

FOREIGN CUSTOMERS' WORD OF MOUTH ON SERVICE INDUSTRY IN TAIWAN

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ABSTRACT

This study aims to investigate the WOM from the foreigners' perspectives on Taiwan's service industry. An exploratory research was conducted using semi-structure interview and critical incidents technique to identify the incidents and to develop dimensions of foreign consumers' WOM. Seventy participants were recruited to recall their WOM in five main services including transportation, convenient store, restaurant, healthcare, and banking. The results found most of the study participants were more likely to mention positive arguments during the WOM. The 285 critical incidents are included in four main groups such as physical environment, employee attitude/behavior, value, and functionality. The findings provide the fundamental first step in developing a comprehensive understanding of foreign consumers' WOM

Keywords: Word of mouth, foreign customers, services, Taiwan.

INTRODUCTION

A widely accepted notion in organizations is that well-trained employees are crucial in ensuring long term relationship and consumer satisfaction. For instance, employees' quick and attentive responses to a service failure can both be an indicator of excellent service quality [1] and also help to retain consumers from switching to another brand [2]. But, will the same instances about the firm's employee be the central of discussion when the same consumer is having a conversation with others?

In consumer behavior, most customers were found engaging in word of mouth (WOM) to satisfy their personal information [3] and psychological needs (e.g. due to cognitive dissonance). And word-of-mouth (WOM) communication plays an important role in shaping consumers' attitudes and behaviors [4]. Katz and Lazarsfeld [5] found that WOM was seven times more effective than newspaper and magazine advertising, four times more effective than personal selling, and twice as effective as radio advertising in influencing consumers to switch brands. After that, Day [6] computed that WOM was nine times as effective as advertising at converting unfavorable or neutral predispositions into positive attitudes. Recently, Mangold et al. [7] defined that that a consumer is five times more likely to engage in WOM if the encounter is pleasant and as high as nine times if

the encounter is considered to be unpleasant experience. The high tendency of consumers to engage in negative WOM is further stressed by Warden et al. [8], which emphasized retaining consumers' goodwill is crucial in order to avoid reprisal from customers' bad word of mouth.

With the tremendous improvement in means of transportation and technology, travelling or immigration is no longer posed as difficulty to the modern day travelers. And there has been scant body of research focusing on foreign customers' WOM in relation to the local service setting. For example, studies results that while all the services are inseparability, the intercultural differences can further complicates by introducing consumers to a foreign culture [8]. Stauss and Mang [9] defined cultural differences as instrumental for escalating the opportunity of the service gaps. However, a few studies investigate the positive and negative WOM experience of foreigners' perspective in local service industry. And it seems clear that additional research is needed.

The purpose of this study is to investigate the WOM from the foreigners' perspectives in relation to the non-domestic service marketplace. Since there have been few studies on the topic, an exploratory research was conducted among the non-local service customers (e.g. foreigners) to investigate two questions: What are critical events, combinations of events, or series of events that were mentioned by these foreign consumers during WOM? Can generalizations be drawn out of the foreign consumer perception on WOM? The following objectives were developed:

1. To identify the incidents that had been communicated by foreign consumers during their WOM relating to the service industry in Taiwan.
2. To develop dimensions of WOM from foreign customers' perspective on service industry in Taiwan.

Given to the context of this study, an empirical study applying the critical incident technique (CIT) was conducted. To further facilitate the present study, we focus service industry and international students as its foreign consumers in Taiwan.

LITERATURE REVIEW

WORD OF MOUTH AND SERVICE INDUSTRY

WOM is an informal communication that was directed at other consumers about ownership, or characteristics of particular goods and services or their sellers [10]. As for the marketers, WOM functions as an informal advertisement in consumer communication [11], and helps to supplement the mass-media. The credibility of WOM as a medium of persuasion can be largely attributed to the fact that the communicator is not seen as having a vested interest in selling a recommended product or service, and he/she is likely to portray the information in a meaningful way [12]. Unlike the tangible product which is covered by manufacturer guarantee and warranty in case of product failure, the intangible nature of service offers no such assurance. For that, WOM provides customers with some comfort by offering assurance, and also influences customers' purchase decision.

WOM is particularly important in the marketing of services. Consumers have been found to rely on WOM to reduce the level of perceived risk and uncertainty that are often associated with service purchase decisions [13]. According to Mangold et al. [7], the most important factors triggering WOM were (1) the needs of information from the receivers, (2) coincidental WOM (e.g. a general discussion on plans over the weekend that eventually led to comments about the quality of a particular restaurant), (3) communicators' satisfaction/dissatisfaction (4) from observance of the purchase or its outcome (e.g. a positive communication about a hair salon began with the compliment about the communicator's new hair style), (5) when there are two or more people trying to select a service.

Previous studies have researched several determinants of the positive and negative WOM activities. With respect to positive WOM, studies show that satisfied customers are prone to engage in positive WOM [14] [15]. Moreover, an intention to engage in positive WOM is positively correlated with customer perceptions of value and quality [16]. Positive WOM is also triggered by feelings of equity (i.e. "fair deal") [14], product/service performances [17] and by the perceived social supports displayed by the service providers (i.e. verbal and non-verbal communication toward the customer) [18]. In contrast, the antecedents of negative WOM which is considered to be one of the forms for customer complaining behavior [19] have also been investigated. Soderlund [15], for example, found a fairly symmetrical relationship between satisfaction and WOM; just as favorable satisfaction triggers off positive WOM, dissatisfaction leads to negative WOM. High price, difficulty of repair, consumer's external attributions of blame (in case of product failure) and consumer's negative perceptions of the retailer responsiveness to complaints were also shown to be positively related to negative WOM [20].

INTERNATIONAL STUDENTS AS FOREIGN CUSTOMERS IN TAIWAN

International students in Taiwan are now a common phenomenon. The proportion of international students in Taiwan has increased significantly in the past few years. This is due to the high incentives of many universities in Taiwan to open their doors and lower thresholds for incoming international students [21]. Under the Ministry of Education's policy of "internationalizing universities," from 2005 various private and national universities as well as technical colleges began offering "university scholarships" to attract international students, via subsidies from the government supplemented by additional funds provided by the institutions themselves. Thus, the scholarships provided by the Taiwan government and universities are a major attraction for international students. Besides, tuition fees and the costs of living are lower in Taiwan than in most developed countries [22].

According to the Ministry of Education, in 2007, the total number of students (including degree-level, exchange, and language study students) reached 17,742. The number of foreigners enrolled as undergraduate or graduate students at Taiwan's universities has grown 20–30% per annum since then until now. In 2008, a total of 19,496 international students, hailing from more than 110 nations, were scattered at more than 100 universities throughout Taiwan. There are over 20 university campuses in Taiwan with over 100 international students. National Chengchi University, National Taiwan University and National Cheng Kung University have over 500 international students each [23]. A huge number of international students come from variety of countries, different economic backgrounds and stay in Taiwan in a period for studies, which help them have time to use and feel local services.

RESEARCH METHOD AND PROCEDURE

Consistent with the exploratory nature and the objectives of the present study, the CIT method (critical incident technique) was considered to be more appropriate. We began by collecting the actual incidents that were communicated in the WOM by foreigners about services in Taiwan. In contrast to the hypothetic-deductive approach which a priori theory is superimposed on the data, the exploratory development allowed patterns of experience to emerge from the data.

DATA COLLECTION

Critical incident technique (CIT)

We use CIT to explore all aspects of WOM from the consumer's WOM. Flanagan [24], the developer of CIT, defined it as "a set of procedures for collecting direct observations of human behavior in such a way as to facilitate their potential usefulness in solving practical problems and developing broad psychological principles." By an incident, it refers to any specifiable human activity that is sufficiently complete in itself to permit inferences and directions to be made about the person performing the act. To be 'critical', the incident must occur in a situation where the purpose or intent of the act seems fairly clear to the observer and where its consequences are sufficiently definite to leave little doubt concerning its effects. An incident is deemed critical when it "contributes to or detracts from the general aim of the activity in a significant way" [1]. CIT involves a process of collecting observations of behavior and then classifying them so that they are useful in addressing practical problems [24]. The goal of CIT is to make respondent data useful for answering the research questions while sacrificing little detail and comprehensiveness as possible. Additionally, CIT is a qualitative procedure which faceplates the exploring of significant occurrences (events, incidents or special issues) defined by individual respondents toward the core perspective of individual cognitive, affective and behavioral elements [25].

Data Collection Procedures

Purposive sampling method was applied to collect participants. We selected critical cases on the basis that they have experienced some service in Taiwan and then somehow expressed the experience to their friends/relatives. Finally, seventy participants were chosen to one-by-one took part in our semi-structured interviews during three months of October, November and December in 2010. Semi-structured approach was used because interviewers enable a facilitator to enter participants' realities and collect their interpretations, which are crucial to understanding WOM. As such, semi-structured approach is a way to get "in tune" with consumers or, more accurately, with consumers' realities [26]. Interviewees were recalled to their recent talks/expression on certain services in the past six months, and then shared with us particular incidents which were mentioned during WOM.

To be included in the study, an incident needs to meet certain criteria. Each incident had to be (1) related to a certain service in Taiwan, (2) experienced by interviewees, and (3) talked/shared to other interviewees' friends/relatives by any way such as face-to-face, telephone or internet.

Questionnaire Development

Prior to the final data collection, a pilot study was

conducted with ten participants from the target population as foreigners in Taiwan in order to check the quality of the questions and generally concentrate on often-used services. We realized some misunderstandings of critical questions for interviewees, and therefore, some questions were modified and clarified. The data of this pilot study – undertaken to gather additional information with respect to our literature review – also strengthened most of our convictions concerning the relevance of WOM experiences from consumers' (givers') perspective. Also, healthcare, convenient store, restaurant, transportation, banking, and education are common services which international students often reach.

In order to avoid a problem of interviewees' dim memory, in the final stage of data collection, we started interviewing with some 'warming up' questions and asked participants to share with us their own experience on the service they used. After that, we directed them to whom and what they talked/shared that experience to (refer Appendix 1). The researchers take responsibility for abstraction and inference.

DATA QUALITY

Sample Validation

Since multiple interviewers took part in data collection, validation was needed to overcome the possibility of data inconsistency. After completing all the interviews, the participants were randomly selected by the researcher to (1) validate the responses that were given during the interview (2) to identify the service in the WOM.

Sample Characteristics

Demographically, 36% of participants are female and 64 % are male. The entire study sample was well educated with the majority having a bachelor's degree and 30% completing a graduate degree. Participants mostly ranged in age from 20 to 30 years, and come from 25 countries (Australia, Bolivia, Cambodia, Canada, Colombia, Germany, Hong Kong, India, Indonesia, Malaysia, Mexico, Mongolia, Myanmar, New Zealand, Norway, Panama, Peru, Philippines, Poland, Russia, South Africa, South Korea, Thailand, United Kingdom, Vietnam). The largest number of participants talked about service in transportation (36%), and convenient store (29%). The same amount of 14% mentioned service in restaurant and healthcare (hospital). Banking service was shared by the rest of participants (7%).

DATA ANALYSIS

Unit of Analysis

The term “critical incident” can refer to either the overall story or to discrete behaviors contained within the story, therefore, the first step in the data analysis is to determine the appropriate unit of analysis. In our study, we decided to use the description of the overall story as better suited in preserving the specificity of the data. For example, a critical incident that describes “I think they are friendly, I don’t speak Chinese, but they help me” is coded as “friendliness” instead of “language”.

Incident Classification

After the data collection, the incident classification system of the CIT was used to categorize the incidents. The main goal in the categorization process is to make the data useful for answering the research questions while sacrificing as little detail as possible. The analysis typically focuses on the classification of reports by assigning incidents into categories to explain events using a content analysis approach [27]. Content analysis takes the communications that people have produced and asks questions of the communications [28].

Subsequently after the process of repeated, careful readings and sorting of incidents by the researchers, the similarities among the incidents begin to become apparent. Two judges independently developed mutual exclusive and exhaustive for 285 critical incidents. To be consistent with previous studies employing the CIT in the marketing domain, the intrajudge rater was used [27]. Intrajudge reliability was used to examine the same judges classified the same phenomenon into the same class of categories and its sub-categories. When intrajudge reliability exceeded the .80 cutoff, both the judges will conduct a comparison of their categorization schemas and resolved any disagreement. Finally, a third judge was used to conduct a final sorting on the categories. The final interjudge reliability was very satisfactory (0.95 cutoff).

RESULTS AND ANALYSIS

INCIDENT STATISTICS

Categories and hierarchical subcategories are discussed in detail subsequently. Table 1 shows the classification scheme from the 285 critical incidents. The ratio of positive and negative incidents is illustrated in Table 2.

CLASSIFICATION DATA

Physical Environment

Physical environment refers to the general characteristics of the organizational facility, ambience and functional characteristics of the organizational

structures such as organization of space that premises for people stay [29]. Defined in this way, in our study, the physical environment is understood as practices of comfort, cleanliness and convenience of the organizational environment which is perceived by the customers [30].

The “physical environment” category in this study included all the critical incidents of WOM that involved clean service environment, comfortable service conditions, service or product facilities, ease of use and convenience conditions. The physical environment was the largest WOM category, mentioned by 40% of all incidents. Its subcategories included cleanliness, comfort, and convenience. Four percent of participants mentioned cleanliness as one of the physical environment factors for WOM, 18% of the incidents relate comfort issues and an additional 18% mentioned convenience of service in the WOM. In the “cleanliness” subcategory, most of the study participants mentioned as saying positively in their WOM. For instance in transportation service, “There seems no dust in high speed train in Taiwan, like in flight”, or “The buses are very clean with a separated toilet inside”; in hospital, “I feel very clean in this hospital, its disinfection system is really organized and easily used”; in restaurant, “It’s quite fine with me, everything in that restaurant looks clean up”.

In the second subcategory, the participants talked about positive and negative “comfort” service environment. The participants were found sharing positive “comfort” in WOM about the service in restaurant, transportation, hospital, and convenient store. For example, customers felt that “The high speed train feels new compare to the normal and comfortable, new train style, different view and different system...on the train it also provides you information about the weather, the speed of the train”. Moreover, the participants also talked positively about “comfort” in the WOM with the convenient store services (“You can sit in front of 7-11 and drink, talk, eat...they prepare some chairs and tables there...so great when you have a drink with your friends, you can get beer right after you finish, bottle then bottle, as much as you can drink, then talk as much as you can, stay there as long as you can”). In contrast, five interviewees said negatively about “comfort” on healthcare service and restaurant in the WOM. For instance, the respondent reported “I found the room [in hospital] near the elevator, oh, so noisy”; or “I told my classmates that I really hate Taiwanese blowing their noses in restaurant, I am having my lunch and a very big crazy sound from nose cut off my enjoy. Many times like that”.

WOM Category	N of Critical Incidents	% of Critical Incidents	Services & Incidents (%)
Physical Environment	114	40%	
a. Cleanness	12	4%	T(2%), H(1%), R(1%)
b. Comfort	51	18%	T(6), H(4), R(2), C(6)
c. Convenience	51	18%	T(6), H(2), R(3), C(7)
Employee Attitude/Behavior	99	35%	
a. Caring	12	4%	T(1), H(3)
b. Politeness	14	5%	T(1), R(3), B(1)
c. Responsiveness	23	8%	T(3), H(5)
d. Language	25	9%	T(2), H(4), B(3)
e. Friendliness	25	9%	T(2), H(2), R(3), C(2)
Value	46	16%	
a. Pricing	34	12%	T(4), H(2), R(4), C(2)
b. Timing	12	4%	H(1), B(3)
Functionality	25	9%	
a. Quality	12	4%	T(1), H(1), R(1.5), C(0.5)
b. Comparison	13	5%	T(2), H(1.5), B(1.5)
Total	285	100%	

Note: T = transportation, H = healthcare, R = restaurant, C = convenience store, B = banking

TABLE 1. INCIDENTS CLASSIFICATION

WOM Category (100%)	Positive Incidents (%)	Negative Incidents (services)
Physical Environment		
a. Cleanness	100%	0
b. Comfort	90%	10% (H & R)
c. Convenience	91%	9% (H)
Employee Attitude/Behavior		
a. Caring	100%	0
b. Politeness	75%	25% (B)
c. Responsiveness	80%	20% (H)
d. Language	80%	20% (B)
e. Friendliness	100%	0
Value		
a. Pricing	71%	20% (C)
b. Timing	0	100% (H, B)
Functionality		
a. Quality	100%	0
b. Comparison	75%	25% (B)

Note: T = transportation, H = healthcare, R = restaurant, C = convenience store, B = banking

TABLE 2. RATIO OF POSITIVE AND NEGATIVE INCIDENTS

Finally, in the third subcategory, most of the study participants expressed positively about “convenience” during WOM. For example, “Its good service and truly convenient [7-11]...it opens 24 hours, so flexibility of time and you can get something any time”, “there are so many convenience stores around here, 7-11, Family Mart, so on, and 24 hours for you”; “the bus is also 24 hours, anytime for you, you can check their schedule and book tickets online, you never have to wait for long time”. On the other hand, the same participant had a dissatisfied experience with the healthcare service in Taiwan also talked negatively about “convenience” during his recent conversation (“Emergency process is very slow in the hospital...I think that they do not put enough people...in one ward have 1 doctor and two nurses...so this is not enough”).

Service Employee Attitude/Behavior

Service employee attitude refers to such issues as affinity to be in contact with the customers and understanding of the importance of customer for the individual and the company's performance. Service employee behavior is defined as the ability of the service employee to help their customers by engaging in behaviors that increase customer satisfaction [31].

Service employee behavior/attitude was the second largest category of WOM, mentioned by 35% of all incidents. It included all critical incidents that were either positively or negatively related with employee attitude, willing to help needs, language skills and friendly behaviors with the service itself. As for the present study, the employee attitude/behavior is presented into five subcategories of caring, politeness, responsiveness, language, and friendliness.

Most of the participants described the employee's responsiveness, language skills, and friendly behavior. Employees' caring and polite attitude were also important factors that were mentioned during WOM, which is accounted by 4% and 5% incidents respectively.

“Caring” was described as helpful attitude of the employee, and was positively communicated in the WOM. The following description of story is an example of positive “caring”--“So, the staff [HRS] is really helpful...there is one time, I have very big luggage...I try to sleep, but cannot sleep because of my big luggage...I think the waiter, she just walk around and sees me, and help me to put my luggage at the other end of the cabin so that I can have comfortable space”.

A second subcategory of employee attitude/behavior is “politeness” which was described by participants as sense of respect (“I feel like they [restaurant

waiter/waitress] pay more respect to me”), the employee's willingness to help (“The attitude of waiter/waitress is good...always smile...when we had questions, they answered”). On the contrary, the participant mentioned “rude” as the source of negative “politeness” in their WOM (“I got a wrong number in line twice because I could not understand Chinese, and the staff [banking] did not help to explain to me, just refused to serve me twice, stared at me and spoke in Chinese...I feel he was a bit rude”).

The third subcategory included service employee's “responsiveness”, mentioned by 8 % of incidents. Responsiveness was described as quickness (“How quickly they [doctors] are, what type of service they offer and do”), and familiarity with the customers (“They [restaurant staffs] are familiar with me and already know what I want...so it is good”). This subcategory also included negative “responsiveness” that described a slow service (“Some nurses are really kind and helpful...but some, we just call but they did not come”), and unhelpful (“The doctor has a good English, he also made jokes and was confident... but after words I didn't feel favorable, since he didn't give me enough explanations”).

The fourth subcategory also accounting 9% of incidents, the “language” of the service employees was described as foreign language ability, especially English (“I also found the staffs at the station are also very helpful...most of them can speak English” or “It's great when they have nurses who can speak English, we can communicate better...it's acceptable”). On the other hand, the participants were found to mention negatively on “language” in their WOM about the lack of employee ability to offer assistance in English (“I think because of the language problem; I think most of the staff [banking] could not speak English”).

The last subcategory is “friendliness” accounting 9% from the total incidents. This subcategory covers a wide variety of expressions of friendliness that may be conveyed through either verbal or gestural means. Included are such activities as welcoming, greeting, waving hello or goodbye (“Staffs often say ‘welcome’ when you enter the store...how to say in Chinese? Oh, ‘Huan Ying’...then, when you leave, they say ‘Man Zou’”, I think it means ‘walk slowly’, it's nice”), smiling at someone (“I think they generally just put a smile on everyone...they try to be as friendly as possible, because you're in hospital”), sympathizing with or conversation with customers (“They are very friendly...they start their conversation like ‘how are you or we haven't seen each other for a while’ something like that”), and helping (“I think they are friendly...I don't speak Chinese, but they help me”). Perhaps, since all of these incidents were expressed

about the staffs; there is tendency for these various behaviors as being a deliberate, purposeful attempt on the part of one character to express friendliness toward customers. Therefore, this may eventuate in some pleasant outcome for the person receiving the friendliness

Value

Value of a product/service within the context of marketing means the relationship between the consumer's expectations of product/service quality to the actual amount paid for it. It is often expressed as the ratio between perceived benefits and perceived price [32]; or the customers overall judgment of what is received and what is given [33]. Thus, the value is formed by a positive, contributing part and a negative, deducing part.

From the data analysis, most of the benefits that a customer will be received are mainly intangible, which may imply about the environment or employee behavior. Through their WOM, majority of the study participants mentioned about the value of the services as related with the pricing and time.

All critical words involving prices, rates, fees, charges were included in the "pricing" category. Pricing was the third largest WOM subcategory with 12% of all incidents, and accounted for 74% of the value incidents. Because our participants are foreigners in Taiwan, some of them made comparison with that in their home country and all defined that the service pricing is cheap in Taiwan ("Compare to US, it [hospital fee] is a lot cheaper here"). Moreover, when they mentioned about "cheap", they often imply a comparison with other same service or with what they received ("The price [in low class restaurant] is quite cheap, just 60NT, you can have a good meal with friendly service" or "Even though price [in convenient store] is a bit more expensive than in supermarket, but you can have it any time" or "they have good services and facilities [bus], it's fair for me to pay that kind of price"). We notice that it is quite difficult for a participant to recall about the price of the particular service. Therefore, by making a comparison with their home country seems to be the most feasible and best option in expressing their perception.

Regarding to "time", all incidents are related to time-consuming for service using. Four participants talked negatively about how long they have waited in the healthcare service ("When we went to register, there were two or three persons...they said 'okay, wait', then we did register first...and after that, wait, wait around 20 minutes", or "I have to wait at least one hour...I think one hour, for me, is a little bit long time"), and in the banking service ("The service is

time-consuming").

Functionality

Functionality refers to the degree to which the fitness between customer expectations and quality of service facilities [34]. The results in our survey show that most of participants referred to product quality, and again, made comparison during in the WOM. Two subcategory of functionality is "quality" and "comparison".

If a product fulfils the customer's expectations, the customer will be pleased and consider that the product is of acceptable or even high quality. If his or her expectations are not fulfilled, the customer will consider that the product is of low quality. This means that the quality of a product may be defined as "its ability to fulfill the customer's needs and expectations". Most of incidents on product quality are about food. Some described positively about "quality" of restaurant in the WOM ("The service over there is good and the food is good...not too salty"), in the convenient store ("I bought a new flavor of Dorito and shared with my friends...these chips are dank...they actually taste like 'ribs'...the chips were really good").

Five percent incidents regard comparison on customer expectations and the service facilities. Some WOM compared different qualities in a healthcare service ("It is good because it provides the good medicine...I often go to the national Cheng Kung hospital, and I also go to outside clinics...I think the quality of medicine is better than outside"). The rest took the service in their home country to compare with what they received in Taiwan. Positive comparison for transportation in Taiwan mentioned "Transportation service is much better than my country...when I take a bus to Kaohsiung or other cities; the bus often departs to those cities every 30 minutes". However, when talking about banking service, two participants expressed their negative WOM on how complicated it is. For example, "I think the banking service in Taiwan is complicated compare to my country. It's just easy, you just put the money and you can get the full amount on the same day".

DISCUSSION AND CONCLUSION

The objective of the present study is to identify and develop dimensions of foreigners' WOM in relation to the service industries in Taiwan. An articulation of rigorous classification on the 285 critical incidents provides the fundamental first step in developing a comprehensive understanding of foreign consumers' WOM. Specifically, four main groups including (1) physical environment, (2) employee attitude/behavior,

(3) value, and (4) functionality were identified as the main incidents uttered by these consumers during the WOM.

In general, we found most of the study participants were more likely to mention positive arguments during the WOM. This is somewhat unorthodox with the conventional ideas of WOM, implying that people are less of reporting negatively during WOM [7]. Previous studies indicate employee actions [1] and core service failure [2] are both important determinants of satisfaction and dissatisfaction in the service industry. As for the present study, physical environment was found to be considered as the most influential predictor of consumer satisfaction/dissatisfaction on service industry in Taiwan. In particular, the foreign consumers are found to attribute the convenience and comfort of the service as the most important indicator of their satisfaction or dissatisfaction. Perhaps, given to the intercultural differences, the foreign consumers are likely to be less technical and more favorable by expanding their zone of tolerance [9]. Pricing is the third most important factor mention by the foreign consumers during the WOM. And majority of the participants uttered positively about the pricing during the WOM. However, many of them were having difficulty to explicitly recall the amount paid for the particular service. Instead, inference was commonly made by making comparison with their home country.

An equal importance in the WOM is the employee attitude/behavior, mentioned by 35% of the incidents. Specifically, the employee friendliness, language skill and responsiveness were frequently uttered by the sample participants during the WOM. Not being familiarized with the local standard, it may be difficult for the participants in assessing the quality tangibly. Therefore, the attitude/behavior of employees was considered to be the next most feasible interpretation of service quality. The last two categories mostly uttered were value and functionality.

Besides of above discussion and implication, some limitations, however, should be acknowledged in our study. First, the number of data collected in the present study was numerical small; thus, diminishing the possibility for generalization in a wider scale. Second, since most of the participants are international students in the Taiwan's local universities, it is also likely that their consumption will be limited on everyday necessity (e.g. convenience store, banking service, restaurant, or the healthcare service). Therefore, how other services such as high class restaurant and hotel being rated offer another opportunity for future research to investigate.

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APPENDIX

Appendix I: Study Interview Guidelines

Have you ever had any experience with on any of these services in Taiwan in the past 6 months?

1. Education services (e.g. NCKU)
2. Health Care Services
3. Telephone services
4. Banking
5. Post-office
6. Transportations (e.g. Taxi, Train, Bus and Airport)
7. Restaurant
8. Convenient store (e.g. 7-11, Family-Mart)
9. Others

1. Can you share with us your experiences with that service?

Please think of the most recent time that you were in conversation and sharing/discussing/talking with your friends/family about you experience with Taiwan services?

2. Have you talked about this experience afterward to anyone?

3. What did you talk during the conversation?

4. How did this conversation happen?

Appendix II: A Sample of Interview Description

WOM01

Date: December, 2010, Friday, 6:20pm-6:50pm

Place: Meeting Room, College of Management, NCKU

Interviewee: 01

*The researcher explained the confidentiality and requested the participant permission to tape the conversation and to take some time and review the question sheet before starting the interview.

As you can see from the sheet there are list of services. Have you ever had any of these services in the past 6 months?

Yes, for most of the services.

Do you think, most of these experiences favorable or unfavorable for you?

I will say most of it favorable, only one of it unfavorable.

Can you share with us your experience with that service?

I had an experience with the healthcare service in

NCKU. I was there in the hospital before. The doctors and the staff, they are just wonderful.

[Probe] *Is there anything else? For instance, how about the language for communication with the medical staff?*

I actually speak Chinese, so that is not big of an issue. But, most of the time, many of the nurses and doctors will speak English. Come up straight to me and speak in English, and I said something in Chinese, and then we go in Chinese.

[Probe] *How about the price here compare to in the US? It considerably cheaper, in US it so expensive it can cost you to go bankrupt, if you don't have proper health insurance. Even for small...*

[Probe] *Specifically, how cheap is that and how much do you pay for that? Typical doctor in US for random check up can be 10000NTD. It depends...the weight, the height, diabetes, eyesight, STD. There more test that you what the more complete the more cost. It is not cheap at all.*

[Probe] *How about Taiwan?*

You are covered by NHI, and compare to US, it is a lot cheaper here.

[Probe] *How about the general environment?*

It's fine. I like the set-up in the hospital. There are two different wards...one for serious issue. What other ER issues are taking on other.

[Probe] *Do you think it is manage properly? In term of when you first arrived at the hospital. Do you think they give you proper treatment and proper service?*

I think the treatment and service is fine, what you would have expected...I hope, for my case it is fine. But, just based on one time, I think yes. Other than that I'm not qualified. I haven't had any chance of talking with the management. From what I saw, everything is fine. I give it a 5 out of 5.

Do you talked about this experience afterward to anyone?

Yes. I talked to my classmates and family about this, about the healthcare. I was in the hospital this summer. I let them know about the quality of healthcare in Taiwan and the quality of the health insurance.

[Probe] *So, you talked with your family and classmates about the healthcare in Taiwan?*

Yes. The healthcare is the big issue.

So, what did you said during your conversation?

For the healthcare it was about the quality of the doctors and care. How quickly they are, what type of service they offer and do. For instance, with the general health insurance and social wise health insurance, you not usually put in a private room; unlike in the US you always have a private room, or in a room with another person. Where in here, it is not anything serious, you will be put in the general room with other people. And the types of medicine and how the doctor responded.

[Probe] *What do you mean by the doctor responded?*

How they treated you, what they did and how they

diagnose. All these were slightly different. Even though most of them study abroad, they have different ways to diagnose and give different medication. I'm not sure if you are aware of that, for instance, if you break a bone, in my part of the world they give you stronger medication for pain. Over here, they give something like "Tyanol" or "Profene" is considered strong. For us, we used it on typically daily basis for most people. The different in medication level, there is a lower tolerance for medication..."tyanol" and "profane" works better for you, but for most people in the west we have higher pressure. That probably a bad thing, but we won't go into that.

[Probe] *Besides talking about the healthcare and the doctors, do you have anything else that you said in your conversation?*

A lot about the restaurants and the foods, it's so different from the US. Some of it similar but for the most part is dissimilar. My family and friends in US are curious how the foods is and all the things that you eat in daily basis.

[Probe] *Return to the healthcare service, you talked about the doctors. Did you talk to their classmates and family about the doctor attitude? Or the way that treat you?*

Yes, of course, they also asked me. The way they issue work here is slightly different...the hierarchy. Generally the doctors may see you just initially once, and after that will issue it to the nurse. In the US, the doctor will come many times throughout a day or weeks, depending on what situation you are in. So, I talked about that and how that different...

[Probe] *You also mentioned about the nurse, what do you mean by that?*

Not bad.

[Probe] *What do you mean by not bad?*

The nurses are really nice.

[Probe] *How nice? Do they smile to you or treat you special way?*

I don't think it's anything special; I think they generally just put a smile on everyone. They try to be as friendly as possible, because you in hospital. Who wanted to be in the hospital? They try to make you stay enjoyable.

And lastly, could you tell us how did this conversation happen?

Well for my classmates, most of it face-to-face. Unless I was specifically talking to my family in the US, I used the Internet (MSN, Skype, facebook).

Demographic Profile

Gender : Male Age: 26

Income : Below NTD30000

Occupation : Student Country : USA

Education : Postgraduate

Purpose of visiting/living in Taiwan: Studying at the IMBA and learning Mandarin.

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