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## Retail Service Quality and Service Recovery Quality: A Comparison Between Small and Large Retail Stores

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Because the retail environment is rapidly changing and increasingly competitive, consumers are more demanding and expect higher-quality service (Parasuraman et al., 1988; Wong and Sohal, 2003). Thus, researchers have attempted to define service quality and identify the instruments to measure service quality, consequently developing the SERVQUAL scale that consists of five dimensions including reliability, responsiveness, assurance, empathy, and tangibles (Parasuraman et al., 1988). Furthermore, companies cannot completely avoid various types of service failure and fully satisfy high demanding customers (Kuo, 2012). Thus, researchers have attempted to define service recovery and measure service recovery quality by consumers' perception of justice, which includes distributive, interactional, and procedural justice, and consumers' emotions including positive and negative emotions. In this study, I aimed to measure how these dimensions differently perceived across small and large retail stores.

I first conducted an exploratory factor analysis to find the dimensional structure of service quality and service recovery evaluations. Based on the results, I selected 16 items in three dimensions out of 23 SERVQUAL scale items with a five-dimensional structure developed by Parasuraman et al. (1991). The three dimensions I included were personal attention, tangibles, and reliability. Tangibles and reliability are consistent with Parasuraman et al. (1991) and personal attention corresponds with Bishop and Hathcote (1994). That means, in their retail store experiences, customers could not distinguish assurance and responsiveness from the other dimensions, but they were obviously aware of employees' attention, courteousness, and sincerity as well as the stores' appearance and visual appeal. In regard to perceived justice, distributive and interactional justices were selected in this study.

Based on the selected dimensions of service quality, perceived justice, and emotions, I proposed hypothesis 1: Customers' service quality expectations about personal attention (H1a), tangibles (H1b), and reliability (H1c) will differ depending on the size of the retail store. Most prior researchers have applied the concept of perceived justice as the most significant recovery evaluation framework (Gelbrich & Roschk, 2011; Maxham & Netemeyer, 2002). Thus, I proposed hypothesis 2: Customers' perceived distributive justice (H2a) and interactional justice (H2b) will differ depending on the size of the retail store. As an affective evaluation of service recovery, customers' emotions have been measured in prior literature (Schoefer, 2008), and thus I proposed hypothesis 3: Customers' positive emotions (H3a) and negative emotions (H3b) will differ depending on the size of the retail store.

In this study, I conducted a scenario-based experimental survey and collected results from 315 participants using Qualtrics. The participants were randomly assigned to two different groups of small ( $N = 156$ ) and large stores ( $N = 159$ ). The participants were 38.4% males and 61.6% females, and the mean age was 41 years (range 18–50 years). I conducted MANOVA to examine the differences in service quality dimensions (H1) and the dimensions of service

recovery evaluations across the two retail store sizes; small and large retail stores (H2 and H3). The main effect of store size for personal attention ( $F(1, 313) = 40.94, p < .001$ ) was significant, whereas the main effect was not significant for tangibles and reliability. Customers' service quality expectations of personal attention differed significantly depending on store size, with participants in the small store group ( $M = 5.83, SD = 0.95$ ) reporting significantly higher personal attention than those in the large store group ( $M = 4.98, SD = 1.37$ ). Therefore, the results supported H1a but rejected H1b and H1c. The store size also led to significantly different results for perceived interactional justice ( $F(1, 313) = 4.48, p < .05$ ). The participants in the small store group ( $M = 5.43, SD = 1.32$ ) reported significantly higher interactional justice than those in the large store group ( $M = 5.10, SD = 1.42$ ). These results supported H2b but rejected H2a. There are significant differences of store size on customers' positive emotions ( $F(1, 313) = 5.30, p < .05$ ) but the effect was not significant for negative emotions. Positive emotions differed significantly depending on store size, with participants in the small store group ( $M = 5.23, SD = 1.58$ ) reporting receiving significantly more personal attention than those in the large store group ( $M = 4.83, SD = 1.53$ ). Thus, the results supported H3a but rejected H3b.

The results of this study confirmed that store size significantly affects customers' expectations about personal attention, interactional justice, and positive emotions. This implies that personal relationships between customers and employees are influenced by store size. Customers in small stores expect greater personal attention from employees, evaluate fair interaction strongly, and are more likely to feel positive emotions. That is to say, customers require more personal relationships with small store employees rather than large store employees. Therefore, small retail stores should develop strategies to engage their customers in a more personal manner.

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