THE UNIVERSITY OF STRATHCLYDE
DEPARTMENT OF MARKETING

CONSUMERS' PERCEPTIONS AND SELECTIONS OF DOMESTIC VS. FOREIGN AIRLINES IN THE ARABIAN GULF REGION: A SURVEY AMONG TEACHERS IN QATAR

BY

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Declaration of author's Rights

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DEDICATION

TO MY MOTHER
AND
THE MEMORY OF MY FATHER

"MY LORD! BESTOW ON THEM THY MERCY EVEN AS THEY CHERISHED ME IN CHILDHOOD."

ABSTRACT

This thesis investigates Qatari consumers' perceptions and selections of domestic vs. foreign airlines in the Arabian Gulf region, Qatar. The airlines used in this study are grouped into three categories: Gulf (named as "domestic"), Arab non-Gulf, and foreign airlines (named as "foreign").

The main objectives of this study are: (1) to understand customers' general perceptions of airlines in Qatar; (2) to examine country of origin (COO) effects on airline selection; (3) to understand country of origin (COO) effects on perceptions of quality, price and patriotic feelings and (4) to explore the relationships between demographic variables and COO effects.

430 questionnaires translated into Arabic were hand-delivered by the researcher to the headmasters and mistresses who were then asked to distribute them as randomly as possible among teachers in 100 schools in order to determine their perceptions and selections of Gulf vs. foreign airlines. Of the 430 teachers, 380 responses were received, of which 324 were usable questionnaires for final analysis resulting in a high response rate of 75.3 .

Overall, the findings of this research support the following main conclusions:

1. Domestic services had an unfavourable image in comparison to the foreign services and a favourable image compared with the Arab non-Gulf services.

2. Domestic services were perceived to have "higher prices in general" and to offer "more value for money" than the Arab non-Gulf services. But, when they were compared with foreign services, findings indicated that foreign services were perceived to have slightly more competitive prices and to offer better value for money than the Gulf services.

3. The demographic variables were relevant to few quality and price variables among the list used in this study.

4. In terms of consumers' selection of airline, the home country bias appeared to be more relevant in preferring services provided by the consumers' home-country to foreign ones. Moreover, significant relationships were found between gender and airline selection. Significant differences were also found between the consumers' perceptions of the quality and the price of the Gulf, Arab and foreign services in terms of their selection of an airline.

5. Significant relationships were found between patriotism and consumers' perceptions of some of the domestic service quality variables but not with any of the price variables.

6. The 32 factors considered important in choosing an

airline were factor analysed to define customer airline selection criteria. The results showed that they could be summarised in six factors, namely performance, assurance, accessibility, frequency of flights, understanding/knowing the customer and trustworthiness. Significant relationships were found between the demographics of gender, marital status and income and factors considered important in choosing an airline.

Finally an overall summary of the study, its contribution, limitations, and implications for further research are discussed.

Key words: Marketing of services
Service quality
Airlines
Product/Service evaluation
Country of origin (COO) effects
Domestic vs. Foreign
Gulf, Arab non-Gulf
International markets
Preferences
Airline choice/selection/perception
Ethnocentrism/Patriotism
Demographic effects
Stereotyping
Qatar

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CHAPTER ONE

INTRODUCTION

THE SIGNIFICANCE AND OBJECTIVES OF THE STUDY

CHAPTER 1

INTRODUCTION

Numerous studies have been conducted since the mid 1960s on how the country of origin (COO) of a product influences consumers' product evaluations in more developed countries (MDCs). Previous studies have revealed that consumers have different perceptions of quality and price for products "made-in" different sources of origin (Al-sulaiti and Baker 1997; Baker and Michie 1995; Baker and Currie 1993).

However, the literature fails to address the question of whether such effects similarly impact consumers' perceptions of a service provider in less developed countries (LDCs). Therefore, the purpose of this study is to examine COO effects on Qatari consumers' perceptions and selections in the context of the airline industry in Qatar.

1.1 The Research Question

The research will be focused on finding answers to the following questions:

1. What are the perceptions of the Qatari consumers of the:

   a) quality and price of the Gulf airline services

b) quality and price of the Arab non-Gulf airline services

c) quality and price of the foreign airline services

2. Are there any differences between the consumers' perceptions of the quality and price of Gulf versus Arab non-Gulf and foreign airline services?

3. Is there any difference between the consumers' perceptions of the quality and price of the Gulf, Arab non-Gulf and foreign airline services and their selection of airlines?

4. Is there any association between the consumers' demographics and their perceptions of the quality and price of the Gulf, Arab non-Gulf and foreign airline services?

5. Is there any difference between the consumers' choice of a Gulf and a foreign airline?

6. Is there any relationship between the consumers' choice of airline and:

   a) their frequency of travel

   b) their demographic variables

7. Is there any relationship between the Qatari consumers' patriotic emotions and:

   a) their selection of a Gulf and a foreign airline

b) their selection of Qatar Airways

c) their perceptions of the quality and price of the Gulf airlines

8. What are the main structures underlying the factors considered important in choosing an airline?

9. Is there any relationship between the factors considered important in choosing an airline and:

a) the users of Gulf, Arab non-Gulf and foreign airlines

b) consumers' demographic variables

1.2 The Research Objectives

The purpose of this study is to examine the effects of country of origin on service evaluations. The hypotheses are developed to provide an extension of knowledge regarding country of origin and its impact on consumers' perceptions and selections of airlines. More specifically the objectives are designed:

1. To understand customers' general perceptions of airlines in Qatar.
2. To examine country of origin (COO) effects on airline selection.
3. To understand country of origin (COO) effects on perceptions of quality, price and patriotic feelings.

4. To explore the relationships between demographic variables and COO effects.

In order to achieve these objectives, theories and practices of COO effects of developed countries are intensively reviewed in Chapter 5. These are then used as a basis for understanding COO effects in Qatar. This approach has been taken because the theories and practices of COO in Western environments are more developed, widely researched and better understood and can provide a broad-based framework from which to study COO effects on consumers' perceptions of airlines services in Qatar.

1.3 Main Methodology

This involves two stages:

Stage 1: The research opens with a review of the literature on marketing services and service quality, the airline industry and country of origin effects on consumers' evaluations of products and services. Following the literature review, the research questions, objectives and hypotheses are developed.

Stage 2: An actual survey of Qatari teachers' perceptions of airlines was conducted in Stage 2 during September-October 1996. The questionnaires were hand-delivered by the researcher to the headmasters and mistresses who were then asked to distribute them as randomly as possible among teachers in each school during working hours. After three weeks' waiting time, questionnaires were personally collected. Of the 430 teachers, 380 responses were received, of which 324 were usable questionnaires for final analysis resulting in a high response rate of 75.3% (see Lovelock et al., 1976). SPSS package was used for the analysis of the data obtained.

1.4 The Significance of the Study

As has been already stated, the present study attempts to determine consumers' perceptions and selections of domestic versus foreign airlines in Qatar. This study is considered important for the following reasons:

1. The findings of this study will be an original contribution to knowledge in this discipline. As far as the researcher is aware, this is the first attempt to investigate consumers' perceptions and selections of services provided by Gulf versus non-Gulf carriers in an environment which has never been investigated before, namely Qatar. Accordingly, it is hoped that the current study will supplement the limited store of knowledge related to this area of study.

Moreover, it serves as a starting point for further research in the area of COO effects on consumers' perceptions and selections of airlines in developing economies.

2. In addition, this study will provide useful information to airline executives of the Gulf, Arab non-Gulf and foreign countries as well as the international business communities in general.

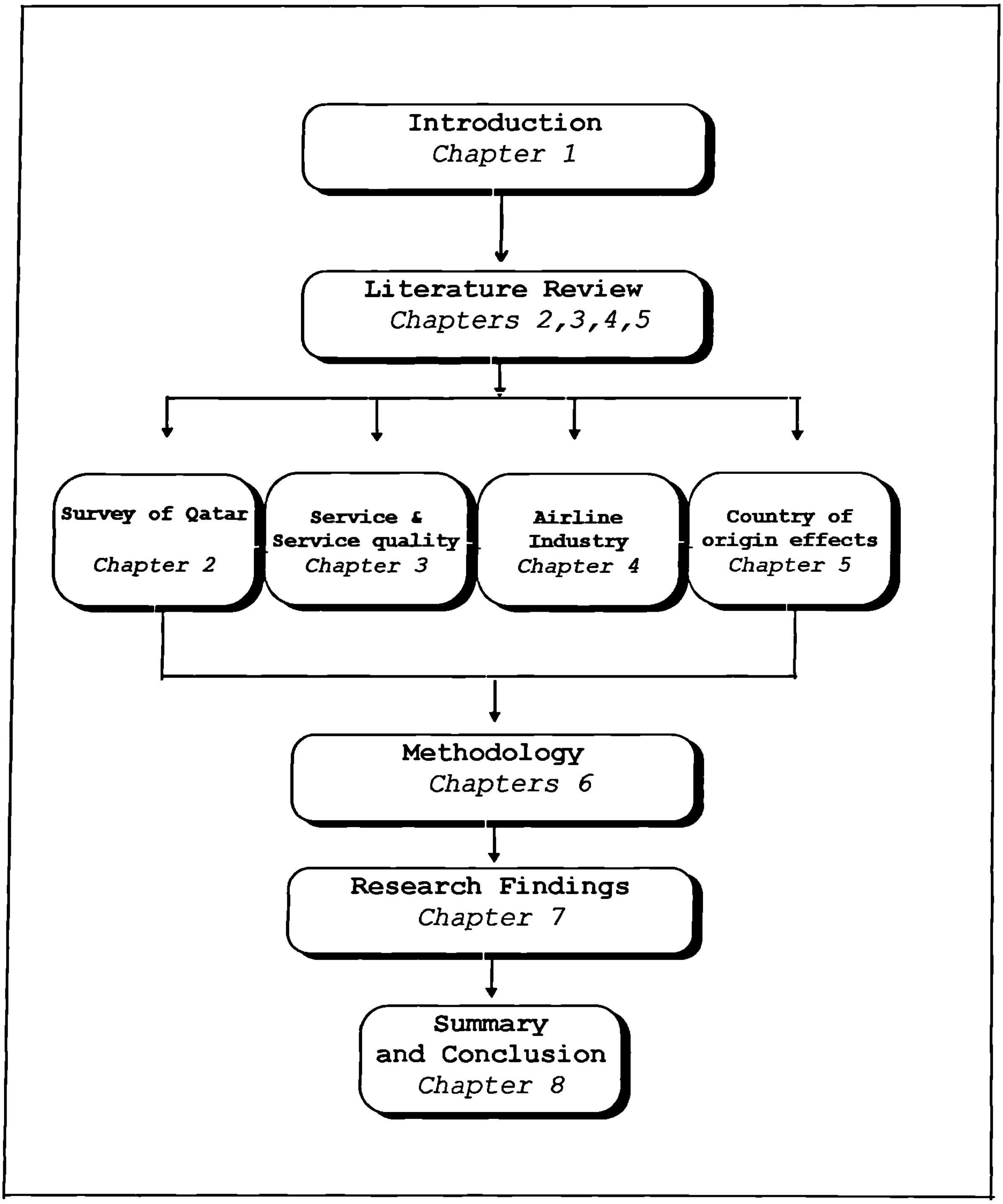
1.5 Organisation of the Thesis

The thesis is divided into eight chapters (see figure 1.1). Chapter one outlines briefly the major topic of the study and identifies its research questions, research objectives, the main methodology of the study, the significance of the study and a summary of the organisation of the thesis. Chapter two provides some brief information about Qatar with the main objective of familiarising the reader with the country under investigation.

Chapter three deals with the literature related to the marketing of services and service quality while Chapter four examines the international airline industry. Chapter five comprises a review of the literature related to the source country impact on product and service evaluation. Chapter six describes the steps taken and the methods used for the current study.

Chapter seven presents an analysis of the data and the findings of the survey while chapter eight provides an overall summary of the thesis and its contribution. It concludes by addressing the limitations of the study and implications for further research. This chapter is followed by appendixes A, B, C, D, and E.

Figure 1.1
Organisation of the Thesis



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CHAPTER 2

THE STATE OF QATAR: A GENERAL SURVEY

CHAPTER 2

THE STATE OF QATAR: A GENERAL SURVEY

A review of literature indicated that no empirical work has been done in Qatar. Therefore information were needed to be explained in this chapter in order to familiarise the reader with the country under investigation. The chapter is divided into six sections, namely:

Section 1: Geography and Climate
Section 2: Population, Religion and Language
Section 3: The Political System
Section 4: The Development of Industry
Section 5: Natural Resources
Section 6: The Qatari Economy
Section 7: Finance and Banking

2.1 Geography and Climate

Qatar is situated half-way along the west coast of the Arabian Gulf, east of the Arabian peninsula, between latitudes (27 to 24, and 10 to 26 degrees north) and longitudes (45 to 50, and 40 to 51 degrees east). Qatar is a peninsula that extends northward covering an area of 11, 437 square kilometres (Al-Sulaiti, 1993).

Several islands are included within the territory of Qatar, the most well known of these islands being Halul (an oil storage centre), Sharauh, Al-Bashiriya and others.

The landscape of Qatar consists of flat rocky surfaces except for some modest hills and higher ground to the north west. The average temperature during the months from November to March varies between 18 and 26 degree Celsius while humidity during that period varies between 55 and 66 per cent. During the summer months the trend is reversed as the average temperature rises to 40 degree Celsius while humidity falls to 52 per cent (Al-Marzooki, 1994). Because of the hot climate, the minor amount of rainfall and limited areas of grazing land with little agricultural farm production, the life of Qatari people was very harsh and it is difficult to start any kind of production, agricultural or otherwise (Al-Marzooki, 1994).

2.2 Population, Religion and Language

Qatar's population can be traced to overland migratory movements by several Arab tribes from neighbouring areas, mainly Najed, Alihsa, and Oman during the 17th and 18th centuries and until the early part of the 19th century (Ministry of Information and Culture, 1996). The present population is estimated at 548,000 inhabitants, most of whom reside in Doha (about 60%), while the rest live in other towns and villages (Word Population Profile 1996, p. A-7).

The people of Qatar follow the religion of Islam. It is a faith as well as a way of life for them and the Holy Quran is the main source of all of their laws, ethical codes and social norms. By and large they follow the Sunni school of thought, while a very small group of people follow the Shei'at school of thought.

Although English is widely spoken, Arabic is the official language and all correspondence with government organisations is normally in Arabic.

2.3 The Political System

The Al-Thani family has been ruling Qatar since the mid 19th century. Previously, it was under the rule of the Ottoman Empire. However, from the beginning of the 20th century close relations developed between Qatar and Great Britain, as a result of which a treaty was signed in 1916 that provided for Qatar to become a British protectorate. Its foreign affairs were under the control of Britain until independence was achieved on the 3rd of September 1971. The declaration of independence was made by H.H. Sheikh Khalifa Bin Hamad Al-Thani (Al-Marzooki, 1994). In 1972 H.H. Sheikh Khalifa Bin Hamad Al-Thani assumed leadership of the country supported by the ruling family, the Qatari people and the armed forces. Following independence, the state of Qatar joined the Arab League, the United Nations Organisation and other international organisations. On the 27th of June 1995, His Highness Sheikh Hamad Bin Khalifa Al-Thani assumed the Emirship state of Qatar supported by the ruling family, the Qatari people and the armed forces (The Economist Intelligence Unit, 1997).

2.4 The Development of Industry

According to the Ministry of Energy and Industry (1996) industrial development in Qatar has gone through four stages, each characterised by certain features:

2.4.1 Stage 1: Prior to the Discovery of Oil in 1949

Before the discovery of oil, the main economic activity was centred on pearl diving and fishing, with limited farming. Other support activities were also found, such as the construction of fishing boats and other simple industries which catered for consumer needs, such as metalware, kitchenware, and suchlike.

2.4.2 Stage 2: 1949-1973

Phase 2 was the period beginning with the discovery of commercial quantities of oil in 1949 and up to 1973. It was characterised by the recovery and processing of oil and associated gas that became abundantly available as a result of on-shore and off-shore oil production. An oil refinery was commissioned in 1968, a cement factory in 1968 and chemical fertiliser plants in 1973.

2.4.3 Stage 3: 1973-1990

In this stage, the industrialisation process progressed into the development stage when Qatar took complete control of the oil sector in 1973. Qatar's oil revenues shot up dramatically as a result of steep increases in international oil prices. In 1974, the first five-year industrial development plan came into force and new basic industrial projects were set up, such as iron and steel production, petrochemicals and natural gas liquids (NGL) as well as several medium-scale companies producing burnt lime and organic fertilisers. Moreover, the private sectors were also expanded. They moved into different types of light industries such as paints, detergents, construction materials, food and soft drinks.

2.4.4 Stage 4: 1990 to Present

This stage started with the commissioning of stage 1 of the North Gas field development project in 1991 to provide natural gas for power generation and to expand existing industries such as petrochemical, chemical fertiliser, steel and other energy-intensive industries. The major development in this stage was the setting up of projects to produce and export liquefied natural gas.

2.5 Natural Resources

Qatar has a number of natural resources, which Ministry of Energy and Industry (1996) summarised as follows:

2.5.1 Oil

Oil was discovered in Qatar in 1939. The first crude shipment, via a pipeline to a terminal at Umm Saeed, was in 1949 from the onshore field Dukhan field on the west side of the peninsula. The total proven oil reserves were estimated at 3.7bn barrels at the start of 1995. The average oil production amounts to 378,000 bpd. On-shore oil is of high quality with specific density of 40.9 and a sulphur content not more than 1.1%. Off-shore oil specific density is 36.3 with a sulphur content of 1.4%.

2.5.2 Gas

> Qatar's gas reserve should guarantee its prosperity for the next 200 years (Dudley 1996).

Qatar's hopes for future prosperity lie in the shallow waters of the Gulf. A 6,000 sq. km area north-east of the Qatar peninsula is home to the world's largest gas field (6.4% of the world's gas reserve). It has proven reserves estimated at 250 trillion cu. ft. In addition some 300 million cu. ft. of associated natural gas is produced by on-shore and off-shore oil fields.

2.5.3 Agriculture

Agriculture accounted for 1.1% of the Gross Domestic Product in 1993. The limited activity of the agricultural sector can be attributed to a number of factors including the salty soil, scarcity of water resources and a harsh climate. As a result, Qatar has designed greenhouse systems with modern irrigation techniques to cool the plants. The total agricultural production from cereals, vegetables, fruits, dates and fodder amounted to about 76,025 tonnes in 1994.

2.5.4 Fresh Water Resources

Qatar depends on two major fresh water sources: (1) wells: its production was estimated at 540.7 million gallons in 1994. (2) Desalinated water: this source of water is produced in two water desalination plants, namely, Ras Abu-Abboud and Ras Abu-Fontas. Production amounted to 20,521 million gallons in 1994.

2.5.5 Mineral Resources

Qatar has large quantities of mineral resources that can be used in the construction industry, such as limestone, gypsum, clay and sand, in addition to smaller quantities of dolomite, salistite and magnesium salts.

2.6 The Qatari Economy

The Qatari economy witnessed positive and negative growth rates during the period 1991-1995 due to fluctuation of oil prices in the international market. "The growth rate during the period 1990-1994 reached 9.2%. The growth rates of the oil sector and non-oil sector during the period 1991-1995 were 9.1% and 9.2% respectively" (Qatar Central Bank 1995, p. 27).

2.6.1 Gross Domestic Product (GDP)

- Crude oil production accounted for almost 35% of GDP in 1993 with a total value of Q.R. 9,750 million against 65% for non-oil sectors.
- The government services sector ranks second in terms of its contribution to the GDP, amounting to Q.R.6,590 million in 1994, compared to Q.R.6,651 million in 1990.
- The manufacturing sector comes third, reaching Q.R.3,275 million in 1994 compared to Q.R.3451 million in 1990.
- Finance, insurance, real estate services and business services occupies the fourth rank in the share of the GDP, reaching Q.R.3,065 million in 1994 compared to Q.R.2553 million in 1990.
- Output of other economic sectors in 1994 was made up,

in order of importance, by: trade, restaurant and hotels, building and construction, transportation and social services, electricity and water, household services, agriculture and fishing, and import duties (see Table 2.1).

Table 2.1
Gross Domestic Product by Economic Activity at Current Prices (1990-1994)

(Unit: Million Q.R.)

Economic Activity	1990	1991	1992	1993	1994
1. Agriculture and fishing	210	238	269	281	290
2. Mining and quarrying	10187	8154	9969	8495	8100
3. Manufacturing	3451	3337	3218	2887	3275
4. Electricity and water	411	309	317	333	345
5. Building and Construction	1130	1029	1199	1196	1280
6. Trade, restaurant and hotels	1480	1674	1842	1827	1830
7. Transport and communication	683	769	864	948	965
8. Finance, insurance, real estate and business services	2553	2833	3180	3003	3065
9. Social services	251	283	507	485	490
10. Imputed bank service charges	-629	-672	-796	-653	-670
11. Government services	6651	6623	6735	6714	6590
12. Household services	268	286	312	322	330
13. Import duties	146	193	216	212	210
Total	**26792**	**25056**	**27832**	**26050**	**26100**

Source: Annual Statistic Abstract. (1995).

2.6.2 Foreign Trade

Foreign trade represents 85.2% of GDP of Qatar in 1992, and the trade balance has been in favour of Qatar for the last ten years, although the surplus was unstable. In 1991 and 1992 the surplus was estimated at Q.R.5.4 billion and Q.R.6.6 billion respectively. In 1992 Qatar exports amounted to Q.R.13.6 billion of which the major items were crude oil, chemicals and relevant materials and manufacturing products. In 1995 total exports amounted to Q.R.12.8 billion, boosted largely by a 13% increase in the value of oil exports, which accounted for two thirds (66%) of total exports. Japan represents the biggest market for exported Qatari products (crude oil), absorbing approximately two thirds of Qatar's exports, while the remainder are sold largely to other Far East consumers. Natural gas will serve to reinforce this trend, with South East Asia becoming more prominent.

In 1992, Qatari imports amounted to Q.R.7.3 billion, of which the major items were personal cars (excluding buses), iron tubes and pipes, and livestock (sheep and goats). Growth in imports has continued and the EIU (1996) estimate 1995 imports at almost Q.R.9.0 billion. The EC is the first trade partner with almost one third (32.1%) of Qatari trade exchange, followed by Asian countries 13.1%, Arab countries 16.7%, American countries 13.3%, other Western European countries 5.4% and others 2.4%.

2.6.2.1 Charges on Exports and Imports

The customs tariff structure currently implemented in the State of Qatar on imports of various goods and commodities is summarised as follows:

- All general goods and commodities (4%).
- Reinforcing iron bars or equivalent (20%).

- Urea and ammonia similar to those manufactured locally or equivalent (30%).
- Cigarettes, tobacco, and derivatives (50%).
- Some vital materials such as food stuff, machinery, and raw materials required for industrial projects are exempted.

According to the Qatar Chamber of Commerce & Industry (1995), the above stated tariffs are determined in terms of the goods' value and freight (CIF) Qatar.

On the other hand, no charges are collected on exports in the State of Qatar.

2.6.2.2 Balance of Payments

The balance of payments recorded a surplus of Q.R.937 million in 1990, which fell to a deficit of Q.R.1,402 million in 1991 and increased to Q.R.1970 million in 1993. It was subsequently reduced to Q.R.139 million in 1994. In 1995, it increased to a total of Q.R.1849 million. This is because of the huge financial needs of North Field gas projects whose finance is the highest in the history of the Middle East and which is expected to create a current account surplus of Q.R.999 million in 2001 (Qatar Central Bank, 1995).

2.6.3 State Budget and External Debt

The State budget has remained in deficit during the last five years except for the fiscal year 1990/1991, as seen in Table 2.2.

Table 2.2
Government Revenue and Expenditure 1990/91-1994/95

Item	1990/91	1991/92	1992/93	1993/94	1994/95
Total revenue	12,008	10,648	12,121	10,645	9,690
Total expenditure	11,388	11,764	12,772	13,435	11,647
Surplus/Deficit	620	-1,392	-651	-2,790	-1957

Source: Annual Statistical Abstract (1995).

The reasons for this deficit can be explained by the drop in State revenues from oil exports while expenditure levels have remained high (Ministry of Energy & Industry, 1996).

Qatar maintained a low level of foreign debt in line with its cautious financial policies until it began the North Field gas developments. Foreign debt was estimated to total $1.49 billion at the end of 1992, almost twice as much as two years earlier. The Qatar General Petroleum Corporation (QGPC) signed a $400 million Euroloan to finance the development of the North Field in 1990, at the same time as a $200 million commercial loan was arranged for Qatar. Moreover, a syndication of a $250 million sovereign loan was completed in 1994 (The Economist Intelligence Unit, 1996-1997).

2.7 Finance and Banking

Qatar has not attempted to become a financial centre like Bahrain, but it does have 14 banks. Five of these are entirely locally owned, namely the Qatar National Bank (the 16th largest bank operating in the Gulf states in 1994 ranked by total assets and its assets accounted for over 50% of all bank assets in Qatar), the Doha Bank, the privately owned Commercial Bank of Qatar, the Al-Ahli Bank of Qatar and Qatar Islamic Bank. A second Islamic Bank, the Qatar International Islamic Bank, was established in 1990. The major activities of Qatari Banks centre on issuing letters of credit and providing loans to private sector companies undertaking government projects.

In addition, there are two Arab and six foreign banks with a presence, as well as 16 money exchange companies. The banking system in Qatar is supervised by the Qatar Central Bank (QCB), which was formally established in 1993, taking over from Qatar Monetary Agency (QMA). It undertakes the organisation and regulation of the monetary and credit policy, and the implementation of the plans in the monetary field in accordance with the provisions of the law[1]. Its capacity reaches a total of Q.R.50 million paid entirely by the government (Ernst & Young, 1995).

Deposits at banks increased by around Q.R.101.2

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[1] Qatar Monetary Agency was established by Law No. 7 of 1973 to carry out the functions of a central bank until Degree Law No. 15 of 1993 regarding the establishment of Qatar Central Bank was issued (Ministry of Information and Culture, 1996).

million, or 0.5% to reach Q.R.18971.9 million representing almost two thirds of total liabilities by the end of 1993. Accounts show that the increase in total deposits in 1994 was attributed to the increase in private deposits and the decrease in government deposits. The increase in the private sector's deposits was attributed to the increase of deposits both in Qatari Riyals and foreign currencies. Qatari Riyal deposits in 1994 reached about QR. 10651.3 million, increasing by Q.R.592.8 million or 5.9% against Q.R.10058.5 million or 7.7% in 1993 (Ministry of Information and Culture, 1996).

Government deposits dropped by Q.R.3919.9 million against Q.R.4317.3 million in 1993 due to the drop of oil prices in the international markets, which caused by its turn, the relative importance of government s deposits to drop and stand at 17.9% in 1994 against 22.9% in 1993 (Ministry of information and culture, 1996).

2.8 Summary

In this chapter we have attempted to provide some brief information about Qatar with the main objective of familiarising the reader with the country under investigation. In the next chapter we commence by examining in detail the literature regarding services and the service quality.

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CHAPTER 3

REVIEWING LITERATURE:

MARKETING OF SERVICES AND SERVICE QUALITY

CHAPTER 3

MARKETING OF SERVICES AND SERVICE QUALITY

This chapter is divided into two sections. In Section one, there is a brief overview of the development of services marketing and a review of the reasons for this development. The definition, the special characteristics of services, and consideration of some of the methods used to classify services will also be explored in detail. This is followed in Section two by considerations of the importance of quality, a definition of quality, the service delivery system, dimensions of service quality and finally the quality of airline services.

Section 1: Marketing Services

Service industries are playing an increasingly important role in the overall economy of the modern society (Baker 1996; Cronin and Taylor 1997). During the last three or four decades there has been a dramatic change in most countries in the world. The service sector now accounts for 58% of world-wide gross national product (GNP). In 1980, service business world-wide was valued at $350 billion, and accounted for 20% of all world trade, whilst by 1992 this number had almost trebled to $1,000 billion (Bateson, 1995). According to Baker (1996)the reasons for the growth in services can be attributed to the following:

1. Impact of technology. Technology has had a significant impact on the quantity and quality of products available. More goods or products lead indirectly to an increased demand for services.

2. Deregulation and increased competition. Reduced government regulation on market entry requirements has eliminated or minimised many constraints on competitive activity in many service industries.

3. Customer sophistication. As society becomes wealthier and people have more time available compared with 40 years ago, the basic needs in life (such as housing and food) are more satisfied. People start to spend more of their income on wants, rather than needs. In this respect, they do not need more food or clothing but they use their income to do more leisure-based activities such as travelling, eating out and searching for new hobbies.

Now it is appropriate to look more closely at what is meant by the term 'services'.

3.1 Definition

There is no single universally accepted definition of the term (Baker 1981; Baron and Harris 1995; Bateson

1995; Cowell 1991; Gabbott and Hogg 1997, 1994). About three decades ago, the American Marketing Association (1960) defined services as activities, benefits or satisfaction which are offered for sale, or provided in connection with the sale of goods. However, this definition is too broad and did not succeed in differentiating services from goods sufficiently, because goods, as well as services can provide 'benefits' and 'satisfaction' (Cowell, 1984, 1991, 1995). Stanton (1981) refined the American Marketing Association definition of services as "those separately identifiable, essentially intangible activities which provide want-satisfaction, and that are not necessarily tied to the sale of a product or another service" (p. 441). From Stanton's point of view, activities like medical care, entertainment and repair services are included in this definition, but credit, delivery and other services which exist only when there is the sale of a product or another service are excluded. Stanton (1981) recognises that the consumer may be required in the production of a service (i.e. a hotel room and airline seat).

By suggesting that service organisations are those which do not have as their principal aim the production of a tangible product which buyers will possess permanently, Stanton is adapting the same view of Gronroos (1978) that "services are the object of marketing, i.e., the company is selling the service as the core of its market offering".

In using this definition Gronroos makes a clear difference between services as objects of marketing and services as marketing variables. Shostack (1982) defines services as benefit-providing. Again, benefit-providing cannot sufficiently differentiate services from goods. Therefore, this definition is too broad. Basically products could be construed to offer "benefits and satisfactions" as well as services. The important thing is that consumers buy both services and goods for the benefits received from their use.

Uhl and Upah (1983) offer a comprehensive definition of services emphasising their unique aspects. "A service is any task (work) performed for another, or the provision of any facility, product or activity for another use and not ownership, which arises from an exchange transaction. It is intangible but there may be an accompanying sale of a product".

This definition is still too broad because it emphasises the intangibility of the service.

David and Boone (1987) define services as intangible task that satisfy consumers and industrial user needs when efficiently developed and distributed to a chosen market segment. Although tangible products and intangible services are similar in that both provide consumer benefit, there are significant differences in the marketing of each. Gummesson (1987) defines services as "something which can be bought and sold but which you cannot drop on your foot". He believes that services and goods are sometimes substitutes. A Product can be designed in such a way as to diminish the need for services (Gummesson, 1995).

According to Rushton and Carson (1989) and Rust and Oliver (1994) there are no significant differences between products and services. Both services and products have tangible and intangible features, and what is different between services and goods is the relative proportion of the features. Goods are more likely to have either only tangible features such as soap, toothpaste, or salt. No services accompany the product or a few intangible features attached to tangible features, whereas services are more likely to have intangible features. Thus, this may cause difficulty in differentiating services from goods according to an absolute degree of intangibility.

Baker (1990)defines services as "any activity or benefit performed by individuals and/or organisations where the object of marketing is an intangible, aimed at satisfying the needs and wants of customers and/or industrial users without any acquisition of physical goods arising from the exchange transaction".

On the other hand, Kotler (1991, 1997) defines a service as "any act or performance that one party can offer to another that is essentially intangible and does not result in the ownership of anything". Its production may or may not be tied to the physical product.

Bateson (1995) and Hoffman and Bateson (1997) argue that it is difficult to define a pure good or a pure service. A pure good implies that the consumer obtains benefits from the good alone, without any added value from service, whereas a pure service assumes that there is no goods element to the service which the customer receives. Bateson (1995) adds that most services contain some goods element.

Similarly, Kotler (1991, 1997) argues that there are "major services with accompanying minor goods and services, where the offer consists of major services along with some additional services and/or supporting goods". For example, airline passengers are buying a transportation service. They arrive at their destination without anything tangible to show for their expenditure. According to Kotler, the trip still includes some tangibles such as food and drinks, a ticket stub, and an airline magazine. The service requires a capital-intensive good called an airline for its realisation, but the primary item is a service.

Baron and Harris (1995)describe services as "objects of transactions offered by firms and institutions that generally offer services or that consider themselves service organisations".

To sum up, there is still no agreement amongst some academics as to whether the differences between goods and services are significant enough to justify the distinction. (Fisk, Brown and Bitner 1993; Gabbott and Hogg 1997). Many authors argue that there are very few 'pure' goods or services, preferring a product continuum from tangible dominant goods to intangible dominant services (Levitt 1976; Rathmell 1966; Shostack 1977). "Any distinction is between products where the core of what is being sold is a service, with possible accompanying goods, and products where the core is a physical good, where the service element is used as a product augmentation for competitive advantage" (Gabbott and Hogg 1997, p. x).

Although the conceptualisation of the term 'service' is difficult, all products have characteristics, or attributes, that define the nature of the offering. For services these can be classified under five main headings, namely intangibility, heterogeneity, inseparability, perishability and the concept of ownership (see for instance, Bateson 1995; Becker 1996; Cowell 1991, 1995; Fisk et al. 1993; Gabbott and Hogg

1997; Gronroos 1978, 1990; Kotler 1997; Lovelock 1981, 1996; Regan 1963; Stanton 1981; Wetzels et al. 1996; Wright 1995).

3.2 Characteristics of Services

The argument centring on the differences between goods and services began with the attempt to classify services (Regan, 1963) and the resulting questions of how to define the term. Usually services are compared with physical goods (Gronroos 1990; Fisk et al. 1993). Table 3.1 summarises the characteristics of services and physical goods.

Table 3.1
Differences between Services and Physical Goods

Physical Goods	Services
- Tangible	- Intangible
- Homogeneous	- Heterogeneous
- Production and distribution are separated from consumption	- Production and distribution and consumption simultaneous processes
- A thing	- An activity or process
- Core value produced in factory	- Core value produced in buyer-seller interactions
- Customers do not participate in the production process	- Customers participate in production
- Can be kept in stock	- Cannot be kept in stock
- Transfer of ownership	- No transfer of ownership

Source: Gronroos (1990, p. 28).

The surrounding discussion led to the identification of five characteristics that are now commonly cited as the factors that distinguish services from goods. Those are as follows:

3.2.1 Intangibility

Intangibility is the most commonly cited property of services and causes a substantial marketing difference between physical products and services (Berry 1980; Becker 1996; Orsini 1993). Berry (1980) states that the fundamental distinction between a good and a service is that a good is an object (automobile, dress) and a service is a performance (house cleaning, dry cleaning). In essence services are intangible.

It is argued, when a service is purchased there is usually nothing to show for it (Edgett and Parkinson, 1993). Counselling or movie attendance are examples.

Services by their very nature are physically intangible, they cannot be touched, tasted, smelt or seen (Bateson 1977; Baron and Harris 1995; Carman and Uhl 1973; Edgett and Parkinson 1993; Gabbott and Hogg 1997; Gronroos 1978, 1979; Gummesson 1978; Judd 1964; Sasser et al. 1978; Woodruffe 1995). This contrasts with the physical substance of tangibility of goods. The absence (or lack) of tangible clues of services makes difficulties both for sellers in demonstrating and displaying services, and for buyers in having a sample and evaluating it before and after purchase (Gronroos, 1978, 1990).

On the other hand, Enis and Roering (1981) assert that neither goods nor services are marketed. What is marketed is a bundle of benefits, often including both tangible and intangible aspects. They argue that effective marketing results from identifying the buyer's desires. What Enis and Roering are trying to point out is that customers buy benefits and whether their needs are satisfied by tangible or intangible methods is irrelevant.

Sasser et al. (1978, p. 15) believe that the design of the service package and control of the design require a greater understanding of consumer psychology than for a manufactured good because of the intangible and often non-explicit nature of the object.

Because of the complex combination of intangible perceptions, service firms may not be particularly successful unless management can effectively attract customers with marketing efforts that identify and solve a particular need or demonstrate a competitive advantage.

According to Kotler (1984) service providers can do many things in order to improve the customers' confidence. Firstly, they can increase the product intangibility (a plastic surgeon can make a drawing showing how the patient's face will look after the surgery). Secondly, service providers can put more attention on the service's benefit rather than just describing its features. Thirdly, service providers can develop brand names for their service to increase confidence. Finally, service providers can use celebrities to create confidence in the service.

Gronroos (1990) states that tangibility creates an essential difference as consumers will always attempt an evaluation, and in the case of services, will evaluate what they can. "Therefore, frequently they will not be evaluating the core services but the surrogate, normally the tangible manifestation of the service and the tangible satellite support system e.g. for the accommodation services of a hotel, its location, ancillary services that it provides.... in reality both goods and services are selected on the basis of a complex network of criteria, including advice from friends, repeat business, professional advice, company reputation, past experience, rather than by physical examination alone" (Gronroos 1978, p. 591).

3.2.2 Inseparability

Another distinctive feature of services is the inseparability of service production from consumption (Jackson et al., 1995). A definition of service inseparability has been developed by Kotler (1982): "a service is inseparable from the source that provides it". Thus, production and consumption occur simultaneously with services (Dotchin and Oakland, 1994). This is in contrast to a product which exists whether or not its source is present.

The essence of inseparability is that for many services the customer must come to the service provider's facility and experience the service as it is being provided for that customer, e.g., hotel and restaurant services (Bitran and Lojo, 1993). Also in many other cases the service provider must come to the customer's premises and provide the service there, e.g., painting and decorating (Palmer, 1994). In other words, the inseparability of production and consumption affects the service organisation in such way that they are not able to store and transport services so that only direct distribution is possible. Sasser et al. (1978, p. 17) suggest that services do not move through distribution channels. Customers must come to the service facility or the service provider must be brought to the customers. Thus, "each service facility has a limited geographic area from which to attract customers" (Sasser et al. 1978, p. 17).

Cowell (1984, 1991, 1995) points out that one result of inseparability is that the equipment and/or people who produce the service may be highly visible to consumers. Important influences are upon the consumers' perceptions of the service as are other attitudes, behaviour and appearance of people involved in service delivery - the operational stuff. Hence, in service businesses operations staff perform an operational and a marketing role. Their feedback and suggestions may provide an important source of new ideas for development (Edgett and Parkinson 1993; Middleton 1983). Therefore, some of the literature characteristics view customers as part producers of many services. For example, a doctor's diagnosis depends partly on how the patient co-operates with him/her or hairdressers are often influenced by their customers' hairstyling suggestions.

To overcome the inseparability of its offerings, managers need to develop staff schedules to ensure there is adequate personnel to meet the needs of customers at the time the demand for the services arises (Berry, Zeithaml and Parasuraman 1984; Cowell 1991, 1995; Carman and Langeard 1980; Schwartz 1989; Thomas 1978). By providing services available at the right place, at the right time, and by the proper personnel, service firms can overcome inseparability of their services (Meidan 1983; Edgett and Parkinson 1993; McLean 1994).

3.2.3 Heterogeneity

The third characteristic of services is the heterogeneity (sometimes referred to as variability) of output produced by firms claiming to produce the service (Bateson 1995 Gabbott and Hogg 1997). There is a greater chance of variability in the output of a single firm and even of a single employee (Bateson 1977, 1979; Sasser et al. 1978; Zeithaml et al 1985).

How customers perceive such performance depends on many variables including customers themselves who may sometimes give staff wrong information or who may experience the same service in a different mental state each time they do so. For example, "the service rendered by the flight attendant varies from flight to flight and from person to person on the same flight" (Sasser et al. 1978, p. 17). Therefore, it is impossible for service firms to ensure that the same level and quality of service is provided each and every time the service is provided (Buttle, 1989). Of course, there will be variation in the quality of service provided, not just between branches of the same company but within the same branch. That is why it is difficult to achieve quality control, standardisation and so centralised mass production of services (Cowell 1991, 1995; Edgett and Parkinson 1993; Sasser et al. 1978).

There is a distinction often made between equipment based services such as automated banking machines and people based services such as massage. For example in the case of automated banking machines, customers are treated equally. On the other hand, the outcomes of people-based services are far less predictable, except to say that every customer will not experience the service in the same way. Service providers are human, they will get tired, have a bad day and basically the task of offering a service in a consistent standardised way is often difficult to achieve (Edgett and Parkinson, 1993).

In order to control the output of service firms, Levitt (1976) suggests that firms should adopt uniform production procedures and increase the amount of automation. Likewise Kotler and Armstrong (1991), Edgett and Parkinson (1993), Palmer (1994), Sasser et al. (1978), Uhl and Upah (1983) suggest several steps for service firms to work towards quality. Service firms can carefully select, train, motivate and control their personnel, develop good customer satisfaction through a suggestion and complaint system, customer surveys, and call for extensive employee training because training is a key lever for quality control, since it is usually impractical to monitor the output of each service provider.

From the foregoing discussion regarding heterogeneity, we believe that since the provision of services is dependent on both customers and staff, variability in the quality of service will exist. Therefore, it is not easy to completely control and standardise all service roles. However, the major issue for management is how to minimise variability and ensure consistency of service.

3.2.4 Perishability

Perishability is another important characteristic of services which reportedly differentiates services and products in marketing (Gabbott and Hogg, 1997). Services differ from goods in the sense that they cannot be easily saved, stored or invented. The utility of most services is short lived, while a product not sold today may be turned into cash tomorrow. Therefore, services must be consumed when produced (Bitran and Lojo 1993; Edgett and Parkinson 1993; Judd 1964; Kotler and Bloom 1984; Meidan 1996; Wright 1995).

Similarly, Rushton and Carson (1989) define the importance of perishability "services cannot be produced before being required and then stored to meet demand[1]. If a service is not used when available then the service capacity is wasted." For example, unsold air tickets illustrate the risk inherent in service perishability (Baker, 1996). The implication of this is that services cannot be mass produced and stored in advance to meet future demand. Thus, it is argued that service perishability makes it difficult to meet wide fluctuations in demand over time.

Without the ability to stockpile and achieve the flexibility of fluctuating demand that physical goods

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[1] According to Wright (1995) "services that are high in technology or equipment-based attributes, can more easily be standardised, and in many cases they can be invented as well. For example, film producers like Universal pictures store their films on tapes to be distributed to cinemas and video outlets" (p. 46).

allow, service organisations are more seriously affected by changes in demand. Authors have described several strategies for producing a better match between demand and supply in a service business (Bitran and Lojo 1993; Cowell 1995; Dotchin and Oakland 1994; Edgett and Parkinson 1993; Kotler 1997; Morris and Fuller 1989; Morris and Johnston 1987; Sasser 1976). These strategies are summarised as follows:

On the Demand Side

- Differential pricing. The firms use different prices for different periods. This will shift at least some demand from peak to off-peak periods.
- Non-peak demand can be increased (e.g., weekend discount prices for international phone calls).
- Complementary services. This method is used by managers to shift demand away from peak periods, which either attracts consumers away from bottleneck operations at peak times or provides them with an alternative service while they are waiting (e.g., cocktail lounges to sit in while waiting for a table and automatic tellers in banks). Moreover, reservation systems help managers to deflect excess demand to other time slots at the same facility for other facilities at the same service firm and therefore cut down customer waiting time and

guarantee the customer a better service. Airlines, hotels, and physicians adopt them extensively.

<u>On the Supply Side</u>

- Part-time employees can be hired to avoid the problems associated with peak demand (e.g., restaurants asking for part-time waitresses when needed).
- Maximising efficiency. Managers analyse their processes to discover ways to get the most out of their service delivery system during peak demand periods. These analyses help the service firm to increase its peak capacity for little additional cost. Adapting these routines enables employees to produce only essential tasks during peak periods (e.g., paramedics assist physicians during busy periods).
- Increasing customer participation. This method can be encouraged, as when customers fill out their own medical records or bag their own groceries.
- Sharing capacity. Shared services can be developed, as when several airlines with infrequent flights in and out of a particular airport share gates, baggage-handling equipment and so on.
- Facilities for future expansion can also be developed (e.g., a shopping centre may buy surrounding land for future development).

3.2.5 Ownership

Some authors have mentioned ownership as a characteristic of services (Bitran and Lojo 1993; Cowell, 1984, 1991; Dholakia and Venkatraman 1993; Judd 1964; Kotler 1986; Palmer 1994). The above mentioned authors added ownership of services over the four characteristics of services, intangibility, heterogeneity, inseparability, and perishability.

Lack of ownership is the basic difference between a service and a physical good. Because services are consumed but not owned, it does not produce ownership utility (Dholakia and Venkatraman, 1993). In a service industry, "access to or use of a facility does not mean that the customer obtains ownership of it" (Cannon 1993, p. 223). Despite paying for it, customers may never own the service in question. Instead payment is for the use of, "access to or hire of the service" (Gabbott and Hogg 1997, p. xi) . For example, the hotel room is only hired for a period of time , and ultimately possession reverts to the firm offering the service.

3.3 Service Classification

There are a number of ways of classifying service activity, and there is inevitably some degree of overlap between the methods available (Baron and Harris 1995; Chan 1996; Chase 1978; Cowell 1995; Dotchin and Oakland

1994; Judd 1968; Kotler 1980; Lovelock 1996; 1983; Rathmell 1966; Sasser et al. 1978; Shostack 1977; Woodruffe 1995). The following are some of these ways:

3.3.1 By Type of Seller

Three major ownership arrangements are evident among the marketers of services. The great majority are owned by the private sector and are provided by individuals who share in the profits and bear the losses. Another group of organisations which sell their services are also privately owned but not for profit. Examples of this group are private educational institutions, artistic groups such as symphony orchestras and museums. Lastly, some enterprises which market their services are owned by the public and managed by the government. Examples are public utilities, local transportation systems, and state and national parks. Sellers of services can also be classified according to their source of income. Private profit-making enterprises, be they corporation, partnerships, or proprietorships are dependent upon the sale of their services for income. According to Shapiro (1972) the income of private non-profit enterprises is derived in part from the sale of their services and in part from donors. Public enterprises may receive all of their income from the sale of services or from taxation.

The private non-profit groups are shifting to the public category, university and hospitals, for example; private profit-making enterprises are entering services traditionally assigned to other types of organisations. Private mail service and technical education are examples. However, Rathmell (1974, p. 10) notes that publicly owned service organisations are competing in what were formerly private enterprise areas: transportation, insurance, employment and recreation. According to Kotler (1986) this type of organisation produces those societal functions that do not yield a profit, are desirable to produce, and need to be under the public non-profit groups' ownership.

3.3.2 By Type of Buyer

Services in this type of classification can be classified into consumer services and industrial services. Individual and household consuming units make up one major type of service buyer. Personal and recreational services are purchased by individuals, whereas household operations and customer financial services are purchased for household consumption. Insurance, government accounting and consulting are examples. Industry is the second major type of service buyer. It includes agriculture, mining, manufacturing, trade, other service establishments, both profit and non-profit, and government.

According to the type of buyer, services can be classified into the way in which they are bought, whether as a convenience, shopping, speciality or unsought service and the motive for purchase (Cowell, 1991).

Convenience services are those consumer services which the customer usually purchases frequently, immediately and with the minimum of effort, such as hair cutting and dry cleaning. In shopping services, the customer in the process of selection and purchase characteristically compares on such bases as suitability, quality, price and so on. Shoe repair and automobile repair services are examples.

On the other hand, speciality services are those consumer services on which buyers characteristically insist and for which they are willing to make a special purchasing effort. Solicitors and medical specialists are examples.

3.3.3 By Buying Practice

Some authors argue that services may be contracted for, or purchased on a unit-by-unit basis. The contractual purchase is the result of continuous consumption of some services such as communication services (telephone and cable television) and utility services (electricity, water, and garbage disposal;), or other consumer services purchased on a contractual basis. This contract is designed to give the assurance that the need-satisfaction offered will be delivered. At the consumer level, the use of contracts is more common in the purchase of services than goods (Rathmell, 1974). However, some services which are purchased as needed, typically do not make use of a contractual arrangement. Shoe repair, personal care and entertainment are examples.

3.3.4 By Type of Operation

According to Kotler (1984, p. 447), Woodruffe (1995, p. 28) and Thomas (1978, p. 161), services can be classified as to whether they are people-based or equipment-based services.

- People-based services. These involve high contact: education, dental care, restaurant, airline services.
- Equipment-based services. Low contact: such as automatic car wash, launderette, vending machine, and cinema. Most of the time this equipment adds value to the service and sometimes it reduces the amount of labour needed. In addition to the above types of service business, there are many companies which are involved in more than one type of service business. For example, all banks operate multiple-service businesses. Some of these

are equipment-based as in transfer and storage funds. Others are people-based, as in the financing of a home, car, or business, because they require judgement about the financial management of funds.

3.3.5 By Degree of Regulation

Services can be classified in terms of regulation. They vary in the degree of regulation. At one extreme, there are services which are subject to extensive public regulation, much more extensive in fact, than that encountered in the goods sector. These services include the various utilities, many financial services, transportation, and communication. Within each of these classes of services the incidence of regulation varies. A second class of services is subject to the same public regulations imposed on the marketing of goods. A third group of services is largely unregulated by any public body. This group includes personal and business services.

In addition, some services are subject to rules and regulations of their own making, for example, in professional services such as accounting, medicine and law, most constraints are imposed on practitioners by the profession itself rather than by status. However, the right to remove professional practitioners for failure to meet standards established by the profession has no counterpart in the marketing of physical goods (Rathmell 1974, p. 14).

Many other attempts have been made by authors to classify services based on characteristics or other criteria (Bateson, 1995). For example, Chase (1978), Haywood-Farmer (1988) and Woodruffe (1995) classify services according to the extent of contact and interaction between customers and service employees, a factor which Lovelock (1983, 1996) also takes into account in the extent of customisation and judgement of services. Lovelock (1996) believes that a classification of service must be based on a combination of the various factors of services.

There are other methods of categorising services in addition to those described above. Some of the approaches used to classify goods can be applied directly to services (Lovelock, 1996). Therefore, services can be classified according to their duration of benefits and duration of service delivery. For example, the benefits of a shoeshine last until the shoes get dirty again, but some service benefits theoretically last a much longer period of time, such as higher education.

On the other hand, the amount of time it takes to receive a service varies from just a few minutes for a simple financial transaction or a short telephone call to as long as several years for a university education. The implications of service delivery time depend on whether or not the customer's presence is important to the service, the longer the period that a customer must spend for receiving the service, the more likely it is that the service firm will have to provide additional service elements. For example, if delivery lasts more than a couple of hours, refreshments may be needed.

3.4 Summary of the Section

In this section we have reviewed the definition of service, the characteristics that distinguish services from physical goods, and some of the methods used to classify services.

To summarise the discussion so far, we believe that airline products are services which have the following features:

1. Airline services are basically intangible; passengers receive intangible services from airlines personnel as well as some tangible items such as food and drinks (Kotler, 1997).
2. The passengers do not obviously have anything but a piece of paper (an airline ticket) which verifies that they use airline transportation services. They arrive at their destination without anything tangible to show for their expenditure (Kotler, 1997).

Therefore, it can be easily concluded that airline services are performed, and not owned (only used) by customers.

3. Airline services are not standardised. The services of airlines are mainly performed by the personnel of the airline companies (e.g., reservation staff, cabin staff), and it is therefore very difficult to standardise the attitude of the personnel. As a result, passengers' evaluations of airline services might be strongly influenced by the attitude of the airline personnel.

4. Airline services are performed (sold not produced) by the same personnel of an airline company at the same time and at the same place, thus it can be argued that they are inseparable. As a result, they are perishable. For example, unsold airline seats cannot be reclaimed (Baker, 1996). Moreover, as airline services are performances they cannot be stored.

Section 2: Service Quality

> "If the 1980s was the decade of product quality, then the 1990s will be the service quality decade"
>
> Tse, 1996

Service quality is a key concept in today's fiercely competitive marketplace (Gabbott and Hogg 1997; Gourdin and Kloppenborg 1991). The issue of service quality has received considerable attention in marketing literature (Parasuraman, Zeithaml, and Berry, 1985, 1988). In today's competitive environment, ignoring the quality issue is tantamount to corporate suicide (Young, 1987, 1990). According to Lewis and Mitchell (1990) the 1990's will be the era in which service quality predominates within the service sector.

It is probably a truism to remark that from the market's viewpoint quality attainment is a desirable thing. People expect quality, although as one is frequently reminded in the literature, quality is always relative to consumers' expectations and of course price (Daly, 1990). Bitran and Lojo (1993) argue that the quality of service depends not only on offering products that meet consumers' needs and delivering them efficiently, but also on creating an atmosphere and overall experience that is satisfying. Therefore, service quality is important no matter what market segment is targeted.

The quality of services is much more difficult to measure, inspect, and control than the quality of manufactured goods (Gummesson, 1993). Three characteristics of services account for this difficulty: intangibility, heterogeneity and simultaneity (Lovelock 1983; Shostack 1987; Sasser et al. 1978). The intangible nature of service products makes it difficult for service firms to measure their characteristics and ascertain whether they meet specifications. This is because consumers cannot evaluate services before purchasing them (Zeithaml et al. 1985; Bitner 1990). Service products are heterogeneous because customers and servers are critical components of the product and they are diverse individuals that cannot be completely standardised and controlled (Bitran and Lojo 1993; Jackson, Neidell and Lunsford 1995). Simultaneity refers to the fact that services are produced and consumed at the same time thereby preventing firms from inspecting their product before it is sold to their customers (Dotchin and Oakland 1994).

It is often difficult for management to be present during every service delivery, and so it must depend heavily on employees to complete the customer interaction satisfactorily. For example, if a problem arises, they know about it after the fact, and only if the firm is lucky to have a customer who will take the time to complain. Otherwise, the firm's customer base could be eroding without their knowledge, because dissatisfaction spreads very fast by word-of-mouth (Bitran and Lojo, 1993). Service quality is a measure of how well the delivered service level matches consumer expectations (Donaldson and Runciman, 1995). This quality depends on the size and direction of the gap between expected and perceived service (Bolton and Drew, 1997, p. 309).

In the airline industry the providers, the baggage handlers, employees at the ticket counter, flight attendants and so on, are the main deliverers of the service. In this section, we focus on the following aspects: importance of quality, definitions of quality, service delivery system, dimensions of service quality and quality of airline services.

3.2.1 The Importance of Quality

According to Dale and Cooper (1992) quality is considered by most consumers as more important than ever in their service and purchasing decisions. The reasons for this importance are summarised as follows:

1. Quality is not negotiable. An order, contract or customer which is lost on the grounds of non-conforming service quality is much harder to regain than one lost on

price or even delivery grounds; the customer could be lost forever - in simple terms the organisation has been outsold. Therefore quality is one of the factors that is not negotiable. In today's business world, the penalties for unsatisfactory service quality are likely to be punitive.

2. Quality is all-pervasive. There are a number of what are termed single-focus competitive business initiatives and strategies which have been used by organisations for many years. However, the improvements made by companies have resulted in less distinction between companies than there was some years ago. Therefore steps towards quality improvement are now being recognised by many companies as the main means by which they can achieve and maintain an edge over their competitors.

3. Quality increases productivity. Some managers believe that cost, productivity and quality improvements are alternative objectives. These managers usually say that their company does not have the time to ensure that service quality is "right the first time". They argue that to concentrate on planning for quality will mean losing valuable production and operating time, and as a consequence output is lost and costs will rise. Dale et al. (1992) assert that it is always useful to remember Murphy's law: There is never time to do it right, but always time to do it once more. Management and staff will

make the time to rework the service a second or even a third time, and spend more time and organisational resources on corrective action and placating disappointed customers. Therefore, improving quality will improve productivity and reduce costs, and in turn lead to more satisfied customers and increased profitability.

4. Quality leads to better performance in the market place. It is quoted by Dale et al. (1992) that Buzzell and Gale said that organisations with a large market share are those whose quality is relatively high, whereas organisations with small market shares are those whose quality is relatively low. However, we believe that this is not necessarily the case - there are many small organisations with excellent quality, and large ones where quality is poor.

5. Quality means improved business performance. In their study of 26 companies which won the Deming application prize between 1961 and 1980. Kano et al's (1983) findings showed that the financial performance of these companies in terms of earnings rate, productivity, growth rate, liquidity and net worth was above the average for their industries.

6. The cost of non-quality is high. The cost of not getting it right the first time ranges from 5 to 25 per cent of an organisation's annual sales turnover. An organisation needs only compare its profit to sales

turnover ratio to its quality costs to sales turnover ratio to gain an immediate indication of the importance of service quality to corporate profitability. Thus, the higher the quality the less it costs (Price, 1994).

7. The customer is king. Customers' requirements are becoming increasingly more rigorous and their expectations of the service in terms of its conformance, reliability, durability, safety, etc. are also increasing. Therefore, it is likely that the existing competition will be improving and new and lower cost competitors may emerge in the market place; consequently, the process of quality improvement needs to be continuous and involve everybody in the company.

8. Quality is a way of life. Quality is a way of organisational and everyday life; a way of making business, living and conducting somebody's personal affairs. Whatever people do in whatever situation, the task must be undertaken in a quality-conscious way. Moreover, quality is driven by our own internal mechanisms, our personal beliefs.

3.2.2 Definitions of Quality

According to many authors, quality is an extremely difficult concept to define in a few words (Johns, 1996). There is not even general agreement about the meaning of quality (Gabbott and Hogg 1997; Wilson 1996). However, there are many different definitions of quality and each of them varies in focus but not in the overall message of meeting the customer requirements (Brooks, 1995; Oakland 1995; Randall and Senior 1996). Some of these definitions are:

Thomas (1965) and Crosby (1979) define quality as conformance to requirement, and

according to Juran (1985, 1992) quality is (1) product performance that results in customer satisfaction. (2) freedom from product deficiencies, which avoids customer dissatisfaction.

Deming (1986) states that quality means a predictable degree of uniformity and dependability at a low cost with a quality suited to the market.

The International Standard Organisation (1986) defines quality as "the totality of features and characteristics of a product that bear on its ability to satisfy stated or implied needs" and

Imail (1986) believes that quality is anything which can be improved.

Wyckoff (1988) defines quality as "The degree of excellence intended, and the control of variability in achieving that excellence, in meeting the customer's requirements". Gitlow et al. (1989) argue that quality is the extent to which the customer or users believe the product or service surpasses their needs and expectations.

Hall (1990) defines quality as "conformance to standard" and finally,

according to Feigenbaum (1990) quality is "what consumers say it is".

It is possible to classify definitions of quality into five groups (Garvin, 1984). These groups are summarised below:

(1) Transcendent. Quality is defined as innate excellence. It is the relationship between individual salience and perceived quality. The presence of this relationship has important implications for goods and service.

(2) Product-based. Here quality is described with the aid of specifications. Differences in quality between two products can be assessed by examining the presence of a certain components in the product, the proportion of this component in relation to the total product, and an exact description of its features. According to Gummesson (1993) this is an expert-oriented definition, since experts rely on their objective and often highly technical view of quality. Ghobadian et al. (1994) assert that this definition relies on the quantification of service's units of goodness or tangible attributes. In practice, it is not easy to clearly identify services'

attributes, let alone quantify them. Moreover, goodness is not absolute but relative to a particular circumstance.

(3) User-based. This definition states that quality is all about fitness for use (Juran, 1985), a definition based primarily on satisfying customers' needs. The definitions of quality put forward by Deming (1986) fall within this category. Gummesson (1993) argues that this definition may conflict with the product-based one. For example, the customer may prefer a cheap, fashionable garment of technically inferior cloth to less fashionable commodity which in the long term will be much cheaper to own. Therefore quality is individual and in part subjective. Palmer (1994) says that quality can be defined only by customers and occurs where an organisation supplies goods or services to a specification that satisfy needs. Thus, we believe that the "user-based" definition is probably most appropriate for organisations offering high contact, skill-knowledge-based or labour intensive services such as the airline industry.

(4) Manufacturing-based. Quality can be defined as conformance to requirements (Crosby, 1980). This means that the requirements for a product are spelled out and quality lies in meeting these requirements. This is basically a production-oriented, internal requirement,

while fitness for use is market-oriented and external(Gummesson, 1993). According to Ghobadian et al. (1994) this definition might be useful in organisations producing either standard products or services, or where the output can be classified as a commodity. This is because of the important role of process in determining the quality of the outcome. Therefore, this definition may be useful for organisations involving low or limited customer contact, such as home deliveries, fast food chains and postal services.

(5) Value-based. Quality is defined either as the cost to the producer and price to the customer or as meeting the customer's requirements in terms of quality, price, and availability. It seems to be difficult to determine a valid link between price, quality, and availability. The purchaser evaluates quality, price and availability within the same decision algorithm. Implicit in this approach is the importance of clear market segmentation and greater focus in the provision of service.

The above sets of definitions show that "quality" is a complex and indistinct concept. Clearly none of these definitions is a complete statement of what is meant by quality. To meet any of these definitions implies that the supply is of suitable quality, but there are always situations where failure to meet a definition does not mean a failure of the supply quality. For example, the supply of a service or product may be of the highest standard, but the customer may have unreasonable expectations, which are difficult to meet by any means at all. (Hardie and Walsh, 1994).

3.2.3 Service Delivery System

Unlike a tangible item in which manufacturing and marketing are separate processes, in service marketing they are often inseparable. The service performance and delivery system both make the service product, and deliver it to the consumer. It should be noted that there are three key elements of many service delivery systems; people, physical evidence and process.

3.2.3.1 People

People are essential in the production and delivery of most services (Cowell, 1995). According to Berry et al. (1988) the term people encompasses not only concern for the external customer, who can be the only judge of service quality, but also the internal customer, the employee.

3.2.3.1.1 Service Personnel[2]

Service personnel are those people who provide a firm's services for customers (Cowell, 1991). Personnel

[2] service personnel include operators (bus drivers, lift attendant, librarians) who may perform a production, or operational role but may also have a customer contact role in the service organisation. Their behaviour may be as important in influencing the perceived quality of service as the behaviour of formal sales staff (Cowell, 1991, 1995).

of service firms includes customer contact personnel (e.g., check-in counter at the airport) and non customer contact (e.g. researcher and computer operator personnel). Service personnel are important in all organisations. Especially in those situations where, in the absence of clues from tangible products, the customer will form an impression of the organisation from the behaviour and attitudes of its staff.

A customer sees a company through its employees (Bettencourt et al., 1997). The employees represent the front-line of contact with the customer (Bitner et al., 1994). They must therefore, be well informed and provide the kind of service that meets customer needs. Moreover, the industry has to recognise that each employee is a salesman for the company's service (Johnson, 1964). It is noted that if personnel are cold or rude, they can undermine all the marketing work done to attract customers. If they are friendly and warm, they can increase customer satisfaction and loyalty (Kotler, 1982). Therefore, a service company needs to manage and control the management-staff interface prior to achieving success at the staff-customer interface (Thomas and Donaldson, 1989). Stone and Young (1992) give the following three reasons why so much service delivery focuses on people:

I. People dominate the way that service quality is presented.

II. People are not automatons, they are individuals with their own roles, personalities, perspectives, skills and moods. Even the best-designed, most customer-oriented processes will fail if they are not implemented well.

Table 3.2
Rules for Staff to Maximise the Service Quality Delivery

a. When personnel are being recruited, special emphasis should be placed on their openness to attitude change. People with deeply held views about the status of different types of people, or about the roles that they should play, should be avoided.
b. Training programmes should be constructed so that they provide continuous reinforcement to the objective of delivering service quality as well as the techniques personnel require to do their jobs better.
c. .The ergonomics of their work situation should support their role.
d. Personnel should be cared for as the organisation wishes to care for customers.
e. Personnel should be rewarded for delivering a quality service to the customers but in ways which are consistent with the culture.
f. Where appropriate, personnel should be helped to create an appearance which is conducive to positive customer attitudes (e.g. set standards of dress).
g. Personnel should be given an identity (e.g. a name tag).
h. The front-line management role should be created as leader, helper, coach and motivator, not just as controller.
i. It should be ensured that middle managers do not become isolated in relation to delivering service quality.
j. Regular audits of personnel attitudes, needs and skills should be carried out and ensure that they match with the requirements of delivering quality services.

Adapted from Stone and Young (1992).

III. People working with customers need to provide input into the supplier's work on customer care. The processes for looking after customers which do not take into account the insights of people who really look after customers are likely to be unrealistic or inappropriate. To ensure that personnel will maximise the service quality delivery, rules in Table 3.2 should be followed.

An airline company can maintain and improve the quality and performance of its personnel through adapting the following methods:

1. The selected personnel should be carefully trained to devote their best capabilities to the airline and have the following characteristics:

   - Competence: The personnel should possess the required skills and knowledge.
   - Courtesy: The personnel are friendly, respectful, and considerate.
   - Credibility: The personnel are trustworthy.
   - Reliability: The personnel can perform the service with consistency and accuracy.
   - Responsiveness: The personnel can respond quickly to customers' requests and problems.
   - Empathy: The personnel can provide individualised attention to the customers.
   - Communication: The personnel should make an effort to understand the customer and communicate easily. [3]

2. Train and motivate their front-line personnel. This task is called training and motivating staff. Training and motivating staff is viewed as an essential component of ultimately delivering quality service (Gummesson 1987; Bowen and Lawler 1992; Papa 1993) because it gives training a strategic customer focus (Ballantyne et al., 1995).

[3] Adapted from Parasuraman et al. (1985)

3. The appearance and attitudes of airline personnel can influence critically the level of customer satisfaction. For example, the appearance of any airline's cabin crew is very important in order to gain an excellent reputation.

4. An airline company can establish a set of procedures for some of its service delivery in order to ensure that the service delivery is performed by its personnel in a better way. Since an airline is a human-intensive business, it is very difficult to achieve a standardised performance of the personnel. Therefore, well-trained personnel can effectively respond to unforeseen customer requirements and increase customer satisfaction where normal procedures fail.

5. Evaluate the quality and performance of airline personnel and reward them for caring for customers (Klatt et al. 1985; Stone and Young 1992).

6. Re-evaluate the structure and responsibilities of centralised vs. decentralised systems. Employees sometimes have problem meeting set standards when they feel that there are too many rules restricting decision making or their control over a situation (e.g., solving a problem concerning excess baggage). If an employee has the freedom to make important decisions while serving a customer, the employee has higher perceived control of the situation. This means that too many rules and

guidelines can place excessive stress on the employee (Benowitz 1994; Tinkham et al. 1993).

3.2.3.1.2 Interaction Between the Customer and The Contact Person

According to Cowell (1991, 1995) customers in a service industry participate in the production process of services, purchase and use services, and influence other customers as producers and users of services. The personnel contact which service production gives rise to is an important part of the customer's perception of quality of the service. In service production, the customer interacts with contact personnel (e.g., Flight attendant) for all or part of the time the service is being performed (Lehtinen, 1985). Lehtinen (1985) also talks about the consumer's style of participation in the service delivery process. According to him, this style of customer participation may be dependant on the lifestyle and the personal attitude of the customer and this may cause a difference in the service delivered. Although a service is an interaction between a customer and a complex system, a very important element of many services is a person-to-person encounter (Mills et al. 1983; Mattsson, 1994). This term has been defined differently by researchers. The "Moment of truth" was introduced by Normann (1983). It underlines the uniqueness and importance of every encounter "between the service staff and customer" (Buttle 1997, p. 260). Other researchers such as Czepiel et al. (1985); Edvardsson (1997); Edvardsson and Thomasson (1989) and Shostack (1985) used less evocative terms such as "the service encounter" and the term "service meeting" as used by Gummesson (1993). "Moment of truth" is a term used by Jan Carlzon of SAS to describe every interaction between the customer and the service provider. In the context of an airline, Albrecht (1988) says that the moment of truth includes the following:

1). Customer calls the airline for information

2). Customer books the flight with the airline representative.

3). Customer arrives at the airport counter.

4). Customer waits in line.

5). Ticket agent invites customer to the counter.

6). Ticket agent processes payment and issues ticket.

7). Customer goes looking for the departure gate.

8). Gate agent welcomes customer to the flight, validates boarding pass.

9). Etc., etc.

Each moment of truth represents a point where the service provider demonstrates elements of both functional and technical quality in different proportions. Individual moments of truth add to or detract from the overall image of the service provider. Every moment of truth reinforces the quality of service or lack of it (Payne, 1993; Stone and Young 1992). It is noted that the common element in all relationship marketing (RM)[4] strategies is cementing the relationship with customers, transforming indifferent customers into loyal ones, and serving customers as clients by providing the incentive that customers are given to remain a customer for a long time (Song, 1992). According to Gummesson (1994), relationship marketing emphasises a long term interactive relationship between the provider and the customer and long term profitability. It recognises that everyone is a part-time marketer and that marketing is not confined to a marketing or sales department. It recognises that both the customer and the seller can be active parties (Szmigin, 1997). They should see each other as equal partners in a win-win relationship.

3.2.3.1.3 Interaction Between One Customer and Other Customers

An individual customer is also influenced by other customers for example, an ex-customer of an airline might tell potential customers of it, that he (by experience)

[4] Relationship marketing (RM) is perceived differently by authors and thought leaders. A number of years ago, Baker (1976) defined RM as 'concerned with mutually satisfying exchange relationships'. Gronroos (1990) defines RM: 'it is to establish, maintain, and enhance relationships with customers and other partners, at a profit, so that the objectives of the parties involved are met. According to him, this is achieved by mutual exchange and fulfilment of promises.' Gummesson (1996) defines RM as 'relationships, networks and interactions'. For more detail regarding the concept of RM see Baker (1996, p. 18); Baker (1995, p. 17); Gronroos (1990); Gummesson (1996, p. 32); Ravald and Gronroos (1996, p. 20); Szmigin (1997, p. 505).

knows that it is a dull airline company, thus changing the communication about the airline company in an unfavourable manner. According to Song (1992) customers can be influenced by other customers in terms of their numbers and appearance, behaviour and age level. For example, when business class passengers wear formal suits, they may attract other wealthy customers. Airline companies deal with all types of customers, and therefore should create an atmosphere to attract certain types of customers. Since different customers want different things, segmentation (dividing customers into groups) is an essential tool in order to deal with the diversity of customers and their needs, because it enables firms to attract the right customer at the right time for the right price. It serves to focus the positioning of a service, enhance profitability, allocate company resources among customer segments, and is instrumental in evaluating the success of marketing efforts (Gummesson 1993; Bitran and Lojo 1993).

3.2.3.2 Physical Evidence

Physical environment is an additional important dimension in service marketing that plays an important role in affecting consumer perceptions of service quality (Bateson, 1979). Physical environment clues send messages, help to shape an image for service firms, and set up the customer's expectation for what they are about to experience. Shostack (1977) notices that the physical environment has the potential to influence one's impression of the service. "Such characteristics as the colours or brightness of the surroundings, the volume and pitch of the sounds employed and/or present at the setting, the scents and freshness of the air and the temperature prevailing at the time of the service delivery may all help to shape a consumer's feelings concerning a service rendered" (Lovelock 1991, p.61). In other words, the environment affects behaviour by influencing the meaning a customer draws from a particular setting (Fox and Bender 1986), this include issues of orientation, learning where we are, where we are going, how things work and what behaviour is expected from us as a customer or as a service provider (Wener 1985; Buttle 1989). The appearance of staff can provide evidence about the nature of the service (e.g., a tidily dressed ticket Clerk for an airline) suggests that the airline operation as a whole is run with care and attention. Buildings are also frequently used to give evidence of service nature. Bitner (1990) adds that the physical environment affects the customers' perception of the service provider, even when all other conditions are equal. Bitner (1990) compared customer reaction to a travel agent where in one case the customer encountered a well-organised workplace (an ordered interior environment, uncluttered desk, and nicely dressed personnel), and in the other case a more casual environment. According to Bitner the customer who encountered the well-organised workplace had a significantly more positive response on all the variables tested, without technically receiving more qualified service. Thus, the ideal physical environment will prepare the customer by giving visual, procedural and psychological clues, which both support and define service quality expectations. Moreover, by giving a unique physical environment, a service firm can differentiate itself and its services from others, and ultimately it can gain competitive advantage in the market (Ballantyne et al. 1995; Song 1992).

3.2.3.3 Process

Services are more likely defined in terms of their production process rather than their tangible outcomes (Edvardsson 1997; Edvardsson and Mattsson 1993; Shostack 1987). The service industry produces and sells services at the same time in front of customers so that the production processes are visible to them. Customers of a restaurant are deeply affected by the manner in which staff serve them, and the amount of waiting involved during the production process. For instance, an unfriendly service provider can create a negative image which can influence the customer's satisfaction with the service. Lewis (1991) argues that if the process of service delivered is poor, the customer will receive poor service quality. Therefore attention to the need for, and the ability to have policies for handling poor service delivery are required.

The service production process has been divided into four groups (Goodwin, 1986) of customer involvement. These are as follows:

1. Customers in high power and high commitment may believe that their power in the service production process is equal to or greater than that of the service provider (e.g., house cleaner). They exercise their power and expect to maintain a good relationship or friendship with the service provider[5].

2. Customers in low power and with a high commitment may exercise a high power in the service production process,

- High power, high commitment: when customers expect to maintain an ongoing relationship with the provider, but believe their social power is equal to or greater than the provider's within the service encounter. French (1956) defines social power as "equal to the maximum force which A can induce on B minus the maximum resisting force which B can mobilise in the opposite direction.

- High power, low commitment: customers expect to have short-term relationships with services and they also experience their power as high in relation to the provider's.

- Low power, high commitment: when the customers perceive the provider's power as high in relation to their own.

- Low power, low commitment: customers experience short-term relationships, but perceive the provider's power as high in relation to their own (for more detail see Goodwin 1986, p. 160-161).

but they may expect a long term relationship with the service provider (e.g., airline cabin service).

3. Customers in low power and with a high commitment may perceive that the power of the service provider (e.g., University education) is higher than that of them. Here customers expect a long term relationship with the provider and they may be dependent on them.

4. Customers in low power and with a low commitment may expect only a brief interaction with the service provider (e.g., Professional tax preparers). Customers co-operate in the production process of the service, mainly due to their lack of capability about the process.

It is quoted by Al-Shudukhi (1989) that Lehtinen divides the service process into three stages:

1. The joining phase: the customer is given advice and ideas of how they will be expected to participate beforehand.

2. The intensive phase: This can be achieved by guiding interaction by means of the service-producing organisation's contact resources. This means that customer participation in the process will be influenced by contact staff, other customer participants, and by physical devices (automat).

3. The Disengagement phase: personnel help to encourage the customer to use the service again in the future. This stage relies on physical support. It aims at helping to

preserve the impression of the service which the customer experiences during the intensive phase.

The process of service production is dependent not only upon the actual procedures, mechanisms and flow of activities by which the service is delivered, but also upon the behaviour of personnel and the relationship between personnel and customers. Smooth running operations offer a firm competitive advantage, particularly where differentiation between service products is minimal.

Moreover, in order to provide the production process effectively and to satisfy customers in the overall process of service delivery, the service firms should adapt the following methods shown in Table 3.3.

Table 3.3
Action to Balance Supply and Demand in Services

Supply Side	Demand Side
- Inventory wherever possible (e.g., spare capacity, people).	- Have customer wait in a favourable environment, schedule customers (e.g., appointment systems).
- Schedule workers based on demand (e.g., shift working, part-time).	- Provide substitute services or goods(e.g., automatic tellers).
- Subcontract work to other service organisations.	- Diversify demands (e.g., enter counter seasonal markets).
-Have peak-time efficiency routines (e.g., only do essential jobs).	- Turn customers away during peak demand period (e.g., differential pricing).
- Increase customer participation in the production process (e.g., self-service).	- Use marketing to shift demand (e.g. advertising campaigns).
- Share services/ facilities with other service organisations.	- Change customer expectations of service(e.g., through usage).
- Improve the service system (e.g., use technology where possible).	

Source: Cowell (1991)

3.2.4 Service quality dimensions

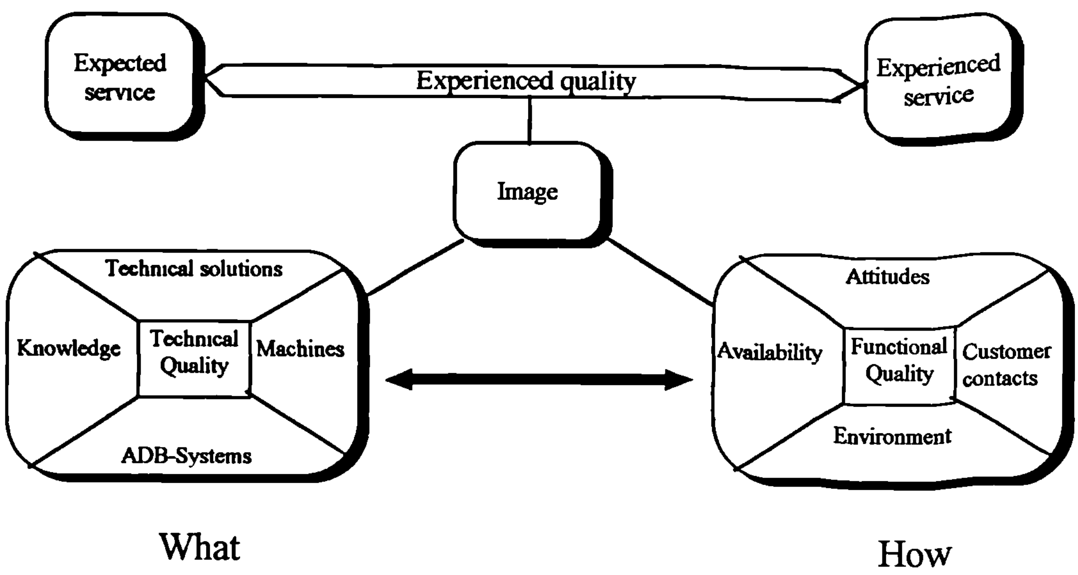
Gronroos (1984) argued that service quality comprises three dimensions. These are briefly described as follows:

1. The technical quality, that is to say, the actual outcome of the service encounter. The service outcome can often be measured by the consumer in an objective manner. An example of service outcome might be the flight from London to Amsterdam or, in the case of a car repair garage, the availability of the car at the promised time, its tidiness, and its mechanical condition. This dimension is related to the question: "what" has been provided.

2. The functional quality. Since service intangibles are often produced in interaction with the consumer, technical quality will not account for the total quality experienced by the customer. Moreover, customers will be influenced by the way the service is performed. Going back to the car repair garage example, this element of service quality is concerned with the courtesy shown to the customer, the amount of explanation provided in terms of what needs to be done, calling the customer if the car is not going to be finished at the promised time, etc. This dimension is related to the question: "how" has the service been provided.

3. Corporate image is concerned with the consumer's perceptions of the service organisation. It influences his perceptions of quality and acts as a filter through which he selects the factors influencing quality. Therefore, this image depends on technical and functional quality; price; external communications, physical locations; and the competence and behaviour of service firms' employees. (see figure 3.1)

Figure 3.1
Technical Quality And Functional Quality



Source: Gronroos, 1984

Lehtinen and Lehtinen (1991) and Lehtinen and Lehtinen (1992) refer to process quality, as judged by consumers during a service, and output quality that is judged after a service is performed. They also contend that service quality has three dimensions. These are:

I). Physical quality. This includes such items as the condition of buildings and enabling equipment.

II). Interactive quality. Here the dimensions of quality originate in the interaction between the customer and the service organisation.

III). Corporate quality. This refers to the organisation's image and profile.

These attempts to identify the service quality determinants are not complete, because the main contribution is to categorise service quality into quality of process and quality of outcome. The detailed interpretation of service quality which has gained greatest acceptance comes from the work of Berry et al. (1990) and Parasuraman et al. (1985, 1988). Their original effort aimed to discover attributes that were generic and would be relevant to services in general. This effort is known as the SERVQUAL," service quality". According to them the dimensions of service quality are: tangibles, reliability, responsiveness, assurance, and empathy. These five dimensions were statistically distilled from a list of ten generic quality dimensions, namely: tangibles, reliability, responsiveness, competence, courtesy, communication, credibility, security, access, and understanding. Table 3.4 provides a brief description of each dimension.

Table 3.4
Service Quality Dimensions

Service Quality Dimensions
SERVQUAL Dimensions

- Tangibles: Physical facilities, equipment, and appearance of personnel.
- Reliability: Ability to perform the promised service dependably and accurately.
- Responsiveness: Willingness to help customers and provide prompt service.
- Assurance: Knowledge and courtesy of employees and their ability to inspire trust and confidence.
- Empathy: Caring, individualised attention the firm provides its customers.

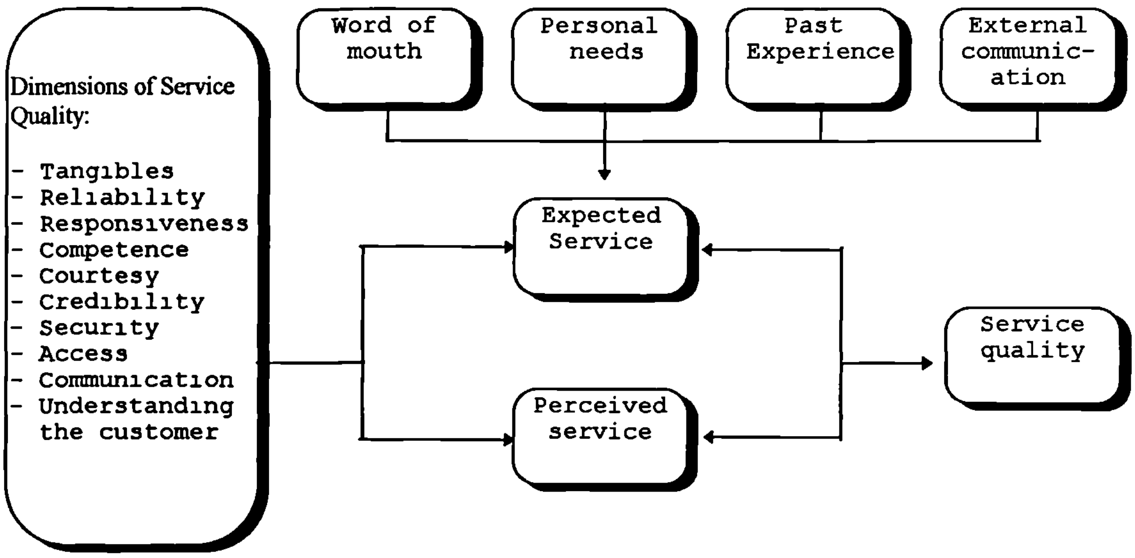
Original Dimensions

Assurance includes the following:
Competence means possession of the required skills and knowledge to perform the service. It involves
. knowledge and skill of the contact personnel;
. knowledge and skill of operational support personnel;
. research capability of the organisation (e.g., securities brokerage firm).
Courtesy involves politeness, respect, consideration, and friendliness of contact personnel (including receptionists, telephone operators, etc.). It includes
. consideration for the customer's property (e.g., no muddy shoes on the carpet);
. clean and neat appearance of public contact personnel.
Communication means keeping customers informed in language they can understand and listening to them. It may mean that the company has to adjust its language for different customers—increasing the level of sophistication with a well-educated customer and speaking simply and plainly with a novice. It involves
. explaining the service itself;
. explaining how much the service will cost;
. explaining the trade-offs between service and cost;
. assuring the customer that a problem will be handled.
Credibility involves trustworthiness, believability, and honesty. It involves having the customer's best interests at heart. Contributing to credibility is
. company name;
. company reputation;
. personal characteristics of the contact personnel;
. the degree of hard sell involved in interaction with the customer.
Security is the freedom from danger, risk, or doubt. It involves
. physical safety (Will I get mugged at the automatic teller machine?);
. financial security (Does the company know where my stock certificate is?);
. confidentiality (are my dealings with the company private?).
Empathy includes the following:
Access involves approachability and ease of contact. It means
. the service is easily accessible by telephone (lines are not busy and they do not put you on hold ;
. waiting time to receive service (e.g., at a bank) is not extensive;
. convenient hours of operations;
. convenient location of service facility.
Understanding/knowing the customer involves making the effort to understand the customer's needs. It involves
. learning the customer's specific requirements;
. providing individualised attention;
. recognising the regular customer.

Source: Bowers et al. "Quality and Satisfaction With Health Care Delivery", Health Care Management Review, fall/1994.

In summary, many of the above dimensions are related to the customers' confidence in those providing the service (see figure 3.2).

Figure 3.2
Customer Assessment of Service Quality.



Source: Zeithaml, V.A., Parasuraman, A. And Berry, L.L. (1990).

According to Silvestro and Johnston (1990) there are fifteen dimensions of service quality, which they categorise as: hygiene factors expected by the customer and failure to deliver will cause dissatisfaction; enhancing factors which lead to customer satisfaction but where failure to deliver will not necessarily cause dissatisfaction; and dual-threshold factors where failure to deliver will cause dissatisfaction, and delivery above a certain level will enhance customers' perceptions of service and lead to satisfaction.

In health care, Bowers et al. (1994) SERVQUAL has been tested, and the basic finding of the focus group research was that patient satisfaction was related to twelve dimensions - outcome and caring plus the original ten dimensions identified by Parasuraman et al.

(1985,1988). However, considering "caring" as an additional dimension for service quality is just overlapping information because responsiveness, courtesy, communication, access, and understanding are considered as care factors. Reviewing the literature shows that reliability was the most important dimension of the five SERVQUAL dimensions, followed by assurance as the second most critical element. Responsiveness was the third most critical dimension, followed by tangibles and empathy. Similar results have also been obtained from other investigations (Donaldson, 1995). Reliability has continually been shown to explain the lion's share of the variance among the SERVQUAL dimensions (Brown and Edward, 1995). Parasuraman and Berry (1991) provide the following statement regarding its importance:

> "Reliability... has repeatedly emerged as the most critical dimension in every study in which we have measured the relative importance of the five dimensions (to date we have completed ten such studies involving independent customer samples)... Reliability it the essence of service quality".

Carman (1990) raises a question about dimensionality: how many major dimensions are SERVQUAL assessing, is it just five (Parasuraman et al., 1985, 1988) or is it only two- technical and functional service, or three to include corporate image? (Gronroos, 1984). According to Berry (1990), service quality dimensions vary with respect to how easy or difficult it is to evaluate them. For example, tangibility or credibility, are known in advance but most are experience criteria and can be evaluated only during or after consumption, whereas competence and security may be difficult or hard to evaluate, even after purchase. Therefore, consumers rely on experience when evaluating services.

For this study, consumers' perceptions of services were investigated rather than their experiences. It is believed that attitudes can be formed even in the absence of actual experience with a product or a service (Baker, 1996). Marketers are very interested in the attitudes and perceptions that people formulate about specific products or services, because these perceptions and attitudes make up product and brand images that affect buying behaviour (Kotler et al. 1996). If a consumer has a favourable attitude towards an object and the opportunity arises to behave, then his or her behaviour would reinforce this attitude in establishing a buying intention which causes purchase (Fishbein and Ajzen, 1975).

3.2.5 Quality Of Airline Services

For many companies, the delivery of high service quality became a marketing priority of the 1980s (Zeithaml, Berry, and Parasuraman, 1988). Especially for airline carriers, the delivery of high service quality becomes a marketing requisite in the 1990s, as competitive pressures increase. In other industries, evidence is mounting that effective investment in high service quality results in cost savings, improved profitability and market share (Cina 1990; Daniel 1992 and Shycon 1992); and increases customer loyalty (Ostrowski et al., 1993).

Customers' perceptions about service quality and what is being delivered are of course determined partly by what is actually being delivered (Stone and Young, 1992). Unlike its product counterpart, service quality cannot be controlled by scientific means or objectively measured by set standards (Berry and Parasuraman 1992). According to Berry et al. (1992) this is due to two circumstances. First, owing to their very nature, services are performances rather than objects. These performances are carried out by humans supported by technology. Because of the large emphasis placed on employees, performance levels can differ across employees as well as occasions. Services often encompass multiple interactions between the customer and differing employees. On a typical flight, a passenger may interact with (or be exposed to) baggage handlers, employees at the ticket counter, flight attendants, gate attendants, cockpit crew and others. A poor performance by any of these may lead to perceptions of poor service. Because a service cannot be put into inventory, consistency of performance is difficult to attain and sustain (Ostrowski et al., 1993). Second, good service may have little to do with what the provider believes; rather it depends on the beliefs of the individual customer. Customer satisfaction can occur when the customer's perceived experience either matches or exceeds the customer expectations. However, customer loyalty (leading to repeat business) occurs only when the perceived experience can be considered "excellent," a level far exceeding merely good service (Zemke, 1992).

This poses severe problems for service providers, because providers may not understand what service features are important to customers. According to Fryar (1991) it is difficult for the customer (especially first time purchasers) to evaluate and discern differences in service quality, especially before the fact. Therefore it is very important for organisations to keep a close watch on the customer, assessing the importance and performance of each contact. According to Headley and Choi (1992) it is important that service quality measures are customer-driven as there could be disparity between managerial thoughts and customer expectations. Headley and Choi (1992) believe that by listening to customers, service providers can identify critical areas of service that need managerial action and those that can be promoted on differentiating features.

Gourden (1988) argues that the high price of fuel and the competitive nature of the airline industry have caused many airlines to find ways to cut over-head costs. One strategy has been for some airlines to eliminate or at least stream-line services delivered. This has resulted in an increase in consumers voicing their irritation and dissatisfaction with the quality of service currently being provided by airlines. According to Fried (1989) a Gallup poll conducted for the American society for quality control surveyed 1,005 consumers and found that the percentage of passengers who experienced unsatisfactory airline services almost doubled from 1985 to 1988.

After deregulation in 1978, airlines had to begin to differentiate themselves from their competitors through service and price. As fuel costs began to rise, a future burden was placed on an already financially weak industry. Airlines then turned to the reduction or elimination of a number of customer services that had been expected by the flying public in the past. Services such as checked baggage, in-flight meals, movies, and free drinks were either eliminated or reduced. On the other hand this resulted in a reduction in service quality as airlines continued to emphasise low fares at the expense of service delivered.

Consumers want to get from A to B but at the same time they also want to go at a time that is convenient, at a price that represents good value and in a manner they find acceptable. Consumers also would like to arrive safely. Each consumer has a particular mix of convenience, price and quality that will suit him or her best. Whenever the National Consumer Council (1986) looks at how responsive a sector of the economy is to consumer needs, they advise that a number of criteria should be used. They are:

Access

Regulations limit what is on offer to consumers. Agreements between governments prevent service being offered at some airports, prevent airlines from choosing the airports they wish to serve, ration the capacity that is available in the scheduled sector and keep prices up. The British National Consumer Council believe that airlines should be able to supply any service, where the price consumers are willing to pay for that service exceeds the cost of providing it.

Safety

Safety is crucial for air travellers (Prokesch, 1995). No one will be satisfied with a journey that ends in a crash, or some other disaster. It is very important that whatever types of service passengers are offered, they are offered a safe journey. Therefore, it is very important that safety standards are as high as possible for all airlines.

The question of safety has been a recurring theme in aviation regulation. All governments have imposed regulations on entry into the industry in order to try and ensure that entry is restricted only to airlines who can demonstrate an ability to operate safely (Show, 1991).

International aviation officials are attempting to forge world-wide standards for improving the safety of flight operations, especially after the 1992 crash of a US Air Fokker 28 at New York's La Guardia Airport.
Thus, safety standards need to be enforced by a regulatory agency so that passengers know that the airline they use is reasonably safe (Jackman 1994).

Choice

Airlines, amongst each other, should be able to provide different packages of service so that consumers can, by choosing between the competing packages, indicate which particular mix of comfort, convenience and price satisfy their demand. In air transport, this will mean a choice between airlines, between ticket types, between different routes, between different types of departure and possible different airports and between different levels of comfort, service and convenience.

Information

The consumer cannot make use of the choices offered if he or she does not know that the services exist. The industry should provide that information in ways that the consumer can use, and in ways which help the consumer make rational choices between the products on offer.

Redress

If the product that is offered by the airline does not conform to the description it was sold under, consumers have a right to compensation. Furthermore, the industry should try to minimise, as far as possible, the effects of mistakes on consumers.

Representation

Where choice is limited through regulation, commercial agreements or monopoly, consumers need to have a powerful input into the decisions which determine what products actually are produced, and at what price. However, air service agreements, inter-airline agreements and national legislation all restrict what suppliers can supply, and who can supply it.

Value for money

If consumers have varying preferences, expectations and needs, the limited number of products on offer can never satisfy everyone all the time. So, organising the industry in a different way will often result in some groups getting a product closer to their ideal, representing better value for money for them. If consumers are reasonably happy with what they do get, they need to know that the product represents value for money.

Moreover, Bolton and Chapman (1989) believe that there are six important service attributes in evaluating an airline. They are:

1. On-time performance (arriving at final destination within fifteen minutes of schedule).
2. Baggage handling (experience with waiting for luggage and lost or damaged bags).
3. Food quality (taste and variety of food provided).
4. Seat and leg room (roominess of seats).
5. Check-in service (experience with waiting at the check-in counter, obtaining flight information, and being bumped).
6. In-flight service (friendliness and competence of flight attendants and pilots).

Bolton and Chapman (1989) add that most of the complaints directed at airlines nowadays revolve around baggage handling, delayed flights[6], missed connections, reservation handling, oversales, problems with refunds and so on. Gourdin (1988) asserts that most of the complaints concerning baggage handling and delayed flights are related to the hub and spoke method of operation which concentrates most aircraft activity into a limited time period during the day. Most of the delayed flights at major hubs result from scheduling too many flights during the same time period in an attempt to meet customer demand. The hub and spoke system means that the baggage must be transferred from one plane to another, and this might increase the possibility of loss or damage.

According to Bolton et al. (1989) there are three dimensions of customer complaint behaviour in the airline industry. One dimension involves operational problems. These problems happen during the standard service contact such as flight cancellations and delays, oversales, and problems with reservations, boarding, baggage, and customer service. A second dimension reflects marketing problems, such as information on fares and other advertising. These problems concern facilitating services and usually occur prior to the flight. The third

[6] Delays lower customers' overall evaluation of service and of the tangible and reliability attributes of the service in particular (Taylor, 1994 and 1995).

dimension reflects special situation problems such as denial of credit and availability of tour packages. However, these problems concern services in non-standard service contact.

3.2.6 Summary of the Section

In this section we have examined the importance of quality, the definitions of quality, service delivery system, dimensions of service quality and the quality of airline services.

As the emphasis is on consumers' perceptions of airlines, the next chapter will examine the current state of the airline industry in the world.

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CHAPTER 4

AIRLINE INDUSTRY

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This chapter begins with providing information about air transport and civil aviation, the international air transport market and the current state of the airline industry. Further the chapter examines the regulation and deregulation of the international air transport and its impact on competition among airlines.

4.1 Towards a Better Understanding of Air Transport and Civil Aviation

According to Vellas and Becherel (1995) three conditions characterise air transport in the 1990's:

1. Exceptional growth: The growth of the air transport sector has been more than 6 per cent annually since the 1970s. This growth has been geographically concentrated in the industrialised regions and in the industrialised countries.
2. Intense competition: The intense competition in the air transport industry causes difficulties in the management of airline companies, even during periods of high demand. The world-wide policy of deregulation, following the experience of the United

States, has transformed the market by creating competition between the carriers (which will be discussed in detail in this chapter).

3. Vulnerability: Vulnerability to economic and international political shifts is the third feature of the air transport industry. The Gulf crisis and the economic recession at the beginning of the 1990's resulted in a decline in air traffic. According to statistics compiled by the ICAO (International Civil Aviation Organisation), world airline traffic fell by 3.5 per cent. The industry was particularly unstable throughout the 1980's; thus, many major airline companies have disappeared, including the American Companies Pan Am and Eastern.

In 199 , the ICAO estimated that world demand for scheduled domestic and international air transport amounted to a total of 235,870 million tonne-kilometres. Statistics show that world traffic grew on average 6.4 per cent annually between 1981 and 1990.

Comparing the annual growth rates of the three categories of traffic (passenger, freight and airmail) between 1981 and 1990 highlights the particular buoyancy of freight traffic that has grown at an average annual rate of 7.5% (see Table 4.1). The annual growth rate of world air traffic is double that of the world's GNP. It is predicted that, barring major incidents like the Gulf War, the industry will continue to grow, although at no more than 5 per cent annually throughout the 1990's (Anonymous 1993; Vellas and Becherel, 1995).

Table 4.1
Average Growth Rate of Air Transport Demand, 1981-90

Passengers carried	4.9%
Passenger-kilometres	6.0%
Tonne-kilometre for freight	7.5%
Tonne-kilometres for air mail	3.7%

Source: Vellas et al. (1995 , p. 120

4.2 The International Air Transport Market

The World Civil Aviation Industry dates back to the period immediately following the First World War (British Airways for example has just celebrated the 75th anniversary of the first service provided by one of its predecessors). However, its modern foundations were laid in 1944, with the definition of the five 'freedoms of the air' by an international agreement known as the Chicago Convention. These freedoms defined the basis of the commercial rights which permitted airlines to fly to, from, or over the territory of a state outside the one in which it was registered (Gialloreto 1988; Shaw 1991; Taneja 1981).

The term 'fifth freedom rights' is still in common use today, and describes;

"The right to pick up passengers in the territory of one state (not the airline's home territory) and land them in the territory of another state (also not the air lines home territory)" (Airline Key Note, 1994).

Two countries provide 30 per cent of the world's international services: the United States (20 per cent) and the United Kingdom (10 per cent). The North Atlantic is the busiest route in the world and accounts for 22.3 per cent of the world passengers. However, forecast of the growth of demand for the North Atlantic route show that the annual rate will be lower than the average demand for other world routes.

In its World Market Outlook publication (1994), Boeing predicts that world air travel will grow at a rate of 5.9 per cent annually until the year 2000 and at 4.9 per cent from 2000 to 2013. Between 1980 and 1990, the average annual growth rate of 5.9 per cent added 51 billion RPM (revenue passenger miles) each year to the world's air traffic, because the base is so large. Boeing predicts that between 1990 and the year 2000, 74 billion RPM will be added annually to the system and 119 billion RPM each year between 2000 and 2010. On other hand, passenger traffic will almost triple between 1994 and 2013.

The busiest international routes are increasingly towards Asia which is also the region experiencing the strongest growth in tourism and international trade. Some estimates suggest that the year 2010, over half of all international airline passengers will be flying to or from the Asia-Pacific region (Stein, 1996).

The Busiest European routes start from London and include London-Paris (route with the most seats on offer in the world), London-New York and London-Amsterdam (see Table 4.2)

Table 4.2
The World's Busiest Routes (Scheduled Traffic, March 1993)

Route	Seats offered	No. Of flights	SKO (millions)	No. Of companies
London-Paris	492.4	2,9887	170.4	8
Hong Kong-Taipei	465.9	1,473	376.0	7
Jakarta-Singapore	351.3	1,616	313.7	15
Bangkok-Hong Kong	322.0	1,049	552.2	10
London-New York	320.7	1,119	1,779.6	8
Honolulu-Tokyo	378.8	643	1,728.6	6
Amsterdam-London	273.8	1,995	101.6	8
K.Lumpur-Singapore	286.4	1,543	82.6	5
Bangkok-Singapore	261.2	999	378.2	20
Seoul-Tokyo	237.3	681	290.7	7

SKO = Seats-kilometres offered
Source: Vellas, et al. (1995, pp. 125).

4.3 International Non-Scheduled Air Traffic

Non-scheduled air traffic represents approximately 17 per cent of total international passenger traffic. Charter companies and regular carriers have equal shares of the international non-scheduled air transport market. Europe has most of the traffic, principally to the tourism destinations in Southern Europe. Between 1988 and 1992, non-scheduled transport increased its market share by 5 per cent in Europe to account for 43 per cent of international intra-European traffic. For example, in the UK, the growth of the charter company

Britannia owned by Thomson is a remarkable example of the success of non-scheduled air transport used exclusively for tourism. In 1992, Britannia declared a profit of US $45 million. Britannia's fleet of Boeing 747s and Boeing 737s fly to destinations attracting a high proportion of leisure traffic. It is the largest charter airline in the world, serving 100 destination. In 1991, it carried 6 million passengers on its fleet of 39 aircraft. (Vellas and Becherel, 1995).

4.4 The Current State of the Airline Industry

It is noted in The Travel and Tourism Analyst (1992 that, there are 722 airlines in all parts of the world. Table 4.3 shows the regional distribution of these airlines. There are 53 airlines in the UK and 33 in France. In both countries, the industry is dominated by a single airline. Similarly, though there are 104 airlines operating in the USA, about 95 per cent of all domestic traffic is now carried by five airlines.

Table 4.3
Total World Airlines, 1992

Region	No of airlines
Western Europe	236
North America	147
Africa	106
Asia	64
South America	46
Central America	45
Australia & South Pacific	38
Middle East	29
Eastern Europe	11
World total	**722**

Source: EIU Travel & Tourism Analyst, Transport, 1992.

Table 4.4 below shows the leading airlines of the world as measured by passengers carried. The revenue passenger kilometres measured gives weight to the distance travelled as well as the number of passengers carried. Therefore, the large US domestic airlines head the field, with only British Airways, Japan Airlines, Lufthansa and Qantas among non-US airlines figuring in the top ten. US Domestic United, American and Delta are clear leaders in this market in 1993.

Table 4.4
Total International and Domestic Services of 20 Top World Airlines (£ bn and Billion Tonne Kilometres), 1993

Airline	Revenue Passenger Kilometres (bn)
United Airlines	163.0
American Airlines	156.3
Delta Air Lines	133.5
Northwest Airlines	94.5
British Airways	92.7
Lufthansa Group	67.0
Continental Airlines	64.6
US Air Group	56.7
Japan Airlines	56.7
Air France Group	55.4
Singapore Airlines	42.3
Qantas	40.6
KLM Royal Dutch Airlines	38.6
All Nippon Airways	36.9
Trans World Airlines	36.7
Southwest Airlines	30.3
Cathay Pacific Airways	29.1
Alitalia	28.4
Korean Air Lines	29.0
Iberian	22.8

Source: Airline Key Note, 1994

In other words, if only international figures are considered, it looks that European and Japanese companies carry more travellers than North American companies, British Airway carries the most international traffic, followed by United, Japan Airlines and Lufthansa (Key Notes, 1994). This situation is changing and developing very quickly with approaches being made for International links by United, American, and Delta (Vellas and Becherel, 1995).

4.5 The Regulation of International Air Transport

Regulation in air transport can be defined as the attempt by government or their agents to ensure that certain objectives are met which might not be met under the operation of free market forces. Therefore, regulation is government intervention in the working of the industry (Shaw, 1991).

The term regulation in air transport may include regulating one or more of the following: The right of entry and exit, i.e. the right to establish service at a point; the type of service provided, "scheduled or charter", the route to be followed, the frequency of service, the size of the aircraft and fares to be charged. These factors have impinged on pricing as "Marketing decision" (O'Connor 1978; Bailey, Graham and Kaplan 1985).

4.5.1. Reason For Regulation

According to Doganis (1991) there are three reasons for regulating and controlling competition between carriers. These reasons are summarised as follows:

a) Unregulated competition had led to chaotic economic conditions, little security for investors and low safety margins. The Americans believed that, while air transport is not a natural monopoly, regulation is required because unregulated competitive market forces may have adverse consequences for the public at large. It has been argued that, whereas there are strong oligopolistic tendencies in air transport, regulation is needed. However, without regulation, the network benefits may be lost. This is because the industry has a non-differentiated product and a relative ease of entry.

b) Air transport is a public utility or at least a quasi-public utility. The external benefits arising from civil aviation are such that the industry needs to be regulated in order to ensure that any benefits are not jeopardised.

c) The third reason in support of the regulation of international air transport is linked to the rapid development of non-scheduled air traffic. Therefore regulation is needed in order to protect scheduled services on most routes because they had public service features that imposed certain costly obligations upon them and which made them particularly vulnerable to price competition.

4.5.2 The growth of economic regulations

Once the Paris Agreement of 1919 recognised that governments have exclusive sovereignty over the airspace above their territory, direct government intervention in air transport became inevitable. As a result, the free-trade, laissez-faire approach towards air transport of the early years of aviation was gradually replaced by an incomplete pattern of bilateral agreements between countries having airlines and the countries to or through which these airlines wished to fly. However, the restrictive character of 'bilateralism' was soon apparent.

Before the second world war was over 52 member states were represented in discussions designed to promote world air services and to reach agreement on standard operating procedures for air services between countries. There were two outcomes of this meeting: the founding of the International Civil Aviation Organisation (ICAO), now a specialised agency of the United Nations; and the establishment of the so-called five freedoms of the air. These comprise the privileges of:

1. flying across a country without landing;
2. landing in a country for purposes other than the carriage of passengers or freight; e.g. in order to refuel;
3. off-loading passengers, mail or freight from an airline of the country from which those passengers, mail or freight originated;
4. loading passengers, mail or freight on an airline of the country to which those passengers, mail or freight are destined; and
5. Loading passengers, mail or freight on an airline not belonging to the country to which those passengers, mail or freight is destined, and off-loading passengers, mail or freight from an airline not of the country from which these originated.

These privileges were designed to provide the framework for bilateral agreements between countries and to ensure that carriage of passengers, mail and freight between any two countries would normally be restricted to the carriers of those countries.

Due to the conflicting interests of the various nations present, agreement was not reached on providing a means for exchanging commercial rights to fly in and out of independent nations. According to Taneja (1979, 1981), there are two conflicting views:

1. The United States wanted relatively complete competitive freedoms; it had the necessary aircraft, experience, and finances to dominate such a state of affairs.
2. The United Kingdom and other Commonwealth countries wanted to set up an international agency to control capacity, frequency, and fares.

However, the Chicago Conference (1944) failed to reach an agreement in order to gain wide acceptance. Since then, International Aviation has become subject to a time-consuming and bureaucratic process of bilateral bargaining (Doganis 1991; Shaw 1991; Ott 1994 .

A further attempt at the Geneva Conference of 1947 also failed. Consequently the exchange of air traffic rights became a matter for bilateral state agreement, while the control of capacities and frequencies became a matter for inter-airline agreements, and sometimes, for bilateral state agreements and tariffs came to be regulated by the International Air Transport Association (IATA), an association of international airlines.

4.5.3. Bilateral Agreements

According to Pryke (1987) the International Conference at Chicago in 1944 failed to produce a multinational agreement providing certain 'freedoms' of the air. As a result, countries have negotiated bilaterally for the exchange of commercial rights.

Bilateral air services agreements between states have been of two kinds. The first type reflects protectionist attitudes and not only specifies routes that are to be operated by the airlines of the two states, but also specifies the capacity that should be provided on each route and states that capacity should be shared equally by the designated carriers of the two states. The second type of bilateral agreement is referred to as the Bermuda type, after the agreement signed in 1946 between the United Kingdom and the USA in Bermuda (Doganis 1991; Holloway 1994). As a result, Bermuda-type agreements have become widespread. These agreements as follows:-

1. The first two freedoms were essentially agreed upon at the Chicago conference, and the last three were the result of the Bermuda Agreement. The Bermuda Agreement states that the capacity should be related first, to traffic requirements between the country of origin and countries of destination; second, to the requirements of through airline operations and

third, to the traffic requirements of the area through which the airline passes after taking account of local and regional services.

2. There was some control of entry, as the routes to be operated by each country's airlines were listed in an Annex which also requires that each state should designate its airline for those routes.

3. While there was no agreement reached on international fares and rates at the Chicago Conference, it was generally agreed among the carriers that fares and rates between the same points should be uniform, and those between comparable points should bear a fixed ratio to each other.

Doganis (1991) believes that, "the effect of Bermuda-type Agreements is not as liberal as their terms might suggest. This is because they do not preclude airline pooling agreements, which effectively restrict capacity competition. Nor do they preclude subsequent capacity restrictions imposed arbitrarily by governments to prevent foreign carriers from introducing a new aircraft type or to limit increases in frequencies".

4.5.4. Inter-Airline Pooling Agreements

On the vast majority of International sectors there are two major carriers, the designated airlines of the two countries involved. There might in addition be one or more fifth freedom carriers. In many cases the latter supply only a relatively small part of the total capacity available. As in many duopolistic situations, there is a strong incentive for formal or informal agreement between the duopolists to share out the market (Butler and Keller, 1995). Shaw (1991) notes that, in some cases, where the traffic is not considered to be adequate for two-airline operation, there may be a 'Revenue-cost' pool. This type of pool means that one airline alone operates the service on behalf of all the other airlines in the pool. However, costs and revenues are shared between them on a prearranged basis.

In revenue-cost pools all partners have an incentive to market and sell the service even if they are not operating it themselves because they share in any losses and profits. Sometimes a pool agreement can become a comprehensive agreement covering more than rationalising of schedules and capacity control. For example developing a common tariffs policy for the pooled routes and for the IATA tariff negotiations. Other aspects of the agreement may involve joint sales promotion and advertising, use of each other's reservation system, sharing of ground handling facilities at airports and so on.

Shaw (1991) asserts that pooling can nevertheless still result in a successful airline making significant payments to a less successful one, therefore, providing a distortion to the free working of competition. Thus, pooling has always been unpopular and is today coming under pressure from regulatory agencies concerned with competition policy. From Doganis' (1991) point of view, the effect of all such agreements is to reduce the freedom of action of the airline involved and to blunt any competitive tendencies. Moreover the effect of the bilateral air services agreements and of inter-airline agreements is to delimit the routes on which airlines can operate and to determine the capacity shares of the two (or three) designated carriers in these markets.

4.5.5. The Role of IATA

The International Air Transport Association was founded in Havana in 1945, as a successor of the pre-war association, which had been largely European. Its primary purpose was to represent the interests of airlines and to act as a counterweight to ICAO (International Civil Aviation Organisation), which was an intergovernmental agency primarily concerned with government interests in aviation.

IATA is required to ensure that people, freight and mail can move on the vast global network as easily as if they were on a single airline within a single country (Airline Key Note, 1994).

The objective of IATA can be summarised as 'facilitation' and that means IATA seeks co-operation between airlines in the furtherance of such objectives. From the travellers' viewpoint, IATA can point to some solid achievements. These include the setting up of a system which provides for the acceptability of tickets issued by one airline on air services provided by another, and committees which provide for the co-ordination of operating schedules at airports.

In the past, IATA has faced criticism that it operated a cartel at keeping fares artificially high against the interests of the traveller.

Holloway (1994) believes that the agreed fares were the outcome of political considerations in which the less efficient national flag-carriers pushed for prices unrelated to competitive costs.

IATA also controlled many other aspects of airline operation, such as pitch of passengers' seats, which dictated the amount of leg-room they could enjoy, and even the kind of meals that could be served on board.

According to Doganis (1991) this had led to inertia among the participating carriers with agreements resulting from a desire to avoid controversy among fellow members, since they faced open competition from non-IATA carriers who successfully competed both on price and added value. The US and other countries preferred to withdraw from this price-fixing mechanism, and as a result IATA restructured its organisation in 1979 to provide a two-tier organisation.

1. A tariff section to deal with fare-fixing for those nations which wished to continue doing so,
2. A trade section to provide the benefits which an international airline body could offer.

IATA's role in price-fixing has become steadily less important, and airlines have been left also to determine their own service and catering arrangements. The principal benefit offered by IATA today is their central clearing house system, which makes possible financial settlements between members.

IATA recently agreed to modify its strict rules on IATA-accredited travel agents so as to allow carriers to deal with any agent. In the past only IATA-accredited agents could be used. This represented a further relaxation in IATA's hitherto rigid membership rules (Holloway, 1994). Therefore, today, IATA's role is one of co-ordination rather than fare setting (Hanlon 1996; Vellas and Becherel 1995).

4.6 Regulation of Non-Scheduled Air Service

Non-scheduled traffic right has not been regulated by bilateral air services agreements. However, most countries have insisted on giving prior authorisation to incoming non-scheduled flights, but attitudes towards authorisation vary significantly. Some countries such as India have been restrictionist in their approach and have refused to authorise charter flight unless they are operated by their own national carrier or unless it can be shown that no scheduled traffic will be diverted. Many other countries such as Spain, Morocco or Tunisia have followed a more liberal 'open skies' policy and have readily authorised non-scheduled services.

Some other countries such as the United States and the United Kingdom brought non-scheduled operation within some form of national regulatory control. Such regulation was aimed at clearly delineating the area and scope of non-scheduled operations so as to protect scheduled operations, while giving non-scheduled operators considerable freedom of action within their defined area.

Initially IATA tried to regulate the non-scheduled activities of its own members by trying to fix minimum charter rates as a function of the scheduled fare and by other rules governing who could have access to charter flights.

4.7 Deregulation

The most important issue in civil aviation today is deregulation and its effect on the structure of the air transport industry. Deregulation, or liberalisation, is the deliberate policy to reduce state control over airline operations, and to allow market forces to shape the airline industry (O'Connor, 1978). The Post war air transport industry grew up in a strictly controlled environment, justified in part by the needs of an infant industry and by a concern to establish common standards world-wide in technical, operational and commercial areas. Without governmental intervention and co-operation between airlines, the development of air travel would have been less orderly than has been the case.

In the United States, during the seventies, it began to be felt that the industry had outgrown the need for external control and that both the industry and its customer would benefit if regulation were to be withdrawn (O'Connor, 1978).

In 1978 the US government introduced legislation deregulating routes within the USA and in 1979 brought in an act concerning competition on international routes. The move towards deregulation around the world is limited to commercial matters such as fares, capacity, market entry and frequency. There is no likelihood of government relaxing their control over things like safety, air worthiness requirements, licensing of flying, and similar matters. Instead of very tight regulation of market entry and exit, capacity and pricing, there has been an interest towards liberalisation in a number of aviation's major markets such as the US domestic market and the North Atlantic market (Taneja, 1981).

As a result of the deregulation Act (1979) a lower level of control over market entry, more flexibility to vary price levels independent of regulatory interventions, a total deregulation of air cargo services and the promise that within five years' time the CAB (Civil Aeronautical Board) which regulates prices and market entry to domestic air transport would be eliminated.

The changes in the international airline industry are more fragmented and less consistent, compared with those in the US. However, very real policy developments have occurred in parallel with the US domestic situation. In June 1976, the British government gave 12 months' notice of the termination of the Bermuda Agreement with the United States with the express purpose of obtaining a larger share of the traffic on the North Atlantic route for British Airways and of limiting American airlines' traffic rights and earning other major routes passing through British territories. The British felt that they were doing badly under the existing Bermuda bilateral agreement and produced figures to prove it (Doganis, 1991). Therefore, a new Bermuda Agreement was signed in June 1977. In the middle of the negotiations, however, the Court of Appeal ruled that the UK government had no right to de-designate Laker Airways, which had previously been designated to operate a London-New York 'skytrain' service.

While 'skytrain' was allowed to operate, the US also pushed for the right of its airlines on the London-New York route to make a competitive low-fare response. In 1978, an agreement was signed between the US and UK government to extend low "stand by" and "Budget" fares on to all UK-US routes in addition to the London-New York route. Right after this, the United States began signing a series of bilateral agreement with the Netherlands, Belgium, and West Germany. All these agreements included the low-fare/flexible-pricing principle and they are permitted much freer market entry in terms of additional gateway points and permission being giving for new carriers to serve existing routes. Early in 1990 it was agreed by the US and UK governments to set up a joint working party to deal with the fundamental problems arising out of Bermuda 2 (Shaw, 1991).

In other international service elsewhere, similar trends have occurred, although in a less extreme and fragmented way. Free traders predict that a more liberal system of international aviation will be adopted, probably through ICAO, or will come into common use on its own accord (Ott, 1992). Moreover, the process towards a more liberal air transport system will continue during the remainder of this decade(Hamill 1993; Zellner 1997).

4.8 Deregulation And Competition

The lesson of deregulation of international air transport can be best seen with regard to North Atlantic Services where deregulation started earlier, and went further (Zellner, 1997). Doganis (1991) says that, competitive markets require that the product should be homogeneous and that there should be ease of entry for new suppliers to enter the market and operate without price or capacity controls. Doganis believes that consumers should be fully aware of the prices being offered by the different suppliers.

According to Ostrowski et al. (1993) and Feldman (1995) the competitive battle has been fought using price as the primary weapon. For example, in the first half of 1992, American Airlines' attempt to simplify and stabilise fares backfired when several competitors made or matched price reductions. The situation further deteriorated when Northwest introduced a buy-one-get-one free offer which all other airlines matched, resulting in little or no profit margins during the critical summer travel months. The winners in such battles will ultimately be organisations with the lowest costs or the deepest financial pockets. In the case of the airlines, Southwest stands dominant as the airline gaining the most in the current fare war owing to a cost advantage over its leading competitors. Many other carriers, such as American, BA, United and Delta, continue to compete effectively because of their deep financial reserves. But, for the rest, a battle based on price alone represents a no win situation.

Doganis (1991) argues that competition also requires not only freedom and ease of entry but also freedom of exit, so that loss-makers leave the market to the more efficient carriers. On international air routes the loss-makers tend not to leave the market but continue to operate despite their losses. This is because many will be state-owned airlines and may receive direct subsidies, where the airlines are privately owned, unprofitable airlines stay in the market by selling off non-airline assets. This is what Pan Am did in the 1970's, when it sold the Pan Am building in New York and in 1981 when it lost $341 million it was able to cover the loss by disposing of the Intercontinental Hotel Chain. In 1985 it sold its pacific network to United Airlines in order to salvage its internal German and US Shuttle services for sale in the Spring of 1990.

Deregulation came to the US commercial airline industry in 1978. Since that time, the amount of change affecting the industry has been profound. From a customer viewpoint, whether the change has been for the better is still a hotly debated question.

Hodgson (1987) argues that, there have been benefits to the customer in areas of choice of airline and lower prices but there has been a price to pay as routes have disappeared and airlines have become bankrupted.

Doganis (1993) says that for consumers, liberalisation has generally meant lower fares, an increased range of fare types, more direct point-to-point services, higher frequencies and wider range of airlines and service products to choose from. In nearly all bilateral markets, traffic growth has tended to increase in the first two or three years of liberalisation as a result of lower tariffs and/or new routes being opened, suggesting that additional consumer benefits have been generated (Prokesch, 1995).

Critics argue that, since deregulation, the industry has deteriorated. They cite degenerating labour-management relations, the large and growing number of carrier failures, industry concentration, erosion of margins of safety, pricing discrimination and false and misleading advertising as evidence of their claims (Bailey 1992; Dempsey 1991). Moreover, Kahan (1992) asserts that of the six intellectual assumption behind airline deregulation, four of them have been shown to be false:

1. Deregulators believed that airline size was not critical to efficient operations.
2. Deregulators believed that barriers to entry were low in the airline business.
3. Deregulators believed that increased competition would produce low unrestricted fares.
4. Deregulators believed that travel agencies were obsolete as well as potentially misleading channels of information and distribution.

The fifth assumption, that the antitrust laws would restrain competitive abuses, has been negated by a policy of non-enforcement. The sixth assumption, that bureaucrats in Washington could not meet airline consumer's wants as well as real world airline managers, has been shown to be correct. From Kahan's point view, if concentration of the industry continues unabated, a pro-competitive policy should be required. On the other hand, proponents maintain that, even in this era of hubs-and-spokes travel, service has never been better (Barnett et al., 1992). The number of flights have increased, additional airports have opened, tickets are more affordable, and airline traffic continues to grow. Regardless of the perspective taken, one important fact stands clear: competition is ever increasing, or as Bob Crandall, CEO of American Airlines, stated, "this business is intensely, vigorously, bitterly, savagely competitive" (Zellner, 1992).

4.9 Summary

Air transport is going through a period of severe upheaval. Many airline companies are facing serious financial difficulties; deregulation had created major problems in some cases, resulting in higher fares and less competition among international airlines.

The following chapter will be devoted to reviewing the relevant literature related to the effects of country of origin (COO) on consumers' evaluations of products and services. The chapter will present more of the theory behind this research.

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CHAPTER 5

LITERATURE REVIEW: COUNTRY OF ORIGIN EFFECTS

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Over the past 30 years or so the growth in international trade and the development of global markets has been accompanied by a significant increase in interest in the nature of competitiveness. Among the many factors which are believed to impact upon international competitiveness country of origin (COO) effects, (sometimes referred to as product country image or PCI) has attracted growing attention.

The literature review of this chapter opens with some definitions of COO effects and is then organised chronologically and thematically. The period covered is from 1965 to early 1997 and the themes addressed include the evaluation of products, stereotyping, the effects of demographics on consumers' perceptions of imports, perceived risk and country of origin effects, and , finally COO effects on service decisions.

5.1 Definition

Country of origin effects have been defined in many ways in the literature. According to Wang and Lamb (1983) country of origin effects are intangible barriers to enter new markets in the form of negative consumer bias toward imported products. Johansson, Douglas and Nonaka (1985) and Ozsomer and Cavusgil (1991) define country of origin as the country where corporate headquarters of the company marketing the product or brand is located. Typically, this is the home country for a company. Country of origin is inherent in certain brands. IBM and Sony, for example, imply US and Japanese origins, respectively (Samiee, 1994). Bilkey and Nes (1982), Cattin et al. (1982), Han and Terpstra (1988), Lee and Schaninger (1996), Papadopoulos et al. 1993 and White (1979), define the product's country of origin as "the country of manufacture or assembly". It refers to the final point of manufacture which can be the same as the headquarters for a company. According to Samiee (1994) "country of manufacture pertains to firm that maintains a relatively large global network of operations or do business with a variety of suppliers, e.g., contract manufacturing" (p. 581). While, Bannister and Saunders (1978), Chasin and Jaffe (1979) and Nagashima (1970, 1977) used the term "made in----"[1] to define the country of origin of the product.

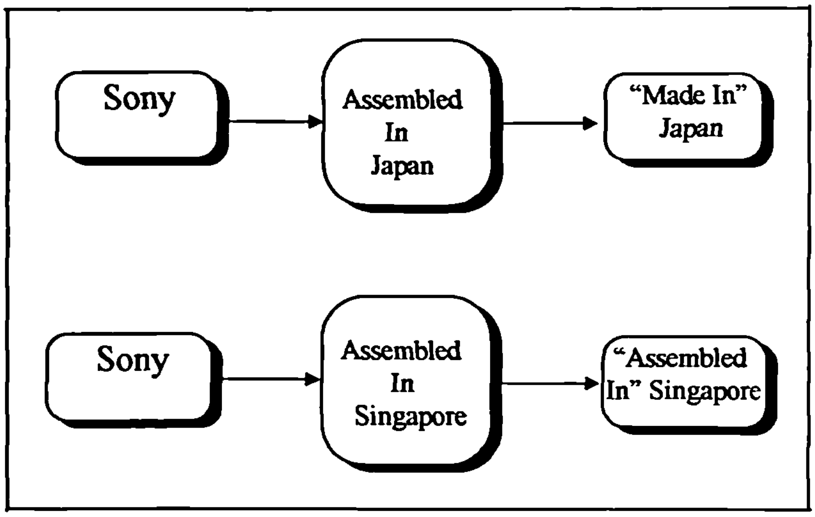
In the modern market place defining the country of origin can be a very complicated task. The growth of multinational companies and the evaluation of hybrid

[1] "*Made* in" can mean *manufactured*-in but also *assembled-*, *designed-*, or *invented*-in, *made* by a *producer whose domicile is* -in, and, often *wanting to look like it was made*-in (Papadopoulos 1993, pp. 4).

products[2] with components from many source countries, have in many cases blurred the accuracy or validity of made in ----" labels (Baker and Michie 1995; Baughn and Yaprak 1993; Chao 1993; Yaprak and Baughn 1991). For example, Sony is a Japanese manufacturer but some of its products are assembled outside Japan in a country like Singapore (Baker and Michie, 1995). With this example, the product assembled in Singapore would be denoted "assembled in Singapore" and that assembled in Japan would be considered as "made in Japan" (see figure 5.1).

Figure 5.1

Country of Origin Definition



5.2. Product Evaluation

Schooler (1965) conducted a study in Guatemala with the simplest of manipulations. Schooler's manipulation

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2 Hybrid products are products that contain components or ingredients made in various countries (Baughn and Yaprak 1993, p. 90).

involved presenting four groups of 200 respondents of part-time students with a juice product and a swatch of fabric. These products bore fictitious labels denoting four different South American countries (e.g., one group presented with products labelled as Guatemalan, second group presented with products labelled as Costa Rican, etc.). The study showed that products made in less developed countries were not evaluated as quality products. Consumers were biased for or against products from a less developed country when they were evaluating products made in different, less developed countries. Schooler (1965) found that Guatemalan students gave lower evaluations to products made in El Salvador and Costa Rica than to domestic and Mexican products and that this bias was related to a general negative attitude toward people from the former two countries. Schooler (1965) concluded that the country of origin of a product can have an effect on a consumer's opinion of the product.

Reierson (1966) tried to determine the attitude of American consumers toward foreign products. Therefore, the questionnaire asked 105 business administration students and 50 psychology students to indicate their opinions of products from ten different nations (the United States, Germany, Japan, France, Canada, Italy, England, Sweden, Belgium and Denmark). Products were mechanical, food, and fashion merchandise. Reierson

(1966) found that stereotyping of foreign products was present among the American students.

Reierson (1967) continued his work of investigating American students' attitudes towards foreign products and concluded that if the "prejudice of consumers toward a nation's product is not too intense, consumers' attitude may be made significantly more favourable by even slight exposure to communication and promotional devices" (p. 386).

Schooler and Wildt (1968) measured the elasticity of product bias . 236 student respondents were selected randomly and divided into six groups. Each group examined two pieces of glassware, one of which was labelled as American, and the other as Japanese. The labels were authentic, but the products were identical pieces of a domestic manufacturer. Subjects were asked to indicate a purchase preference. Schooler and Wildt (1968) noticed that many American consumers were biased against Japanese products because of their national origin. In 1969 Schooler and Sunoo investigated the consumer's perception of international products: regional versus national labelling. The purpose of the study was to determine how consumers responded to the manufactured goods of developing areas if the products were labelled

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[3] "The elasticity of product bias can be defined as a measure of the effect on the product selection decision of the interaction between product bias and price differential" (Schooler and Wildt 1968, p. 78).

regionally. The findings of the study did not show any evidence of bias against the manufactured goods which were labelled regionally. He concluded that "regional labelling" (e.g., made in Asia, made in Latin America, etc.) might work to reduce intra-regional product bias.

In his follow-up study, Schooler (1971) attempted to test bias phenomena with a broadly based representative consumer sample. The results showed significant differences amongst products of foreign origin, and a hierarchy of bias effect was observed. In addition, the results indicated that neither national nor regional labelling appeared to be more effective than the other. The products of Germany were rated better than those of Asia, India and Western Europe. On the other hand, US products also were rated better than those of India and Western Europe.

Schooler (1971) concluded the following:

- The older age group rated the products of Asia, Africa, West Germany and North America lower than younger age group.
- Females preferred foreign products more than males.
- Educational level and intensity of bias were observed. Consumers with a high level of education were more in favour of foreign products than those with limited education.
- The group composed of non-white people evaluated

products from Africa, Latin America and India better than the group of white people.

- The white group evaluated the products of US and North America better than Non- white.

Nagashima (1970) compared Japanese and American attitudes toward foreign and domestic products by using the semantic differential method. The purpose of the study was to measure the Cross-Cultural image of "made in" products as produced by US and Japanese businesses. The study consisted of a random sample of 230 Minnesota businesses chosen from the Minnesota Directory of Manufacturers and 100 Tokyo businesses chosen from the Tokyo Directory of Companies. Countries used were US, Japan, Germany, England, France, Italy, Switzerland, and Canada. The questions were carefully translated into Japanese making sure that the associative value of the language was not lost in the translation. The author used a seven-point scale with each scale position arbitrarily weighted from Good (+3 points) to Bad (-3 points).

Consumers were asked to mark the seven-point scale for "reliable---unreliable and list the product which first came to mind where they saw the names of the countries; which country's product they would choose if price, quality and styling were equal; and which country produces products of the greatest value. Nagashima (1970) found that the "made in" stereotype differed among

Japanese and American businessmen. Japanese businessmen rated "made in Germany" as the best while American businessmen gave the highest rating to their domestic label. English were recognised for their excellent craftsmanship, while US and Japanese businessmen rated France the lowest of the five countries.

Nagashima (1970) also found that the "made in" image was strongly influenced by familiarity and availability of the country's product in question. In his follow-up study, Nagashima (1977) repeated his earlier 1970 study of the "made in" product image among Japanese businessmen. The purpose of this study was to determine whether there had been any attitude change among Japanese businessmen over the eight-year period. Nagashima (1977) asked the Japanese businessmen their opinion regarding US, Japanese, German, English, and French products in terms of five dimensions (price and value, service and engineering, advertising and reputation, design and style and consumer profile). The findings of the study indicated that, the overall "made in USA" image had deteriorated in many ways during the six years 1969-1975. The "made in USA" label was rated the lowest among the five countries in terms of careful and meticulous workmanship, while "made in" Japan, Germany, England and France had been significantly upgraded.

Greer (1971) investigated the usefulness of having the view of professional purchasing executives. Written questionnaires were presented to a random sample of 60 members (3%) of the British Purchasing Officers Associations. Greer (1971) modified Osgood's (1957) semantic differential for use in his study. Thus, the surveyed purchasing officers were asked about the quality of products, in general, and the engineering "know how", in general. Countries used were Australia, Belgium, Canada, France, Holland, Italy, the United States and West Germany. The findings of this study indicated that the older respondents rated their home country's product higher than the younger purchasing officers.

Krishnakumar (1974) attempted to examine the influence of country of origin on the product image of American and people from developing countries and to investigate the effect of demographic variables on the "made in" image among those countries. Product classes used in this study were mechanical products, food products and fashion products. Specific products used for evaluation in this study were automobiles, television sets, soft drinks and dress shirts. Respondents (student, staff, faculty members and their families) were asked about their perceptions of countries and their perceptions of the quality of products.

The results of the study showed that people from developing countries tended to have an unfavourable "made in" image of their home country's products in terms of workmanship, reliability, durability, technical superiority, and other characteristics. Moreover, the study indicated that Americans were more in favour of Japanese products. In addition, demographic characteristics had also played a part in creating differences in "made in" image held by Indians, the test country group. For example, sex and travel experience accounted for significant differences in "made in" images among Indians.

Dornoff et al. (1974) examined consumers' perceptions of imports. The aim of their study was:

- To find out what consumers' perceptions of imports were.
- If these perceptions differed for specific countries.
- If these perceptions differed between product classes.
- If differences in perceptions were based on socio-economic characteristics.

Respondents were ordinary consumers selected by a systematic random sample from the greater Cincinnati Metropolitan Area telephone directory. Of the 400 consumers selected, only 216 questionnaires were returned in a complete form. Countries used were US, France, Germany and Japan. Product categories used were mechanical products, food products, fashion merchandise and electronic equipment. The results of this study indicated the following:

- Respondents were neutral towards "made in France".
- Products "made in Japan" were considered as substitutes for US products.
- Foreign products were becoming increasingly competitive with US products in terms of quality.
- Japan outranked the US in electrical equipment and Germany was rated the highest in mechanical products.

- No significant differences existed among the males' and females' perception of foreign products.
- Perception of imports was more favourable as the educational level increased (e.g., respondents with a graduate degree were more in favour of foreign products than those with high school education).

By using the semantic differential method, Lillis and Narayana (1974) compared US and Japanese consumers' perceptions toward aggregate image of products with "made in" labels from five different countries (England, France, Germany, Japan and the United States). The authors used a seven-point scale valued from 1 to 7 (see also Nagashima, 1970). The study consisted of random samples of 100 residents each from Moscow, Idaho, and Fukushima, Japan. According to Lillis and Narayana (1974) none of the subjects in either sample were students. The findings of their study indicated that there existed significant differences regarding various products' attributes. Furthermore, these differences produced significant differences in subjects' perception of foreign and national products.

Green and Langeard (1975) compared French and US consumers in terms of consumer habits and innovative characteristics. The American sample consisted of 193 randomly chosen women from the cities of Dallas and San Antonio, Texas. Self-administered mail questionnaires were used to gather the needed data in the US. On the other hand, the French sample consisted of 226 women from Aix-en-Provence, and the questionnaires were personally delivered and collected by a research assistant.[4] Green and Langeard (1975) employed stratified sampling in the selection of the French sample to provide basic comparability with the US sample. The results of their study showed behavioural differences between the two groups even though France and the United States are similar in many economic respects.

Darling and Kraft (1977) researched the impact of the "made in" label on Finnish consumers' attitudes towards the products of various selected countries (Sweden, West Germany, England, France, US, Japan and Russia). Three-quarters of the respondents were managers and employees randomly chosen from banks, and retail,

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[4] This type of method was used because the French have traditionally been reluctant to respond to mail surveys (Green and Langeard, 1975).

wholesale, and manufacturing firms, while the remaining quarter of the respondents consisted of randomly chosen faculty personnel, students and staff of different universities in Helsinki, Finland. "A self-administered questionnaire was hand-delivered to potential respondents" (p. 521). Of 350 questionnaires distributed, 303 were usable for the study, with a usable response rate of 86.6%. Respondents were asked to show their degree of agreement with each statement on a five-point scale ranging from Strongly disagree to Strongly agree. Again the findings of the study supported the hypothesis that knowledge of country of origin affected consumer attitudes toward products.

Yaprak (1978) investigated purchase intentions among US and Turkish business executives for specific brands "made in" Germany, Japan and Italy. "The major findings of the study were that both general country and product attributes, and specific product attributes were statistically significant in affecting purchase intentions" (p. xii).

Chasin and Jaffe (1979) examined American industrial buyers' perceptions towards the quality of the goods "made in" Eastern European countries (e.g., Czechoslovakia, Hungary, Poland, Rumania, and the USSR). Personal interviews were conducted and completed with more than 100 companies. Less than one-third (30%) of the companies had had any form of business dealings over the past ten years with one or more of these countries. Industrial buyers were asked to profile the United States through a series of ten performance attributes: five attributes relating to product (quality, workmanship, style, dependability, advanced technology), and five to marketing values (credit/terms, value for the money, on time delivery, reputation, maintenance/service). According to Chasin and Jaffe (1979) a total of 82 questionnaires were found useful in part, 68 of which were acceptable for complete response. Results of the questionnaires indicated that industrial buyers generally felt that the quality of the goods manufactured in the five Eastern European countries was inferior to the quality of goods manufactured in the West. Therefore, Chasin and Jaffe's (1979) results supported the hypothesis of a country of origin effect.

Niffenegger et al. (1980) investigated the product images of British goods among a sample of French and British retail managers in terms of price and value, advertising and reputation, service and engineering, design and style, and consumer profile. Niffenegger et al. (1980) used the product categories of automobiles, electrical appliances, textiles, cosmetics, food and pharmaceutical products. "A self-administered questionnaire was developed for measuring the five aspects of product image, using a previous international image study of Japanese businessmen as a general basis" (see for example, Nagashima, 1977).

The personal drop-off and pick up method of data collection was used. Representatives called on each store manger, briefly explained the main purpose of the study and left a copy of the questionnaire. According to the authors this method gave managers the opportunity to complete their questionnaires at a convenient time. Of 117 questionnaires distributed, 92 were returned complete for an overall return rate of 79 per cent.

Niffenegger, White and Marmet's (1980) study indicated the following results:

- British products were seen to be cheaper than products "made in" the United States and France.
- British products were seen as more technically advanced than products "made in France".
- Products "made in US" were seen as widely advertised compared to those "made in France."
- French brand names were found hard to recognise.
- American products were seen as technically advanced in nature, produced by mass production methods.
- Respondents rated the UK first in electrical appliances, textiles, food and pharmaceutical products, second in automobiles and last in cosmetic products, while France ranked first in automobiles and cosmetics,

second in textiles and food and last in electrical appliances and pharmaceutical products.

- Products "made in US" failed to be the first choice for the UK consumers in all of the product classes examined. Accordingly, it ranked second in electrical appliances, cosmetics and pharmaceutical products and last in automobiles, textiles and food.
- In terms of consumer profile, products "made in US" were more appealing to the younger market while products "made in France" were more favourable to the feminine market, and British products were more appealing to the older group.

In an extension of his earlier study, Narayana (1981) examined the aggregate image of American and Japanese products. "The aggregate image for any particular country's product refers to the entire connotive field associated with that country's product offerings, as perceived by consumers" (p. 32). Narayana (1981) employed the semantic differential format used by Nagashima in the 1970 study. The same twenty criteria were measured on seven-point scales. A random sample of 100 residents of Fukushima, Japan, and 100 residents of Moscow, Idaho were selected for this study. However, the aim of Narayana's (1981) study was to find differences between US and Japanese products.

The findings of the study indicated that US consumers perceived their country's home products to be generally of higher quality than products "made in Japan". Besides, the products "made in US" were perceived by the American consumers as more reliable and of better workmanship than products "made in Japan". Moreover, both Japanese and American products were perceived by the American consumers to be widely advertised and mass produced.

On the other hand, Japanese consumers perceived products "made in Japan" as highly recognised. They considered Japanese products to be of a higher quality than the US made products. However, Japanese consumers perceived the products "made in Japan" as less prestigious, less popular and less widely distributed than products "made in US".

In 1984, Erickson, Johansson and Chao analysed the country of origin effects on the evaluation of automobile brands. Data were collected from 96 MBA students at the University of Washington. Subjects were asked about their beliefs and attitudes towards ten automobile models (e.g., four US, two German and four Japanese models). Semantic differential scales were used for all rating questions used in the questionnaire. Respondents were also asked to rate their familiarity with each auto, after which they provided an overall rating on a five-point semantic scale.

The empirical results indicated that country of origin affects beliefs but not attitudes. The authors argued that the study demonstrated that image variables also affect beliefs through inferences made by consumers. "It also indicated that the effect of image variables on attitude was not direct; any influence they have appeared to be a secondary one acting through beliefs (Erickson, Johansson and Chao, 1984).

Morello (1984) did a comparative research on the image of domestic and foreign products. The purpose of his study was to determine what the relationship is between the image of a country and the image of the products "made in" that country. Seven countries were used in the study, namely, Belgium, France, Holland, Italy, Spain, USA, USSR, and West Germany. Morello (1984) asked a Dutch group of 29 students and an Italian group of 37 students to rate the products from the eight selected countries using twelve sets of bi-polar adjectives. The results indicated a significant relationship between these two images and the research concluded that a country of origin effect does exist and may affect consumer buying behaviour.

Johansson et al. (1985) developed a multi-cue method for examining the impact of country of origin on product evaluation. The product class used was automobiles with ten car models "made in" three different countries, namely, Japan, US and Germany, and 13 selected attributes (price, handling, horsepower, acceleration, gas mileage, safety, driving comfort passenger comfort, reliability, durability, workmanship, styling and colour selection). Convenience samples of graduate students from US and Japan were used. The American sample consisted of 70 graduate students at a West Coast university and the Japanese sample of 82 students at six universities. The questionnaire was presented to each sample in either a group session or the classroom. Then the students were asked to consider each of the models on each attribute, and also to rate the importance of each attribute. The findings of the study indicated that country of origin effects were relatively minor when a multi-attribute approach was used. Johansson, Douglas and Nonaka (1985) concluded that "country of origin effects may be less significant than has generally been believed, and they may occur predominantly in relation to evaluation of specific attributes rather than overall evaluations" (Johansson et al. 1985, p. 395). Thus, their findings supported the hypothesis that the country of origin is used as a surrogate variable to evaluate a product when respondents have limited knowledge about that product.

In their study, Festervand et al. (1985)

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[5] Another study conducted by Thorelli et al. (1989) suggested that the country of origin cue can provide only a limited explanation of variance of the product evaluation, preference and purchase intention of the respondents when multiple cues are presented.

investigated consumers' perceptions of imports and their attitudes towards countries' product quality. Using a self-administered questionnaire, a random sample of 1000 consumers were selected in ten large South-eastern US cities. Only 259 usable questionnaires were obtained for a response rate of 26%. A four-point scale ranging from strongly disagree (1) to strongly agree (4) was used in the study for obtaining data on the respondents' general attitude towards different aspects of product quality for each country. The countries used were England, France, Germany, Japan, and the United States. The product categories used were mechanical, food, fashion merchandise, electronic equipment, and leisure goods. Respondents were asked to rate the given countries in terms of product quality. Minor differences in attitude were found across countries and American consumers' perceptions of the countries products were mixed across the different product categories.

Heslop and Wall (1985) examined the differences between males and females on the basis of country of origin product image. A total of 635 Canadian men and women were asked their opinions about products from 13 different countries. They found that products "made in Canada" were ranked the highest by both males and females except for women's shoes where Canada came second after Italy. It was also noticed that males preferred Italian clothing over the Canadian in terms of quality, while Romanian males' clothing was rated lower than clothing from other countries in the group. On the other hand, clothing "made in Far Eastern" countries was rated the lowest by both males and females. Moreover, the results also indicated that females gave higher ratings in terms of quality to almost all countries than males did, except for South Korea, Hong Kong and the Philippines.

Becker (1986) measured US consumers' perceptions of the price/quality relationship of American vs. Japanese products. Four hundred individuals passing a card table set up in a shopping area of Boston were requested to participate in a four questions survey. Of these, 20 collected questionnaires were incomplete for data analysis. The findings of the research indicated the existence of the "halo effect" pattern bolstering the pervasive image of products "made in Japan". According to Becker this was found even when the Japanese product was of lesser price. In addition, nationalism was found to be a dominant factor in influencing the Americans' purchasing behaviour when price and quality were constant. They desired "to purchase domestic products, but not at the expense of perceived inferior quality" (p. 111).

Ofir and Lehmann (1986) measured the country-level images of ski resorts in three European countries, Switzerland, France and Austria. A survey was conducted in order to gather data for the study. 269 skiers attending a ski-show in the city of New York were asked to rate each of the three countries on a five-point scale for ten attributes, namely, modern, exciting, entertaining, challenging, friendly, honest, sophisticated, romantic, picturesque, and expensive. The findings revealed that the images of Switzerland, Austria, and France were relatively homogeneous with Switzerland and considered slightly more positively than France (Ofir and Lehmann, 1986). Thus, American skiers, according to the findings could not distinguish between resorts in European countries, demonstrating low level of familiarity with the product.

Papadopoulos et al. (1987) examined consumers' perceptions of foreign consumer goods. Subjects from Canada, UK and France were asked to assess products from the US, Japan, Sweden, Canada and their own country's products. Respondents were chosen through systematic cluster or quota samples. A random sample of 250 to 300 respondents were collected from each country. The authors used the drop-off-pick-up method for their study. According to Papadopoulos et al. this method gave high response rates, averaging about 75% at comparative low cost. A structured, self-administered interview schedule was used in order to standardise questions across countries. Products were evaluated on the basis of performance (two scales), price (three scales), before and after purchase product support (two scales), social image (three scales), market availability (five scales), and behavioural component (two scales). The study revealed the following conclusions:

- "There is no question that a country of origin effect does exist".
- "Both consumers and industrial buyers are affected by "made in" images".
- "Made in stereotype can be changed, at least in the long term".
- "Price may affect foreign product perceptions".
- "Foreign stereotypes may vary across product categories on consumer types" (Papadopoulos et al. 1987, p. 9).

Darling (1987) analysed the general attitude of Finnish consumers towards the products of various countries (England, France, Japan, US, and West Germany). Data were collected in 1975, 1980, and 1985 from 1,113 consumers living in three different cities in Finland. Several business companies were chosen, and a random sampling of managers and employees from these companies were invited to participate in this study. A random sample of faculty, staff and students were asked to participate in the study as well.

Darling used an identical form of questionnaire for the data collection for each year of the study including 31 "Likert-type" statements, 13 of them dealt with different product dimensions, 13 with marketing practices, and five with the general importance of the products to the respondents. Respondents then were asked about their attitudes regarding products "made in" the above mentioned countries, marketing practices, and the importance of a product's country of origin. The results of the study indicated significant differences in consumers' attitudes in the three cities where data was collected. In addition, the "made in" label also showed significantly different product and marketing mix images. At the same time, the study revealed no causal relationship between this image dimension and actual market behaviour.

Ettenson, Wagner and Gaeth (1988) presented conjoint analysis as an alternative method for examining the effect of country of origin in relation to a "made in the USA" campaign. The products used were a ladies' blouse and men' dress shirt. Attributes used were style (for blouse, cut for shirt), quality, fibre content, price, and brand. Additionally the country of origin was manipulated in a conjoint study which assessed consumer decision-making before and after the introduction of the "made in the USA" campaign. A total convenience sample of 105 students at the University of Maryland was invited to take part in the study. 55 students completed both the pre-test and the post-test

The results of the study demonstrated that contrary to previous findings, the effect of country of origin was relatively small both before and after the launching of that campaign. From these findings it can be concluded that product cues (e.g., price and quality) may have a stronger effect on consumer product evaluations than country of origin information. Furthermore, the authors suggested that "retailers should be cautious in using patriotic themes in promotion since their effectiveness has yet to be documented" (Ettenson et al. 1988, p. 85).

Al-hammad (1988) investigated the Saudi Arabian market for selected imported goods (with specific reference to UK suppliers) at both country and brand levels. The study examined Saudi Arabian economic and cultural factors and the attitudes of the Saudi consumer and reseller to the product and its suppliers. The results showed that the majority of Saudi consumers considered price to be the most important attribute in the case of products necessitating higher expenditure, either by way of a single payment or frequent payments. In terms of the consumer profile the results demonstrated that both age and income tended to have a positive correlation with the attributes of price and quality in the case of carpets and air-conditioners, and a negative correlation with the attributes of quality and maintenance for cars and design of outerwear and refrigerators. In the case of educational level, it was found that the higher the level of education, the more people are in favour of imported products than those with low level of education.

On the other hand, the Saudi resellers considered firstly price and secondly, quality to be the most important factor when selecting suppliers. The results also indicated that the Saudi resellers' opinion about the British suppliers was less favourable with regard to all market mix factors except quality (Al-hammad, 1988).

Han and Terpstra (1988) designed a research to determine the effects of the country of origin and brand name cues on consumer evaluations of uni-national products (products that involve a single country of origin, that is, purely domestic and purely foreign products) and bi-national products (products that involve two countries of origin, products which may be foreign-made but carry a domestic brand name), and to estimate the perceived values of such cues. Using face-to-face interviews with a regional quota sample of 150 American household residents, subjects were asked to rate four different brands of colour television and subcompact automobiles from four countries: Germany, Japan, Korea, and the US. To check for the validity of the interviews, the authors employed a random selection of respondents by telephone. All respondents selected by telephone confirmed their participation in the interviews. The results demonstrated that there were significant differences in the consumers' perceptions of product quality and their intention to buy the product. Moreover, source country and brand name did affect consumers' perceptions of product quality. On the other hand, sourcing country stimuli were found to have more powerful effects than brand name on consumer evaluations of bi-national products.

Han (1989) examined the role of country image in consumer evaluations of TV sets and automobiles. Two brands were chosen for each product type. Countries tested were the US, Japan and Korea. Using a systematic sample, 116 respondents were interviewed by telephone. They were asked for their images of products from the three countries. The images were measured on a 7-point semantic differential scale anchored by "good" and "bad" (Han, 1989). The respondents were also asked for their attitudes towards each brand using the same scale. However, the results suggested that country image can be used by consumers in product evaluations in either or both of two directions: (1) as a halo construct (country image used to consider products that consumers know little about); (2) or as a summary construct (as consumers become familiar with a country's products, country image may become a construct that summarises consumers' beliefs toward product attributes and directly affects their attitudes toward the brand).

Hong and Wyer (1989) investigated the cognitive process instigated when country of origin information is given in conjunction with other product information. Respondents were 128 college students enrolled in an introductory business course. They were divided into two groups, the first group was asked to consider the given information, then evaluate its clarity. While the second group was asked to form an impression of the material provided to them. The countries used were West Germany, Mexico, Japan and South Korea. The products used were a personal computer, and a video cassette recorder. The results of the study indicated that country of origin itself influenced product evaluations regardless of whether it was known before or after the additional product attribute information and regardless of whether subjects were asked to understand the provided product information or to form an impression of the product.

Khachaturian and Morganosky (1990) investigated consumers' quality perceptions of apparel from the United States, South Korea, China, Italy and Costa Rica. The influence of three independent variables (country of origin, store type, and brand name type) was measured in relationship to the dependent variable, perceived quality. The respondents for the study were households in the continental United States with telephone numbers as listed in the American telephone and telegraph tape of working area codes and prefixes. Using a systematic random sampling, 199 working telephone numbers were selected, 153 of which were completely elicited resulting in a 77% response rate.

Consumers were asked their perception of apparel quality sold in three different store types consisting of department stores, discount stores, and off-price stores. The authors included off-price stores because they are a fairly new form of retail institutional type and are achieving growing consumer acceptance[6]. The findings of the study are summarised as follows:

- Clothing "made in US" was perceived as having the highest quality. Italy was perceived as second highest followed by China, Korea and Costa Rica.
- Given the amount of prestige associated with traditional department stores, as well as the premise of the price/quality relationship, it is not surprising that department stores received the highest quality ratings, followed by off-price stores.
- Results from the paired *t*-test revealed that a

[6] "Off-price buyers purchase merchandise through non-traditional methods, buying up manufacturers' excess production. Off-price stores emphasise name and designer brand merchandise at lower prices than traditional department stores" (Khachaturian et al. 1990, p.21).

significant decline in quality perceptions occurred for apparel products sold in department stores when associated with being "made in" Korea, China, and Costa Rica, whereas quality ratings for discount stores were significantly upgraded when associated with US-made and Italian-made apparel.

- Perceived quality of the off-price store was significantly higher when selling US-made apparel, and lower when associated with Korea, China and Costa Rica. There was no significant change in perceived quality of off-price stores when selling Italian apparel.
- The results also indicated that , when a store type was associated with different countries of origin, consumers' quality rating for the store type changed depending on the particular country with which it was associated. The authors believed that the amount of resulting change was related to the level of industrial development of the associated country of origin, yet China was rated more positively than Korea, even though Korea is considered more industrialised than China.
- In the case of branded apparel, significant declines in perceived quality occurred when name brands were associated with all four foreign countries of origin. A name brand's association with US-made apparel neither significantly increased nor decreased the quality rating of the name brand. Perceived quality of name brands was

hurt most by association with Costa Rican apparel.

- Store brand quality was perceived as being significantly lowered when associated with apparel from Korea, China, and Costa Rica. Association with US-made apparel improved quality ratings for store brands, while Italy had no significant influence on store brand perceptions. On the other hand, the quality rating of designer brands was somehow improved by association with US-made apparel. Quality perception of designer brands was lowered when made in Korea, China, and Costa Rica. But association with Italian apparel neither significantly increased nor decreased the quality rating of the designer brand. Khachaturian and Morganosky (1990) concluded that "associating a brand with less-industrialised countries could potentially lower the quality image of that brand type." Moreover, "the less-industrialised the country of origin, the more the potential decline in the quality image."

Han (1990) argued that country image[7] may be conceptualised as a consumer halo. Therefore, Han (1990) designed a study to address the role of country of origin image in consumer choice behaviour across the United States, Japan and Korea. The study assessed the

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[7] Country *image is defined as consumers' general perceptions of* quality for products made in a given country (Bilkey and Nes 1982; Han 1989). It is also known as the "country of origin cue", it has "become an important information cue for consumers who are exposed to a far more internationalised selection of products and multinational marketing than ever before" (Baker and Michie 1995, p. 1).

following:

1. The effect of country image on consumers' attitudes towards brands "made in" different countries.

2. The effect of country image on consumers' intentions to purchase brands from various countries.

3. The effect of country image on consumers' perceptions of specific product attributes.

4. The effect of country image for a product category on different categories from the same countries.

Country image was measured with reference to five items. They were technical advancement, prestige value, workmanship, price, and serviceability. Colour television sets and compact automobiles were examined in the study because "their various domestic and foreign brands are relatively well known to consumers in the US where this study was conducted. Two brands were selected from each of the countries for each product type. The selected television brands were General Electric and RCA for US brands, Panasonic and Toshiba for Japanese brands, and Samsung and Goldstar from Korean brands. The car brands were Ford Escort and Buick Skyhawk for the US, Honda accord and Toyota Celica for Japan, and Hyundai Excel for Korea[8]. Brand attitudes were assessed with two measures --- Cognitive and affective. Han (1990) gathered his data from a systematic sample of 116 American residents living

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[8] According to Han (1990) only one brand of car was selected for Korea because it was the only one being actively marketed in the United States.

in a Midwestern city. They were selected randomly and interviewed by telephone. The response rate was 64.8% (116 out of 179 calls were obtained successfully). Finally, subjects were asked for their intentions to purchase each brand.

According to Han (1990) the halo hypothesis suggested that consumers may consider not buying an unfamiliar foreign brand simply because they may make unfavourable inferences about the quality of the brand from their lack of familiarity with products from the country. The findings of the study also demonstrated that consumers' willingness to purchase a product was related to the economic, political, and cultural characteristics of the product's country of origin. Additionally, country of origin images were affected by the consumer's perception of similarity between his or her own country's and the origin country's political and cultural climate and beliefs systems.

Ghadir (1990) investigated Jordanian consumers' perceptions of quality, price and risk of foreign versus domestic product. The countries used in the study were USA, UK, Japan, Russia, Romania, Taiwan, Egypt and Jordan. The product class employed in the study was major household electrical and gas appliances. The data were obtained through a structured direct questionnaires from a stratified random sample of 1000 households with a

63.9% usable response. The results revealed the following:

- The country of origin had a significant relationship with the consumers' perception of the quality, price and risk of the product.
- Products "made in" developed countries were evaluated as higher in quality and price, but lower in risk than the products "made in" less-developed countries.
- The home country bias seemed "to be more relevant in comparing the domestic product to that of other countries of a relatively similar stage of development". Therefore, the products "made in Jordan" were evaluated as being higher in quality and price, but lower in risk than the products "made in" less-developed countries (Romania, Taiwan and Egypt). They were also evaluated to be lower in quality and price but higher in risk than developed countries' products.
- A consistent negative correlation between quality and risk was found for the products of the entire set of countries. For example, "the higher the consumers' perception of the products of the various countries, the lower their perception of the risk associated with these products" (1990, p. v).
- The results indicated that a low percentage of the consumers agreed in connecting the purchase of the domestic product with their patriotic duty. It was

noticed that the more the consumers agreed with patriotic variables, the better their perception of the domestic product quality and price.

- Among socio-demographic variables, sex was found to be the least important factor in discriminating among the consumers and age was found to be the most important.

Ghadir (1990) suggested that domestic producers should develop separate marketing strategies for the imported products of developed and less-developed countries, rather than just dealing with the imported product under the general term "foreign" (Ghadir 1990, p. v).

Using a computer administered conjoint analysis, Liefeld, Wall, Ji and Xu (1993) studied the effects on relative cue utility of the interaction of cues in product choice situations in which both the number and types of both extrinsic and intrinsic information cues were varied for two types of products, namely, telephone and clothing (men's shirts and women's blouses). In mall intercepts 326 adult shoppers were asked to participate in the study. They were randomly assigned to one of three designs for telephones, shirts (for men only) and blouses (for women only) so that the shoppers were exposed to only one treatment condition per product, e.g., a between subject design (Liefeld, Wall, Ji and Xu, 1993). The results of the study revealed that the relative utility of information cues changed in choice situations with different cues present. This was clearly noticed especially when more cues were involved in choice situations. Extrinsic cues (e.g., brand, warranty and price) tended to have greater relative utility than when fewer cues were present. Moreover, "cue types, while affecting choice processes, appeared to be product specific" (p. 124).

Roth and Romeo (1992) examined country of origin in terms of the fit between countries and product categories. They suggested a framework which matches the importance of product category dimensions (innovativeness, design, prestige, and workmanship) with the perceived image of the country of origin along the same dimensions. Therefore, a study was designed to determine which dimensions were most frequently associated with a country's image and how important these characteristics were to different product categories. Data were collected from 99 graduate students in Ireland, 130 in Mexico, and 139 in the United States. Country image was measured along the four dimensions mentioned above. For each dimension, subjects evaluated ten countries. The countries surveyed were England, Germany, Hungary, Ireland, Japan, Korea, Mexico, Spain, and the United States. The product categories evaluated were beer, automobiles, leather shoes, crystal, bicycles, and watches. Using 7-point importance scales (1= not innovative; 7= very innovative), subjects were asked to show the extent to which each of the four image dimensions was an important criterion for evaluating each product category. Finally, subjects were asked how willing they would be to purchase the product categories from each of the ten countries they evaluated. The results revealed that "product-country match may be an indicator of willingness to buy imported products". Roth and Romeo (1992) said for example, if a country is perceived as having a positive image, and this image is important to a product category, consumers will be more willing to buy the product from that country.

The study showed that US, Irish, and Mexican consumers were willing to buy a car or watch from Japan, Germany, and the US since these countries were evaluated highly on dimensions that were also important to these product categories. On the other hand, "unfavourable product country match may explain why consumers are unwilling to buy certain products from certain countries. Respondents were less likely to buy Mexican and Hungarian autos and watches as these countries had poor evaluations on dimensions that were important for car and watch characteristics" (Roth and Romeo 1992, p. 493). The results also indicated no differences in familiarity with beer and bicycles across the US, Mexican, and Irish respondents. But significant differences were found for the other four product categories. Moreover, results on demographic differences between groups demonstrated very homogeneous samples, and revealed no changes in the prediction of willingness to buy.

Roth and Romeo (1992) suggested that managers should use product country match information in order to assess consumers' purchase intentions, and assist them in managing their product's country of origin. Specifically, some differences in product country matches and willingness were found across the three groups of respondents. Chao (1993) attempted to address the multidimensional nature of the product/country concept. Specifically, the central focus of his research was to examine how US consumers would evaluate hybrid products with a multiple-country designation in terms of product design and country of assembly. The product selected for the study was a television set produced by Tera Electronics, Inc. of Taiwan. Two levels of price: $269.95 and $369.95, three levels of "Assembled in" location: Taiwan, Thailand and Mexico, and three levels of "Designed in" location: US, Japan and Taiwan were specified in the study. A systematic sample of 120 American residents living in the Midwest was selected from a local telephone directory for this study. They were given a copy of the advertisement to examine at their own pace. They were asked to rate the product in two separate categories: design quality and product quality. After respondents had completed the questionnaire, they were asked to evaluate the quality of electronic products made in six different countries: Mexico, Singapore, US, Germany, Taiwan and Thailand, on four different dimensions: workmanship, reliability, durability, quality.

The results showed that consumers rated electronic products assembled in Taiwan to have the highest quality followed by Thailand and Mexico. Respondents were also asked to evaluate the design quality of electronic products designed in five different countries: Japan, US, Taiwan, Germany and Korea on three different dimensions: innovativeness, exclusiveness and stylishness. The results indicated that the design quality perception was rated the highest for Japan, followed by the US and Taiwan. The differences were all statistically significant. Results for the design quality dependent variable indicated that the design for quality perception for a television from Taiwan, but designed in Japan, rated the highest, followed by the US and Taiwan. In addition, no significant main effect from country of assembly nor any interaction effect was noted since design quality represented a different dimension from the product quality (Chao, 1993).

On the other hand, results for the product quality dependent variable indicated the following:

- The main effect with regard to price showed that the product quality perception was higher at the higher price. The lower the price, the lower the product quality perception.
- The country of design (COD)[9] main effect showed that the quality was evaluated as highest for Japan, followed by Taiwan and the US.
- The COD main effect indicated that the product quality rating for a television assembled in Taiwan was evaluated the highest, followed by Thailand and Mexico. The price by COD interaction effect for a television set designed in Japan indicated no price differential was needed to impart a higher quality image. Therefore, the TV set was evaluated the highest for both the low and the high prices, while for a TV set designed in Taiwan a higher price was necessary to boost the quality ratings (Chao, 1993).

Chao (1993) suggested that when seeking potentially new overseas co-operative ventures, manufacturers should pay more attention to potential consumer reactions to the products of such ventures in addition to considerations based purely on costs and technology.

Kochunny et al (1993) developed a schema-based

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[9] See footnote 1, pp. 2.

knowledge[10] representation framework in order to test the effects of country of origin on product evaluations. The countries used were the United States, Japan and Korea. The product used was the automobile with five product evaluation dimensions labelled as quality, performance, dealer service, comfort and variety/choice. 600 members of consumer research panels received information that was either consistent or inconsistent with their expectations concerning automobiles "made in" America and Japan (response rate varied from 71% to 84% and the total number of usable responses was 393). They also received factual information about South Korean cars. A price level of under $10,000 was provided as critical information to all groups to control variability due to price factor. In addition, the country of origin was provided to all respondents. Respondents were instructed to read the description and then answer the questionnaire. Evaluation (recall) measures were taken immediately after the presentation of information about the automobiles and again three months later; all respondents received the same questionnaire without any descriptive scenarios.

Kochunny et al. (1993) demonstrated that the results of this study were consistent with those of earlier

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[1] "*A generally accepted definition of memory schema* is that it is a structured cluster of knowledge that represents a familiar concept and contains a network of interrelations among the constituents of the concept" (Kochunny 1993, p.7).

findings in that American automobiles were perceived less favourably than automobiles "made in Japan" in the category tested. Besides, consumers possessed a country of origin schema and those country of origin schemas affected consumers' retention of information about automobiles, as well as their judgements. The results also indicated that "there were no significant differences among the study groups on the basis of age, education, household income, marital status, and gender" (p. 5).

Chao and Rajendran (1993) examined how ownership of a variety of household consumer products may have an impact on interpersonal perceptions. Of particular interest were country of origin effects which could be assessed via consumer profiles. The study employed a 2 x 2 x 3 factorial experimental design. Consumer profiles were constructed based on two levels of foreign product: Japan and Germany; two levels of consumer description: college professor and plant foreman; and three levels of foreign product ownership: high, medium and low. A total of fourteen products with different brand names were selected for the study. A total of 499 students were randomly chosen for the 12 treatment conditions. Each student received one of the consumer profiles and a copy of the questionnaires. They were asked to indicate their perceptions of nationality of these brands: US, Japan, Germany or other.

The results indicated that attitudes of students towards owning imported products have become a little more favourable, particularly for those products which were owned by the professors. On the other hand, students perceived foremen to remain loyal to domestic products. Moreover, students attributed a favourable image to those who owned Japanese rather than German-made products. The results also revealed a recent surge in popularity of products "made in Japan" in the United States particularly for the fourteen products investigated in this study.

Ahmed and d'Astous (1993) investigated the effects of three countries of origin, three brand names and three levels of price and service on consumers' perceptions of the purchase value of an automobile in two consuming countries, namely Canada and Belgium. Three brands of automobile were chosen for study, namely, Toyota, Ford and Lada. Japan, Russia, and the home country (Canada and Belgium) were selected as countries of origin. The price levels in Canada were $7,000 (low), $10,000 (medium) and $13,.000 (high). In Belgium they were BEF250,000 (low), BEF350,000 (medium) and BEF450,000 (high). Service quality was either poor, average or good. Using a modified area sampling technique a total of 910 households from Sherbrooke, Canada and Mons, Belgium were visited, 595 agreed to participate in the study. A total of 395 completed questionnaires was collected. Of these, 376 were usable for analysis, ending up with 40.1% response rate.

The results indicated that the effect of price on perceptions of purchase value was not significant. In addition, the brand name was a more important informational cue than "made-in" for Belgian consumers, but not for Canadian consumers. Ahmed et al. (1993) suggested that global marketers should carry out large-scale studies using samples from different countries where a global product is marketed in order to produce relevant information concerning whether or not it makes sense to manufacture products in poor image countries, just to make use of low-cost labour, and what type of modification to global marketing strategies may be needed from one consuming country to another.

In 1994, Ahmed and his colleagues investigated the effects of country of origin on purchasing managers' product perceptions in terms of perceived quality, purchase value, and product profiles: country of design, country of assembly, brand name, price, and warranty. They used the product category of computer system, fax machine, and ball-point pens. Canada and Mexico were selected as country of design and assembly along with a third country (Japan for the computer system and fax machine, Germany for the ball-point pens). Additionally, 13 countries were also added in the study as locations for the conception, design and engineering (country of design); and manufacturing and assembly (country of assembly) of industrial products using a 9-point scale (mediocre/excellent). The study consisted of a sample of 173 purchasing managers representing 14% of the Quebec division of the Canadian Association of Purchasing Managers (CAPM).

The results indicated that developed countries were evaluated better in general than newly industrialising countries (e.g., Mexico) as locations for the design and assembly of industrial products. However, newly industrialising countries were better evaluated as locations for the assembly of industrial products than as countries of design. For instance, South Korea was evaluated almost as well as France and Italy as a country of assembly. Respondents also rated Korea higher than Belgium as a country of assembly and almost as well as a country of design. In addition, the country of design was a more important indicator of product quality and purchase value than the country of assembly. However, its importance was related to product complexity (e.g., for purchase managers, the more complex the product technology, the greater the perceived importance of design skills).

In terms of product profiles, the results indicated that for both perceived quality and purchase value, country of design explained a larger proportion of common variance than country of assembly. "Although brand name had a statistically significant impact on the perceived quality and purchase value of the computer system and fax machine, its explanatory power was much smaller than that on country of origin cues" (p. 329).

The study also showed that purchase managers were more influenced by price than by country of design or country of assembly specially when considering the purchase value of ball-point pens.

Ahmed et al (1995) designed a study to understand how households and organisational buyers' product perceptions are affected by knowledge of the country of design and country of assembly when other information such as brand name, price, and warranty is also available. The organisational data were collected via the collaboration of the Canadian Association of Purchasing Managers (CAPM) in Canada (for, the purchasing managers' data collection method see Ahmed et al. 1994). For, the household data, 561 houses were visited, from which 190 questionnaires were usable for the study resulting in 33.8% response rate. The results indicated that the country of design was a more important cue in organisational purchase decisions than the country of assembly and brand name. While household buyers gave equal importance to both country of design and country of assembly, they perceived the brand name as a more important cue than the country of origin. On the other hand, household buyers perceived warranty as more important than country of origin and brand name. The results also showed that newly industrialising countries were evaluated poorly as countries of assembly and even more poorly as countries of design.

Levin et al. (1993) investigated American consumers' attitude towards "Buy America First" and preferences for American and Japanese cars. 71 undergraduate students were asked to rank-order their likelihood of purchasing an automobile from each of six companies described by the country of origin. (The United States and Japan) and percentage of American and Japanese workers. The subjects showed a strong preference for cars made by American companies over cars made by Japanese companies and an even stronger preference for companies which employ mostly American workers. The results also indicated that attitudes towards "Buy America First" appeared to represent a form of nationalism separate from perceptions of quality and seemed to be an overriding factor in preference rankings, especially when the composition of the work force was mainly American. Thus "one unique cue affecting pre-purchase intentions may be nationalistic feelings which, as we have seen, may dominate other perceptions based on country of origin" (p. 628).

Similar findings were revealed by Olsen, Granzin and Biswas (1993). Their study explored the possible influences on US consumers' willingness to choose American-made over imported products. Results revealed prejudices against imported products and suggested "ways to market the Buy American theme" (p. 307).

Akaah and Yaprak (1993) examined (via conjoint methodology) the influence of country of origin on product evaluation. Additionally, the authors examined the moderating influence of product familiarity and respondents nationality[11]. A total sample of 225 students from three different nations were selected for this study (70 from Ghana, 54 from Turkey and 101 from the United States. The main objective of the study was respondents' perception of automobile quality which were "made in" US, Japan, and West Germany. Seven automobile attributes were selected for the study (workmanship, country of origin, reliability, driving comfort, styling, and fuel economy).

The findings indicated that the influence of country of origin was relatively weak when it was evaluated as one cue in an array of product cues. Akaah and Yaprak (1993) concluded that neither product familiarity nor respondent nationality had a moderating influence on

[11] According to Johansson et al. (1985) both of these factors are identified as potential moderator variables on country of origin effects.

country of origin effects. For example, American respondents perceived "made in Japan" and "made in West Germany" automobiles to be higher in quality than "made in USA" automobiles.

Okechuku (1994) also used conjoint analysis to investigate the relative importance of the country of origin of a product to consumers in the United States, Canada, Germany, and The Netherlands. Two product categories, television sets and car radio/cassette players, were used as items of study. The conjoint profiles of television sets were based on the following attributes: (1) brand name (2) price (3) picture quality (4) warranty. The conjoint profiles of car radio were based on: (1) brand name (2) price (3) receiver quality (4) cassette player quality. Additionally, country of origin was added as a fifth attribute for both television sets and car radios. The source countries selected for television sets were Japan, the United States, The Netherlands, and South Korea, while Germany, the United States, Canada, and Mexico were selected for car radios. The brands selected for the television set conjoint profile were Sony, Zenith, Philips and Samsung, for car radio/cassette player profiles Blaupunkt, Kenwood, Kraco and Pioneer were selected. The price levels selected for each product category for the conjoint design represented a low, an average, and a high price. For picture quality, receiver quality, cassette player quality and warranty, values were selected to represent high and low performance related to those attributes. Subjects were asked to rank the 16 product options in terms of their overall performance: an attitudinal rather than a behavioural intention measure --- from 1 (most preferred) to 16 (least preferred).

The results showed that for the product categories, the country of origin was an important attribute in preference evaluation across the four countries. "For the television sets, it was significantly more important than the brand name and price among Canadian and German respondents, and about as important as the price among Dutch respondents". On the other hand, for car radios, "the country of origin was significantly more important than the price and about as important as the brand name among the respondents in all the four countries". In addition, the results indicated that consumers preferred domestically- made, yet not necessarily domestically-branded, products. But if domestically-made products are unfavourable or unacceptable, respondents would choose products made in other developed countries. Unlike the findings of Akaah and Yaprak (1993), familiarity played an important role in consumers' evaluations of such products. For example, American consumers were not familiar with Canadian-made brands, therefore, they evaluated them third after the US and Japan. Finally the results indicated that, newly industrialising nations such as South Korea and Mexico were evaluated unfavourably in terms of source countries.

Lin and Sternquist (1994) attempted to investigate the effects of information cues, country of origin and store prestige on Taiwanese consumers' perception of quality and estimation of retail price. The product used was women's' sweaters. Lin and Sternquist used a 4 x 3 factorial experimental design in the study. The countries were the US, Italy and Taiwan, and three groups of stores of varying prestige were used in the study, namely:

- Shoppers in high-prestige department stores.
- Shoppers in moderate-prestige department stores.
- General shoppers.

The sample of the study consisted of 265 shoppers who were intercepted in the main shopping streets in eastern Taipei. They were asked to assign price and quality to the woman's sweater. The findings indicated that the country of origin was the only cue which significantly influenced the Taiwanese consumer perception of sweater quality. However, the country of origin did not influence the consumers' price estimates in this study. Respondents evaluated the sweater labelled "made in Japan" the highest and that labelled "made in Taiwan" the lowest. Moreover, the cue of store prestige was not significantly related to price estimates and quality evaluations related to sweaters. The results also indicated that neither country of origin nor store prestige was found to have an effect on price estimates. Thus, Lin and Sternquist's (1994) findings supported the hypothesis of a country of origin effects.

Using French brands, Leclerc et al (1994) reported three experimental studies to determine the effects of foreign branding on product perception and evaluation. Products tested in this study were products with primarily utilitarian features, products with primarily hedonic features, and hybrids. Experiment 1 demonstrated foreign branding effects. Experiment 2 examined the joint impact of foreign branding and country of origin information. Finally, experiment 3 investigated whether foreign branding effects occur only when consumers have little or no direct experience with a product. Here an actual product taste test was performed. The results of the three experiments indicated "foreign branding can be an effective means of influencing consumers' perceptions and attitudes" (p. 269).

Experiment 1 indicated that the French pronunciation of a brand name affected the perceived hedonism of the products, attitudes towards the brand, and attitudes towards brand name as well. Experiment 2 indicated that foreign branding was a strong cue for changing hedonic perceptions. In fact, country of origin information had no significant effects on consumers' attitudes towards foreign branding. For experiment 3, results showed "French brand names were an asset especially for hedonic products and more effective than country of origin information" (p. 269).

Thakor and Pacheco (1997) attempted to replicate and extend the Leclerc et al (1994) findings using similar stimuli and 266 undergraduate students from a Canadian university. Their findings revealed the following:

- The French brand name for a calculator was perceived as more hedonic than the English name.
- The English brand name for a calculator made in Quebec was favoured more than the Italian name.
- Females liked sunglasses with French branding significantly more than males when country of origin was not indicated.

Baker and Michie (1995) examined British car drivers' perceptions of, and attitudes towards, four makes of foreign cars: Honda, Hyundai, Proton and Toyota. Additionally, a British car (Rover) was added to the study in order to establish the possible effects of ethnocentrism[1] on intention to buy. A judgmental quota sample of 120 car drivers were asked to determine which make of car they would prefer to purchase from an exhibit

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[12] Ethnocentricity is described as "the phenomenon of a preference of one's *'kind'* and *concomitant dislike of others"* Papadopoulos 1993, p. 33).

that summarised the key features of 5 similar models. A detailed description for each model was provided in the exhibit; however, no reference was made to price or county of origin. Subjects were then told to indicate the three most important factors controlling their choice and were then provided with a list of cars' prices which ranged from 8,500 to 13,500 pounds.

The results of the study demonstrated that respondents preferred the most expensive cars (Toyota and Rover) but some of these changed their decision when informed that the prices of these two makes were 50% higher than an available alternative. The results also indicated that product country images and ethnocentrism had a significant impact (both positive and negative) on the consumers' intention to buy. For instance, 18 per cent of the respondents showed a strong preference to "buy British" and 48 per cent showed a preference for a British car as against 52 per cent selecting one or other of the Asian cars. Thus, ethnocentrism can be a strong source of competitive advantage, especially when domestic products are equal to imported products on a price-performance basis (Baker and Michie, 1995).

Tse et al. (1996) attempted to find out how the country of origin effect affects local consumers' propensity to buy a high-involvement product (a colour TV) from four countries, namely Hong Kong, Germany, Japan and South Korea. Results showed that consumers' perceptions of the product quality significantly affected their intention to purchase that product. For example, Hong Kong consumers have a significantly higher probability of buying Germany and Japan made colour TV sets than those made in Hong Kong and South Korea.

5.3 Stereotyping

Stereotyping has been found to be universal. Reierson (1966) was one of the first to conduct country of origin bias research. Reierson (1966) investigated whether or not preconceived notions consumers have about foreign products are really national stereotypes rather than opinions about specific products. The results indicated a clear evidence of stereotyping. Respondents rated products "made in US" the highest, therefore, the study suggested, that while consumers have preconceived notions about foreign products, attitudes are really national stereotypes rather than opinions about specific products.

Schooler (1965) was the first to examine country of origin bias as it affected specific product evaluation. Results showed that Guatemalan and Mexican products in each case were rated higher than the products of Costa Rica and El Salvador.

Nagashima (1970) found that Japanese businessmen evaluated products "made in" Germany the highest followed by UK, US, Japan and France. In his follow up study, Nagashima (1977) reported that images of Japanese, West German and French products had improved and that of UK products had deteriorated. Thus, the findings of these studies suggested that, in addition to varying among customers in different nations, national stereotypes change over time.

Gaedeke (1973) extended the idea of national stereotypes to cover products from developing countries. He examined the opinion of US consumers towards the overall quality of imported products "made in" various developing countries and the United States. Likert's method of summated rating was employed in the study in order to develop a 5-point quality rating scale: very good--5 points to very poor--1 point. 200 students were asked their opinions about the quality of imported products in general, about classes of products imported in relatively large volume from developing countries, and about specific products items. The countries used in this study were the United States, the Philippines, Hong Kong, Argentina, Brazil, Taiwan, Mexico, South Korea, India, Singapore, Turkey, and Indonesia. US products (e.g., food, electronic items and textiles) were rated first in all product classes named, while products from developing countries were rated lower than the US products. Gaedeke

(1973) concluded that country of origin information did not significantly affect opinions about the quality of branded products in general.

Etzel and Walker (1974) examined the level of congruence between national product stereotypes and attitudes toward specific types of products. Products tested were autos, cameras, and mechanical toys from three different countries, namely, Germany, Japan and the US. A sample of 293 females were selected for the study. The results revealed a significant difference between consumers' perceptions of foreign national product stereotypes and images of specific products from that country for all but one situation (German products vs. German autos).

Abdul-Malek (1975) examined Canadian business managers' attitudes towards trade contracts abroad. A structured questionnaire was presented to chief executives of a judgement sample of 154 manufacturing firms in Canada. Five national settings were used for the research (Canadian, US, West European, Latin American, and Asian and African settings). Chief executives were asked "to describe (actual or potential) customers and intermediaries in each of these settings, one at a time, with the help of a set of scales for each situation" (p. 199). Research indications were a clear preference for dealing with North American buyers who were perceived as superior to foreign customers and distributors. Abdul-Malek (1975) also found differences in chief executives' perceptions resulting from different perceived socio-economic traits. For example, exporters with more experience tended to be more in favour of imported products than non-exporters.

Darling and Kraft (1977) suggested that additional variables such as past experience or reputation might also be considered when investigating the impact of "made in" labels. Darling and Kraft (1977) concluded that "this label provides a great deal of information to consumers as a result of their past experience with representative national products, learned stereotypes and reputations of national products, and perhaps more general images of traditions and çustoms of foreign people" (Darling and Kraft (1977, p. 520).

Bannister and Saunders (1978) examined attitudes of UK consumers towards domestic products and the products of advanced countries highly active in the UK market (e.g., France Italy, Japan, USA, USSR, and West Germany). The authors modified Nagashima's (1970) semantic differential scales for use in their study (see Nagashima, 1970). A sample totalling 224 from West Yorkshire and Cheshire was chosen to participate in the study. They were asked to rate these countries' products in general on the basis of reliability, value for money, appearance, availability, and standard of workmanship. The results of the study indicated that consumers did have stereotypes towards different countries and significant differences did exist between these stereotypes. UK consumers had formed country images into three groups. Favourable images attached to West Germany, UK, and Japanese products; mediocre images to products "made in" France, Italy and the US and very poor images to products "made in Russia".

White and Cundiff (1978) examined whether industrial buyers allow national stereotypes to influence their evaluation of industrial products and their perceptions of product quality based on country of origin. The products used in the study were an industrial lift truck, a metal working machine tool, and a dictation system. A total of 480 questionnaires were distributed to members of the National Association of Purchasing Management, and 236 usable questionnaires (49%) were returned. The results indicated that there were statistically significant differences in the perception of quality depending on where they were made. For example, respondents rated the product "made in" US and Germany over Japan in perceived quality for all three products. While the product "made in Brazil" was evaluated below all of other countries tested in the study.

White (1979) examined attitudes to US manufactured products in selected European countries, namely, West Germany, France, Italy, and England. A sample of 480 purchasing managers was randomly chosen from the National Association of Purchasing Management. Of these, 213 American purchasing managers having an average of over 10 years experience were invited to take part in the study. They were asked to provide assessments for industrial products from one country in terms of twelve scales. The results indicated that US purchasing managers in general had stereotyped attitudes towards the countries tested.

Crawford and Lamb (1981) studied the extent to which consumers are willing to buy products of foreign origin and the identification of preferred sources for these products. A self-administered questionnaire was mailed to 1090 firms selected from the list of members of the Nation Association of Purchasing Management, Inc. Of these, 376 responses were usable resulting in 35% response rate. Industrial purchasers were asked to show their willingness to buy products from forty-four different countries and five product categories: foods, feeds, and beverages; industrial supplies and materials; capital goods; automotive goods; and consumer goods. The results revealed that the US industrial purchasers were influenced by both the individual country and the existing levels of economic development and political freedom within the forty-four given countries. Moreover, the US industrial buyers showed their country stereotype in being most willing to buy from advanced nations.

Cattin, Jolibert and Lohnes (1982) investigated the stereotypes held by American and French directors of purchasing towards products produced in five different advanced countries. They were France, Germany, Japan, US, and England. A total sample of 123 American and 97 French directors of purchasing was asked to evaluate the five countries' industrial products using 20 sets of bi-polar dimensions. Cattin, Jolibert and Lohnes (1982) found that French, German, and Japanese labels were rated higher by the Americans than the French. Thus, their findings supported the notion that stereotypes are perceived differently from consumers across national boundaries, because consumers sharing similar cultural values tend to be similar in their evaluations of "made in" labels.

Wang and Lamb (1983) examined the possible level of economic development, culture and political climate on US consumers' willingness to buy foreign products from 36 developing countries. A factorial design model was chosen for the study. Questionnaires were hand delivered to a randomly chosen sample of 500 residents in the Bryan-College Station. Of these, 273 were usable for the study resulting in a total response rate of 54.6%. Respondents were asked to indicate their willingness to purchase products made in each of the 36 countries. The findings of the study showed prejudices against products from developing nations. They also indicated that consumers were most willing to buy products made in economically developed and politically free countries with a European, Australian, or New Zealand culture base.

Khanna (1986) investigated business people's perceptions of pricing, product, promotion, and service attributes of Asian companies exporting new manufactures. South Korea, Taiwan, India and Japan were selected for the study. Subjects were asked how important they perceived a country of origin stereotype was to a new client versus a client of a long standing relationship. The results indicated that country of origin had a greater effect on new clients than on established ones. Khanna concluded that the image of Indian manufacturing exports varied between the executives of importing companies in Thailand, Singapore, the Philippines and Japan (Khanna, 1986).

Yavas and Alpay (1986) examined the Saudi Arabian and Bahraini consumer attitudes towards "made in" US, Japan, France, Germany, Italy, Great Britain and Taiwan. The source of data included two samples. The first sample consisted of 59 Bahraini students and the second sample consisted of 94 Saudi students. The findings showed that "the two groups by and large agreed in their assessments". For both groups results indicated that the

Taiwan label was evaluated the lowest, while Japan was rated the highest followed by the United States and Germany.

Kaynak and Cavusgil (1983) examined how quality perceptions of consumers varied across four product classes: electronic items, food products, fashion merchandise, and household goods. Using a structured, self-administered questionnaire, 197 heads of households in four cities in Canada were asked to rate the quality and price of products from twenty-five countries in general, and then the four product classes. "Quality perceptions of the respondents were recorded on a five-point Likert scale from very good to very poor" (p. 150). The results revealed that consumers' perceptions of quality towards products of foreign origin tend to be product specific. Food was the most culturally sensitive product, and "made in Canada" came out on top. However, the findings of this study did not generally support Reierson's (1966) findings as to the positive bias shown towards domestic products. Kaynak and Cavusgil (1983) suggested that country of origin may function as a surrogate variable, having stronger impact when little else is known about a product. The authors concluded that the less known about a business firm and its brands, the greater the impact of the national origin of the manufacturer. Moreover, the results of a study by

Papadopoulos et al. (1987) also did not support the home country preference view either and made the suggestion that there were cross-cultural variations in the assessment of products from one's own country.

Papadopoulos et al. (1989) developed a large scale cross-national consumer survey carried out in the capital and another major city in the US, Canada, UK, the Netherlands, France, West Germany, Greece and Hungary. The authors included Hungary in order to examine the attitudes of consumers in an Eastern as well as Western market. However, the aim of the study was to examine the country of origin effects from a transnational perspective. Using a quota sample, 300 consumers from Budapest area were selected, "and the drop-off/pick-up technique was used resulting in a response rate of 94% (versus an average of 57% in the other seven countries that were sampled" (p. 34). A self-administered questionnaire was employed in the study, which was identical in all eight countries and was translated and back-translated to ensure accuracy. Subjects were asked to evaluate countries and their products. The results revealed that consumers do hold stereotypes towards different countries. For example, products "made in Japan" were evaluated the highest by six of the eight samples. The results also showed that Hungarian consumers held strongly positive attitudes about Japan and its products.

Lawrence et al. (1992) examined New Zealand consumers' attitudes towards automobiles "made in" four different countries: Japan, Germany, France and Italy.

Due to the large number of bi-polar adjective pairings that required evaluation, the authors developed two structured, self-administered questionnaires for use in this study. The questionnaires were developed in a way which enabled the hypotheses to be tested easily. Each questionnaire had four parts: purchase behaviour, country of origin attitude, brand familiarity and demographics. The results showed that "country of origin stereotyping was present in the New Zealand new car market, and that it was often a determining factor in the buying process. Respondents evaluated automobiles "made in Germany" as the most favoured country of origin. "The German stereotypical image, with its reputation for producing well engineered and assembled, competently performing, cars appeared to be what many New Zealand consumers desired and admired" (Lawrence et al. 1992, p. 49).

Smith (1993) examined the US consumers' perceptions towards manufactured goods that were labelled regionally. The regions used were Africa, Latin America, Asia and Western Europe. The products used in the study were: (1) a piece of cloth of medium weave; and (2) a modest wine glass. The result of the study showed that there was a demonstration of some degree of regional consumer bias as Asian products received a more positive evaluation than those from Western Europe, Africa, and Latin America for some of the semantic differential items used in the research. The results also indicated that younger consumers had more negative product evaluations than older people had. Smith (1993) concluded that the use of such labelling could ameliorate consumers' negative bias against products from developing countries. "This is demonstrated by the fact that respondents in this study evaluated African, and Latin American products as being comparable to, or superior to, those from Western Europe" (p. 11). In earlier studies using country-specific comparisons, products from African and Latin American countries did not fare well against those from Western Europe countries. For example, "Schooler (1971) found more positive attitudes towards products from West Germany than those from Nigeria and Chile" (Smith 1993, p. 11).

Maheswaran (1994) identified consumer expertise and the type of attribute information as moderating the effects of country of origin on product evaluation. The product used in this study was a personal computer along with nine attributes namely, memory capacity, speed of computation, software provisions, monitor, compatibility, data storage, ease of operation, keyboard, and modem. The results indicated that when attribute information was unambiguous, experts based their evaluations on attribute strength, while novices relied on country of origin. "When attribute information was ambiguous, both experts and novices used country of origin differently in evaluations" (Maheswaran 1994, p. 354). The results also showed that both experts and novices differed in their processing of stereotypical information. For example, "experts used country of origin stereotypes for selectivity process and recall attribute information, whereas novices used them as a frame of reference to differentially interpret attribute information" (Maheswaran 1994, p. 362).

Strutton, Pelton and Lumpkin (1994) examined the opinions of US consumers towards automobiles made in the US and Japan. Using a telephone interview method, 1,000 adults living in the continental US were asked to evaluate automobiles on construction, investment properties, dimensions of quality, dimensions of style, and cost consideration. Of the 1,000 calls, 36 were considered incomplete because of missing information. The results of the study indicated that American consumers were more in favour of Japanese automobiles in terms of their dimensions of style, investment properties and dimensions of quality. However, "no significant differences were observed in the perceptions held by

American consumers regarding the cost consideration and construction of US and Japanese cars". (Strutton, Pelton and Strutton 1994, p. 70).

Keown and Casey (1995) measured the factors that influence Northern Ireland consumers' behaviour when purchasing wine from fourteen selected countries. Respondents were presented with ten characteristics. They were country of origin, brand name, grape variety, region of origin, volume of alcohol, vintage, classification, a chateau-bottled wine, a "table" wine, and a "country" wine. Consumers were asked to show which of the factors were important when purchasing their wine. The results indicated that country of origin was the most important factor when the Northern Ireland consumers were selecting wine. Moreover, respondents rated the traditional producers such as France, Italy and Germany the highest and US and Britain the lowest.

Niss (1996) determined to what extent Danish exporters of foodstuffs, design goods, and agricultural products make use of the Danish image in their export marketing based on country stereotypes. Using both mail questionnaires and personal interviews, managers from 58 exporting companies were asked their attitudes towards using nationalities for international promotion purposes. The results of the study indicated that as "a product moves along its life cycle towards the maturity and decline stage, a shift occurs in the positioning strategies employed by many of the firms interviewed from use of the national image as a differentiation tool to the building of international brands and product images" (Niss p. 19). This means that as the product approaches its maturity and decline stage, the consumer's information requirements also decline because at this level the consumer knows all about the product and its functional and aesthetic qualities, including its designation of origin (Niss, 1996).

Country of origin stereotypes seem to be highly affected by ethnocentrism[13] (Hooley et al. 1988; Lee, Kim and Miller 1992; Stoltman et al 1991). This term "appears to impact consumer choice both through product attribute evaluation and through direct affective factors regarding the purchase itself" (Yaprak and Baughn 1991, p. 265). Han and Terpstra (1988) found that consumer patriotism does effect cognitive evaluations of goods, but effects purchase intent to a greater degree. For example US consumers prefer US products (Gaedeke 1973; Johansson et al. 1994; Levin et al. 1993; Nagashima 1970; Olsen, Granzin and Biswas 1993; Reierson 1966), French consumers are more in favour to products "made in France" (Baumgartner et al. 1978), Japanese consumers favour

[1] The advantages of purchasing home-made products include: boosting the country's employment; helping the economy; easier after sales service; and maintaining national pride (Wall and Heslop 1986; see also Olsen et al. 1993).

Japanese products (Narayana, 1981), Canadian consumers are willing to purchase Canadian products that are higher in price but equal in quality to imported products (Wall and Heslop, 1986), Turkish managers purchase products "made in Turkey" (Gudum and Kavas, 1996), Polish and Russian consumers prefer their home country's products (Good and Huddleston, 1995), Spanish consumers prefer home-made products (Peris and Newman, 1993), Mexican consumers buy Mexican products (Bailey and Pineres, 1997), UK consumers prefer their home country's products over foreign ones (Baker and Michie, 1995; Bannister and Saunders 1978; Hooley et al 1988; Peris and Newman 1993) and European consumers in general tend to prefer products "made in Europe" to imported products (Schweiger et al., 1995).

5.4 Demographic Effects

Demographic variables also played a role in differences in "made in" image between male and female respondents (Wall, Heslop and Hofstra 1989; Wall and Heslop 1989). Male and female attitudes towards foreign products differ; females generally tend to show a more positive country of origin bias towards domestic products than males (Good and Huddleston 1995; Heslop and Wall 1985; Lawrence 1992; Sharma et al. 1995). Contrastingly, gender was found to be an unimportant factor by Dornoff

(1974). In terms of age, older people tend to evaluate foreign products more favourably than do younger people (Schooler 1971; Smith 1993; Bailey and Pineres 1997).

The most influential demographic variable was that of education (Festervand et al, 1985). Education enjoyed fairly consistent results as correlated with perceptions of products. Most studies revealed that people with a high level of education are more in favour of foreign products than those with limited education (Al-hammad 1988; Anderson and Cunningham 1972; Dornoff et al. 1974; Festervand et al. 1985; Good and Huddleston 1995; Greer 1971; Schooler 1971; Sharma et al. 1995; Wall, Liefeld and Heslop 1991). Likewise, McLain and Sternquist (1991) and Bailey and Pineres (1997) found that as the education level increased, the level of consumer ethnocentricity displayed by the respondents decreased. Wall Hofstra and Heslop (1990) found that, there was a strong relationship between income level and positive attitudes towards imported products. Good and Huddleston (1995), Sharma et al. (1995) and Bailey and Pineres (1997) found that the higher the income, the less likely it was that the consumer would buy (select) domestic products. On the other hand, both Han (1990) and McLain et al. (1991) agreed that income did not significantly account for variations in ethnocentricity between consumers.

5.5 Perceived Risk As A Determinant Of Country Of Origin Effects

Hampton (1977) was the first researcher to examine the influence of perceived risk on rating 27 products in three classes of perceived risk (high, moderate, low) from 9 different countries. He examined perceived risk for American products made in the US compared with products made abroad by American firms. A sample of 200 households living in Seattle, Washington were invited to participate in the study. A total of 176 usable questionnaires were returned with a response rate of 88% of the total sample. The findings indicated a general increase in perceived risk of products made abroad.

Baumgartner and Jolibert (1978) investigated the French consumers' perceptions of foreign products. Subjects were asked to evaluate each product and country in terms of perceived risk. Baumgartner and Jolibert (1978) selected four classes of products (playing cards, life insurance, cough syrup, and a winter coat) made in the United States, England, France and Germany. The study employed a 7-point scale ranging from "extremely interesting (1 point) to "not at all interesting" (7 points). 120 French consumers were asked to consider each of 16 products (4x4) which were presented in random order. The results of the study demonstrated that French consumers preferred products "made in" France over foreign products.

Nes (1981) examined the country of manufacture as a cue to perceived product risk and perceived product quality. Products were classified into two groups: low risk and high risk products. Three brand categories were used in the study: no brand name, a new brand name and a well recognised brand name. Four countries of origin were used: no country information available, made in a poor country, made in average income country and made in a developed country. The findings showed that all three factors (country, brand and risk class) were significant, while none of the interactions was significant (Nes, 1981 .

Hugstad and Durr (1986) investigated the importance of country of manufacture (COM) information to US consumers. Products used were automobiles, cameras, canned food, automobile tyres, shoes, and sports shirts. Countries used were Japan, China, Korea, Taiwan and the United States. Using a mall intercept method, interviews were conducted with 341 shoppers. They were asked their sensitivity, and perceived risk related to each country and its products. The results indicated that "sensitivity to country of manufacture (COM) varies by product category, being highest for durable goods" (p. 119). Moreover, COM also appeared to affect perceptions of quality and price for products from different nations.

Wall and Heslop (1986) investigated Canadian consumers' attitudes towards Canadian products and the products of seventeen Canadian trading partners. The results showed that females have more positive attitudes than males in favour of Canadian products. Ghadir (1990) examined Jordanian consumers' perceptions of quality, price and risk of foreign versus domestic products. The results indicated a strong relationship between country of origin and consumers' perception of the quality, price and risk of the product. Wall, Liefeld and Heslop (1991) experimentally determined the effects of country of origin when combined with brand name and price level on consumers' ratings of quality, risk to purchase, value, and likelihood to buy a shirt, telephone and wallet. Countries used were Canada, Hong Kong, Italy, South Korea, Taiwan and the United States. The results indicated that country of origin was related to the assessment of product quality, but when it came to evaluating purchase likelihood, country of origin seemed not to be important. In addition, "age, education, sex and perceptions of ability to judge products were related to consumers' ratings of quality, risk, value and likelihood of purchase especially when the product was more complex and difficult to judge" (p. 105).

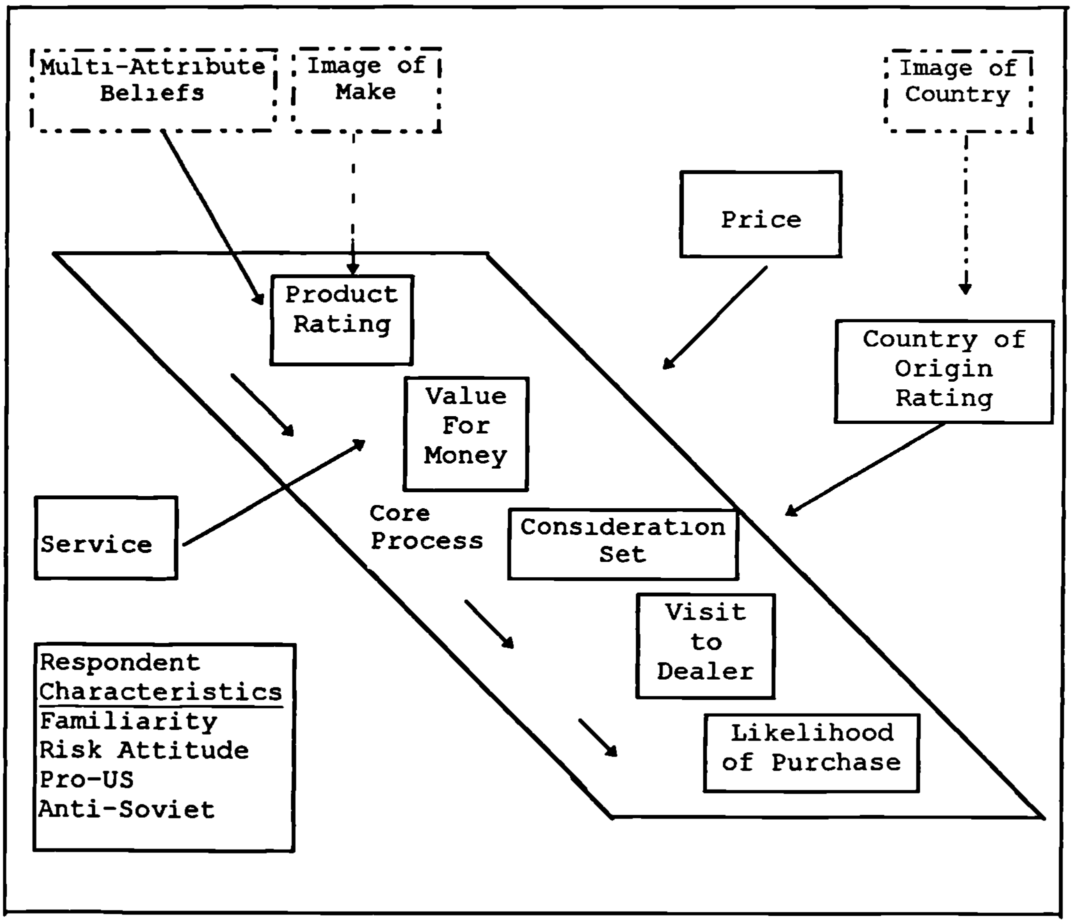
Cordell (1991) investigated the interaction of country of origin within four product categories (Colour

TVs, Microwave oven, bicycles, and telephone) along with different levels of financial risk. Countries used were Algeria, India, Nigeria, Peru, and the US. In a lab experiment settings, 241 students were presented with two different products at a time and asked to choose only one. Results showed preference biases against products from developing countries. Respondents were less likely to choose a product made in a developing country as the price and the financial risk increases. Therefore, a hierarchy was found to exist between developing countries and industrialised nations.

Johansson et al. (1994) investigated the role of product country images for Russian tractors in the United States. They postulated a model which sees the image of a country prompting a "country of origin rating" for the relevant product which then influences the core process of product evaluation. (see figure 5.2).

The target was a farmer likely to be in the market for tractors of the kind manufactured by Belarus in Russia. Individual interviews were conducted around a comparison of eight different makes of tractors, made in six different countries, Belarus in Russia; Deere, Ford, and Maxxum in the United States; Massey in Canada; Deutz in Germany; Hesston in Italy; and Kubota in Japan. Comparisons among the eight models were made and each stage of the core process was measured using a seven-point scale. For example, respondents were asked to rate a tractor in terms of value for money from "very good" to "very bad".

Figure 5.2
The Complete Model



Source: Johansson (1994, p.160).

Respondents were also asked their beliefs about the make's country of origin, their familiarity with the make, and their rating of the country of origin as a manufacturer of tractors. Then the respondent was given a self-evaluation on three batteries of Likert-type scales.

One was a ten-item battery on ethnocentricism. A second was a set of thirteen risk items and a third set of eight items measured the perception of the "new" Russia. Finally they were asked to indicate their political leanings using two seven-point scales: Liberal-Conservative, and Pro-Democrat - Pro-Republican. Results indicated that "once the consideration set had been reached, the changes to influence the process diminish. After the consideration set, the farmer's mind may well be made up. Familiarity also had a pervasive influence throughout the process. This was reflected in both the risk-reducing tendency on the part of risk-averse farmers and the reluctance among all farmers to consider unfamiliar makes" (p. 171). Country of origin was also another recurring influence that played an important role in the process of product evaluation.

The results revealed a significant change in the process especially when the tractor was made in a highly rated country such as the US which affected all countries with low score evaluation, including Russia. Although farmers rated Belarus' products very low, they still considered them as good value for the money. The results also showed Pro-US sentiment affected only product ratings and the consideration set, but not purchase likelihood. In addition, "opinions on whether the United States should support Russia through the trade influenced farmers' rating of products and their likelihood to purchase". It was also found that farmers who liked to try out a new product were more likely to visit the Belarus dealer, but they did not like it as much when they recognised its origin. Therefore, this study suggested that entering a new market requires strong promotional support because consumers are reluctant to purchase, or consider, a product with which they are unfamiliar (Johansson et al., 1994).

5.6 Service Evaluation

Kaynak, Kucukemiroglu and Kara (1994) examined consumers' perceptions of airlines in the united states. The main objective of their study was:

- To investigate consumers' satisfaction and/or dissatisfaction while flying by a domestic and/or foreign airline to foreign destinations.
- To understand consumers' perceptions of airlines and relate this information to their domestic and foreign airline preferences.

The study was conducted in three cities of Pennsylvania, namely, Harrisburg, Lancaster and York. Using a stratified sampling method, two groups of neighbourhoods, namely, upper income and middle income were selected for the study. Drop-off and pick-up technique was employed. Questionnaires were hand-delivered to 600 households, where 376 questionnaires were usable for final analysis with a response rate of 62%.

Respondents were given a list of airlines and told to show their three favourite airlines for foreign travel. They were also asked about the main reasons for their selection of these three airlines and factors influencing their decision in selecting the airline for foreign travel. The study indicated the following results:

- The three airlines selected were United, American and Delta.
- Respondents who used domestic airlines had more favourable attitudes towards domestic airlines than those who did not use a domestic airline. Whereas, those who used both domestic and foreign airlines demonstrated no differences between them.
- Reliability of the airline, past satisfactory experience with the airline and low price of the ticket were the three most important reasons for choosing the three airlines for foreign destinations.
- Users of frequent airlines paid more attention to in-flight entertainment, free alcoholic beverages and availability of frequent flights. On the other hand, users of domestic airlines considered airport counter service as the most important evaluative criterion.

- More attention was given to competitive fares by both domestic and foreign airline users.
- In terms of gender, males attached more importance to reliability of airline, while females placed more attention on convenient schedule and quickest route direct flight.
- Females also considered airport ticket counter service, accurate flight status information, convenient flight connections, frequent flights, and good connections to major cities as important factors in choosing an airline, while males attached more importance to availability of free alcoholic beverages.
- Results also indicated that professional job holders differed from technical personnel in factors considered important in selecting an airline for foreign travel.
- Significant relationships were found between the users of domestic, foreign and both domestic and foreign airlines and factors considered important in choosing an airline for international travel.
- In terms of age, respondents who were less than 20 demonstrated that in-flight entertainment, stewardess service, quality of food, alcoholic beverages and frequent flyer programs were important, while convenient connections, frequent flight, connections to major cities and reservation ease were more important factors for respondents who were older than 31. On the other hand,

respondents between 20 and 30 age group showed more importance to on time flights, baggage handling, and competitive fares (Kaynak, Kucukemiroglu and Kara, 1994).

Harrison-Walker (1995) investigated the national stereotype effects on consumer selection of a service provider. The main objective of his study was to:

- Evaluate the potential role of national stereotype on service provider selection.
- Investigate the relative effects of service provider nationality, supplemental information and consumer nationality on service provider selection.

The professional service of ophthalmology was selected for the study. The following scenario was presented to subjects:

> "You've been having difficulty with your vision, so you've decided to have your vision checked by an ophthalmologist. You've just moved to this town, so you do not already have a local ophthalmologist and do not know anyone to ask for a reference. The only information you have is what appears in the local telephone directory" (Harrison- Walker 1995, p. 51).

Respondents from the US, Japan, Spanish and other nationalities were asked to rank each of twenty ophthalmologists in the order in which they would contact them by telephone. The mock directory listing included five physician names for each of four nationalities: American, Indian, Japanese and Spanish. The author used five information levels. They were:

1. "Zero level: no additional information provided;
2. One level: board certified, American Board of Ophthalmology;
3. Two level - availability: board certified, American Board of Ophthalmology, day, weekends, holidays;
4. Two level - service: board certified, American Board of Ophthalmology, in-office laser and cataract surgery;
5. Three level: board certified, American Board of Ophthalmology, in-office laser and cataract surgery, days, weekends, holidays".

Finally, respondents were asked to identify the nationality of each of the twenty service providers. In terms of nationality of the respondents, American, Japanese, Spanish, and other nationalities were selected for the study. The results showed that there is no clear evidence of same-nationality bias. Americans prefer American providers over other nationality providers when advertising information is at zero level, two level/service, or three, yet at the one level and two level/availability levels of advertising information. Japanese providers are evaluated as just as good as the American providers, while Spanish respondents show no significant same-nationality bias at any level of information

According to Harrison-Walker service is viewed more favourably by consumers than time availability, with two exceptions: (1) the availability of Japanese providers appears to be more important to American consumers than extra services. (2) the availability of Indian providers appears to be more important to "other nationality" consumers than extra services.

Shaffer and O'Hara (1995) examined the impact of nationality on perceptions of ethicality and trust towards an American service professional. Data were collected from 122 individuals from 30 countries who had either attended a seminar or an initial consultation with an immigration lawyer. Since this was a "mixed" population (e.g., seminar and consultation personnel), Shaffer and O'Hara designed a questionnaire composed of several sections. First, specific questions were developed in the light of the seminar or consultation session attended, while the second section consisted of questions concerning trust and ethical perceptions of the immigration lawyer from an American viewpoint.

The results of the study indicated that there are significant ethnic differences in the evaluation of professional services. However, "perceptions of trust are found to differ significantly between people from nations characterised by high and low individualism" (p 162). For example, respondents from high distance, collectivistic societies were less trustful than clients from small power distance[14], individualistic societies. Significant differences in ethical perceptions are also found between individuals from small power distance countries (e.g., the United States, Canada, Western European countries), versus large power distance countries (e.g., Asian and Hispanic countries)[1] .

Wetzels et al. (1996) investigated the Dutch consumers' concept of ethnocentrism to ten different kinds of services provided in the Netherlands. These services included: public transport by bus, banking services, express delivery services, air travelling, travel agencies, railroad services, telecommunications, mail services, medicine-supply, and public utilities such as gas and electricity. Results indicated the following:

- A consumer's ethnocentric tendencies toward services is negatively correlated with cultural openness (individuals who are more open to other cultures are less consumer

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[14] "Power distance" is defined as the "the degree of inequality in power between a less powerful Individual (I) and a more powerful Other (O), in which I and O belong to the same (loosely or tightly knit) social system" (Mulder 1977, p. 90). Power distance concerns the relationship between the individual and persons of authority and power, while individualism concerns the relationship between the individual and the collectivity of given society (Hofstede, 1980).

[1] "An explanation of why certain countries are small/large power distance countries or low/high individualism countries would require a lengthy discussion of the historical, geographic, economic, demographic and technological factors contributing to a nation's social and cultural fabric" (Shaffer et al (1995, p. 182). This is beyond the purpose of this study (for more discussion see for example, Hofstede, 1980 and Triandis et al., 1988).

ethnocentric toward services), and positively correlated with patriotism conservatism, collectivism and age.

- Consumers with a higher level of education have less ethnocentric tendencies toward services.

Bruning (1997)[16] examined Canadian national loyalty and the country of the air carrier in the selection process. Bruning (1997) used two instruments in securing data: a conjoint experiment where subjects were presented with multiple attribute bundles and asked to rate preferences for each of the bundles, and a questionnaire to collect demographic, attitudinal, and usage information. The study was conducted in three provinces of Canada, namely the western, central and the eastern provinces. Results indicated the following:

- The country of origin attribute is second only to price in terms of relative importance in the air carrier choice decision. For example, Canadian consumers measuring high in national loyalty prefer a national carrier for an international flight when other foreign carriers are in competition with the national carriers.
- Canadian travellers were marginally supportive of a US carrier over a Mexican carrier but they indicated overwhelming support for a Canadian carrier when considering international air travel.
- The preference for own-country air carriers is not

[16] A similar study was conducted in 1994 by the same author.

equally strong across air traveller segments. For example, females showed more favourable attitudes towards their national airline than did males. With respect to income level, results showed that the higher the income, the less likely it was that the consumer would fly with a Canadian carrier. In addition, national loyalty scores were highest for travellers with the lowest levels of flying frequency and declined with increases in flying frequency.

5.7 Summary

Baker and Currie (1993) suggested that the country of origin concept should be considered a fifth element of the marketing mix along with the product itself, its price, promotion and distribution. Since the mid-1960s, the country of origin effects have been the impetus for a number of studies. Most of these studies have found that country of origin of a product does affect product evaluation (Al-Sulaiti and Baker 1997; Baker and Currie 1993; Baker and Michie 1995; Bilkey and Nes 1982; Ozsomer and Cavusgil 1991; Thakor and Katsanis 1997; Yaprak and Baughn 1991). However, the issue of how much influence the country of origin cue provides in product evaluations is not yet decided and therefore opinions appear to differ widely (Baker and Currie, 1993). Several studies, referred to in Olson and Jacoby (1972), conclude that intrinsic cues (a product's characteristics such as taste, design and performance) have greater effect on quality judgements than do extrinsic cues (considerations associated with the product such as price, brand name and warranties). Therefore, country of origin (an extrinsic) cue might have only a limited influence on product quality perceptions (Bilkey and Nes 1982; Thakor and Katsanis 1997).

In addition, most of these studies involve single cue models (e.g., the country of origin was the only information supplied to respondents on which to base their evaluation which tend to bias the results in the direction of detecting positive country of origin effects (Johansson et al., 1985). Later studies adding multiple cue m dels appear to show a much lesser role of country of origin influencing consumer product evaluation (Ahmed et al. 1993, 1994, 1995; Ettenson et al. 1988; Johansson et al 1985; Roth and Romeo 1992). These results are not surprising, because as consumers have a greater number of cues, the efficacy of one particular cue, such as country of origin, in influencing consumer product evaluations can be expected to be reduced.

To sum up, the literature regarding country of origin suggests a general home-country selection bias[17] (Baker and Michie 1995; Bannister and Saunders 1978;

[17] Still in some studies, domestic products were not evaluated as favourably as imports (see Lin and Sternquist 1994; Strutton 1994).

Baumgartner et al. 1978; Chao and Rajendran 1993; Gaedeke 1973; Levin et al. 1993; Nagashima 1970; Narayana 1981; Okechuku 1994; Reierson 1966; wall and Heslop 1986), with alternative product choice selection affected by product class (Dornoff et al. 1974; Festervand et al. 1985; Gaedeke 1973; Hugstad and Durr 1986; Kaynak and Cavusgil 1983, 1986; Krishnakumar 1947; Nagashima 1970, 1977; Reierson 1966; Roth and Romeo 1992), for a specific product (Cordell 1991; Gaedeke 1973; Hampton 1977; Hugstad and Durr 1986; Krishnakumar 1974; Schooler and Sunoo 1969), and for a specific brand (Ahmed 1993, 1994, 1995; Gaedeke 1973; Han 1990; Han and Terpstra 1988; Khachaturian and Morganosky 1990; Leclerc et al. 1994;Yapark 1978 . Stereotyping has also been found among US (Cattin et al., 1982), Japanese (Nagashima, 1970), Indian (Krishnakumar 1974), Chinese (Zhang, 1996) and Taiwanese (Lin and Sternquist, 1994) respondents. This of course may influence both industrial purchasing decisions and consumers purchasing decisions (Baker and Currie, 1993).

Finally, most researches to date have focused primarily on country of origin effects on product evaluation and nationality differences in the consumption of a product in more developed countries (for further review see Al-Sulaiti and Baker 1997; Baker and Currie 1993; Bilkey and Nes 1982; Ozsomer and Cavusgil 1991;

Yaprak and Baughn 1991). To date there are few studies which have examined the impact of country of origin effects on the consumption and evaluation of services (Bruning 1997, 1994; Kaynak and Kucukemiroglu 1993; Kaynak, Kucukemiroglu and Kara 1994; Harrison-Walker 1995; Shaffer; O'Hara 1995 and Wetzels et al. 1996). Most of These researches examined consumers' perceptions towards services in the USA (see appendix C for full details of results of the research studies).

In Chapter six the research methodology is discussed.

5.8 References

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CHAPTER 6

RESEARCH DESIGN AND METHODOLOGY

CHAPTER 6

RESEARCH DESIGN AND METHODOLOGY

The overall objectives of the present chapter are to describe the steps taken and the methods used for the current study. The design of the research methodology has passed through nine successive stages, namely:

1. Research objectives
2. Research hypotheses
3. Research design
4. Survey research
5. Sampling procedure
6. Questionnaire format
7. Questionnaire development
8. Data analysis techniques
9. Limitations of methodology

6.1 Research Objectives

The previous chapter which comprised of a COO literature review, indicated that most research to date had focused primarily on country of origin effects on product evaluation and nationality differences in the consumption of a product in more developed countries (Baker and Currie 1993; Baker and Michie 1995; Bilkey and Nes 1982; Ozsomer and Cavusgil 1991; Yaprak and Baughn 1991). To date, there are few studies which have examined the impact of country of origin effects on the consumption and evaluation of services (Bruning 1997, 1994; Cronin and Bullard 1988; Diamantopoulos, Bohlen and Schlegelmilch 1993; Harrison-Walker 1995; Kaynak and Kucukemiroglu 1992; Kaynak and Kucukemiroglu 1993; Kaynak, Kucukemiroglu and Kara 1994; Shaffer and O'Hara 1995; Wetzels, Birgelen and Ruyter 1996).

Therefore, the hypotheses of this study (presented later in this chapter) are developed to provide an extension to existing knowledge regarding the country of origin and its impact on the evaluation of airline services in Qatar. Thus, the purpose of this thesis may be succinctly summarised by the following objectives:

1. To understand customers' general perceptions of airlines in Qatar.
2. To examine country of origin (COO) effects on airline selection.
3. To understand country of origin (COO) effects on perceptions of quality, price and patriotic feelings.
4. To explore the relationships between demographic variables and COO effects.

6.2 Research Hypotheses

A hypothesis is "An expectation about the nature of things derived from a theory". It is "a statement of something that ought to be observed in the real world if the theory is correct" (Babbie, 1990, p. 372). Moreover, it is "the basic building block of a well-written questionnaire. Developing the hypothesis provides the key ingredient to structure all subsequent parts of the project: the questionnaire, the sample, the coding, the tabulation form, and the final report itself" (Labaw 1980, p.35).

In this study, fifteen research hypotheses were developed. They were formulated to examine Qatari perceptions of airlines and to relate this information to their domestic and foreign preferences. The hypotheses were developed based on a comprehensive literature review of theories and concepts on the subject (see chapter 5).

Due to the lack of empirical testing of consumer behaviour in Qatar, the convention, as shown by Good and Huddleston (1995) and Murray and Schlacter (1997) suggested that hypotheses are best phrased as null hypotheses. The specification of the hypothesis in the null form, which implies the use of a two-tailed test, follows recommendations by Howell (1997) who advises to embrace a one-tailed test if the alternative hypothesis states the direction of difference and in instances where no-one, who might read the study's report, has an interest in the results of the other tail of the distribution.

With a two-tailed test, no direction of difference is given (as was the case in this study). Both tails of the known distribution are of interest, as the unknown distribution could be at either end (Hinton, 1995). Therefore to investigate consumers' perceptions and selections of domestic versus foreign airline services, the present study suggested the following hypotheses:

H1: There is no significant difference between the consumers' perceptions of the quality of Gulf and Arab non-Gulf airline services (Ghadir 1990, p. 175).

H2: There is no significant difference between the consumers' perceptions of the quality of Gulf and foreign airline services (Abdul-Malek 1974, p. 199; Akaah and Yaprak 1993, p. 190; Ghadir 1990, p. 175; Narayana 1981, p. 157; Heslop and Wall 1985, p. 161).

H3: There is no significant difference between the consumers' perceptions of the price of the Gulf and Arab non-Gulf airlines (Ghadir 1990, p. 175).

H4: There is no significant difference between the consumers' perceptions of the price of Gulf and foreign airlines (Ghadir 1990, p. 175; Niffenegger et al. 1980, p. 156).

H5: There is no significant difference in the customers' perceptions of any of the quality and price variables of the Gulf, Arab non-Gulf and foreign services according to their demographic variables (Bailey and Pineres 1997, p. 212; Ghadir 1990, p. 175; Heslop and Wall 1985, p. 161; Niffenegger et al. 1980, p. 157; Schooler 1971, p. 147 and 212; Smith 1993, p. 212).

H6: There is no significant difference between the customers' selection of a Gulf or a foreign airline (Baker and Michie 1995; p. 195 and p. 212; Bruning 1997, p. 226; Kaynak et al. 1994, p. 221; Peris and Newman 1993, p. 211; Schweiger et al. 1995, p. 211).

H7: There is no significant difference between occasional and frequent travellers in terms of their selection of a Gulf or a foreign airline (Bruning 1997, p. 227).

H8: There is no significant difference in any of the customers' demographics and their selection of a Gulf or a foreign airline (Bruning 1997, p. 227; Good and Huddleston 1995, p. 211; Heslop and Wall 1985, p. 211; Lawrence 1992, p. 211; Schooler 1971, p. 147; Sharma et al. 1995, p. 212; Wall and Heslop 1986, p. 215; Wall, Hofstra and Heslop 1990, p. 212).

H9: There is no significant difference in the customers' perceptions of any of the airline service quality and price variables and their selection of a Gulf or a foreign airline (Han and Terpstra 1988, p. 168; Tse et al. 1996, p. 196).

H10: There is no significant difference in customers' patriotic feelings and their selection of a Gulf or a foreign airline (Baker and Michie 1995, p. 195; Bruning 1997, p. 227; Han and Terpstra 1988, p. 210; Yaprak and Baughn 1991, p. 210).

H11: There is no significant relationship between the customers' patriotic feelings and their selection of Qatar Airways (Baker and Michie 1995, p. 195; Han and Terpstra 1988, p. 210).

H12: There is no significant relationship between the customers' patriotic feelings and their perceptions of the quality of the Gulf airlines (Ghadir 1990, p. 175; Wall and Heslop 1986, p. 211).

H13: There is no significant relationship between the customers' patriotic feelings and their perceptions of the price of the Gulf airlines (Ghadir 1990, p. 175; Wall and Heslop 1986, p. 211).

H14: There is no significant relationship between the users of Gulf, Arab non-Gulf and foreign airlines and the factors considered important in choosing an airline (Kaynak et al. 1994, p. 221).

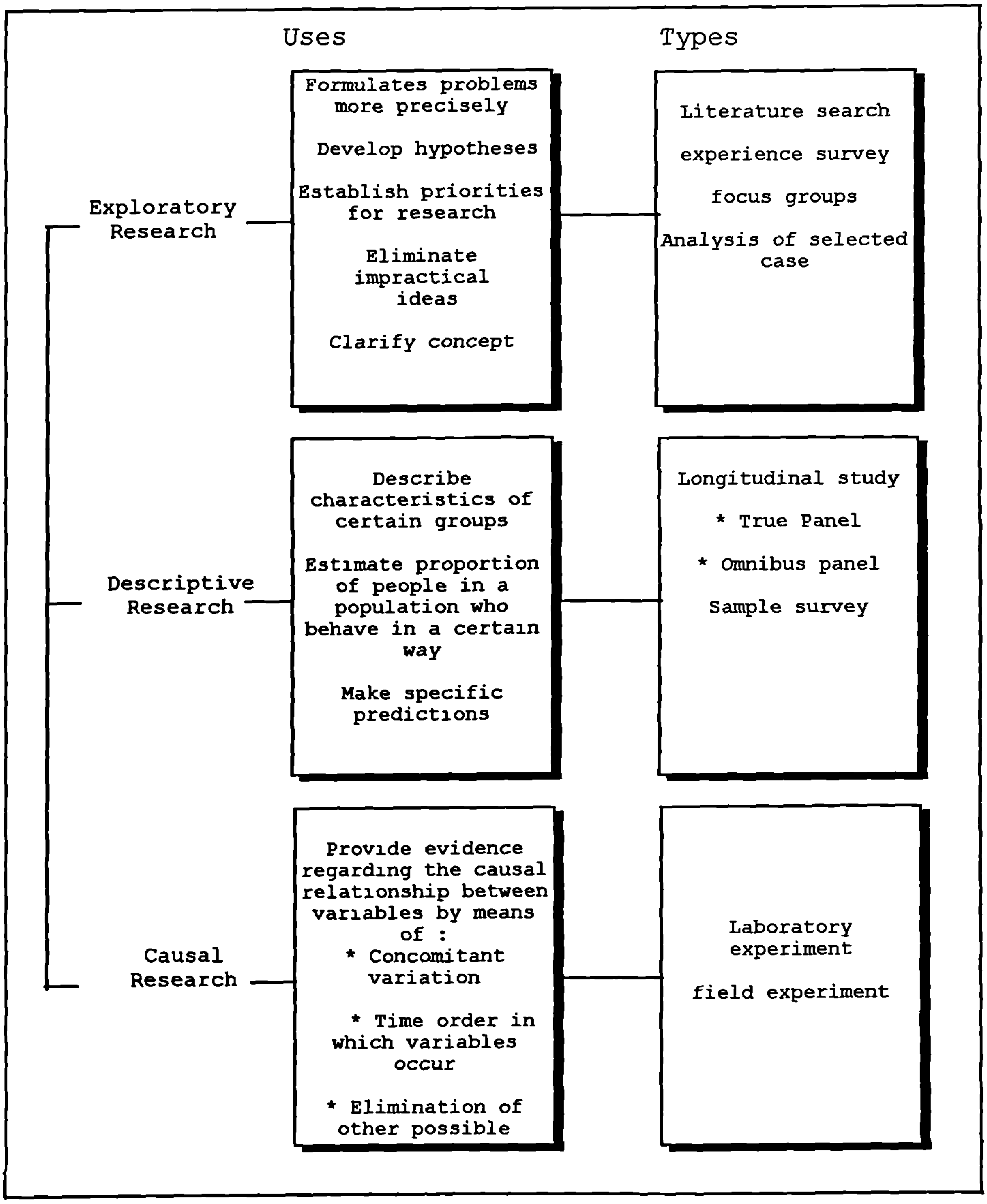
H15: There is no significant difference in any of the customers' demographics and the factors considered important in their choice of airline (Kaynak et al. 1994, p. 221).

6.3 Research Design

One of the preliminary steps in conducting a research project is to develop a research design that is consistent with the research objectives. A research design may be defined as the basic plan or framework which guides the researcher in collecting and analysing the necessary data (Churchill 1995a; Kinnear and Taylor 1996; Parasuraman 1991; Chisnall 1992). Unfortunately there is no single, standard or idealised method of carrying out research (Churchill, 1995a, 1995b; Kinnear and Taylor 1996; Zikmund 1986). Therefore the researchers should choose an appropriate research design that best suits their objectives, data requirements and available resources.

According to Tull and Hawkins (1993) research design ensures that the study will be relevant to the problem and will use economic procedures. On the other hand, it can give the researcher the opportunity to learn research methods "if there were a single procedure to follow in developing the framework or if there were a single framework to be learned" (Churchill 1995a, p. 145). Research designs are typically classified according to the nature of the research objectives or types of research (Kinnear and Taylor 1996; Parasuraman 1991). One useful classification is in terms of the fundamental objective of the research: exploratory, descriptive, or causal (Chisnall 1992; Churchill 1995a; Kerlinger 1986; Webb 1992). (See figure 6.1).

Figure 6.1
Types of Research Design



S urce: Churchill 1995a, p. 1 2.

6.3.1 Exploratory Research

Exploratory research is concerned with discovering "ideas and insights". It is characterised by a high degree of flexibility with respect to the method used for gaining insight and developing hypotheses (Churchill, 1995a). The researcher processes the study without a fixed plan, although a tentative checklist or guide may be used. In other words, the researcher frequently changes the study plan "as the vaguely defined initial problem is transformed into one with more precise meaning" (Churchill, 1995a, p. 149). The strategy is to follow each idea for as long as it seems useful and profitable.

Exploratory research rarely relies on structured data collection instruments or involves any form of probability sampling procedures (Tull and Hawkins 1993). Rather, literature surveys, experience surveys, focus groups and the analysis of selected cases are more productive in exploratory research and out of these, the literature surveys are the quickest and cheapest way of discovering hypotheses (Baker, 1991). On the other hand, experience surveys attempt to tap the knowledge and experience of those familiar with the general subject being investigated, while focus groups are another tool for gathering required data. It involves "an objective discussion leader who introduces a topic to a group of respondents and directs their discussion of it in a non-structured and natural fashion" (Parasuraman 1991, p.

256), whereas analysis of selected cases involves an intensive study of selected cases of the phenomenon under investigation. "Examination of existing records, observation of the occurrence of the phenomenon, unstructured interviewing, or some other approaches may be used" (Churchill 1995a, p. 161) in this type of exploratory study.

6.3.2 Descriptive Research

This is a form of conclusive research which focuses on an accurate description of the variables under investigation (Tull and Hawkins, 1993). The majority of Marketing Research studies can be considered descriptive research (Webb, 1992). According to Kinnear and Taylor (1996) and Webb (1992) most studies of this nature rely on the interrogation of respondents as well as data available from secondary resources. Descriptive studies, in contrast to exploratory research, stem from substantial prior knowledge of marketing variables (Chisnall 1992). Moreover, they are based on some previous understanding of the nature of the research problem. The purpose of descriptive research is also different from that of exploratory research. Effective descriptive research is marked by a clear statement of the decision problem, specific research objectives and detailed information needs. In addition, it is characterised by a carefully planned and structured research design (Kinnear and Taylor, 1996).

Descriptive studies tend to be either static or dynamic in nature. A descriptive study which is static in nature deals with a single measurement of the phenomena in question, whereas a descriptive study which is dynamic in nature investigates the relationship among variables by using either a cross-sectional or longitudinal design.

6.3.2.1 Cross-Sectional Design

The cross-sectional design, often referred to as the survey research design, is perhaps the most important and popular type of research design (Churchill, 1995a; Kinnear and Taylor 1996; Nachmias and Nachmias, 1981). It accounts for the majority of formal research projects involving primary data collection (Parasuraman, 1991). Cross-sectional design has two distinguishing features: firstly, it provides a "snapshot" of the variables of interest at a single point in time; secondly, the sample of elements is typically chosen to be representative of some known universe. In such studies, different segments of the population are sampled so that relationships among variables may be investigated by cross-tabulation (Churchill, 1995a). Survey design is useful in describing the characteristics of consumers and determining the frequency of marketing phenomena (Kinnear and Taylor, 1996). Moreover, survey design provides a quick, inexpensive, efficient and accurate means of assessing information about the population. As mentioned earlier in this chapter, surveys are more flexible than other methods (Zikmund, 1986).

6.3.2.2 Longitudinal Design

This involves a repeated measurement of a fixed sample of population elements which can be used to describe a survey that is replicated at different points in time even when each survey is based upon its own sample (Cox 1979; Peterson 1986; Parasuraman 1991; Vaus 1986). Two kinds of panels exist: true panels (the measurements are taken in each measurement time) and omnibus panels (as mentioned above, a fixed sample of respondents which is measured repeatedly, but different measurements are taken in each measurement time).

It is believed that panel data are more accurate than survey data, because the survey design requires the respondent to recall past behaviours, which can be biased due to poor memory and misassociation; whereas the bias is reduced in the panel design because behaviours are recorded as they occur. In general, longitudinal studies are "very expensive to operate, so they are usually conducted by contractors who provide their service to many other companies, thus spreading the cost over many products" (Zikmund 1986, p. 193).

6.3.3 Causal Research

Causal research is a form of conclusive research which identifies the cause and effect relationships among variables (Baker 1991; Webb 1992). In causal research the investigator usually tries to control all the variables so that by varying one while holding the others constant he or she can identify the effect of the input or independent variable upon the output or dependent variable (Baker, 1991). Experimental research design can be subdivided into laboratory and field experiments. In the laboratory experiments the test is conducted in an artificial or laboratory setting in which the effect of all possible influential independent variables not pertinent to the immediate problem is kept to a minimum. (Parasuraman 1991; Kinnear and Taylor 1996; see also Schooler, 1965 for further details). Therefore, there is a chance of a testing effect in that respondents are usually aware of being tested and therefore are sensitised and tend not to respond naturally (Aaker and Day 1990; Aaker, Kumar and Day 1995). On the other hand, a field experiment is conducted in the field. The respondents usually are not aware that an experiment is being conducted and so act more naturally (Kinnear and Taylor 1996; Parasuraman 1991; Webb 1992).

The choice between laboratory and field experiments is difficult to deal with because of the trade-off between internal and external validity[1]. For example:

> "a carefully controlled experiment, conducted in laboratory-like conditions, yield results which are unambiguous. The experiment has internal validity. But the conditions in which the test is carried out are not those in which the product would normally be chosen or used and the laboratory-like experiment lacks external validity. The field test, on the other hand, is conducted in a real-life context. The findings have external validity but they may well have been distorted by market influences or local happenings so that they are ambiguous and difficult to interpret" (Crimp 1990, p. 153).

Furthermore, issues such as time, cost, risk of exposure to competition, and the nature of manipulation should be considered in selecting an appropriate experimental approach (Baker 1991; Churchill 1995a; Kinnear and Taylor 1996; Chisnall 1992; Parasuraman 1991).

6.3.4 The Chosen Research Design

Having identified the three types of research design, for reasons of time and cost (Zikmund, 1986) a descriptive cross-sectional method of research was used

[1] Internal validity can be defined as the extent to which results observed in an experiment are solely due to the experimental setting, while, external validity is the extent to which results observed in an experiment are likely to hold beyond the experimental setting (Parasuraman 1991, p. 287).

in this study. This is because the present study has clear and specific objectives (Kinnear and Taylor 1996). These objectives are as follows:

1. To understand customers' general perceptions of airlines in Qatar.
2. To examine country of origin (COO) effects on airline selection.
3. To understand country of origin (COO) effects on perceptions of quality, price and patriotic feelings.
4. To explore the relationships between demographic variables and COO effects.

Exploratory and experimental research methods were rejected because exploratory research is most appropriate in situations where the research objectives are general and data requirements are unclear (Parasuraman, 1991), while cause and effect relationships are notoriously difficult when controlling or manipulating the variables under investigation (Chisnall, 1992).

6.4 Survey Research

The best known source of primary data collection, not only in marketing but in the social sciences in general is the survey (Baker, 1991). Survey research includes "structured or semi-structured data collection methods, with the information being collected from a census of the population of interest or from a representative sample of that population" (Webb 1992, p. 23). There are at least four techniques of data collection available which can be used to conduct the survey research, the main ones being: (1) personal interview, (2) telephone interview, (3) mail questionnaire and (4) drop-off-pick-up method.

6.4.1 Personal interview

The Personal interview is widely used in marketing research. It is a direct contact (face-to-face) between the interviewer and the respondent (Webb, 1992). The interview may take place at the respondent's house/office or at a central location such as a shopping centre or a research office in which an interviewer asks respondents questions designed to obtain answers pertinent to the research hypotheses. (Tull and Hawkins, 1993). A personal interview can range from being highly structured to highly unstructured (Baker, 1991; Churchill 1995a; Peterson 1982; Easterby-Smith, Thorpe and Lowe 1991). In a highly structured interview an interviewer serves as a conduit for data collection. The interviewer asks respondents questions from a standardised questionnaire and records their answers. This type of interview is usually used "when previously posed hypotheses are being tested, where there is no need for exploratory question-asking and the subject matter is relatively uncomplicated" (Peterson 1982, p. 180). "These highly structured interviews would be based on a carefully prepared set of questions piloted and refined until the researcher is convinced of their validity" (Easterby-Smith, Thorpe and Lowe 1991, p. 72).

On the other hand, highly unstructured personal interviews comprise of questions to be asked which are only loosely predetermined and respondents are free to respond in their own words and in any way they find suitable (Churchill, 1995a). Moreover, highly unstructured personal interviews are commonly used in exploratory research where the researcher is seeking to gain an understanding of the topic and to formulate some preliminary working hypotheses (Baker, 1991). According to Hague (1992) unstructured interviews usually take the form of in-depth or low-direction interviews, therefore the most commonly used personal interview is the "structured interview with probes" [2] (Peterson 1982, p. 181). In addition, Easterby-Smith, Thorpe and Lowe (1991) add that the simplest form of such interviews are those where there are short answers to questions and the interviewer simply ticks the appropriate answer and no deep thought is required from either the interviewer or the interviewee.

[2] Probing is described as "the verbal prompts made by an interviewer when the respondent must be motivated to communicate his or her answer more fully. Probes are necessary so that respondents enlarge on, clarify or explain answers" (Zikmund 1986, p. 769).

Although there are numerous advantages of the personal interview, there are also certain disadvantages. Table 6.1 summarises the advantages and disadvantages of the personal interview method.

Table 6.1
Advantages and Disadvantages of the Personal Interview

Advantages	Disadvantages
. Probably highest response rate	. Generally narrow distribution
. Best for getting response from specific, identified person	. Interviewer supervision and control difficult to maintain
. Allows use of any type of question or questionnaire	. Often difficult to identify individuals to include in sampling frame
. Sequencing of questions is easily changed	. Most expensive method of administration
. Allows probing of open ended questions	. Costly to revisit "not-at-homes"
. Allows clarification of ambiguous questions	. Relatively slow method of administration
. Permits easy use of visuals	. Subject to interviewer bias

Source: Churchill 1995a, p. 378.

6.4.2 Telephone interview

The second method to be discussed is the telephone interview, also called the telephone survey. The telephone interview is "a questionnaire administration method in which there is only voice contact between the interviewer and respondent" (Parasuraman 1991, p230). According to Webb (1992) there are two innovations concerned with the telephone interview: random digit dialling and computer assisted telephone interviewing (CATI). Random digit dialling ensures more representative samples. Using this technique the disadvantages of a respondent's number not being listed are circumvented. To reduce the problem of respondents who are not connected to the telephone system, a variety of techniques have been developed. The most popular technique, *plus-one* or *add-a-digit*, requires the researcher to select a sample from an existing directory and add 1 to each number that was selected (Tull and Hawkins, 1993). On the other hand, in computer assisted telephone interviewing (CATI) the interviewer asks the respondent questions and the responses are immediately transferred to computer memory and can be readily processed at any time (Parasuraman, 1991; Webb 1992). The advantages and disadvantages of this questioning method are summarised in Table 6.2.

Table 6.2
Advantages and Disadvantages of the Telephone Interview

Advantages	Disadvantages
. Relatively low cost.	. Difficult to establish representative sampling frame due to unlisted numbers.
. Wide distribution possible.	. Cannot use visual aids.
. Interviewer supervision is strong; less interviewer bias.	. More difficult to establish rapport over the telephone than in person.
. Relatively strong response rates	. Does not handle long interview well in most cases.
. *One of quickest methods of data* collection.	. *Subject to some degree of* interviewer bias.
. Less difficulty and cost in handling "call-back" than in home interview.	. More difficult to determine that appropriate respondent is being interviewed than with personal interview.
. Allows easy use of computer support.	
. Sequence of questions is easily changed.	

Source: Churchill 1995a, p. 378.

6.5.3 Mail Questionnaire

This is also called mail survey. It is a questionnaire administration technique in which there are no interviewers and no direct contact between the researcher and respondent. While some data are difficult to come by, many researchers believe that the data secured from a properly designed and executed mail survey is as good as that which may be obtained from face-to-face personal interviews and/or telephone surveys (Baker, 1991). According to Kotler (1991) this method of data collection is the best way to reach individuals who would not give personal interviews or whose responses might be biased or distorted by the interviewers. In the mail survey, there is no third party between the subject and the answer they give. Thus, it is a self-administered questionnaire which relies on the efficiency of the written word rather than that of an interviewer (Zikmund, 1986). The opportunities of probing unclear answers however, is also denied to the researcher using this technique (Webb, 1992). This presents several advantages and disadvantages of this method of data collection (see Table 6.3).

Table 6.3

Advantages and Disadvantages of the Mail Questionnaire

Advantages	Disadvantages
. Not subject to interviewer bias. . Respondents work at their own pace. . Ensures anonymity of respondents. . Wide distribution possible. . Best for personal, sensitive questions . Generally least expensive.	. Low response rate . Cannot control speed of response; long response time. . Researcher cannot explain ambiguous questions. . Does not allow probing with open-ended questions . Difficult to change sequence of questions. . Sequence bias: respondents can view entire questionnaire as they respond.

Source: Churchill 1995a, p. 378.

6.4.4 Drop-off and pick-up method

Taking the above considerations into account, it was decided that personal delivery (and collection) of a self-administered questionnaire would provide the most suitable form of data collection. This method has worked well in other studies (e.g., El-Omari 1991; Ghadir 1990; Kaynak et al. 1994; Lovelock et al. 1976; Niffenegger et al. 1980; Papadopoulos 1987; Shams 1996; Stover and Stone 1974).

Lovelock et al. (1976) recommended personal delivery and collection of self-administered questionnaires as being particularly appropriate for conducting detailed surveys of consumer attitudes and behaviour patterns as was the case in this study. The personal drop-off and pick-up method of data collection was found to be more appropriate for this study not only because it allowed respondents the opportunity to fill out their questionnaires at a convenient time (Niffenegger et al., 1980), but also because it gave high response rates as the consumer might have felt obliged to answer the questionnaire as promised (Kaynak, Kucukemiroglu, and Kara 1994; Papadopoulos 1987). In addition respondents were not subjected to interviewer bias because it was self-administered (Faria and Dickinson, 1996).

The personal interview, telephone interview and mail survey techniques of data collection were considered unsuitable as the data needed was quite extensive and the design of the scales would have made it very difficult to execute this study using these techniques. Furthermore, the social customs preclude access to Qatari consumers using those techniques of data collection.

6.5 Sampling Procedure

The marketing research suggested several ways of taking a sample. The main sampling techniques available to the marketing researcher are probability and non-probability techniques. Probability sampling results in every sampling unit in a finite population having a calculable and non-zero probability of being selected in the sample. Probability sampling is the only technique available that gives an objective measure of the precision of the sample estimate.

In non-probability sampling the probability of any particular member of the population being selected is unknown. According to Zikmund (1986), the selection of sampling units in non-probability sampling is quite arbitrary, as researchers rely heavily on personal judgement somewhere in the sample selection process rather than a mechanical procedure to select sample members. "There are no appropriate statistical techniques for measuring random sampling error from a non-probability sample. Thus projecting the data beyond the sample is statistically inappropriate" (Zikmund 1986, p. 449)[3].

There are several forms of probability sampling and non-probability sampling and Baker (1991) has summarised them as follows in Table 6.4.

[3] Nevertheless there are occasions when social scientists do sometimes employ non-probability samples especially when a population cannot be defined because of factors such as the availability of a list of the population, the researcher may be forced to use a non-probability sample" (Moser and Kalton 1971, p. 127). Moreover, non-probability sampling also tends to be used frequently in international marketing research (Douglas and Craig, 1983).

Table 6.4
Forms of Probability Sampling and Non-probability Sampling

Probability Samples
(a) ***Random Sample***: Every member of the universe has an equal chance of being selected.
(b) ***Systematic Sample***: Every unit is identified, allocated a number and selected by a random process.
(c) ***Stratified Sample***: The population is segmented into strata and random samples are drawn from each stratum by either method (a) or (b).
(d) ***Area Sampling***: The population is divided into sub-areas, and the researcher draws a sample of the groups to interview.
(e) ***Cluster Sample***: Requires the researcher to sub-divide a population into a set of mutually exclusive and exhaustive sub-groups.
(f) ***Multi-stage Sampling***: the country is divided into a number of areas, and three or four areas are selected by random means.
Non-probability Samples
(a) ***Convenience Sample***: One solicits information from any convenient group.
(b) ***Judgement Sample***: The interviewer uses his or her judgement to select population members who are good prospects for accurate information.
(c) ***Quota Sample***: The researcher interviews all the people he meets up to a given number, which is called his quota. Quota is nearly stratified to some extent: by age, social class etc...

For the purpose of this research, the initial intention for data collection (as discussed with the supervisor) was to secure the co-operation of the University of Qatar. The plan was to collect data by questionnaires distributed on a random sample of employees at the selected University. Unfortunately this intention proved difficult to fulfil since the majority of the distributed questionnaires were not returned by the University's employees. In addition, since the researcher is not a fully-qualified doctor yet at the University, he was not allowed to enter the college for females and therefore they could not be contacted. The researcher then realised that an alternative solution was urgently needed. Since gaining access to schools (specially female schools) was relatively easy for the researcher, given the time and monetary limitations, the researcher found that surveying teachers was the most feasible and available solution for solving the problem of access to objects[4].

Even though it should have been desirable to obtain a sample as similar to the population's characteristics as possible, it was not expected that teaching population would mirror the general population's features exactly, although teachers are relatively better a frame to sample from than the general public, as they are in a position "to disseminate values to future generations" (Shams 1996, p.152). likewise, they are adequately educated to understand and reply more quickly to questionnaires (Downs and Kerr 1986; Ferber 1966-67; Green 1996).

In addition to the above rationale, the teachers segment is more likely to travel due to the long yearly vacation that lasts for "75 days paid leave" (Ministry of Education, 1997). Hence I hypothesise that they have the required experience for answering the questionnaire. This proposition is made based on the researcher's experience and observation as there are no published studies prior to this research study exploring the teachers' travelling

[4] The schools participation was secured through an official letter in Arabic from the Under-secretary of the Ministry of Education which stated the purpose of the study and the request for co-operation.

habits.

In this case there may be some concern with generalisability of the results beyond the teachers' population (Green 1991; Shams 1996). This source of potential bias will be acknowledged as a limitation at the end of this study.

430 questionnaires translated into Arabic were hand-delivered by the researcher to the headmasters and mistresses who were then asked to distribute them as randomly as possible among teachers in 100 schools in order to determine their perceptions and selections of Gulf vs. foreign airlines. In the cover letter, a request was made to the respondent to answer all the questions. After three weeks' waiting time, questionnaires were personally collected. Of the 430 teachers, 380 responses were received, of which 324 were usable questionnaires for final analysis resulting in a response rate of 75.3% (see *the following Table*).

Table 6.5
Response Rate of Customer Survey

Description	Number	Percentage %
Distributed questionnaires	430	100
Total response	380	88.83
Usable Questionnaires	324	75.3

6.6 Questionnaire Format

There are no universal laws to follow when formatting a questionnaire. However, there are certain general rules and guidelines that can be used. According to Peterson (1982) the overall rule in formatting a questionnaire is to be simple and straightforward. The questionnaire format is a function of the amount of structure and disguise (or sometimes directness) desired during data collection. Parasuraman (1991) defined a completely structured question as a question presented verbatim to every respondent and with fixed response categories, while a completely non-structured question is one that is not necessarily presented with exactly the same wording to every respondent and does not have a fixed response. On the other hand, a disguised question was defined as an indirect question whose true purpose is not obvious to respondents. A non-disguised question makes the purpose of the research obvious by the question posed, while a disguised question attempts to hide the purpose of the study (Churchill 1995a; Parasuraman 1991).

Four broad categories of questionnaire formats can be identified according to the questionnaire structure and disguise, namely: non-structured-non-disguised, non-structured-disguised, structured-disguised and structured-non-disguised.

Non-structured-non-disguised questionnaires are commonly used in exploratory research studies involving interviews. They are distinguished by the fact that the purpose of the research is clear, but the response to the question is open-ended. An open-ended question permits the respondent to answer in his own way (Gardner, 1976). Non-structured-non-disguised questionnaires usually consist of a checklist of relevant issues to be discussed, and the interviewer is free to change the wording and the sequencing of the issues to make the interview run smoothly and naturally (Parasuraman, 1991). Interviews of this nature are called depth (also called in-depth) interviews. Depth interviews are unstructured personal interviews using extensive probing in such a way that the respondent answers the questions freely and expresses detailed beliefs and feelings on a topic (Kinnear and Taylor, 1996). Churchill (1995a) argued that the freedom permitted to the interviewer in conducting these depth interviews reveals the major advantages and disadvantages of the method (see personal interview section, Table 6.1).

Non-structured-disguised questionnaire techniques are called projective techniques (Kinnear and Taylor, 1996). Projective techniques are techniques of inferring a subject's attitudes or values based on his or her description of vague objects requiring interpretation (Churchill 1995a; Tull and Hawkins 1993). They are primarily used in so-called motivation research (Chisnall 1992; Parasuraman 1991). Motivation research seeks to relate behaviour to underlying processes such as people's desires, emotions and intentions (Smith 1954, p. 3). "The majority of projective techniques are easily administered and interpreted, their use in marketing research has been limited to special situations where attitudes cannot be directly measured. The most commonly found in marketing research include: the thematic apperception test, role playing, cartoon completion, word association and sentence completion" (Kinnear and Taylor 1996, p. 380). There are several important advantages and disadvantages of projective techniques which are summarised in table 6.6.

Table 6.6
Advantages and Disadvantages of Projective Techniques

Advantages	Disadvantages
. Useful in the exploratory stages of a research project, where ideas & hypotheses are required. . Enable the researcher to gain access to information. . Used as a way of "breaking the ice" with a group when starting qualitative research.	. Expensive, need highly trained research staff. . Work with small sample. . Very time consuming. . Non-response. For example, respondents may not participate in role playing. . Greater opportunities for measurement error.

Source: Webb 1992, p. 128-129.

In structured-disguised questionnaires respondents are asked to recall factual information about the topic of interest to which they provide structured answers such as 'yes' or 'no' and 'true' or 'false'. Consequently, these responses are analysed and inferences are drawn about the nature of the respondents' underlying beliefs and feelings regarding the topic. The structured-disguised questionnaire is the least used method in marketing research because it is not any easier to design and interpret (Parasuraman, 1991).

Finally, structured-non-disguised questionnaires are most commonly used in marketing research studies. In addition, they are more appropriate for descriptive studies where the issues to be examined are clear-cut and there is no need for any disguise (Parasuraman, 1991). Moreover, in structured-non-disguised questionnaires, questions are developed with exactly the same wording, and in exactly the same order, for all respondents.

According to Churchill (1995a) the main reason for standardising them is to make sure that all respondents are replying to the same question. The standardised questions and fixed-response alternative can evolve from previous research which has used less structured techniques (Ghadir, 1990). Probably the greatest advantages of the structured-non-disguised questionnaires are that they are "easy to administer and easy to tabulate and analyse" (Churchill 1995a, p. 352).

Unfortunately, structured-non-disguised response questions are not without their limitations (Kinnear and Taylor 1996). These limitations are summarised as follows:

- The answer may not accurately reflect the true state of affairs.
- Misunderstanding the questions may bias the data.

- It may also lower the validity of the data, especially when there are limited opinions available for the respondent to choose.

Despite these limitations, the structured-non-disguised questionnaire was found to be the most useful method for this study. The main reason for choosing this method lies in its simplicity of administration, and ease of tabulation and analysis (Churchill 1995a).

6.7 Questionnaire Development

This section is concerned with the questionnaire developed for data collection. Three main issues are commented on: sources of ideas and type of questions, scales of measurement and pre-testing the questionnaire.

6.7.1 Sources of ideas and type of questions

The source of the ideas for the questions followed a comprehensive review of the literature available regarding country of origin effects on product and service evaluation. In order to ensure the validity and reliability of the questions that were to be used in this study, a number of previous studies were consulted because they had been shown to possess a high level of validity and reliability (Al-hammad 1988; Baker and Michie 1995; Ghadir 1990; Kaynak, Kucukemiroglu and Kara 1994).

The questionnaire that was used in this study was carefully translated into Arabic by members of staff from the Arabic literature department at the University of Qatar so that the "associative value of the English language is not lost in the translation" (Lillis and Narayana 1974; Nagashima 1970). Moreover the English and Arabic drafts of the questionnaire were given to staff from the department of English at the same University to revise the Arabic translated version of the questionnaire and to ensure of its equivalence to the English version.

With respect to the type of questions, there are usually two main types of questions which are commonly used in surveys, namely open-ended and closed-ended (sometimes known as restricted) questions. Open-ended questions call for responses of more than a few words, while closed-ended questions call for responses which are strictly structured or limited (Moser and Kalton (1992). Closed-ended questions are very popular in survey research because they provide a greater uniformity of responses and are more easily processed, whereas open-ended questions must be coded prior to data entry, and there is a danger that some respondents may provide answers that are not relevant to the researcher's intent. On the other hand, closed-ended questions are easy to answer and interpret and can be entered immediately from the questionnaire (Babbie, 1990).

Since most of the questions used in this research are structured-non-disguised and self-administered, they are generally closed-ended due to the fact that they are generally "handled better by self-administered procedures" (Fowler 1993, p. 57) where "respondents will seldom write elaborate answers" (Tull and Hawkins 1993, p. 261). Moreover, their "analysis is straightforward" (Nachmias and Nachmias 1982, p. 219). In addition to this however, an open-ended question (e.g., see question 15 of the questionnaire) is also used in this research in order to gain the advantage of using both types and to provide diversity and richness of data.

6.7.2 Scales of measurement

In marketing research there are four levels in which measurement is carried out, these levels of measurement are nominal, ordinal, interval and ratio. For this research, all four types of measurement scale have been selected. The reason for choosing all four is related to the type of data required.

It is now appropriate to look more closely at what is meant by each of the four types of scales of measurement. A nominal scale is the weakest form of scale in which numbers serve only as labels to identify or categorise objects or events (Baker, 1990). Numbers on a nominal scale have the least mathematical value (Webb,

1992) and resulting data are subject to the least amount of statistical manipulation (Peterson, 1982). In addition, it is not suitable for computing operations with the usual parametric statistics such as mean, median and standard deviation. Moreover, a nominal scale says nothing about order or distance and has no origin (Bagozzi, 1996). Concerning the mathematical or statistical operations allowable on nominal scales, only those based upon counting are permitted. Frequencies, modes, percentages and statistical manipulations based upon them such as chi-square analysis, are thus the only manipulations permitted (Peterson 1982, p. 264).

The next and higher level of measurement is typified by an ordinal or ranking scale. An ordinal scale seeks to impose more structure on objects by rank ordering them in terms of some property which they possess such as height or weight (Baker, 1991). In ordinal scaling, numbers are assigned to objects to represent some characteristic, but in this instance the numbers themselves are meaningful (Peterson, 1982). Although an ordinal scale does not allow one to make conclusions about the differences between what is being ranked, it does allow more statistical operations to be performed than nominally scaled data. (Bagozzi, 1996). The mathematical operations allowed are the calculation of the median and the mode, but not of the mean (Webb, 1992).

An interval scale is arguably the most frequently used measure in marketing research. It contains all the features of ordinal scales with the added dimension that the intervals between the points is equal (McDaniel and Gates, 1995). For example, with an interval scale it is permissible to say that "the space between 5 and 10 is the same as the space between 45 and 50 and in both cases this distance is five times as great as that between 1 and 2 or 11 and 12" (Baker 1991, p. 145). Almost all statistical operations can be carried out on interval scale measurements, including the calculation of the arithmetic mean (Webb, 1992).

Many formats are used to create scales that are approximately interval in character. One of the most popular and effective attitude measurement techniques in marketing research is called the semantic differential[5] (Bagozzi, 1996). This technique was developed by Osgood et al. (1957) as part of their study of semantics. The original semantic differential scale consisted of seven-point bipolar scales anchored with adjectives that were adapted to secure people's reactions to objects of interest such as 'pleasant-unpleasant', 'good-bad', or 'strong-weak'. The popularity of the semantic differential is attributed to its versatility and

[5] Semantic scaling was used in comparative studies of product images among Japanese businessmen during 1970 and 1977. Factors investigated covered price and value, service engineering, advertising and reputation, design and style, and consumers' profile (Nagashima, 1970 and 1977).

simplicity (Kinnear and Taylor, 1996). The technique is easy to develop and administer, and shows strong face validity (Bagozzi, 1996).

The major limitation of this type of scale is the requirement that the scale be composed of true bipolar adjectives or phrases. It is believed that the pilot testing necessary to meet this requirement can be expensive and time consuming (Kinnear and Taylor, 1996).

Another popular method of scale that is approximately interval in character is the Likert, also called a summated rating scale (Bagozzi, 1996). A Likert scale is a rating scale with response categories ordered on a five-point scale to represent the degree of a respondent's agreement or disagreement with a statement. The number of statements included in the scale may vary from project to project, depending on how many relevant characteristics the attitude object has (Boyd and Westfall 1972; Parasuraman 1991). In addition, it is argued that the interval between the degree of agreement or disagreement with a statement is not exactly equal. However, most researchers deal with these intervals as if they were equal. The reason behind this is that the results of most statistical techniques are not directly affected by this minor non-compliance to the interval scale measurements (Tull and Hawkins, 1990).

Webb (1992) quotes Sellitz, Jahoda, Deutsch and

Cook's (1959) five suggested steps in the construction of a Likert scale:

"1. Generate a number of statements, both favourable and unfavourable, which are thought to be relevant to the object under investigation.

2. Give the statement to a representative sample of the population to be investigated. Respondents show their agreement or disagreement with the statement making them on a scale of say, + 2 for strong agreement and - 2 for strong disagreement.

3. The score for each statement is summed by aggregating the individual's scores for each statement.

4. Analyse the statements to determine which of them discriminate between the high attitude scores and the low attitude scores. Those statements which do not show a robust correlation with the total score are discarded.

5. Those statements which remain will form the Likert scale and may be administered to respondents to measure the attitude in question" (Webb 1992, p. 168).

Likert scales are reasonably easy to construct and administer, and the simplicity of the instructions and the judgement task allows its use on mail survey and self-administered questionnaires (Kinnear and Taylor, 1996). On the other hand, the disadvantage of this type of scale is that it produces only an ordinal scale. Some researchers argue that the Likert data closely resembles that of an interval scale, and are therefore more in favour of using statistical techniques requiring interval data (for further detail see Bagozzi 1996, p.14).

The fourth and final scale of measurement I will discuss is the ratio scale which is the highest and most powerful scale (Baker, 1991). It possesses all the properties of nominal, ordinal and interval scales, and in addition, an absolute zero point (Malhotra, 1993). In a ratio scale, the researcher can identify or classify objects, rank order them, compare intervals or differences and compute ratios of scales values (Malhotra, 1993). All statistical techniques can be applied to ratio data including the geometric mean, as well as the more usual arithmetic mean, median and mode (Churchill 1995a; Malhotra 1993).

6.7.3 Pre-testing the questionnaire

Pre-testing is an important stage in the questionnaire refinement process, prior to finalising the questionnaire. It involves administering the questionnaire to a limited number of potential respondents and other knowledgeable individuals in order to identify and correct design flaws (Parasuraman, 1991).

For this purpose, the pre-testing of the translated Arabic questionnaire was undertaken among a small sample of twenty (20) teachers obtained conveniently from three different schools in Qatar[6]. The questionnaire was personally hand-delivered to the respondents and completed questionnaires were collected during the following week[7]. To achieve a high response rate, we asked the head of each school to encourage the teachers to participate.

Comments were provided from these teachers on some aspects of the questionnaire, particularly the measure of service quality attributes and factors influencing the customers' decision in selecting an airline for international travel. The completion of the pre-test provided the satisfaction that the questionnaire was able to solicit the data needed to accomplish the objectives of the study.

6.8 Data Analysis Techniques:

In determining the statistical tests which apply to the data analysis, consultations were made with members of the Statistical and Marketing Departments of the

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[6] According to Parasuraman (1991) "It is better to pre-test the questionnaire on a relatively small sample than to pre-test it on a relatively large sample because the potential usefulness of pre-testing will depend more on quality than on quantity" (p., 397).

[7] It is always preferable to administer the questionnaire in person. The presence of an interviewer during the pre-testing provides valuable comments that might otherwise be lost, especially where the subjects may request additional information regarding a question (Weiers, 1984).

University of Strathclyde. On their advice it was decided to use descriptive methods, paired sample t-test, independent sample t-test, one-sample chi-square test, Pearson chi-square test, Spearman rank correlation coefficient, Factor analysis, one way analysis of variance and reliability analysis.

However, it was pointed out that if one were to use some other alternative methods for testing hypotheses, this would require a quite different exercise of analysis which was not required in this kind of study.

6.8.1 Descriptive statistics

This is a preliminary data analysis that helps summarise the general nature of variables included in a study and the interrelationships among them (Parasuraman, 1991). "It is probably true to say that the more obvious and robust relationships on which action decisions may be based will often emerge from an evaluation of the basic data" (Baker 1991, p. 215). Thus, descriptive statistics were used to exhibit general frequency responses for all the variables included in this research.

6.8.2 Paired sample t-test

This t-test was applied to explore the differences between the consumers' perceptions of the quality and price of Gulf versus Arab and foreign airline services.

It is used to test if two related samples come from populations with the same mean. The related or paired samples often result from cases in which the same person is observed before and after an investigation. The pair of measurement analysed need not come from the same person; a pair can consist of twins, married couples or children who have been matched for a particular task (Norusis, 1993).

6.8.3 Independent sample t-test

This is used to test if two unrelated samples come from populations with the same mean (Norusis, 1996). This test was applied in this study on most of the comparisons involving two groups.

6.8.4 One-sample chi-square test

A one-sample chi-square test is a non-parametric test that uses a comparison between observed (data on a nominal-scaled variable) and expected frequencies to determine whether observed results are in accord with a stated null hypothesis (Churchill, 1995; Norusis 1990; Parasuraman 1991). This type of test was therefore used to investigate the difference between the customers' selection of a Gulf or a foreign airline category.

6.8.5 Pearson Chi-square

This statistic is used mainly to investigate the independence of any two categorical variables in contingency tables. It indicates whether the observed cell frequencies are in agreement with the frequencies expected when the null hypothesis is true (Brunt 1997; Norusis 1996).

6.8.6 Spearman rank correlation coefficient

This analysis was undertaken to investigate significant bi-variate correlations between customers' patriotic feelings and their selection of Qatar airline, and perceptions of the quality and price of the Gulf airlines. A Spearman correlation is a non-parametric version of the Pearson correlation coefficient. It is appropriate for ordinal data that do not satisfy the normality assumption. It is based on the rank of the data rather than the actual values. Values of the coefficient range from -1 to 1. The absolute value of the correlation coefficient indicates the strength of the relationship between the variables, with larger absolute values indicating stronger relationships. The sign of the coefficient indicates the direction of the relationships (Norusis, 1996).

6.8.7 Factor analysis

Factor analysis was used in two situations: to test the possibility of reducing the 29 quality variables of Gulf airline services and the 32 factors considered important in choosing an airline to a smaller number of factors which account for their intercorrelation. In both situations the factor analysis was proved to be successful in reducing the large number of variables to a smaller number of factors.

This analysis is a multivariate statistical technique for determining the number and nature of underlying constructs among a larger number of measures. It reduces the dimensionality of a set of data that describes a certain phenomenon and establishes linear combinations of correlated variables. The final combination summarises the results and produces a new variable based upon data similarities as determined by the correlation matrix. The principal component analysis was utilised for factor extraction along with considering factors that accounted for variances greater than one (eigenvalue > 1) as a factor selection criteria. A varimax rotation was applied for factor interpretation and was used on the suggestion of Kleinbaum et al. (1988) who advise that this method is appropriate if the theoretical expectations suggest that more than one factor may occur, which was the case in this study.

6.8.8 One way analysis of variance

This is used to test that several independent groups come from populations with the same mean (Norusis, 1996). It examines the significance of the difference between means by comparing the variability of values both within and between groups (Baker 1991, p. 229). This test was used in this study in order to investigate the significant differences between the users of the three airline categories (Gulf, Arab non-Gulf and foreign) and the factors considered important in choosing an airline.

A one way analysis of variance shows an inequality in groups' means but it does not indicate which group pairs have different means. The multiple comparison does this and determines which groups are significantly different from each other (Norusis, 1996).

6.8.9 Reliability and validity analysis

Reliability analysis performs item analysis on additive scales, calculating a number of commonly used measures of scale reliability such as Cronbach's alpha that is based on the average correlation of items within a scale (Norusis, 1996). This test is based on the assumption that the items share a positive correlation because they are measuring a common entity. Cronbach's alpha is read as a correlation coefficient of potential values from 0 to 1. The higher the average correlation of an item with all other items in the scale, the higher the alpha and therefore the more homogenous and reliable the scale items are (Norusis, 1996).

The results of the reliability test of this study are summarised in Tables 1 to 6 (appendix E). In examining the Tables one can find that the Likert type scale used for measuring the consumers' perceptions of the quality of the Gulf, Arab non-Gulf and foreign services together with consumers' patriotic feelings, showed an internal alpha reliability of .90 for the Gulf services, .92 for Arab non-Gulf services, .95 for foreign services and .65 for consumers' patriotic feelings variables.

The semantic differential scale that was used to measure the consumers' perceptions of the price and the level of quality in relation to the price provided by airlines and the factors considered important in choosing an airline, showed an internal alpha reliability coefficient of .71 and .91 respectively. Thus, both the Likert and semantic differential type scales were reasonably reliable in this research (Davis and Cosenza 1988, pp. 154).

To achieve content validity, Davis and Consenza (1988, p. 150-151) suggest the following procedures:

- Conduct an exhaustive search of the literature for all possible items to be included in the scale,

- Solicit expert opinions on the inclusion of items,
- Pre-test the scale on a set of respondents similar to the population to be studied, and
- modify as necessary.

To obtain a reasonable degree of content validity, the following three phases were implemented:

Phase I: This involved a complete review of literature to determine the appropriate concepts to be included and the design of the conceptual framework which served as a plan of how the researcher proposed to undertake his research based on the set-up objectives.

Phase II: Initial construction of the survey questionnaire. The initial questionnaire was reviewed by the researcher's supervisor for comments and approval. The final version of the questionnaire had been carefully translated into Arabic by staff from the Arabic literature department at the University of Qatar so that the associative value of the English language was not lost in the translation. Moreover the English and Arabic drafts of the questionnaire were given to staff from the department of English at the same University to revise the translated Arabic version of the questionnaire and to ensure its equivalence to the English version.

Phase III: Pre-test of the survey questionnaire. Special attention was given to the pre-test, where comments, ideas and suggestions from participants were extensively solicited.

6.9. Limitations of methodology

No research design is perfect and the one adopted for investigation in this study is no exception. Although there will be a discussion of the overall limitations of this work at the end of this thesis, it is advisable at this stage to mention those limitations arising from the methodology itself, which can be summarised as follows:

1. The lack of prior empirical research in the Middle East market dealing with the effects of country of origin in the airline environment and its impact on consumer preferences was an impediment to comparing the present study with others of similar design.
2. As the results of this study were drawn from a sample of Qatari teachers only, some caution in making generalisations was necessary.
3. A quantitative technique was used in this research. The analysis could have been more informative if qualitative research had also been undertaken in order to gain the advantage of using both types and to provide diversity and richness of data.
4. The inclusion of a large number of variables

and several sets of scales caused a situation where the number of cases entered into the analysis diminished due to the presence of missing values. In all statistical procedures, missing values were treated by eliminating the cases with missing values on any of the variables entering the procedure. This convention is called listwise treatment since a case is eliminated if it has a missing value on any variable in the list. Therefore the statistics are based on those cases which have no missing data on any of the variables entering the statistical procedure.

6.10 Summary

In this chapter we have examined some of the major issues involved in selecting a research design, designing a questionnaire, sampling procedures and collection of data through various methods. The uses and advantages/disadvantages of the various approaches have been looked at in some detail as have the issues to be taken into account when conducting research. Data analysis statistics and the limitations of the methodology used in this research were also examined. Details of the data analysis are presented in the following chapter.

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CHAPTER 7

RESULTS, ANALYSIS AND DISCUSSION

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RESULTS, ANALYSIS AND DISCUSSION

This chapter presents the results of several tests which were performed on customers' perceptions of airlines in order to understand their relation to the hypotheses outlined earlier. Each hypothesis is presented and then followed by the appropriate confirmation procedures with a discussion in the light of the evidence from previous research. The issues under investigation in this chapter are divided into the following sections:

Section 7.1: Description of the study's variables.

Section 7.2: A comparative analysis of the consumers' perceptions of the quality of the domestic and foreign services.

Section 7.3: A comparative analysis of the consumers' perceptions of the price of domestic and foreign services.

Section 7.4: An analysis of the association between the consumers' demographics and their perceptions of the quality and price of the domestic, Arab and foreign services.

Section 7.5: The relationship between the consumers' choice of airline, with their frequency of travel, and demographic variables.

Section 7.6: The relationship between the consumers' perception of the quality and price of the domestic, Arab and foreign services and their choice of airline.

Section 7.7: The relationship between the Qatari consumers' patriotic feelings and their selection and perception of the quality and price of the domestic services.

Section 7.8: Exploration of the structure underlying the factors considered important in choosing an airline.

Section 1 Description of the study's variables:

The purpose of this section was to provide a brief descriptive analysis on the response patterns for sets of variables that had received a comprehensive investigation in the study. It provided the frequencies and percentages for the responses to each variable and a brief description of the variable's general behaviour.

7.1.1 The demographic variables of the sample

Sample characteristics appear in Table 7.1. The distribution of the respondents by gender was almost equal, consisting of 50.3% of males and 49.7% of females. Around two thirds of the sample (66.7%) was married and just one third (30%) was single. Of the total respondents, approximately 44% had no children while 56% had at least one child.

The categories of total monthly income of respondents ranged from under Q.R.6,000 to over Q.R.10,000. more than the half of the respondents (56%) had a monthly income of less than Q.R. 8,001. In terms of the level of education, the respondents in this sample were considered highly educated compared to the population in general due to the fact that all were teachers. Therefore, the demographic of education was not included in further analysis because there were no variances among consumers with 90% having a university degree. Finally, the median age category (20-39 years group) consisted of more than 90% of the total respondents.

Table 7.1

Summaries of the Demographic Variables of the Sample

Characteristics	Number	%
Gender:		
Male	163	50.3
Female	161	49.7
Total	324	100
Marital Status:		
Single	108	33.3
Married	261	66.7
Total	324	100
Number of children:		
None	142	43.8
One or more	182	56.1
Total	324	100
Income:		
Less than Q.R.6,000	66	20.4
Q.R.6,000 to 8,000	116	35.8
Q.R.8,001 to 10,000	68	21.0
Over Q.R.10,000	74	22.8
Total	324	100
Level of education:		
High school or two years diploma	33	10.2
B.Sc.	276	85.2
Higher diploma or M.Sc.	15	4.6
Total	324	100
Age:		
20-29	154	47.5
30-39	147	45.4
40-49	21	6.5
50-59	2	.6
Total	324	100

7.1.2 Understanding customers' perceptions and behaviour of airlines in Qatar

Table 1 in appendix D shows the sample of respondents according to the frequency of overseas visits. During the last twelve months, the frequency indicated that nearly two thirds of the respondents had flown overseas twice or less whereas, only one third had flown three times or more.

Almost two thirds of the respondents (63%) travelled only in economy class; 2% travelled in First or Business class with the remainder (35%) using some combination of First, Business and Economy class. (Table 2 in appendix D).

Approximately half of the respondents (52%) used local airline offices to purchase their airline tickets for international travel. Of the remaining respondents, approximately 41% used travel agents and some 6% used a combination of travel agents and local airline offices (see Table 3, appendix D).

Respondents were asked to say who generally made reservations for their trips abroad. Results indicated that slightly more than half of the respondents (53%) booked their own tickets. Almost a quarter of the respondents (23%) booked their tickets through their spouses; one fifth (19%) booked them through their relatives or friends whereas the remainder (5%) booked their international tickets through some combination of colleagues in the company, spouses and relatives or friends. See Table 4 in appendix D.

Results for the purpose of the consumers' trip are displayed in Table 5 appendix D. Half of the respondents (50%) flew to foreign destinations for the purpose of pleasure or a vacation; around 7% travelled overseas for the purpose of visiting family; 3% travelled for business purposes; 4% travelled for medical treatment and education while the remaining one third travelled for other purposes.

It was also indicated that a clear majority (82.4) of the surveyed consumers paid for their international flight ticket with cash while approximately one fifth (17.6) paid by using other methods of payments. (Table 6, appendix D).

Results indicated that personal funds was the most widely used source of funding for international flights. This was used by almost 89% of the surveyed sample whereas 8% used only employer funds with the remaining 3% using a combination of both personal and employer funds (Table 7, appendix D).

Respondents indicated that they had flown each time with different travel companions, but it was noticed that almost half of the respondents (42%) had flown internationally with their family members, about 14% with their spouses and the third most preferred travel choice was with colleagues (8%). See Table 8, appendix D.

Respondents were asked to indicate whether they had ever had experience of any Gulf, Arab non-Gulf or foreign carriers. Results showed more than half of the respondents (56%) had experience of Gulf, Arab non-Gulf and foreign carriers whereas 45% had experienced some combination of the three types of carriers. (Table 9, appendix D).

Table 10 in appendix D lists the airlines used by Qatari respondents during the last twelve months. Results indicated that of the 35 airlines selected for the study, the respondents had flown with twenty three of them. In addition, some other airlines that were not included in the 35 airlines selected had also been experienced by some of the respondents, namely, American Airlines, Bulgarian, Continental, Delta, Indonesian, Royal Thai, UK and USairline. Approximately three quarters (75%) of the respondents had used Gulfair, one fifth (20%) Qatar Airways, 15% Emirates, 7% Saudia, and 5% and 4.0% had used British Airways and Egypt Air respectively. See Table 7.2 below.

Table 7.2
Most Frequently Used Airlines By Respondent During Last Year

Variable	Frequency						Total
	Used		Not Used		Missing		
	No.	%	No.	%	No.	%	
Gulfair	244	75.3	74	22.8	6	1.9	100.0
Qatar	67	20.7	251	77.5	6	1.9	100.0
Emirates	50	15.4	268	82.7	6	1.9	100.0
Saudia	24	7.4	294	90.7	6	1.9	100.0
British	15	4.6	303	93.5	6	1.9	100.0
Egypt	13	4.0	305	94.1	6	1.9	100.0

The results also indicated that a clear majority (84%) of the carriers used by respondents for overseas travel during the last year were Gulf carriers, 5% were Arab non-Gulf and around 11% were foreign (for the purpose of this study, Arab non-Gulf and foreign carriers were considered as "foreign"). The researcher was surprised to find out that most of the respondents had used the Gulf airline services for their travel either locally or world-wide. This may undoubtedly affect the significance of any statistical results that might be carried out on the data because of the possible bias arising from this skewed distribution. Therefore, this source of potential bias was considered as a limitation in this study.

7.1.3 Factors considered important in selecting an airline

Respondents were asked on a five-point semantic-type scale, ranging from very important to not important, the importance they gave to a series of factors in choosing an airline for international travel. Results showed that the six most important factors respondents considered in selecting one airline over another for foreign travel were: Halal food (83.6%), on-time arrivals & departures (77.8%), physical safety (76.2%), prompt contacting of customer in case of any changes (72.8%), no alcohol served (70%) and assuring the customer that a problem will be dealt with (66.9%). See Table 11, appendix D.

7.1.4 Airline selection behaviour for international travel

Respondents were asked to indicate their preferred airlines for international travel. They were given the option of selecting their top three airlines out of a total of six Gulf airlines, six Arab non-Gulf airlines and twenty-three foreign airlines assuming that they all serve the same international destinations. Respondents were then asked to rank them in order of preference. Results indicated no significant differences between consumers' demographics in selecting Gulf, Arab, and foreign airlines. The top three rankings for the three types of airlines almost remained the same. The top three Gulf airlines selected were Emirates, Gulfair and Qatar Airways. In terms of the travellers' selection of Arab non-Gulf airlines, the top three were Egypt, Royal Jordanian and MEA (Lebanon), whereas the top three foreign airlines selected were British Airways, KLM and Cathay Pacific/Air France. The remaining foreign airlines selected most frequently were Lufthansa, Singapore Airlines, Malaysian Airline System, Royal Brunei Airlines, Swissair, Japan, Alitalia and Austrian.

Respondents were also asked to choose the airline category that they prefer most for international travel out of the three airline categories (Gulf, Arab non-Gulf and foreign). Exactly two thirds of the respondents (66%) had selected Gulf carriers for international travel, while around one third said that they would select foreign carriers for their overseas trip if they were given the option to do so. Of the remaining respondents, nearly 3% had chosen Arab non-Gulf carriers for their foreign trip (see Table 12 , appendix D). Due to this marginal preference for the Arab non-Gulf carriers, it was decided to exclude this category from further analysis and focus instead on the Gulf and foreign carriers.

7.1.5 Consumers' perceptions of the quality and price of airlines

Table 13 in appendix D exhibits the responses of the consumers' general perceptions of the quality of domestic, Arab, and foreign airline services. The results showed some difference in consumers' perceptions of the quality of the three airlines. It can be concluded that the domestic and Arab carriers had an unfavourable image in comparison to the foreign carriers.

On the other hand, respondents were asked to show their perceptions in general towards the price and the level of quality in relation to value for money of each of the three categories of airlines (according to The Commercial Bank of Qatar (1997) 1 Sterling Pound = 5.8 Qatari Riyal). The results indicated that the Gulf services were perceived to offer higher prices than the other two airlines, whereas foreign services were perceived to provide more value for money than the Gulf and Arab services (see Table 14 and 15 appendix D).

It is worth mentioning that most of this is concerned with perception rather than experience. Though the majority of the respondents have had no direct experience of foreign and Arab non-Gulf airline services, (see Table 7.2, p. 304) but based on their perceptions it seems that they have very favourable attitude towards foreign airlines and less favourable attitude towards non-Gulf Arab airlines. Thus, this supports Baker's (1996) argument that perceptions can be formed even in the absence of actual experience with an object. This might mean that if the opportunity occurs for consumers to fly foreign airlines, we would predict that they would behave/act in conformance with their perceptions or attitudes which are favourable.

7.1.6 Consumers' patriotic feelings

To find out whether Qatari's consumers are ethnocentric in their attitudes towards the selection of foreign airlines, they were asked to view their patriotic feelings on a Likert five-point scale (Thurstone, 1932). From the data presented in Table 16 in appendix D, one is able to conclude that almost all the surveyed consumers tended to hold strong patriotic emotions.

Section 2. A comparative analysis of the consumers' perceptions of the quality of the Gulf and foreign services:

This section presents the results of the comparison between the consumers' perceptions of the quality of Gulf services versus Arab non-Gulf and foreign services. The hypothesis related to this section will be also tested.

7.2.1 Gulf services vs. Arab services

Since measurements were taken from respondents for the three different types of air carriers, it would be possible to make a direct comparison between the domestic and Arab carriers. Consumers were asked to evaluate the services on 29 selected concepts which contributed to service quality attributes and factors. A paired T-test was performed on each of the 29 quality variables. Table 7.3 summarises the results of the test. The last column of the Table showed the significance of the differences between the quality of the two airline services. As seen from the Table, statistically significant results were detected for 18 out of 29 items at $P < .05$ level of significance.

To understand the direction of the significance, column four was reported. It indicated the superiority of the domestic carrier to that of the Arab non-Gulf carrier. This conclusion was consistently significant in thirteen quality variables at $P = .05$ or less.

Whereas the negative sign of the T-value for attributes like calling customers in case of any changes, performing services at the designated time, giving prompt service, efficient handling of problems and arriving and departing on schedule indicated that the difference was to the benefit of the Arab non-Gulf carriers. The differences in the remaining variables were considered statistically insignificant, because they were far above the cut point of .05 per cent at 5 per cent significance level. (Table 17, appendix D).

Table 7.3
A Comparison of the Consumers' Perceptions of the Quality of the Domestic Versus Arab Airline Services

Quality Variables	Gulf Mean	Arab Mean	Dif	t-Value	df	Sig *
Perform service at designated time	2.8276	3. 596	-.2320	-3.67	318	.000
Call customer for any changes	2.69 9	3.0 32	-.3123	-4.18	316	.000
Give prompt service	2.7217	3.1489	-.4272	-6.69	308	.000
Service is accessible by phone	3.4 19	3.09 6	.3312	5.62	319	.000
Convenient schedule	3.4537	3.1629	.2907	4.23	312	.000
Polite and friendly cabin staff	3.8994	3.5723	.3270	5.17	317	.000
Handling the problems	2.79 6	2.9594	-.1688	-2.93	319	.004
Good airline reputation	3.46 6	3.1577	.3028	4.76	316	.000
Excellent safety records	4. 4 6	3.3844	.6563	11.61	319	.000
Clean and neat Cabin staff	4.1 61	3.7516	.4245	8.53	317	.000
Arriving/departing on schedule	1.95 1	2.7743	-.8182	-11.57	318	.000
Handle the baggage carefully	3. 648	3.0561	.2087	3.11	320	.002
Serve tasty food	3.5559	3.1 87	.4472	6.37	321	.000
Comfortable seats	3.5741	3.1893	.3849	5.69	316	.000
Efficient check-in procedure	3.5844	3. 0	.5844	8.86	319	.000
Excellent In-flight services	3.5831	3.1285	.4545	6.99	318	.000
Special attention for children	3. 6 1	2.9969	.2702	4.22	321	.000
Have frequent flight	3.84 4	3.46 1	.3793	6.54	318	.000

Evaluations were done on a 5-point Likert-type scale. 5 = strongly agree, 4 = agree, 3 = neither agree nor disagree, 2 = disagree, 1 = strongly disagree.
* Only values with significant differences at the .05 level or below were reported.

In an effort to relate the research results to existing literature, it was found that very little work had been done in relation to the comparison of a product/service from an Arab country perspective with products/services from a group of Arab countries in an Arab country market. The only study from which one can find some support to the present research findings was of Jordanian consumers' perceptions of domestic versus foreign products (Ghadir, 1990). The study revealed that the Jordanian consumers viewed their home country products positively.

Ghadir noticed that the "Jordanian product was perceived to be better than the Egyptian product with a significant level of $P < .05$ in seven of sixteen quality variables" (p. 257). In general, the findings with regard to the comparison of domestic products/services with a developing countries' products/services revealed that the domestic product was more favourably perceived in its local market. Ghadir, 1990).

Hypothesis 1: There is no significant difference between the consumers' perceptions of the quality of Gulf and Arab non-Gulf airline services

This hypothesis is explored by the results of the paired T-test. They showed significant differences between the consumers' perceptions of the quality of Gulf and Arab non-Gulf airline services. These differences are statistically significant for 18 out of 29 quality attributes and factors at $P < .05$ level of significance (see Table 7.3). This seems reasonable, since most of Arab countries are not highly advanced in terms of technical and managerial know how which may suggest that the amount of technological complexity of goods or services may have a strong impact upon perceived variation in quality. The null hypothesis is therefore rejected.

7.2.2 Gulf services vs. foreign services

The paired T-test was performed on the 29 quality variables. As seen from Table 7.4, statistically significant results were detected for 25 items at $P < .05$ level of significance (see Table 18, appendix D). Column four in Table 7.4 indicated the superiority of the foreign carrier to that of the Gulf carrier. This conclusion was significant in 23 quality variables at $P = .05$ or less.

The greatest difference between the services of the two groups was related to the following cues: arriving and departing on schedule (-2.0410), calling customers in case of any changes (-1.447), and providing prompt service (-1.2597). The least difference was related to having comfortable seats (-.2194). The mean ratings for having excellent safety records and well-presented cabin staff indicated that the difference is to the benefit of the domestic services.

Table 7.4
A Comparison of the Consumers' Perceptions of the Quality of the Domestic Versus Foreign Airline Services *

Quality Variables	Gulf Mean	F reign Mean	Dif	t-Value	df	sig
Perform service right first time	3.1824	3.9748	-.7925	-11.36	317	.000
Perform service at designated time	2.8276	4. 31	-1.1755	-16.29	318	.000
Call customer for any changes	2.6918	3.8365	-1.447	-13.98	317	.000
Give prompt service	2.737	3.9968	-1.2597	-16.38	307	.000
Knowledgeable/skilled personnel	3.4937	4.1171	-.6234	-9.19	315	.000
Service is accessible by phone	3.4188	3.7781	-.3594	-5.02	319	.000
Waiting time is not extensive	3. 478	3.7962	-.7484	-10.40	313	.000
Have convenient schedule	3.4551	3.7372	-.2821	-3.82	311	.000
Explain the service itself	3. 218	3.8 37	-.7819	-11.48	320	.000
Handling the problems	2.7911	3.731	-.9399	-13.13	315	.000
Have a good airline reputation	3.45 4	3.9937	-.5363	-7.05	316	.000
Have excellent safety records	4. 435	3.72 5	.3230	4.56	321	.000
Provide individualised attention	3. 9 6	3.7281	-.6375	-9.04	319	.000
Recognise the regular customer	3. 89	3.621	-.5318	-8.33	313	.000
Have clean and neat Cabin staff	4.181	4. 596	.1223	2.22	318	.027
Have good reservation services	3.2764	4. 6	-.7298	-9.92	321	.000
Arriving & departing on schedule	1.959	4.000	-2.0410	-25.49	316	.000
Handle the baggage carefully	3.257	3.9505	-.6935	-9.16	322	.000
Have comfortable seats	3.57 5	3.79	-.2194	-3.12	318	.002
Have excellent In-flight services	3.5719	3.9 73	-.3355	-4.62	321	.000
Excellent entertainment program	.8944	3.6863	-.7919	-10.60	321	.000
Special attention for children	3. 693	3.9721	-.7 28	-9.30	322	.000
Convenient flight connections	2.9843	3.8339	-.8495	-12.16	318	.000
Good frequent flyer programs	2.7 56	3.4164	-.6909	-9.54	316	.000
29. Use quick route/direct flight	3.1 69	3.65 9	-.5440	-7.58	317	.000

Evaluations were done on a 5-point Likert-type scale. 5 = strongly agree, 4 = agree, 3 = neither agree nor disagree, 2 = disagree, 1 = strongly disagree.
* Only values with significant differences at the .05 level or below were reported.

These results do not support previous research findings performed in the United States and other developed countries which indicated that there was a bias against foreign product or service in favour of domestic ones (Brown et al. 1987). The literature revealed that UK consumers prefer their home country's products over foreign ones (Baker and Michie, 1995; Bannister and Saunders 1978; Hooley et al. 1988; Peris and Newman 1993), US consumers prefer US products and services (Gaedeke 1973; Johansson et al. 1994; Kaynak and Kucukemiroglu 1993; Kaynak, Kucukemiroglu and Kara 1994; Khachaturian and Morganosky 1990; Levin et al. 1993; Nagashima 1970; Okechuku 1994; Olsen, Granzin and Biswas 1993; Reierson 1966; Schooler and Wildt 1968; Schooler 1971; White and Cundiff 1978), French consumers are more in favour of products "made in France" (Baumgartner et al. 1978), Japanese consumers favour Japanese products (Lillis and Narayana 1974; Narayana 1981), Canadian consumers purchase Canadian goods and services when foreign goods and services are in competition with national goods and services (Bruning 1997; Kaynak and Cavusgil 1983; Heslop and Wall 1985; Wall and Heslop 1986), Polish and Russian consumers prefer their home country's products (Good and Huddleston, 1995), Jordanian consumers prefer Jordanian products (Ghadir, 1990), Spanish consumers prefer home-made products (Peris and Newman, 1993), Turkish managers prefer national suppliers (Gudum and

Kavas, 1996), and German prefer domestic products (Diamantopoulos et al. 1995).

Although the research findings with regard to domestic product quality in comparison with foreign product quality were in contradiction with most of the research in this field, it was found to be consistent with other research where consumers rated the foreign products higher than their own country's products (Abdul-Malek 1975; Akaah and Yaprak 1993; Baker and Michie 1995; Bannister and Saunders 1978; Chao 1993; Dornoff et al. 1974; Ghadir 1990' Harrison-Walker 1995; Heslop and Wall 1985; Hooley et al. 1988; Johansson et al 1985; Khanna 1986; Kochunny et al. 1993; Krishnakumar 1974; Lin and Sternquist 1994; Strutton et al. 1994; Nagashima 1977; Niffenegger et al. 1980; Papadopoulos et al. 1989; Roth and Romeo 1992; Showers and Showers 1993; Tse et al. 1996; Wall and Heslop 1986; White 1979).

One explanation for Qatari consumers higher ratings for foreign services is that they believe that foreign services would give them more quality. This idea is confirmed by the findings of Koruetm, Abourokbah and Alusi (1981). Their findings indicated that 100 per cent of their 400 respondents perceived imported products to be superior to national products. Moreover, they also found, interestingly, that 100 per cent would purchase a national product only when the same imported product was not available. It would appear that this belief in a higher level of quality of foreign goods/services is not only found within Qatari society, but also throughout the Gulf and Middle Eastern regions (Al-Hammad 1988; Cavusqil and Amine 1985; Ghadir 1990; Metwally 1993). Cavusqil and Amine (1985) reported: " very often in this region (Middle East), a "made abroad" label is considered synonymous with a guarantee of quality and reliable performance, not always assured with local-made items" (p. 171-72).

Hypothesis 2: There is no significant difference between the consumers' perceptions of the quality of Gulf and foreign airline services.

This hypothesis is explored by the results of the paired T-test. These results showed significant differences between the consumers' perceptions of the quality of domestic and foreign airline services. The differences were statistically significant for 23 quality variables at ($P < .05$) level of significance (see Table 7.4). The null hypothesis is therefore rejected.

To sum up, the results of the paired T-test showed that the differences between the Gulf and Arab carriers, and between the Gulf and foreign carriers were statistically significant. One may conclude that the domestic carriers had an unfavourable image in comparison to the foreign carriers and a favourable image in comparison with the Arab non-Gulf carriers. Findings indicated that the T-value was greater for the difference between the foreign carriers and the domestic than between the Arab non-Gulf and the domestic carriers. This may indicate that the quality of the foreign countries' carriers when compared to the domestic carriers is more appreciated than the quality of the domestic carriers in comparison to the Arab non-Gulf carriers.

Section 3. A comparative analysis of the consumers' perceptions of the price of the Gulf and foreign services

In the following sections, the consumers' perceptions of the prices of the Gulf services will be compared to those of the Arab non-Gulf and foreign services using a paired T-test.

7.3.1 Gulf services price versus Arab non-Gulf services price

Consumers were asked to show their perceptions in general towards the price and the level of quality in relation to the price paid for each of the three airline categories. The paired T-test was performed to test the significance of differences between the prices of Gulf versus Arab non-Gulf carriers. Results revealed that Qatari consumers perceived the price of Gulf services to be higher than the price of Arab non-Gulf services. The difference was statistically significant at (.000) level of significance (see Table 7.5). With regard to the level of quality provided in terms of value for money, it was indicated that the difference was statistically significant with a P-value of (.000) level of significance. It was noticeable that the domestic services had more value for money than the Arab non-Gulf services.

Table 7.5
A Comparison of the Consumers' Perceptions of the Price of the Domestic Versus Arab Airline Services*

Variables	Gulf Mean	Arab Mean	Dif	t-Value	df	2-Tail Sig.
Price in general	3.9887	3.5338	.4549	8.72	265	.000
Value for money	3.4796	2.8885	.5911	11.61	268	.000

*Evaluations were done on a 5-point semantic-type scale. For price in general variable, 5= Very high, 4 = High, 3 = Fair, 2 = low, 1 = Very low, and "don't know" reply was treated as missing. For level of quality in relation to value for money variable, 5 = Very high, 4 = High, 3 = Fair, 2 = low, 1 = Very low, and "don't know" reply was treated as missing.

Upon analysis of previous literature, one can find very little research which compares an Arab product or service to a product or service from another group of Arab countries. In addition, there are few studies which compare the prices of domestic products or services to the price of the various product or service sources. Very few of these studies were conducted in countries with similar circumstances to Qatar. However, most of the previous studies were performed in the United States and other developed nations. (for more discussion see chapter 5).

As mentioned earlier, the only work that supports the present study's findings was conducted in Jordan by Ghadir (1990). The findings of the study reported that the price of Egyptian products achieved a higher score and better perception than Jordanian products while no significant difference was reported in relation to the value for money variable. This may indicate that both the Jordanian and Egyptian products were perceived to be relatively similar in the value for money variable.

Hypothesis 3: There is no significant difference in consumers' perceptions of the price of the Gulf and Arab non-Gulf airlines.

This hypothesis is explored by the results of the paired T-test. They showed significant differences in consumers' perceptions of the price variables of the Gulf versus Arab non-Gulf airlines.

The differences were statistically significant at ($P < .05$) level of significance (see Table 7.5). The null hypothesis is therefore rejected.

7.3.2 Price of Gulf versus foreign services

The T-test pairs were also used to test the significance of the differences between the services of domestic and foreign carriers. Table 7.6 shows further the key features of price variables from each airline service. Results indicated a significant difference at $P < .05$ between the price in general of domestic and foreign services. Again, Qatari consumers perceived the price of Gulf services higher than the price of foreign services. The difference was statistically significant at P-value of (.018).

Statistical significant difference also existed between the value for money variable of the domestic and foreign services. It was noticed that although the Gulf airline services were perceived to be slightly more expensive in general, it was still perceived that they offered less value for money. It was also observed that the price of the foreign services was perceived to be slightly more competitive than the domestic.

Table 7.6
A Comparison of the Consumers' Perceptions of the Price of the Domestic Versus Foreign Airline Services*

Variables	Gulf Mean	Foreign Mean	Difference	t-Value	df	2-Tail Sig.
Price in general	3.9665	3.7993	.1673	2.38	268	.018
Value for money	3.4796	4.0743	-.5948	-9.27	268	.000

***Evaluations were done on a 5-point semantic-type scale. For "price in general" variable, 5= Very high, 4 = High, 3 = Fair, 2 = low,1 = Very low, and "don't know" reply was treated as missing. For level of quality in relation to "value for money" variable, 5 = Very high, 4 = High, 3 = Fair, 2 = low, 1 = Very low, and "don't know" reply was treated as missing.**

The literature revealed that no attempts were made to compare the price of the domestic services to that of foreign countries in general. Most of the studies were focused on an individual comparison of products (Ghadir, 1990). Having said that, it may be useful to integrate the study findings to that of previous studies on the basis of how the consumers perceive the prices of their own countries' products or services in comparison to the products or services of foreign countries.

The above findings are in direct contrast to previous studies which has found that the domestic product prices were perceived to be less expensive than those of foreign countries (Nagashima 1970; Lillis and Narayana 1974; Darling and Kraft 1977; Niffenegger et al. 1980; Khanna 1986). Therefore, these results do not correspond with the research results with regard to the competitive prices of the domestic product against those of the foreign countries.

On the other hand, the research findings correspond with findings from other research where consumers perceived the prices of their home country's product to be higher than products from foreign countries (Nagashima 1970; Lillis and Narayana 1974; Cattin and Jolibert 1978; Narayana 1981).

When it came to value for money, it was found that research findings supported the argument of previous research where consumers perceived their own product to have less value for money than products from foreign countries (Hooley et al., 1988). This may indicate that while the Qatari consumers considered the price of domestic services to be high, they felt that it had less value for money than the services of foreign countries.

Moreover, it was found that the literature in relation to consumers' perception of the prices and value for money of their domestic products was not consistent in this matter. In some studies, the price of a domestic product was evaluated as higher than the competing goods from foreign developing countries, whereas in other studies the price of a domestic product was evaluated as lower than the price of some other advanced foreign countries.

Hypothesis 4: There is no significant difference in the consumers' perceptions of the price of the Gulf and foreign airlines.

This hypothesis is explored by the results of the paired T-test. Result in Table 7.6 showed that the difference in the mean ratings between the two services was statistically significant at $P < .05$ level of significance for both price in general and only value for money variables. The null hypothesis is therefore rejected.

In summary, the results indicated that the Gulf services were perceived to have higher prices in general and to offer more value for money than the Arab non-Gulf services. On the other hand, when Gulf services were compared with foreign services, it was indicated that foreign services were perceived to have cheaper prices but offer better value for money than the Gulf services.

Section 4. Analysis of the association between the demographic variables and the consumers' perceptions of the quality and price variables

The existence of significant differences in consumers' perceptions of the quality and price among Gulf and foreign services has been investigated in the previous sections. Therefore, the purpose of this section is to find out whether there is any significant association among all or any of the respondents' demographic variables and their perceptions towards the quality and price of the airline services.

The relationships between demographics other than education and consumers' perceptions of quality and price of the three categories of airline services were tested first using chi-square and contingency table analyses. The chi-square analysis is recommended for the nominal data (Norusis 1990, 1996; Siegel 1956). However, for the test to be meaningful, there is a requirement for a minimum expected cell frequency. According to Parasuraman (1991) a commonly suggested rule of thumb is that no cell should have an expected frequency of less than one and no more than a fifth of the cells should have expected frequencies of less than five. Results of the chi-square test indicated that more than 20% of the cells for demographics had expected frequencies of less than 5. The chi-square contingency test was therefore inappropriate for examining the relationships between demographics and consumers' perceptions of quality and price of services in their present form.

In order to form a single category with an adequate marginal frequency, the age and income variables were combined into two categories. However, the revised variable categories still did not have large enough marginal totals to yield the expected cell frequencies that satisfy the rule of thumb. By reviewing the next most suitable alternative statistical test techniques (Baker 1991; De Vaus 1996; Norusis 1996), and discussing this issue with advisors[1] in this field at the University of Strathclyde Marketing Department, it was decided to utilise the T-test analysis for this purpose. According to De Vaus (1996) the independent sample T-test is used for testing mean differences involving independent variables which consist of two groups.

7.4.1 The influence of demographics on consumers' perceptions of quality

Table 7.7 in the following page contains a summary of significant relationships (see Tables 19 to 33, appendix D for a full detail of results).

Gender: gender of the respondents was found to be of little use in predicting the consumers' perceptions of the services of the three categories of airlines for most of the tested quality variables.

[1] Including Dr Tagg, S. a lecturer in Department of Marketing, University of Strathclyde.

Table 7.7

T-test Results of Mean Differences between Consumers' Demographic Variables and their Perceptions of the Quality and Price of Services

Quality variables	Gender			Marital			Income			Age			Children		
	Gulf	Arab	Foreign	Gulf	Arab	Foreign	Gulf	Arab	Foreign	Gulf	Arab	Foreign	Gulf	Arab	Foreign
1. Perform service right the first time	N	N	N	N	YES	N	N	YES	N	N	N	N	N	N	N
2. Perform service at designated time	N	N	N	N	N	N	N	YES	N	N	N	N	N	N	N
3. Call customer for changes	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
4. Give prompt service	N	N	N	N	N	N	N	YES	N	N	N	N	N	N	N
5. Knowledgeable/skilled staff	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
6. Service is accessible by ph ne	N	N	YES	N	N	N	YES	YES	N	N	N	N	N	N	N
7. Waiting time is not extensive	N	N	YES	N	N	N	YES	YES	N	N	N	YES	N	N	N
8. Convenient schedule	N	N	N	N	N	N	YES	N	N	N	N	YES	N	N	N
9. Polite/friendly cabin staff	YES	N	N	N	N	N	YES	YES	N	YES	YES	N	N	N	N
10. Explain the service itself	N	N	N	N	YES	N	YES	YES	N	N	YES	YES	N	N	N
11. Staff that speak Arabic	NA	NA	N	NA	NA	N	NA	NA	N	NA	NA	N	NA	NA	N
12. Handling the problems	N	N	N	N	N	N	YES	YES	N	N	N	N	N	N	N
13. Good airline reputation	N	YES	N	N	N	N	YES	YES	N	N	YES	N	N	N	N
14. Excellent safety records	N	N	YES	N	N	N	N	YES	N	YES	N	N	N	N	N
15. Give individualised attention	N	N	YES	N	N	N	YES	YES	N	N	N	N	N	N	N
16. Recognise regular customer	N	N	YES	N	N	N	N	YES	N	N	N	N	N	YES	N
17. Clean and neat Cabin staff	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
18. Good reservation services	N	N	YES	N	YES	N	YES	YES	N	N	N	N	N	N	N
19. Arriving/departing on time	N	YES	YES	N	YES	N	YES	N	YES	N	N	N	N	N	N
20. Baggage handling	N	YES	N	N	N	N	N	N	N	N	N	N	N	N	N
21. Serve tasty food	N	N	YES	N	N	N	N	N	N	YES	N	N	N	N	N
22. Comfortable seats	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
23. Efficient check-in procedure	N	N	N	N	N	N	N	YES	N	N	N	N	N	N	N
24. Excellent In-flight services	YES	N	N	N	N	N	N	YES	N	N	N	N	N	N	N
25. Good entertainment program	N	N	N	N	N	N	N	N	N	N	N	N	N	N	N
26. Special attention for kids	N	N	N	N	YES	N	YES	YES	N	N	N	N	N	N	N
27. Convenient flight connections	N	YES	YES	N	YES	N	YES	YES	N	N	N	N	N	N	N
28. Good frequent flyer programs	N	N	N	N	N	N	N	YES	YES	N	N	N	N	N	N
29. Have frequent flight	YES	N	N	N	N	N	N	N	N	N	N	N	N	YES	N
30. Use quickest route/direct flight	N	N	N	N	N	N	N	YES	N	N	N	N	N	N	N
Price variables															
1. Price in general	YES	N	YES	N	N	YES	N	N	YES	YES	YES	N	N	N	YES
2. Value for money	N	N	N	N	N	YES	N	N	N	N	N	N	N	N	N

N = (the above tested variable is not significant), YES = (the above tested variable is significant at .05 or better), NA = not applicable

For Gulf services, gender was found to be significantly relevant in only three variables. Females rated the Gulf service higher than males on two of these variables: having polite and friendly cabin staff and having frequent flights, while having excellent in-flight service was rated higher by males.

Gender was also useful in predicting the consumers' perceptions for four out of thirty variables of the Arab non-Gulf services. Females rated the Arab services more favourably than males with regard to airline reputation and arriving and departing on schedule variables, while males rated the Arab services more favourably in baggage handling and convenient flight connections. For the foreign services, it was indicated that gender was a useful predictor for nine variables. In all of the nine variables, males were more positive in their perceptions than females were.

In relating this to existing literature, Hung (1989); Wall, Heslop and Hofstra (1989), Schooler (1971) and Wall and Heslop (1989) found significant differences between male and female perceptions. Females generally tended to show more favourable attitudes towards their home-made products than males. The present findings are quite consistent with those previously described by Han 1988; Heslop and Wall 1985; Good and Huddleston 1995; Lawrence 1992; Wall and Heslop 1986), and inconsistent with the findings of those who found that females tended to rate foreign products significantly higher than males (Good and Huddleston 1995; McLain and Sternquist 1991; Schooler 1971).

Income: the consumers' income was found to be relevant with twelve variables of Gulf and nineteen variables of Arab services. For both services consumers with a monthly income of above Q.R.8,000 gave lower ratings than consumers with Q.R.8,000 or less. It was observed that for most quality variables, the lower the income the higher the ratings of the service quality.

With regard to the foreign services, income was found to be of very little importance as a predictor for most of the attributes and factors. Table 7.7 revealed that income was significantly associated with only two variables (e.g., arriving and departing on schedule and having good frequent flyer programmes). However, arriving and departing on schedule was rated higher by consumers with incomes over Q.R.8,000, while consumers with monthly incomes under Q.R.8,000 gave the highest ratings to having good frequent flyer programmes.

The income results gave some general support to other research where it was found to be significantly associated with quality ratings of domestic and Arab services. Ghadir (1990) reported significant differences between respondents' level of income and their attitudes toward domestic and Arab products. Results revealed that the most dissatisfied segments were those with an income of more than 400 Jordanian Dinars.

He concluded that in general and for most of the quality variables, the higher the income the lower the ratings of the domestic (Jordanian) and Arab (Egyptian) product.

On the other hand, some studies were consistent with the findings of this study where income factor offered little or no effect on consumers' perceptions of the quality of the foreign product (Johansson et al., 1985). A study by Howard (1983) also supports this argument. His results indicated no consistent relationship between the income of American consumers and the quality ratings of English products.

Age: age was found to be a useful predicting factor for three of the Gulf, Arab and foreign service quality variables. With regard to Gulf services, results revealed that middle-aged and older consumers gave the highest service quality ratings for excellent safety records and the serving of tasty food, while having polite and friendly cabin staff was rated highly by younger consumers. A possible interpretation for Qatari consumers having a more positive attitude towards the taste of Gulf food might be due to the religious background which prohibits non-Halal food.

In respect of the Arab services, younger consumers gave the lowest ratings to having convenient schedules and excellent safety records variables, whereas they seemed to be more satisfied with the "explaining the service itself" variable than the middle aged and older consumers. For the foreign services, age was significantly associated with : waiting time is not extensive, having convenient schedules, and explaining the service itself. For these three quality variables, younger consumers down-graded the foreign services more than the middle aged and older consumers.

The findings of this study confirmed the findings of Smith (1993) in that when age was utilised as an independent variable, younger consumers tended to have more negative perceptions of foreign products than older consumers (as the case for items 7, 8, 10, Table 7.7). On the other hand, the findings of this study (as the case for items 14 and 21, Table 7.7) contradicted those reported by Greer (1971), Howard (1983), Niffenegger et al. (1980) and Wall and Heslop (1986) where they found that younger consumers were more positive towards domestic products than middle aged and older consumers.

Marital status: marital status was found to be a poor predictor for all the quality variables of Gulf and foreign services. These results supported those of Kochunny et al (1993) in that there were no significant differences among the study groups on the basis of marital status and their perceptions of product quality. On the other hand, marital status was found to have a significant association with six variables of Arab non-Gulf service. Specifically, the segment of married consumers gave the lowest ratings to these variables compared to the single consumers.

Children: results also indicated that no significant difference was found between the respondents who had children and those who did not with regard to their ratings of the quality of Gulf and foreign services, while two variables (recognising the regular customer and having frequent flights) of the Arab services yielded significant results. Findings indicated that consumers who had children gave the highest service quality ratings to both variables compared to those with no children.

The researcher did not find many studies in the literature reporting the relationships between consumers' having children and their perceptions towards product or service quality. However, Wall and Heslop (1986) investigated the relationships between general attitudes towards Canadian-made products and the demographic of having children. Their results indicated that those with children tended to be more positive towards the quality of products "made in Canada" than those without.

7.4.2 The influence of demographics on consumers' perceptions of price variables

In terms of the association between consumers' demographic variables and their perceptions of the service prices, results revealed significant differences between male and female respondents' price ratings of the Gulf and foreign services. Females perceived both service providers to be more expensive than males did. These results do not correspond with the results of Ghadir (1990) where Jordanian males rated the foreign (Taiwanese and Russian) products higher than females in the price expansiveness variables. Moreover, for foreign services, the general trend was for the highest ratings of price to be given by those with incomes under Q.R.8,000 (Ghadir, 1990 found similar results), as well as by single consumers and those with no children. Whereas value for money was rated higher by single consumers. Middle-aged and older consumers tended to rate the price of Gulf and Arab services higher than younger consumers (this is the opposite to the findings of Ghadir 1990). No relationship between marital status, income and having children or not, and consumers' perceptions towards price occurred for Gulf and Arab services (see Table 7). For further details see Tables 19 to 33, appendix D.

<u>Hypothesis 5</u>: There is no significant difference in the customers' perception of any of the quality and price variables of the Gulf, Arab non-Gulf, and foreign services according to their demographic variables.

This hypothesis is explored by the results of the independent sample T-test. Results indicated some significant differences at ($P < .05$) level of significance in customers' perceptions of the quality and price variables of the three types of services according to their demographic variables. The null hypothesis is therefore rejected.

7.5. The relationship between consumers' selection of an airline and their frequency of travels, and demographic variables

The aim of this part is to investigate if there is a difference in the customers' selection of an airline, and the influence of frequency of travel and demographics on airline selection.

7.5.1 Airline selection behaviour

To investigate the difference in customers' selection of an airline, the following hypothesis was stated:

Hypothesis 6: There is no significant difference between the customers' selection of a Gulf or a foreign airline.

This hypothesis is explored by the results of a one-sample chi-square test. A one-sample chi-square test is a non-parametric test that uses a comparison between observed (data on a nominal-scaled variable) and expected frequencies to determine whether observed results are in accord with a stated null hypothesis (Churchill, 1995; Norusis 1990). The SPSS output for this test showed that the observed chi-square value was 40.53 and the associated significance level was .0000 (see Table 7.8).

Table 7.8
One-sample Chi-square Test for the Difference between the Customers' Selection of a Gulf or a Foreign Airline

Selection	Cases observed	Expected	Residual
Gulf	214	157.50	56.50
Foreign	101	157.50	-56.50
	315		
Chi-square = 40.53	D.F. = 1	Significance = .0000	

Since the observed significance level was too small, the null hypothesis is therefore rejected (Norusis, 1990). This analysis suggests that there is a significant difference in customers' selection of a Gulf or a foreign airline. It was found that around 68 per cent of the total respondents preferred Gulf services and the remainder admitted a preference for foreign services.

One reason for the unexpectedly favourable selection of Gulf airlines may be the consumers' tendency to prefer domestic services. Therefore, preference for domestic services might be due to ethnocentrism and Patriotism. A number of studies on country of origin effects have shown that consumers all over the world generally tend to prefer products or services made or provided by their home-countries to foreign ones. Thus, this finding offers support to the conclusion of Baker and Michie 1995; Baumgartner and Jolibert (1978); Bruning (1997); Han (1988); Darling and Kraft (1977); Diamantopoulos et al. 1995;

Gaedeke (1973); Han and Terpstra; Kaynak and Kucukemiroglu (1993); Kaynak, Kucukemiroglu and Kara (1994); Lee, Kim and Miller (1992); McLain and Sternquist (1991); Nagashima (1970); Narayana (1981); Reierson (1966); Peris et al. (1993); Schweiger et al. (1995) and Shimp and Sharma (1987).

Another reason for the favourable selection of services "provided by Gulf countries" may be that, in the mind of Qatari consumers, the word "Gulf" is connected with predominantly favourable associations at an emotional level. In general, individuals tend to have more favourable attitudes towards countries and regions which are close in a geographic sense and similar in a cultural sense than towards very distant and dissimilar countries (Schweiger et al., 1993). It has been noticed that this also holds for "made-in images". Wang and Lamb (1983) found that respondents tended to buy goods produced in close and culturally similar countries. In addition, some authors found that similarities between the value system of countries had an impact on "made in images" and preferences for products "made in" certain countries (Schweiger et al., 1993) Therefore the affinity of Qatari consumers with the Gulf in terms of cultural background may be one of the main factors causing the favourable selection of the services "provided by

Gulf States" relative to those of foreign countries.

Preference for domestic service providers also may be due to the perceived risk in choosing foreign service providers (Gudum and Kavas 1996; Samiee 1994).

7.5.2 The influence of frequency of travel on airline selection

The following hypothesis seeks to establish a difference between occasional and frequent travellers in terms of airline selection. It stated that:

Hypothesis 7: There is no significant difference between occasional and frequent travellers in terms of their selection of a Gulf or a foreign airline.

To test this hypothesis, consumers' frequency of travel and their selection of a Gulf or a foreign airline was cross-tabulated using a Pearson chi-square test. This type of statistic helps to determine whether two variables, in a cross-tabulation, are independent of each other if the data on each variable are classified into categories (Baker 1991; Brunt 1997; Churchill 1995, De Vaus 1996; Hair et al. 1995; Norusis, 1996; Parasuraman 1991; Siegel 1956). Using this statistic, one tests for significant differences between the observed distribution of data among categories and the expected distribution based on the null hypothesis. The null hypothesis suggests that any differences in the sample statistics or distribution is due to random sampling fluctuations only (Siegel and Castellan, 1988).

The above hypothesis is explored by the result of the Pearson chi-square test. The result in Table 7.9 showed a significant difference between occasional versus frequent travellers in terms of airline selection.

Table 7.9
Pearson Chi-square Test for the Difference between Occasional and Frequent Travellers and their Selection of a Gulf or a Foreign Airline

Selection	occasional Travellers		Frequent travellers		Chi-square	Sig.
	Frequency	%	Frequency	%		
Gulf	146	46.3	68	21.6	5.63	0.017
Foreign	55	17.5	46	14.6		

This difference was statistically significant with a P-value of .017 which is far below the cut-off point of .05 per cent at 5 per cent significance level. The null hypothesis is therefore rejected. The occasional travellers constituted a majority among customers in the Gulf selection. Thus this analysis confirmed the conclusion that occasional versus frequent travellers differed in their airline selection. Similarly, Bruning (1997) found that attitudes towards national carriers are most positive for individuals with the lowest levels of flying frequency and steadily decline as flying frequency increases.

7.5.3 The influence of demographic variables on airline selection

The difference in customers' demographic variables in relation to their airline selection behaviour is tested in the following hypothesis:

Hypothesis 8: There is no significant difference in any of the customers' demographics and their selection of a Gulf or a foreign airline.

In a cross-tabulation contingency table, the results of a Pearson chi-square test on the categorical variables of gender, marital status, income, age and availability of children in relation to airline selection were presented in Table 7.10.

Table 7.10
Pearson Chi-square Test for the Difference in Customers Demographics and their Selection of the Two Airline Groups

Demographics	Selection		Chi-square	Sig.
	Gulf	Foreign		
Gender: Male	30.8	18.7	4.70	.03
Female	37.1	13.3		
Total	100%			
Marital: Single	23.2	10.8	.006	.93
Married	44.8	21.3		
Total	100%			
Income: Under Q.R.8,000	39.0	17.5	.254	.61
Over Q.R.8,000	28.9	14.6		
Total	100%			
Age: 29-less	31.4	16.8	1.06	.30
30-more	36.5	15.2		
Total	100%			
Children: No children	30.2	14.6	.036	.84
Have children	37.8	17.5		
Total	100%			

The results of the chi-square demonstrated that no demographic variable was significantly associated with a Gulf or a foreign airline selection, except the gender ($P < .05$). Females were less likely to select a foreign airline for their international destination than males. They constituted around 37% of the total respondents who preferred the Gulf airline over the foreign one. It is possible therefore to partially reject the null hypothesis and conclude that there is a significant difference between males and females with regard to their selection of an airline. This finding seems to be consistent with the findings of Bruning (1997) who found significant differences by sex in terms of Canadian versus non-Canadian carrier choice. His results indicated that females showed more favourable attitudes towards their national airline than did males. Similar results were also found by Han (1988), Heslop and Wall (1985), Good and Huddleston (1995), Lawrence (1992), Sharma, Shimp and Shin (1995), and Wall and Heslop (1986).

This finding is not surprising since the Qatari female has been raised in a Gulf culture and rarely has contact with other foreign cultures. Therefore when she travels, I presume that she would be more likely to be psychologically comfortable with an airline that is more similar to her home-country's culture. Moreover, the Gulf carriers' cabin staff speak Arabic which makes the female feels more secure. In contrast, the foreign carriers would embrace cultures that differ from the culture that the Qatari female is used to. Hence, she might feel psychologically insecure and restricted in her behaviour as a result of this difference.

On the other hand, the male is more open to other cultures and he experiences more interaction with other cultures in his daily life than the female. This is an expected result and obviously is supported by the results of Sharma et al (1995, p.

33) and Wetzels et al (1996, p. 1263) in which they found that the "individual who is more open to other cultures is less likely to choose domestic services." Therefore I infer that the male is more adventurous in his selection behaviour than the female.

7.6 The relationship between the consumers' perceptions of the quality and price of airline services and their choice of airline

In this section the difference in quality and price perceptions of airlines between the consumers who selected a Gulf or a foreign airline is investigated using a T-test. Separate T-tests were computed for each perception of airline category. The resulting T-test Tables are shown in Tables 34, 35, 36, 37, 38, and 39, appendix D.

7.6.1 The influence of the consumers' perceptions of the quality of airlines on their choice of airline category

For consumers' perceptions of the quality of Gulf services and their selection of an airline, the customers who selected the Gulf airline category were found to be more likely to perceive the Gulf service as having a significantly superior service to those who selected the foreign airline ($P < .05$ for 24 variables). See Table 7.11 below. The exception was having a convenient schedule, not having to wait too much, serving tasty food, offering an excellent entertainment programme, and having frequent flights, where no differences were noted.

For the consumers' perceptions of the quality of the Arab services and their selection of an airline, the difference was found to be significant for eighteen of the Arab service quality attributes and factors at ($P < .05$) level of significance. Again, for respondents who selected the Gulf carrier, the mean scores of the eighteen quality variables were significantly higher than those who opted for the foreign carrier. With regard to the consumers' perceptions of the quality of the foreign services and their selection of an airline category, significant differences were produced for almost all of the foreign quality variables ($P < .05$). The exception was the availability of Arabic speaking staff where no difference was obtained (T-value = 1.45, P-value = .145). T-test results showed that between the two groups of airline selections, the foreign selecting group gave higher service quality ratings for all of the quality variables of foreign services than the Gulf selecting group.

Table 7.11
T-test of Mean Differences in Customers' Perceptions of the Quality of Airline Services and their Selection of a Gulf or a Foreign Airline*

Quality attributes and factors	Perception towards Gulf quality by selection	Perception towards Arab quality by selection	Perception towards Foreign quality by selection
1. Perform the service right	YES	NO	YES
2. Perform service at designated time	YES	NO	YES
3. Call customer for any changes	YES	YES	YES
4. Give pr mpt service	YES	NO	YES
5. Kn wledgeable & skilled personnel	YES	NO	YES
6. Service is accessible by phone	YES	YES	YES
7. Waiting time is not extensive	NO	YES	YES
8. Have c nvenient schedule	NO	YES	YES
9. Have polite & friendly cabin staff	YES	YES	YES
1 . Explain the service itself	YES	YES	YES
11. Have staff that speak Arabic	NA	NA	NO
12. Handling the pr blems	YES	YES	YES
13. Have a good airline reputation	YES	YES	YES
14. Have excellent safety records	YES	YES	YES
15. Pr vide individualised attention	YES	YES	YES
16. Recognise the regular customer	YES	YES	YES
17. Have clean and neat Cabin staff	YES	NO	YES
18. Have good reservation services	YES	YES	YES
19. Arriving & departing n schedule	YES	YES	YES
2 . Handle the baggage carefully	YES	YES	YES
21. Serve tasty food	NO	YES	YES
22. Have comf rtable seats	YES	NO	YES
23. Have efficient check-in procedure	YES	YES	YES
24. Have excellent In-flight services	YES	YES	YES
25. Excellent entertainment program	NO	YES	YES
26. Special attention for children	YES	NO	YES
27. Have convenient connections	YES	NO	YES
28. Have good frequent flyer programs	YES	NO	YES
29. Have frequent flight	NO	NO	YES
30. Use the quickest route & direct flight	YES	NO	YES

*Evaluations were done on a 5-point Likert-type scale, 5 = Strongly agree, 4 = Agree, 3 = Neither agree nor disagree, 2 = Disagree, 1 = Strongly disagree
YES = significant at P < .05 or better, NO = not significant

7.6.2 The influence of the consumers' perceptions of the price of airline services on their choice of airline category

In terms of the difference between the consumers' perceptions of the price of airline service and their choice of airline, T-test results revealed no significant difference in the consumers' perception towards the "price in general" of Gulf, Arab and foreign services and their selection of an airline category. See Table 7.12.

Table 7.12
T-test of Mean Differences in Customers' Perceptions of the Price of Airline Services and their Selection of a Gulf or a Foreign Airline*

Price	Perception towards Gulf price by selection	Perception towards Arab price by selection	Perception towards Foreign price by selection
Price in general	NO	NO	NO
Value for money	YES	YES	YES

*Evaluations were done on a 5-point semantic-type scale. For price in general variable, 5= Very high, 4 = High, 3 = Fair, 2 = low, 1 = Very low, and "don't know" reply was treated as missing. For level of quality in relation to value for money variable, 5 = Very high, 4 = High, 3 = Fair, 2 = low, 1 = Very low, and "don't know" reply was treated as missing.

YES = significant at P < .05 or better, NO = not significant

With regard to value for money, results were significant for the three service providers (P < .05). Consumers who selected the foreign airline for their international flights perceived the Gulf and Arab services to offer lower quality (less value for money) than the foreign services, while those who selected the Gulf airline, perceived the Gulf and foreign services to offer higher quality (more value for money) than the Arab services (see Tables 37, 38 and 39, appendix D).

Hypothesis 9: There is no significant difference in the customers' perceptions of any of the airline service quality and price variables and their selection of a Gulf or a foreign airline.

This hypothesis is explored by the results of the independent sample T-Test. Results summarised in Table 7.11 showed significant differences between the customers' perceptions towards the quality of Gulf, Arab and foreign services in relation to their selection of an airline category. The differences between the selection groups and the customers' perceptions of the quality of each of the participating category of airlines was statistically significant ($P < .05$) in most of the cases and the results of the T-value revealed that the difference was in the same direction in all the cases. For customers' perceptions towards the quality of Gulf and Arab services, it was noticed that these two services were perceived more positively by the Gulf selection group than the foreign one. In contrast, the quality of the foreign services was perceived to be lower by the Gulf selection group.

On the other hand, the summary of Table 7.12 indicated significant differences in the customers' perceptions of the prices of Gulf, Arab and foreign airlines and their selection of an airline only in the value for money variable. This difference was statistically significant with P-values of .002 (Gulf service), .032 (Arab service) and .001 (foreign service).

This analysis confirmed that there was a significant relationship between the consumers' perceptions of quality and price and their selection of an airline. The null hypothesis is, therefore rejected.

7.7. The relationship between the Qatari consumers' patriotic feelings and their selection and perception of quality and price of the Gulf services

The purpose of this section is to identify the consumers' attitudes towards the Gulf services and try to find out if there is any relationship between ethnocentrism[1] and the Gulf or foreign airline selection in general and ethnocentrism and the selection of Qatar Airways in particular. Moreover, the relationship between the consumers' patriotic

[1] To establish overall ethnocentrism scores, the average ratings of the consumers in each statement of the five-point Likert scale were computed (Thurstone, 1932).

feelings and their perceptions of the quality and price of Gulf services will be investigated.

7.7.1 The influence of patriotic feelings on airline selection

Hypothesis 10: There is no significant effect of customers' patriotic feelings on their selection of a Gulf or a foreign airline.

This hypothesis is explored by the results of the independent sample T-test. Results revealed no significant difference in the customers' patriotic feelings and their selection of a Gulf or a foreign airline (Gulf selection mean = 4.08, foreign selection mean = 4.05). This difference however, was not statistically significant because the P-value was .738 which is far above the cut-off point of .05 per cent at 5 per cent significance level. The null hypothesis is therefore accepted. This could be explained by the fact that most of the surveyed consumers tended to hold strong patriotic emotions and more than 65% of the total respondents preferred a Gulf carrier over a foreign one.

Earlier findings as reported in the established literature indicated that consumers who showed strong ethnocentric tendencies were less likely to prefer the foreign product or service offered over the national one (Bruning 1997; Stoltman et al 1991; McLain and Sternquist 1991).

Hypothesis 11: There is no significant relationship between the customers' patriotic feelings and their selection of Qatar Airways.

This hypothesis is explored by the results of the Spearman rank correlation coefficient. A Spearman rank correlation coefficient is appropriate for measuring the relationship between two ordinal variables (Baker 1991; Brunt 1997; De Vaus 1996; Hair et al. 1995; Norusis 1996; Parasuraman 1991; Triola and Franklin 1994). The correlation coefficient showed a positive value of .1227 indicating a positive relationship between the customers' patriotic feelings and their selection of Qatar Airways. This relationship however was statistically significant with a P-value of 0.034 which is below the cut-off point at 5 per cent significance level. The null hypothesis is therefore rejected. This analysis confirmed that there was a significant association between patriotic feelings and the consumers' preference of their own country's airline, i.e., the stronger the patriotic feelings the more consumers select a domestic carrier. Thus, the findings support empirical and theoretical research which argue that patriotism has a positive effect on consumers' attitudes towards products produced inside the home country (Baker and Michie 1995; Han 1988; Darling and Kraft 1977; Gaedeke 1973; Lee, Kim and Miller 1992; McLain and Sternquist 1991; Nagashima 1970; Narayana 1981; Peris et al. 1993; Schweiger et al. 1995 and Shimp and Sharma 1987). Therefore, further research should consider patriotism as determinant factor in airline selection.

7.7.2 The influence of patriotic feelings on the consumers' perceptions of the quality of the Gulf services:

Hypothesis 12: There is no significant relationship between the customers' patriotic feelings and their perceptions of the quality of the Gulf airlines.

To reduce the list of criteria to the basic dimensions consumers use in evaluating the Gulf services, the data were subject to factor analysis (principal component with varimax rotation). Several items were deleted as either having low loadings or weak correlations with other statements (Parasuraman 1991; Sharma et al. 1995). To determine the number of factors, the researcher followed the criterion of preserving those whose eigenvalues were greater than one (Kaiser, 1960). According to Hair et al. (1995)

eigenvalue specification is one of the most popular criteria for addressing the number of factors question .

Consequently, the 29 quality variables (attributes and factors) of the Gulf services were condensed into five factors by adding the variables with a loading of .5 or higher on the individual factors and dividing by the number of variables loading on the respective factor (Lascu and Giese, 1995). Moreover, it can be seen that the percentage of total variance explained by these factors was acceptable (68.4 per cent). See Hair et al., 1995).

Table 7.13
Factors and Loadings

Quality Variable of Gulf airline		Loadings
Factor 1: (eigenvalue = 4.1: of variance = 31.4)		
Performance:	Perform service at designated time	.83
	Perform the service right the first time	.81
	Good airline reputation	.68
	Have knowledgeable and skilled personnel	.60
	Arriving and departing on schedule	.57
Factor 2: (eigenvalue = 1.55: of variance = 11.9)		
Added value:	Provide special attention for children	.83
	Have excellent entertainment program	.74
	Have good frequent flyer programs	.66
Factor 3: (eigenvalue = 1.17: of variance = 9.0)		
Accessibility:	Service is easily accessible by phone	.86
	Waiting time is not extensive	.73
	Have good reservation service	.55
Factor 4: (eigenvalue = 1.1: % of variance = 8.4)		
Food tasty:	Serve tasty food	.84
Factor 5: (eigenvalue = 1.003 : % of variance = 7.7)		
Frequent flights:	Have frequent flight	.89

[2] "Eigenvalue is a measure that attaches to factors and indicates the amount of variance in the pool of original variables that the factor explains. The higher this value, the more variance it explains" (De Vaus, (1996).

As Table 7.13 illustrates, the first factor reflected performance of a service at a designated time (.83), performance of a service "right the first time" (.81), good airline reputation (.68), having knowledgeable and skilled personnel (.60) and arriving and departing on schedule (.57). This factor accounted for 31.4 per cent of the total variance. According to Hair et al. (1995) a variable with a higher loading influences to a greater extent the name or label selected to represent a factor. Hair et al. (1995) believed that naming or labelling factors "is not very scientific and is based on the subjective opinion of the analyst. Different analysts in many cases will no doubt assign different names to the same results because of the difference in their background and training" (p. 398). Therefore, this factor may be labelled as a performance factor.

The second factor included issues of providing special attention for children (.83), having excellent entertainment programmes (.74), and having good frequent flyer programmes (.66) which together accounted for 11.9 per cent of the total variance. This factor may be labelled as an added value factor.

The third factor accounted for 9 per cent of the total variance which included easily accessible service by phone (.86), short waiting time (.73) and having a good reservation service (.55). This factor may be labelled as an accessibility factor.

Only one criteria loaded on the fourth factor. This factor involved the issue of serving tasty food, which accounted for 8.4 per cent of the total variance. Likewise, only one criteria loaded on factor five. It produced 7.7 per cent of the total variance and was concerned with the availability of frequent flights.

Churchill (1995) describes Cronbach's Alpha as the recommended measure of the internal consistency of a set of items. Hair et al. (1995) and subsequent authors all report coefficient alphas as evidence of the internal consistency of both individual factors and the total scale. This approach has been duplicated in the present study where the internal reliability of the 29 items was high (alpha = .91) and the internal reliability for each factor was: performance (.79), added value (.69), and accessibility (.65)

A Spearman rank correlation coefficient test was then conducted to test the relationship between consumers' patriotic feelings and the new measure of perceptions towards the quality of the Gulf services (Table 7.14). A Patriotic variable was related significantly (p < .05) with only one variable of Gulf quality services, that of food tasty. The correlation coefficient showed a positive value of .1191 indicating a positive relationship between the consumers' patriotic feelings and their perception towards good food from the Gulf airlines. This relationship was statistically significant with a P-value of .040 which is below the cut-off point of .05 percent at 5 per cent significance level. The null hypothesis is therefore partially rejected.

This analysis confirmed that a significant association existed between ethnocentric consumers and their perception towards the food tasty of Gulf airlines. This may indicate that the more the feelings of the consumers tended towards patriotism, the better their perception was of the food served by Gulf airlines. Again, this could be explained by the fact that Gulf airlines provide firstly "Halal" food (i.e., Meat must be slaughtered according to Islamic customs), and secondly food prepared in a similar way to the consumers' country of origin.

Table 7.14
Spearman Correlation Coefficient for the Relationship between Consumers' Patriotic Feelings and their Perceptions of the Quality of Gulf Airline

Quality variable	Patriotic feelings Correlation	Significance
Performance	.0376	.529
Added-value	.0097	.868
Accessibility	-.0807	.173
Food tasty	.1191	.040*
Frequent flight	.0092	.875

* = significant at less or equal .05

7.7.3 The influence of patriotic feelings on consumers' perceptions of the price of the Gulf services

Hypothesis 13: There is no significant relationship between the customers' patriotic feelings and their perceptions of the price of the Gulf airlines.

This hypothesis is explored by the result of the Spearman rank correlation coefficient. The correlation coefficient showed negative values of -.0485 and -.0150 for price in general and value for money respectively. From the correlation in Table 7.15, although one could observe an inverse relationship, the patriotic feelings were not associated with any of the price variables at a significant level of $p < .05$. The null hypothesis is therefore accepted. This finding confirmed that there was no significant relationship between the consumers' patriotic feelings and their perception towards the price of Gulf airlines.

In an effort to relate the research results to existing literature, it is noticeable that Ghadir's (1990) findings contradict this study's findings since he found that the Jordanian consumers' perceptions of the price variables of their home-made product were significantly associated with most of the patriotic variables(P < .05).

Table 7.15
Spearman Correlation Coefficient for the Relationship between Consumers' Patriotic Feelings and their Perceptions of the Price of Gulf Airlines

Price variable	Patriotic feelings	
	Correlation	Significance
Price in general	-.0570	.327
Value for money	-.0112	.847
* = significant at .05		

7.8. Exploration of the structure underlying the factors considered important in choosing an airline

Factors considered important in choosing an airline (32 variables) were subjected to principal components factor analysis with varimax rotation to define customer airline selection criteria in Qatar. Based on the eigenvalue-greater-than-one rule, factor analysis identified six factors as evaluative criteria used in airline selection, accounting for 61.6 per cent of the total variance. Again, those items with low correlations, whose deletion might improve the overall coefficient alpha score were omitted in order to increase the reliability of the factor (Hair et al., 1995). Table 7.16 shows the six underlying factors obtained and the criteria contributing to each factor.

Table 7.16
Factors and Loadings

Factors considered important in choosing airline		Loadings
Factor 1: (eigenvalue = 6.4: % of variance = 29.2)		
Performance:	Arriving and departing on schedule	.77
	Perform service at designated time	.70
	Problems handling	.61
	Calling customers in case of any changes	.55
	Perform the service right the first time	.54
	Halal food	.53
Factor 2: (eigenvalue = 2.1: % of variance = 9.7)		
Assurance:	Politeness & friendliness of the contact personnel	.67
	Clean and neat personnel	.66
	Airline reputation	.62
	Explaining the service itself	.61
	Have knowledgeable and skilled personnel	.60
Factor 3: (eigenvalue = 1.5: % of variance = 7.0)		
Accessibility:	Service is easily accessible by phone	.74
	Waiting time is not extensive	.69
	Giving prompt service	.60
Factor 4: (eigenvalue = 1.3: % of variance = 6.0)		
Flight frequency:	Frequency of flights	.77
	Entertainment programs	.73
	Frequent flyer membership program	.61
	Quickest rout direct flights	.55
Factor 5: (eigenvalue = 1.07 : % of variance = 4.9)		
Understanding & Knowing:	Recognising the regular customer	.83
	Providing individualised attention	.80
Factor 6: (eigenvalue = 1.04 : % of variance = 4.7)		
Trustworthiness:	Food Quality	.81
	Baggage handling	.61

As shown in Table 7.16, the first factor was composed of: arriving and departing on schedule (.77), performance of a service at the designated time (.70), efficient handling of problems (.61), contacting customers in case of any changes (.55), getting the service "right the first time" (.54), and provision of Halal food (.53). This factor accounted for 31.4 per cent of the total variance and appeared to explain the performance dimension of the airline service. Thus, this factor may be labelled as a performance factor.

The second factor accounted for 11.9 per cent of the total variance. It included mostly the assurance variables of service. Those variables were: politeness and friendliness of the contact personnel (.67), neatness and cleanliness of the personnel (.66), airline reputation (.62), explaining the service itself (.61), and knowledgeable and skilled personnel (.60). Therefore, this factor could be reasonably labelled as an assurance factor.

The third factor accounted for 9 per cent of the total variance; easily accessible service by phone (.74), short waiting time (.69) and giving prompt service (.60). This factor may be labelled as an accessibility factor.

Factor 4 consisted of four variables: frequency of flights (.77), entertainment programme (.73), frequent flyer membership programme (.61), and quickest direct rout flights (.55). This factor, which explained 6 per cent of the total variance might be labelled as flight frequency.

Factor 5 was composed of two variables. These variable are: recognising the regular customer (.83) and providing individualised attention. This factor may be named as understanding/knowing the customer factor. It explained 5 per cent of the total variance. Likewise, two criteria loaded on factor 6. This factor involved issues of serving quality food (.81) and baggage handling (.61) which accounted for 8.4 per cent of the total variance. This sixth factor can be identified as the trustworthiness factor.

The internal reliability of individual factors was demonstrated utilising Cronbach's Alpha. (Baker 1991; Churchill 1995). The coefficient alpha across the six factors was: performance (.80), assurance (.74), accessibility (.67), frequency of flights (.68), understanding and knowing the customer (.78), and trustworthiness (.58).

7.8.1 The influence of prior experience on factors considered important in choosing an airline

The proposed relationship between the users of airline category and the factors considered important when choosing an airline is summarised by the following hypothesis:

Hypothesis 14: There is no significant relationship between the users of the Gulf, Arab non-Gulf and foreign airlines and the factors considered important in choosing an airline.

Using a one way analysis of variance test, the variable of "airline users"[3] (data on a nominal-scaled variable) was tested for its relationship with the factors considered important in selecting an airline. The results are presented in Table 7.17.

Those who used any of Gulf, Arab, and foreign airlines

Table 7.17
One-Way-Anova: Factors Considered Important in Choosing an Airline: By Origin of Airline Used

Dependent/Independent	Group means	F Ratio	F Prob.	Comp-arison
Performance				
(1) Gulf carriers	4.6341	2.1325	.0961	-
(2) Gulf and Arab carriers	4.5556			
(3) Gulf and Foreign	4.7610			
(4) Gulf, Arab and Foreign	4.5989			
Assurance				
(1) Gulf carriers	4.5447	2.0915	.1013	-
(2) Gulf and Arab carriers	4.4000			
(3) Gulf and Foreign	4.4000			
(4) Gulf, Arab and Foreign	4.3503			
Accessibility				
(1) Gulf carriers	4.1232	1.3608	.2548	-
(2) Gulf and Arab carriers	4.0081			
(3) Gulf and Foreign	4.2564			
(4) Gulf, Arab and Foreign	4.1742			
Frequency of flights				
(1) Gulf carriers	3.8989	1.0848	.3557	-
2) Gulf and Arab carriers	3.7202			
(3 Gulf and Foreign	3.9375			
(4) Gulf, Arab and Foreign	3.9276			
Understanding/knowing the customer				
(1) Gulf carriers	4.0444	.1138	.9520	-
(2) Gulf and Arab carriers	3.9405			
(3 Gulf and Foreign	4.0192			
(4) Gulf, Arab and Foreign	3.9972			
Trustworthiness				
(1 Gulf carriers	4.5435	2.2996	.0773	-
(2 Gulf and Arab carriers	4.2738			
(3 Gulf and Foreign	4.5566			
(4) Gulf, Arab and Foreign	4.4635			

As can be seen from the table, no significant relationship at .05 significance level was observed among the group of airlines experienced by consumers and factors considered important to their choice of an airline[4]. This analysis confirmed that there is no

[4] Results showed some relationships at .1 level of significance among the group of airlines used and performance and trustworthiness factors. For both factors, respondents who used Gulf and foreign carriers gave higher ratings compared to other group of airlines used.

significant relationship (at P< .05) between users of airline type and factors considered important in choosing an airline. The null hypothesis is therefore accepted. This finding seemed to be inconsistent with past research findings by Kaynak et al. (1994) in which they found significant differences at .05 or less among users of US carriers, foreign carriers and users of both types of carriers. Their findings revealed that "users of foreign airlines placed more importance on in-flight entertainment, free alcoholic beverages and availability of frequent flights. Whereas, users of US carriers placed significantly more importance on airport ticket counter service. Users of both US and foreign carriers placed significantly more importance on competitive fare than domestic and foreign airline user alone" (p.244-245 .

7.8.2 The influence of the demographic variables on factors considered important in choosing an airline.

The differences in customers' demographics and the factors they consider important in their choice of an airline were the subject of hypothesis 15. the hypothesis asserted the following:

Hypothesis 15: There is no significant difference in any of customers' demographics and the factors considered important in their choice of an airline.

Table 7.18 summarises the results of an independent sample T-test that was performed on the data with the anticipation of finding differences between any of the customers' demographics based on factors considered important in their choice of airline.

Table 7.18
T-test for the Difference between Consumers' Demographic Variables and Factors Considered Important in Choosing an Airline

Factors	Gender	Marital	Income	Age	Children
Performance	N	YES	N	N	N
Assurance	N	N	YES	N	N
Accessibility	YES	N	N	N	N
Frequency of flights	N	N	N	N	N
Understanding customer	N	N	N	N	N
Trustworthiness	N	N	N	N	N

N = Not significant, Yes = significant at $p < .05$

Results revealed that the demographics of gender, marital status and income were found to be significantly related to accessibility, performance, and assurance factors respectively. Males paid significantly more attention to accessibility factor than females did. For marital status, performance was rated higher by single consumers than those who were married. With regard to income, it was observed that the lower the income the higher the importance ratings of assurance factor.

In conclusion, the findings did not support the proposed hypothesis and it was therefore rejected at $P < .05$ level of significance (see Tables 40 to 44, appendix D).

Kaynak, Kucukemiroglu and Ali (1994)investigated the differences between the respondents' gender in terms of factors they considered important when choosing an airline. They found that females paid significantly more importance ratings to airport ticket counter service, accurate flight information, convenient flight connections, frequent flights and good connection to major cities than males did.

7.9 Summary

This chapter presented a brief description of the study's variables and the research findings of hypotheses testing that were developed in chapter six. Table 7.19 in the following page gives further summary for the decision reached so far about the hypotheses in this study.

The summary and conclusions of the findings are presented in the following chapter.

Table 7.19
Summary of Results of Hypotheses Testing

H#	Research hypotheses	Decision rule	
		Accept	Reject
H1	There is no significant difference between the consumers' perceptions of the quality of Gulf and Arab non-Gulf airline services.		√
H2	There is no significant difference between the consumers' perceptions of the quality of Gulf and foreign airline services.		√
H3	There is no significant difference between the consumers' perceptions of the price of the Gulf and Arab non-Gulf airlines.		√
H4	There is no significant difference between the consumers' perceptions of the price of Gulf and foreign airlines.		√
H5	There is no significant difference in the customers' perceptions of any of the quality and price variables of the Gulf, Arab non-Gulf and foreign services according to their demographic variables.		√
H6	There is no significant difference between the customers' selection of a Gulf or a foreign airline.		√
H7	There is no significant difference between occasional and frequent travellers in terms of their selection of a Gulf or a foreign airline.		√
H8	There is no significant difference in any of the customers' demographics and their selection of a Gulf or a foreign airline.		√
H9	There is no significant difference in the customers' perceptions of any of the airline service quality and price variables and their selection of a Gulf or a foreign airline.		√
H10	There is no significant effect of customers' patriotic feelings on their selection of a Gulf or a foreign airline.	√	
H11	There is no significant relationship between the customers' patriotic feelings and their selection of Qatar Airways.		√
H12	There is no significant relationship between the customers' patriotic feelings and their perceptions towards the quality of the Gulf airline.		√
H13	There is no significant relationship between the customers' patriotic feelings and their perceptions of the price of Gulf airlines.	√	
H14	There is no significant relationship between the users of the Gulf, Arab non-Gulf and foreign airlines and the factors considered important in choosing an airline.	√	
H15	There is no significant difference in any of the customers' demographics and the factors considered important in their choice of airline.		√

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CHAPTER 8

SUMMARY AND CONCLUSION

CAPTER 8

SUMMARY AND CONCLUSION

During the turbulent 1970s and the early part of the 1980s, marketing was a comparatively unimportant activity among airline companies around the world, due to stringent industry regulations. In addition, the industry was operating in a sellers' market around the world. In particular, protected by government ownership and regulations, airlines were safe from the serious competitive effects of the market place. In most cases, the industry showed an oligopolistic market structure (Kaynak, et al. (1994). Thus, price competition was non-existent, promotional efforts were limited, product/service quality was uneven and little effort was given to the development of an efficient distribution system through "hub and spoke" networks (Borenstein, 1989).

Nowadays, there have been a number of changes in the global airlines industry which have had profound effects on the development of this rapid growing sector of the economy in most countries of the world (Pustay, 1992). According to Kaynak et al. (1994) demographic, legal-political, socio-economic as well as technological changes have led the way to a transformation of airlines and the way they do business domestically as well as internationally. In addition, the continuous relationship between airlines and their customers has become the watchword and airline industry standard. Some of the factors which have triggered action in the international airline industry are summarised by Kaynak et al. (1994) as follows:

1. The advent of deregulation.
2. The emergence and creation of a new competitive environment where price wars, frequent flyer programmes and a host of innovative marketing programmes have become industry norms. Therefore, both government and private airlines have introduced service development efficient strategies in order to remain competitive.
3. A world-wide economic slump has created bankruptcies, mergers, co-marketing agreements, and downsizing in the global airline industry, particularly in the 1990's. This trend is expected to continue at an accelerating rate in the future.
4. The need for bigger market access force expansion (i.e., some US carriers have joined forces with European carriers) and the merging

of airline route systems as a market entry strategy (i.e., the alliance formed between US Air and British Airways).

Realising the importance of this industry to consumers' wants and needs, and recognising that a shortage of research existed in this area specially in the Gulf region, it was decided to study the effects of country of origin on consumers' perceptions of airlines. More specifically, this thesis focused on the following objectives:

1. Understanding customers' general perceptions of airlines in Qatar.
2. Examining country of origin (COO) effects on airline selection.
3. Understanding country of origin (COO) effects on perceptions of quality, price and patriotic feelings.
4. Exploring the relationships between demographic variables and COO effects.

Variables derived from the review of existing literature relating to country of origin effects on product and service evaluation have been investigated to determine their contribution to airline perceptions in Qatar.

In fact, it was found that the appropriateness of individual perceptions to airlines could be to some extent queried, based on the respondents' answers to the survey inquiry. The study polled a randomly selected sample of customers from the population of Qatari teachers. Questionnaires were distributed to 430 teachers of which 324 were retained as usable data resulting in a response rate of 75.3%. This response rate was considered excellent for further analysis (El-Omari 1991; Ghadir 1990; Kaynak et al. 1994; Lovelock et al. 1976; Niffenegger et al. 1980; Papadopoulos 1987; Shams 1996; Stover and Stone 1974).

Through the utilisation of a number of data analysis techniques (see section 8, chapter 6), fifteen hypotheses were investigated. The remaining sections of this chapter summarise (1) the main findings of this study, (2) the research contribution, (3) the research limitations and (4) the implications for further research.

8.1 Summary of the Findings

The findings of this study were presented in detail in chapter 7. The general conclusion which can be derived from that chapter is summarised in the following six sub-sections.

8.1.1 Findings on the Service Quality

The findings of the research indicated that the domestic carriers had an unfavourable image in comparison to the foreign carriers and a favourable image compared with the Arab non-Gulf carriers. This may indicate that the quality of the foreign countries' carriers when compared to the domestic carriers is more appreciated than the quality of the domestic carriers in comparison to the Arab non-Gulf carriers.

8.1.2 Findings on the Service Price

The results revealed that the Gulf services were perceived to have "higher prices in general" and to offer "more value for money" than the Arab non-Gulf services. On the other hand, when Gulf services were compared with foreign services, it was indicated that foreign services were perceived to have slightly more competitive prices and to offer better value for money than the Gulf services.

8.1.3 Findings on the Association Between the Consumers' Demographic Variables and their Perceptions of the Quality and Price of the Gulf, Arab and Foreign Services

When examining the effects of demographics on consumers' perceptions of Gulf, Arab non-Gulf and foreign services, results were inconclusive for some variables and fairly consistent for others. In general, the demographic variables (except income) were relevant to few quality variables among the list used in this study. Those variables were not consistent among the various airline categories in most cases. In other words, there was no consistency for any of the demographic variables in any of the airline categories. It was noticed that while one of the gender segments might have some significant preference for a specified quality variable of one category of airline service, it might be found that the other segment had a preference for another quality variable for the same airline.

In terms of price variables, demographics were more relevant to the "price in general" variable than the "value for money" variable among the various airline categories (except for foreign airlines, where only marital status produced significant results).

8.1.4 Findings on the Consumers' Behaviour of Airline Selection

Like other studies on country of origin effects, the findings of this research indicated that Qatari consumers tended to prefer services provided by their home-country to foreign ones. Two thirds of the total respondents preferred Gulf services and the remainder showed a preference for foreign services.

The affinity of Qatari consumers with the Gulf in terms of cultural background may be the main factor causing the favourable selection of the services "provided by Gulf States" relative to those of foreign countries.

In terms of the influence of demographics on the consumers' selection of a Gulf versus a non-Gulf carrier, the findings of the study revealed significant differences by only the gender demographic. Females were less likely to select a foreign airline for their foreign destination than males. They constituted around 37% of the total respondents who preferred the Gulf airline over the foreign one.

Significant differences were also found between the Qatari consumers' perceptions toward the quality and the price of the Gulf, Arab and foreign services in terms of their selection of an airline category. It was found that the quality of Gulf and Arab non-Gulf services were perceived more favourably by those who selected the Gulf carrier than the foreign one. On the other hand, the Qatari consumers who selected the foreign airline category perceived the Gulf and Arab services to offer less value for money than the foreign services. In contrast, those who selected the Gulf category of airline perceived the Gulf and foreign services to offer more value for money than the Arab services.

8.1.5 Findings on the Qatari Consumers' Patriotic Feelings

The findings suggested that the majority of the surveyed consumers tended to hold strong patriotic feelings towards the Gulf carriers. Approximately two thirds (65%) of the total respondents preferred a Gulf carrier over a foreign one.

The research findings also indicated that patriotism had a positive effect on the Qatari consumers' attitudes towards Qatar Airways in particular. It was noticed that the more ethnocentric they were the more they selected their own country's services and rejected the foreign services.

In terms of the relationship between consumers patriotic feelings and their perceptions of the 29 quality variables of the Gulf services, factor analysis was performed to reduce the list of criteria. Consequently, the 29 quality variables were condensed into five factors namely, performance, added value, accessibility, food tasty and frequency of flights. The results of the Spearman rank correlation coefficient showed that the patriotic variable was related significantly with only one variable of the Gulf quality services, that of food tasty.

With regard to the relationship between consumers patriotic feelings and their perceptions of the price of the Gulf services, it was found the patriotic feelings were not associated with any of the price variables of the Gulf services.

8.1.6 Findings on the Factors Considered Important in Choosing an Airline

Factors considered important in choosing an airline (32 variables) were subjected to principal components factor analysis with varimax rotation to define customer airline selection criteria. The results of a varimax rotation showed that the 32 variables could be summarised in six factors, namely performance, assurance, accessibility, frequency of flights, understanding/knowing the customer and trustworthiness.

With regard to the relationship between factors considered important in choosing an airline and the users of the Gulf, Arab non-Gulf and foreign airlines, the findings indicated no significant relationship between users of airline type and factors considered important in choosing an airline. Likewise no significant relationship was observed among consumers' selection of a Gulf and a foreign carrier and factors considered important in choosing an airline.

When examining the effects of demographics on factors considered important in choosing an airline, it was found that the demographics of gender, marital status and income were found to be significantly associated with accessibility, performance, and assurance factors respectively. Males paid significantly more attention to the accessibility factor than females did. Performance was more highly evaluated by single consumers than those who were married. With regard to income, it was noticed that the lower the income the higher the importance ratings of assurance factor.

8.2 Research Contribution

Since the combination of disciplines and cross examination of methods stimulates new knowledge and results in fusion and new syntheses, several contributions to the existent knowledge are made in this research. These contributions are as follows:

1. This study has added revelations about the understanding of the consumers' perceptions

and selections of domestic and foreign services by investigating this phenomenon in an environment (Qatar) which has never been investigated before. Although as mentioned earlier, a comprehensive review of existing literature indicated that most of the studies to date have focused primarily on country of origin effects on product evaluation and nationality differences in the consumption of a product in more developed countries (Al-Sulaiti and Baker 1997; Baker and Currie 1993; Bilkey and Nes 1982; Ozsomer and Cavusgil 1991; Yaprak and Baughn 1991), to date there are few studies which have investigated the impact of country of origin effects on the consumption and evaluation of services (Bruning 1997, 1994; Kaynak et al. 1994, 1993, 1992; Harrison-Walker 1995; Shaffer and O'Hara 1995). These studies examined consumers' perceptions towards services mainly in Western environments. As a result, many marketing writers have stressed the need for specific investigation of this area in different countries. As far as the researcher can ascertain, this is the first field survey directly investigating the consumers' perceptions of airlines in the Gulf market. Therefore, this study contributes to the literature by studying the consumer behaviour of airlines in a non-western context. It is hoped that this research will develop the theory and extend it beyond the Western environments.

2. This research is the first to combine three different categories of airlines (Gulf, Arab non-Gulf and foreign) from different locations of the world. The diversification of the origin of airlines employed in this study in relation to their economic development, culture, political system and geographic location gave more depth to the investigation and contributed to the addition of a new dimension to existing literature. As a result, this allowed the researcher to come up with more comprehensive conclusions in this field.

3. This research is among the few studies conducted in the Gulf region which contributed to involve female participation. According to Keegan (1984) and Almehdi (1996) "it is not an easy task to secure female co-operation in responding to a survey study in the Middle East." Al-Hammad (1988)and Yavas et al. (1985,

1986, 1988) in their studies of Saudi Arabian and Bahraini consumers, reported that due to religious principles, social customs and cultural difficulties, women were excluded from the sample. Their findings were based on the male responses only. Therefore, female involvement was a real achievement to this research.

4. Findings from the consumers' profiles have offered new understanding into airline perceptions. The knowledge gained about the differences among people in their demographic sphere can facilitate development of more appropriate marketing programmes for the different segments.

8.3 Limitations of the Research

Despite the importance of the research findings of the present study, the study has some limitations. The following discussion addresses the limitations of this research:

8.3.1. Time and Financial Limitations

1. A quantitative technique was used in this research. As such the richness of information that could have been obtained from some qualitative methods of data collection was

lost.

2. It was also observed that because of the financial and time limitations, the sample was drawn from only Qatari consumers. If other states of the Gulf (Bahrain, UAE, Oman, Saudi Arabia, Kuwait) had been included, the information gathered would have been more comprehensive, and hence more elaborate analysis could have been carried out.

8.3.2 Research Questionnaire Limitations

1. Due to the lack of knowledge of country of origin effects in Middle Eastern countries and particularly in Qatar, the questions asked in the questionnaire were based heavily on western literature and research which has been conducted in the West. As such, some of the questions asked may not have been valid.

2. As a result of the alphabetical ordering of the airline names in questions 3,4 and 5, a "halo-effect" may have crept into the responses, possibly favouring Emirates airlines from the Gulf category, Egypt Air from the Arab category and British Airways from the foreign category.

3. Another important limitation was apparently related to the length of the questionnaire. A

number of respondents pointed out that the questionnaire was too lengthy. Due to the descriptive nature of the study, the length of the questionnaire was required to capture a wide range of aspects of the consumers perceptions. This limitation can be reduced to a greater extent through the improvement of the research questionnaire by future researchers.

8.3.3 Statistical and Research Design Limitations

1. A comparison of mean statistics (using independent sample T-test, paired sample T-test and one way Anova) and Correlation analysis (using a Spearman rank correlation coefficient) were used to establish the association/difference between groups. As such only the association/difference and not causality was established. Therefore, it was difficult to identify causal relationships due to the type of research design employed in this research. Nevertheless, important differences and relationships were obtained which provided a useful insight into the country of origin effects on services.
2. A large proportion of "Don't Know" responses were expressed on the perception of

prices of the services and may have significantly affected the results achieved.

8.3.4 Generalisation Limitations

1. An inspection of the demographic variables presented earlier indicate that the respondents' data may not be representative of the population as a whole. Therefore, generalisations should not be made beyond the teaching population.
2. Generalisation beyond the airline service industry is tenuous. For example, in a service industry such as an airline, consumers experience high power and low commitment. They expect to have short-term relationships with the airline cabin service, whereas in other services such as university education services, consumers experience low power and high commitment. They perceive the provider's power as high in relation to their own (Goodwin 1986). In other words, high involvement services such as airline, health care or financial services have different service quality definitions than low involvement services such as fast food or dry cleaning. (Cronin and Taylor, 1997).

Therefore, managers and researchers must be very careful when making cross-sectional comparisons between different types of service industries.

Taking account of these limitations, some other areas of further research can be recommended.

8.4 Implications for Further Research

The study has focused on investigating consumers' perceptions and selections of airlines in Qatar. There are however, many areas still requiring further exploration and empirical support. The following areas are suggested for further investigation:

1. Future research is needed to validate this study. This is assumed to be the first comprehensive study of the consumers' perceptions of airlines and airline selection in Qatar. As the globalisation of the airline industry grows, the airline executive will pay more attention to the perceptions of consumers who live in other countries. Thus, results of this study need to be replicated with larger samples and in different markets in order to establish the validity of the findings.

2. The teachers sample of this study represented a limited segment of airline consumers which may not be representative of the country as a whole. Future research is needed to validate this study on a national level. Moreover, since the business travellers segment is a very important market segment for airlines because "most airline revenue comes from this segment" (Kaynak et al., 1994), attempts should be made to investigate the decision-making process of companies in terms of their choice of airline for their employees.

3. Due to the type of research design used in this study, most of the statistical techniques used were to establish differences and relationships between consumers with regard to their perceptions of the Gulf and non-Gulf airline services. Further research is needed to explain the causes of these differences and relationships.

4. The use of qualitative methods of data collection such as personal interviews would provide richer information to further enhance the understanding of airline perceptions in Qatar.

5. The investigation of consumers perceptions' could also extend to other services provided by domestic and foreign corporations such as insurance, hotels, financial services, health care, fast food and telephone services.

8.5 References

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APPENDIX A

QUESTIONNAIRE (ARABIC)

بسم الله الرحمن الرحيم

سعادة وكيل وزارة التربية والتعليم

الدوحة

السلام عليكم ورحمة الله وبركاته

أود إحاطة سعادتكم إني طالب دكتوراه في جامعة ستراثكلايد ببريطانيا، حيث إني أقوم بعمل بحث عن انطباعات المستهلك تجاه خطوط الطيران حيث إن عينة البحث التي سوف أقوم بأجراء الدراسة عليها هم مدرسي وزارة التربية والتعليم (ذكور + إناث).

فالرجاء من سعادتكم التكرم بإعطائي الموافقة على توزيع الاستبيان المرفق على مدرسي الوزارة وذلك للوقوف على آرائهم في موضوع البحث.

شاكرين لكم تعاونكم ودعمكم المستمر لخدمة أبنائكم الطلبة.

وتفضلوا بقبول فائق الاحترام والتقدير

خالد إبراهيم محمد السليطي

المدرس الفاضل – المدرسة الفاضلة

السلام عليكم ورحمة الله وبركاته

أنا طالب دكتوراه في جامعة ستراثكلايد ببريطانيا ابحث في انطباعات المستهلك تجاه خطوط الطيران. أرجو من سيادتكم التكرم مشكورين بالإجابة عن أسئلة الاستبيان المرفق والذي تم الموافقة على توزيعه من قبل سعادة وكيل وزارة التربية والتعليم بالنيابة. الرجاء منكم التكرم بالإجابة على الأسئلة بأتباع الإرشادات الموضحة قرين كل سؤال.

علما" بأن إجابتك ستكون موضع الأمانة والسرية التامة ولا تستخدم إلا لغرض البحث العلمي فقط. فالمرجو من سيادتكم التعاون في الإجابة على جميع الأسئلة بكل موضوعيه و صدق.

شاكرين لكم حسن تعاونكم

الباحث

خالد إبراهيم السليطي

١- كم مرة سافرت إلى الخارج في خلال السنة الماضية ؟ ________ مرة / مرات .

٢- أي خطوط الطيران استخدمتها خلال السنة الماضية ؟ اذكرها

____

____

____

٣- إذا خيرت للسفر على ثلاثة خطوط من خطوط الطيران الخليجية التالية فماذا يكون اختيارك ؟ (الرجاء اختيار ثلاثة خطوط فقط ورتبهم حسب الأفضلية)

الإماراتية	____ (١)
طيران الخليج	____ (٢)
الكويتية	____ (٣)
العمانية	____ (٤)
القطرية	____ (٥)
السعودية	____ (٦)

٤- إذا خيرت للسفر على ثلاثة خطوط من خطوط الطيرن العربية غير الخليجية التالية فماذا يكون ختيارك ؟ (لرحاء ختيار ثلاثة خطوط فقط ورتبهم حسب الأفضلية)

المصرية	____ (٧)
طيران الشرق الأوسط (لبنانية)	____ (٨)
الأردنية	____ (٩)
السودانية	____ (١٠)
السورية	____ (١١)
اليمنية	____ (١٢)

٥- إذا خيرت للسفر على ثلاثة خطوط من خطوط الطيرن لأجنبية التالية فماذا يكون اختيارك ؟ (الرجاء اختيار ثلاثة خطوط فقط ورتبهم حسب الأفضلية)

الروسية (ايروفلت)	____ (١٣)	كاثى بسفك	____ (٢١)	الماليزية	____ (٢٩)
الصينية	____ (١٤)	القبرصية	____ (٢٢)	الباكستانية	____ (٣٠)
الفرنسية	____ (١٥)	الطيران الهندي	____ (٢٣)	لفلبينية	____ (٣١)
الإيطالية	____ (١٦)	الطيران لإيرنى	____ (٢٤)	بروناي لملكية	____ (٣٢)
السيريلانكية	____ (١٧)	اليابانية	____ (٢٥)	السنغافورية	____ (٣٣)
النمساوية	____ (١٨)	ك ل م (الهولندية)	____ (٢٦)	السويسرية	____ (٣٤)
البنغلادشية	____ (١٩)	الكورية	____ (٢٧)	التركية	____ (٣٥)
البريطانية	____ (٢٠)	لفتهانزا (الألمانية)	____ (٢٨)		

٦- هل استخدمت خطوط الطيران التالية من قبل ؟ **(ضع علامة (√) في المكان المناسب)**

٦-١ خطوط خليجية .	نعم	________(١)	لا	________(٢)
٦-٢ خطوط عربية غير خليجية .	نعم	________(١)	لا	________(٢)
٦-٣ خطوط أجنبية .	نعم	________(١)	لا	________(٢)

٧- إذا خيرت للسفر على إحدى خطوط الطيران التالية والمتجهة إلى نفس الجهة . أي الخطوط تفضل السفر عليها ؟ **ضع علامة (√)في المكان المناسب**

- خطوط خليجية ________(١)
- خطوط عربية غير خليجية ________(٢)
- خطوط أجنبية ________(٣)

٨-رجاء إيضاح درجة موافقتك للعبارات التالية والمتعلقة **بشركات الطيران الخليجية** بصفة عامه. ضع علامة (√) في الكان المناسب ؟

العبارات	٥ موافق بقوة	٤ موافق	٣ غير متأكد	٢ غير موافق	١ غير موافق بقوة
٨-١ شركات الطيران الخليجية تنجز الخدمة بصورة صحيحة من أول مرة					
٨-٢ شركات الطيران الخليجية تنجز الخدمة في الوقت المحدد					
٨-٣ تتصل بالعميل في حالة وجود أي تغير في الرحلة					
٨-٤ تقدم خدمة أسرع من الشركات العربية والأجنبية					
٨-٥ مقدمو الخدمة في شركات الطيران الخليجية على دراية ومهارة بأعمالهم					
٨-٦ يسهل الحصول على خدماتهم هاتفيا					
٨-٧ الانتظار مدة قصيرة للحصول على الخدمة					
٨-٨ تتمتع شركات الطيران الخليجية بجدول رحلات ملائم					
٨-٩ مقدمو الخدمة في شركات الطيران الخليجية على أدب و حسن خلق					
٨-١٠ شركات الطيران الخليجية تحيط العميل بتفاصيل الخدمة					
٨-١١ تضمن حل أي مشكلة تحدث للمسافر					
٨-١٢ تتمتع شركات الطيران الخليجية بسمعة ممتازة					
٨-١٣ تتمتع بسجل ممتاز من حيث السلامة و الأمان					
٨-١٤ تعطي اهتماما" شخصيا" للمسافر					
٨-١٥ تهتم بالمسافر الكثير السفر					
٨-١٦ مقدمو الخدمة في شركات الطيران الخليجية على نظافة وأناقة					
٨-١٧ خدمة الحجوزات ممتازة					
٨-١٨ شركات الطيران الخليجية تصل وتغادر في المواعيد المحددة					
٨-١٩ تهتم بالأمتعة					
٨-٢٠ تهتم بجودة الطعام					
٨-٢١ مريحة في الجلوس					
٨-٢٢ تسهل خدمات الوزن والصعود للطائرة					
٨-٢٣ خدماتها على الطائرة ممتازة					
٨-٢٤ تهتم بالأمور الترفيهية على متن الطائرة					
٨-٢٥ تعتني بالأطفال					
٨-٢٦ تتمتع بالسهولة في الانتقال من رحلة إلى أخرى					
٨-٢٧ تقدم مزايا عينية للمسافر الدائم (مثل الهدايا والتخفيض في الأسعار)					
٨-٢٨ رحلاتها كثيرة					
٨-٢٩ تستخدم اقصر الطرق وبدون توقف					
٨-٣٠ عناصر أخرى (اذكرها) ________					

٩- رجاء إيضاح درجة موافقتك أو عدم موافقتك للعبارات التالية والمتعلقة **بشركات الطيران العربية غير خليجية** بصفة عامه. ضع علامة (√) في المكان المناسب ؟

العبارات	٥ موافق بقوة	٤ موافق	٣ غير متأكد	٢ غير موافق	١ غير موافق بقوة
٩-١ تنجز الخدمة بصورة صحيحة من أول مرة					
٩-٢ تنجز الخدمة في الوقت المحدد					
٩-٣ تتصل بالعميل في حالة وجود أي تغير في الرحلة					
٩-٤ تقدم خدمة سريعة					
٩-٥ مقدمو الخدمة في الخطوط العربية على دراية ومهارة بأعمالهم					
٩-٦ يسهل الحصول على خدماتهم بالتليفون					
٩-٧ الانتظار لمدة قصيرة للحصول على الخدمة					
٩-٨ تتمتع الخطوط العربية بجدول رحلات ملائم					
٩-٩ مقدمو الخدمة في الخطوط العربية على أدب و حسن خلق					
٩-١٠ تحيط العميل بتفاصيل الخدمة					
٩-١١ تضمن حل أي مشكلة تحدث للمسافر					
٩-١٢ تتمتع الخطوط العربية بسمعة ممتازة					
٩-١٣ تتمتع بسجل ممتاز من حيث السلامة و الأمان					
٩-١٤ تعطي اهتماما" شخصيا" للمسافر					
٩-١٥ تهتم بالمسافر الكثير السفر					
٩-١٦ مقدمو الخدمة على نظافة وأناقة					
٩-١٧ خدمة الحجوزات ممتازة					
٩-١٨ تصل وتغادر في المواعيد المحددة					
٩-١٩ تهتم بالأمتعة					
٩-٢٠ تهتم بجودة الطعام					
٩-٢١ مريحة في الجلوس					
٩-٢٢ تسهل خدمات الوزن والصعود للطائرة					
٩-٢٣ الخدمات على الطائرة ممتازة					
٩-٢٤ تهتم بالأمور الترفيهية على متن الطائرة					
٩-٢٥ تعتني بالأطفال					
٩-٢٦ سهلة في الانتقال من رحلة إلى أخرى					
٩-٢٧ تقدم مزايا عينية للمسافر الدائم (مثل الهدايا والتخفيض في الأسعار)					
٩-٢٨ رحلاتها كثيرة					
٩-٢٩ تستخدم اقصر الطرق وبدون توقف					
٩-٣٠ عناصر أخرى (اذكرها) ____ ____ ____					

١٠- رجاء إيضاح درجة موافقتك أو عدم موافقتك للعبارات التالية والمتعلقة **بشركات الطيران الأجنبية** بصفة عامه. **ضع علامة (√) في الكان المناسب ؟**

العبارات	٥ موافق بقوة	٤ موافق	٣ غير متأكد	٢ غير موافق	١ غير موفق بقوة
١٠-١ تنجز الخدمة بصورة صحيحة من أول مرة					
١٠-٢ تنجز الخدمة في الوقت المحدد					
١٠-٣ تتصل بالعميل في حالة وجود أي تغير في الرحلة					
١٠-٤ الخطوط الأجنبية تقدم خدمة سريعة					
١٠-٥ مقدمو الخدمة في الخطوط الأجنبية على دراية ومهارة بأعمالهم					
١٠-٦ سهولة الحصول على الخدمة بالتليفون					
١٠-٧ الانتظار لمدة قصيرة للحصول على الخدمة					
١٠-٨ تتمتع الخطوط الأجنبية بجدول رحلات ملائم					
١٠-٩ مقدمو الخدمة في الخطوط الأجنبية على أدب و حسن خلق					
١٠-١٠ تحيط العميل بتفاصيل الخدمة					
١٠-١١ توفر موظفين يتكلمون العربية					
١٠-١٢ تضمن حل أي مشكلة تحدث للمسافر					
١٠-١٣ تتمتع الخطوط الأجنبية بسمعة ممتازة					
١٠-١٤ تتمتع بسجل ممتاز من حيث السلامة و لأمان					
١٠-١٥ تعطي اهتماما" شخصيا" للمسافر					
١٠-١٦ تهتم بالمسافر الكثير السفر					
١٠-١٧ مقدمو الخدمة على نظافة وأناقة					
١٠-١٨ خدمة الحجوزات ممتازة					
١٠-١٩ تصل وتغادر في المواعيد محددة					
١٠-٢٠ تهتم بالأمتعة					
١٠-٢١ تهتم بجودة لطعام					
١٠ ٢٢ مريحة في جلوس					
١٠-٢٣ تسهل خدمات الوزن والصعود للطائرة					
١٠-٢٤ الخدمات على الطائرة ممتازة					
١٠-٢٥ تهتم بالأمور الترفيهية على متن الطائرة					
١٠-٢٦ تعتنى بالأطفال					
١٠-٢٧ سهلة في الانتقال من رحلة إلى أخرى					
١٠-٢٨ تقدم مزايا عينية للمسافر الدائم (مثل لهدايا و لتخفيض في الأسعار)					
١٠-٢٩ رحلاتها كثيرة					
١٠-٣٠ تستخدم اقصر الطرق وبدون توقف					
١٠-٣١ عناصر أخرى (ذكرها) ______ ______					

١١- الرجاء إيضاح درجة أهمية كلاً من العبارات التالية عند اختيارك لخطوط الطيران ؟ضع علامة (√) في المكان المناسب؟

العبارات	٥ كثير الاهميه	٤ هام	٣ متوسط الاهميه	٢ قليل الاهميه	١ عديم الاهميه
١١-١ إنجاز الخدمة بصورة صحيحة من أول مرة					
١١-٢ إنجاز الخدمة في الوقت المحدد					
١١-٣ الاتصال بالعميل في حالة وجود أي تغير في الرحلة					
١١-٤ تقديم خدمة سريعة					
١١-٥ دراية ومهارة مقدمي الخدمة					
١١-٦ سهولة الحصول على الخدمة بالتليفون					
١١-٧ الانتظار لمدة قصيرة للحصول على الخدمة					
١١-٨ تتمتع الشركة بجدول رحلات ملائم					
١١-٩ أدب و حسن خلق مقدمي الخدمة					
١١-١٠ إحاطة العميل بتفاصيل الخدمة					
١١-١١ إحاطة العميل بتكلفة الخدمة					
١١-١٢ ضمان حل أي مشكلة تحدث للمسافر					
١١-١٣ سمعة شركة الطيران					
١١-١٤ تمتع الشركة بسجل ممتاز من حيث السلامة و الأمان					
١١-١٥ إعطاء اهتمام شخصي للمسافر					
١١-١٦ الاهتمام بالمسافر الدائم					
١١-١٧ نظافة وأناقة مقدمي الخدمة					
١١-١٨ خدمة الحجوزات					
١١-١٩ الوصول والمغادرة في المواعيد المحددة					
١١-٢٠ الاهتمام بالأمتعة					
١١-٢١ جودة الطعام					
١١-٢٢ تقديم أطعمة حلال					
١١-٢٣ عدم تقديم الخمور					
١١-٢٤ الراحة في الجلوس					
١١-٢٥ خدمات الوزن والصعود للطائرة					
١١-٢٦ الخدمات على الطائرة					
١١-٢٧ الاهتمام بالأمور الترفيهية على متن لطائرة					
١١-٢٨ العناية بالأطفال					
١١-٢٩ سهولة الانتقال من رحلة إلى أخرى					
١١-٣٠ تقديم مزايا عينية للمسافر الدائم (مثل الهدايا ....)					
١١-٣١ أن تكون رحلاتها كثيرة					
١١-٣٢ استخدام اقصر الطرق وبدون توقف					
١١-٣٣ عناصر أخرى (اذكرها) ____ ____					

السؤالين التاليين مرتبطين بتقييمك لأسعار خطوط الطيران مقارناً بما تحصل عليه من خدمات .

١٢- رجاء تحديد درجة أهمية عنصر السعر لشركات الطيران التالية ؟ **(ضع علامة (√) في المكان المناسب).**

شركات الطيران	سعر غال جدا	سعر مرتفع	سعر مقبول	سعر منخفض	سعر رخيص جدا	لا أدري
١٢-١ الشركات الخليجية						
١٢-٢ الشركات العربية غير الخليجية						
١٢-٣ الشركات الأجنبية						

١٣- بالنسبة لسعر التذاكر لشركات الطيران التالية ما هو مستوى لخدمة التي يحصل عليها المسافر في المقابل **(ضع علامة (√) في المكان المناسب).**

شركات الطيران	مستوى جودة عال ومميز (٦)	مستوى جودة مرتفع (٥)	مستوى جودة مقبول (٤)	مستوى جودة منخفض (٣)	مستوى جودة هابط جد (٢)	لا أدري (١)
١٣-١ الشركات الخليجية						
١٣-٢ الشركات العربية غير الخليجية						
١٣-٣ الشركات الأجنبية						

١٤- الرجاء إيضاح درجة موافقتك أو عدم موفقتك للعبار ت التالية بوضع علامة (√) في الكان المناسب ؟

العبارات	٥ موفق بقوة	٤ موفق	٣ غير متأكد	٢ غير موفق	١ غير موفق بقوة
١٤-١ أنا مع وطني على الخطأ والصواب					
١٤-٢ اعتقد أن الشعب القطري هو افضل شعب في العالم					
١٤-٣ الشعب القطري هو اكثر شعب غرورا"					
١٤-٤ اكن احتراما" كبيرا" للشعب القطري					
١٤-٥ اعتقد أن الشعب القطري هو أسوأ شعب في العالم					
١٤-٦ اعتقد أن الشعب القطري هو اعظم شعب في العالم					
١٤-٧ كوني قطري فهذا لا يشعرني بالفخر					

١٥- إذا كان باستطاعتك تطوير شيء واحد في الخطوط الثلاثة، فماذا يكون هذا التطوير ؟

أ – طيران خليجي ______________________________

ب – طيران عربي غير خليجي ______________________________

جـ – طيران أجنبي ______________________________

١٦- على أي درجة عادة تسافر (الرجاء اختيار إحدى الدرجات الآتية) ؟

(١٦-١) درجة أولى ____ (١٦-٢) درجة رجال الأعمال ____ (١٦-٣) درجة سياحية ____

(١٦-٤) أخرى (حدد) ______

١٧- كيف تشتري تذاكر سفرك الدولية ؟ (ضع علامة (√) في المكان المناسب).

(١٧-١) وكيل سفريات ____ (١٧-٢) مكتب شركة الطيران ____

(١٧-٣) أخرى (حدد) __________

١٨- من يقوم عادة بحجز تذاكرك الدولية ؟ (ضع علامة (√) في المكان المناسب).

(١٨-١) شخصيا ___ (١٨-٢) شخص آخر في العمل ___ (١٨-٣) الزوج / الزوجة ___

(١٨-٤) الأقارب أو الأصدقاء ___ (١٨-٥) آخرين (حدد) ________________

١٩- ما هو الغرض الأساسي لسفرك إلى الخارج ؟ (ضع علامة (√) في المكان المناسب).

(١٩-١) تجارة ___ (١٩-٢) زيارة الأهل ___ (١٩-٣) استجمام وإجازة ___ (٤ ١٩) للعلاج ___

(١٩-٥) للدراسة ___ (١٩-٦) لانتقال للعيش في مكان آخر ___ (١٩-٧) أخرى ______________

٢٠- كيف تدفع قيمة تذاكر السفر ؟ (ضع علامة (√) في المكان المناسب).

(٢٠-١) نقداً ___ (٢٠-٢) شيكاً ___ (٢٠-٣) بطاقة ائتمان ___

٢١- الرجاء تحديد مصدر الأموال التي تدفع منها معظم رحلاتك للخارج ؟ (ضع علامة (√) في المكان المناسب).

(٢١-١) أموال رب العمل ___ (٢١-٢) أموالي شخصياً ___ (٣ ٢١) آخرين (حدد) ___

٢٢- هل تســافر :

(٢٢-١) بمفردك ___ (٢٢-٢) مع الزملاء ___ (٣ ٢٢) مع زوجك زوجتك ___

(٢٢-٤) مع العائلة ___ (٢٢-٥) آخرين (حدد) ______________

٢٣- هل أنت :

ذكر ___ (١) أنثى ___ (٢)

٢٤- ما هي حالتك الاجتماعية: (ضع علامة (√) في المكان المناسب).

(٢٤-١) أعزب ___ (٢٤-٢) متزوج ___

٢٥- كم عدد أبنائك ________

٢٦- الرجاء تحديد الفئة التي تناسب راتبك الشهري . (ضع علامة (√) في المكان المناسب).

- أقل من ٦٠٠٠ ريال قطري ___ (١) - من ٦٠٠٠ إلى ٨٠٠٠ ___ (٢)

- من ٨٠٠١ إلى ١٠٠٠٠ ___ (٣) - أعلى من ١٦٠٠٠ ___ (٤)

٢٧- المؤهل العلمي: (ضع علامة (√) في المكان المناسب).

- أقل من الثانوية العامة ___ (١) - ثانويـة عامـة ___ (٢) - بكـالوريوس ___ (٣) - ماجستير ___ (٤)

دكتوراه ___ (٥)

_ أخرى (حدد) __________ (٦)

٢٨- الرجاء تحديد الفئة التي تناسب عمرك. **(ضع علامة (√) في المكان المناسب).**

٢٠-٢٩ سنة ــــ (١) ٣٠-٣٩ سنة ــــ (٢) ٤٠-٤٩ سنة ــــ (٣) ٥٠-٥٩ سنة ــــ (٤) ٦٠ سنة فأكبر ــــ (٥)

APPENDIX B

QUESTIONNAIRE (ENGLISH)

Dear Sir/Madam

I am a doctoral student at Strathclyde University studying consumers' perceptions of airline service levels. I would be most grateful if you could help me by completing the attached questionnaire which has been approved by the under-secretary of the Ministry of Education.

You should complete the questionnaire following the instructions given expressing freely your own views. There are no right or wrong answers and all the information given will be treated in the strictest confidence.

Many thanks for your help

yours,

Khalid Ibrahim Al-Sulaiti

1. How many times did you fly overseas during the last twelve months? _______ times

2. Which carriers have you used during the last 12 months (write in all used).

____

____

3. If you were given the option of selecting top three airlines out of the following **Gulf airlines** serving the same destinations, which airlines would you choose most for your international travel in order of preference?

Emirates	_____
Gulf Air	_____
Kuwait	_____
Oman Air	_____
Qatar	_____
Saudia	_____

4. If you were given the option of selecting top three airlines out of the following **Arab non-Gulf** airlines serving the same destinations, which airlines would you choose most for your international travel in order of preference?

Alyemda	_____
Egypt Air	_____
MEA (Lebanon)	_____
Royal Jordanian	_____
Sudan Airlines	_____
Syrian Airlines	_____
Yemenia	_____

5. If you were given the option of selecting top three airlines out of the following **foreign airlines** serving the same destinations, which airlines would you choose most for your international travel in order of preference?

Aeroflot Russian Int'l Airlines	___	Cathay Pacific	___	Malaysian Airline System	___
Air China	___	Cyprus Airways	___	Pakistan Int'l Airlines (PIA)	___
Air France	___	Indian Airlines	___	Philippine Airlines	___
Alitalia	___	Iran Air	___	Royal Brunei Airlines	___
AirLanka	___	Japan Airlines	___	Singapore Airlines	___
Austrian Airlines	___	KLM	___	Swissair	___
Biman	___	Korean Airlines	___	Turkish Airlines	___
British Airways	___	Lufthansa	___		

6. Have you ever used any of the airlines defined above?

Gulf carrier	Yes ____	No ____
Arab non-Gulf carrier	Yes ____	No ____
Foreign carrier	Yes ____	No ____

7. If you were given the option of selecting one airline out of the following airlines serving the same destinations, which one would you prefer most for your international travel?

Gulf carriers	___
Arab non-Gulf carriers	___
Foreign carriers	___

8. Please indicate your degree of agreement or disagreement with the following statements that are related to your evaluation of **GULF CARRIERS** in general by ticking (√) on appropriate space?

Statements	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Gulf carriers perform the service right the first time.					
Perform service at designated time.					
Call customer back quickly in case of any changes.					
Give prompt service					
Have knowledgeable and skilled contact personnel					
Service is easily accessible by telephone.					
Waiting time to receive service is not extensive.					
Have convenient schedule.					
Have polite and friendly cabin staff					
Explain the service itself.					
Assure customer that a problem will be handled.					
Have a good airline reputation.					
Have excellent safety records					
Provide individualised attention.					
Recognise the regular customer.					
Have clean and neat cabin staff					
Have good reservation services					
On-time performance/ arrive & depart as on schedule					
Handle the baggage carefully					
Serve tasty food					
Have comfortable Seats					
Have efficient check-in procedure					
Have excellent In-flight services					
Have excellent entertainment program					
Provide special attention for children					
Have Convenient flight connections					
Have good frequent flyer programs					
Have frequent flights					
Use the quickest route & direct flights					
Others (please specify)					

9. Please indicate your degree of agreement or disagreement with the following statements that are related to your evaluation of **ARAB NON-GULF CARRIERS** in general by ticking (√) on appropriate space?

Statements	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Arab Non-Gulf carriers perform the service right the first time.					
Perform service at designated time.					
Call customer back quickly in case of any changes.					
Give prompt service					
Have knowledgeable and skilled contact personnel					
Service is easily accessible by telephone.					
Waiting time to receive service is not extensive.					
Have convenient schedule.					
Have polite and friendly cabin staff					
Explain the service itself.					
Assure customer that a problem will be handled.					
Have a good airline reputation.					
Have excellent safety records					
Provide individualised attention.					
Recognise the regular customer.					
Have clean and neat cabin staff					
Have good reservation services					
On-time performance/ arrive & depart as on schedule					
Handle the baggage carefully					
Serve tasty food					
Have comfortable Seats					
Have efficient check-in procedure					
Have excellent In-flight services					
Have excellent entertainment program					
Provide special attention for children					
Have Convenient flight connections					
Have good frequent flyer programs					
Have frequent flights					
Use the quickest route & direct flights					
Others (please specify) ____________________					

10. Please indicate your degree of agreement or disagreement with the following statements that are related to your evaluation of **FOREIGN CARRIERS** in general by ticking (√) on appropriate space?

Statements	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
Foreign carriers perform the service right the first time.					
Perform service at designated time.					
Call customer back quickly in case of any changes.					
Give prompt service					
Have knowledgeable and skilled contact personnel					
Service is easily accessible by telephone.					
Waiting time to receive service is not extensive.					
Have convenient schedule.					
Have polite and friendly cabin staff					
Explain the service itself.					
Have staff that speak English					
Assure customer that a problem will be handled.					
Have a good airline reputation.					
Have excellent safety records					
Provide individualised attention.					
Recognise the regular customer.					
Have clean and neat cabin staff					
Have good reservation services					
On-time performance/ arrive & depart as on schedule					
Handle the baggage carefully					
Serve tasty food					
Have comfortable Seats					
Have efficient check-in procedure					
Have excellent In-flight services					
Have excellent entertainment program					
Provide special attention for children					
Have Convenient flight connections					
Have good frequent flyer programs					
Have frequent flights					
Use the quickest route & direct flights					
Others (please specify) ______________________					

11. Please indicate how important are each of the following quality attributes and factors to you when selecting an airline?

Variables	Very important	Fairly important	Of average important	Of minor important	Not important
Service is performed right the first time.					
Performing service at designated time.					
Calling customer back quickly in case of any changes.					
Giving prompt service					
Knowledge and skill of the contact personnel.					
Service is easily accessible by telephone.					
Waiting time to receive service is not extensive.					
Convenient schedule.					
Politeness and friendliness of the contact personnel.					
Explaining the service itself.					
Explaining how much the service will cost.					
Assuring customer that a problem will be handled.					
Airline reputation.					
Physical safety.					
Providing individualised attention.					
Recognising the regular customer.					
Clean and Neat Personnel.					
Reservation service					
On-time performance/ arrivals & departures as on schedule					
Baggage handling					
Food Quality					
Halal food					
No alcohol served					
Seating comfort					
Check-in services					
In-flight services					
Entertainment programs					
Special attention for children					
Convenient flight connections					
Frequent flyer membership program					
Frequency of flights					
Quickest rout Direct flights					
Others (please specify)					

The following two questions are related to your evaluation of the prices of the three types of the airlines.

12. Please indicate the level of the "price in general" of each of the following carriers?

Carriers	Very high price	High price	Fair price	Low price	Very low price	Don't know
Gulf carriers						
Arab non-Gulf carriers						
Foreign carriers						

13. Please indicate the level of the service "quality in general" for each of the following carriers in relation to the price (Value for money)?

Carriers	Very High quality	High quality	Fair quality	Low quality	Very low quality	Don't know
Gulf carriers						
Arab non-Gulf carriers						
Foreign carriers						

14. This question is related to your patriotic feelings. Please indicate your degree of agreement or disagreement with the following statements by ticking (√) on appropriate space.

Statement	5 Strongly agree	4 Agree	3 Neither agree nor disagree	2 Disagree	1 Strongly disagree
I am for my country, right or wrong					
I think the Qatari people are the finest in the world					
Qataries are the most conceited people in the world					
I have great respect for Qatari people					
Qataries are the worst nation in the world					
Qataries are the greatest nation in the world					
I don't feel any special pride in being identified with Qatar					

15. If you could improve just one thing about each category of carriers, what would it be?

a. (Gulf carriers) ____________________

b. (Arab none-Gulf carriers) ____________________

c. (Foreign carriers) ____________________

16. Under what kind of fare plan do you normally travel? (Please select one of the following).

First class ___ Business class ___

Economy class ___ Other (specify) ____________

17. How do you purchase your international travel ticket?

Travel agent ___ Local airline office ___

Other (specify) ____________

18. Who generally makes reservations for your overseas travel?

Myself ___ Someone else in company ___ Husband (wife) ___

Relatives or friends ___

Others (pleases specify) ______________________________

19. What was the main purpose of your travels overseas?

Business ___ Visiting family ___ Pleasure or vacation ___

For treatment ___ Education ___ Moving to new location ___

Others (pleases specify) ______________________________

20. How do you pay for your flight ticket?

Cash ___ Cheque ___ Credit card ___

21. Please indicate the source of funds for most of your international flights?

Employer fund ___ Personal fund ___ Other (specify) __________

22. Do you travel:

Alone ___ With colleague ___ With spouse ___

With Family ___ Other (specify) ______________

23. What is your sex? Male ____ female ____

24. What is your marital status?

Single ______ Married ________

25. Do you have children Yes ___ No ___

26. Please indicate the classification which approximates your monthly income best?

Less than Q.R.6,000 * ___

Q.R.6,000 to Q.R.8,000 ___

Q.R.8,000 to Q.R.10,000 ___

Over Q.R. 10,000 ___

* 1 pond = Q.R.6.00

27. Please indicate your level of education?

High school or 2Yrs Diploma ___

B.Sc. ___

Higher Diploma or M.Sc. ___

Ph.D. ___

Other (specify) ____________

28. Which of these age bands do you fall into?

20 Years to 29 Years ___

30 Years to 39 Years ___

40 Years to 49 Years ___

50 Years to 59 Years ___

Over 59 Years ___

APPENDIX C

COUNTRY OF ORIGIN: LITERATURE REVIEW

APPENDIX: STUDIES DEALING WITH COUNTRY OF ORIGIN EFFECTS ON PRODUCT\SERVICE EVALUATION[1]

Reference		Purpose	Product/Service	Country		Respondent			Data Col.	Findings
Year	Author			Source	Consumer	Type	NO.	Rate		
(1965)	Schooler	To investigate the consumers' bias based on product origin in the Central American Common Market (CACM).	Juice + fabric sample	Central American countries	Guatemala	Students	200	NA	E	Results supported the hypothesis that attitude towards the people of a nation is related to preconception regarding the products of that country.
(1966)	Reierson	To determine the attitude of US consumers toward foreign products.	General + product class + specific	US, Germany, Japan, Canada, Italy, UK, Sweden, Belgium, Denmark	US	Students	155	NA	S	Stereotyping of foreign product was present among the US students.
(1967)	Reierson	To investigate the various forms of communication media that might influence the foreign product image of the US consumers.	Film presentation magazine ads, brochures, outstanding publications	Italy and Japan	US	Students	250	NA	E	All the Italian experimental results except the film presentation were significant at the .05 level. For Japanese products, only the cumulative impact experiment was significant at the .01 level.
(1968)	Schooler & Wildt	To measure the elasticity of product bias.	2 pieces of identical glassware	US and Japan	US	Students	236	NA	E	American consumers were biased against Japanese products because of their national origin.
(1969)	Schooler & Sunoo	To research the consumer's perception of international products (regional vs. national labelling).	Cloth sample & simple goblet	Asia, Africa, South America, & Western Europe	US	Students	320	NA	E	No evidence of bias against manufactured products which were labelled regionally.
(1970)	Nagashima	To measure the cross-cultural image of "made in" products as produced by US & Japanese businesses.	General + six product classes	US, Japan, Germany, England, France, Italy, Switzerland, & Canada	US and Japan	Business-men	330	NA	S	The "made in" stereotype differed among Japanese and American businessmen. "Made in" image was strongly influenced by familiarity and availability of the country's product in question.

[1] Rate = Response rate , Data Col. = Data collection, E = Experimental design, S = Survey, NA = Not available/applicable, * = Service evaluation

(1971)	Schooler	To test bias phenomena with a broadly based representative sample.	Cloth, desk pen, simple goblet	US, W Germany, Czechoslovakia, Chile, India, Nigeria, North America, W. Europe, Asia, Latin America, & Africa	US	Adults	866	65%	E	Significant differences against products of foreign origin, and a hierarchy of bias effects was observed.
(1971)	Greer	To investigate the usefulness of having the view of professional purchasing executives.	2 concepts: "Quality of products-in General" & Engineering know-how in General	Australia, Belgium, Canada, France, Holland, Italy, Us, W. Germany	UK	Purchasing executives	60	3%	S	Older Respondents rated their home country's products higher than younger purchasing officers.
(1972)	Anderson & Cunningham	To determine the extent to which consumers who differ in imported product preference may be distinguished by selected objective demographic & personality attributes.	Automobiles	Foreign products in general	US	Adults	116	NA	S	Significant differences in the socio-demographic & psychological characteristics of those respondents who were more in favour of imported products and those who were not. Moreover, a direct relationship between level of education and foreign imported product acceptance was found.
(1973)	Gaedeke	To examine the opinion of US consumers towards the overall quality of imported products "made in" various developing countries & US.	General + product classes + specific brands	US, Philippines, Hong Kong, Argentina, Brazil, Taiwan, Mexico, S. Korea, India, Singapore, Turkey, & Indonesia	US	Students	200	NA	S	COO information did not significantly affect opinions about the quality of branded products in general.
(1974)	Krishnakumar	To investigate the influence of COO on product image of Americans & people from developing nations & to investigate the effect of demographic variables on the "made in " image among these nations.	General + mechanical & electronic products, food, fashion, auto-mobiles, TV sets, soft drinks, & dress shirts	US, W. Germany, England, India, Taiwan, & Japan	US, India, & Taiwan	Students	105	NA	S	Respondents were more in favour of foreign products than their own. Demographic variables had also played a part in creating differences in "made in" image held by Indians.

(1974)	Dornoff et al.	To find out what consumers' perceptions of import were; if these perceptions differed between product classes; if these perceptions differed for specific countries; if perceptions were based on socio-economic characteristics.	General + food, fashion, electronic and mechanical products	US, Japan, France, & W. Germany	US	Adults	216	54%	S	Foreign products are becoming increasingly competitive with products "made in" US in terms of quality and in some product classes, are evaluated better. Significant differences in perceptions between socio-economic classification existed as well.
(1974)	Lillis and Narayana	To compare American & Japanese Consumers' perceptions toward aggregate image of products with "made in" labels from different countries.	General	England, France, W. Germany, Japan, & US	US and Japan	Adults	100	76%	S	Significant differences in subjects' perception of foreign and national attribute.
(1974)	Etzel & Walker	To examine the level of congruence between national product stereotypes and attitudes toward specific types of products.	General + autos, cameras, and mechanical toys	US, W. Germany, & Japan	US	Adults	293	97%	S	A significant difference between consumers' perceptions of imported national product stereotypes and images of specific products from that country for all but one situation (German products vs. German autos).
(1975)	Green and Langeard	To compare French & US consumers in terms of consumers habits and innovative characteristics	15 grocery or grocery-related products and the use of 8 retail services	France & US	France and US	Adults	419	NA	S	Behavioural differences between the two groups existed even though France and the US are similar in many economic respects.
(1975)	Abdul-Malek	To examine management's attitudes towards doing business with foreigners.	Doing business with foreigners	Canada, West Europe, Latin America, Asia, & Africa	Canada	Chief executives	154	80%	S	Differences in business sellers' perceptions resulting from different perceived socio-economic traits. Exporters with experience were more in favour of imported products than non-exporters.
(1977)	Darling and Kraft	To investigate the impact of the "made in... " label on Finish consumers' attitudes towards the products of different selected countries.	Automobiles, appliances, foodstuffs, clothing, perfumes and toiletries, radio, television equipment	England, France, W. Germany, Japan, Sweden, USSR, US, & Finland	Finland	Managers, employees, students & staff	303	86.6%	S	The study supported the hypothesis that knowledge of country of origin affected consumer attitudes toward products.

			& petroleum products						
(1977)	Nagashima	To determine whether there had been any attitude change among Japanese businessmen over the 8-year period.	General + 6 classes	W. Germany, England, Japan, US, & France	Japan	Business-men	100	NA	S	"Made in US" image has lost ground rather dramatically compared with the "made in Japan" image.
(1977)	Hampton	To examine the influence of perceived risk on rating products from different countries.	27 products in 3 classes of perceived risk	9 countries in 3 classes	US	Adults	176	88%	S	General increase in perceived risk of products made abroad.
(1978)	Bannister & Saunders	To examine attitudes of UK consumers towards domestic products & the product of developed nations highly active in UK market.	Durable in general	France, Italy, Japan, England, US, USSR, W. Germany	England	Adults	224	NA	S	Consumers did have stereotypes of different countries & significant differences did exist between these stereotypes.
(1978)	Yaprak	To investigate purchase intentions among US & Turkish business executives for specific brands "made in" three different countries.	Cars, cameras & calculators.	W. Germany, Japan, & Italy	Turkey & US	Business-men	202, 158	62%, 26%	S	Both general country & product attributes, & specific product attributes were statistically significant in affecting purchase intentions.
(1978)	White & Cundiff	To examine whether industrial buyers allow national stereotypes to influence their evaluation of industrial products & their perceptions of product quality based on COO.	Lift truck, dictation system, & machine tool	US, W. Germany, Japan, & Brazil	US	Industrial buyers	236	49%	E	Significant differences in the perception of quality depending on where they were made.
(1978)	Baumgartner & Jolibert	To measure the perception of specific foreign products by consumers.	Playing card, life insurance, cough syrup, & winter coat	US, England, Germany, & France	France	Adults	108	90%	E	French consumers had a very strong preference for products "made in France".
(1979)	Chasin and Jaffe	To examine the American industrial buyers' perceptions toward the quality of the goods "made in" Eastern European countries.	Ten industrial products	Czechoslovakia, Hungary, Poland, Rumania, & USSR	US	Industrial buyers	68	68%	S	Findings supported the hypothesis of a COO effects.

(1979)	White	To examine attitudes to US manufactured products in selected European countries.	Industrial products in general	US, W Germany, France, Italy, England	US	Purchasing managers	213	44.3%	S	US purchasing managers in general had stereotyped attitudes towards the countries tested.
(1980)	Niffenegger et al.	To find out how British retail managers view French & American products.	Automobiles, Electric appliances, textiles, cosmetics, food, & pharmaceuticals products	France, US, & UK	UK	Retail managers	92	79%	S	Opinions varied according to the country and product under consideration.
(1981)	Nes	To examine the country of manufacture as a cue to received product risk & perceived product quality.	Low risk & high risk products + 3 brand categories: no brand name, a new brand name & a well-known brand name	4 countries: no country information available, made in poor country, made in average income country, & made in a developed country	US	Adults	96	NA	E	"Well-known brand names did cause a lower perceived risk & a higher perceived quality than new unknown brands & unbranded merchandise".
(1981)	Narayana	To find differences between US & Japanese products.	General	Japan & US	Japan, & US	Adults	131	65.5%	S	A general home country selection bias.
(1981)	Crawford & Lamb	To address (1) the extent to which industrial purchasers are willing to buy imported products, and (2) the identification of preferred sources for foreign products.	Food, feeds, beverages; industrial suppliers & materials; capital goods; automotive goods; & consumer goods.	Forty-four countries	US	industrial buyers	376	35%	S	US industrial buyers showed their country stereotype in being most willing to buy from developed nations.
(1982)	Cattin, Jolibert & Lohnes	To investigate the stereotypes held by US and French directors of purchasing towards products produced in five advanced countries.	General	US, France, Japan, W. Germany, & UK	US & France	Purchasing directors	220	NA	S	Stereotypes were perceived differently from consumers across national boundaries.
(1983)	Wang & Lamb	To examine the possible level of economic development, culture and political climate on US consumers' willingness to buy foreign products from less-developed countries.	General	36 countries	US	Adults	273	54.6%	S	Prejudices against products from less-developed nations.

(1983)	Kaynak & Cavusgil	To examine how quality perceptions of consumers varied across 4-product classes.	Electronic items, food products, fashion merchandise, & household goods	25 countries	Canada	Adults	197	93.8%	S	Canadian consumers preferred US made products (except food products) to the Canadian ones.
(1984)	Erickson, Johansson & Chao	To analyse the COO effects on the evaluation of automobile brands.	Automobiles	US, W. Germany, & Japan	US	Students	96	NA	S	The effect of image variables on attitude was not direct; any influence that the consumers have appeared to be a secondary one acting through beliefs.
(1984)	Morello	To determine the relationship between the image of a country and the image of the products "made in" that country.	General	Belgium, France, Holland, Italy, Spain, US, USSR, & W. Germany	Holland & Italy	Students	66	NA	E	COO effect does exist and may affect consumer buying behaviour.
(1985)	Johansson, Douglas & Nonaka	To examine the impact of COO on product evaluation.	Automobiles	Japan, US, & W. Germany	US & Japan	Students	152	NA	S	COO is used as a surrogate variable to evaluate a product when subjects have limited knowledge about the product.
(1985)	Festervand, Lumpkin & Lundstrom	Investigate consumers' perceptions of imports and their attitudes towards countries' product quality.	Mechanical, food, fashion merchandise, electronic equipment, & leisure goods	England, France, Germany, Japan, & US	US	Adults	259	26.6%	S	Minor differences in attitude were found across the five countries & US consumers' perceptions of the countries' products were mixed across the five product categories.
(1985)	Heslop & Wall	To examine the differences between males & females on the basis of COO product image.	For men: clothing, shoes; for women: clothing, children clothing	13 different countries	Canada	Adults	635	42%	S	Men & women used different criteria when making product evaluations based on COO.
(1986)	Khanna	To investigate business people's perceptions of pricing, product, promotion, and service attributes of Asian companies exporting new manufactures.	Engineering products, leather manufactures, & apparel	S. Korea, Taiwan, India, & Japan	India, Thailand, Singapore, Philipp-ines, & Japan	Business-men	233	NA	S	COO had a greater effect on new clients than on established ones.
(1986)	Yavas & Alpay	To examine the Saudi Arabian & Bahraini consumer attitudes towards "made in" seven selected	Made in label	US, Japan, France, Germany, Italy, Great Britain, & Taiwan	Bahrain & Saudi Arabia	Students	153	NA	S	The Taiwan label was evaluated the lowest, while Japan was the highest followed by the USA & Germany.

		countries.								
(1986)	Hugstad & Durr	To investigate the importance of country of manufacture (COM) to US consumers.	Automobiles, Cameras, canned food, automobile tyres, shoes, & sport shirts	Japan, China, US Korea, & Taiwan	US	Adults	341	NA	S	Sensitivity to COM information varied by product category. COM also seemed to affect perceptions of quality & price for products from different nations.
(1986)	Becker	To measure the US consumers' perceptions of price/quality relationship of American vs. Japanese products.	General	US & Japan	US	Adults	380	78%	S	Nationalism was a dominant factor when price and quality were constant.
(1986)	Ofir & Lehmann	To measure country level images for products.	Ski resorts	Switzerland, France, & Austria	US	Skiers	296	NA	S	Low level of American skiers' familiarity with European ski resorts.
(1987)	Papadopoulos et al.	To examine consumers' perceptions of foreign consumer goods.	13 selected products	UK, Canada, France, US, Sweden, & Japan	UK, Canada, & France	Adults	250 to 300 from each city	75%	S	Consumers in different countries respond differently to COO cues.
(1987)	Darling	To present a longitudinal analysis of the general attitude of consumers in Finland towards the products of various countries.	Finnish products	England, France, Japan, US, & W. Germany	Finland	Managers, employees, students & staff	1113	87%	S	Significant differences in consumers' attitudes in all areas of the data collection.
(1988)	Ettenson, Wagner & Gaeth	To examine the effects of COO & the "made in USA" campaign.	Ladies' blouse & men' dress shirt	US	US	Students	55	52%	S	Majority of students seemed to have positive attitudes towards products "made in USA".
(1988)	Hooley, Shipley and Krieger	To investigate consumers' perceptions of country of origin.	Cars and fresh fruit and vegetables	Cars: Japan, Germany, UK, France, and Italy Fruit & Vegetables: France, UK, Italy, and Spain.	UK	Students	37	-	S	Country of origin images vary considerably depending on the product group under consideration and that attempts to identify overall stereotypes applicable to all product groups can be misleading.
(1988)	Al-hammad	To investigate Saudi Arabian economic and cultural factors and the attitudes of the Saudi	Carpets, air-conditioners, cars, design of outerwear,	US, UK, Japan, W. Germany, France, Sweden, Belgium,	Saudi Arabia	Industrial buyers & final	300, 193	NA	S	Price was the most important factor.

		consumer and reseller to the product and its suppliers.	TVs & refrigerators	Spain, Malaysia, Hong Kong, South Korea, Formosa, & China		consumers				
(1988)	Han & Terpstra	To determine the effects of the COO and brand name cues on consumer evaluations of uni-national and bi-national products, & estimate the perceived values of such cues.	Cars & TVs	US, Japan, S. Korea, & W. Germany	US	Adults	150	NA	S	Source country and brand name did affect consumers perceptions of product quality.
(1989)	Han	To examine the role of country image in consumer evaluations of TV sets and cars.	Cars & TVs	US, Japan, & Korea	US	Adults	116	64.8%	S	Results showed that the country image can be used in either or both of two directions: (1) as a halo construct (2) or as a summary construct.
(1989)	Thorelli, Lim & Ye	To investigate the relative importance of COO, warranty & retail store image on product evaluations	AM/FM cassette recorder	Japan & Taiwan	US	Students	82	62%	E	COO cue can provide only a limited explanation of variance of the product evaluation, preference and purchase intention of the respondents when multiple cues are presented.
(1989)	Hong & Wyer	To investigate the cognitive process instigated when COO information is given in conjunction with other product information.	Personal computer & VCR	W. Germany, Japan, Mexico, & S. Korea	US	Students	128	AN	E	Results supported the hypothesis of COO effects.
(1989)	Papadopoulos et al.	To determine COO effects from a transnational perspective.	Foreign + domestic products	Canada, US, Japan, Sweden, & Hungary	US, UK, Canada, Nether-lands, W. Germany France, , Greece, & Hungary	Adults	300	75%	S	Results revealed that consumers do hold stereotypical attitudes towards different countries.
(1989)	Wall, Heslop & Hofstra	To study the perceptions of Men & Women towards	For men: clothing, shoes, home	19 countries were chosen on the basis	Canada	Adults	635	42%	S	Men & women used different criteria when making product evaluation

		product quality in relation to COO.	entertainment equipment, vehicles, & wine; for women: clothing, children clothing, vehicles, & wine	of their importance as sources of imports to Canada						based on COO. Men appeared to use a country's technological development & political orientation to form opinions about overall product quality. Women tended to use geographic proximity, & specific product in order to form product quality judgements for each country.
(1990)	Khachaturian & Morganosky	To investigate consumers' quality perceptions of apparel from various countries	Apparel	US, Italy, S, Korea, China, & Costa Rica	US	Adults	153	77%	S	The less-industrialised the COO, the more the potential decline in the quality image.
(1990)	Han	To address the role of COO image in consumer choice behaviour.	Cars & TVs	US, Japan, & Korea	US	Adults	116	64.8%	S	Consumer willingness to purchase a product was related to the economic, political, and cultural characteristics of the product's COO.
(1990)	Ghadir	To investigate consumers' perceptions of quality, price & risk of foreign vs. domestic product.	Electrical & gas appliances	US, UK, Japan, Russia, Romania, Taiwan, Egypt, & Jordan	Jordan	Adults	639	63.9%	S	The COO had a significant relationship with the consumers' perception of the quality, price, & risk of the product.
(1991)	Stoltman, Lim & Morgan	To investigate the effects of COO, product familiarity, & consumer ethnocentrism on consumer acceptance of imported products.	Subcompact cars	US, Japan, W. Germany, & S. Korea	US	Students	45	NA	S	Product familiarity seemed to have a strong effect on purchase intention only. COO significantly interacted with both product familiarity and consumer ethnocentrism.
(1991)	McLain & Sternquist	To investigate the US consumer behaviour: do they "Buy American".	General	Foreign products in general	US	Adults	176	NA	S	Consumers who display strong ethno-centric tendencies were significantly less likely to buy products "made in USA" than those who were less ethnocentric.
(1991)	Wall, Liefeld & Heslop	To determine the effects of COO when combined with brand name & price level on consumers' ratings of quality, risk, to buy, value, & likelihood to buy products.	Shirts, telephones, & wallets	Canada, Hong Kong, Italy, S. Korea, Taiwan, & US	Canada	Adults	40	NA	E	COO was related to assessment of product quality, but when it came to evaluating purchase likelihood, COO seemed not to be important.

(1991)	Cordell	To address the effects on consumer choice of the COO cue.	TVs, Microwave oven, bicycles, & telephone	US, Algeria, India, Nigeria, & Peru	US	Students	241	NA	E	Results showed preference biases against products from developing countries.
(1992)	Lawrence, Marr & Prendergast	To research the New Zealand consumers' attitudes towards automobiles "made in" four different countries.	Automobiles	Japan, Germany, France, & Italy	New Zealand	Adults	150	56%	S	COO stereotyping was present in the New Zealand car market, and this was often a determining factor in the buying process.
(1992)	Lee, Kim & Miller	To measure the relative effects of price, warranty and COO on consumer product evaluations & to examine the relationship of consumers' ethnocentric, nationalistic and similar attitudes to the importance that consumers place on COO.	Wall clock & personal computer	US & S. Korea	US	Adults	106	NA	E	The results showed that COO cue, although relatively less important than price & warranty, was clearly significant. Moreover, buy-American ethnocentric tendencies were also significant for both wall clock & personal computer.
(1992)	Roth & Romeo	To examine COO in terms of the fit between countries and product categories.	Beer, cars, leather shoes, crystal, bicycles, & watches	England, Germany, Hungary, Ireland, Japan, Korea, Mexico, Spain, & US	Ireland, Mexico, & US	Students	368	NA	S	Product-country match may be an indicator of willingness to buy imported products; no differences in familiarity with some product categories (beer & bicycles) across the respondents of the three countries.
(1993)	Chao	To examine how US consumers would evaluate hybrid products with a multiple-country designation in terms of product design and country of assembly.	TV set	For "Assembled In" location: Taiwan, Thailand, Mexico; for "Designed In" location: US, Japan, Taiwan	US	Adults	120	NA	E	Consumers' evaluations of design & product qualities were influenced by price, country of design & country of assembly. Traditional price-quality relationship appeared to be country specific.
(1993)	Kochunny, et al.	To develop a schema-based knowledge representation framework in order to test the effects of COO on product evaluations.	Cars	US, Japan, & Korea	US		393	71% to 84%	S	Consumers possess a COO schema. This affects consumers' retention of information about cars, as well as their judgements.
(1993)	Chao & Rajendran	To examine how ownership of a variety of household con-	14 products	US, Japan, & Germany	US	Students	499	NA	E	Attitudes of people towards owning imported products have become a

		sumer products may impact interpersonal perceptions.								little more favourable.
(1993)	Ahmed & d'Astous	To investigate the effects of three COO, three brand names & three levels of price & service on consumers' perceptions of the purchase value of an automobile in two consuming countries.	Automobiles	Japan, Russia, Canada & Belgium	Canada & Belgium	Adults	376	40 1%	S	The effect of price on perception of purchase value was not significant. The brand name was a more important informational cue than "made in" for Belgian consumers, but not for Canadian consumers.
(1993)	Levin et al.	To investigate American consumers' attitude towards "Buy America First" & preferences of American & Japanese automobiles.	Automobiles	USA & Japan	USA	Students	71	NA	S	The results suggested a general home-country selection bias.
(1993)	Olsen, Granzin & Biswas	To develop a model that features a selected set of influences on consumers' willingness to buy domestic products over imported ones.	Clothing	Foreign countries in general	USA	Adults	243	NA	S	Results revealed prejudices against imported products & suggested ways to market the Buy American theme.
(1993)	Akaah & Yaprak	To investigate via conjoint methodology the influence of COO on product evaluations.	Automobiles	US, Japan, & W. Germany	US, Turkey, & Ghana	Students	225	NA	S	The influence of COO was weak when it was evaluated as one cue in an array of product cues.
(1993)	Smith	To examine the US consumers' perceptions towards manufactured goods that were labelled regionally.	A piece of cloth & a wine glass	Africa, Latin America, Asia, & Western Europe	US	Students	224	NA	E	A demonstration of some degree of regional consumer bias was present. Moreover, younger consumers had more negative product evaluations than older people.
(1993)	Peris & Newman	To investigate the existence of the influence of COM on the image of the product & consumers' positive or negative discrimination toward such products made in five countries.	Cars, wine, shoes, personal computers, fashion clothing, & toys	Germany, Britain, France, Spain, & Italy	Britain & Spain	Students	270	NA	S	Over two-thirds in each sample showed a preference for home-made over foreign products.
(1993)	Liefeld, Wall, Ji and Xu	To study the effects on relative cue utility of the	Telephones, men's shirts, & women's	Other countries that export the three	Canada	Adults	326	31.26%	E	"In models with more cues present the relative utility of extrinsic cues

		interaction of cues in product choice situations in which both the number & types of both extrinsic & intrinsic information cues were varied for two types of products.	blouses	products to Canadian market						was greater than that of intrinsic cues". Cue types, while affecting choice process, tended to be product specific.
(1994)	Ahmed, d'Astous & El Adraoui	To investigate the effects of COO on purchasing managers' perceptions in terms of perceived quality, purchase value, & product profiles: COD, COA, brand name, price & warranty.	Computer system, fax machine, & ball-point pens	Canada, Mexico, & Japan	Canada	Purchasing Managers	173	14%	S	Developed countries were better evaluated in general than industrialising countries as locations for the design and assembly of industrial goods.
(1994)	Okechuku	To examine (via conjoint analysis) the relative importance of the COO of a product to consumers.	TVs sets & car radio/cassette players	TV: Japan, US, The Netherlands, & S. Korea Car radio: Germany, US, Canada, & Mexico	US, Canada, Germany, & The Nether-lands	Adults	430	73%	S	Developing countries were evaluated unfavourably in terms of source countries. Familiarity also played an important role in consumers' evaluations of such products.
(1994)	Lin & Sternquist	To investigate the effects of information cues, COO & store prestige on Taiwanese consumers' perception of quality and estimation of retail price.	Sweaters	US, Italy, Taiwan	Taiwan	Adults	265	NA	E	The results of their study supported the hypothesis of COO effects.
(1994)	Maheswaran	To identify consumer expertise and the type of attitude information as moderating the effects of COO on product evaluation.	Personal computer	Japan, Taiwan, & S. Korea	US	Students	119	NA	E	Both experts & novices differed in their processing of stereotypical information.
(1994)	Strutton, Pelton & Lumpkin	To examine the opinions of US consumers towards automobiles.	Automobiles	Japan & US	US	Adults	964	NA	S	American consumers evaluated Japanese cars significantly more favourably than their home made cars.
(1994)	Leclerc, Schmitt & Dube	To determine the effects of foreign branding on product perception & evaluation.	Products with utilitarian features, products with hedonic	French branding	US	Students	266	NA	E	Foreign branding can be an effective means of influencing consumers' perceptions and attitudes.

			features, & hybrids							
(1994)	Johansson et al.	To investigate the role of image of product country for Russian tractors in the US.	Tractors	Russia, US, Canada, Germany, Italy, & Japan	US	Farmers	43	NA	S	COO played an important role in the process of product evaluation.
(1994)	Kaynak, Kucukemiroglu & Kara*	To Examine consumers' perceptions of airlines.	24 different airlines	US + other countries	US	Adults	376	62%	S	Significant differences were found between the users of domestic and foreign airlines.
(1995)	Ahmed & d'Astous	To understand how household and organisational buyers' product perceptions are affected by knowledge of the COD & COA when other information such as brand name, price, & warranty is also available.	Computer systems, Fax machines, automobiles, & VCR	Canada, Mexico, & Japan	Canada	House- holds & purchasing managers	190; 173	33.8%; 14%	S	Results showed that newly industrialising countries were evaluated poorly as COA & even more poorly as COD.
(1995)	Baker & Michie	To examine British car drivers' perceptions of, & attitudes towards, four makes of imported cars.	Automobiles	Japan, Korea, Malaysia, & UK	UK	Adults	120	NA	S	The findings demonstrated a home-country selection bias.
(1995)	Good & Huddleston	To determine the ethnocentrism of Polish and Russian consumers.	4 identical men's shirts + 4 identical women's sweaters	Poland, Russia, Germany, China, & US	Poland & Russia	Adults	947	NA	E	Both Polish & Russian consumers preferred their home country's products over foreign ones.
(1995)	Shaffer & O'Hara*	To examine the impact of nationality on perceptions of ethicality & trust towards an American service professional.	Legal service	US	30 national-ities	Adults	122	15%	S	Perceptions of trust differed among people from nations characterised by high & low individualism. Differe-nces in ethical perceptions among individuals from high vs. low power distance nations were also found.
(1995)	Harrison-Walker*	To investigate the national stereotype effects on consumer selection of a service provider.	Professional service of ophthalmology	US, India, Japan, & Spain	US, Japan, Spain, & other nationalities	Students	223	NA	S	No clear pattern of same-nationality bias was found.

(1995)	Schweiger, Haubl and Friederes	To examine consumers' perceptions of the quality of goods "Made in Europe" compared to the quality of goods "Made in the USA" and "Made in Japan".	Nine products	Europe, USA, and Japan	Austrian	Adults	240	NA	S	Patriotism has a positive effect on consumers' attitudes towards products labeled "Made in Europe".
(1995)	Keown & Casey	To measure the factors that influence consumers' behaviour when purchasing wine.	Wine	14 countries	Northern Ireland	Adults	210	57%	S	COO was the most important factor for those purchasing wine.
(1995)	Sharma, Shimp and Shin	To identify the theoretical antecedents of consumer ethnocentricity and the effect ethnocentricity has on evaluations toward importing products.	Medicine, Kitchenware, beef, PC, jewellery, large fridge, liquor, Bananas, insurance, and golf clubs	Domestic and foreign counties	Korea	Adults	125, 542	9%, 77%	S	- Individuals who are open to other cultures are less ethnocentric. - Females show more consumer-ethnocentric tendencies than males. - Consumer-ethnocentric tendencies decrease with greater levels of education and with increasing income. - The impact of consumer-ethnocentric tendencies on attitudes toward importing product toward Korea would be moderated by the perceived degree of personal and economic threat imposed by the imported products.
(1995)	Diamantopoulos, Schlegelmilch and Preez	To compare British and German consumers with regard to car purchases.	Cars	France, Japan, Spain, and UK	UK and Germany	Adults	108, 154	NA	S	Both British and German consumers hold stereotypical images about different countries and that these images affect the way in which the countries' products are evaluated.
(1996)	Gudum and Kavas	To determine the Turkish industrial buyers' attitudes towards national and foreign suppliers.	Industrial suppliers	USA, Japan, Germany, and Turkey	Turkey	Industrial purchasing managers	105	49%	S	Results indicated that Turkish industrial purchasing managers perceived German and Japanese suppliers more favourably than US and National suppliers on most of the marketing quality dimensions

										(product quality, timely delivery, source reliability, communication and after sales issues).
(1996)	Niss	To determine to what extent Danish exporters make use of the Danish image in their export marketing.	Foodstuffs, design goods, & agricultural products	Domestic products	NA	Exporters	58	58%	S	Possibility of using nationality in the marketing of Danish products abroad.
(1996)	Zhang	To study Chinese consumers' perceptions of COO images and how such perceptions influenced their product evaluation, attitudes and product choices.	Shirts, TV sets	China, USA, Japan, and South Korea	China	Adult shoppers	300	NA	E	Stereotyping was a factor in the product evaluation process of the Chinese consumers. Products from Japan and the USA were preferred to those from South Korea.
(1996)	Tse et al.	To investigate the impact of country of origin on the behaviour of Hong Kong Consumers	TV	Hong Kong, Germany, Japan and South Korea	Hong Kong	Households	286	63.3%	S	COO significantly affect s consumers' intention to purchase the product.
(1996)	Wetzels, Birgelen and Ruyter*	investigated the Dutch consumers ethnocentrism concept to ten different kinds of services provided in The Netherlands.	Public transport by bus, banking services, express delivery services, air travelling, travel agencies, railroad services, telecommunication, mail services, medicine-supply, and public utilities such as gas and electricity	Different countries	The Netherlands	Adults	175	NA	S	-A consumer's ethnocentric tendencies toward services is negatively correlated with cultural openness (individuals who are more open to other cultures are less consumer ethnocentric toward services), and positively correlated with patriotism conservatism, collectivism and age. - Consumers with higher educational level have less ethnocentric tendencies toward services.

(1997)	Bruning*	To examine the Canadian's national loyalty and the country of air carrier in the selection process.	3 Airline Services	US, Canada, and Mexico	Canada	Travellers	427	NA	S & E	Results indicated that consumers who showed strong ethnocentric tendencies were less likely to prefer the foreign services offered over the national one.
(1997)	Thakor and Pacheco	To replicate and extend the Leclerc et al (1994) findings using similar stimuli. See Leclerc et al (1994).	Calculator, sunglasses, stuffed toy	UK, France, Italy, Canada, and Quebec	Canada	Students	266	NA	E	Results indicated that "while foreign branding affects product evaluations more than country of origin, the uni-cultural or multi-cultural nature of the research context is influential in determining which brands are seen as foreign" (p. 15).
(1997)	Bailey and Pineres	To examine Mexican attitudes towards American imported food products.	Agricultural products	USA and Mexico	Mexico	Mostly housewives	400	NA	S	The upper-income Mexicans prefer foreign products, but this was mediated by age, education, and household size.

APPENDIX D

THE TABLES RELATED TO CHAPTER 7

Table 1
Number of overseas visits

Value label	Value	Frequency	Percent
Zero fly	.00	33	10.2
One time	1.00	106	32.7
Two times	2.00	67	20.7
Three Times	3.00	60	18.5
Four times	4.00	29	9.0
Five times	5.00	12	3.7
Six times	6.00	7	2.2
Seven times	7.00	3	.9
Eight times	8.00	4	1.2
Ten times	10.00	2	.6
Missing	99.00	1	.3
Total		**324**	**100.00**

Table 2
Fare plan used by consumers

Variable	**Frequency**	
	No.	**Valid %**
First class	18	5.7
Business class	35	11.1
Economy class	198	62.7
First class & Business class	6	1.9
First class & Economy class	18	5.7
Business class & Economy	34	10.8
First, Business & Economy	7	2.2
Total	**316**	**100**

Table 3
Method of purchase

Variable	**Frequency**	
	No.	**Valid %**
Travel agent	131	40.9
Local airline office	169	52.8
Travel agent and local airline	20	6.3
Total	**320**	**100**

Table 4
Overseas ticket reservation

Variable	Frequency	
	No.	Valid %
Myself	170	53.0
Someone else in the company	9	2.8
Husband (wife)	73	22.7
Relatives or friends	61	19.0
Myself or husband (wife)	1	.3
Myself or relatives or friends	1	.3
Husband (wife) or relatives	6	1.9
Total	321	100

Table 5
Summaries of the purpose of travel

Variable	Frequency	
	No.	Valid %
Business	9	2.8
Visiting family	21	6.5
Pleasure or vacation	161	49.8
Treatment	5	1.5
Education	7	2.2
Moving to a new place	1	.3
Business+visiting family+pleasure	5	1.5
Visiting family+pleasure+Education	8	2.5
Visiting family+pleasure	42	13.0
Business+pleasure	10	3.1
Visiting family+pleasure+treatment	14	4.3
Business+visiting family	3	.9
Pleasure+treatment	29	9.0
Pleasure+Education	5	1.5
Business+pleasure+treatment	2	.6
Business+treatment	1	.3
Total	**323**	**100**

Table 6
Method of payment

Variable	Frequency	
	No.	Valid %
Cash	266	82.4
Cheque	14	4.3
Credit	19	5.9
Cash and cheque	2	.6
Cash and credit	21	6.5
cheque and credit	1	.3
Total	**323**	**100**

Table 7
Source of funds

Variable	Frequency	
	No.	Valid %
Employer funds	27	8.3
Personal funds	287	88.6
Employer funds and personal funds	10	3.1
Total	**324**	**100**

Table 8
Shows with whom usually customer travels

Variable	Frequency	
	No.	Valid %
Alone	15	4.7
With colleague	26	8.1
With spouse	46	14.3
With family	136	42.2
Alone and with family	14	4.3
With colleague and with family	16	5.0
With spouse and with family	16	5.0
Others*	54	16.4
Total	**322**	**100**

*Others includes Alone, with colleague, spouse, and family (3.1%), alone, with colleague, and family (3.4%), alone and with spouse (2.8%), alone and with colleague (1.9%), with colleague and spouse (1.9%), alone, with colleague, and spouse (.9%), with colleague, spouse, and family (1.2%), and alone, with spouse, and family (1.2%).

Table 9
Carriers experienced by respondents

Variable	Frequency	
	No.	Valid %
Gulf	47	14.6
Gulf and Arab	43	13.1
Gulf and Foreign	53	16.5
Gulf, Arab and Foreign	179	55.8
Total	**322**	**100**

Table 10

Airlines used by respondent during last year

Variable	Frequency						Total
	Used		Not Used		Missing		
	No.	%	No.	%	No.	%	
Alitalia	1	.3	317	97.8	6	1.9	100.0
American	4	1.2	314	96.9	6	1.9	100.0
Austrian	1	.3	317	97.8	6	1.9	100.0
British	15	4.6	303	93.5	6	1.9	100.0
Bulgaria	1	.3	317	97.8	6	1.9	100.0
Cathay	2	.6	316	97.5	6	1.9	100.0
Continent	1	.3	317	97.8	6	1.9	100.0
Cyprus	1	.3	317	97.8	6	1.9	100.0
Delta	1	.3	317	97.8	6	1.9	100.0
Egypt	13	4.0	305	94.1	6	1.9	100.0
Emirates	50	15.4	268	82.7	6	1.9	100.0
France	2	.6	316	97.5	6	1.9	100.0
Gulfair	244	75.3	74	22.8	6	1.9	100.0
Indian	1	.3	317	97.8	6	1.9	100.0
Indonis	1	.3	317	97.8	6	1.9	100.0
Iran	1	.3	317	97.8	6	1.9	100.0
Jordanian	7	2.2	311	96.0	6	1.9	100.0
KLM	5	1.5	313	96.6	6	1.9	100.0
Korean	1	.3	317	97.8	6	1.9	100.0
Kuwait	5	1.5	313	96.6	6	1.9	100.0
Lebanon	1	.3	317	97.8	6	1.9	100.0
Lufthansa	2	.6	316	97.5	6	1.9	100.0
Malaysia	3	.9	315	97.2	6	1.9	100.0
Omanair	2	.6	316	97.5	6	1.9	100.0
Qatar	67	20.7	251	77.5	6	1.9	100.0
Ry. Thai	2	.6	316	97.5	6	1.9	100.0
Saudia	24	7.4	294	90.7	6	1.9	100.0
Swissair	3	.9	315	97.2	6	1.9	100.0
Syrian	2	.6	316	97.5	6	1.9	100.0
UK	1	.3	317	97.8	6	1.9	100.0
USairline	1	.3	317	97.8	6	1.9	100.0

<u>Table 11</u>
<u>Factors considered important in choosing an airline</u>

Factors	Frequency				
	Very impor-tant	Fairly impor-tant	Of average impor-tance	Of minor impor-tance	Not impor-tant
	Valid %	Valid %	Valid %	Valid %	Valid %
1. Service is performed right the first time.	55.2	36.5	7.7	.3	-
2. Performing service at designated time.	62.7	32.9	3.4	.9	-
3. Calling customer in case of changes.	72.8	19.8	5.2	1.2	.9
4. Giving prompt service	38.3	5 .9	9.9	.9	-
5. Knowledge and skill of the personnel.	39.	47.1	13.6	.3	-
6. Service is accessible by telephone.	31.6	44.9	18.9	4.3	.3
7. Waiting time to receive service is not extensive.	41.1	38.9	16.8	2.8	.3
8. Convenient schedule.	46.3	41.6	10.6	1.2	-
9. Politeness and friendliness of the contact personnel.	65.	29.3	4.0	.9	-
10. Explaining the service itself.	39.6	41.2	17.0	2.2	-
11. Explaining how much the service will cost.	44.4	42.9	10.2	2.2	.3
12.Assuring customer that a problem will be handled.	66.9	26.3	5.6	.9	.3
13. Airline reputation.	64.4	28.8	6.2	.6	-
14. Physical safety.	6.2	20.4	2.8	.6	-
15. Providing individualised attention.	31.4	41.0	23.3	3.3	1.2
16. Recognising the regular customer.	4 .6	3 .3	21.6	5.3	2.2
17. Clean and Neat Personnel.	48.5	4 .1	10.5	.9	-
18. Reservation service	55.6	3 .3	5.6	1.5	-
19. Arrivals & departures on schedule	77.8	18.5	2.8	.6	.3
20. Baggage handling	65.2	3 .1	4.7	-	-
21. Food Quality	48.8	37.3	12.0	1.2	.6
22. Halal food	83.6	11.1	3.1	1.9	.3
23. No alcohol served	7 .	12.4	6.5	2.8	8.4
24. Seating comfort	6 .7	34.4	4.	.9	-
25. Check-in services	37.5	48.9	11.5	2.2	-
26. In-flight services	37.	52.8	9.3	.9	-
27. Entertainment programs	26.3	4 .4	23.5	7.1	2.5
28. Special attention for children	59.3	32.9	5.3	2.2	.3
29. Convenient flight connections	54.7	36.3	7.5	.9	.6
30. Frequent flyer membership program	2 .4	3 .3	31.3	12.7	5.3
31. Frequency of flights	28.8	43.3	18.3	9.0	.6
32. Quickest rout Direct flights	56.7	3 .3	9.6	2.8	.6

N=324, 1=Not important, 2=Of minor importance, 3=Of average importance, 4=Fairly important, 5=Very important
No.= Number of respondents

Table 12
Selection of one airline category out of the three categories

Variable	Frequency	
	No.	Valid %
Gulf	214	66.0
Arab Non-Gulf	9	2.8
Foreign	101	31.2
Total	**324**	**100.0**

Table 13
Evaluations of carriers

Variables	Frequency								
	Agree			Disagree			Neither agree/disagree		
	G	A	F	G	A	F	G	A	F
	%	%	%	%	%	%	%	%	%
1. Perform the service right the first time	48.9	31.2	71.8	29.8	21.0	2.2	21.3	47.8	26.0
2. Perform service at designated time	31.9	30.9	75.9	42.9	25.3	1.5	25.1	43.8	22.5
3. Call customer quickly in case of changes	29.3	26.3	62.7	43.1	26.0	4.6	17.7	47.7	32.7
4. Give prompt service	23.4	35.0	74.6	42.9	21.3	2.2	33.7	43.8	23.2
5. Have knowledgeable/skilled personnel	59.0	53.3	78.1	15.7	10.3	1.3	25.4	36.4	20.6
6. Service is easily accessible by phone	56.1	30.7	60.7	21.5	22.6	3.4	22.4	46.7	35.9
7. Waiting time is not extensive	42.7	32.0	65.7	34.7	23.8	4.0	22.6	44.2	30.2
8. Have convenient schedule	60.2	37.5	59.6	20.7	20.7	4.3	19.1	41.8	36.0
9. Have polite and friendly cabin staff	77.9	59.9	68.7	8.4	9.9	5.3	13.8	30.1	26.0
10. Explain the service itself	35.8	31.7	65.1	32.4	21.7	1.9	31.8	46.6	33.0
11. Have staff that speak Arabic	NA	NA	20.8	NA	NA	38.2	NA	NA	41.0
12. Handling problems	26.7	22.9	61.8	41.5	24.8	3.1	31.8	52.3	35.1
13. Have a good airline reputation	58.0	39.1	71.4	19.1	24.2	2.8	22.9	36.6	25.8
14. Have excellent safety records	79.5	46.6	60.5	3.7	12.7	8.6	16.8	40.7	30.9
15. Provide individualised attention	40.5	29.0	64.1	31.8	24.6	5.3	27.7	46.4	30.7
16. Recognise the regular customer	29.0	23.7	48.3	24.9	18.1	3.7	46.1	58.3	48.0
17. Have clean and neat Cabin staff	93.1	69.5	78.0	2.1	5.3	2.2	4.7	25.2	19.9
18. Have good reservation services	50.0	33.4	75.0	24.5	17.6	1.5	25.5	48.9	23.5
19. On-time /arrive & depart as on schedule	12.6	20.7	73.0	76.1	39.2	2.2	11.3	40.1	24.8
20. Handle the baggage carefully	53.6	33.5	74.1	27.2	27.0	2.5	19.2	39.4	23.5
21. Serve tasty food	66.7	36.7	52.8	20.1	27.2	16.4	13.0	36.1	30.9
22. Have comfortable seats	71.3	43.0	72.4	21.0	22.7	7.1	7.8	34.3	20.4
23. Have efficient check-in procedure	65.4	31.5	58.7	15.1	27.4	7.1	19.5	41.1	34.2
24. Have excellent In-flight services	64.9	35.5	73.0	18.5	23.5	3.5	16.6	41.0	23.6
25. Have excellent entertainment program	37.2	19.9	59.9	41.9	38.0	7.7	20.8	42.1	32.4
26. Provide special attention for children	52.6	27.9	69.1	25.4	26.9	2.8	22.0	45.2	28.1
27. Have convenient flight connections	34.4	24.2	65.5	32.2	25.5	3.4	33.4	50.3	31.1
28. Have good frequent flyer programs	24.9	14.4	41.4	39.6	38.2	11.3	35.5	47.3	47.3
29. Have frequent flight	75.8	47.4	68.3	6.2	10.0	3.7	18.0	42.7	28.0
30. Use the quickest route & direct flight	33.8	26.6	53.3	24.5	20.1	6.6	41.8	53.3	40.1

Note: **Frequency totals for this question may vary due to missing data. G* = Gulf, A* = Arab non-Gulf and F* = Foreign.**

Table 14

Consumers Perceptions towards the price factor of the three types of the airlines

Price	Frequency														Total	Mean	Median	Std dev	Var-iance
	Don't know		Very low price		Low price		Fair price		High price		Very high price		Missing						
Carriers	N.	%	N.	%	N.	%	N.	%	N.	%	N.	%	N.	%					
Gulf carriers	3	.9	-	-		.6		.	14	4 .1	4	.9	1	.3	1 .	4.938	5.	.839	. 4
Arab	5	1 .	1	.	13	4.	11	4.6	123	3 .	1	5.2	3	.9	1 .	3.98	4. 00	1.48	2.192
Foreign Carriers	48	14.8	2	.6	16	4.9	6	.4	13	41.		1 .4	7	2.2	1 .	4.224	5.0	1.566	2.453

N=324, No.= Number of respondents.

Table 15

Consumers Perceptions towards the level of the service quality of the three types of the airlines

Price	Frequency														Total	Mean	Median	Std dev	Var-iance
	Don't know		Very low quality		Low quality		Fair quality		High quality		Very high quality		Missing						
Carriers	No.	%	N.	%	N.	%	N.	%	No.	%	No.	%	N.	%					
Gulf carriers	3	.9	4	1.2	22	6.8	143	44.1	126	38.9	25	7.7	1	.3	100.0	4.424	4.000	.850	.723
Arab	51	15.7	8	2.5	62	19.1	156	48.1	38	11.7	5	1.5	4	1.2	100.0	3.428	4.000	1.260	1.587
Foreign Carriers	50	15.4	2	.6	6	1.9	47	14.5	131	40.4	84	25.9	4	1.2	100.0	4.434	5.000	1.652	2.729

N=324, No.= Number of respondents.

Table 16
Consumers patriotic feelings

Variable	Frequency				
	Strongly agree	Agree	Neither agree nor disagree	Disagree	Strongly disagree
	Valid %	Valid %	Valid %	Valid %	Valid %
1. I am for my country, right or wrong	25.6	20.3	10.6	31.3	12.2
2. I think the Qatari people are the finest in the world	35.3	26.0	16.4	19.5	2.8
3. Qataries are the most conceited people in the world	2.2	4.7	10.9	31.9	50.3
4. I have great respect for Qatari people	71.2	25.0	1.6	.9	1.3
5. Qataries are the worst nation in the world	.3	.9	3.7	10.6	84.5
6. Qataries are the greatest nation in the world	23.1	26.5	22.7	23.1	4.7
7. I don't feel any special pride in being identified with Qatar	2.2	2.5	2.8	18.7	73.8

Note: Frequency totals for this question may vary due to missing data

Table 17
A comparison of the consumers' perception of the quality of domestic airline services versus the quality of Arab airline services

Quality attributes and factors	Gulf Mean	Arab Mean	Diff-erenc	t-Value	df	2-Tail Sig.
1. Perform the service right the first time	3.1850	3.1066	.0784	1.29	318	.198
2. Perform service at designated time	2.8276	3.0596	-.2320	-3.67	318	.000
3. Call customer in case of any changes	2.6909	3.0032	-.3123	-4.18	316	.000
4. Give prompt service	2.7217	3.1489	-.4272	-6.69	308	.000
5. Knowledgeable & skilled personnel	3.4873	3.4522	.0350	.58	313	.565
6. Service is easily accessible by phone	3.4219	3.0906	.3312	5.62	319	.000
7. Waiting time is not extensive	3.0453	3.0615	-.0162	-.25	308	.801
8. Have convenient schedule	3.4537	3.1629	.2907	4.23	312	.000
9. Have polite and friendly cabin staff	3.8994	3.5723	.3270	5.17	317	.000
10. Explain the service itself	3.0251	3.1129	-.0878	-1.42	318	.158
11. Handling the problems	2.7906	2.9594	-.1688	-2.93	319	.004
12. Have a good airline reputation	3.4606	3.1577	.3028	4.76	316	.000
13. Have excellent safety records	4.0406	3.3844	.6563	11.61	319	.000
14. Provide individualised attention	3.0881	3.0692	.0189	.34	317	.735
15. Recognise the regular customer	3.1019	3.0828	.0191	.36	313	.717
16. Have clean and neat Cabin staff	4.1761	3.7516	.4245	8.53	317	.000
17. Have good reservation services	3.2804	3.1807	.0997	1.53	320	.128
18. Arriving & departing on schedule	1.9561	2.7743	-.8182	-11.57	318	.000
19. Handle the baggage carefully	3.2648	3.0561	.2087	3.11	320	.002
2 . Serve tasty food	3.5559	3.1087	.4472	6.37	321	.000
21. Have comfortable seats	3.5741	3.1893	.3849	5.69	316	.000
22. Have efficient check-in procedure	3.5844	3.0000	.5844	8.86	319	.000
23. Have excellent In-flight services	3.5831	3.1285	.4545	6.99	318	.000
24. Excellent entertainment program	2.8903	2.7837	.1066	1.66	318	.097
25. Pr vide special attention for children	3.2671	2.9969	.2702	4.22	321	.000
26. Have convenient flight connections	2.9812	2.9937	-.0125	-.20	318	.839
27. Have good frequent flyer programs	2.7192	2.6341	.0852	1.40	316	.164
28. Have frequent flight	3.8464	3.4671	.3793	6.54	318	.000
29. Use the quickest route & direct flight	3.1069	3.1006	.0063	.11	317	.713

Evaluations were done on a 5-point Likert-type scale. 5 = strongly agree, 4 = agree, 3 = neither agree nor disagree, 2 = disagree, 1 = strongly disagree.

Table 18
A comparison of the consumers' perception of the quality of domestic airline services versus the quality of Foreign airline services*

Quality Variables	Gulf Mean	Foreign Mean	Diff-erence	t-Value	df	2-Tail Sig.
1. Perform the service right the first time	3.1824	3.9748	-.7925	-11.36	317	.000
2. Perform service at designated time	2.8276	4.0031	- 1.1755	-16.29	318	.000
3. Call customer in case of any changes	2.6918	3.8365	-1.447	-13.98	317	.000
4. Give prompt service	2.7370	3.9968	- 1.2597	-16.38	307	.000
5. Knowledgeable & skilled personnel	3.4937	4.1171	-.6234	-9.19	315	.000
6. Service is easily accessible by phone	3.4188	3.7781	-.3594	-5.02	319	.000
7. Waiting time is not extensive	3.0478	3.7962	-.7484	-10.40	313	.000
8. Have convenient schedule	3.4551	3.7372	-.2821	-3.82	311	.000
9. Have polite and friendly cabin staff	3.9060	3.8934	.0125	.18	318	.857
10. Explain the service itself	3.0218	3.8037	-.7819	-11.48	320	.000
11. Handling the problems	2.7911	3.7310	-.9399	-13.13	315	.000
12. Have a good airline reputation	3.4574	3.9937	-.5363	-7.05	316	.000
13. Have excellent safety records	4.0435	3.7205	.3230	4.56	321	.000
14. Provide individualised attention	3.0906	3.7281	-.6375	-9.04	319	.000
15. Recognise the regular customer	3.0892	3.6210	-.5318	-8.33	313	.000
16. Have clean and neat Cabin staff	4.1818	4.0596	.1223	2.22	318	.027
17. Have good reservation services	3.2764	4.0062	-.7298	-9.92	321	.000
18. Arriving & departing on schedule	1.9590	4.0000	- 2.0410	-25.49	316	.000
19. Handle the baggage carefully	3.2570	3.9505	-.6935	-9.16	322	.000
2 . Serve tasty food	3.5559	3.4783	.0776	.95	321	.343
21. Have comf rtable seats	3.5705	3.7900	-.2194	-3.12	318	.002
22. Have efficient check-in procedure	3.5639	3.6324	-.0685	-1.00	320	.319
23. Have excellent In-flight services	3.5719	3.9073	-.3355	-4.62	321	.000
24. Excellent entertainment program	2.8944	3.6863	-.7919	-10.60	321	.000
25. Provide special attention for children	3.2693	3.9721	-.7028	-9.30	322	.000
26. Have convenient flight connections	2.9843	3.8339	-.8495	-12.16	318	.000
27. Have good frequent flyer programs	2.7256	3.4164	-.6909	-9.54	316	.000
28. Have frequent flight	3.8469	3.9031	-.0563	-.83	319	.406
29. Use the quickest route & direct flight	3.1069	3.6509	-.5440	-7.58	317	.000

Evaluations were done on a 5-point Likert-type scale. 5 = strongly agree, 4 = agree, 3 = neither agree nor disagree, 2 = disagree, 1 = strongly disagree.

Table 19
T-test of mean differences between consumers' gender and their perception towards the quality of Gulf services

Quality Variables	Means		t-value	p-value
	Male	Female		
1. Perform the service right the first time	3.1677	3.2025	-.29	.769
2. Perform service at designated time	2.8199	2.8354	-.13	.896
3. Call customer in case of any changes	2.6235	2.7628	-1.01	.314
4. Give prompt service	2.7044	2.7386	-.28	.777
5. Knowledgeable & skilled personnel	3.4375	3.5472	-1.06	.290
6. Service is easily accessible by phone	3.3789	3.4625	-.74	.458
7. Waiting time is not extensive	3.0316	3.0641	-.27	.788
8. Have convenient schedule	3.4051	3.5064	-.89	.374
9. Have polite and friendly cabin staff	3.7438	4.0563	-3.02	.003
10. Explain the service itself	2.9136	3.1321	-1.86	.064
11. Handling the problems	2.6975	2.8931	-1.70	.089
12. Have a good airline reputation	3.4348	3.4937	-.51	.608
13. Have excellent safety records	4.1049	3.9813	1.37	.172
14. Provide individualised attention	3.0679	3.1006	-.29	.769
15. Recognise the regular customer	3.1384	3.0380	.90	.367
16. Have clean and neat Cabin staff	4.1595	4.1962	-.50	.616
17. Have good reservation services	3.2945	3.2579	.31	.758
18. Arriving & departing on schedule	1.9448	1.9679	-.19	.847
19. Handle the baggage carefully	3.2699	3.2438	.22	.826
20. Serve tasty food	3.6584	3.4534	1.78	.076
21. Have comf rtable seats	3.6543	3.4937	1.38	.169
22. Have efficient check-in procedure	3.4877	3.6584	-1.56	.120
23. Have excellent In-flight services	3.7037	3.4586	2.26	.024
24. Excellent entertainment program	3.0000	2.7875	1.74	.082
25. Pr vide special attention for children	3.3436	3.1938	1.23	.220
26. Have convenient flight connections	2.9691	3.0000	-.28	.777
27. Have good frequent flyer programs	2.6832	2.7625	-.67	.505
28. Have frequent flight	3.7531	3.9438	-2.10	.037
29. Use the quickest route & direct flight	3.0429	3.1875	-1.29	.196
Price variables				
1. Price in general	3.8898	4.0637	-2.08	.038
2. Value f r money	3.4568	3.4557	.01	.990

Table 20
T-test of mean differences between consumers' income and their perception towards quality of Gulf services

Quality variables	Means		t-value	p-value
	Under 8,000	Over 8,000		
1. Perform the service right the first time	3.2667	3.0791	1.58	.116
2. Perform service at designated time	2.8833	2.7554	1.07	.285
3. Call customer in case of any changes	2.7288	2.64454	.60	.550
4. Give prompt service	2.7630	2.6691	.78	.438
5. Knowledgeable & skilled personnel	3.5193	3.4565	.60	.548
6. Service is easily accessible by phone	3.5866	3.2113	3.37	.001
7. Waiting time is not extensive	3.1788	2.8741	2.53	.012
8. Have convenient schedule	3.6534	3.2029	4.03	.000
9. Have polite and friendly cabin staff	4.0497	3.7050	3.31	.001
10. Explain the service itself	3.2099	2.7786	3.70	.000
11. Handling the problems	2.9556	2.5887	3.21	.001
12. Have a good airline reputation	3.6333	3.2446	3.42	.001
13. Have excellent safety records	4.0939	3.9787	1.26	.207
14. Provide individualised attention	3.2444	2.8794	3.31	.001
15. Recognise the regular customer	3.1611	2.9927	1.50	.134
16. Have clean and neat Cabin staff	4.2402	4.0986	1.94	.054
17. Have good reservation services	3.3978	3.1206	2.34	.020
18. Arriving & departing on schedule	2.0615	1.8214	2.01	.046
19. Handle the baggage carefully	3.3571	3.1277	1.93	.055
20. Serve tasty food	3.4862	3.6454	-1.37	.172
21. Have comfortable seats	3.5944	3.5500	.38	.706
22. Have efficient check-in procedure	3.6044	3.5319	.65	.513
23. Have excellent In-flight services	3.6313	3.5214	1.00	.318
24. Excellent entertainment program	2.8453	2.9574	-.91	.364
25. Pr vide special attention for children	3.3757	3.1338	1.98	.049
26. Have convenient flight connections	3.1056	2.8286	2.54	.011
27. Have good frequent flyer programs	2.8122	2.6071	1.72	.087
28. Have frequent flight	3.9171	3.7589	1.72	.086
29. Use the quickest route & direct flight	3.1602	3.0563	.92	.357
Price variables				
1. Price in general	3.9157	4.0493	-1.58	.114
2. Value for money	3.4778	3.4286	.55	.580

Table 21

T-test of mean differences between consumers' marital status and their perception towards quality of Gulf services

Quality variables	Means		t-value	p-value
	Single	Married		
1. Perform the service right the first time	3.1792	3.1878	-.07	.946
2. Perform service at designated time	2.8286	2.8271	.01	.991
3. Call customer in case of any changes	2.5619	2.7559	-1.32	.187
4. Give prompt service	2.5842	2.7867	-1.58	.115
5. Knowledgeable & skilled personnel	3.4444	3.5166	-.66	.510
6. Service is easily accessible by phone	3.4112	3.4252	-.12	.907
7. Waiting time is not extensive	3.0000	3.0725	-.57	.569
8. Have convenient schedule	3.5481	3.4095	1.15	.252
9. Have polite and friendly cabin staff	3.8889	3.9057	-.15	.880
1 . Explain the service itself	3.0377	3.0140	.19	.850
11. Handling the problems	2.8113	2.7860	.21	.837
12. Have a good airline reputation	3.5943	3.3991	1.61	.109
13. Have excellent safety records	3.9815	4.0748	-.97	.331
14. Provide individualised attention	3.1682	3.0421	1.07	.285
15. Recognise the regular customer	3.0467	3.1095	-.53	.594
16. Have clean and neat Cabin staff	4.1495	4.1916	-.54	.588
17. Have good reservation services	3.3271	3.2521	.60	.547
18. Arriving & departing on schedule	1.8667	2.0000	-1.05	.295
19. Handle the baggage carefully	3.2593	3.2558	.03	.978
2 . Serve tasty food	3.5093	3.5794	-.57	.567
21. Have comf rtable seats	3.5047	3.6103	-.85	.394
22. Have efficient check-in procedure	3.4630	3.6279	-1.42	.156
23. Have excellent In-flight services	3.4717	3.6385	-1.44	.150
24. Excellent entertainment program	2.8426	2.9206	-.60	.548
25. Provide special attention for children	3.3271	3.2407	.67	.506
26. Have convenient flight connections	2.9907	2.9811	.08	.934
27. Have good frequent flyer programs	2.6389	2.7653	-1.01	.315
28. Have frequent flight	3.8704	3.8364	.35	.726
29. Use the quickest route & direct flight	3.1759	3.0837	.78	.437
Price variables				
1. Price in general	3.9717	3.9766	-.06	.956
2. Value for money	3.4444	3.4623	-.19	.848

Table 22
T-test of mean differences between consumers' age and their perception towards quality of Gulf services

Quality variables	Means		t-value	p-value
	29yrs. and less	30 yrs. and more		
1. Perform the service right the first time	3.1830	3.1867	-.03	.975
2. Perform service at designated time	2.7662	2.8848	-1.00	.317
3. Call customer in case of any changes	2.7947	2.5988	1.42	.157
4. Give prompt service	2.6575	2.7771	-.99	.322
5. Knowledgeable & skilled personnel	3.4868	3.4970	-.10	.922
6. Service is easily accessible by phone	3.4768	3.3706	.94	.346
7. Waiting time is not extensive	3.0458	3.0497	-.03	.974
8. Have convenient schedule	3.5705	3.3515	1.93	.054
9. Have polite and friendly cabin staff	4.0197	3.7917	2.18	.030
1 . Explain the service itself	3.0588	2.9881	.60	.550
11. Handling the problems	2.8158	2.7751	.35	.725
12. Have a good airline reputation	3.3947	3.5269	-1.15	.250
13. Have excellent safety records	3.9221	4.1548	-2.59	.010
14. Pr vide individualised attention	3.0724	3.0947	-.20	.841
15. Recognise the regular customer	3.1118	3.0667	.41	.685
16. Have clean and neat Cabin staff	4.1722	4.1824	-.14	.890
17. Have good reservation services	3.2810	3.2722	.07	
18. Arriving & departing on schedule	1.9801	1.9345	.38	.703
19. Handle the baggage carefully	3.3529	3.1706	1.54	.125
2 . Serve tasty food	3.4211	3.6765	-2.22	.027
21. Have comf rtable seats	3.5461	3.6012	-.47	.638
22. Have efficient check-in procedure	3.5556	3.5882	-.30	.767
23. Have excellent In-flight services	3.5163	3.6446	-1.18	.241
24. Excellent entertainment program	2.7908	2.9882	-1.62	.107
25. Provide special attention for children	3.2680	3.2706	-.02	.983
26. Have convenient flight connections	3.0197	2.9524	.62	.538
27. Have good frequent flyer programs	2.8026	2.6509	1.28	.203
28. Have frequent flight	3.8693	3.8284	.45	.656
29. Use the quickest route & direct flight	3.0915	3.1353	-.39	.696
Price variables				
1. Price in general	3.8267	4.1059	-3.37	.001
2. Value for money	3.4803	3.4345	.52	.604

Table 23

T-test of mean differences between consumers who have children and those who do not in terms of their perception towards quality of Gulf services

Quality variables	Means		t-value	p-value
	No children	Have children		
1. Perform the service right the first time	3.1214	3.2346	-.95	.342
2. Perform service at designated time	2.7554	2.8833	-1.07	.285
3. Call customer in case of any changes	2.5899	2.7709	-1.30	.194
4. Give prompt service	2.6418	2.7809	-1.15	.253
5. Knowledgeable & skilled personnel	3.4507	3.5254	-.72	.474
6. Service is easily accessible by phone	3.4571	3.3923	.57	.568
7. Waiting time is not extensive	3.0355	3.0578	-1.18	.854
8. Have convenient schedule	3.4453	3.4633	-.16	.875
9. Have polite and friendly cabin staff	3.9078	3.8939	.13	.895
10. Explain the service itself	2.9929	3.0444	-.43	.665
11. Handling the problems	2.7214	2.8508	-1.12	.266
12. Have a good airline reputation	3.4214	3.4972	-.66	.513
13. Have excellent safety records	3.9507	4.1167	-1.83	.068
14. Provide individualised attention	3.0780	3.0889	-.10	.923
15. Recognise the regular customer	3.0357	3.1299	-.84	.401
16. Have clean and neat Cabin staff	4.1348	4.2111	-1.04	.300
17. Have good reservation services	3.3121	3.2486	.53	.596
18. Arriving & departing on schedule	1.9078	1.9944	-.72	.472
19. Handle the baggage carefully	3.2958	3.2265	.58	.563
2 . Serve tasty food	3.5390	3.5691	-.26	.797
21. Have comf rtable seats	3.4929	3.6389	-1.24	.215
22. Have efficient check-in procedure	3.4681	3.6538	-1.68	.093
23. Have excellent In-flight services	3.4892	3.6556	.152	.131
24. Excellent entertainment program	2.8511	2.9282	-.63	.532
25. Pr vide special attention for children	3.3830	3.1813	1.64	.101
26. Have convenient flight connections	2.9643	3.0000	-.32	.746
27. Have good frequent flyer programs	2.7730	2.6833	.75	.454
28. Have frequent flight	3.8085	3.8785	-.76	.448
29. Use the quickest route & direct flight	3.0851	3.1374	-.46	.644
Price variables				
1. Price in general	3.9645	3.9832	-.22	.825
2. Value for money	3.4965	3.4246	.81	.418

Table 24
T-test of mean differences between consumers' gender and their perception towards quality of Arab services

Quality variables	Means		t-value	p-value
	Male	Female		
1. Perform the service right the first time	3.0736	3.1366	-.69	.489
2. Perform service at designated time	3.0123	3.1056	-.98	.329
3. Call customer in case of any changes	2.969	3.0497	-.81	.420
4. Give prompt service	3.1049	3.2025	-1.09	.278
5. Knowledgeable & skilled personnel	3.4563	3.4591	-.03	.975
6. Service is easily accessible by phone	3.0123	3.1688	-1.58	.115
7. Waiting time is not extensive	3.0375	3.1069	-.71	.481
8. Have convenient schedule	3.1656	3.1750	-.10	.924
9. Have polite and friendly cabin staff	3.4969	3.6478	-1.58	.115
10. Explain the service itself	3.1358	3.1000	.36	.720
11. Handling the problems	2.8957	3.0438	-1.61	.107
12. Have a good airline reputation	3.0248	3.3043	-2.76	.006
13. Have excellent safety records	3.3558	3.4151	-.64	.526
14. Provide individualised attention	3.0679	3.0566	.12	.905
15. Recognise the regular customer	3.0613	3.0949	-.36	.717
16. Have clean and neat Cabin staff	3.8075	3.6875	1.46	.146
17. Have good reservation services	3.0982	3.2688	-1.86	.064
18. Arriving & departing on schedule	2.5951	2.9627	-3.54	.000
19. Handle the baggage carefully	2.9141	3.2013	-2.81	.005
20. Serve tasty food	3.0859	3.1366	-.50	.619
21. Have comfortable seats	3.2050	3.1750	.29	.774
22. Have efficient check-in procedure	2.9379	3.0625	-1.18	.240
23. Have excellent In-flight services	3.0736	3.1615	-.88	.380
24. Excellent entertainment program	2.7143	2.8438	-1.28	.202
25. Provide special attention for children	3.0185	2.9752	.43	.666
26. Have convenient flight connections	2.8642	3.1188	-2.70	.007
27. Have good frequent flyer programs	2.5963	2.6772	-.77	.443
28. Have frequent flight	3.3938	3.5342	-1.52	.129
29. Use the quickest route & direct flight	3.0125	3.1824	-1.81	.071
Price variables				
1. Price in general	3.5245	3.5447	-.23	.816
2. Value for money	2.8207	2.9677	-1.62	.107

Table 25

T-test of mean differences between consumers' marital status and their perception towards quality of Arab services

Quality variables	Means		t-value	p-value
	Single	Married		
1. Perform the service right the first time	3.2407	3.0370	2.12	.035
2. Perform service at designated time	3.1574	3.0093	1.47	.143
3. Call customer in case of any changes	3.1121	2.9583	1.45	.147
4. Give prompt service	3.1682	3.1455	.24	.812
5. Knowledgeable & skilled personnel	3.4019	3.4858	-.88	.379
6. Service is easily accessible by phone	3.1682	3.0509	1.11	.267
7. Waiting time is not extensive	3.1143	3.0514	.60	.549
8. Have convenient schedule	3.1495	3.1806	-.30	.765
9. Have polite and friendly cabin staff	3.6204	3.5467	.73	.469
10. Explain the service itself	3.2870	3.0327	2.42	.016
11. Handling the problems	3.0278	2.9395	.91	.366
12. Have a good airline reputation	3.2336	3.1302	.95	.342
13. Have excellent safety records	3.3645	3.3953	-.31	.455
14. Pr vide individualised attention	3.0748	3.0561	.19	.853
15. Recognise the regular customer	3.1143	3.0602	.55	.583
16. Have clean and neat Cabin staff	3.7944	3.7243	.80	.424
17. Have good reservation services	3.3551	3.0972	2.66	.008
18. Arriving & departing on schedule	3.0093	2.6620	3.14	.002
19. Handle the baggage carefully	3.1589	3.0047	1.41	.159
20. Serve tasty food	3.1481	2.0926	.51	.608
21. Have comfortable seats	3.2710	3.1495	1.10	.271
22. Have efficient check-in procedure	2.9907	3.0047	-.12	.901
23. Have excellent In-flight services	3.2130	3.0694	1.36	.176
24. Excellent entertainment program	2.9065	2.7150	1.79	.074
25. Provide special attention for children	3.1389	2.9256	2.02	.044
26. Have convenient flight connections	3.1389	2.9159	2.22	.027
27. Have good frequent flyer programs	2.6822	2.6132	.62	.537
28. Have frequent flight	3.3611	3.5164	-1.59	.113
29. Use the quickest route & direct flight	3.1574	3.0664	.92	.360
Price variables				
1. Price in general	3.4651	3.5667	-1.10	.274
2. Value for money	2.8851	2.8901	-.05	.959

Table 26
T-test of mean differences between consumers' income level and their perception towards quality of Arab services

Quality variables	Means		t-value	p-value
	Under 8,000	Over 8,000		
1. Perform the service right the first time.	3.2253	2.9507	3.03	.003
2. Perform service at designated time	3.1923	2.8873	3.22	.001
3. Call customer in case of any changes	3.0829	2.9155	1.67	.096
4. Give prompt service	3.2611	3.0143	2.76	.006
5. Knowledgeable & skilled personnel	3.4749	3.4357	.43	.666
6. Service is easily accessible by phone	3.2431	2.8944	3.55	.000
7. Waiting time is not extensive	3.1676	2.9500	2.21	.028
8. Have convenient schedule	3.2431	3.0775	1.69	.092
9. Have polite and friendly cabin staff	3.6575	3.46610	2.05	.042
10. Explain the service itself	3.2265	2.9787	2.48	.014
11. Handling the problems	3.0773	2.8310	2.69	.008
12. Have a good airline reputation	3.3260	2.9574	3.64	.000
13. Have excellent safety records	3.4833	3.2606	2.39	.017
14. Pr vide individualised attention	3.1833	2.9078	2.92	.004
15. Recognise the regular customer	3.1611	2.9716	2.05	.042
16. Have clean and neat Cabin staff	3.7293	3.7714	-.51	.613
17. Have good reservation services	3.2762	3.6634	-2.31	.021
18. Arriving & departing on schedule	2.8681	2.6620	1.94	.053
19. Handle the baggage carefully	3.1167	2.9789	1.33	.185
2 . Serve tasty food	3.1593	3.0493	1.07	.285
21. Have comf rtable seats	3.2179	3.159	.60	.548
22. Have efficient check-in procedure	3.1167	2.8511	2.51	.013
23. Have excellent In-flight services	3.2363	2.9648	2.72	.007
24. Excellent entertainment program	2.8389	2.7021	1.34	.180
25. Provide special attention for children	3.1160	2.8451	2.71	.007
26. Have convenient flight connections	3.1050	2.8440	2.74	.006
27. Have good frequent flyer programs	2.7444	2.4964	2.35	.019
28. Have frequent flight	3.5304	3.3786	1.63	.104
29. Use the quickest route & direct flight	3.2376	2.9130	3.48	.001
Price variables				
1. Price in general	3.4752	3.6000	-1.44	.515
2. Value for money	2.9320	2.8361	1.05	.294

Table 27
T-test of mean differences between consumers' age and their perception towards quality of Arab services

Quality variables	Means		t-value	p-value
	29yrs and less	30yrs and more		
1. Perform the service right the first time	3.1039	3.1059	-.02	.983
2. Perform service at designated time	3.0390	3.0765	-.39	.695
3. Call customer in case of any changes	3.0261	2.9941	.32	.749
4. Give prompt service	3.1503	3.1557	-.06	.953
5. Knowledgeable & skilled personnel	3.4228	3.4882	-.73	.469
6. Service is easily accessible by phone	3.1234	3.0592	.65	.519.
7. Waiting time is not extensive	3.0395	3.108	-.63	.528
8. Have convenient schedule	3.0588	3.2706	-2.18	.030
9. Have polite and friendly cabin staff	3.5909	3.5536	.39	.697
10. Explain the service itself	3.2288	3.0178	2.12	.035
11. Handling the problems	3.0131	2.9294	.91	.364
12. Have a good airline reputation	3.1699	3.1598	.10	.921
13. Have excellent safety records	3.2810	3.4793	-2.14	.033
14. Pr vide individualised attention	3.0526	3.0710	-.19	.847
15. Recognise the regular customer	3.1060	3.0529	.57	.567
16. Have clean and neat Cabin staff	3.7451	3.7500	-.06	.953
17. Have good reservation services	3.2092	3.1588	.55	.586
18. Arriving & departing on schedule	2.8182	2.7412	.73	.467
19. Handle the baggage carefully	3.0921	3.0235	.66	.508
20. Serve tasty food	3.1753	3.0529	1.20	.231
21. Have comfortable seats	3.1753	3.2036	-.27	.786
22. Have efficient check-in procedure	2.9605	3.0355	-.17	.480
23. Have excellent In-flight services	3.1234	3.1118	.12	.908
24. Excellent entertainment program	2.7829	2.7751	.08	.939
25. Provide special attention for children	3.0654	2.9353	1.30	.195
26. Have convenient flight connections	3.0784	2.9112	1.76	.080
27. Have good frequent flyer programs	2.6842	2.5928	.87	.387
28. Have frequent flight	3.3856	3.5357	-1.62	.105
29. Use the quickest route & direct flight	3.0654	3.1265	-.65	.516
Price variables				
1. Price in general	3.4211	3.6184	-2.27	.024
2. Value for money	2.8729	2.9007	-3.30	.762

Table 28
T-test of mean differences between consumers who have children and those who do not in terms of their perception towards quality of Arab services

Quality variables	Means		t-value	p-value
	No children	Have children		
1. Perform the service right the first time	3.1197	3.0934	.29	.775
2. Perform service at designated time	3.0704	3.0495	.22	.828
3. Call customer in case of any changes	2.9929	3.0220	-.29	.773
4. Give prompt service	3.1206	3.1788	-.64	.520
5. Knowledgeable & skilled personnel	3.4000	3.5028	-1.13	.257
6. Service is easily accessible by phone	3.1064	3.0769	.29	.769
7. Waiting time is not extensive	3.0647	3.0778	-.13	.896
8. Have convenient schedule	3.0775	3.2431	-1.69	.092
9. Have polite and friendly cabin staff	3.5745	3.5691	.06	.955
10. Explain the service itself	3.1479	3.0944	.53	.596
11. Handling the problems	2.9507	2.9834	-.35	.724
12. Have a good airline reputation	3.0922	3.2210	-1.25	.212
13. Have excellent safety records	3.3662	3.4000	-.36	.719
14. Provide individualised attention	2.9718	3.1341	-1.71	.089
15. Recognise the regular customer	2.9209	3.1978	-3.01	.003
16. Have clean and neat Cabin staff	3.7518	3.7444	.09	.930
17. Have good reservation services	3.2057	3.1648	.44	.661
18. Arriving & departing on schedule	2.8521	2.7198	.24	.214
19. Handle the baggage carefully	3.0429	3.0659	-.22	.825
20. Serve tasty food	3.0845	3.1319	-.46	.646
21. Have comfortable seats	3.09993	3.2611	-1.55	.122
22. Have efficient check-in procedure	2.9149	3.0667	-1.42	.155
23. Have excellent In-flight services	3.1268	3.1099	.17	.867
24. Excellent entertainment program	2.7660	2.7889	-.22	.823
25. Provide special attention for children	3.0634	2.9448	1.18	.240
26. Have convenient flight connections	3.0423	2.9500	.96	.337
27. Have good frequent flyer programs	2.5929	2.6704	-.73	.466
28. Have frequent flight	3.3099	3.5866	-3.01	.003
29. Use the quickest route & direct flight	3.0423	3.1412	-1.05	.296
Price variables				
1. Price in general	3.4732	3.5779	-1.19	.233
2. Value for money	2.8957	2.8831	.14	.892

Table 29
T-test of mean differences between consumers' gender and their perception towards quality of foreign services

Quality variables	Means		t-value	p-value
	Male	Female		
1. Perform the service right the first time	4.0000	3.9438	.64	.523
2. Perform service at designated time	4.0736	3.9317	1.73	.084
3. Call customer in case of any changes	3.9264	3.7578	1.73	.084
4. Give prompt service	4.0370	3.9427	1.07	.287
5. Knowledgeable & skilled personnel	4.1813	4.0625	1.38	.169
6. Service is easily accessible by phone	3.8834	3.6813	2.22	.027
7. Waiting time is not extensive	3.8957	3.7019	2.25	.025
8. Have convenient schedule	3.7826	3.6770	1.18	.237
9. Have polite and friendly cabin staff	3.9444	3.8571	.91	.365
1 . Explain the service itself	3.8650	3.7391	1.55	.122
11. Have staff that speak Arabic	2.8758	2.6832	1.61	.107
12. Handling the problems	3.7862	3.6750	1.28	.203
13. Have a good airline reputation	4.0736	3.9182	1.67	.096
14. Have excellent safety records	3.8712	3.5776	2.85	.005
15. Provide individualised attention	3.8466	3.6250	2.56	.011
16. Recognise the regular customer	3.7531	3.5157	2.52	.012
17. Have clean and neat Cabin staff	4.1104	4.0000	1.26	.209
18. Have good reservation services	4.1166	3.9068	2.47	.014
19. Arriving & departing on schedule	4.1049	3.8875	2.38	.018
20. Handle the baggage carefully	4.0184	3.8758	1.69	.093
21. Serve tasty food	3.6074	3.3606	2.23	.026
22. Have comfortable seats	3.8519	3.7391	1.28	.202
23. Have efficient check-in procedure	3.6543	3.6125	.46	.647
24. Have excellent In-flight services	3.9810	3.8438	1.55	.121
25. Excellent entertainment program	3.6687	3.7143	-.47	.640
26. Provide special attention for children	4.0552	3.8820	1.80	.073
27. Have convenient flight connections	3.9571	3.7107	2.76	.006
28. Have good frequent flyer programs	3.4340	3.4063	.27	.790
29. Have frequent flight	3.9383	3.8688	.73	.468
30. Use the quickest route & direct flight	3.7125	3.5912	1.24	.217
Price variables				
1. Price in general	3.6233	4.0081	-3.86	.000
2. Value for money	4.0203	4.1311	-1.14	.257

Table 30
T-test of mean differences between consumers' marital status and their perception towards quality of foreign services

Quality variables	Means		t-value	p-value
	Single	Married		
1. Perform the service right the first time	3.9720	3.9722	.00	.998
2. Perform service at designated time	3.9815	4.0139	-.37	.711
3. Call customer in case of any changes	3.9074	3.8102	.94	.348
4. Give prompt service	4.0094	3.9812	.30	.765
5. Knowledgeable & skilled personnel	4.1402	4.1127	.30	.764
6. Service is easily accessible by phone	3.7009	3.8241	-1.26	.207
7. Waiting time is not extensive	3.7870	3.8056	-.20	.840
8. Have convenient schedule	3.6852	3.7523	-.71	.478
9. Have polite and friendly cabin staff	3.9352	3.8837	.50	.615
10. Explain the service itself	3.7870	3.8102	-2.27	.789
11. Have staff that speak Arabic	2.8981	2.7196	1.41	.159
12. Handling the problems	3.7524	3.7196	.35	.725
13. Have a good airline reputation	4.1028	3.9442	1.61	.109
14. Have excellent safety records	3.7778	3.6991	.71	.478
15. Provide individualised attention	3.6916	3.7593	-.73	.467
16. Recognise the regular customer	3.6321	3.6372	-.05	.960
17. Have clean and neat Cabin staff	4.1215	4.0233	1.05	.292
18. Have good reservation services	3.9722	4.0324	-.66	.509
19. Arriving & departing on schedule	3.9720	4.0093	-.38	.703
20. Handle the baggage carefully	3.8889	3.9769	-.98	.329
21. Serve tasty food	3.5648	3.4444	1.02	.309
22. Have comfortable seats	3.8796	3.7535	1.35	.178
23. Have efficient check-in procedure	2.6204	3.6402	-.20	.838
24. Have excellent In-flight services	3.9340	3.9009	.35	.726
25. Excellent entertainment program	3.7037	3.6852	.18	.858
26. Provide special attention for children	3.9259	3.9907	-.63	.527
27. Have convenient flight connections	3.318	3.8372	-.06	.955
28. Have good frequent flyer programs	3.4393	3.4104	.26	.793
29. Have frequent flight	3.8505	3.9302	-.79	.433
30. Use the quickest route & direct flight	3.6852	3.6351	.48	.630
Price variables				
1. Price in general	4.0000	3.7049	2.73	.007
2. Value for money	4.2184	4.0000	2.11	.036

Table 31
T-test of mean differences between consumers' income level and their perception towards quality of foreign services

Quality variables	Means		t-value	p-value
	Under 8,000	Over 8,000		
1. Perform the service right the first time	3.9613	3.9859	-.28	.782
2. Perform service at designated time	3.9890	4.0211	-.39	.699
3. Call customer in case of any changes	3.8352	3.8521	-.17	.863
4. Give prompt service	3.9721	4.0143	-.47	.637
5. Knowledgeable & skilled personnel	4.1389	4.1000	.45	.656
6. Service is easily accessible by phone	3.7624	3.8099	.51	.609
7. Waiting time is not extensive	3.7802	3.8239	-.50	.617
8. Have convenient schedule	3.6923	3.7786	-.96	.338
9. Have polite and friendly cabin staff	3.9451	3.8440	1.04	.298
10. Explain the service itself	3.7912	2.8169	-3.1	.755
11. Have staff that speak Arabic	2.8407	2.7000	1.17	.244
12. Handling the problems	3.7167	3.7482	-.36	.720
13. Have a good airline reputation	4.0056	3.9859	.21	.835
14. Have excellent safety records	3.7473	3.6972	.48	.634
15. Provide individualised attention	3.7017	3.7817	-.91	.364
16. Recognise the regular customer	3.6111	3.6667	-.58	.563
17. Have clean and neat Cabin staff	4.1000	4.0000	1.13	.258
18. Have good reservation services	3.9451	4.0986	-1.78	.075
19. Arriving & departing on schedule	3.9061	4.1135	-2.25	.025
20. Handle the baggage carefully	3.9286	3.9718	-.51	.613
21. Serve tasty food	3.5330	3.4225	.98	.326
22. Have comfortable seats	3.8132	3.7730	.45	.653
23. Have efficient check-in procedure	3.6298	3.6383	-.09	.927
24. Have excellent In-flight services	3.8596	3.9786	-1.34	.182
25. Excellent entertainment program	3.7198	3.6549	.66	.509
26. Provide special attention for children	3.9835	3.9507	.34	.736
27. Have convenient flight connections	3.7956	3.8865	-1.00	.318
28. Have good frequent flyer programs	3.5111	3.3022	2.00	.046
29. Have frequent flight	3.8895	3.9220	-.34	.736
30. Use the quickest route & direct flight	3.6333	36763	-.43	.665
Price variables				
1. Price in general	3.9286	3.6589	3.67	.008
2. Value for money	4.1049	4.0315	.75	.452

Table 32
T-test of mean differences between consumers' age and their perception towards quality of foreign services

Quality variables	Means		t-value	p-value
	29yrs and less	30yrs and more		
1. Perform the service right the first time	3.9481	3.9941	-.52	.602
2. Perform service at designated time	3.9610	4.0412	-.97	.331
3. Call customer in case of any changes	3.8182	3.8647	-.48	.635
4. Give prompt service	3.9474	4.0299	-.93	.353
5. Knowledgeable & skilled personnel	4.0987	4.1429	-.51	.610
6. Service is easily accessible by phone	3.7403	3.8225	-.90	.371
7. Waiting time is not extensive	3.7013	3.8882	-2.17	.031
8. Have convenient schedule	3.6039	3.8452	-2.73	.007
9. Have polite and friendly cabin staff	3.8961	3.9053	-.10	.924
10. Explain the service itself	3.6948	3.9000	-2.54	.012
11. Have staff that speak Arabic	2.8312	2.7321	.83	.409
12. Handling the problems	3.6711	3.7844	-1.30	.194
13. Have a good airline reputation	3.9870	4.0060	-.20	.840
14. Have excellent safety records	3.7273	3.7235	.04	.971
15. Provide individualised attention	3.6667	3.8000	-1.53	.128
16. Recognise the regular customer	3.6013	3.6667	-.69	.493
17. Have clean and neat Cabin staff	4.0000	4.1065	-1.21	.226
18. Have good reservation services	3.9416	4.0765	-1.58	.116
19. Arriving & departing on schedule	3.9085	4.0769	-.1.83	.068
2 . Handle the baggage carefully	3.9091	3.9824	-.86	.389
21. Serve tasty food	3.5519	3.4345	1.15	.250
22. Have comfortable seats	3.7843	3.8059	-.24	.808
23. Have efficient check-in procedure	3.5974	3.6667	-.76	.449
24. Have excellent In-flight services	3.8816	3.9398	-.66	.512
25. Excellent entertainment program	3.6464	3.7294	-.82	.411
26. Provide special attention for children	3.9156	4.0176	-1.06	.292
27. Have convenient flight connections	3.7582	3.9053	-1.63	.103
28. Have good frequent flyer programs	3.4408	3.4012	.38	.704
29. Have frequent flight	3.8497	3.9527	-1.08	.282
30. Use the quickest route & direct flight	3.5921	3.7066	-1.17	.245
Price variables				
1. Price in general	3.8305	3.7748	.54	.589
2. Value for money	4.1721	3.9865	1.91	.057

Table 33
T-test of mean differences between consumers who have children and those who do not in terms of their perception towards quality of foreign services

Quality variables	Means		t-value	p-value
	No children	Have children		
1. Perform the service right the first time	3.9718	3.9724	-.01	.995
2. Perform service at designated time	4.0141	3.9945	.24	.814
3. Call customer in case of any changes	3.8310	3.8516	-.21	.834
4. Give prompt service	3.9424	4.0278	-.96	.340
5. Knowledgeable & skilled personnel	4.1064	4.1341	-.32	.751
6. Service is easily accessible by phone	3.6901	3.8564	-1.80	.072
7. Waiting time is not extensive	3.7254	3.8571	-1.51	.131
8. Have convenient schedule	3.7042	3.7500	-.51	.611
9. Have polite and friendly cabin staff	3.8944	3.9061	-.12	.904
10. Explain the service itself	3.7465	3.862	-1.22	.225
11. Have staff that speak Arabic	2.7887	2.7722	.14	.891
12. Handling the problems	3.6929	3.7598	-.76	.447
13. Have a good airline reputation	4.0634	3.9444	1.27	.206
14. Have excellent safety records	3.7394	3.7143	.24	.811
15. Provide individualised attention	3.7021	3.7637	-.70	.485
16. Recognise the regular customer	3.5899	3.6703	-.84	.403
17. Have clean and neat Cabin staff	4.0780	4.0387	.44	.657
18. Have good reservation services	3.9437	4.0659	-1.42	.157
19. Arriving & departing on schedule	3.9078	4.0663	-1.71	.088
20. Handle the baggage carefully	3.8662	4.0110	-1.70	.090
21. Serve tasty food	3.4718	3.4945	-.20	.840
22. Have comfortable seats	3.8582	3.7473	1.25	.213
23. Have efficient check-in procedure	3.6197	3.6444	-.27	.788
24. Have excellent In-flight services	3.9286	3.8989	.33	.740
25. Excellent entertainment program	3.6831	3.6978	-.15	.881
26. Provide special attention for children	3.9507	3.9835	-.34	.736
27. Have convenient flight connections	3.511	3.8232	.31	.760
28. Have good frequent flyer programs	3.4043	3.4326	-.27	.787
29. Have frequent flight	3.8794	3.9227	-.45	.654
30. Use the quickest route & direct flight	3.6549	3.6497	.05	.958
Price variables				
1. Price in general	3.9561	3.6839	2.67	.008
2. Value for money	4.1466	4.0130	1.36	.174

Table 34
T-test of mean differences between consumers who selected a Gulf or a foreign airline in terms of their perception towards quality of Gulf service

Quality Variables	Means		t-value	p-value
	Gulf selection	Foreign selection		
1. Perform the service right the first time	3.3491	2.7959	4.39	.000
2. Perform service at designated time	2.9623	2.5102	3.56	.000
3. Call customer in case of any changes	2.8421	2.3400	3.38	.001
4. Give prompt service	2.9902	2.1313	7.10	.000
5. Knowledgeable & skilled personnel	3.6132	3.2245	3.48	.001
6. Service is easily accessible by phone	3.5024	3.2574	2.01	.045
7. Waiting time is not extensive	3.1068	2.8687	1.82	.070
8. Have convenient schedule	3.4951	3.3434	1.22	.224
9. Have polite and friendly cabin staff	4.0472	3.5758	4.21	.000
1 . Explain the service itself	3.1415	2.7600	3.03	.003
11. Handling the problems	3.0142	2.3564	5.49	.000
12. Have a good airline reputation	3.6507	3.0693	4.83	.000
13. Have excellent safety records	4.1174	3.8800	2.43	.016
14. Provide individualised attention	3.2723	2.6667	5.22	.000
15. Recognise the regular customer	3.1517	2.9072	2.01	.045
16. Have clean and neat Cabin staff	4.2607	4.0099	3.18	.002
17. Have g od reservation services	3.3803	3.0400	2.66	.008
18. Arriving & departing on schedule	2.1185	1.5556	4.52	.000
19. Handle the baggage carefully	3.3521	3.0396	2.43	.016
2 . Serve tasty food	3.6274	3.3861	1.91	.057
21. Have comfortable seats	3.7014	3.3200	3.04	.003
22. Have efficient check-in procedure	3.6916	3.3300	3.07	.002
23. Have excellent In-flight services	3.7204	3.2525	4.01	.000
24. Excellent entertainment program	2.9390	2.7200	1.66	.099
25. Provide special attention for children	3.3568	3.0594	2.25	.025
26. Have convenient flight connections	3.1043	2.6800	3.67	.000
27. Have good frequent flyer programs	2.7944	2.5102	2.21	.028
28. Have frequent flight	3.8920	3.7700	1.22	.222
29. Use the quickest route & direct flight	3.2150	2.9000	2.60	.010

Table 35

T-test of mean differences between consumers who selected a Gulf or a foreign airline in terms of their perception towards quality of Arab service

Quality Variables	Means		t-value	p-value
	Gulf selection	Foreign selection		
1. Perform the service right the first time	3.1355	3.0495	.87	.387
2. Perform service at designated time	2.0888	2.9703	1.14	.255
3. Call customer in case of any changes	3.0845	2.8218	2.45	.015
4. Give prompt service	3.2085	3.0400	1.73	.084
5. Knowledgeable & skilled personnel	3.4882	3.3636	1.28	.203
6. Service is easily accessible by phone	3.1549	2.9307	2.08	.038
7. Waiting time is not extensive	3.1627	2.8515	2.96	.003
8. Have convenient schedule	3.2441	2.9802	2.52	.012
9. Have polite and friendly cabin staff	3.7324	3.2200	5.06	.000
1 . Explain the service itself	3.2347	2.8500	3.62	.000
11. Handling the problems	3.0376	2.7921	2.47	.014
12. Have a good airline reputation	3.3099	2.8317	4.46	.000
13. Have excellent safety records	3.4670	3.1980	2.69	.008
14. Provide individualised attention	3.1408	2.8384	2.98	.003
15. Recognise the regular customer	3.1368	2.9000	2.38	.018
16. Have clean and neat Cabin staff	3.7793	3.6667	1.25	.213
17. Have good reservation services	3.2477	3.0300	2.18	.030
18. Arriving & departing on schedule	2.8551	2.6139	2.11	.036
19. Handle the baggage carefully	3.1262	2.8788	2.23	.026
2 . Serve tasty food	3.1869	2.9010	2.61	.009
21. Have comfortable seats	3.2254	3.0808	1.28	.203
22. Have efficient check-in procedure	3.1274	2.6700	4.07	.000
23. Have excellent In-flight services	3.2103	2.8812	3.07	.002
24. Excellent entertainment program	2.8498	2.5758	2.53	.012
25. Provide special attention for children	3.0235	2.9010	1.12	.262
26. Have convenient flight connections	3.0188	2.9200	.95	.341
27. Have good frequent flyer programs	2.6825	2.4848	1.74	.082
28. Have frequent flight	3.4717	3.4500	.22	.830
29. Use the quickest route & direct flight	3.1095	3.0500	.58	.560

Table 36

T-test of mean differences between consumers who selected a Gulf or a foreign airline in terms of their perception towards quality of Foreign service

Quality Variables	Means		t-value	p-value
	Gulf selection	Foreign selection		
1. Perform the service right the first time	3.8967	4.1485	-2.67	.008
2. Perform service at designated time	3.9112	4.2079	-3.38	.001
3. Call customer in case of any changes	3.7150	4.0891	-3.60	.000
4. Give prompt service	3.8910	4.2020	-3.28	.001
5. Knowledgeable & skilled personnel	4.0189	4.3600	-3.72	.000
6. Service is easily accessible by phone	3.6667	4.0099	-3.51	.001
7. Waiting time is not extensive	3.7056	3.9802	-2.95	.003
8. Have convenient schedule	3.6056	3.9900	-4.08	.000
9. Have polite and friendly cabin staff	3.8028	4.1287	-3.18	.002
1 . Explain the service itself	3.6822	4.0297	-4.03	.000
11. Have staff that speak Arabic	2.8443	2.6535	1.46	.145
12. Handling the problems	3.6143	3.9600	-3.73	.000
13. Have a good airline reputation	3.7925	4.4356	-6.74	.000
14. Have excellent safety records	3.6262	3.9109	-2.53	.012
15. Provide individualised attention	3.5935	4.0200	-4.64	.000
16. Recognise the regular customer	3.5261	3.8515	-3.21	.001
17. Have clean and neat Cabin staff	3.9155	4.3600	-4.83	.000
18. Have good reservation services	3.8598	4.3366	-5.35	.000
19. Arriving & departing on schedule	3.8545	4.3000	-4.57	.000
20. Handle the baggage carefully	3.8224	4.2079	-4.28	.000
21. Serve tasty food	3.3879	3.6634	-2.28	.023
22. Have comfortable seats	3.6854	4.0099	-3.43	.001
23. Have efficient check-in procedure	3.5493	3.8200	-2.75	.006
24. Have excellent In-flight services	3.7689	4.2165	-4.79	.000
25. Excellent entertainment program	3.5561	3.9505	-3.83	.000
26. Provide special attention for children	3.8037	4.3069	-4.98	.000
27. Have convenient flight connections	3.6604	4.1881	-5.63	.000
28. Have good frequent flyer programs	3.2972	3.6531	-3.19	.002
29. Have frequent flight	3.7887	4.1300	-3.34	.001
30. Use the quickest route & direct flight	3.5048	4.0000	-4.80	.000

Table 37
T-test of mean differences between consumers who selected a Gulf or a foreign airline in terms of their perception towards price of Gulf service

Price Variables	Means		t-value	p-value
	Gulf selection	Foreign selection		
Price in general	4.0047	3.95000	.60	.550
Value for money	3.5425	3.2424	3.15	.002

Table 38
T-test of mean differences between consumers who selected a Gulf or a foreign airline in terms of their perception towards price of Arab service

Price Variables	Means		t-value	p-value
	Gulf selection	Foreign selection		
Price in general	3.5562	3.4886	.73	.465
Value for money	2.9425	2.7326	2.16	.032

Table 39
T-test of mean differences between consumers who selected a Gulf or a foreign airline in terms of their perception towards price of Foreign service

Price Variables	Means		t-value	p-value
	Gulf selection	Foreign selection		
Price in general	3.8735	3.6875	1.75	.082
Value for money	3.9398	4.2680	-3.26	.001

Table 40
T-test of mean differences between consumers' gender and factors considered important to their choice of an airline

Factors considered important	Means		t-value	p-value
	Male	Female		
Performance	4.6039	4.6520	-.95	.343
Assurance	4.3840	4.4038	-.37	.714
Accessibility	4.2319	4.0818	2.21	.028
Frequent flights	3.9565	3.8428	1.47	.141
Understanding/knowing the customer	4.0688	3.9335	1.40	.163
Trustworthiness	4.4663	4.4623	.06	.951

Table 41
T-test of mean differences between consumers' marital status and factors considered important to their choice of an airline

Factors considered important	Means		t-value	p-value
	Single	Married		
Performance	4.7107	4.5868	2.32	.021
Assurance	4.4038	4.3889	.26	.795
Accessibility	4.1869	4.1424	.61	.539
Frequent flights	3.8396	3.9299	-1.10	.272
Understanding/knowing the customer	3.9760	4.0140	-.37	.713
Trustworthiness	4.4533	4.4698	-.24	.809

Table 42
T-test of mean differences between consumers' income level and factors considered important to their choice of an airline

Factors considered important	Means		t-value	p-value
	Under 8,000	Over 8,000		
Performance	4.6280	4.6274	.01	.990
Assurance	4.4436	4.3310	2.09	.037
Accessibility	4.1304	4.1915	-.89	.375
Frequent flights	3.9431	3.8446	1.26	.207
Understanding/knowing the customer	4.0197	3.9786	.42	.674
Trustworthiness	4.4444	4.4894	-.69	.488

Table 43
T-test of mean differences between consumers' age and factors considered important to their choice of an airline

Factors considered important	Means		t-value	p-value
	29Yrs and less	30Yrs and more		
Performance	4.6613	4.5968	1.27	.204
Assurance	4.3921	4.3953	-.06	.953
Accessibility	4.1360	4.1766	-.59	.553
Frequent flights	3.8263	3.9684	-1.84	.066
Understanding/knowing the customer	3.9771	4.0242	-.49	.628
Trustworthiness	4.4510	4.4763	-.39	.694

Table 44
T-test of mean differences between consumers who have children and those who do not and factors considered important to their choice of an airline

Factors considered important	Means		t-value	p-value
	No children	Have children		
Performance	4.6667	4.5972	1.36	.174
Assurance	4.3885	4.3978	-.17	.864
Accessibility	4.1878	4.1330	.80	.426
Frequent flights	3.8597	3.9309	-.91	.362
Understanding/knowing the customer	3.9891	4.0111	-.22	.823
Trustworthiness	4.4433	4.4807	-.58	.565

APPENDIX E

THE VALIDITY AND RELIABILITY TABLES

Table 1
The Alpha Coefficient Test of the Reliability of the Data Concerning The Quality of Gulf Airline Services

Variable	Corrected Item-Total Correlation	Alpha if Item Deleted
Q8.1	.5763	.8992
Q8.2	.5259	.9001
Q8.3	.3607	.9038
Q8.4	.5352	.8999
Q8.5	.4830	.9010
Q8.6	.4102	.9022
Q8.7	.5060	.9005
Q8.8	.4391	.9017
Q8.9	.4841	.9009
Q8.10	.5179	.9003
Q8.11	.5574	.8995
Q8.12	.5833	.8990
Q8.13	.4261	.9019
Q8.14	.6398	.8982
Q8.15	.3348	.9035
Q8.16	.3553	.9031
Q8.17	.4913	.9008
Q8.18	.6087	.8985
Q8.19	.4417	.9017
Q8.20	.3310	.9037
Q8.21	.4674	.9012
Q8.22	.4635	.9013
Q8.23	.5306	.9001
Q8.24	.3991	.9026
Q8.25	.4482	.9016
Q8.26	.5839	.8992
Q8.27	.4582	.9014
Q8.28	.2352	.9046
Q8.29	.4738	.9011

Reliability Coefficients 29 items

Alpha = .9042 Standardized item alpha = .9044

Table 2
The Alpha Coefficient Test of the Reliability of the Data Concerning The Quality of Arab non-Gulf Airline Services

Variable	Corrected Item-Total Correlation	Alpha if Item Deleted
Q9.1	.5354	.9272
Q9.2	.5644	.9268
Q9.3	.4811	.9280
Q9.4	.5991	.9264
Q9.5	.5067	.9276
Q9.6	.4913	.9278
Q9.7	.5731	.9267
Q9.8	.5949	.9264
Q9.9	.4789	.9279
Q9.10	.5648	.9268
Q9.11	.5846	.9266
Q9.12	.6647	.9254
Q9.13	.5279	.9273
Q9.14	.6137	.9262
Q9.15	.4875	.9278
Q9.16	.3700	.9291
Q9.17	.5623	.9269
Q9.18	.4931	.9279
Q9.19	.5497	.9270
Q9.20	.5583	.9269
Q9.21	.5402	.9272
Q9.22	.5452	.9271
Q9.23	.6836	.9252
Q9.24	.6083	.9262
Q9.25	.5449	.9271
Q9.26	.5952	.9265
Q9.27	.4315	.9287
Q9.28	.3415	.9296
Q9.29	.5243	.9274

Reliability Coefficients 29 items

Alpha = .9295 Standardized item alpha = .9294

Table 3
The Alpha Coefficient Test of the Reliability of the Data Concerning The Quality of Foreign Airline Services

Variable	Corrected Item-Total Correlation	Alpha if Item Deleted
Q10.1	.6711	.9502
Q10.2	.6307	.9506
Q10.3	.6039	.9508
Q10.4	.7424	.9496
Q10.5	.7578	.9496
Q10.6	.5723	.9511
Q10.7	.6498	.9504
Q10.8	.6045	.9508
Q10.9	.6196	.9506
Q10.10	.7148	.9500
Q10.11	.1832	.9556
Q10.12	.6733	.9502
Q10.13	.7039	.9499
Q10.14	.5425	.9514
Q10.15	.6755	.9502
Q10.16	.5335	.9514
Q10.17	.6925	.9500
Q10.18	.7087	.9499
Q10.19	.6726	.9502
Q10.20	.6724	.9502
Q10.21	.5149	.9519
Q10.22	.6156	.9507
Q10.23	.6064	.9508
Q10.24	.7444	.9496
Q10.25	.6066	.9508
Q10.26	.7206	.9497
Q10.27	.7032	.9499
Q10.28	.4773	.9520
Q10.29	.6013	.9508
Q10.30	.5900	.9509

Reliability Coefficients 30 items

Alpha = .9522 Standardized item alpha = .9547

Table 4
The Alpha Coefficient Test of the Reliability of the Data Concerning The Patriotic Variables

	Corrected Item-Total Correlation	Alpha if Item Deleted
Q14.1	.3442	.6312
Q14.2	.5763	.5282
Q14.3	.2765	.6343
Q14.4	.2987	.6332
Q14.5	.2926	.6352
Q14.6	.4644	.5739
Q14.7	.3380	.6186

Reliability Coefficients 7 items

Alpha = .6477 Standardized item alpha = .6626

Table 5
The Alpha Coefficient Test of the Reliability of the Data Concerning The Price of Gulf, Arab non-Gulf, and Foreign Airline Services

	Corrected Item-Total Correlation	Alpha if Item Deleted
Q12.1	.1608	.7335
Q12.2	.5377	.6377
Q12.3	.5815	.6205
Q13.1	.2070	.7255
Q13.2	.5601	.6343
Q13.3	.5695	.6256

Reliability Coefficients 6 items

Alpha = .7100 Standardized item alpha = .6796

Table 6
The Alpha Coefficient Test of the Reliability of the Data Concerning The Factors Considered Important in Choosing An Airline

Variable	Corrected Item-Total correlation	Alpha if Item Deleted
Q11.1	.4502	.9084
Q11.2	.4692	.9082
Q11.3	.4532	.9083
Q11.4	.5035	.9077
Q11.5	.5258	.9073
Q11.6	.4355	.9087
Q11.7	.4627	.9082
Q11.8	.4485	.9084
Q11.9	.4852	.9080
Q11.10	.4905	.9077
Q11.11	.4610	.9082
Q11.12	.5718	.9069
Q11.13	.4772	.9081
Q11.14	.4531	.9086
Q11.15	.5219	.9072
Q11.16	.4513	.9088
Q11.17	.4468	.9084
Q11.18	.5647	.9069
Q11.19	.5338	.9076
Q11.20	.4789	.9082
Q11.21	.4775	.9079
Q11.22	.4732	.9082
Q11.23	.3064	.9131
Q11.24	.5541	.9072
Q11.25	.6115	.9060
Q11.26	.5949	.9065
Q11.27	.5285	.9072
Q11.28	.4706	.9081
Q11.29	.5680	.9067
Q11.30	.3527	.9114
Q11.31	.4912	.9078
Q11.32	.4268	.9088

Reliability Coefficients 32 items

Alpha = .9107 Standardized item alpha = .9184