

**Cross-National Comparison of Attributes and Qualities of Effective Customer Contact
Employees during Face-to-Face Complaint Handling Encounters**

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Abstract: Recent research in customer satisfaction suggests that attributes of products and services can be classified into three categories, must-be factors, one-dimensional factors and excitement factors, which all affect customer satisfaction and dissatisfaction. These originate from Kano's model (1984) that allows researchers to gain a deeper understanding of customer preferences by analysing how they evaluate and perceive product or service attributes. This paper uses the Kano model to gain a deeper understanding of attributes of effective frontline employees dealing with customer complainants in personal interactions. For products such as the TV remote control, Kano (2001; 2006) showed that excitement factors deteriorate to must-be factors over time. This research investigates whether the same phenomenon holds true for attributes of service employees. Data were collected from 197 respondents with complaining experience in the UK and Saudi Arabia, these being two countries at different stages of service sector development and the analysis of the Kano maps reveal significant differences between the two countries.

Keywords: Complaint satisfaction, Kano model, Service interactions, Cross-national comparison

Biography

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Introduction

Recent research in customer satisfaction and dissatisfaction suggests that attributes of products and services can be classified into four categories. These categories are described as indifferent factors, must-be factors, one-dimensional factors and excitement factors (attractive quality), which all affect customer (dis-)satisfaction differently (e.g. Anderson and Mittal 2000; Löfgren and Witell 2008; Matzler, Fuchs, and Schubert 2004; Nilsson-Witell and Fundin 2005). These originate from Kano's model (1984) categorizing customer needs, which allows researchers to gain a deeper understanding of customer preferences by analysing how they evaluate and perceive product or service attributes. For some products, such as the TV remote control, Kano (2001; 2006) showed that product and service attributes have a life cycle meaning that excitement factors deteriorate to one-dimensional factors and then must-be factors over time. In a service context a similar life cycle exists, for example, Nilsson-Witell and Fundin (2005) found that after using an e-service (online ordering of movie tickets) for five or more times customers perceived the service as a one-dimensional or even must-be factor.

The following research study investigates whether the same life cycle phenomenon holds true for attributes of service 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, Heskett, and Sasser 1990), the evidence shows that many companies still view customer complaints as low priority, not worthy of investment in time and money and even in some cases making the complaining process more difficult. Naylor (2003), for example, estimates that fewer than 50 percent of complainants receive a reply from the company and those that do often view the organisation's response as unsatisfactory.

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. Similarly Holloway and Beatty's study (2003) of service failure in on line retailing in the US reported that the majority of respondents did not feel they had received a just response in recovery terms.

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 model of customer satisfaction. We then review the literature on complaint satisfaction and the important role of the contact employee in the complaint handling encounter. After that, we describe a study that uses the Kano model to develop a first 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 that these findings have for management and further research in this area.

The Kano Model of Customer Satisfaction

Over the last twenty years Kano's (1984) model of customer satisfaction has increasingly gained acceptance from both academics and practitioners (Löfgren and Witell 2008). The model posits that satisfaction is a multidimensional construct consisting of the following factors: *Indifferent factors* are attributes that do not have an impact on customers' satisfaction levels. *Must-be factors* 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 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. *Excitement factors* are attributes that make customers very satisfied or even delighted (Matzler et al. 2004), if the product or service achieves these factors fully. Customers are, however, not dissatisfied if products or services do not meet these requirements.

The Kano model also shows which attributes have the strongest impact on customer (dis)satisfaction. This characteristic of the model 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). Companies can then decide for which qualities and behaviours of contact employees they should design effective training programmes to improve employee performance and/or which qualities prospective job candidates for posts with complaint handling responsibilities should possess to handle complaints successfully. In the following, the Kano model will be used to investigate an important topic in the (services) marketing literature – how companies can create complaint satisfaction in personal complaint handling interactions.

The Important Role of Complaint Satisfaction

The importance of the successful management of customer complaints should not be underestimated, particularly with regard to services where quality remains very much a matter of customer perception. The repercussions of failure include customers engaging in negative word-of-mouth (Blodgett, Wakefield, and Barnes 1995, Lerman 2006) and moving to competitor companies (Homburg and Fürst, 2005) along with the potential high costs of acquiring new customers (Hart *et al.*, 1990). Importantly Dhar and Glazer (2003) point out

that repeat purchases by established customers usually require up to 90% less marketing expenditure than do purchases by first time buyers.

By voicing their concerns, customers show they are still interested in continuing the relationship. This is the organisation's opportunity to solve the problem such that costs (like negative word-of-mouth, switching providers and lost turnover), can be prevented or at least minimized (Stauss 2002). Research findings reveal that complaint satisfaction can prevent customers from switching to other providers, inhibit negative word-of-mouth communication and even encourage customers to engage in positive communication about the company (Stauss 2002).

Stauss (2002, p. 174) defines complaint satisfaction as "the satisfaction of a complainant with a company's response to her/his complaint". It is the result of a subjective evaluation process and Parasuraman, Zeithaml, and Berry's (1985) expectations-disconfirmation paradigm provides a useful analogy to understand the process. Customers compare their expectations concerning the company's complaint handling activities with their perceptions. Customers should be satisfied if the experience exceeds expectations and dissatisfied if not; the theory also suggests that they will be indifferent if their perceptions equal their expectations but one might argue that at the very least the relationship may be maintained in such a situation.

The Role of Customer Contact Employees

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

employee's response. Customer contact employees are vital in the recovery from failures (Bell and Luddington 2006; Boshoff and Allen 2000; Kau and Loh 2006; Maxham and Netemeyer 2003) and should also play an important role in creating complaint satisfaction in face-to-face complaint handling encounters.

A number of studies indicate the importance of human interaction in the determination of satisfactory service (Chebat and Kollias, 2000; Van Dolen, De Ruyter, and Lemmink 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, Booms, and Tetreault 1990) as they are the primary contact point before during and after the service is delivered (Chung-Herrera, Goldschmidt, and Hoffman 2004). It is also the way in which they manage this interaction that will impact on satisfaction (Bitner, Booms, and Mohr 1994).

We suggest that once a company has recognized and understood complaining customers' expectations, then contact 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, Thelen, and Pieters 1999).

The academic literature reveals that the current state of understanding of complaint satisfaction is a contested area (Kim et al. 2003), with Hocutt, Bowers and Donovan (2006) and Holloway and Beatty (2003) arguing 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. Much of the published research in this area has been focused on variables other than the role of the frontline staff, for example, the customer's attitude toward complaining (Richins 1982), attribution of blame (Folkes 1984), and the likelihood of a

successful solution (Singh 1990). Similarly research has 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. The research of Wirtz and Mattila (2004) shows that satisfaction acts as the main variable in service recovery. In turn satisfaction will be influenced by the contact employee's performance during the complaining handling encounter. Building on the importance of the contact employee in mediating for complaint satisfaction, this paper will examine which attributes of customer contact employees are preferred by complainants in two countries at different service development stages to create complaint satisfaction in face-to-face (complaint handling) encounters.

Aim and Design of the Study

Given the current lack of knowledge concerning the preferred attributes of customer contact employees dealing with complaints in personal interactions (Gruber, Szmigin, Voss 2006), it was decided to conduct an exploratory research study. The major aim of the present study is to use the Kano model of customer satisfaction to gain a valuable first insight into the attributes of effective customer contact 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, we will especially examine if factors that are one-dimensional or even must-be factors in a highly developed service economy can still create delight (excitement factors) in a less developed service economy. 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 one-dimensional and then finally must-be factors.

Take in Figure 1

We decided to focus on collecting data in the UK and Saudi Arabia, these being two countries at very 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 a 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:

Take in Figure 2

Cross-national studies are concerned with comparing consumer behaviour in different countries, validating marketing models (Malhotra and McCort 2001) and with understanding of the similarities and differences between two or more countries. Comparing what attributes of contact employees consumers in the UK and Saudi Arabia prefer during personal complaining handling encounters should enable us to understand the influence of the developmental stage of services economies on complaining customers' satisfaction with contact employees' qualities in these two countries. The outcomes of the comparison could provide companies with important implications for managing service encounters in two different national settings (Steenkamp 2001).

Data Collection and Analysis

Data were collected from 99 respondents with complaining experience in the UK aged between 22 and 28 years ($X=25.4$) and from 98 individuals in Saudi Arabia with complaining experience aged between 25 and 36 ($X=32.8$). All respondents completed a Kano questionnaire containing nineteen attributes taken from previous complaint handling studies (e.g. Gruber et al. 2006). 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 customer contact 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 question consisting of two parts: How do you feel if the feature is present? and how do you feel if the feature is not present? (Berger et al. 1993, p. 5). Respondents were, for example, asked “If a contact employee takes sufficient time to handle your complaint, how do you feel?” (functional form of the question) and “If a contact employee does not treat you

respectfully during the complaint handling encounter, how do you feel?" (dysfunctional form of the question). For each question, respondents could then answer 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.

Using an evaluation table developed by Kano (1984), the attributes were classified as must-be, one-dimensional and excitement factors and then visualized in two charts that illustrated which attributes are must-be, one-dimensional, and excitement factors for complainants in the two countries. In the evaluation table, the functional and dysfunctional forms of the question are combined, leading to different categories of requirements. Beside the four main categories (indifferent, must-be, one-dimensional, and excitement factors), the evaluation table also allows the classification of requirements as either reverse or questionable. Reverse features are those that are not only not wanted by the customer but that 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 lead 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 ("Apologies" and "Further questions") led to three questionable results.

Results and Discussion

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

Take in Figure 3

The map reveals that almost all employee attributes are one-dimensional, 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 customer contact 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, Hogan, and Busch 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 contact 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 must-be requirement. 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 also 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, Stoddard, and Clay 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 complaint satisfaction), is almost an excitement factor that satisfies customers if employees perform it but that does not increase customer dissatisfaction if they do not.

Take in Figure 4

The Kano map for Saudi Arabia (figure 4) highlights significant 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). The empowerment of employees to take concern seriously, quickly handle complaints, solve problems, answer further questions, give feedback and compensate for any cost, is important in exciting

customers and reinforcing their positive attitude towards the relationship with the service provider. Personalizing the service encounter/interaction helps in speeding up the recovery and boosting customer satisfaction and ultimately increases customer commitment.

The key one-dimensional 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; Rice 2003 2005). 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.

By comparison, no attribute in the UK Kano map appears in the area of excitement factors. Other attributes in the map for Saudi Arabia fit in the top end of the area of one-dimensional 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 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.

Managerial Implications

Customer complaint satisfaction is a crucial area for managers and academics alike to focus upon and better understand, especially in the context of such long term profitability and the success of the company's relationships with customers and the management of employees.

The opportunity that a complaining customer gives a company in terms of recovery and improvement of the relationship should not be underestimated. Importantly, the voicing of concern indicates customers' willingness to maintain the relationship (Hirschman 1970).

Companies who have not as yet understood this, urgently need a revolution in their thinking and management such that they no longer regard customer complaints as annoying.

Companies must respect consumers' rights (East 2000) and regard customer complaints as a valuable source of information for them to improve their services or products (McCole 2004).

Expectations of complaint handling are also likely to affect how customers evaluate a service firm as much as their expectations of the original service and it is therefore vital for the firm to understand this (Burgers et al. 2000).

The Kano map for the UK showed that the contact employee attribute "Respectful Treatment" has the potential to dissatisfy customers significantly and is close to being a must-be criteria. 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 by taking them seriously as they already expect

this behaviour. Nevertheless, it is a very important attribute to get right 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 basic needs first and their expectations and consumption or complaint handling needs second (Oliver, 1997; Schneider and Bowen, 1995). Thus, companies should not only focus on dealing with complaints efficiently, but also offer, what Chebat, Davidow, and Coddjovi (2005, p. 340) term “psychological compensation” by redressing complaining customers’ emotions as well.

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 contact employees. While such programmes may represent a certain form of culture change for some, they should have a significant impact on both employee’s attitudes and behaviours (Peccei and Rosenthal 2000). Internal marketing that can also act as a culture change initiative (Kelemen and Papasolomou 2008) could also help improve contact employees’ customer orientation and help them become more service minded. Kelemen and Papasolomou (2008), however, point out that internal marketing should include *all* employees of a company and not just their frontline employees.

After having taken part in these programmes, frontline employees should demonstrate positive service attitudes and behaviours. They should have internalised pro-social service values and behave accordingly. It must be considered, however, that some employees, may behave appropriately (customer oriented) but will not have internalised service beliefs and

values. Thus, the possibility of improving an employee's willingness to help customers through training may have limits and companies should therefore focus on recruiting individuals who inherently want to help customers. Frontline employees should be *genuinely* willing to act on behalf of the complaining customer and possess sufficient skills and the authority to handle the complaint successfully.

Companies should also try to recruit individuals who have strong listening, questioning, and verbal skills as complaining customers take these skills for granted. For this purpose, several techniques (e.g. role-plays) could be used in the recruitment stage to find job candidates with an appropriate level with such skills (De Ruyter and Wetzels 2000; Ramsey and Sohi 1997). As listening is a skill, it can be learned, taught, enhanced and evaluated (De Ruyter and Wetzels 2000; Ramsey and Sohi 1997). Ramsey and Sohi (1997) suggest the following training activities: Customer contact employees could enhance their sensing skills by focusing more on concentration and sensitivity (*Sensing* dimension of the active listening construct). Front-line employees should also be trained to improve their capability to analyse messages and interpret their correct meanings. Therefore, they have to increase their knowledge base by including scripts and cues to their repertoire (*Evaluating* dimension). Finally, contact employees have to be able to respond better to customers; they have to enhance their verbal communication skills and to improve their patience and adaptability (*Responding* dimension).

Contact employees can learn all these skills through role-playing and several other training tools but companies also need to ensure that training in active listening takes place throughout the employee's career and not only during the initial training period (Ramsey and Sohi 1997).

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 shifted more towards the excitement factor area. This important finding reinforces the argument made by Kano (1984) that customers' excitement deteriorates over time to one-dimensional and then must-be 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.

Clearly, the findings show Saudi Arabia to be a very attractive market. With customers expectations being simpler, international companies have many opportunities to exploit. UK companies wanting to enter the Saudi Arabian market can expect lower customer expectations 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. Before starting their business abroad, UK companies could also conduct their own Kano studies to learn more about their new customers' preferences. UK companies can also increase their chances abroad if they send employees who know the foreign market (e.g. by having made several visits and having attending cross-cultural training sessions) and who have a low perceived psychic distance towards it, which Sousa and Bradley (2008, p. 470) define as "the individual's perception of the differences between the home country and the foreign country".

Alternatively, UK companies could train Saudi Arabian employees, who know the local market, the essentials of effective complaint handling.

Companies looking to build strong customer base in Saudi Arabia need to be relationally oriented as the findings show that 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. Given the varying levels of customers' sophistication between the two countries, Saudi customers are less demanding in term of innovation in services compared to their British counterparts. Thus, international companies can still satisfy Saudi customers with less effort and less costs. This is also related to the nature of competition in the two countries where acquiring new customer 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 on all of the attributes that have significant impact on the company-customer relationship. Using the local Saudi workforce, as mentioned above, would help in not only in building and maintaining such relationships but also in complaint handling and service recovery.

International companies operating in developed service economies are likely to have high levels of experience and knowledge. Thus entering into a less developed service economies such as Saudi Arabia can provide such international companies with a strong competitive advantage over local companies. The resources international companies have, especially the experience and ability to innovate, should put these companies in a better position to satisfy customers in Saudi Arabia. However, to succeed in a market like Saudi Arabia, these companies should also have a long-term relational approach to the market.

Saudi Arabian companies thinking about entering the well-established UK market could also send their own staff (again preferably individuals with low perceived psychic distance) or hire local UK employees with complaint handling expertise. Saudi Arabian companies, however, have to be aware of the fact they will have to serve customers who are accustomed to high levels of service performance. These customers have high expectations and a critical attitude towards service quality (Zhang et al. 2008).

Limitations and Directions for Further Research

Our study adds to the theoretical and managerial understanding of complaint handling encounters by providing valuable first insights into significant differences between two countries at different stages of service sector development. The research study, however, still has several limitations. First of all, as the study involved only two groups of respondents, the results cannot be generalized beyond these groups even though our respondents had both sufficient working and complaining experience. Due to the exploratory nature of the study and the scope and size of the sample, the results are tentative in nature. Even though our study has a sample size similar to several existing Kano studies (Löfgren and Witell 2008), future research studies could still use larger probability samples that represent the broader (complaining) consumer population in the selected countries.

Zhang, Beatty, and Walsh (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, Liu, Sudharshan 2000) that found consumers from individualistic cultures having higher levels of service expectations than customers from collectivistic cultures. Thus, following Zhang et al.'s (2008) call for more cross-cultural research on customer complaining behaviour, 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. Variations in national service environments (Witkowski and Wolfinbarger 2002) could also have contributed to the perceived differences and further research should address this issue as well.

Another area of potentially fruitful research relates to differences between customer and contact employees expectations. For example, service providers and employees may not match the quality perceptions and expectations of customers (Bitner, Brown, and Meuter, Mattila and Enz 2002). Future studies could include sampling both contact employees and their customers in order to identify differences and similarities in perceptions of the complaint process. An understanding of such differences could prove particularly important for the development of appropriate training programmes.

The study provides an important insight into the preferred attributes of customer contact employees dealing with complaints in face-to-face complaint handling encounters. The analysis of the Kano questionnaires for the UK revealed that complaining customers take the contact employee's ability to listen carefully for granted, indicating that its absence will have serious results for the company. In highly developed service economies, customers have high service expectations and are also increasingly critical of the perceived service quality (Kelemen and Pappasolomou 2008). Thus, further research should focus now on identifying the attributes of contact employees that can create not only complaint satisfaction but even complaint delight (excitement factors) so that companies, especially those in highly competitive markets, can stand out from the competition.

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Figure 1. Estimated Size of Service Sector in Selected Countries (adapted from Lovelock and Wirtz (2007, p. 7))

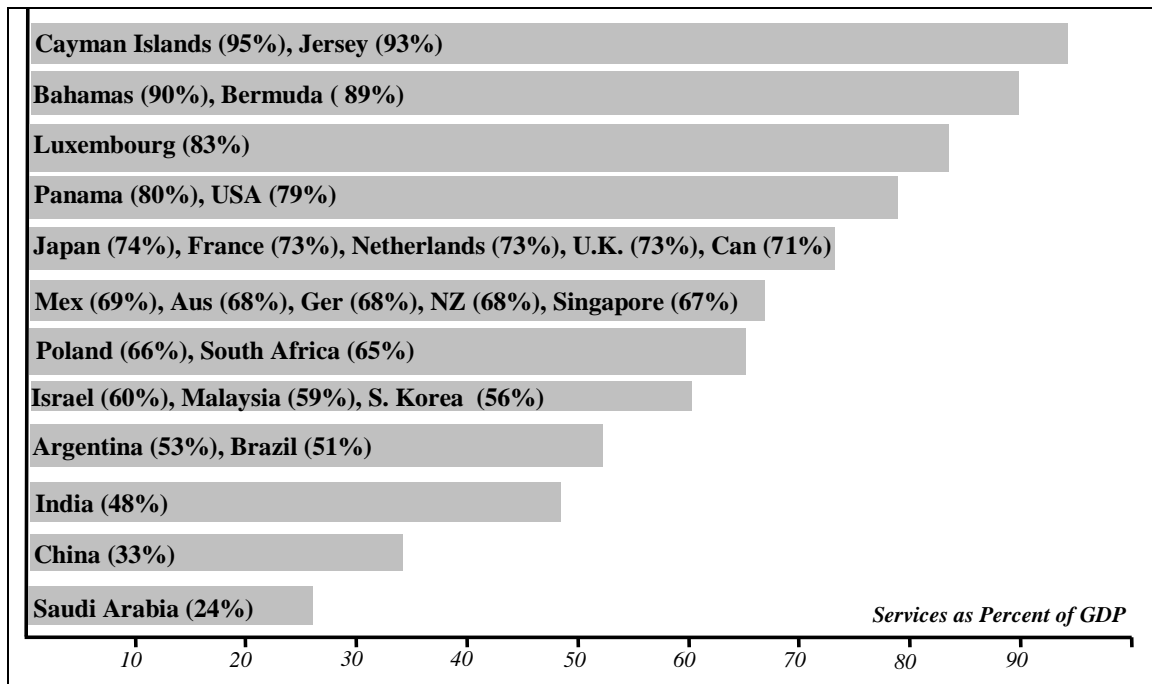


Figure 2. Life Cycle of Quality Attributes (adapted from Kano 2006)

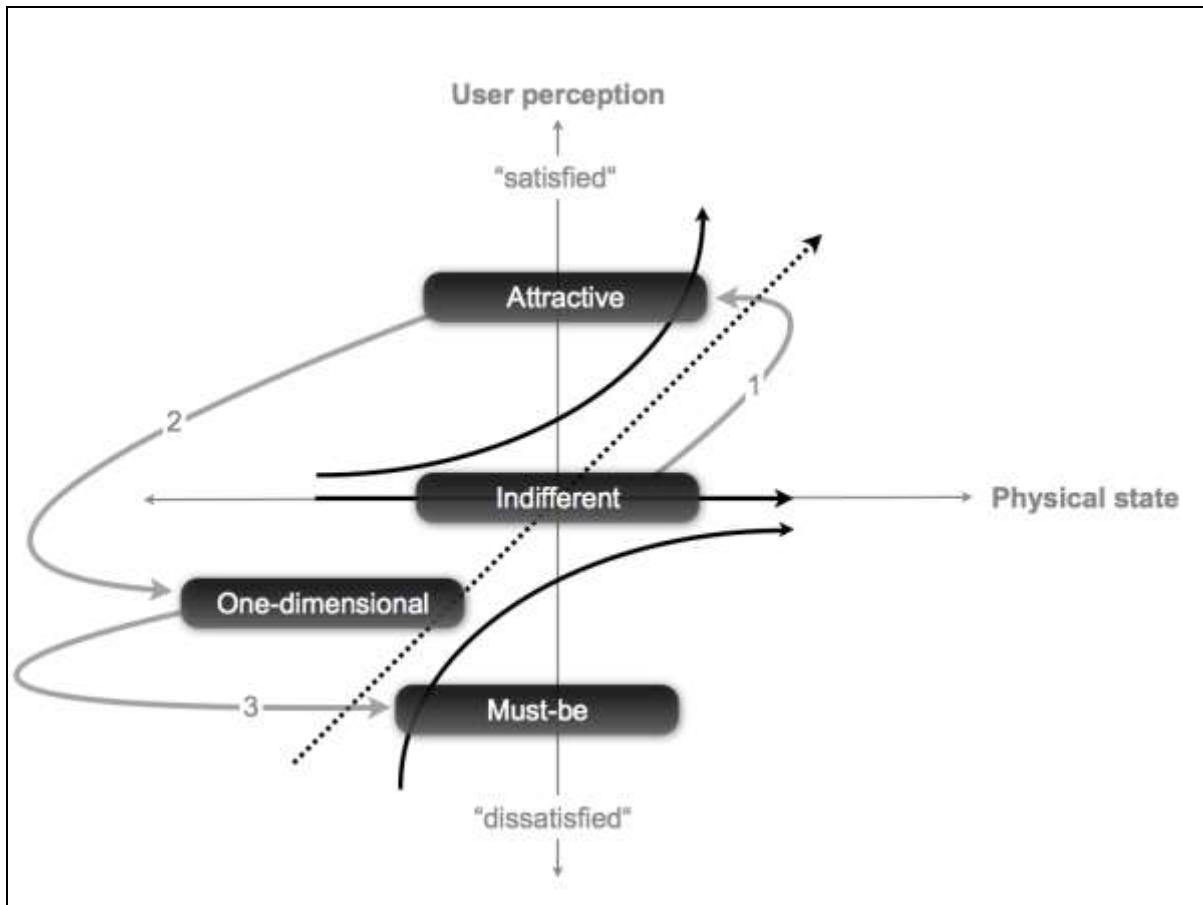


Figure 3. Influence of Employee Attributes on Satisfaction and Dissatisfaction (UK)

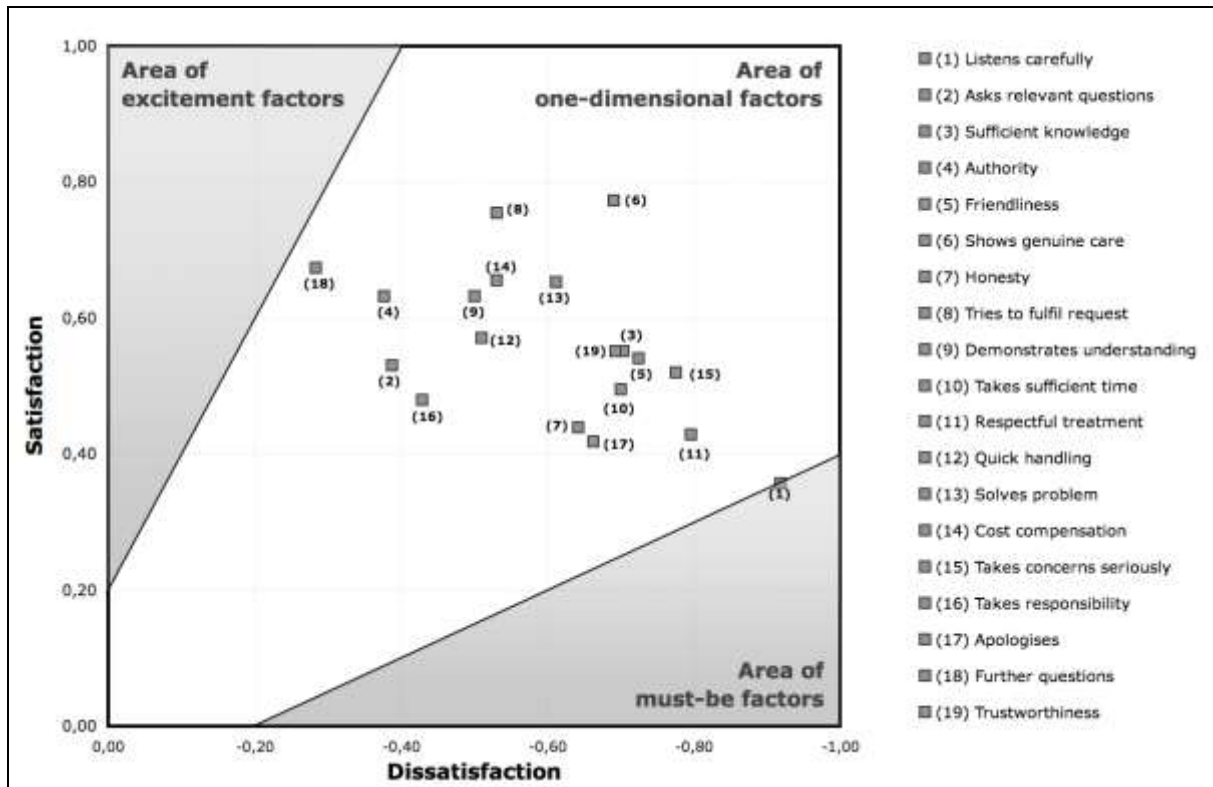


Figure 4. Influence of Employee Attributes on Satisfaction and Dissatisfaction (Saudi Arabia)

