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MEASURING MODERATIONS: A CROSS CULTURAL AND COMPARATIVE SERVICES CONSUMPTION STUDY BETWEEN BRAZILIANS AND CANADIANS

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Abstract: This study’s purpose is to examine relational benefits and consequent variables on Brazilian and Canadian consumers by moderating cultural idiosyncrasies. Comprised by a quantitative nature descriptive research 297 Brazilians and 207 Canadians were surveyed. Data was submitted to statistical tests via MANOVA comparisons, canonical correlation and regressive model moderations so as to verify the herein proposed technique. The study also gave rise to methodological contributions given the development of computational scripts employed to support the identification of each regression’s construct’s strength, orientation and path. Comparative analyses substantiate that when assessing services, Brazilians are more demanding than Canadians. Given that culturally, the former still feature greater power distance, there is ground for recommending that offering special treatment to Brazilians is an important satisfaction with employees leveraging factor. On the other hand, when unlike other fellow countrymen, Canadians receive such benefits, a general feeling arises that benefits and knacks of the kind should not be meant for but a few, shaping the service offer into one that is deemed unequal, within a society that is clearly more egalitarian than that of Brazil. Outcomes might further prove to be of use to the narrowing of Brazil-Canada business ties.

Keywords: Cross-cultural Research; Relationship Marketing; Services; Consumer Behaviour.

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Introduction

Czepiel (1990) understands that relational exchanges are important because as a result of their engaging with service providers, consumers expect to receive additional benefits. Hence, so called relational benefits - this study’s core concern – emerge. In turn, according to Gwinner, Gremler and Bitner (1998), one may categorize the same into trust, social and special treatment benefits. Relational benefits arise when consumers engage in continued relations with the service provider and its employees (GWINNER; GREMLER; BITNER, 1998).

Although this pioneer study dates back almost fifteen years, empirical studies on relational benefits - from a benefits granted to customers for remaining loyal to service providers assessment standpoint - remain scarce. Attention is also drawn to the fact that throughout the construction of relational benefits, Gwinner, Gremler and Bitner’s (1998) pioneer study did not take the cultural aspects of consumer behaviours into account. Likewise, Sheth and Parvatiyar (2002) do not mention how cultural aspects might extend the scope of relationship marketing via compositions, the shaping of more tenuous concepts and the enriching of current day theories.

In the field of services in particular, relationships are ground on mutual commitment, loyalty and satisfaction whereby engaged parties identify inter-construct exchanges as key to the attaining of optimal interparty results (BERRY, 1995). In response, Gwinner, Gremler and Bitner (1998) envisioned relational benefits as being the consequents of such exchanges.

It is widely accepted that culture impacts how consumers respond to marketing efforts. Asiatic and Latin cultures are, for instance, different from those of North America (e.g.United States and Canada). The point rests in the fact that existing services marketing research is predominantly ground on theoretical models that are sheltered by Western cultures (north of the Equator plane) embedded within the US in particular (ARNOLD; BIANCHI, 2001). Whilst on one hand Matilla (1999) conducted comparative cultural studies between North-American and Asiatic consumers, Maheswaran and Shavitt (2000) state that one must comprehend consumer behaviour across the entire globe and not solely amongst Western (e.g. United States) and Asiatic cultures. To this effect, this study poses to include within said field of study, a comparative research conducted amongst Brazilian and Canadian consumers, with views to extending theoretical knowledge on relational benefits and pertaining consequents.

Therefore, there is a gap in investigations between Brazilian and Canadian service consumers who are geographically distinct as in habit of the North-South axis, extending the scope of a growing volume of cross-cultural research that to date has primarily focused on East-West and north of the Equator country centred research. By including cultural aspects as moderators of relational benefits and its consequents, this study substantiates an original investigation within the field of marketing via the addition of yet another variable of the theoretical framework.

Finally, the intent herein is to also ensure a methodological contribution is made by jointly employing several statistical techniques posing to when comparing cross-cultural studies, conduces to greater accuracy. Computational scripts were also developed to identify in independent sample studies, involving each studied construct, both the strength and...
orientation of discriminating variables, particularly in as much as relational benefits between Brazilian and Canadian consumers is concerned. It is worth emphasizing that Brazil is Canada’s most important trade partner in South America, its tenth global partner and the eighth world destination of the country’s direct foreign capital investments (INDUSTRY CANADA, 2014).

Thus, this study’s core purpose is to analyse the relational benefits and its consequents on Brazilian and Canadian consumers via the moderation of cultural idiosyncrasies. The intent is to specifically analyse the moderation the Brazilian knack and consumer entitlement pose on influencing Brazilian and Canadian consumer behaviour before relational benefits and their consequents.

Relational Benefits and their Consequents

Relational benefits comprise three different kinds of advantages, namely: trust, social and special treatment, as detailed herein under.

Trust benefits are deemed the most important kind of relational benefit (GWINNER; GREMLER; BITNER, 1998). Hennig-Thurau, Gwinner and Gremler (2002) understand this advantage refers to the perception consumers shape when anxiety reduces and comfort increases given knowledge as to what to expect when engaging with the service. Hennig-Thurau, Gwienner and Gremler (2002, p. 234) state that social benefits are “linked to the emotional portion of the relationship and characterized by consumers personally recognizing employees, being acquainted with employees and by the building of amicable bonds between consumers and employees”. They further state that special treatment benefits arise when consumers are granted lower prices, faster services or additional, customized services.

Relational benefits consequents include satisfaction, loyalty and commitment, as detailed in suit.

Oliver (1997) understands that satisfaction is the consumer’s reaction to fulfilment, as a result of assessing whether the physical good or service’s attributes address their true needs vis a vis their own experience as consumers. Gremler and Gwienner (2000) state that employee-consumer rapport is a social benefits’ concept which leads to satisfaction with employees, confirming Price and Arnould’s (1999) suggestion as to business friendships posing as key element of both social benefits and satisfaction with employees, which in turn corroborates with Reynolds and Beatty’s (1999a) understanding whereby, in an assortment of service provisioning scenarios, client-employee interaction is core to quality perception. These same authors state that special treatment benefits positively influence satisfaction with employees since this kind of servicing may come to be perceived as enhanced performance of services companies offer. Finally, Anderson and Naurus (1990) verified that given the fact that services are deemed difficult to assess in light of their complex and intangible nature, trust strongly influences satisfaction with employees since it leads to the reduction of uncertainties and vulnerabilities that services typically trigger (BERRY, 1995). In sum, Gwinner, Gremler and Bitner (1998) state that within the venue of services, relational benefits’ perceptions positively influence satisfaction with employees.

Loyalty is deemed a key customer feedback variable (TAM, 2004). Chaudhuri and Holbrook (2001) discuss loyalty as of two prime approaches: behavioural and attitudinal. The first perspective understands loyalty as a behaviour (EHRENBERG; GOODHARDT;
BARWISE, 1990; BANDYOPADHYAY; MARTELL, 2007) based on the assumption that repeated purchases may lead to loyalty in relation to the acquisition of a given brand name. Thus, this approach is expressed in the form of repeated transactions. Berry (1995) suggests that social bonds involving consumers and employees lead to loyalty to the latter. Oliver (1997) corroborates this understanding by advocating that consumers who develop a sense of belonging with a given company are more inclined to remain loyal to the same. Morgan and Hunt (1994) and Garbarino and Johnson (1999) verified that trust coins consumer benefits by reducing relationship transaction costs, which in turn drive increased consumer loyalty to corporate employees.

Commitment is one of relationship marketing’s most important constructs (GARBARINO; JOHNSON, 1999). Moorman, Zaltman and Deshpandé (1992, p. 316) defined the same as being “an enduring desire to maintain a valued relationship” and Morgan and Hunt (1994, p. 23) defined commitment as “a belief that an ongoing relationship with another is so important as to warrant maximum effort at maintaining it”. Goodwin (1997) and Goodwin and Gremler (1996) suggest the social benefits positively influence consumer commitment when engaging with employees. Fornell (1992) states that organizations that offer different kinds of special treatment benefits (e.g. economic or customized services) to consumers raise a cognitive churn to another competitor barrier and consequently increase consumer commitment levels. Finally, trust benefits lead to commitment (GARBARINO; JOHNSON, 1992; MORGAN; HUNT, 1994) and increase relationship with employees levels.

Gonçalves Filho et al. (2006) verified that trust, social and special treatment benefits present positive relations with commitment. According to these authors, social, special treatment and trust benefits arise as loyalty predecessors featuring significant inter-construct relations. Finally, they state that companies “ought to focus effort on relational benefits since these strongly impact customer loyalty” (GONÇALVES FILHO et al., 2006, p.13).

Mota and Freitas (2008) pioneered as first to investigate relational benefit predecessor assessment in conjunction with their consequents so as to verify how service attributes and personal involvement relate within the model. Their study concluded that irrespective of the level of service customization (whether standardized, tailored or of high and moderate contact) relational benefits are perceived by consumers.

Chen and Hu (2010) verified that relational benefits made perceived value take on a mediating role in the enhancement of consumer loyalty. Effectively, relational benefits that generate positive effects promote increased customer loyalty. Lee et al. (2014) developed a model whereby satisfaction is mediated by relational benefits and loyalty with customers that both are (or not) associated corporate members. The underlying reason for this to occur resides in the fact that each time consumers visit the service provider, they know what to expect and appreciate the services employees execute.

Finally, Mota and Gomes (2013) conducted a cross border study employing invariance between relational benefits and their consequents analysis models. Trust and satisfaction with employees constructs prove to be of core value and positively and significantly influenced the remaining set of constructs that are associated with these two. This allowed researchers to extract the model’s most relevant impacts: the relation between satisfaction with employees and trust. However, the model did not take into account the this study’s focal point: cultural idiosyncrasies.
Cross-cultural aspects between Brazilians and Canadians

According to Hofstede (1997), Brazil is slightly more vertical than horizontal ranking close to France, Singapore and Yugoslavia in terms of power distance indexes. On the other hand, Canadians are more individualistic than Brazilians, feature a more horizontal cultural style and reduced power distance index. This demonstrates that Canada features a more egalitarian culture, greater strictness before rules/norms and accentuated focus on individualism. Similarities with Brazil are restricted to masculine/feminine dimension matters, i.e., in as much as this aspect is concerned, both cultures level off between success and material assertiveness with interpersonal relationships arising from the maternal figure (CHIRKOV et al., 2005).

In as much as power distance is concerned, Brazil is deemed to shelter a society that rather maintains a certain distance and thus is more vertical than Canada. This means that matters involving respect, loyalty and subordinate/management relations are high whilst simultaneously one comes across the dominating party taking on attitudes deemed of a more paternalist nature (HOFSTEDE, 1997).

Unlike Canadians, Brazilians have an ingrained aversion to uncertainty in as much as long term planning is concerned, fear the future and do not accept behavioural patterns that breach that which is socially expected. DaMattá (1997) states that although the Brazilian society is formalistic and demands the coining of structured laws and norms, all is subject to corruption once bonds are created. These in turn enable the modification of orders and priorities, something that is known as the “Brazilian knack”. As described earlier on, Canada features rigid structures and demands that these be strictly observed despite highly respecting the many cultures of immigrants and expats that since the 90’s, ravaged the country (GANNON, 2004).

It is important to mention critics (HARRISON, 1992) who advocate that Brazil must not be unequivocally classified as being individualistic since, on one hand, the country features a dominant Hispano-American culture, characterized as being authoritarian and paternalist, thus having a relatively strong hold over family. Nevertheless, because of extensive immigrant influence, during the last century Brazil starkly shifted towards more egalitarian, democratic and market-oriented values, triggering profound changes in both the economy and local cultural orientations.

Thus, in as much as this study’s limitations are concerned, emphasis must be placed on the fact that since domestic cultural traits are not applicable on a universal basis at numerous portions of a given country, these can effectively be different within the same country’s regions or territories. This study examined consumers at two capitals (i.e., in Brazil and in Canada) and even then, from very specific populations. Though comparable in both age and education, expectations reside in their being different in terms of beliefs and values given distinct cultural scenarios.

Cultural Idiosyncrasies

The Brazilian knack

Several researchers investigated an assortment of both Brazilian and Canadian idiosyncrasies (FREYRE, 1963; HALL, 1976; HOFSTEDE, 1980; DAMATTA, 1983 and 1991; BARBOSA, 1992 and 1995; SCHWARTZ; SAGIV, 1995; GANNON, 2004; BOYD;
HELMS, 2005; BUTORI, 2010). However, for scope related reasons amongst existing traits choice fell upon herein solely isolating and analysing the so-called “Brazilian knack” and consumer entitlement. Thus this study introduces a pioneer scope whereby both cultural aspects are for the first time, jointly analysed.

Torres (1973) understands that the Brazilian’s poor problem solving ability arises from the fact that the local society shaped as of a half-bred or mestizo nature and as of a humanistic and generalist background thanks to the influence of early Jesuit settlers. Thus, the “Brazilian knack” emerges as a plural of this universality of cultural traditions that the first Brazilian inhabitants had to coin and has to date, been passed on to succeeding generations. This same author advocates the “knack” is a facet of Brazilian practices and defines this as being “an ability to adapt to unexpected or tough situations” (TORRES, 1973, p. 213).

In Canada, based on merit, special treatment might eventually be granted to someone. In Brazil and by resorting to the “Brazilian knack”, this social practice extrapolates whatever context and gives rise to new behaviours and solutions to impairments life imparts, shaping Brazilians into people that are able to cope with adversity (DAMATTÁ, 1983). Therefore, Barbosa (1992, p. 12) defines the “Brazilian knack” as an “adaptation and adjustment mechanism to Brazilian society’s perverse situations” that demonstrates the creativity, improvisation and smartness of the Brazilian people (TORRES, 1973).

Barbosa (1995) further states that the knack is a “special” way of solving a problem or coming up with a creative emergency response whether via bypassing a norm or by resorting to conciliation and/or skill. Thus, the knack’s associated with the Brazilian’s cordial, friendly, pleasant and creative side. An additional contribution to this phenomenon resides in the fact that players do not know each other and it’s that “special way of making things come about” which ends up swaying one, into another’s favour, before a given situation. Parties thus become “friends” in the solution of the matter at hand (BARBOSA, 1992).

Gomes (1982) perceived the subject matter from a philosophical standpoint by stating that the knack promotes in Brazilians an attitude of tolerance and intellectual openness. Calligaris (2000) reinforces the notion that in both the United States and Canada people comply with laws in a very strict manner and individual matters are not deemed more valuable than those of collective interest. Borges (2006) compares Brazil with countries that are deemed more egalitarian (e.g. Canadá) where laws effectively ensure individual freedom, whilst in Brazil the knack supports equality before human conditions. This same author further states that the “Brazilian knack” is a procedure that rests on a cognitive process and is “a kind of hybrid result of favour-based and individual relations” (BORGES, 2006, p. 64).

Bennett and Rundle-Thiele (2004) state that amongst satisfaction, loyalty, commitment and trust construct relations rest moderators that might either strengthen or weaken the same. Heskett et al. (1997) and Johnson et al. (2001) amongst other moderating aspects included personal, demographic and cultural characteristics. Therefore, the understanding is that the “Brazilian knack”, as a cultural aspect of societies that are to a greater or lesser extent egalitarian - particularly in as much as the flexibility/breaching of laws-norms is concerned - might come to pose an important role in the strengthening or weakening of satisfaction as a trust and loyalty mediator.
Mota and Gomes (2013) analysed the mediation of satisfaction and commitment between trust and loyalty to employees. Given the outcomes of their studies, one may state that trust, satisfaction and commitment are strong predecessors and promote loyalty to employees. Therefore, when there is high customer trust and satisfaction perception, findings will reveal increased loyalty to employees.

Likewise, when commitment mediation between satisfaction and loyalty to service providers was measured, only the joint effect between commitment and satisfaction proves to be significant to loyalty before service providers. Thus, vendors ought to coin corporate strategies that place at their core the increase of satisfaction, trust and commitment perceptions as key success factors. Consequently, this fills in the theoretical gap as to identifying the kind of mediation one finds between the named constructs that Morgan and Hunt (1994), Garbarino and Johnson (1999) and Hennig-Thurau, Gwinnie and Gremler (2002) advocated.

It is important to emphasize that not all Brazilians are influenced by effectively feature the mentioned cultural traits in as much as the “Brazilian knack” is concerned. This peculiarity’s explicitness posed to merely list some of the characteristics that one might come across amongst individuals under study. Finally, although this research has employed the term “Brazilian knack” (DAMATA, 1983 and 1991 and BARBOSA, 1992), it is herein understood as being the cordial, flexible, creative and ingenious portion of the Brazilian character (WOOD Jr., 2009). Thus, as per the herein under stated hypothesis, the intent is to verify how these traits are likewise perceived amongst Canadian consumers and how they influence and/or moderate other marketing constructs.

H1: Amongst Brazilian and Canadian consumers, the cultural aspect known as “Brazilian knack” is a moderating factor between the mediation of satisfaction in the relation between trust benefits and loyalty to employees.

Consumer entitlement

Boyd and Helms (2005) studied consumer satisfaction before service quality from a consumption standpoint and defined consumer entitlement as something the same expects to receive as special treatment, i.e., it is the extent to which the consumer perceives to be special to the company and desires the prompt addressing of his/her needs, having been convinced of their superiority, omnipotence and immunity (DURAND; BARLOW, 2003).

Durand and Barlow (2003) characterize consumers of the kind as being firmly convinced of their self-importance which in turn makes them feel entitled to special treatment and immediate gratification. Furthermore, hardly ever do customers of the kind grasp the underlying reasons when not treated according to their expectations to the extent of given such circumstances, feeling wronged.

Within the realm of services, one may list the prime consumer entitlement study drivers as of the following points: 1) the consumer’s sense of entitlement directly influences expectations, consequently satisfaction (OLIVER; SWAN, 1989) and perceived quality (PARASURAMAN; ZEITHAML; BERRY, 1985); 2) corporate images may be ill assessed in light of consumer hostility and aggressiveness that may emerge when their expectations are not met (RICHINS, 1983); and 3) offering clients special treatment may give rise to non-preferred serviced customers feeling discriminated and rejected (OLIVER; SWAN, 1989; HENNIG-THURAU; GWINNER; GREMLER, 2002) whilst on the other
hand, preferential customers might feel embarrassed when in public, so treated (DE WULF; ODEKERKEN-SCHÖDER; IACOBUCCI, 2001).

In Canada, the perceived power distance (HOFSTEDE, 1997) is more linear when compared to Brazilians, the local culture being more egalitarian and featuring stricter abidance to law/norms (CHIRKOV et al., 2005). In Brazil, Da Matta (1991) introduced the phrase “Do you known whom you are talking to?” as something Brazilians frequently resort to when they want to attain an objective and someone whom they deem as hierarchically inferior, tries to hinder their progress.

This pulling of rank phrase reinforces the status distance the speaker believes rests before the recipient and relates with the “Brazilian knack” in absolute opposition (BARBOSA, 1995). To a certain extent, the knack conceals inequalities and differences since status is not taken into account when the same is granted. DaMatta (1991) states that people of the kind want to catch the spotlight before the situation by branding themselves as being special and in an imperative manner, demand differentiated treatment. The scholar deems this as being intolerant behaviour before modern world’s norms, in detriment of social, political, economic and cultural equality.

Thus, whilst in Brazil common and social practices involving the “Brazilian knack” and the “Do you know whom you are talking to?” as a social group seek to not crystalize bureaucracy’s formal discourse, in Canada one finds an issue that centres on the ethical and moral principle involving respecting society, in detriment of equality’s sovereignty. Therefore, one might expect that consumer entitlement dimension outcomes in Brazil and in Canada to be quite different.

As mentioned, the intent herein is to investigate how consumer entitlement - a cultural moderating variable - might strengthen or weaken relations involving trust, satisfaction and loyalty amongst Brazilian and Canadian consumers, according to Heskett et al. (1997) and Johnson et al.’s (2001) prior studies. To this effect:

**H2:** Amongst Brazilian and Canadian consumers, the cultural aspect known as consumer entitlement is a moderating factor between satisfaction with employees mediation in the relationship involving trust benefits and loyalty toward employees.

**Methodology**

To meet this study’s objective, a descriptive survey was conducted to test specific hypotheses and examine relations between variables. As of Hall (1976), Hofstede (1980), DaMatta (1983 and 1991), Barbosa (1992 and 1995), Schwartz and Sagiv (1995), Reynolds and Beatty (1999a and 1999b), Hennig-Thurau et al. (2002), Gannon (2004), Boyd and Helms (2005), Kinard and Capella (2006), Butori (2010) and Coelho and Fernandes’s (2010) studies, the possibility of analysing relational benefits with its consequents and culture, as a moderator of this relationship - via the formulated hypotheses - was envisioned, given that as previously justified, no model had till then been coined by the academy.

In light of this study’s proposed objectives and research problem definition, the elected sample population consisted of service users formed by consumers located at two capitals, in Brazil and Canada. The kind of sampling this study employed was that known
as the disproportionate stratified probability sample (per country). At both countries, data was collected in areas of high people-transit flow. This study’s sample size comprised 297 Brazilian consumers and 207 Canadian consumers. The questionnaire was delivered to service users who both informed the name of the service provider and claimed to engage with same for at least one year.

When studies set out to employ multivariate data analysis, assumptions must first be examined via procedures such as the common-method bias, normality, linearity, homoscedasticity and multi-collinearity data tests so that data collection randomness effectively ensures that the sample represents the population and estimate biases rest mitigated. Analyses of the kind were conducted according to Kline (1998), Byrne (2001), Tabachnick and Fidell (2001), Podsakoff et al., (2003), Hair et al. (2005) and Williams, Hartman and Cavazotte’s (2010) suggestions.

For common-method bias test purposes, the set of variables only resulted in a respective 31.84% and 33.54% variance for Brazilian and Canadian consumers, yet indexes were deemed satisfactory. For normality, linearity, homoscedasticity and multi-collinearity data tests, results were also deemed satisfactory once kurtosis, asymmetries, Kolmogorov-Smirnov and Shapiro-Wilk tests, pairs of variables and their correlations dispersion graphs, ANOVAs and VIF (variance inflator factor) assessments were conducted.

Two comparative analyses were conducted: the first between averages whilst the second consisted of a MANOVA on relational benefits (trust, social and special treatment) and its consequents (satisfaction, commitment and loyalty) amongst Brazilian and Canadian consumers.

Thus the intent is to not only to verify whether for each construct, groups of Brazilian and Canadian consumers present significant differences but to unveil a variable via linear regression so as to identify each variable’s maximum discriminating value, within each group. To this effect, computational scripts were developed with views to developing each construct’s canonical variable, employing the discriminant coefficients to identify each studied construct’s strength and orientation.

The first script poses to obtain the relational benefits constructs’ standardized and non-standardized discriminant coefficients. The second script’s purpose is to develop the canonical variable to identify each construct’s strength and orientation within each of the two groups. The outcome should thus provide a more analytical assessment of the MANOVA between Brazilian and Canadian consumers, since this approach enables investigating which relational benefits construct(s) pose(s) greatest impact(s) and when differentiating both groups, which relational benefit consequent most impacts loyalty to vendors.

Resorting to this technique prove to be of core importance to, once keeping the highest discriminant strength amongst researched groups (Brazilian and Canadians) in mind, within the model identify, where one should fit the elected moderating variables (e.g. consumer entitlement and “Brazilian knack”).

For the purpose of regressive model moderation tests, choice fell upon employing the PROCESS model (HAYES, 2012) since it verifies moderator-mediator variable effects. Thus, Hayes’s (2012) Model 11 was employed whereby there X as the independent variable, Y the dependent variable, M_i are the mediator variables and W and Z are two
moderator-mediator variables. The equation to assess effects between the mentioned variables is represented by: a) the indirect effect of X on Y \( M_j = (a_1 + a_2W + a_3Z + a_4WZ) b_{ij} \) and b) the indirect effect of X on Y by \( c' \).

**Findings**

Amongst the 504 Brazilian and Canadian consumers, 48.2% were men and 51.8% women, 70.6% of whom fit into the 17 to 25 years old range, 15.7% were 26 to 34 years old, 9.5% were 35 to 43 and 4.2% fit into the over 43 years old category.

The first stage consisted of examining each construct’s scale sizing measure via the reliability and validity convergent by resorting to factorial load uni-dimensional composition, Cronbach’s alpha, composed reliability (CR), average variance extracted (AVE), maximum shared square variance (MSV) and average shared squared variance (ASV), according to Garver and Mentzer’s (1999) guidance. Outcomes were deemed satisfactory in as much as each construct’s item factorial loads was concerned, resulting in higher than 0.50 loads and a Cronbach Alpha of more than 0.70. Thus, one might state that each construct features satisfactory reliability, the same applying to the duly tested via the above mentioned metrics, reliability and convergent and discriminant validities.

With the exception of special treatment benefits, assessed constructs’ averages attained higher scores amongst Canadian consumers than those of Brazil, a result that confirms DaMatta’s (1991) statement as to the existence of trace evidence that Brazilians are more demanding and narcissistic than the Canadians. Belief rests in this theme coining a flagship that remains relatively unexplored by literature (BECHWATI; MORRIN, 2003) thus further investigations on the subject matter shall herein be recommended for future studies purposes.

A multivariate variance analysis – MANOVA – between consumer nationalities (independent variable) and relational benefits and their consequents (dependent variables) was conducted. Thus, so to verify the level of the sample’s multivariate significance, the first test was conducted employing Wilks’ Lambda’s technique revealing a 0.866 figure \( F=25.875 \) and \( p<0.001 \) for relational benefits whilst the outcome of their consequents resulted in 0.805 \( F=40.246 \) and \( p<0.001 \). Therefore, the null hypotheses as to relational benefits and its consequents being the same for Brazilian and Canadian consumers via MANOVA can be rejected, i.e., of the three combined variables, considering both relational benefits and its consequent variables.

By resorting to linear regression, the second stage focused on identifying a variable known as a canonical variable that pinpointed both group’s (Brazilian and Canadian consumers) individual variables’ maximum discriminant value. Once having run the scripts the author ideated for the purpose of this study, findings indicated that there is only one self-value root, that was duly identified on a per correlation basis (e.g. relational benefits and relational benefit consequents), which is represented by the variance’s totality. Thus, for relational benefits the canonical self-value was 0.15525 and the identified canonical correlation equalled 0.36659; for relational benefit consequents the canonical self-value resulted in 0.24147 and the canonical correlation was 0.44103. This means that the first correlation’s dependant variables’ explanatory strength within the model \( \eta^2 \) supplied is 13.44%. For the second correlation, \( \eta^2 \) equals 19.45% of the total explained variance. According to Pallant (2011), outcomes as of 13.8% are already deemed to evidence high explanatory strength.
Finally, focus was placed on identifying the most impacting orientation and variable between groups. To this effect, standardized and non-standardized MANOVA’s coefficients were identified, per Table 1.

One notes that the trust benefits and satisfaction with employees are the most statistically powerful variables bearing on the canonical correlation MANOVAs indicated. Thus, these are the two most distinctive variables involving Brazilian and Canadian consumers. This outcome is core to positioning the inclusion of moderating variables when building regressive models.

<table>
<thead>
<tr>
<th>Variable</th>
<th>Standardized Coefficients</th>
<th>Non-Standardized Coefficients</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trust Benefit</td>
<td>1.08432</td>
<td>0.91143</td>
</tr>
<tr>
<td>Social Benefit</td>
<td>0.00248</td>
<td>0.00156</td>
</tr>
<tr>
<td>Special Treatment Benefit</td>
<td>0.59811</td>
<td>0.35617</td>
</tr>
<tr>
<td>Satisfaction</td>
<td>1.02000</td>
<td>0.90144</td>
</tr>
<tr>
<td>Commitment</td>
<td>0.77606</td>
<td>0.53459</td>
</tr>
<tr>
<td>Loyalty</td>
<td>0.36191</td>
<td>0.28982</td>
</tr>
</tbody>
</table>

Table 1: MANOVA’s standardized and non-standardized coefficients

Source: Prepared by the author as of data analysis

The last MANOVA stage involves the identification of both correlation’s joint differences. To this effect, new computational scripts were employed to generate the canonical variable via linear regression. Thus, in terms of relational benefits, Brazilian consumers resulted in a canonical variable of 5.48 and those from Canada, 6.13. Brazilian consumer’s relational benefits consequents resulted in a canonical variable of 7.59 whilst the respective Canadian consumers’ figure was 8.64.

From a marketing standpoint, both trust and satisfaction constructs transversally and significantly permeate the behaviour of consumers that belong to countries of distinct cultures, corroborating Garbarino and Johnson (1999) and Morgan and Hunt’s (1994) studies. These results also drive the identification of the uppermost level of differentiation between Brazilian and Canadian consumers via relational benefits and their consequents. Therefore, Canadian consumers observed higher levels of relational benefits and their consequents than Brazilian consumers. These outcomes corroborate mean comparative analysis and add strength and impact between each examined variable canonical correlation.

The methodological contribution concludes with the identification of those variables that most distinguish groups/samples via MANOVA. Consequently, recommendations include that this methodological proposal be extensively employed when fitting moderating variables into regressive models.

To address this study’s last specific objective which is to analyse the Brazilian knack and consumer entitlement’s moderation on influencing Brazilian and Canadian consumer behaviours before relational benefits and its consequents, this study’s final analysis was conducted so as to verify the moderation effects of these cultural
idiosyncrasies, in the relation between the mediation of the previously MANOVA analysed proposed model’s two main constructs: trust benefits and satisfaction with employees.

Hayes’s (2012) PROCESS technique that proposes moderated mediation effects be verified was employed, namely, of the relations between the indirect effects of dependent variable X before the independent variable Y, via the mediator variable M and moderator variables W and Z.

Hayes’s (2012) model 11 enables the specific examination of these moderation effects, namely, of the “Brazilian knack” (W) and of consumer entitlement (Z) via satisfaction’s mediator effect (M) between trust (X) and loyalty to employees (Y) benefits. Thus, the intent is to verify the previously specified hypotheses, H1 and H2.

For hypothesis H1, Loyalty to Employees was defined as the dependent variable (DV), Trust Benefits as the independent variable (VI), Satisfaction with Employees as mediator variable (M), the “Brazilian knack” as moderator variable (W) and Consumer Entitlement was also set as a moderator variable (Z). Thus, for the sample of Brazilian consumers, the direct effect (β) of Trust Benefits before Loyalty to Employees was 0.3718, with a standard error of 0.046, t=7.8184 and p<0.001 whilst the direct effect (β) of Satisfaction with Employees before Loyalty to Employees was 0.1974, with a standard error of 0.0525, t=3.7633 with p=0.0002 and $R^2=0.6581$, F=112.0261 and p<0.001. For specific moderator effects verification purposes, outcomes resulted in $R^2=0.4715$, F=28.4477 and p<0.001. A coefficient of -0.2139 with p=0.0005 was obtained for the moderator effect between the “Brazilian knack” when mediating Satisfaction with Employees between Trust Benefits and Loyalty to Employees. In turn, the moderator effect between Consumer Entitlement in the mediation of Satisfaction with Employees between Trust Benefits and Loyalty to Employees, resulted in a -0.1815 coefficient, with p=0.0200.

For the Canadian consumers’ sample, Trust Benefits before Loyalty to Employees direct effect (β) was 0.2745, with a standard error of 0.0562, t=4.8872 and p<0.001 and the Satisfaction with Employees before Loyalty to Employees direct effect (β) was 0.2785, with a standard error of 0.0588, t=4.7389 with p<0.001 and $R^2=0.7474$, F=118.9413 and p<0.000. Specifically to verify moderator effects, outcomes resulted in $R^2=0.4970$, F=21.6299 and p<0.001. The moderator effect between the “Brazilian knack” in mediating Satisfaction with Employees, between Trust Benefits and Loyalty to Employees, resulted in a 0.2497 coefficient with p=0.0391. The moderator effect between Consumer Entitlement in mediating Satisfaction with Employees, between Trust Benefits and Loyalty to Employees, resulted in a 0.3404 coefficient with p=0.0334.

Figures 1 and 2 graphically illustrate the orientation and strength differences of the “Brazilian knack” and Consumer Entitlement moderations, amongst Brazilian and Canadian consumers, where findings also confirm the mediation of Satisfaction between Trust Benefits and Loyalty to Employees.
These outcomes drive the acceptance of hypotheses H1 and H2. It was specifically observed that both the “Brazilian knack” and Consumer Entitlement’s moderation is significant, when mediated by Satisfaction with Employees between Trust Benefits and Loyalty to Employees. Furthermore, verifications revealed that when this moderate mediation occurs, the effects of both moderators are negative for Brazilian consumers and positive for Canadian consumers.

Therefore, these results corroborate cross-cultural study literature, i.e., power distance and individualism culture dimensions (HOFSTEDE, 1980) which indicates that Brazilian consumers, given the fact that they feel they are hierarchically more distant, hold greater entitlement rights than others and that it’s up to processes to adapt to their

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**Figure 1**: Moderation effect between the “Brazilian knack” in the mediation of satisfaction with employees between trust benefits and loyalty to employees.\(^2\)

**Source**: Prepared by the author as of data analysis

**Figure 2**: Moderation effect between consumer entitlement in the mediation of satisfaction with employees between trust benefits and loyalty to employees.\(^3\)

**Fonte**: Prepared by the author as of data analysis

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\(^2\) Note: Brazilian consumers sample - R\(^2\)=0.6581, F=112.0261 and p<0.000 and Canadian consumers sample R\(^2\)=0.7474, F=118.9413 and p<0.000.

\(^3\) Note: Brazilian consumers sample - R\(^2\)=0.6581, F=112.0261 and p<0.000 and Canadian consumers sample R\(^2\)=0.7474, F=118.9413 and p<0.000.
demands. Consequently, Brazilians possibly are more imperative and demanding than Canadian consumers. In contrast, Canadian consumers believe that other consumers should, in a more egalitarian manner, have access to the same opportunities, there being no privileges or “knacks” of whatever kind for whomever.

Hence, given that Canadians are deemed more egalitarian, they tend to strictly abide to norms, whilst amongst Brazilians the tendency rests in the individual’s condition prevailing beyond whatever ruling. In as much as consumer entitlement is concerned, the emotional attitude of Brazilian consumers (REZENDE, 2008) is more accentuated than consumer entitlement rights amongst Canadians, who tend to apply rigor to ethical and moral principles, in defence of the sovereignty of more egalitarian societies (DAMATTA, 1991).

Conclusion

This study investigated relational benefits and its consequents within the field of services, by means of a cross-cultural survey comprising Brazilian and Canadian consumers. One of the investigation’s pioneer aspects was the ideation of a methodological structure that is herein introduced to the academy as an efficient approach for, amongst other aspects, identifying regressive model discriminant variables for cross-cultural and/or comparative research purposes. Research also enabled the coining of new computational tools in support of theoretical propositions.

Hypotheses substantiation in turn contributed with the closing of theoretical gaps that pose to analyse “Brazilian knack” and consumer entitlement moderation in influencing Brazilian and Canadian consumer behaviour before relational benefits and consequents.

By means of analysis that compared averages and MANOVAs between relational benefits and their consequents, results evidenced that both in the case of Brazilian and Canadian consumers, the most frequently perceived relational benefit is that associated with trust, followed by social and special treatment benefits respectively. The same ascertainment applies to satisfaction perception, followed by loyalty and commitment. The very same analysis determines that the level of relational benefits and of its consequent’s perception is greater amongst Canadian consumers, except for those special treatment-related which in contrast, were strongly perceived amongst Brazilian consumers.

In as much as the outcomes of studies on cultural idiosyncrasy moderation (i.e., the “Brazilian knack” and consumer entitlement) before relational benefits and their consequents are concerned, Brazilian consumers take on a very distinct position when compared to Canadians. Specifically, Brazilian consumers featuring higher “Brazilian knack” and consumer entitlement indexes, reduce the loyalty to service provider employees’ perception between the mediated satisfaction relation and trust benefits. Thus one might state that when service provider employees do not meet the demands Brazilian consumers place employing the Brazilian knack and distinction beliefs, the effect is an immediate reduction in loyalty. Brazilian consumers tend to believe that being treated within the conditions they believe to enjoy and possess is an obligation.

On the other hand, Canadian consumers featuring higher “knack” and entitlement indexes raise loyalty to service provider employees’ effects, since they believe that individually, they should not be granted greater or more modest privileges, than other consumers. There is a feeling that all are treated in a more egalitarian manner and
consequently, there is a perception that the employees of these service providers equally respect all individuals.

Global market service tailoring demands companies develop an in-depth understanding of how marketing services consumer perceptions differ across both countries and cultures. It is of vital importance that companies take these cultural aspects into account since their comprehension mitigates losses in investments. Identifying these clients prioritizes the allocation of financial, technical and human resources, ensuring employees are in a position to more efficiently addressing their needs.

The introduction of a new perspective on how cultural factors impact marketing constructs ought to support managers in coining more proactive promotional actions and improve consumer preference across populations within populations across varied cultures, particularly amongst Brazilians and Canadians.

This study solely set out to examine the moderation effects of the “Brazilian knack” and consumer entitlement idiosyncrasies impart amongst trust, satisfaction and loyalty constructs. However, Heskett et al. (1997) and Johnson et al. (2001) state that personal, demographical and cultural characteristics might also moderate this relationship. Therefore, recommendations include identifying which other variables might moderate this relationship and examine their effects.

Finally, in as much as service assessments are concerned, recommendations also include understanding how this more demanding Brazilian trait - in terms of service delivery “failures” for instance (GOODWIN; ROSS, 1992) – might come to moderate the raise in retaliation and vengeance feelings in consumption behaviours. Emphasis ought to be placed on the fact that consumer retaliation and vengeance against services remains a scarcely explored subject matter by consumer behaviour literature (HUEFNER; HUNT, 2000; HUEFNER et al., 2002; BECHWATTI; MORRIN, 2003; FUNCHES; MARKLEY; DAVIS, 2009). Furthermore, cross-cultural studies might even better serve the suggested purpose since outcomes would offer behavioural comparisons between different cultures.

From an academic standpoint, in addition to contributing with knowledge in the field of marketing, this study also offered methodological furthering given the construction of original computational scripts to verify the strength of variables in cross cultural or compared models. Thus, recommendations include these techniques be replicated and/or improved so future studies on cross-cultural or similar subject matters likewise further.

The findings of this study may prove to be of use to service rendering companies in as much as that they enable the perfecting or sustaining of marketing strategies employed to ensure a sound and long lasting customer relationship. Outcomes also intend to contribute with the narrowing of corporate and cultural ties between Brazil and Canada and from a market standpoint, increase existing knowledge both countries share and consequently, foster investments.
References


MENSURANDO MODERAÇÕES: UMA PESQUISA TRANSCULTURAL E COMPARATIVA NO CONSUMO DE SERVIÇOS ENTRE BRASILEIROS E CANADENSES

Abstract: Este estudo tem como objetivo analisar os benefícios relacionais e seus consequentes em consumidores brasileiros e canadenses por meio da moderação de idiossincrasias culturais. O estudo compreendeu uma pesquisa descritiva de natureza quantitativa. A pesquisa de campo foi realizada junto a 297 brasileiros e 207 canadenses. Os dados foram submetidos a testes estatísticos por meio de MANOVA, correlação canônica e moderações no intuito de testar a técnica proposta. Houve ainda contribuições metodológicas por meio do desenvolvimento de scripts computacionais que apoiaram na identificação do poder e da direção de cada construto estudado nas regressões. Por meio de análises comparativas, há indícios de que os brasileiros são mais exigentes na avaliação de serviços. Por ainda serem culturalmente com maior distância do poder, pode-se indicar que lhes oferecer tratamentos especiais é um importante fator de elevação na satisfação com os empregados. Por outro lado, quando os canadenses recebem esses benefícios em oposição aos demais há um sentimento de que esses privilégios e “jeitinhos” não deveriam ser apenas a alguns, tornando a oferta do serviço desigual em uma sociedade mais igualitária. Os resultados poderão ser úteis no estreitamento de laços comerciais entre o Brasil e o Canadá.

Palavras-chave: Pesquisa Transcultural; Marketing de Relacionamento; Serviços; Comportamento do Consumidor

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