



CONSUMERS REACTION TO SUBSTANDARD SERVICES: DO CULTURAL NORMS HAVE A ROLE TO PLAY?

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Article Information	Abstract
Article history: Submitted: 05 th May, 2023 Accepted: 12 th December, 2023 Published: 21 st December, 2023	<i>This study examines consumer reactions to substandard services which generate behavioral response to dissatisfaction; whereby cultural norms play the role of moderator between dissatisfaction and behavioral response. Dissatisfaction has been measured through the constructs of exit, negative word of mouth and resorting to third party influence. The paper explores Pakistani culture with the lens of Hofstede's cultural dimensions theory and its impact on behavioral response. The selected cultural dimensions include uncertainty avoidance, individualism and achievement orientation. The research was conducted on the beauty and wellness industry whereby data was collected from 290 female customers of beauty salons. Sample size was ascertained based on principles set by the item response theory. Analysis was done through Process Macro by Hayes moderation model 1. The current study's results, based on a cross-sectional survey design, show that Pakistani culture, as measured along the Hofstede dimensions of achievement, uncertainty avoidance and individualism play a moderating role and has consequences on negative word of mouth, exit and third-party influence. Despite its functional importance, there has been very little academic literature that specifically considers the impact of culture on behavioral responses to service failure experiences. This study makes a theoretical contribution through extending the existing knowledge base of the study variables and applies the Hofstede model on a new avenue of research. It also provides valuable insights for decision makers in the industry on how to retain and build their base of customers.</i>
Volume No. 03 Issue No. 02 ISSN: 2790-7899	
Keywords: Customer Dissatisfaction; Hofstede model; Negative word of mouth; Third party influence; Beauty & Wellness	

Introduction

This study takes a detailed look into how cultural norms effect behavioral response in the context of the selected service industry. By investigating this specific topic, the current study

builds on an evolving line of academic inquiry by looking at the moderating impact of cultural values on behavioral reactions to unsatisfactory service experiences in Pakistan.

The territory or scope of the study includes a particular niche, i.e., the beauty and wellness industry of Pakistan which is primarily an understudied area of research. Other contemporary studies globally have focused on many aspects of the beauty and wellness industry including its relation with technological acquisitions, social media influences, luxury products, sustainability, augmented reality and even its downsides (Lavuri et al., 2022; Sedita et al., 2021; Fiala et al., 2019; Wang et al., 2021; Alevizou et al., 2021; Hassan et al., 2021). However, the current research in Pakistan lacks focus on this industry. The current trend in research within the country of study is on cosmetic tools, beauty products and brand consciousness while lacking emphasis on any underpinning theory. Hence, the main contribution of this theory is the exploration of unique variables in a relatively unexplored niche, that too in context of an underpinning theory, i.e., the Hofstede framework of cultural dimensions. It is pertinent to mention that extending a theory to new area of investigation is also a theoretical contribution (Chatterjee et al., 2007; Combs et al., 2009).

To reiterate, the existing literature contains many gaps including the following: (a) Most research articles analyze only one cultural aspect (b) The direct effect of culture is investigated and not as a moderator (c) just one behavioral variable of dissatisfactory service experiences is investigated.

The beauty salon industry has grown rapidly in a very short period of time owing to individuals' commitment to self and desire to look one's best. Viewing the culture of Pakistan from Hofstede's perspective, it is mainly depictive of high power distance and collectivism with focus on short term orientation and high uncertainty avoidance (Qasim, et al., 2020). Taking a look into previous research, Zhang et al. (2008) audited diverse cultures and showed various investigations related to Hofstede's (1991) model of cultural dimensions. Collectivistic culture rated low on uncertainty avoidance and individualistic culture rated high on uncertainty avoidance (Donthu et al., 1998; Liu et al., 2001). The same study showed that people related to comparatively low vulnerability frequently said that they would switch on getting poor service experience and would give negative reviews or negative word of mouth. It is contended that in societies with more power distance index, respondents were bound to endure disappointment and failure (Liu, 2001). Donthu and Yoo (1998) contend that people lower on power distance have comparatively high expectations regarding services. Our study will expand on these concepts and present a more detailed understanding of these study variables.

Literature Review:

Following is a view of the literature with respect to the study variables, leading to the conceptual framework. This study contains three dependent variables i.e. exit, negative word of mouth and third party influence. The underpinning theory for this study is the Hofstede's cultural dimensions theory.

An active, labor-intensive response to a customer's displeasure is to leave a business or a service provider (ul Haq, et al., 2019). According to research, dissatisfaction directly correlates with leaving an organisation (Gofen, 2012). We suggest that depending on the national culture, the effect of consumer discontent on customer churn differs. According to Samaha et al. (2014), Hofstede's (1991) dimensions have an impact on the performance of relational variables (such customer satisfaction). The Hofstede model is a good example of how cultural influences impact

decisions made in a particular culture, while taking into account the inclusion of both ingroups and outgroups. Many researchers have considered this model to be imperative to the review of variables in the context of behavioral sciences (Chang et al., 2023; Taras et al., 2023). Hence, it has been considered as an underpinning foundation for our study.

Dissatisfaction is the only independent variable in this study. According to Shahzad et al. (2020), it is challenging for service providers to guarantee that everyone of their clients receives error-free service. As a result, behavioural responses to unsatisfactory service encounters (also known as service failures), such as bad mouthing and complaining are still a cause for concern. Service managers are showing keen interest in understanding the intricacies of dealing with clients from other cultures as a result of increased globalisation and shifting customer demographics (Nuttavuthisit, et al., 2019).

Negative WOM is a passive answer that is ambiguous about the behavior's target and also allows for anonymity (Al Awadhi et al., 2019). Research also shows a significant relation of dissatisfaction with negative word of mouth (Singh, 1990).

Third-party action is a proactive reaction to a poor customer experience that entails contacting a sanctioning authority or other third party for assistance (Singh, 1990; 1996; Ejbye, 2023). According to Abbas et al. (2020), there are cultural differences in the intensity of the association between dissatisfaction and third-party action, but it is still prevalent in most societies.

Taken together, these factors point to a pressing need to comprehend cultural variations and gauge their effect on behavioral reactions to poor service experiences in particular. The moderating variables in our study, stem from Hofstede's cultural Dimensions. The Hofstede idea is frequently used to distinguish between different national cultures, their dimensions, and how they affect industry. It has a close connection to the topic of our investigation. However, before discussing the variables linked to Hofstede, it is relevant to a look at various perspectives of culture and why it is important. Research also shows a significant relation of Hofstede cultural dimensions with customer dissatisfaction (Hofstede, et al., 2004)

A person's behaviour and desires are greatly influenced by their culture. According to study, social class, culture, and subculture all have significant roles in how consumers choose to spend their money (Palinkas et al., 2020). The demographics, dialects, nonverbal communication, and values of many cultures vary (Umi Kartini, 2017).

Furthermore, the entirety of human knowledge, values, customs, and beliefs—as well as all other skills and routines picked up as members of society—are referred to as culture. The term "culture" is broad and covers a wide range of factors that have an impact on how people think and behave. It not only affects preferences but also provides a means of decision-making and aids in perception of the environment.. Culture does not include the inherited responses but has an impact on skill acquisition as well (Gichuhi et al., 2019). Since there are so many human behaviors which are learned than innate, culture also has a direct impact on a wide range of behaviors (Nzioki, 2018). Norms are derived from culture which are widely held beliefs that are prevalent in societies as well as organizations (Hoque et al., 2020). Social disapproval is the cause of cultural norm violations. Moving on, it should be noted that Pakistani culture is fundamentally quite traditional due to the heavy impact of family normative systems. The traditional family institution also displays how systems of custom and legacy are intricately intertwined and interlaced. Strong family ties founded on moral, material, or emotional support are the cause of a strong orientation towards family life and its ideals. 2018 (Samal et al.).

In our research, as we are evaluating a behavioral framework which relates dissatisfaction with the resultant behaviour; cultural norms may have a moderating role to play. Hence, in light of Hofstede's model (1991, 2005), three moderators are selected with reference to Pakistan which include uncertainty avoidance, individualism and achievement orientation.

In contrast to risk avoidance, uncertainty avoidance focuses on a society's tolerance for uncertainty (Palinkas et al., 2020). It reveals the extent to which a community programmes its members to feel uncomfortable or at ease in unpredictable situations.

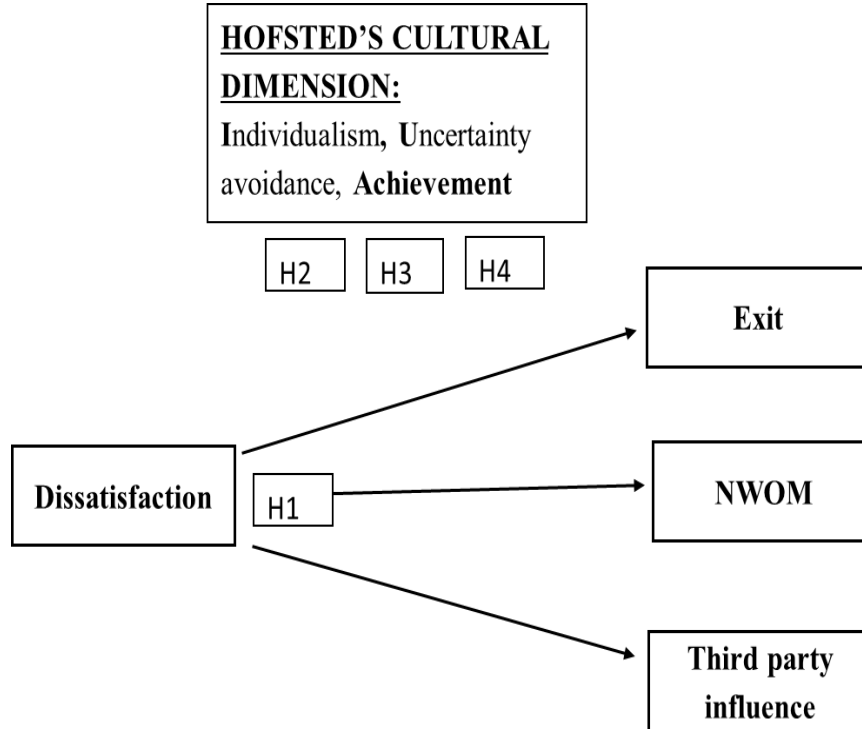
On the one hand, individualism, and on the other, collectivism. According to Shahzad et al. (2020), collectivism is the extent to which individuals in a community are connected with each other. Individualist civilizations have weak social bonds since everyone is expected to take care of themselves and their immediate families. Achievement orientation refers to a person's beliefs and actions in relation to achievement, performance, and the desire to conquer obstacles (Samal et al., 2018). The point to which a group embraces assertiveness, money acquisition, and material possessions correlate with masculine/individualistic theories. Cultures with a feminine (collective/nurturing) orientation place a premium on quality of life, well-being, compassion and emotional expression (Musambira et al., 2015).

It can be summarized that the importance of the study variables arises from the application of the underpinning theory i.e., Hofstede's Cultural Dimensions theory to the study variables i.e., dissatisfaction, third-party influence, negative word of mouth and exit.

Theoretical Frame work:

Following is a graphical depiction of our theoretical framework:

Figure 1: Theoretical Framework



Our literature overview and conceptual framework gives rise to the following hypotheses:

Table 1: Research Hypotheses

Hypothesis 1	Dissatisfaction has a positive and direct relation with 1) Customer's tendency to exit 2) Negative word of mouth 3) Third party action.
Hypothesis 2	Higher level of Achievement positively moderates the relation between Dissatisfaction, Exit, Negative word of mouth and Third party influence.
Hypothesis 3	Higher level of Uncertainty avoidance positively moderates the relation between Dissatisfaction, Exit, Negative word of mouth and Third party influence.
Hypothesis 4	Higher level of Individualism positively moderates the relation between Dissatisfaction, Exit, Negative word of mouth and Third party influence.

Research Design and Methodology:

The section contains information about the study's research design, instruments, and methodology. It covers the sampling techniques used, the study setting, the research design, the data's foundation, study variables, the instruments, and the statistical procedures used to collect and analyze the data.

Study Setting:

This research fundamentally intends to examine consumer reactions to substandard services with the moderating effect of cultural norms in Pakistan. Quantitative, hypothesis testing methodology is followed, thus surveys were used to measure the study variables. The researcher collected data from the target respondents in their typical working environments and routines, entirely avoiding any artificial study settings. The researcher's role was strictly confined to outlining to the participants the goal of the study and the questionnaire items.

Unit of analysis and Time horizon:

Unit of analysis for this study were individuals, i.e., females who are customers of beauty salons. No age restriction was set for the target respondents, as females of all ages visit saloons. The time horizon was one-shot i.e. the data was collected only once from the sample, hence making it a cross-sectional study.

Sampling technique and Sample Size:

Convenience sampling technique was used in this study. Sample size was 290 respondents based on principles set by the item response theory (Nunnally, 1978) as total number of items in our questionnaire were 29. Individuals were taken as the unit of analysis for this study. The study participants were females who were customers of beauty salons.

Data gathering method:

The data for our quantitative, hypothesis testing study was gathered via self-administered questionnaires and google forms also. The data was primarily collected at the parlor premises. The questionnaires were distributed in-person to individuals. However, some of the questionnaires were also distributed online through emails and on other social networking sites. Any query of the participants was addressed to minimize any error and bias.

Research Ethics:

Ethics is an important aspect of any study that must be considered in order to achieve participants trust and the best possible results. Participants were well aware of the research's objectives during data collection. They were assured that the data would only be used for research purposes and would be kept private.

Scales and Measurements:

For measuring/rating the data a five-point Likert scale was used. This is one of the most commonly used methods of rating any item. There were 29 items in the survey, which were rated via a five point scale. Participants were instructed to choose any one point on the scale.

Dissatisfaction:

This variable was measured by using 5 items. The scale went from strongly disagree (1) to strongly agree (5). A sample item of this variable is for e.g. "The services provided in salon were unprofessional."

Exit:

The variable was measured by rating at a 5 point Likert scale. It included 4 items which were used for quantifying the results. A sample item of this variable is for e.g. "I departed from the salons due to pathetic services."

Negative word of mouth:

The variable had 4 items which were ranked on a 5 point Likert scale which went from strongly disagree (1) to strongly agree (5). A sample item for this variable is for e.g. "I gave negative reviews about salons on social media."

Third party influence:

The variable included 4 items. It was ranked by using a 5 point Likert scale. A sample item for this variable is for e.g. "Customers complains to the consumer court in case of dissatisfaction from salon services."

Achievement:

The variable encompassed 4 items which were rated using a 5 point Likert scale. A sample item for this variable is for e.g. "I highly rate salons when I get my desired results."

Uncertainty avoidance:

This variable was rated by using a 5 point Likert scale. It included 4 items. A sample item of this variable is for e.g. "I never show willingness and readiness to take risks"

Individualism:

This variable was rated by using a 5 point Likert scale. It included 4 items. A sample item of this variable is for e.g. “I assume my own decisions and have a sense of direction in choosing a salon”.

Data analysis:

Data was analyzed and organized by using SPSS version 24. Descriptive analysis was done using SPSS for analyzing demographics and individual characteristics. For the reliability Cronbach’s Alpha values were calculated. Bi-variate Correlation was calculated for study variables. Furthermore, to test hypotheses Process Hayes was used as it is commonly used in research for behavioral sciences in latest publications (SÜRÜCÜ et al., 2023; Xia, 2023)

Research procedure:

1. To begin data collection, questionnaires were distributed to consumers (online and offline) using convenience sampling.
2. Second, the data was analyzed using SPSS tools.
3. Third, data analysis included demographic, correlation, and reliability analysis.
4. Fourth, the Process Hayes Model 4 was used to evaluate the study's hypotheses.

Results:**Reliability Analysis:**

The overall Cronbach alpha is 0.80. The reliability of dissatisfaction is 0.70 while the reliability of exit, negative word of mouth and third party influence is 0.707, 0.886 and 0.84. The Cronbach alpha of the moderator individualism is 0.702. The reliability of uncertainty avoidance is 0.78. Lastly the Cronbach of achievement is 0.78. All of the values of the Cronbach alpha are more than 0.70. Thus they are reliable.

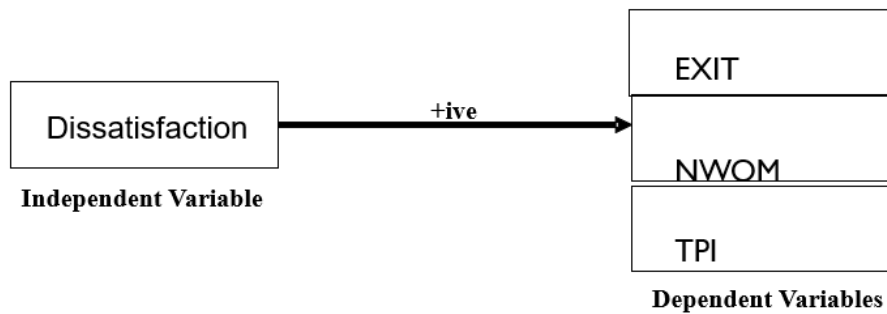
Table 2: Reliability Analysis

Variables	Items	A
Overall Cronbach	34	0.90
Dissatisfaction	5	0.70
Exit	5	0.707
Negative word of mouth	5	0.843
Third Party Influence	4	0.886
Individualism	5	0.702
Uncertainty avoidance	5	0.78
Achievement	5	0.88

Correlation analysis shows that dissatisfaction has a moderate positive relationship with exit ($r=.403$, $p<0.01$). The correlation between dissatisfaction and negative word of mouth is ($r=.503$, $p<0.01$). There is a positive correlation between dissatisfaction and third party influence ($r=.667$, $p<0.01$). There is also a significant impact of dissatisfaction on achievement ($r=.583$, $p<0.01$). There is also a significant impact of dissatisfaction on uncertainty avoidance ($r=.836$, $p<0.01$). Lastly dissatisfaction and individualism depicts a positive and significant association ($r=.589$, $p<0.01$).

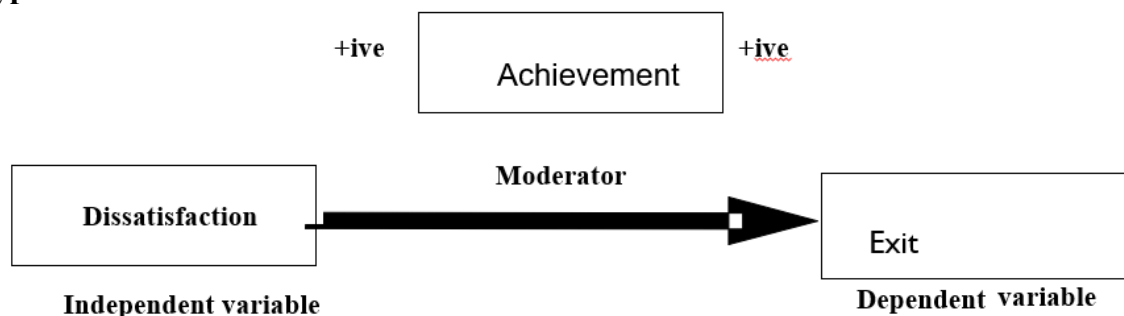
Results of Data analysis through Process Macro by Hayes:

Hypothesis 1



The first hypothesis of the study “Dissatisfaction has a direct effect on Exit, NWOM and TPI” was supported by the data analysis, There is also a positive and significant relationship between exit and dissatisfaction, NWOM and dissatisfaction and also between TPI and dissatisfaction. Both the confidence intervals are positive and the value of p is also less than 0.05 showing the significance of relation. This means that when dissatisfaction increases customer's tendency to exit, Nwom and TPI will also increases. These findings compliment the research by Schoefer, Klaus, et al. (2019)

Hypothesis 2a



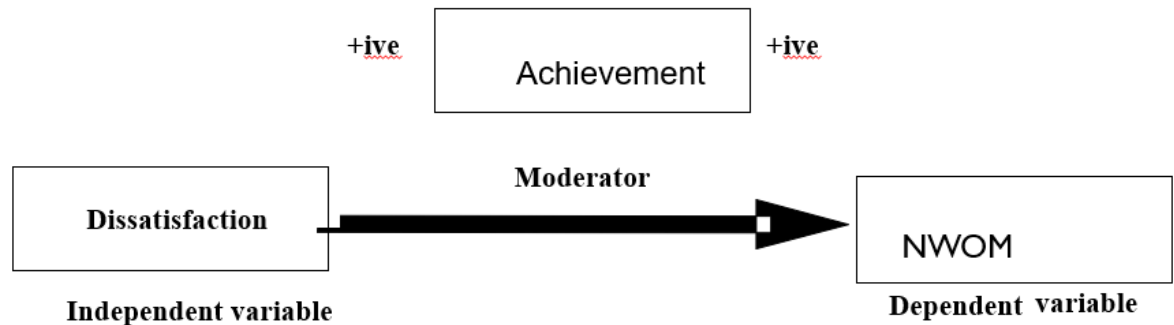
The value of the coefficient R is .3214 whereas the value of R² is .1033. It is also seen that there is a positive and significant relationship found between achievement and NWOM ($\beta=0.3533$,

$t=.7537$, $p=0.045$, $LLCI=1.275$, $ULCI=.5686$). There is also a positive and significant relationship between NWOM and dissatisfaction ($\beta=0.0843$, $t=.1695$, $p=0.033$, $LLCI=.1.06$, $ULCI=.8945$).

The interaction term was significant which means that that achievement was a significant moderation of the effect of dissatisfaction on NWOM. ($\beta=0.1031$, $t=.9249$, $p=0.035$, $LLCI=.1162$, $ULCI=.3224$)

It shows that Dissatisfaction does explain the relationship between behavioral response i.e. Exit when moderators with cultural dimension Achievement .

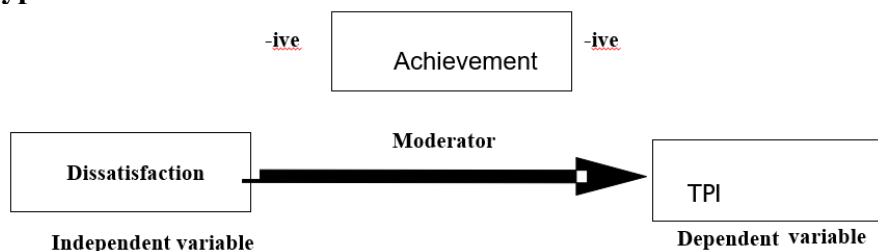
Hypothesis 2b



The value of the coefficient R is .3214 whereas the value of R² is .1033. If we look at the value of p it is also $p=.000$ which means that the model is significant. In addition, there is a positive and significant relationship found between achievement and NWOM ($\beta=0.3533$, $t=.7537$, $p=0.045$, $LLCI=1.275$, $ULCI=.5686$). There is also a positive and significant relationship between NWOM and dissatisfaction ($\beta=0.0843$, $t=.1695$, $p=0.033$, $LLCI=.1.06$, $ULCI=.8945$). Hence there are the same class intervals between both of them and the value of p is also less than 0.05. This means that it is significant.

The interaction term was significant which means that that achievement was a significant moderation of the effect of dissatisfaction on NWOM. ($\beta=0.1031$, $t=.9249$, $p=0.035$, $LLCI=.1162$, $ULCI=.3224$)

Hypothesis 2c

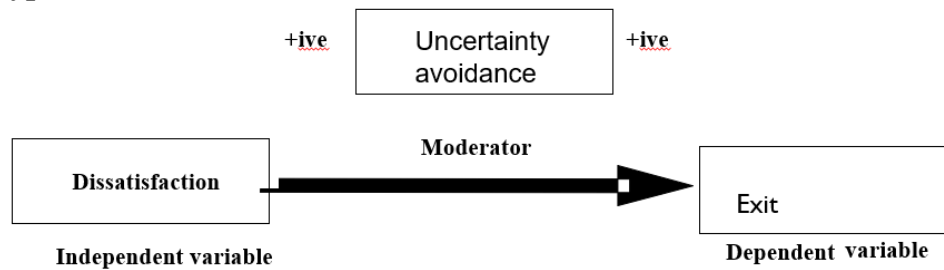


The value of the coefficient R is .3214 whereas the value of R² is .1033. If we look at the value of p it is also $p=.000$ which means that the model is significant. In addition, there is a negative and significant relationship found between achievement and third party influence ($\beta=3.1285$,

$t=6.7161$, $p=0.000$, $LLCI=2.2123$, $ULCI=4.0447$). There is also a negative and significant relationship between third party influence and dissatisfaction ($\beta=0.2700$, $t=5.4601$, $p=0.000$, $LLCI=1.727$, $ULCI=3.673$). Both confidence intervals are positive and the value of p is also less than 0.05. This means that it is significant.

The interaction term was significant which means that that achievement was a significant moderation of the effect of dissatisfaction on third party influence. There is an inverse relationship as the values are negative ($\beta=-.7772$, $t=7.014$, $p=0.000$, $LLCI=-.9951$, $ULCI=-.5593$)

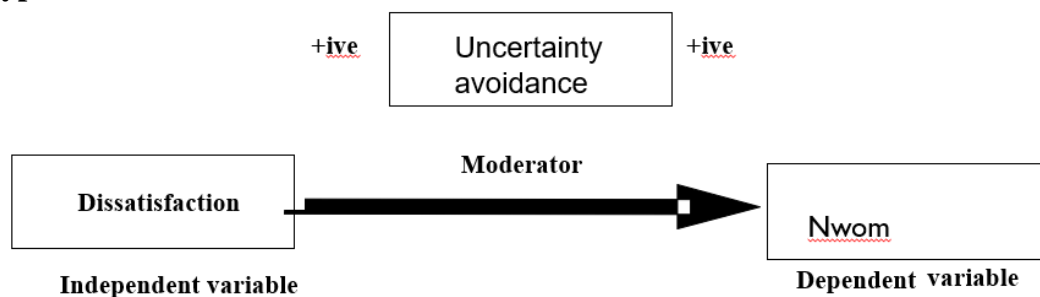
Hypothesis 3a



The value of the coefficient R is .0328 whereas the value of R^2 is .0011. Furthermore, it can be seen that there is a positive and significant relationship found between uncertainty avoidance and exit ($\beta=0.2472$, $t=.3515$, $p=0.034$, $LLCI=1.630$, $ULCI=1.135$). There is also a positive and significant relationship between exit and dissatisfaction ($\beta=0.2057$, $t=.3515$, $p=.002$, $LLCI=1.551$, $ULCI=1.139$). Hence there are the same class intervals between both of them and the value of p is also less than 0.05. This means that it is significant.

The interaction term was significant which means that that uncertainty avoidance was a significant moderation of the effect of dissatisfaction on exit. ($\beta=0.0770$, $t=.3349$, $p=0.036$, $LLCI=.2637$, $ULCI=.3719$)

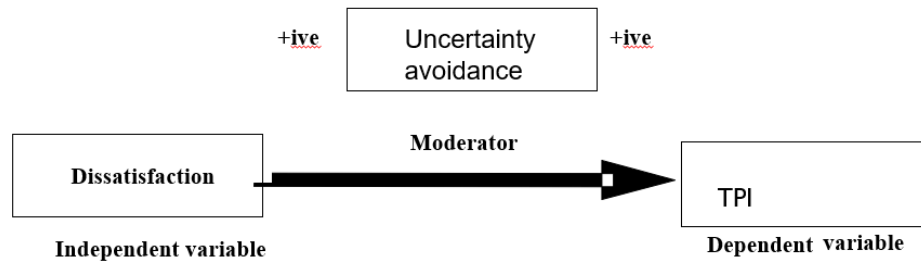
Hypothesis 3b



The value of the coefficient R is .3705 whereas the value of R^2 is .1372. It can be seen that there is a positive and significant relationship found between uncertainty avoidance and NWOM

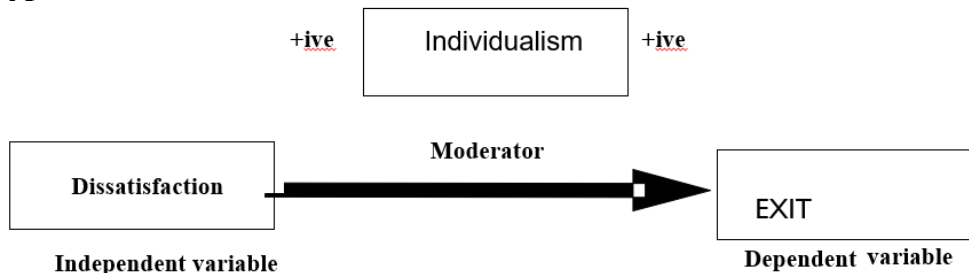
($\beta=3.617$, $t=3.906$, $p=0.0001$, $LLCI=1.829$, $ULCI=5.4040$). There is also a positive and significant relationship between NWOM and dissatisfaction ($\beta=3.8035$, $t=.8840$, $p=0.000$, $LLCI=2.0648$, $ULCI=.5421$). The interaction term was significant which means that that achievement was a significant moderation of the effect of dissatisfaction on NWOM. ($\beta=.8156$, $t=3.906$, $p=0.001$, $LLCI=1.226$, $ULCI=.4049$)

Hypothesis 3c



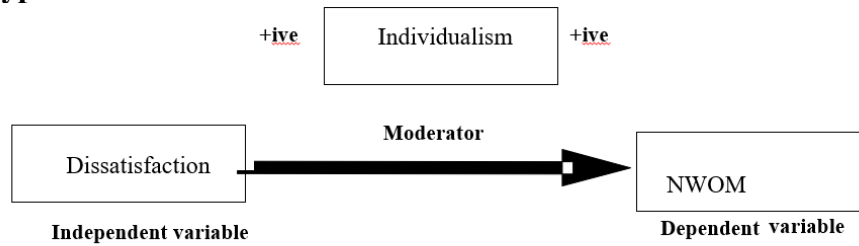
The value of the coefficient R is .5769 whereas the value of R² is .3328. There is a positive and significant relationship found between uncertainty avoidance and third party influence ($\beta=3.1285$, $t=.6.7161$, $p=0.000$, $LLCI=2.2123$, $ULCI=.4.0447$). There is also a positive and significant relationship between third party influence and dissatisfaction ($\beta=.3053$, $t= 1.4174$, $p=0.034$, $LLCI=.1166$, $ULCI=.5060$). The interaction term was significant which means that that achievement was a significant moderation of the effect of dissatisfaction on third party influence. ($\beta=.1493$, $t=.6862$, $p=0.0493$, $LLCI=.2785$, $ULCI= .5571$)

Hypothesis 4a



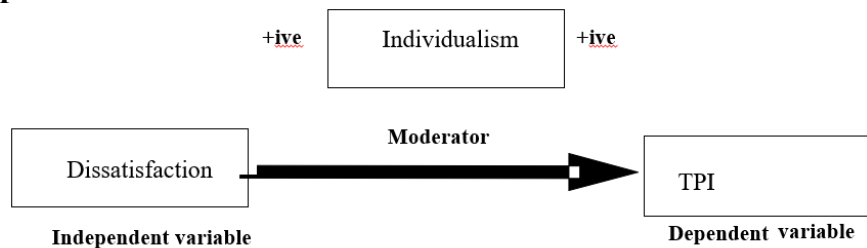
The value of the coefficient R is .1143 whereas the value of R² is .0131. If we look at the value of p it is also $p=.000$ which means that the model is significant. There is a positive and significant relationship found between Individualism and exit ($\beta=.1814$, $t=.6743$, $p=.0320$, $LLCI=.0559$, $ULCI=.1772$). There is also a positive and significant relationship between exit and dissatisfaction ($\beta=.1168$, $t=.8941$, $p=0.0371$, $LLCI=.3737$, $ULCI=.1401$). Both confidence intervals are positive and the value of p is also less than 0.05. This means that it is significant. The interaction term was significant which means that that individualism was a significant moderation of the effect of dissatisfaction on exit. ($\beta=.0292$, $t=.6743$, $p=0.005$, $LLCI=.0559$, $ULCI=.1143$)

Hypothesis 4b



The value of the coefficient R is .3439 whereas the value of R² is .1182. P value is .000 which means that the model is significant. There is a positive and significant relationship found between individualism and NWOM ($\beta=.2749$, $t=1.137$, $p=0.025$, LLCI=.7461, ULCI=.1964). There is also a positive and significant relationship between NWOM and dissatisfaction ($\beta=.1571$, $t=.9154$, $p=0.036$, LLCI=.1805, ULCI=.4948). Both confidence intervals are positive and the value of p is also less than 0.05. This means that it is significant. The interaction term was significant which means that that individualism was a significant moderation of the effect of dissatisfaction on NWOM. ($\beta=.0382$, $t=.6713$, $p=0.0025$, LLCI=.0737, ULCI=.1500)

Hypothesis 4c



The value of the coefficient R is .6961 whereas the value of R² is .4845. If we look at the value of p it is also $p=.000$ which means that the model is significant. By looking at the moderation table it can be seen that there is a positive and significant relationship found between individualism and third party influence ($\beta=1.820$, $t=8.386$, $p=0.000$, LLCI=1.393, ULCI=2.247). There is also a positive and significant relationship between third party influence and dissatisfaction ($\beta=.5634$, $t=6.84$, $p=0.000$, LLCI=.4537, ULCI=.2511). Both confidence intervals are positive and the value of p is also less than 0.05. This means that it is significant. The interaction term was significant which means that that achievement was a significant moderation of the effect of dissatisfaction on third party influence. ($\beta=.3524$, $t=.684$, $p=0.00$, LLCI=.4537, ULCI=.2511)

Discussion:

The moderating impact of cultural norms on behavioral responses to dissatisfactory service interactions was the subject of this research. Primary objective of this study is to examine the framework and to test our hypothesis. Previous literature lends support to the framework. Firstly, customer's reaction to dissatisfaction was investigated, then in the result of this dissatisfaction three behavioral responses was investigated in this research. After that effect, dissatisfaction on customer's behavioral responses was examined. Lastly the effect of the moderating variables was

measured. The research data was collected through surveys, and then was empirically examined; our findings show that such responses are dependent on individuals. Individualism, uncertainty avoidance and achievement; these three are part of the dimensions of cultural value orientation as described by Hofstede (1991). These three dimensions were taken as a moderator for this particular study. In accordance with our hypotheses (H1, H2, H3 and H4) our findings suggest that culture has an indirect effect, moderation of the relationship between customer frustration and behavioral responses in service failure (negative word of mouth, exit and third party influence). By looking at the values it can be seen that there is a good variance between dissatisfaction and achievement. There is a positive and significance relationship found between achievement and exit. There is also a positive and significant relationship between exit and dissatisfaction which means that achievement was a significant moderation of the effect of dissatisfaction on exit. Whereas, by looking at the values it can also be seen that there is a good variance between dissatisfaction and negative word of mouth when moderated by achievement. Positive and significant relationship was found between negative word of mouth and dissatisfaction. This means that the interaction term was significant; achievement is a significant moderator of the effect of dissatisfaction and negative word of mouth. Furthermore, when moderated by achievement, there is a positive and significance relationship found between achievement and third party influence. Also, third party influence and dissatisfaction have a positive and significance relationship, this suggests that achievement is also a significant moderator of the effect of dissatisfaction on third party influence. Furthermore, it can be seen that there is a good variance between dissatisfaction and exit when moderated by uncertainty avoidance. The moderation table suggests that there is a significant relationship found between uncertainty avoidance and exit; the interaction term was significant which means that uncertainty avoidance was a significant moderation of the effect of dissatisfaction on exit.

There is also a positive and significant relationship between negative word of mouth and dissatisfaction. The interaction term was significant, indicating that the achievement moderated the impact of disappointment on negative word of mouth significantly. Results further suggest that achievement is a significant moderator of the effect of dissatisfaction on third party influence, exit, negative word of mouth and third party influence. If we sum up the above mentioned results in accordance with our study hypothesis we can conclude following:

The first hypothesis of the study “Dissatisfaction has a direct effect on a) customer’s tendency to exit b) negative word of mouth c) Third party action.” was supported by the data analysis. The regression analysis conducted on the data established a significant and positive relationship between the variables. The correlation between the variables was deduced to be moderately positive.

The second hypothesis of the study “High level of Achievement positively moderates the relation between dissatisfaction, exit, negative word of mouth and Third party influence. The regression analysis conducted on the data established a significant and positive relationship between the variables. The correlation between the variables was deduced to be moderately positive.

The third hypothesis of the study “High level of Uncertainty avoidance positively moderates the relation between dissatisfaction, exit, negative word of mouth and Third party influence. The regression analysis conducted on the data established a significant and positive relationship between the variables.

The fourth hypothesis of the study “High level of Individualism positively moderates the relation between dissatisfaction, exit, negative word of mouth and Third party influence. The regression analysis conducted on the data established a significant and positive relationship between the variables. The correlation between the variables was also moderately positive.

Managerial and Practical Implications:

Our results go beyond previous research that relied heavily on single cultural dimensions (e.g., individualism/collectivism) to describe behavioral responses to service failures among respondents. (Wan, 2013; Chan and Wan, 2008). The results of the study have interesting managerial implications for beauty salons managers. First and foremost, service managers and decision makers must consider the various cultural aspects in Pakistan that distinguish the various responses to dissatisfactory service experiences. The degree of consumer dissatisfaction is obviously a significant factor in encouraging exit, negative word of mouth, as well as third-party intervention. Customers' cultural value orientation, on the other hand, has a (moderating) effect on their behavior, this is an important answer to customer dissatisfaction. Only with the understanding that something has gone wrong with the service, service provider or brand will be able to recover the customer from his or her service failure. Service managers, particularly in Pakistan, would be wise to learn about their customers' typical cultural value orientations in order to predict and justify their customers' reactions to such dissatisfactory service encounters; hence the findings of this research are quite useful in guiding service managers.

Limitations and Future Directions:

Since the study was limited to the beauty industry (salons), the results may not be applicable to other industries.

Since the present study has a one-slot time frame, the data was collected at moment in time. There is a possibility that the findings will change over time.

In the future, researchers should perform a longitudinal analysis to obtain a more evaluative outcome.

The research findings may be carried out using qualitative data collection techniques, such as focus group discussions, open-ended questionnaires or performing a case study. This will include more detailed consumer insights.

As an alternative, the research may be done in other industries/sectors.

Customer's behavioral responses are varied and diverse; hence, they could be researched and investigated in the future with other novel variables.

Conclusion:

This study aims at specifically targeting the beauty parlor industry in Lahore, Pakistan. The questionnaires were distributed randomly among participants, in order to gather data. The current study's results, based on a cross-sectional survey design, show that the Hofstede dimensions, individualism, uncertainty avoidance and achievement are significant moderators. Despite some limitations of this study, the current research contributes to our current understanding of the impact of culture on behavioral reactions to dissatisfactory service interactions in a variety of ways. First, our data indicate that there may be a widespread relationship between consumer annoyance and behavioural reactions to service problems. Customers will typically respond to customer discontent by leaving more frequently and spreading bad word of mouth, although few will be inclined towards third party influence in Pakistani society. Our research reveals that the extent to which a customer's behavioural reaction to a subpar service experience is influenced by their level of unhappiness varies by culture. The current study also highlights the need to operationalize and measure culture at the individual level as opposed to using ethnic and/or national groups as metaphors for cultural values, concepts, and behaviours, i.e., where one group supports a particular set of cultural values while the other does not. When these findings are combined, we conclude that this study supports Hofstede's cultural dimension theory positively.

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