INTERNATIONAL SERVICES MARKETING: A COMPARATIVE EVALUATION OF THE DIMENSIONS OF SERVICE QUALITY BETWEEN DEVELOPED AND DEVELOPING COUNTRIES

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Abstract

During the 1980s, the international marketing of services has grown tremendously in world trade. As services are having a significant impact internationally, special attention is needed to deal with the opportunities that emerge both domestically and worldwide. This rapid growth of the service sector can be found in both developed and developing countries. With opportunities found in service industries across different countries, it is essential to understand the characteristics of services that distinguish themselves in nations under different stages of development.

The rationale for prescribing an increase in the service sector can be derived in the "stages of development" theories and the sectoral interdependence theories. These theories are presented and a general framework for services quality is discussed in the first sections of the paper. Stages of growth theories have attempted to link the demand for services to the stages of economic development, with services increasing in importance towards the later stages of growth. More recently, the sectoral interdependence approach has argued that selected services are critical before any viable economic development can occur.

The framework for services quality is applied to make a comparative evaluation of ten dimensions of service quality between developed and developing countries. These dimensions include factors such as reliability, responsiveness, competence, access, courtesy, communication, credibility, and others.

The paper discusses the theoretical bases along with practical illustrations and examples of each of these dimensions.

Fifteen specific hypotheses are derived for each of the service quality dimensions based on the relevant environmental factors characterizing developed and developing economies. Managerial implications of the hypotheses that we derive are also proposed. Finally, the empirical investigation of these hypotheses is suggested as a direction for future research. The primary requirements are constraints concerning such a cross cultural research agenda are introduced.

As the significance of international service companies and the international marketing of services in the global economy continues to grow, international services marketing increasingly becomes an important key to successful world business, not only for developed countries, but for developing countries as well. One important consideration in this key is the quality of services issue. A sufficient understanding of the similar as well as different factors that determine the quality of services across countries in different stages of development and with different cultural backgrounds is needed. The framework and the hypotheses in this paper can provide useful tools to facilitate this understanding. With this awareness the international marketer can best develop the effective service marketing strategies appropriate in a global environment.