

# **The Impact of Culture on Customer Expectations**

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*A critical component of customer satisfaction is in the understanding of customer expectations. In this work we propose that culture plays an important role in molding those expectations. Utilizing five cultural dimensions we develop testable propositions that aims to dissect the possible impact of culture upon five sources of customer expectations: personal needs, explicit promises, implicit promises, word-of-mouth, and past experience.*

## **INTRODUCTION**

Winning and retaining customers is central to the concept of marketing, whether it be domestic or international marketing. Over the past five decades, researchers have identified and conceptualized a number of constructs that enable marketers to do just that, including customer satisfaction, service quality, and value (Cronin, Brady and Hult, 2000), all of which have been shown to lead to consequences such as customer loyalty (Szymanski and Henard, 2001; Blattberg, Malthouse and Neslin, 2009), positive word of mouth (De et al., 2008; Swan and Oliver, 1989; Zeithaml et al., 1996), repurchase intentions (Mittal and Kamakura, 2001), profits (Wicks and Roethlein, 2009; Anderson et al., 1994; Bernhardt et al., 2000) and even shareholder value (Anderson, Fornell and Mazvancheryl, 2004).

Given the growth of cross-border trade and investment, culture has increasingly come to be recognized as an influence on marketing (Laroche and Park, 2013; Leung et al., 2005). However, it is surprising how limited the cross-cultural research on consumer constructs, including satisfaction, value and quality, is (Voldnesa, Grønhaugb, and Nilssena, 2012; Atanasopoulou, 2009, Mehta et al., 2006 and Skarmeas and Robson, 2008). One would expect culture to significantly influence customer satisfaction, quality and the various relational consequences and antecedents, including expectations and behavioral intentions (Voldnesa, Grønhaugb, and Nilssena, 2012). However, most international and cross-cultural examinations of customer satisfaction and quality have simply tested causal relationship between constructs across two or more culture samples without making predictions as to how and where culture would influence the model.

There are numerous ways in which culture could have an impact on the antecedents of these consumer judgments. One antecedent in particular – expectations – is noteworthy given that it has been identified as playing a central role in the formation of satisfaction, quality and value (Moutinho, 1987; Oliver, 1980; Parasuraman et al., 1991; Pizam et al., 1978; Turner et al., 2001; and Zeithaml et al., 1993). For example, customer satisfaction (CS) or dissatisfaction is the result of the disconfirmation that results

from the comparison by the customer of perceived performance of a product or service with the expectations of that product or service (Szymanski and Henard, 2001; Oliver 1980). Likewise, service quality (SQ) judgments result from consumer evaluations of performance of various service dimensions (reliability, responsiveness, assurance, empathy, and tangibles) against expectations for each dimension (Shoemaker, Lewis and Yesawich, 2007; Parasuraman, Zeithaml and Berry, 1988; Grönroos 1984). Kaczynski (2008, p. 254) even concludes that an understanding of customer expectations, preferences, and desired benefits is “the starting point for all marketing efforts.”

Cross-cultural examinations of expectations are even more limited (Kopalle, Lehmann and Farley, 2010; Szymanski and Henard, 2001). This is unfortunate since examining expectations from a cross-cultural perspective can benefit organizations in the design of multicultural marketing strategies to obtain, satisfy, and retain customers in international markets. One would reasonably expect individuals within two different cultures could possibly have very different expectations regarding the performance of a desired product or service. Fortunately, for marketers, some of the sources of expectations are controllable by the marketer. As a result, a deeper understanding of the role of culture in the formation of expectations can assist the international marketer to design cross-cultural marketing strategies that help to improve customer satisfaction.

## **LITERATURE REVIEW**

### **Service Quality, Perceived Value & Customer Satisfaction**

Customer Satisfaction, Service Quality, and Perceived Value are three of the most important concepts in the marketing literature. We offer a brief review of each construct.

#### **Customer Satisfaction (CS)**

CS is a consumer’s affective reaction to the consumption of a product or service experience (Spreng, MacKenzie, & Olshavsky, 1996). Satisfaction judgments are believed to be subjective in nature and are generally conceptualized using the expectation-disconfirmation model in which a consumer compares expected performance to perceived performance (Niedrich, Kiryanova, and Black, 2005; Szymanski and Henard, 2001; Oliver, 1997; Oliver 1980). According to Oliver (1980, p. 460), expectations “create a frame of reference about which one makes a comparative judgment” and “satisfaction increases as the performance/expectation ratio increases.” The CS literature has at times used four different types of expectations – forecast, normative, predictive and ideal (Cadotte et al., 1987; Tse and Wilton, 1988). However, forecast and normative expectations are the most commonly used operationalization of expectations (Higgs, Polonskya, and Hollick, 2005).

#### **Service Quality (SQ)**

SQ is a consumer’s cognitive judgment regarding the overall excellence or superiority of a product or service (Zeithaml, 1988). SQ is generally operationalized using dimensions of service quality (Parasuraman et al., 1988). The best-known model is the gap model (Parasuraman, Zeithaml, and Berry, 1985) which proposes five critical gaps: 1) difference between consumer expectation and management perception; 2) difference between management perception and quality specified; 3) difference between quality specified and delivered; 4) difference between quality delivered and that communicated to consumers; and 5) difference between consumer expectation and perceptions of actual service. The judgment results from the “degree and discrepancy between customers’ perceptions and expectations” (Parasuraman, Zeithaml, and Berry, 1988, p. 17). Hence, the greater the gap (perceived exceeds expected), the greater the perceived service quality. In terms of expectations, the service quality literature views expectations as multidimensional, including both predictive and ideal expectations (Higgs, Polonskya, and Hollick, 2005). Predictive expectations tend to lead to higher perceived service quality, and ideal expectations tends to predict lower perceived service quality (Higgs, Polonskya, and Hollick, 2005). However, the literature now seems to focus largely on ideal expectations when operationalizing expectations (Higgs, Polonskya, and Hollick, 2005).

## **Perceived Value (PV)**

Perceived Value is generally believed to be a consumer's global cognitive evaluation of a product or service based on the perception of what is given up - price, time, etc. - and what is received - benefits, quality, etc. (Slater and Narver, 2000; Woodruff, 1997; Zeithaml, 1988). As such, value judgments incorporate intrinsically driven consumer wants and needs and ultimately motivate consumer behaviors (Niedrich, Kiryanova and Black, 2005; Gollwitzer & Moskowitz, 1996). Because culture is a primary source of individual wants and needs, it is not surprising that findings suggest that culture exerts a direct influence upon perceived value (Johnson, 1998; Overby, Woodruff and Gardial, 2005).

## **Causality**

In terms of causality, there is consensus that service quality directly influences value and satisfaction (Russ, 2006). Favorable service quality leads to improved satisfaction and value judgments (Cronin, Brady and Hult 2000). Perceived value also leads directly to satisfaction judgments (Cronin, Brady and Hult, 2000; Fornell et al., 1996). In turn, satisfaction directly influences behavioral intentions (Finn, Wang and Frank, 2009; Cadotte, Woodruff, and Jenkins 1987; Wilson et al., 2008; Harris and Goode, 2004; Cronin, Brady and Hult, 2000) and word-of-mouth referrals (Singh and Pandya 1991). As such, satisfaction is a post-usage overall judgment (Chen et al., 2013; Flavián et al., 2006; Bhattacharjee, 2001) whereas service quality and value judgments occur before, during and after the consumption process (Sweeney and Soutar, 2001).

## **Expectations**

Despite decades of CS research (Anderson 1973) important pre-consumption phenomena such as the expectation formation process have received limited attention in the literature (Oliver and Burke 1999; Oliver and Winer 1987; Zeithaml, Berry, and Parasuraman 1993). Expectations are a common theme throughout much of the social sciences. Expectation of upcoming stimuli and tasks can lead to improved performance, if the anticipated situation occurs, while expectation mismatch can lead to less efficient processing (Gaschler, Schwager, Umbacha, Frensch, and Schubert, 2014). Customer expectations also play a central role in the formation of many consumer behavior constructs, especially service quality and customer satisfaction (Moutinho, 1987; Oliver, 1980; Parasuraman et al., 1991; Turner et al., 2001; Zeithaml et al., 1993). Some researchers even treat expectations as required for all goal-directed behaviors (Kunde et al., 2007). In general, expectations of stimuli and outcomes can lead to either improved performance (if the expected outcome occurs) or less efficient processing if there is a mismatch (Gaschler, Schwager, Umbacha, Frensch, and Schubert, 2014). However, the customer satisfaction and service quality literature have tended to conceptualize expectations in slightly different ways. In the CS literature, researchers have proposed a variety of operational definitions of expectations (Niedrich, Kiryanova and Black, 2005). Olson and Dover (1979) define customer expectations as pretrial beliefs about a product that serve as standards or reference points against which product performance is judged. Although other views have been posited - such as expectations-as-ideal, expectations as goals, and desired expectations - the dominant view of expectations in the literature is expectations-as-predictions.

One important alternative to expectations has been offered by Woodruff, Cadotte, and Jenkins (1983) who introduce "experienced-based norms" - a concept implying that post-purchase evaluations are constrained by the performance customers believe is possible, based on experience with real brands. In a recent study of the dimensions of standards (expectations) using the disconfirmation model, Niedrich, Kiryanova and Black (2005) find that although the various standards are distinct, consumers appear to assimilate disconfirmation judgments into one single construct. They conclude that there is ultimately little difference in the ability of the various standards to predict customer satisfaction. For this reason, in this paper, expectations will incorporate both predictions of performance and experience-based norms. Hence, if perceived product performance exceeds their expectations (positive disconfirmation), the customer will be satisfied. However, if perceived product performance falls short of their expectations (negative disconfirmation), then the customer is dissatisfied (Oliver 1980; Oliver and DeSarbo 1988).

In the SQ literature, expectations are similarly conceptualized in a variety of ways, including ideal expectations (Boulding et al., 1993), desired expectations (Swan and Trawick, 1980), and normative expectations (Prakash, 1984). The most accepted definition is that of Zeithaml, Berry and Parasuraman (1993), who define expectations as pretrial beliefs about a service that uses standards against which service performance is judged. The most common used service quality model, SERVQUAL (Parasuraman, Zeithaml and Berry 1988), assumes that performance is judged against the five dimensions of service (reliability, responsiveness, assurance, empathy, and tangibles). Hence, a consumer evaluates each service dimension according to the standard (expectations) generating a disconfirmation judgment separately for each comparison standard (Rowley, 2006; Oliver, 1997). The onset of electronic marketing and retailing has led some researchers to propose system disconfirmation (based on the quality of the website itself) and offering disconfirmation (based on the quality of the deliverable). Each of these disconfirmations has a direct impact on satisfaction (Finn, Wang and Frank, 2009).

Although much of the literature on PV does not directly address expectations, standards are addressed. Given that PV is conceptualized as a ratio between benefits and sacrifices (each a form of standard) and that the ratio may be based on higher order abstractions not simply attributes, expectations may be involved, especially if broadened to include goals (Oliver, 2010). Goals are similar to wants and needs (i.e., benefits) and, as such, serve as a standard by which value is determined (Gollwitzer and Moskowitz, 1996; Zeithaml, Berry and Parasuraman, 1993). Moreover, like quality, value can be measured as pre-purchase desired value or post-purchase perceived value.

In looking across all three models and related literature, several themes emerge in relation to expectations. First, expectations are cognitive in nature when activated as product attributes and service quality dimensions, but may be affective in nature when extended to include personal goals (Russ, 2006). Second, the dominant expectation standards in the literature are normative expectations for service quality and forecast expectations for customer satisfaction (Higgs, Polonskya, and Hollick, 2005). Third, expectations may evolve over time, and as such, be subject to a degree of uncertainty (Russ, 2006). Fourth, varieties of sources form expectations, including information and previous experience (Russ, 2006). This final point is significant, especially when examining culture, as one would expect culture to significantly impact the way expectations are formed and ultimately the expectations themselves.

### **Sources of Expectations**

Research on the sources of customer expectation formation has been somewhat limited (Russ, 2006). Davidow and Uttal (1989, p. 85) state: "Expectations are formed by many uncontrollable factors, from the experience of customers with other companies and their advertising to a customer's psychological state at the time of service delivery. Strictly speaking, what customers expect is as diverse as their education, values, and experiences." Oliver (1980) mentions three other factors as sources: the product itself, the context, and individual characteristics. Zeithaml, Berry, and Parasuraman (1993) propose several factors that affect both desired service and predicted service: enduring service intensifiers (e.g., customer's personal service philosophy); personal needs, explicit service promises, implicit service promises, word-of-mouth communications and customer's past experience. Oliver and Winer (1987) suggest that psychological constructs, including perceived risk, past experience, and information search, also contribute to the formation of expectations. Similarly, Robledo (2001) proposed a number of sources of customer expectations, such as, customer's past experience, reputation/image of the business, informal recommendations (e.g., word-of-mouth), formal recommendations (e.g., salespersons), personal needs, and price.

Based on the above, this paper will propose five sources of customer expectations: (1) personal needs, (2) explicit promises, (3) implicit promises, (4) word-of-mouth, and (5) past experience.

#### *Personal Needs*

Personal needs are one of the primary influences on sources of expectations and thereby one of the most significant influences on perceptions of quality, value and satisfaction. Personal needs are believed to be intrinsically derived and can include a variety of categories, including functional, psychological,

physical and social (Zeithaml, Bitner and Gremler, 2013; Gollwitzer and Moskowitz, 1996). Kitayama et al. (2000, p. 120) posits that personal needs are the result of “a culture-specific package of subjective contents, behavioral and interpersonal antecedents and consequences, and many physiological concomitants.” As such, personal needs tend to act as motivating forces on the individual (Gollwitzer and Moskowitz, 1996) and are often believed to be less susceptible to outside influences, such as marketing communications (Zeithaml, Bitner and Gremler, 2013). It is important to differentiate values/needs from value. As discussed earlier, value is an evaluative perception about a specific product or service experience, whereas values are goals and beliefs about what is good and acceptable are generally not specific to a product or service experience.

#### *Explicit Promises*

Explicit promises include personal and non-personal statements about a product or service made to customers by the marketing organization. These promises take many different forms, including advertising, personal selling, contracts, and communication from service or repair departments (Zeithaml, Berry and Parasuraman 1993). Though much of the early expectations research was conducted prior to the Internet and online retailing, many aspects of online marketing also qualify as explicit promises. For example, the service quality concept of Information Quality (IQ) represents representational and non-representational data and articles revealed on a marketer’s website (Ghasemaghahi and Hassanein, 2015). The literature is somewhat limited on the nature of the effects of explicit promises. Deighton (1984) suggests that advertising affects the way a consumer interprets objective and ambiguous evidence about quality. Zeithaml, Berry and Parasuraman (1993) propose that the higher the level of explicit service promises, the higher will be the levels of desired service and predicted service. Hofstede (1991) posits that low-context communication is more important in individualist countries than in collectivist countries. Low-context communication is similar to explicit promises in that what is said is more important than how it is said.

#### *Implicit Promises*

Implicit promises include external cues other than explicit promises. Such cues lead to inferences about what the product/service should and will be like (Zeithaml, Berry, and Parasuraman 1993). These cues often represent the things taken for granted by consumers, including price, the appearance of salespeople, business interiors, and warranties. Zeithaml (1988) presents research that reveals that customers often use price and tangibles as surrogates for quality. Focus group participants regularly emphasize the importance of implicit promises, especially price, in shaping their expectations (Zeithaml, Barry, and Parasuraman 1993). Shao, Baker and Wagner (2004) found that appropriate (vs. inappropriate) dress by contact employees in banks resulted in higher service quality expectations. In terms of e-marketing, the design and appearance of a website (features, appearance, one-click checkouts, etc.) would represent an implicit promise (similar to the atmospherics of a retail establishment) rather than explicit promises (Koufaris 2002).

#### *Word-of-Mouth*

Word-of-mouth communication is viewed as an important source of expectations because it is often considered as unbiased and is commonly used for products and services that are difficult to evaluate before purchase and consumption. Most of the word-of-mouth research has focused on the consequences of (consumer or customer satisfaction) CS. However, the findings should also be applicable as antecedents to the formation of expectations.

#### *Past Experience*

Past experience refers to the customer’s previous exposure to a product or service. This has been shown to shape both customer predictions and desires (Zeithaml, Berry, and Parasuraman 1993). Cadotte, Woodruff, and Jenkins (1987) provide evidence that the use of different experience-based norms leads to CS. These norms include things such as experience with the focal brand, typical performance of a

particular brand, or average performance the customer believes represents a group of similar brands. Past experience is usually based upon a consumer's past experience with the focal product or service. However, in cases where such memory is less accessible, consumers may focus on favorite brands, topselling brands, or average performance by similar brands..

## **Culture**

Culture is believed to be one of the most significant influences on consumer behavior. Culture influences many consumer behavior characteristics, including consumer values, innovativeness, expectations and outcomes such as perceived value and intentions (Lia, Laia, Harrilla, Kline and Wangc, 2011; Briley and Aaker, 2006; Overby, Gardial, and Woodruff, 2004; de Mooij, 2003; Reisinger and Turner, 2003; Turner, Reisinger and McQuilken, 2001; Steenkamp, Ter Hofstede, and Wedel 1999; Triandis, 1989; Bordieu, 1977). Research has shown consumer perception is especially sensitive to cultural differences (Bock 1994; Kim, Park, and Park 2000), since culture acts as a perceptual lens to shape and color both internal and external information (Overby, Gardial and Woodruff, 2004; McCracken 1986; Segal, Campbell, and Herskovits 1966; Veroff and Goldberger 1995). This is especially important in the domain of consumer judgments, such as satisfaction, value and quality, given that these constructs are based upon consumer perceptions. Essentially, culture acts as a metaphorical lens through which consumers perceive certain sources of information and ignore others (Overby, Woodruff and Gardial, 2005; McCracken, 1986).

Given the significance of customer satisfaction, perceived value, and service quality, research on how these constructs and their interrelationships differ across cultures is important in designing effective international marketing strategies (Björn, Abulaiti, Torrico and Enkawa, 2013). For example, Smith and Reynolds (2009) found differences in the relationship between antecedents (i.e. quality, satisfaction, affect/emotion) and loyalty across the three cultural groups (East African, West African and Chinese). Laroche et al. (2004) reported that Japanese dental office customers were more conservative in their ratings of superior service as compared to American and Canadian customers. Other research has found that the influence of e-service quality on intentions was greater for Argentinian consumers than for Spanish consumers (Björn et al., 2013), dimensions leading to perceived service quality differed between Anglo-Saxon tourists and Asian tourists (Tsaour et al., 2005), and in a study of European countries Pantouvakis (2013) found that culture moderates the link between satisfaction and loyalty.

Despite these findings, research on the influence of culture on expectations is quite limited (Kopalle, Lehmann and Farley, 2010). In one of the only known studies Kopalle, Lehmann and Farley (2010) found that a belief in karma, operating through the cultural dimension of long-term orientation, moderated the effect of disconfirmation sensitivity on expectations. However, a significant limitation of the study was that was conducted in only one national context, India. In another study, Kanousi (2005) showed that culture may impact service recovery expectations, specifically individualism, masculinity, and long-term orientation (i.e., three of the five Hofstede cultural dimensions) were related to service recovery expectations. However, the study concerned expectation recovery rather than formation of expectations. Hence, more research is needed on how culture influences the formation and sources of expectations, especially since marketers actually have the ability and mechanisms in place to manage expectations (e.g., advertising, communication, etc.).

One of the most common approaches to understanding and operationalizing culture has been the use of empirically derived dimensions that apply to all cultures (e.g., Hall, 1977; Hampden-Turner & Trompenaars, 1993; Hofstede, 1980; Kluckhohn & Strodtbeck, 1961). This approach has been especially prevalent in the marketing literature (e.g., Clark, 1990; Nakata and Sivakumar, 1996; Birgelen et al., 2002). Based upon the research of Hall (1977), Hampden-Turner and Trompenaars (1993), Hofstede (1980), and Kluckhohn and Strodtbeck (1961), this work will utilize the following cultural: 1) individualism/collectivism; 2) power distance; 3) uncertainty avoidance; 4) femininity/ masculinity; and 5) implicit/explicit communication.

### *Individualism/Collectivism (IC)*

Individualist cultures (e.g., United States, Canada, Northern Europe, Australia, New Zealand) tend to place their own personal goals and needs above the goals and needs of the group (Hofstede, 1980). Collectivist cultures (e.g., much of Asia, Mediterranean Europe, the Middle East and Latin America) tend to recognize the self as being part of a great whole and often subordinate personal goals and needs to the goals and needs of their in-group (Hofstede, 1980). Previous research in international marketing indicates that individualism vs collectivism is an important element in cross-national marketing strategies. For example, Donthu and Yoo (1998) found that customers from individualistic societies aim to focus on their own goals and have little empathy for others, subsequently have little tolerance for poor service and have high quality expectations.

### *Power Distance (PD)*

This dimension concerns the extent to which members of a society expect and accept unequal distribution of power. In the area of marketing communication, it concerns dependence versus independence and affects what information is communicated, how it is communicated, and to whom it is communicated (Hampden-Turner & Trompenaars, 1993; Hofstede, 1980). High PD cultures (e.g., Malaysia, Panama, Mexico) are more hierarchical in nature with centralization of power, and communication is more controlled and often used to restrict social cohesion (Hofstede, 1980). Low PD cultures (e.g., Austria, Denmark, Israel, New Zealand) tend to be more equality oriented with flatter hierarchies, people challenging the status quo, and consumers are more likely to seek advice and consultation when making decisions (Hofstede, 1980).

### *Uncertainty Avoidance (UA)*

UA relates to the degree to which a culture tolerates risk and ambiguity (Hofstede, 1980). In cultures high in UA (e.g., Greece, Guatemala, Japan), people tend to desire stability, structured rules and norms, and are less likely to take risks. In cultures low in UA (e.g., Singapore, Denmark, United Kingdom), people tend to be more comfortable with ambiguity, are often more entrepreneurial, and are more willing to accept and take risks (Hofstede, 1980).

### *Femininity/Masculinity (FM)*

FM is related to competitiveness and consensus building in a society (Hofstede, 1980). In cultures high in femininity (e.g., Sweden, Norway, Netherlands), individuals tend to emphasize interpersonal cooperation, modesty, nurturing relationships, and quality life. In cultures high in masculinity (e.g., Japan, Italy, Venezuela), individuals tend to be concerned with achievement, assertiveness, competition.

### *High Context/Low Context (CT)*

Finally, CT relates to how cultures communicate and process information (Hall, 1977; Hampden-Turner & Trompenaars, 1993). Individuals in high context (e.g., much of Asia and Middle East) tend to be more implicit, communicating with inexact and indirect communication, are often influenced by relationships, and are more likely to make decisions based upon intuition rather than facts and figures (Hall, 1977; Hampden-Turner & Trompenaars, 1993). Individuals in low-context cultures (e.g., United States, United States, Canada, Northern Europe, Australia, New Zealand) tend to be more explicit in nature, communicating clearly, logically, and persuasively, analyze specific points, and make decisions based upon facts and figures, tearing apart an issue to understand it (Hall, 1977; Hampden-Turner & Trompenaars, 1993).

## **PROPOSITIONS**

Consistent with the perceptual lens conceptualization of culture, we propose that cultural dimensions will influence the relative importance of different types of expectations upon consumer judgments, such

as service quality, perceived value, and customer satisfaction. We offer propositions in relation to each source of expectations (summarized in Table 1).

### **Personal Needs**

Because personal needs have been equated to personal values, motives, goals, and standards on which evaluations are made, we propose personal needs to act like a form of expectation upon judgments of service quality, value, and satisfaction. Moreover, we propose that personal needs will reflect both idiosyncratic personal values and also the values and norms from which the consumer was enculturated. In fact, culture has been shown to exhibit its greatest influence upon perception, information processing, and the intensity of wants and needs (Hofstede, 1980; Bock, 1994; Kim, Park, and Park, 2000). Roth (1995, pp. 164-5) reiterates this argument, stating, "the many aspects of a culture affect differently the needs consumers satisfy through the acquisition and use of goods and services." In the marketing literature, for example, Sirgy (1986) found that members of less economically developed societies were more preoccupied with satisfying lower-order needs and members of economically developed societies were more preoccupied with satisfying higher-order needs. Given this discussion, the following propositions are offered:

- P1: Personal needs directly impact influence perceived value judgment through influencing the benefit-sacrifice equation.*
- P2: Personal needs indirectly influence service quality and customer satisfaction through disconfirmation.*
- P3: Lower-order needs are likely to be more important for less economically-developed cultures than more economically-developed cultures.*
- P4: Higher-order needs are likely to be more important for more economically-developed cultures than less economically-developed cultures.*

### **Explicit Promises**

Hofstede (1991) posits that low-context communication is more important in individualist countries than in collectivist countries. Low-context communication is similar to explicit promises in that what is said is more important than how it is said. Thus, one would expect explicit promises to have a stronger influence on expectations in individualistic cultures than in collectivistic cultures. Conversely, cultures favoring high-context communication tend to be more collectivistic, and because message transfer is often more nuanced and implicit in high-context communication, one would expect implicit promises to have a stronger influence on expectations in collectivistic cultures than in individualistic cultures. Similarly, a number of researchers have found tangible and more cognitive cues (such as explicit promises) to be more influential on the formation of service quality and satisfaction in individualistic cultures than in collectivistic cultures. Conversely, collectivistic cultures tend to emphasize affective and relationship-oriented measures as predictors of quality and satisfaction (Okazaki and Alonso Rivas, 2002; García Sanchis and Gil Saura, 2005; Smith and Reynolds, 2009).

In terms of masculinity/femininity, research shows that masculinity oriented cultures place more emphasis on material success, task performance and functional attributes of products and services, whereas femininity oriented cultures emphasize relationships and affective cues (Furrer et al., 2000; De Mooij and Hofstede, 2002; San Martín and Jiménez, 2011). Given this, one would expect explicit promises to have a stronger influence on expectations in masculinity oriented cultures and implicit promises to have a stronger influence on expectations in femininity oriented cultures.

In higher uncertainty avoidance cultures, consumers are expected to engage in greater information search in order to reduce said uncertainty. Information provided by the marketer may help to facilitate this process by selectively determining the amount of content shared – a concept also known as bolstering (Ha and Hoch, 1989; Janis and Mann, 1977). Ultimately, bolstering helps the consumer to cope with the perceived risk of a consumption transaction and create more accurate expectations (Russ, 2006). Thus one

would expect both a greater reliance upon explicit promises in expectation formation in higher uncertainty avoidance cultures.

Consumers in cultures high in power distance are expected to employ external promises in expectation formation more than consumers in cultures low in power distance, especially when the promises come from advertising and knowledgeable expert salespersons (Pornpitakpan and Francis, 2001). This is because individuals in high power distance cultures tend to respond in socially desirable ways to those in high positions of power and status (Simon, 2001) and status-based advertising (Alden, Hoyer, and Lee, 1993). Citing Hofstede, Hofstede and Minkov (2010), Samaha, Beck and Palmatier (2014) confirm that individuals in high power distance cultures rely on expert opinions in decision making settings.

*P5: Explicit promises have a stronger influence on expectations in individualistic cultures than in collectivistic cultures.*

*P6: Explicit promises have a stronger influence on expectations in low-context cultures than in high-context cultures.*

*P7: Explicit promises have a stronger influence on expectations in high uncertainty avoidance cultures than in low uncertainty avoidance cultures.*

*P8: Explicit promises have a stronger influence on expectations in masculine cultures than in feminine cultures.*

*P9: Explicit promises have a stronger influence on expectations in high power distance cultures than in low power distance cultures.*

### **Implicit Promises**

Though not referring to any specific cultural dimensions, Torres, Fu and Lehtob (2014) found that nationality differentiated which service cues were likely to delight hotel guests. Hofstede (1991) asserts that high-context communication is more important in collectivist countries. High-context communication is similar to implicit promises in that the way something is communicated is more important than what is communicated. Relatedly, because brand image (i.e., implicit promise) is often tied to public opinion and conspicuous consumption (Johnson, Gustafsson, Andreassen, Lervik, & Cha, 2001; Abulaiti et al., 2010; Fischer et al., 2010), one would expect implicit promises to influence expectations in collectivist cultures rather than in individualist cultures.

Cyr (2008) found that culture impacted the importance of online information quality (IQ) evaluations and the relation between IQ and user satisfaction. IQ includes attributes, such as information accuracy, timeliness, usefulness, completeness, relevance, and security (Xu, Benbasat, Cenfetelli, 2013). Cyr (2008) also found that uncertainty avoidance actually explained why IQ was more important to Chinese respondents than Canadian respondents. Due to higher uncertainty avoidance, Chinese consumers placed more importance on IQ as a way of reducing risk when shopping online (Cyr, 2008). Similarly, Synodinos (2001) found that consumers high in uncertainty avoidance were willing to pay higher prices (implicit promises) in order to avoid the risk of failure, and Crofts and Erdmann (2008) found that tourists from masculine cultures were more negatively affected by high prices (implicit promises). Thus, one would also expect uncertainty avoidance to relate to expectations such as price. Given these findings, one would expect consumers high in uncertainty avoidance cultures to place more importance on implicit promises than consumers from low uncertainty avoidance cultures.

In a study of service recovery expectations, Kanousi (2005) found masculinity to be linked to higher expectations about tangibles (implicit promises). Thus, one would expect implicit promises to influence expectations in masculine cultures more than in feminine cultures. Similarly, since many implicit promises relate to status (e.g., brand image, price) and, as expressed earlier, individuals in high power distance cultures tend to respond to status in socially desirable ways (Simon, 2001; Samaha, Beck and Palmatier, 2014), one would expect implicit promises to have a stronger influence on expectations in high power distance cultures than in low power distance cultures.

- P10: Implicit promises have a stronger influence on expectations in collectivistic cultures than in individualistic cultures.*
- P11: Implicit promises have a stronger influence on expectations in high-context cultures than in low-context cultures.*
- P12: Implicit promises have a stronger influence on expectations in high uncertainty avoidance cultures than in low uncertainty avoidance cultures.*
- P13: Implicit promises have a stronger influence on expectations in feminine cultures than in masculine cultures.*
- P14: Implicit promises have a stronger influence on expectations in high power distance cultures than in low power distance cultures.*

### **Word-of-Mouth**

Word-of-mouth is tied closely to social connections. For example, Richins (1987) found that strong social ties increase the likelihood of negative word-of-mouth. Similarly, information on innovations diffuse relatively rapidly in collectivist countries due to strong network ties and the rapid communication that occurs (Takada and Jain, 1991). These observations have led Watkins and Liu (1996) to hypothesize that the greater the degree of collectivism in a culture, the stronger will be the social ties among consumers in that culture. Given these findings, one would expect word-of-mouth communication to influence expectations more in collectivist cultures than in individualist cultures.

Word-of-mouth communication does not always imply advice and recommendations from friends, family members and colleagues. Consumers also search the Internet for external information, such as reviews and chatrooms, because they view these as more credible, unbiased, and emphatic than marketer-sponsored website information (Dwyer 2007; Brown, Broderick and Lee 2007; Dellarocas, Zhang and Awad 2007; Sen and Lerman 2007; Bickert and Schindler, 2001). Therefore, we can expect that consumers from high uncertainty avoidance cultures are more likely to rely on word-of-mouth as a source of expectation formation.

High power distance cultures generally favor status enhancing relationships and communication (Hennig-Thurau et al., 2004). This desire for status is likely to lead consumers to convey product and service-related message (i.e., word-of-mouth) in order to enhance his/her status. Similarly, receiving consumers are more likely to value word-of-mouth from important others. These reciprocal relationships enhance status and the ability to secure relational resources (Samaha, Beck and Palmatier, 2014; Huberman, Loch, and Öncüler, 2004). Additional support for these assertions can be found in the research of Lam, Lee, and Mizerski (2009), who found high power distance to have a positive effect on in-group word-of-mouth. Given these findings, one would expect word-of-mouth to have a stronger influence on expectations in high power distance cultures than in low power distance cultures.

Because word-of-mouth involves both close relationships and opinion leaders, it is likely that both feminine and masculine cultures will use it to form expectations. For example, Van Everdingen and Waarts (2003) found a positive relationship between in-group word-of-mouth and masculinity. In such cases, one can expect that if the opinion leader were sharing information, the status-seeking consumer high in masculinity would use that information to form expectations. However, it is likely that cultures high in femininity would value word-of-mouth as well, especially given that such cultures are characterized by strong relationship orientations (Hofstede, 2001). Therefore, we propose no significant difference between masculine and feminine cultures in the formation of expectations.

- P15: Word-of-mouth communication has a stronger influence on expectations in collectivist cultures than in individualist cultures.*
- P16: Word-of-mouth communication has a stronger influence on expectations in high uncertainty avoidance cultures than in low uncertainty avoidance cultures.*
- P17: Word-of-mouth communication has a stronger influence on expectations in high power distance cultures than in low power distance cultures.*

*P17: Word-of-mouth communication will equally influence expectations in feminine and masculine cultures.*

**Past Experience**

Script theory is helpful for explaining the use of past experience. Consumers often internalize scripts in their memory from previous experience (Martin, Harrod, and Siehl 1980; Nelson 1981). The lower the uncertainty avoidance, the more likely consumers will engage in minimal cognitive problem solving, and an existing script is one way of doing so (Einhorn and Hogarth, 1985). Thus, one would expect consumers from low uncertainty avoidance cultures are more likely to rely on past experience than consumers from high uncertainty avoidance cultures.

*P18: Past experience has a stronger influence on expectations in low uncertainty avoidance cultures than in high uncertainty avoidance cultures.*

**TABLE 1  
SUMMARY OF PROPOSITIONS**

	Explicit Promises	Implicit Promises	Word-of-Mouth	Past Experience
<b>Ind/Collectivist</b>	Individualist > Collectivist	Collectivist > Individualist	Collectivist > Individualist	N/A
<b>Feminine/Masculine</b>	Masculine > Feminine	Feminine > Masculine	Feminine = Masculine	N/A
<b>Power Distance</b>	High PD > Low PD	High PD > Low PD	High PD > Low PD	N/A
<b>Uncertainty Avoidance</b>	High UA > Low UA	High UA > Low UA	High UA > Low UA	Low UA > High UA
<b>High/Low Context</b>	Low-Context > High-Context	High-Context > Low-Context	N/A	N/A

**DISCUSSION, LIMITATIONS, CONTRIBUTIONS AND FUTURE RESEARCH**

Once tested, this research will contribute to international marketing practices as well as a broader understanding of cultural values. First, the research will help to answer how cultural values determine expectations and satisfaction. Knowing how certain cultural differences moderate expectations and satisfaction could help strategists to develop more tailored approaches if necessary. Second, this research will open the door to additional research into the formation of expectations and other components within the CS model. Very few researchers have proposed and tested theories dealing with the impact of culture upon CS and its related components. Once tested, this theory could make a significant contribution to the cross-cultural examination of CS.

A primary limitation of this paper is that it is purely conceptual. The stated propositions have yet to be tested. A second possible limitation involves the assumption that the general disconfirmation-of-expectations model holds across cultures. Practitioners and academicians in Europe and North America have utilized CS studies for some time. However, in other parts of the world, studies of CS have only recently been recognized for their value to the organization. Although the concept of CS may now be recognized worldwide, there is very little empirical support for the disconfirmation-of-expectations model worldwide. Places where the model have been tested include China (Yau 1994) and Korea (Suh, Kim, and Lee 1994). Finally, a potential limiting factor for this work could be data availability. Comprehensive data on both the cultural dimensions as well as CS across a broad range of cultures/countries may be difficult to collect, potentially limiting the generalizability of the study.

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