

WAITING AS A SIGNAL OF QUALITY WHEN MULTIPLE EXTRINSIC CUES ARE PRESENTED

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ABSTRACT

While quality of a product or a service is considered one of the most important factors that influence consumer satisfaction, evaluating and determining product or service quality can be difficult for many consumers. People thus usually rely on extrinsic cues or surrogate signals of quality to tackle the information asymmetry problems associated with product/service quality. Unfortunately, research which has empirically documented the link between quality signals and perceived quality focus mainly on the situation where there exists only a single extrinsic cue. This study aims to investigate the interaction effect between multiple cues or signals on perceived quality. In particular, “waiting” or “queuing” in this study is no longer treated as a phenomenon that solicits disutility or negative emotions, but considered a signal of quality that has positive effect on consumer evaluation or satisfaction. Furthermore, this study hypothesized that the “waiting” can only be a positive signal under some specific situations especially when other quality signals (i.e., price and guidance) co-exist, and used experiments to rigorously test the hypotheses. By considering multiple cues simultaneously, this study lead to a better understanding of when and to what extent waiting can be use as a quality signal, and thus extend the original theory proposed by other researchers.

Keyword: perceived quality; satisfaction; signaling; wait; price