SERVICE EXPECTATIONS AND CULTURAL VALUES: A STUDY ON THE CELCOM'S CUSTOMERS

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ABSTRACT

The service sector has been growing rapidly, where most of the country shifts from manufacturing-based economy to service economy. Malaysia was not exceptional to this movement. As we can see that the number of service organizations has been growing rapidly.

Telecommunication industry is one of the very competitive service sectors. All the telecommunication companies offer the similar product and services to the consumers. Many factors can be impacted the service expectation, such as pricing, personnel, promotion and others. This research focused on the service expectations and cultural value. Each subject consist of five dimensions as follows:

Service expectations – Tangibles, Reliability, Responsiveness, Assurance and Empathy

Cultural value – Individualism, Uncertainty Avoidance, Masculinity, Power Distance and Long Term Orientation.

This research showed that no relationship between cultural values and service expectations. Generally, all consumers expecting high service performance from the service sectors. It becomes a challenge to service sectors to design a strategy to market their services effectively and efficiently and finally to gain a competitive advantage.

1. INTRODUCTION

Service expectations and personal cultural value are two things which do not have direct relationship. However, these two items are very important in the service organization to enhance the information, particularly the customer insight profile.

Characteristics of service organization itself create unique challenges for services. The characteristics are intangibility, perishability, inseparability and variability sound very subjective. However, these characteristics can be turned around, in order to keep existing customers and attract the new customers.

Expectations are a significant component of the purchase decision. Therefore, customers expectations are pretrial beliefs of customers have about the performance of services. Understand level of consumers' expectations is very crucial to services organizations, as this will help companies to meet customers' expectations.

Consumer expectations consist of five levels (David and Kenneth 1998, p66): ideal service level, desired service level, adequate service level, predicted service level and zone of tolerance. The Figure 1.1 illustrates the relationships among these five levels.

2. LITERATURE REVIEW

There is not much research had been done in the telecommunication industry. However, a few journals have been used to benefit this research. Most of the journals are related to customer satisfaction and service quality.

2.1. <u>Cultural influences on service quality</u>

Naturally, culture is acquired knowledge that people use to interpret experience and generate social behavior. This knowledge forms values, creates attitudes and influence behavior (Hodgetts and Luthans 2004, p108). Geert Hofstede defines the culture as the collective programming of the mind which distinguishes the members of one human group from another.

Culture is defined as "the collective programming of the mind which distinguishes the members of one human group from another" (Hofstede, 1980). As a driver of people's thought, wishes, perception and behavior, culture influences service quality perceptions through service expectations (Donthu and Yoo, 1998; Furrer et al., 2000). Further, service performance perceptions, filtered through the lens of culture (Liu et al., 2001); have been found to directly affect perceived service quality and satisfaction (Halstead et al., 1994).