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Analysing the preferred characteristics of frontline employees dealing with customer complaints: a cross-national Kano study

Additional Information:

Analysing the Preferred Characteristics of
Frontline Employees Dealing with Customer Complaints
–
A Cross-National Kano Study

Abstract

Purpose – This paper uses the Kano model to gain a deeper understanding of attributes of effective frontline employees dealing with customer complainants in personal interactions. Previous research revealed that excitement factors deteriorate to basic factors over time. This research investigates whether the same phenomenon holds true for attributes of service employees.

Design/Methodology/Approach – Data were collected using Kano questionnaires from 272 respondents with complaining experience in the UK and Saudi Arabia, these being two countries at different stages of service sector development.

Findings – The analysis of the Kano questionnaires for the UK reveals that complaining customers take the contact employee's ability to listen carefully for granted. The Kano results for Saudi Arabia clearly indicate that complaining customers are (still) easier to delight than their UK counterparts.

Research limitations/implications – Even though our study has a sample size similar to several existing Kano studies, future research studies could still use larger probability samples that represent the broader (complaining) consumer population in the selected countries.

Practical implications – If companies know what complaining customers expect, frontline employees may be trained to adapt their behaviour to their customers' underlying expectations. For this purpose, the paper gives several suggestions to managers to improve active complaint handling and management.

Originality/value – Our study adds to the understanding of effective complaint handling. Our findings are the first to show that employee factors that are performance factors in a highly developed service economy can still delight customers in a less developed service economy.

Keywords Complaint handling, Kano model, Cross-national comparison

Paper Type Research Paper

Introduction

Previous research (e.g. Cadotte and Turgeon, 1988; Johnston and Heineke 1998) has found that while some characteristics of services will predominantly lead to satisfaction, others are likely to cause dissatisfaction. Cadotte and Turgeon, for example, found in a hotel context that the factors linked with dissatisfaction (i.e. when customers complained to the hotel) differed from the attributes that created satisfaction (i.e. when customers made compliments).

Recent research in customer satisfaction and dissatisfaction suggests that attributes of products and services can be classified into different categories, which all affect customer (dis-)satisfaction differently (e.g. Anderson and Mittal, 2000; Löfgren and Witell 2008; Matzler *et al.*, 2004; Nilsson-Witell and Fundin 2005; Szmigin and Reppel, 2004). Three essential categories can be distinguished (Matzler *et al.,* 2004): *Basic factors* ("dissatisfier") cause dissatisfaction when not fulfilled and therefore mark minimum requirements. *Excitement factors* ("satisfier"), in contrast, increase customer satisfaction when fulfilled. *Performance factors* are located between the two categories and result in satisfaction or dissatisfaction depending on the degree of their performance. These originate from Kano's (1984) theory of attractive quality (Lilja and Wiklund, 2006) categorizing customer needs, which allows researchers to gain a deeper understanding of customer preferences by analysing how customers evaluate and perceive product or service attributes.

Authors such as Johnson *et al.* (2006) and Thompson *et al.* (2005) have recently shown that customers experience quality attributes differently over time. Similarly, Kano (2001; 2006) showed that attributes are dynamic and not static. In particular, he found that for some products such as the TV remote control, product attributes have a life cycle with excitement factors deteriorating to performance factors and then basic factors over time.

Figure 1 illustrates Kano's proposed life cycle: Attributes start as indifferent factors and then, over time develop to be excitement factors before they deteriorate to performance and then finally basic factors.

Insert Figure 1 about here

In a service context a similar life cycle exists. Attributes of newly introduced services can delight customers at the beginning of the life cycle but become expected over time. For example, Nilsson-Witell and Fundin (2005) found that after using an e-service (online ordering of cinema tickets) five or more times customers perceived the service as a performance or even basic factor (see also Fundin and Nilsson, 2003).

According to Löfgren and Witell (2008, p. 72), the life cycle of quality attributes concept "is one of the most interesting and fruitful developments of the theory of attractive quality". Due to the limited number of existing studies, the following research study investigates whether the life cycle phenomenon that Nilsson-Witell and Fundin (2005) discovered in a service context also holds true for attributes of frontline employees dealing with customer complaints in two countries at different stages of service economy development. Despite the now well-known impact of customer dissatisfaction (Hart *et al*., 1990), the evidence shows that many companies still view customer complaints as low priority, not worthy of investment in time and money.

The problem of managing complaining behaviour is a cross-cultural phenomenon. In the UK, for example, Lewis and McCann (2004) found only just over 50% of people were satisfied or very satisfied with service recovery in the hotel industry. This study continues cross-national research into the successful management of complaining behaviour through an investigation of which attributes customer contact employees should possess to deal with customer complaints effectively. Importantly, however, it also builds on this research through an examination of

whether customers in countries at different stages of service sector development have different complaint handling expectations.

We begin by describing briefly the Kano theory of attractive quality. We then review the literature on complaint handling and the important role of the frontline employee in the complaint handling encounter. After that, we describe a study that uses the Kano model to develop a preliminary understanding of the attributes of effective customer contact employees preferred by complaining customers in two different countries. The paper concludes with a discussion of the results and the implications for management and further research in this area.

1. The Kano Theory of Attractive Quality

Over the last twenty years, Kano's (1984) theory of attractive quality has increasingly gained acceptance and interest from both academics and practitioners (Löfgren and Witell, 2008). Early work was conducted in the area of engineering (Kano, 1984). More recently, however, the Kano methodology, has been applied successfully to diverse domains such as ecodesign (Sakao, 2009), quality of life (Lepage, 2009), six sigma (Setijono, 2008), e-services (Nilsson-Witell and Fundin, 2005; Witell and Löfgren, 2007), employee satisfaction (Matzler *et al*., 2004), bank services (Bhattacharyya and Rahman, 2004), internet community bonding (Szmigin and Reppel, 2004), and tourist satisfaction in Singapore (Pawitra and Tan, 2003).

The Kano methodology posits that satisfaction is a multidimensional construct consisting of the following categories of quality elements (Kano, 1996; cf. Lilja and Wiklund, 2006)*Must-be quality elements*, or *basic factors* (Matzler *et al.,* 2004), are features that customers take for granted. The fulfilment of these requirements does not increase customer satisfaction. If the product or service, however, does not meet expectations, then customers will be very dissatisfied. *One-dimensional quality elements*, or *performance factors*, are attributes for which the relationship between attribute performance and (dis-)satisfaction is linear. The more (less)

an attribute fulfils the requirements, the more (less) customers are satisfied. *Attractive quality elements*, or *excitement factors* are attributes that make customers very satisfied or even delighted (Matzler *et al.*, 1996), if the product or service achieves these factors fully. Customers are, however, not dissatisfied if products or services do not meet these requirements. Beside the three main categories, elements may also be classified as either *indifferent quality elements* that do not have an impact on customers' satisfaction levels, or *reverse quality elements* that lead to satisfaction when not fulfilled and to dissatisfaction otherwise (Kano, 1996; cf. Lilja and Wiklund, 2006).

The Kano theory also shows which attributes have the strongest impact on customer (dis)satisfaction. This characteristic of the theory is highly valuable for companies as it reveals which attributes add value and increase satisfaction and which attributes only meet minimum requirements (Matzler and Sauerwein, 2002). In the following, the Kano theory of attractive quality will be used to investigate an important topic in the (services) marketing literature – how frontline employees can deal with customer complaints effectively.

2. Importance of Effective Complaint Handling

Many companies still do not pay sufficient attention to handling complaints effectively (Homburg and Fürst, 2007). Moreover, research by authors such as Andreassen (2001) and Tax and Brown (1998) indicates that the majority of complaining customers are dissatisfied with the company's complaint handling efforts. It seems that the issue of effective complaint handling is still not adequately addressed by businesses. This apparent disregard of dealing with customer complaints effectively is surprising, especially when the seriousness of customer dissatisfaction in the short and long term is considered: Customer switching to competitor firms (Homburg and Fürst, 2005) and negative word-of-mouth (Blodgett *et al.*, 1995; Lerman, 2006) both inevitably lead to the high costs of acquiring new customers (Hart *et al.*, 1990).

Dissatisfied customers switch to other providers if there are alternatives available, switching barriers do not exist, and if customers do not feel loyal towards the company (Colgate and Norris, 2001). By contrast, a positive approach to dealing with customer complaints should help to maintain customer relationships and generate positive communication about the company (Boshoff and Allen, 2000; Stauss, 2002). Importantly repeat purchases by established customers usually require up to 90% less marketing expenditure than do purchases by first time buyers (Dhar and Glazer, 2003).

3. The Role of Frontline Employees

Authors such as Hocutt *et al.* (2006) argue that we still know relatively little about how customers actually assess a company's efforts to recover and what the limits to recovery of a dissatisfied customer are. Research has also mainly focused on the complaining customer rather than employee characteristics (Mc Alister and Erffmeyer, 2003). Yet Winsted (2000) makes clear that companies need to understand how customers view employee behaviour in order to deliver appropriate service encounters.

Building on the importance of the customer contact employee in dealing with customer complaints effectively, this paper will examine which attributes of frontline employees are preferred by complainants in two countries at different service development stages to create complaint satisfaction in face-to-face (complaint handling) encounters. Although there are many channels available for dissatisfied customers to complain (Mattila and Wirtz, 2004), the vast majority of complaints are still made in person to customer service representatives (Lovelock and Wirtz, 2007). The underlying assumption of this study is that in face-to-face situations, the perception of the complaint handling encounter and the overall evaluation of the company's complaint resolution process will be largely influenced by the frontline employee's response.

A number of studies indicate the importance of human interaction in the determination of satisfactory service (Van Dolen *et al.*, 2004). Hartline and Ferrell (1996) have suggested that customer perceptions of service quality are largely derived from the attitude and behaviour of customer contact employees. This means that those frontline staff who are not only competent but also willing to deal with problems will increase their customers' satisfaction (Bitner *et al.*, 1990).

We suggest that once a company has recognized and understood complaining customers' expectations, then frontline employees may be trained to manage and improve their own behaviour in order to respond appropriately to their customers' underlying expectations. Such behaviour should have a positive impact on customer satisfaction (Botschen *et al.*, 1999).

4. Aim and Design of the Study

Given the current lack of knowledge concerning the life cycle of quality attributes (Löfgren and Witell (2008) in general and the preferred attributes of frontline employees dealing with complaints in personal interactions (Gruber *et al.*, 2006) in particular, it was decided to conduct an exploratory research study. The major aim of the present study is to use the Kano theory of attractive quality to gain a valuable first insight into the attributes of effective frontline employees that complaining customers prefer. In particular, this study investigates whether customers in countries at different stages of service sector development have different complaint handling expectations. Following Kano's (2001, 2006) hypothesized life cycle of quality (see figure 1), we will examine if basic and performance factors of frontline employees in a highly developed service economy can still create delight (excitement factors) for complaining customers in a less developed service economy.

For this purpose, data were collected in the UK and Saudi Arabia, these being two countries at very different positions in the life cycle of quality attributes due to different stages

of service sector development. The UK was chosen as representing a highly developed service economy. Services, in particular insurance, banking, and business services, account for the largest proportion of GDP (73%). By contrast, the still heavily oil-based economy of Saudi Arabia was chosen as representative of a less developed service economy to which services only contribute 24% of GDP (Lovelock and Wirtz, 2007). The following figure illustrates the different role, services play for the GDP of both countries:

Insert Figure 2 about here

Cross-national studies are concerned with comparing consumer behaviour in different countries, validating marketing models (Malhotra and McCort, 2001) and with understanding the similarities and differences between two or more countries. Comparing what attributes of frontline employees consumers in the UK and Saudi Arabia prefer during personal complaint handling encounters will help us establish differences that may be present at different developmental stages of service economies. The outcomes of the comparison could provide companies with important implications for managing service encounters in two different national settings (Steenkamp, 2001).

5. Data Collection and Analysis

Data were collected from 149 respondents with complaining experience in the UK aged between 22 and 28 years (X=25.4) and from 123 respondents in Saudi Arabia with complaining experience aged between 25 and 36 (X=32.8). All completed a Kano questionnaire containing nineteen attributes taken from previous complaint handling studies (e.g. Gruber *et al*., 2006) that explored possible requirements through "voice-of-the-customer" interviews (Berger *et al.* 1993, p.15). Care was taken with back-translation of the questionnaire in order to ensure linguistic equivalence (Brislin, 1986). Other types of

equivalences such as construct, measurement, and sampling were maintained (Craig and Douglas, 2000). This approach is also consistent with the systematic process for research projects in two different countries as suggested by Berry (1989).

Respondents were firstly asked to recall a situation in which they complained in person to a customer contact employee after a service or product had failed to live up to their expectations. Participants had to try to remember how the employee reacted and if they were satisfied or dissatisfied with the complaint handling process in general and with the behaviour of the frontline employee in particular. Specific industrial sectors were not identified as the subject for the complaints as the study was more concerned with the qualities of contact employees and previous research by Winsted (2000) suggests that the majority of behaviours of service employees are the *same* across different service industries. This part of the questionnaire acted as a "warm up" for the following Kano questions as participants were then asked which attributes of contact employees would be most relevant to them given that a service or product failure had occurred. For each frontline employee attribute, respondents had to answer a functional and dysfunctional form of the question (Berger *et al.*, 1993; Matzler *et al.,* 1996). Respondents were, for example, asked *"If a frontline employee takes sufficient time to handle your complaint, how do you feel?"* (functional form of the question) and *"If a frontline employee does not take sufficient time during the complaint handling encounter, how do you feel?"* (dysfunctional form of the question). Respondents could then answer each form of the question in five different ways: 1.) "I like it". 2.) "I expect it". 3.) "I am neutral". 4.) "I can tolerate it". 5.) "I dislike it" (see Berger et al. 1993).

Using an evaluation table originally developed by Kano (1984), the attributes were then classified as recommended in Berger *et al.* (1993) and Matzler *et al.* (1996). In the evaluation table, the functional and dysfunctional forms of the question were combined, leading to different categories of requirements. Beside the three categories relevant for our analysis

(basic, performance, and excitement factors), the evaluation table also allowed the classification of requirements as indifferent, reverse or questionable (Witell and Löfgren 2007). Reverse features are those that are not only not wanted by the customer but that also lead to actual dissatisfaction if present (Burchill and Shen, 1993). Questionable results identify a contradiction in the customer's answer to the question (Berger *et al*., 1993) and commonly signify a question that was either misunderstood by the interviewee or phrased incorrectly (Matzler *et al.*, 1996; Szmigin and Reppel, 2004). Questionable results therefore act as a form of quality control for the Kano questionnaire. In this study, no requirement from the UK study led to any questionable results according to the evaluation table. In the Saudi Arabian study, however, seven requirements led to one questionable result each, while two requirements ("Apologises" and "Further questions") led to three questionable results. The results of the classification process resulted in the customer satisfaction (CS) coefficient (Matzler *et al.*, 1996) indicating the extent of satisfaction and dissatisfaction for each country that were then visualized in a matrix chart (Figures 3 & 4). Both diagrams illustrate which attributes are basic, performance, and excitement factors for complainants in the two countries. The areas for basic and excitement factors are separated from the area of performance factors as proposed by Bailom *et al.* (Bailom *et al.*, 1998, 1999).

6. Results and Discussion

The Kano map in figure 3 illustrates which frontline employee attributes are basic factors that customers in the UK take for granted, performance factors for which the relationship between attribute performance and (dis-)satisfaction is linear, and excitement factors that delight customers.

Insert Figure 3 about here

The map reveals that almost all employee attributes are performance factors, with "Shows Genuine Care" and "Tries to Fulfil Request" having the strongest impact on satisfaction. Employees have to show genuine interest in the complainants' problems and try their very best to help dissatisfied customers to create complaint satisfaction. The prominence of the contact employee attribute "Shows Genuine Care" illustrates the importance of contact employees having a complaint handling orientation. This can be defined as the willingness and inclination of customer contact employees to continuously improve their complaint handling performance, to make efforts for their customers, and to try to meet their needs throughout the customer to frontline employee relationship. This definition is based on a review of existing constructs that are used in both theory and practice such as customer orientation (e.g. Williams and Attaway, 1996), service orientation (e.g. Hogan *et al.*, 1984), customer service orientation (e.g. Alge *et al.*, 2003), and commitment to service (Peccei and Rosenthal, 1997).

Complainants are particularly dissatisfied if contact employees do not take their concerns seriously and do not treat them respectfully. These findings corroborate previous research that has already shown that companies not only have to solve complainants' problems but also address their emotions appropriately: complaining customers want frontline employees to take them and their concerns seriously and to give the customer the impression of being in good hands (Gruber *et al.*, 2006).

The map also shows that the contact employees' ability to listen carefully to what their customers are saying is the only basic factor. The fulfilment of this requirement does not increase customer satisfaction notably. However, if employees do not listen carefully, then customers will be very dissatisfied. Thus, while it may be argued that complainants take this employee attribute for granted, it is a very important attribute to get right.

Active listening means that contact employees receive, process, and respond to messages in such a way that further communication is encouraged. Such individuals pay attention to both

the speaker's verbal and nonverbal cues and they are capable of providing both verbal and nonverbal feedback by using all their senses (Comer and Drollinger, 1999). Findings from the personal selling and sales management literature suggest that the contact employee's listening behaviour plays an important role for personal interactions (e.g. Clopton *et al.*, 2001; De Ruyter and Wetzels, 2000; Ramsey and Sohi, 1997).

By contrast, the employee's feedback ("Further Questions") after the complaint handling encounter, to identify whether the customer is satisfied with the resolution (e.g. by calling the complainants and asking them about their level of complaint satisfaction), is close to the area of excitement factors.

Insert Figure 4 about here

The Kano map for Saudi Arabia (figure 4) highlights interesting differences. It shows "Employee has Authority to Solve Problems" and "Further Questions" to be attributes that can delight complaining customers. The attributes "Quick Handling" and "Cost Compensation" are also close to the excitement factor area. The delighting effect these attributes have on Saudi customers' satisfaction would appear to be driven by their desire to maintain the relationship with the service provider (Aldlaigan and Buttle, 2005). Saudi customers may be more relationally oriented, thus they unconsciously look for relational cues that enhance their commitment to the relationship (Abdul-Muhmin, 2002). By comparison, no attribute in the UK Kano map appears in the area of excitement factors.

The empowerment of employees to take customer concerns seriously, quickly handle complaints, solve problems, answer further questions, give feedback and compensate for any cost, is important in satisfying customers and reinforcing their positive attitude towards the relationship with the service provider. Personalizing the service encounter/interaction helps in

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speeding up the recovery and boosting customer satisfaction and ultimately increases customer commitment.

The key performance factors "Solves Problem", "Respectful Treatment", "Friendliness", "Shows Genuine Care", and "Trustworthiness" have a strong influence on customers' satisfaction. Importantly, these attributes are the basic ingredients for the ongoing relationship between the customers and the service provider (Aldlaigan and Buttle, 2005; Rice, 2003). Without these attributes, customers may not have strong commitment to the relationship and they may consider switching providers (Hocutt, 1998; Pressey and Mathews, 2003). The more companies enhance and strengthen these attributes the more likely customers will be retained. Other attributes such as 'Sufficient Knowledge', 'Listens Carefully', 'Demonstrates Understanding' and 'Apologises' have less impact on satisfaction and the long-term relationship.

Other attributes in the map for Saudi Arabia fit in the top end of the area of performance factors indicating a high impact on satisfaction. A comparison of the two maps shows that all frontline attributes are shifted more towards the excitement factor area in the Kano map for Saudi Arabia. Saudi customers also do not take any of the employee attributes for granted, which can be explained by Saudi Arabia having a less developed service economy. The combinations of the short experience that Saudi customers have with services and limited choices from few service providers may have resulted in less sophisticated expectations by Saudi customers in comparison with their British counterparts. This is mainly because long-term (socio-) economic development normally results in developing more sophisticated customers and vice versa (Malhotra *et al.*, 2005).

Further, as indicated by the findings from both countries, there appears to be a strong link between the developmental stage of a services economy and customer satisfaction. Thus, in economies in the early stages of development, customers are likely to have fewer expectations

and can be easily satisfied compared to customers in economies in advanced stages of development who will have higher expectations and are more difficult to satisfy. This finding further supports the concept of a life cycle of quality attributes.

7. Managerial Implications

Effective complaint handling is a crucial area for managers and academics alike to focus upon, especially in the context of long-term profitability and the success of the company's relationships with customers and the management of employees. Companies should regard customer complaints as a valuable source of important market intelligence which enables them to not only correct the root cause of the problem but to improve their service more generally (Vos *et al.*, 2008). Using Kano questionnaires helps managers find out which frontline employee attributes are basic factors that their customers take for granted, performance factors for which the relationship between attribute performance and (dis-)satisfaction is linear, and excitement factors that can truly delight their customers. Companies can then decide which qualities and behaviours of contact employees they should design effective training programmes for, in order to improve employee performance. Similarly they can decide which qualities prospective job candidates for posts with complaint handling responsibilities should possess to handle complaints successfully.

The Kano map for the UK showed that the contact employee attribute "Respectful Treatment" has the potential to dissatisfy customers strongly if not met and is close to being a basic factor. Thus, although previous research findings suggest that complaining customers want to be treated respectfully (e.g. Gruber *et al.*, 2006), companies have to realise that they cannot impress their complaining customers just by taking them seriously as they already expect this behaviour. Nevertheless, it is a very important attribute to get right in order to prevent customer dissatisfaction.

The fact that interpersonal factors such as respectful treatment and listening skills are important sources of customer dissatisfaction, indicate that customers want to satisfy their personal interaction needs first and their expectations and consumption or complaint handling needs second (Oliver, 1997; Schneider and Bowen, 1995).

The Kano results reinforce the need for companies to recruit only individuals who are genuinely willing to help and to act on the behalf of their complaining customers. Companies need to engage with the importance of training employees in how to treat customers respectfully. For this purpose, management should design training programmes to enhance the customer (complaint handling) orientation among frontline employees. Frontline employees need to be *genuinely* willing to act on behalf of the complaining customer and possess sufficient skills and the authority to handle the complaint successfully.

The Kano results for Saudi Arabia clearly indicate that Saudi Arabian complaining customers are (still) easier to delight than their UK counterparts. As mentioned, all frontline employee attributes are closer to the excitement factor area. This important finding reinforces the argument made by Kano (1984) that customers' excitement deteriorates over time to performance and then basic factors. More importantly, our study shows that this deterioration is not only to be found for goods and services (Kano, 2001, 2006; Löfgren and Witell, 2008) but also for employee attributes due to different developmental stages of the services sector in the chosen countries. Thus, customer sophistication and expectations vary across countries. This has important implications for international companies that target both developed and less developed service economies.

UK companies wanting to enter the Saudi Arabian market can expect lower customer expectations with regard to complaint handling and they therefore may still be able to delight customers with contact employee qualities that are already taken for granted in the highly developed UK service economy. Companies looking to build a strong customer base in Saudi

Arabia need to be relationally oriented as the findings show that complaining Saudi customers are looking for relationship related attributes. The more companies enhance and strengthen these relational attributes the more likely customers will remain in the relationship. Unlike customers in the UK, Saudi customers can be delighted and excited by certain attributes, which can boost their commitment to the relationship. Thus, international companies may still satisfy Saudi customers in a complaint handling situations with less effort and less costs. This is also related to the nature of competition in the two countries where acquiring new customers in the UK is much more costly compared to Saudi Arabia where customers can be attracted through the right design of attributes in a services offering. Importantly, international companies need to personalise employees' interaction with customers. In this regard, managers need to train their employees in all of the attributes that have a strong impact on the company-customer relationship.

8. Limitations and Directions for Further Research

Our study adds to the theoretical and managerial understanding of effective complaint handling by providing valuable first insights into differences between two countries at different stages of service sector development. To our best knowledge, this study is the first that applies the notion of a life cycle of quality attributes to the preferred attributes of frontline employees dealing with customer complaints. In particular, our findings show that employee factors that are performance factors in a highly developed service economy (such as the UK) can still create delight (excitement factors) for customers in a less developed service economy (such as Saudi Arabia). However, further Kano studies using larger probability samples that represent the broader (complaining) consumer population could improve our knowledge of this important topic.

In particular, further Kano studies could investigate the movement of quality attributes of frontline employees in both countries over time. It can be expected that the current excitement factors for Saudi Arabian customers will deteriorate to performance factors and later to basic factors. Similarly, several more performance factors could deteriorate to basic factors for UK customers. However, future research could also reveal that some quality attributes remain static for a prolonged period of time (Kano, 2001).

Zhang *et al.* (2008), who review the recent literature on cross-cultural consumer services research, report that a nation's culture could have an impact on consumer expectations. In particular, they point to previous research (e.g. Furrer *et al.*, 2000) that found consumers from individualistic cultures having higher levels of service expectations than customers from collectivistic cultures. Therefore, future research should investigate to what degree the found differences of preferred frontline employee attributes were caused by the different developmental stages of services economies and to what degree cultural differences between the two countries may also have played a role.

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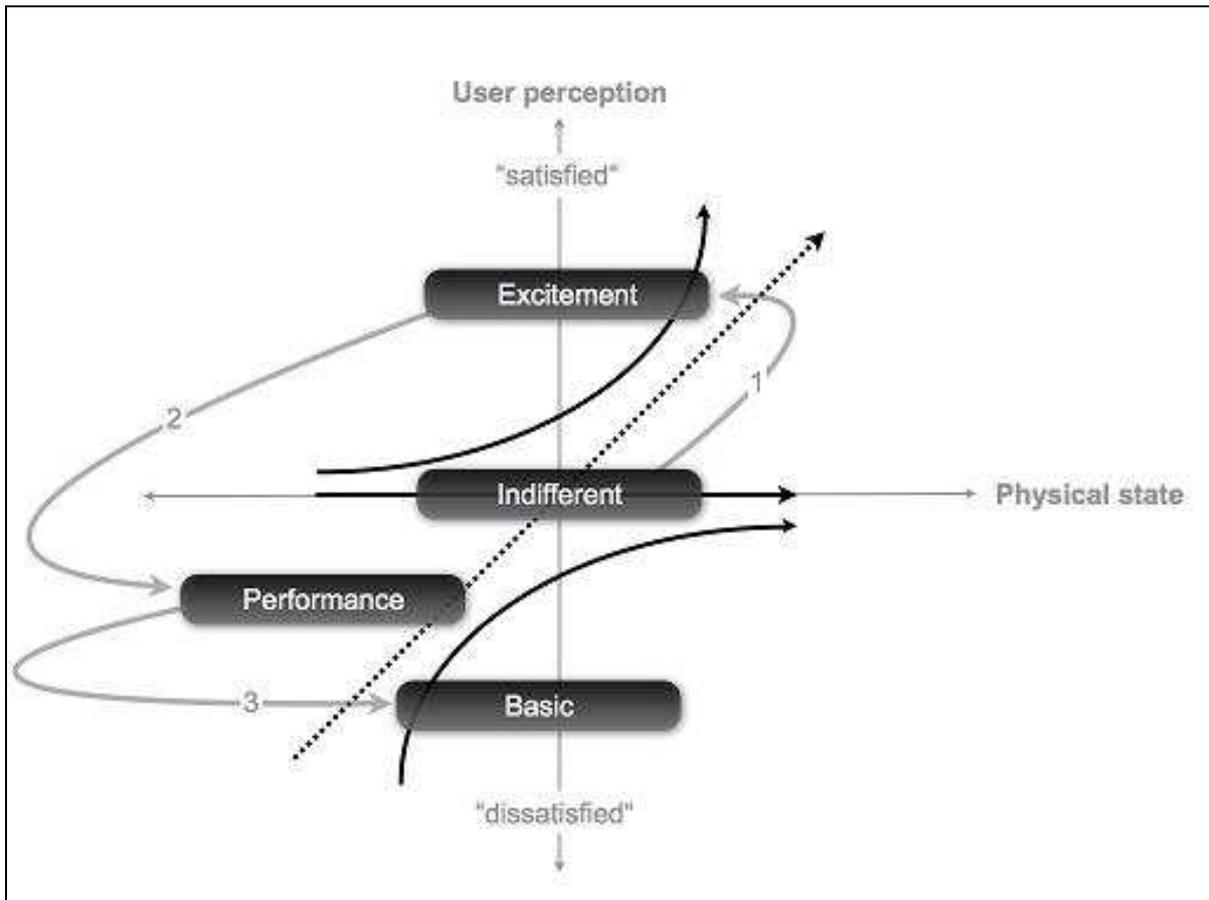**Figure 1. Life cycle of quality attributes (adapted from Kano 2006)**

Figure 2. Estimated size of service sector in selected countries (adapted from Lovelock and Wirtz 2007, p. 7)

Cayman Islands (95%), Jersey (93%)

Bahamas (90%), Bermuda (89%)

Luxembourg (83%)

Panama (80%), USA (79%)

Japan (74%), France (73%), Netherlands (73%), U.K. (73%), Can (71%)

Mex (69%), Aus (68%), Ger (68%), NZ (68%), Singapore (67%)

Poland (66%), South Africa (65%)

Israel (60%), Malaysia (59%), S. Korea (56%)

Argentina (53%), Brazil (51%)

India (48%)

China (33%)

Saudi Arabia (24%)

Services as Percent of GDP

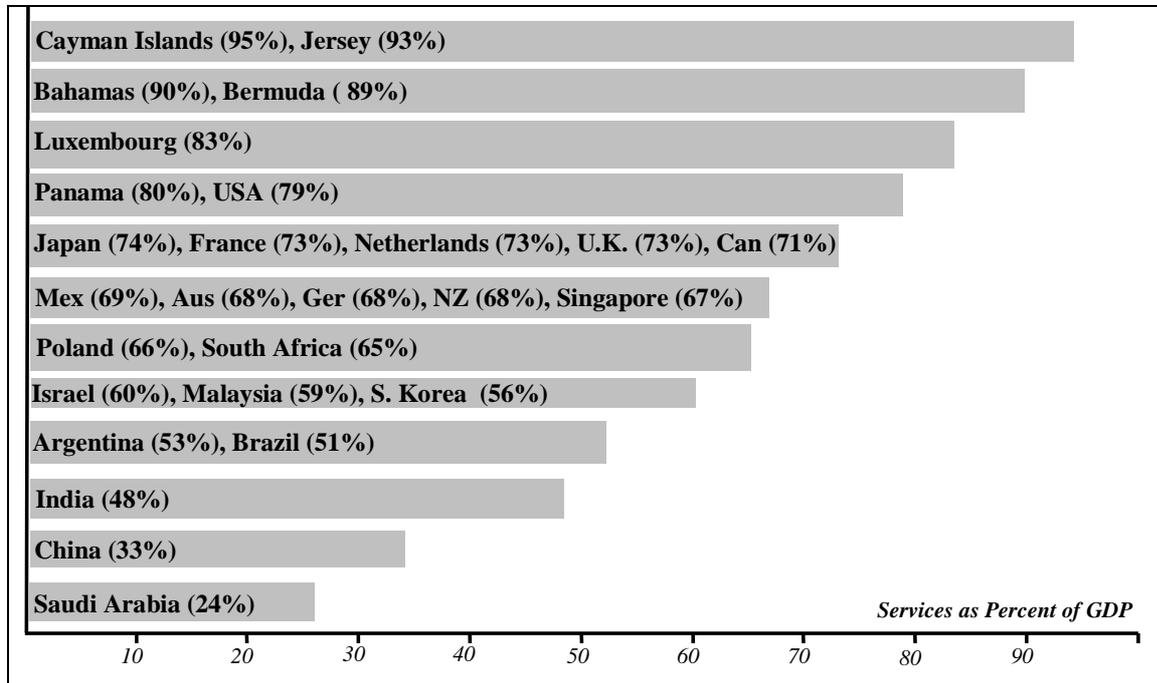*10   20   30   40   50   60   70   80   90*

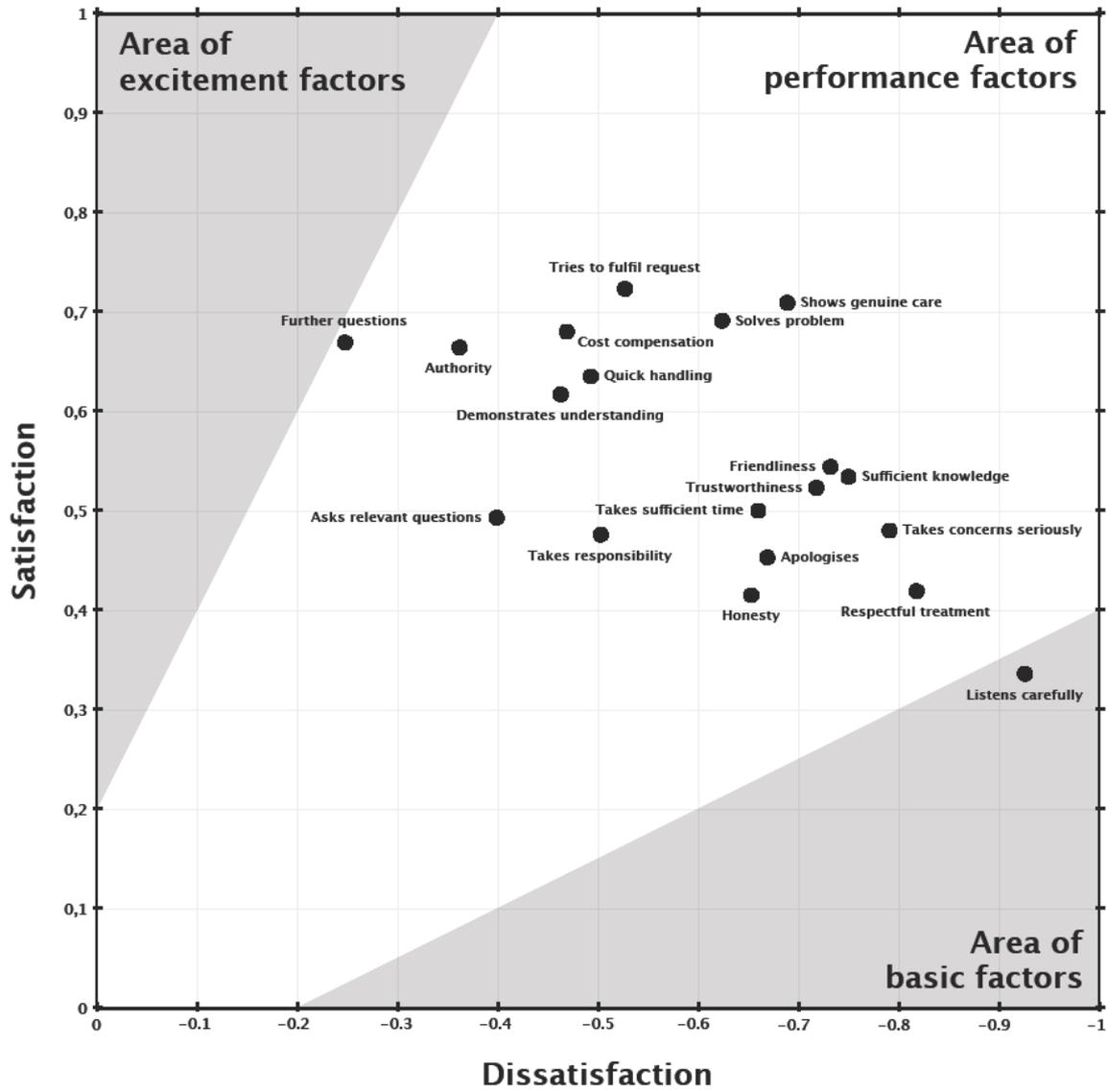**Figure 3. Influence of employee attributes on satisfaction and dissatisfaction (UK)**

Figure 4. Influence of employee attributes on satisfaction and dissatisfaction (Saudi Arabia)