: Diagnosing Favorable and Unfavorable Incidents. *Journal of Marketing*, Jan90, Vol. 54 Issue 1, p71-84.
- Bitner M.J., (1992). Servicescapes: The Impact of Physical Surroundings on Customers and Employees. *Journal of Marketing*, 56 (3), 57-71.
- Bitner M.J., Booms B.H., Mohr L.A. (1994). Critical service encounters: The employee's viewpoint. *Journal of Marketing*, 58, 95-106.
- Bitran G., Lojo M. (1993). A framework for analyzing the quality of the customer interface. *European Management Journal*, 11(4), 385–396.
- Bolton R.N., Myers M.B. (2003). Price-based global market segmentation for services. *Journal of Marketing*, 67(3), 108–128.

Bowen J.T., Morris A.J. (1995). Menu design: can menus sell? *International Journal of Contemporary Hospitality Management* 7:5–9.

Brandt R. (1997). Satisfaction studies must measure what the customer wants and expects. *Marketing News* 31 (22): 17-18.

Buttle F. (1996). SERVQUAL: Review, critique, research agenda. *European Journal of Marketing*, 30(1), 8–32.

Buzzell R.D., Gale B.T. (1987). *The PIMS principles: Linking strategy to performance*. New York: Free Press.

Carman J.M. (1990). Consumer perceptions of service quality: An assessment of the SERVQUAL dimensions. *Journal of Retailing*, 66(1), 33–55.

Chase R.B. (1978). Where Does the Customer Fit in a Service Operation? *Harvard Business Review*, 56 (Nov/Dec), 137-142.

Cronin J.J., Taylor S.A. (1992). Measuring service quality: A re-examination and extension. *Journal of Marketing*, 56(3), 55–68.

Cronin J.J., Taylor S.A. (1994). SERVPERF versus SERVQUAL: Reconciling performance based and perceptions-minus-expectations measurement of service quality. *Journal of Marketing*, 58(1), 125–131.

Cronin J.J., Brady M.K., Hult G.T. (2000). Assessing the effects of quality, value, and customer satisfaction on consumer behavioural intentions in service environments. *Journal of Retailing*, 76(2), 193–218.

Dick A.S., Basu K. (1994). Customer loyalty: Toward an integrated conceptual framework. *Journal of the Academy of Marketing Science* 22 (2): 99-113.

Echeverri P. (1999). *Service Encounter Communication: a Video-Based Analysis of Conduct towards Customers, with Emphasis on Non-Verbal Communication*. School of Economics and Commercial Law, Gothenburg University: Gothenburg and Service Research Center (CTF), Karlstad University: Karlstad.

Echeverri P. (2005). Video-based methodology: capturing real-time perceptions of customer processes. *International Journal of Service Industry Management* 16:199–209.

Eiglier P., Langeard E., (1987). *Servuction*. Paris: McGraw Hill.

Eksell J. (2005). Theories of servicing the meeting: a historical description. In: *Meeting Services - Multi Disciplinary openings* (eds Corvellec H & H Lindquist), pp. 11-31. Liber: Malmö.

Fecikova I. (2004). An index method for measurement of customer satisfaction. *TQM Magazine* 16 (1): 57-68.

Flanagan J.C. (1954). The Critical Incident Technique. *Psychological Bulletin*, 51 (July), 327-57.

Fornell C. (1992). A national customer satisfaction barometer: The Swedish experience. *Journal of Marketing* 56 (1): 6-21.

Freeman K.D., Dart J. (1993). Measuring the perceived quality of professional business services. *Journal of Professional Services Marketing*, 9(1), 22–47.

Fullerton G. (2003). When does commitment lead to loyalty? *Journal of Service Research*, 5(4), 333–344.

Gremler D.D., Brown S.W. (1999). The loyalty ripple effect: Appreciating the full value of customers. *International Journal of Service Industry Management* 10 (3): 271-291.

Gronroos C. (1990). *Service Management and Marketing: Managing the Moments of Truth in Service Competition*, Lexington, MA:Lexington Books, D.C. Heath.

Grönroos C. (2006). Adopting a service logic for marketing. *Marketing Theory* 6:317–33.

Grove Stephen J., Raymond P., Fisk, Mary Jo Bitner (1992). Dramatizing the Service Experience: A Managerial Approach. Pp. 91-121 in Teresa A. Swartz, David E. Bowen and Stephen W. Brown (eds.). *Advances in Services Marketing and Management, Vol. 1. Greenwich, CT: JAI Press.*

Grove S., Fisk R. (1997). The impact of other customers on service experiences: A critical incident examination of "getting along". *Journal of Retailing*, 73, 63-85.

Heckman R., Guskey A. (1998). Sources of customer satisfaction and dissatisfaction with information technology help desks. *Journal of Market Focused Management*, 3, 59-91.

Hennig-Thurau T., Klee A. (1997). The impact of customer satisfaction and relationship quality on customer retention: A critical reassessment and model development. *Psychology and Marketing* 14 (8): 737-764.

Hensing G., Timpka T., Alexanderson K. (1997). Dilemmas in the daily work of social insurance officers. *Scandinavian Journal of Social Welfare*, 6, 301-309.

Host V., Knie-Andersen M. (2004). Modeling customer satisfaction in mortgage credit companies. *The International Journal of Bank Marketing* 22 (1): 26-42.

Hunt S.D. (1983). *Marketing Theory: The Philosophy of Marketing Science*. Homewood, IL: Richard D. Irwin, Inc.

Johnson M.P., Anderson E.W., Fornell C. (1995). Rational and adaptive performance expectations in a customer satisfaction framework. *Journal of Consumer Research* 21 (March): 695-707.

- Johnston R. (1995). The determinants of service quality: Satisfiers and dissatisfiers. *International Journal of Service Industry Management*, 6(5), 53–71.
- Keaveney S.M. (1995). Customer switching behavior in service industries: An exploratory study. *Journal of Service Marketing* 15 (4): 300-321.
- Kotler P. (1973). Atmospherics as a Marketing Tool. *Journal of Retailing*, 49 (4), 48-64.
- Kotler P. (1991). *Marketing Management: Analysis, Planning, Implementation, and Control* (7th ed.). Englewood Cliffs, N.J.: Prentice-Hall.
- Krippendorff K. (1980). *Content Analysis: An Introduction to Its Methodology*. Newbury Park, CA: Sage.
- Law A.K.Y., Hui Y.V., Zhao X. (2004). Modeling repurchase frequency and customer satisfaction for fast food outlets. *International Journal of Quality and Reliability Management* 21 (5): 545-563.
- Lovelock C.H. (1996). *Services Marketing, 3rd ed.*, Upper Saddle River, NJ:Prentice Hall
- Lovelock C.H., Wirtz J. (2007). *Marketing, 6 ed.* , NJ: Prentice.
- Mallalieu L. (1999). An examination of interpersonal influence in consumption and nonconsumption domains. *Advances in Consumer Research*, 26, 196-202.
- Marshal G., Murdoch I. (2001). Service quality in marketing of consulting engineers. *International Journal of Construction Marketing*, 3(November), 534–559.
- Mattila A.S., Enz C.A., (2002). The role of emotions in service encounters. *Journal of Service Research*, 4(4), 268–278.

Menon K., Dube L. (2000). Ensuring Greater Satisfaction by Engineering Salesperson Response to Customer Emotions. *Journal of Retailing*, 76 (3), 285-307.

Meuter M.L., Ostrom A.L., Roundtree R.I., Bitner M.J. (2000). Self-service technologies: Understanding customer satisfaction with technology-based service encounters. *Journal of Marketing*, 64(3), 50-64.

Mohr L.A., Bitner M.J. (1995). The role of employee effort in satisfaction with service transactions. *Journal of Business Research*, 32, 239-252.

Moutinho L., Smith A. (2000). Modelling bank customer satisfaction through mediation of attitudes towards human and automated banking. *International Journal of Bank Marketing* 18 (3): 124-134.

Nyquist J.D., Booms B.H. (1987). Measuring services value from the consumer perspective. In C. Surprenant (Ed.), *Add Value to Your Service* (pp. 13-16). San Diego, CA: American Marketing Association.

Oh H. (2000). Diners' perceptions of quality, value and satisfaction. *Cornell Hotel and Restaurant Administration Quarterly* 41:58-66.

Oliver R.L. (1980). A cognitive model of the antecedents and consequences of satisfaction decisions. *Journal of Marketing Research* 17 (September): 46-49.

Oliver R.L. (1997). *Satisfaction: A Behavioural Perspective on the Consumer*. New York: McGraw-Hill.

Parasuraman A., Zeithaml V.A, Berry L.L. (1985). A conceptual model of service quality and its implication for future research. *Journal of Marketing* 49: 41-50.

Parasuraman A., Zeithaml V.A, Berry L.L (1988). SERVQUAL: a multiple-item scale for measuring consumer perceptions of service quality. *Journal of Retailing* 64:12-40.

Parasuraman, A., Berry, L.L., Zeithaml, V.A. (1991). Refinement and reassessment of the SERVQUAL scale. *Journal of Retailing*, 67(4), 420–450.

Parasuraman A, Zeithaml VA, Berry LL (1994). Moving forward in service quality research: measuring different customer-expectation levels, comparing alternative scales, and examining the performance-behavioural intentions links. *Working Paper*, pp.1–54. *Marketing Science Institute: Cambridge, MA*.

Peters T. (1988). *Thriving on Chaos*. New York: Alfred A. Knopf.

Piercy F., Moon S., Bischof G. (1994). Difficult journal article rejections among prolific family therapists: A qualitative critical incident study. *Journal of Marital and Family Therapy*, 20(3), 231-245.

Roos I. (1999). Switching processes in customer relationships. *Journal of Service Research* 2:376–93.

Roos I. (2002). Methods of investigating critical incidents: a comparative review. *Journal of Service Research* 4:193–204.

Salomonson N. (2005). *Conversation and Interaction – a Study of Customer Service Representatives in Two Industrial Companies*. BAS, School of Economics and Commercial Law, Gothenburg University: Gothenburg.

Santouridis, I., Trivellas, P., Reklitis, P. (2009). Internet service quality and customer satisfaction: Examining internet banking in Greece. *Total Quality Management & Business Excellence*, Vol. 20 Issue 2, p.223-239

Shankar V., Smith A.K., Rangaswamy A. (2003). Customer satisfaction and loyalty in online and offline environments. *International Journal of Research in Marketing* 20 (2): 153-175.

Sheth J.N, Mittal B., Newman B.I. (1999). *Customer Behavior: Consumer Behavior and Beyond*. The USA: The Dryden Press.

- Smith A.K, Bolton R.J., (1998). An experimental investigation of customer reactions to service failure and recovery encounters: paradox or peril? *Journal of Service Research* 1(August): 65-81
- Spreng R.A., & McKoy R.D. (1996). An empirical examination of a model of perceived service quality and satisfaction. *Journal of Retailing*, 72(2), 201–214.
- Stauss B., Hentschel B. (1992). Attribute-based versus incident-based measurement of service quality: Results of an empirical study within the German car service industry. In P. Kunst & J. Lemmink (Eds.), *Quality Management in Service* (pp. 59-78). Van Gorcum: Maastricht.
- Taylor S.E. (1991). Asymmetrical effects of positive and negative events: The mobilization-minimization hypothesis. *Psychological Bulletin*, 110, 67–85.
- Teas R.K. (1994). Expectations as a comparison standard in measuring service quality: An assessment of a reassessment. *Journal of Marketing*, 58(1), 132–139.
- Thompson Craig J., William B. Locander, and Howard R. Pollio. (1989). Putting Consumer Experience Back Into Consumer Research: The Philosophy and Method of Existential-Phenomenology. *Journal of Consumer Research*, 16 (September): 133-147.
- Timpka T., Hensing G., Alexanderson K. (1995). Dilemmas in sickness certification among Swedish physicians. *European Journal of Public Health*, 5, 215-219.
- U.S. General Accounting Office (1996). *Content Analysis: A Methodology for Structuring and Analyzing Written Material*. GAO/PEMD-10.3.1. Washington, D.C.
- Vandamme R., Leunis J. (1993). Development of a multi-item scale for measuring hospital service quality. *International Journal of Service Industry Management*, 4(3), 30–49.

Walker S., Truly E. (1992). The critical incidents technique: Philosophical foundations and methodological implications. In C. Allen & T. Madden & T. Shimp & R. Howell & G. Zinhan & D. Heisley & R. Semenik & P. Dickson & V. Zeithaml & R. Jenkins (Eds.), *Marketing Theory and Applications (Vol. 3, pp.270-275): AMA Winter Educators' Conference*.

Weber R.P. (1985). *Basic Content Analysis*, Sage University Paper Series on Quantitative Applications in the Social Sciences, 07-049. Beverly Hills and London: Sage Publications, Inc.

Weber R.P. (1990). *Basic Content Analysis, 2nd ed.* Newbury Park, CA.

Wild B., Erb M., Bartels M., (2001). Are emotions contagious? Evoked emotions while viewing emotionally expressive faces: quality, quantity, time course and gender differences. *Psychiatry Research, Vol. 102, Issue 2, P.109-124*.

Wirtz J., Bateson J.E.G. (1999). Introducing uncertain performance expectations in satisfaction models for services. *International Journal of Service Industry Management 10 (1): 82-99*.

Wong A., Sohal A. (2003). A critical incident approach to the examination of customer relationship management in a retail chain: an exploratory study. *Qualitative Marketing Research: An International Journal 6:248–62*.

Woodruff R.B., Gardial S.F. (1996). *Know Your Customer: New Approaches to Understanding Customer Value and Satisfaction*. Cambridge, The USA: Blackwell Publishers.

Zeithaml V.A. (1988). Consumer perceptions of price, quality, and value: A means-end model and synthesis of evidence. *Journal of Marketing, 52(3), 2–22*.

Zeithaml V.A., Berry L.L., Parasuraman A. (1988). Communication and control processes in the delivery of service quality. *Journal of Marketing 52:35–48*.

Zeithaml V.A. (2000). Service quality, profitability and the economic worth of customers: What we know and what we need to learn. *Journal of the Academy of Marketing Science*, 28(1), 67–85.