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SATISFACTION FORMATION AND TYPOLOGY OF BAR CUSTOMERS

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The main purposes of this study is to identify the service features that determine overall customer satisfaction in the entertainment industry and to suggest a satisfaction-based typology of bar customers depending on their loyalty status. The research questions were examined using a sample of 1,263 multinational bar customers in Greece. Exploratory and confirmatory factor analysis coupled with cluster analysis were used to examine the extent to which elements of satisfaction may be identified and combined with loyalty rankings to segment the bar market's customers. The results showed support for both hypotheses and confirmed that interactive and physical elements are antecedents of customer satisfaction. Moreover, results found that bar customers may be segmented into four distinct groups (enthusiastic, apathetic, peripheral and kinetic). The bar managers may better address their customers' requirements by choosing whether to invest in refurbishing the establishment or better train their personnel to maximise patron satisfaction and loyalty.

Keywords: *service features, satisfaction, loyalty, bars*

JEL Classification: *L83, M1, O1*

INTRODUCTION

Entertainment has long been recognised as a consistent part of everyday life. It has been constantly growing, providing economic, cultural and social benefits on community cohesions (Jiwa et al., 2009; Tutenges, 2013). Nightlife is also considered a part of a typical country tourist package as many travelers may select or evaluate, among other criteria, a destination because of its availability of bars or clubs, their operating hours, the provided quality, etc. (Narayan et al., 2008).

However, the existing service marketing literature provided limited insight into consumer behavior and attitudes regarding various entertainment venues and the factors that influence customer satisfaction and loyalty. The main body of literature neglects the bar sector in general and the extant theory, in this area, is rather thin, especially in the field of customer loyalty and retention. One possible explanation may be that the switching costs in bars are very low and the impact of cost on customers' satisfaction elasticity is very low (Lee et al., 2001). However, it is reasonable to assume that a high level of satisfaction is strongly correlated with increased customer loyalty.

Motivated by this lack of findings, the current research focus on nightclubs and bars, stressing the need for a new instrument that will be closely positioned to meet bar customer needs and expectations and try to investigate service features, taking into consideration particularities that result from the nature of the bars. Moreover, it is focused on the measurement and ranking of the importance of these service features in the overall customer satisfaction. Finally, it suggests a satisfaction-based typology of bar customers based on loyalty rankings.

The following part of the paper presents the theoretical background. In the next section, the research methodology is reported. A discussion of the findings and the managerial implications comprised the following section. The paper completed with survey conclusions.

THE TRIAD: SERVICE FEATURES - CUSTOMER SATISFACTION - LOYALTY

Many models have been developed to measure service quality. The most widely acknowledged model is the American five-dimension SERVQUAL (Parasuraman et al., 1988). However, SERVQUAL's applicability to different service industries has been questioned in terms of the number and the nature of its dimensions (Jabnoun and Khalifa, 2005). Thus, the development of industry-specific measures was proposed (Dabholkar et al., 1996) and numerous studies in different service sectors have sought to develop industry-specific service-quality scales (Ladhari, 2009). Accordingly, in the sector of hedonic services, researchers used a modified or adapted version of SERVQUAL or developed new instruments for the measurement of service quality.

Specifically, the results of a survey conducted within the hospitality industry of North Cyprus supported the notion that service quality consists of two dimensions — tangibles and intangibles (Nadiri and Hussain, 2005). Blešić et al. (2011) measured service quality in spa hotels

and revealed quality problems, such as inappropriate arrangement of facilities and equipment, age of facilities in general, lack of understanding of contemporary demand trends, the unaccomplished process of hotel privatization, uniformity of tourism offers and lack of market research related to hotel services consumers. In addition, Akbaba (2006) created a questionnaire with 29 questions to measure service quality in Turkish business hotels. He identified four dimensions – tangibles, adequacy in service supply, understanding and caring, assurance and convenience. Soriano (2002), using a large sample of Spanish restaurants (N=3.872), evaluated their food quality, their service quality, their atmosphere quality and their price/quality ratio. Stevens et al. (1995) used SERVQUAL as a basis to create a service quality measure named DINESERV, which focused on measuring the level of employee service and restaurant atmosphere. Their instrument consists of 29 questions divided into five determinants (tangibles, reliability, responsiveness, assurance, empathy), enriching the tangibility dimension with more items (ten instead of four). Khan (2003) examined service quality expectations in ecotourism, using an adapted version of SERVQUAL dubbed ECOSERV. She used six dimensions (tangibles, ecotangibles, reliability, assurance, responsiveness, and empathy) and noticed that ecotourists had generally lower expectations than those of other consumers in other contexts.

From the aforementioned brief literature review and taking into consideration the expanded review in this matter by Ladhari (2008; 2009), it can be supported that the number and nature of the dimensions in the context of hedonic services varied from two to ten, depending on the service context (hotel, restaurant, tourism, etc). Similarly, the measurement of service features in bars is too different to implement by merely adapting the existing instruments. For example, a fundamental difference of this service industry is that consumers will often use some affective criteria to evaluate service, in addition to the traditional service quality measures. Specifically, they mainly visit a bar for enjoyment purposes and evaluate it in terms of how much pleasure they have received. Hence, arousal will be more pronounced in the quality evaluation (Jiang and Wang, 2006). Thus, to gain a better understanding of the factors that lead to consumer choices, satisfaction, and loyalty behaviors, this study needs to go beyond the traditional SERVQUAL and develop a bar industry service-quality scale.

Another issue that employs researchers is the relationship between service quality and customer satisfaction. Some researchers consider the concepts of service quality and customer satisfaction to be synonymous (Oliva et al., 1992) whereas others have found notable distinctions

between them (Sureshchandar et al., 2002). Different opinions have also been expressed about the antecedents of service quality and customer satisfaction (Cronin and Taylor, 1994, Ting, 2004). Recent approaches argue for the benefit of merging the two heavily debated service elements into one (Gronroos, 2001) stating that service quality dimensions should be measured alongside customer satisfaction. Quality, as such, should not be measured, because research indicates that the technical and functional features directly influence perceived customer satisfaction. The two-factor model of service quality (physical and interactive features) as well as the direct relationship of these two features with customer satisfaction was recently confirmed (Pantouvakis and Bouranta, 2013).

Customer loyalty was viewed as the strength of the relationship between an individual's relative attitude toward an entity and subsequent repeat patronage (Dick and Basu, 1994). More recently, loyalty has been conceived as the revealed customers' behavior, which is mainly defined with reference to the pattern of past purchases. Customer buying is performed through trial and error by choosing the brand that provides a satisfactory experience without devoting time, trouble and effort to search for an alternative, except when the usual brand is unavailable (Ehrenberg et al., 2004). At times, loyalty is described not as a behavior but as a strong attitudinal commitment to a brand (Mellens et al., 1996), taking the form of a consistently favourable set of stated beliefs — e.g., to like, feel committed to, recommend, and have positive feelings toward the brand purchased (Dick and Basu, 1994). It is assumed that it is more profitable to retain existing customers than to attract new customers, and it is commonly assumed that customer satisfaction serves as a particularly important antecedent of customer retention and thus long-term customer relationships through loyalty (Chatzigeorgiou et al., 2009). Loureiro and Gonzalez (2008) also indicated that satisfaction is related to loyalty through trust.

METHODOLOGY

Hypotheses formation

It has been supported that environment quality and interaction dimensions tend to be important in hedonic service consumption (Nguyen et al., 2012). In addition, as it has been mentioned, recent studies also supported the superiority of the two-dimensional instruments (Pantouvakis and Bouranta, 2013, Pantouvakis, 2010). Hence, this survey focused on these two service features.

According to Joseph-Mathews et al. (2009), one fringe benefit that many service providers have focused on is the physical environment which has become an opportunity to aid in the affective gratification consumers actively seek out in a hedonic service. In the bar sector, Grayson and McNeill (2009: 519) highlighted the importance of environment, supported that "bars tend to sell a similar range of products, they differentiate themselves from competitors by manipulating elements of their environment to create a unique atmosphere". In addition, Skinner et al. (2005) found that the bar exterior is the most important factor for customers in deciding whether to enter such a bar for the first time. Grayson and McNeill (2009) initiated that atmosphere cues such as music, lighting, layout (crowding, waiting queue, knowledge) have the ability to creative positive emotions and behaviors of customers. Caldwell and Hibbert (2002) examined the effect of music as one atmospheric element that affected restaurant patron behavior and Pons et al. (2006) focused on crowding as a positive aspect of social environments that can enhance consumer enjoyment. The quality and variety of drinks, which is the tangible good exchanged, is also a deciding factor for many guests when they pick a bar to visit (Lashley and Rowson, 2000).

Such hedonic services offer also an intangible experience that related "to the nature of interaction between the service firm and its customers and the process by which the core service is delivered" (Bell et al., 2005: 172). Interactive features refer to the interface communication between the customer and the first-line employee of a firm, which take time during the moment of thruth (Bouranta et al., 2009). Consumer behavior in bars is thus shaped in part by the exchange between the customer and the environment in which the provision of the service takes place.

Following the previously presented contentions, it is logical to assume that:

H1: Physical and Interactive features *best describe overall customer satisfaction in the bar industry*

According to Blešić et al. (2011), identification of consumer segments plays an important role in proper positioning within the market since the different segments, which share dissimilar characteristics of consumers, require different treatment. It is proposed that new and loyal customers should be treated as distinct segments (Mittal and Katrichis, 2000). The link between satisfaction and loyalty has been used extensively to segment different markets or characterise customer types. Specifically, Ehrenberg and Scriven (1999) found three segments that best describe the loyalty status of customers to a brand: the monogamous (100% loyal), the promiscuous (no loyalty to any brand) and the

polygamous (loyal to a portfolio of brands in a product category), with the latter being the majority. Jones and Sasser (1995) presented a very intuitive classification of an individual's link between satisfaction and loyalty. They were classified into four different groups: loyalist/apostle (high satisfaction-high loyalty), defector/terrorist (low satisfaction-low loyalty), mercenary (high satisfaction-low loyalty), and hostage (low satisfaction-high loyalty). Similarly, Rowley (2005) identified four segments of loyal customer (captive, convenience-seekers, contented and committed), explaining the customer typical behaviors and attitudes associated with each category. Santos et al. (2013) presented a market segmentation of a Portuguese social tourism program, based, among other characteristics, seniors' loyalty. They found three groups: the passive seniors, the socio-cultural seniors, and the active seniors. Another study, in the hotel industry, suggested a taxonomic framework that categorizes loyalty program members into four classes. Class members differ with respect to the attitudes they hold, the behaviors they exhibit, and the motivations they have for maintaining membership in the program (Hansen et al., 2010).

Using the two service features from H1, the second hypothesis was formed:

H2: The bar customers may be segmented into a number of groups according to their level of overall satisfaction and loyalty

The questionnaire and the sample

The questionnaire consisted of 20 items split into three survey instruments that measure service features, overall satisfaction and loyalty. The physical features are represented in the current research instrument through eleven items, focusing on bar decoration, ambience and comfort. It is analogous to Bitner's (1992) spatial layout, signs and artefacts, music (Kubacki, 2008; Minor et al., 2004), cleanliness (Barber and Scarcelli, 2010), and quality and variety of drinks (Knowles and Howley, 2000). Measurements of the personnel's attitudes and skills (helpfulness, friendliness, politeness and efficiency) are also considered essential for the provision of bar (Guerrier and Abib, 2001; Nickson et al., 2005) and they have been included in the present survey's research instrument through four relevant items.

Two items investigating a) the overall perceived satisfaction from the venue, and b) the overall satisfaction received from the total offering were included in the survey's instrument as a control for overall satisfaction-related variables.

A further item investigating the price - satisfaction relationship was used as a simplified indicator of the value that the customer receives as a function of the perceived price. In the bar sector, researchers have proposed that bars may find areas of competitive advantage like reputation, customer satisfaction and atmosphere other than in price promotions, since customers are not price-sensitive (Hobbs and Rowley, 2008).

Following the previously explained contentions regarding stated or revealed approaches to loyalty, this study subscribes to an attitude-driven behavior. Two main items of customer loyalty were investigated: customer recommendation and customer repurchase intention (Boulding et al., 1993).

All instrument items, except for demographical characteristics, were answered on a seven-point psychometric Likert scale (anchored on 1 – "strongly disagree" through 7 – "strongly agree"). Three distinct versions of the same questionnaire in Greek, English and German were produced to enable a range of nationals to answer it in face-to-face 15-minute interviews. This structure questionnaire was introduced over a one-month period (July) in three tourist cities of northern Crete (Heraclion, Rethymnon and Chania), which is known for its active nightlife.

Respondents were patrons in 100 bars in these cities and were approached by especially trained interviewers during selected times of a day throughout this month-long period. Respondents belong to more than 30 nationalities, with the majority (54%) being Greek. As far as the demographic characteristics of the sample were concerned, respondents were split reasonably evenly between males (53.9 percent) and females (46.1 percent). Customers ranged in age between 25 or less (56.2%) to 45 (4.6%).

ANALYSIS AND RESULTS

The service feature items exhibit satisfactory reliability and rather strong item-to-total correlations (Table 1). Their score are at 5.07 (SD=0.86). The highest score appears in relation to cleanliness, ambience and quality of drink/food and the lowest one in relation to price of drink/food, appearance of the personnel and their knowledge about drink/food. Moreover, the three overall satisfaction items also show satisfactory reliability, very high item-to-total correlations and mean overall satisfaction score at 4.97 (SD=1.14), not statistically different from that measured through the 15 service feature items described above

($p<0.01$). The two loyalty items also exhibit satisfactory reliability and strong item-to-total correlations.

Table 1. Descriptive Statistics of measurement instruments (N=1,263)

No.	**Service features Inventory** (independent items)	**Mean / SD** [(1)]	**Item/total correlation**
Q1	The friendly behavior of the personnel	5.03 / 1.33	0.636
Q2	The way my order is delivered	4.81 / 1.25	0.608
Q3	The helpfulness of the personnel	5.15 / 1.29	0.680
Q4	The politeness of the personnel	5.21 / 1.30	0.656
Q5	The ambience in the bar	5.38 / 1.24	0.631
Q6	The quality of drink and/or food offered	5.36 / 1.34	0.648
Q7	The variety of drink and/or food offered	5.07 / 1.31	0.568
Q8	The price of drink and/or food offered	4.69 / 1.46	0.487
Q9	The personnel's knowledge about the drink and/or food offered	4.80 / 1.33	0.533
Q10	The way the personnel looks / is dressed	4.74 / 1.47	0.476
Q11	The speed of service	4.95 / 1.38	0.613
Q12	The decoration / style of the bar	5.12 / 1.38	0.542
Q13	The comfort / relaxation I feel in the bar	5.16 / 1.23	0.513
Q14	The music played in the bar	5.14 / 1.52	0.437
Q15	The cleanness of the bathrooms / toilets	5.43 / 1.45	0.550
	Mean and SD, 15 independent items	**5.07 / 0.86**	
	Cronbach a	**0.895**	

	Overall Customer Satisfaction (dependent items)	**Mean / SD** [(2)]	**Item/total correlation**
q1	The overall opinion I have about this bar is…	5.06 / 1.29	0.700
q2	The overall opinion I have about the quality of service in this bar is…	5.06 / 1.28	0.728
q3	The overall opinion I have about the relation of quality and price in this bar is…	4.79 / 1.39	0.627
	Mean and SD, 3 dependent items	**4.97 / 1.14**	
	Cronbach a	**0.826**	

	Loyalty	**Mean / SD** [(3)]	**Item/total correlation**
L1	I would recommend this bar	5.23 / 1.47	0.290
L2	I would come again to this bar	5.33 / 1.46	0.333
	Mean and SD, 2 loyalty items	**5.28 / 1.47**	
	Cronbach a	**0.798**	

***1**: "How satisfied are you with…?", 7-point Likert scale, 1: "not at all satisfied" to 7: "absolutely satisfied"*
***2**: "Based on my experience…", 7-point Semantic scale, 1: "very bad" to 7: "very good"*
***3**: "Express your degree of agreement with the following statements", 7-point Likert scale, 1: "strongly disagree" to 7: "strongly agree"*

A combination of Exploratory Factor Analysis (EFA) and Confirmatory Factor Analysis (CFA) was conducted while the instrument was under development. Two factors based on eleven out of fifteen initial items emerged from EFA with the Principal Components estimation method, Varimax rotation and 60.95% cumulative variance explained. Based on the item loadings, the two factors are labelled: a) Factor 1: interactive, incorporating items related to the interaction between customers and personnel (items Q3, Q1, Q4 and Q2, Cronbach α: 0.866); and b) Factor 2: physical, incorporating items related to the technical or functional part of the service quality (items Q12, Q14, Q13, Q15, Q7, Q6 and Q5, Cronbach α: 0.812). Finally, EFA justified the existence of a uni-dimensional overall satisfaction factor (Cronbach α: 0.826).

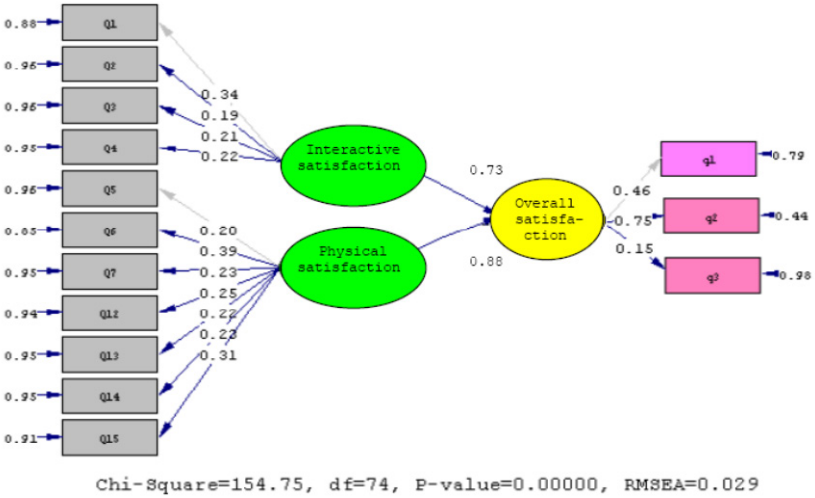

Figure 1. Structural Equation Model of Customer Satisfaction (Standardised Solution), N=1,263

CFA was then performed for the factor pattern suggested by EFA (Figure 1), assuming that the eleven items repeat EFA's factorial structure. The observed variables were slightly non-normal with kurtosis under 1, which has been reduced by normalizing the distribution of the variables before CFA. The estimation method of CFA model parameters was Maximum Likelihood, which usually produces quite robust findings also against the violation of the normality assumption. The hypothesised

model was clearly accepted (chi-Square [74]: 154.75, $p<0.001$, CFI: 0.96, NNFI: 0.95, RMSEA: 0.029).

A satisfaction-based segmentation task was implemented as a final stage of the analysis. The variables used as grouping criteria were the two factors that emerged through CFA. After initial implementation of Hierarchical Cluster Analysis, the k-means procedure was employed based on hierarchical clusters' centroids with the option of identifying three to seven clusters. The four-cluster solution was finally selected (Pearson correlation between hierarchical and k-means procedures 0.789, $p<0.01$) and justified through Discriminant analysis (Wilk's Lamda 0.752, chi-square [2] = 358.6, $p<0.01$, 88.3% of original grouped cases correctly classified, see Figure 2). Statistically significant differences among the four clusters (Table 2) were established using chi-square and one-way Dancan and Scheffe post-hoc ANOVA tests.

DISCUSSION AND IMPLICATIONS

In relation to its objectives, the present work first identified and confirmed that two service features determine overall customer satisfaction in the bar industry, in line with a substantial part of the literature: the physical features, related to the service offering in the bar per se and the environment in which the service is provided; and the interactive features, related to the interaction between customer and personnel. Thus, hypothesis H1 is justified. Quality of drink/food offered and cleanness appeared to have stronger impact than other items on the physical features (Figure 1). Moreover, personnel efficiency (the way an order is being delivered) emerged as the strongest component of the interactive features.

The sample's mean score in the interactive is lower than that in the physical features (4.66 and 4.98 respectively; see Table 2). Regarding the importance ranking of the two service features, both have a very strong and almost equal influence upon the overall satisfaction factor. Moreover, sample's overall satisfaction score measured through the relevant dependent construct is found at 4.78. The above satisfaction scores at the middle, neither dissatisfied nor satisfied, increment of the 1-7 scale indicate that the sample possibly constitutes more than one type of bar customer in relation to their satisfaction levels and justify the subsequent implementation of cluster analysis.

Table 2. Customer Clusters' Satisfaction Mean Scores and Profile, N=1,263, %

Variable description	Mean score / factor	Sig.	Cluster 1 (22.09%): *very satisfied*	Cluster 2 (15.99%): *indifferent*	Cluster 3 (52.65%): *average satisfied*	Cluster 4 (9.26%): *dissatisfied*
Clustering factors						
Factor 1: INTERACTIVE	4.66	*	**6.30** (1)	4.40	5.11	*2.85*
Factor 2: PHYSICAL	4.98	*	**6.20**	*3.98*	5.36	4.38
Dependent factor						
Factor 3: OVERALL SATISFACT.	4.78	*	**5.84**	4.02	5.09	*3.77*
Loyalty items						
I would recommend this restaurant / bar	4.89	*	**6.19** (2)	4.16	5.39	*3.82*
I would come again in this restaurant / bar	5.07	*	**6.15**	4.48	5.43	*4.24*
Age	Sample					
24 or <	53.4		51.6	**61.4**	53.1	47.0
25-34	26.8		25.1	24.3	26.4	**37.6**
35-44	10.8	**	**11.8**	8.4	11.2	10.3
45-54	7.7		**10.4**	5.0	8.1	2.6
55 or >	1.3		1.1	1.0	1.2	**2.6**

**: Duncan and Scheffe Post-hoc ANOVA paired tests, p<0.01*
***: Chi square tests, p<0.05*
1: End-points: 1= "not at all satisfied", 2= "dissatisfied", 3= "rather dissatisfied", 4= "neither…nor…", 5= "rather satisfied", 6= "satisfied", 7= "absolutely satisfied"
***2:** End-points: 1= "strongly disagree", 2= "disagree", 3= "rather disagree", 4= "neither…nor…", 5= "rather agree", 6= "agree", 7= "strongly agree"*

Indeed, and in relation to the second objective of the survey, cluster analysis identified the existence of four distinct customer types, justifying hypothesis H2. Cluster 4 exhibits the lowest interactive score, the second-lower physical score and the lowest overall satisfaction score. Its members also show the lowest loyalty scores. In terms of age, cluster 4 includes a percentage substantially higher than the sample's average percentage of customers in the 25-34-year age group. Based on the above-described profile, cluster 4 members are dissatisfied and disloyal patrons that are ready to move and can therefore be named as the "kinetic" bar customers. Cluster 2 exhibits the second-lowest interactive score (at the "neither dissatisfied nor satisfied" increment, the lowest physical score (at the "rather not satisfied" increment) and the second-lowest overall

satisfaction score (at the "neither dissatisfied nor satisfied" increment). It shows the second-lowest loyalty scores and includes a percentage higher than the sample's average percentage of customers in the 24 years or lower age group. Thus, cluster 2 members can thus be named the "apathetic" bar customers.

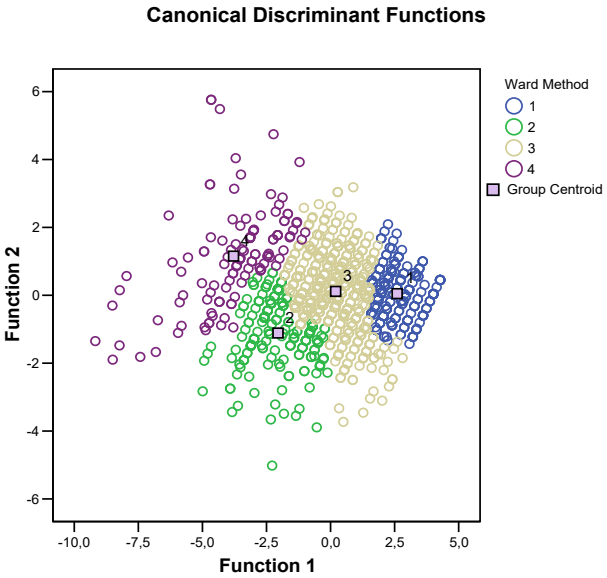

Figure 2. Discriminant Analysis Results, All-groups Scattered Plot, N=1,263 (*)

**: Function 1 = interactive satisfaction and function 2 = physical satisfaction. Scales of function 1 and 2 are equivalent to 1-7 scales of the two satisfaction factors*
***Key:** Group 1=very satisfied, group 2=indifferent, group 3=average satisfied, group 4=dissatisfied*

Cluster 3 exhibits the second-highest interactive score, the second-highest physical score and the second-highest overall satisfaction score. The latter is not statistically different from the average satisfaction measured through the initial 3 overall satisfaction items ($p<0.01$). It also shows the second-highest loyalty scores. In terms of age, it closely follows the distribution of the overall sample. Cluster 3 members can be named the "peripheral" bar customers. Finally, cluster 1 exhibits a higher interactive score, the highest physical score and the highest overall

satisfaction score. It also shows the highest loyalty scores and includes a percentage higher than the sample's average percentage of customers in the 35-44 and 45-54 years of age groups. Hence, cluster 1 members can be named the "enthusiastic" bar customers. The implications for the bar industry of the above-described satisfaction typology of customers are substantial. First, it is crucial to consider that the lower satisfaction scores at the overall sample level as well as for more than 60% of the sample (clusters 3 and 4) are found in relation to the interactive features. Thus, customer-personnel interaction and elements like personnel politeness, friendliness and helpfulness are not only satisfaction parameters as important as the overall service offering (e.g. quality and variety of drinks) and the service provision environment (e.g. ambience, music, style, comfort), but also the main reason behind the dissatisfaction or the rather modest satisfaction expressed by the majority of the sample.

An additional finding with substantial implications is the direct relation that exists between all types of overall satisfaction and customer loyalty. Indeed, as customer satisfaction increases from the dissatisfied to the very satisfied clusters, so does their loyalty, whereas Pearson correlation between the overall satisfaction factor and the two loyalty items is very high (0.866 and 0.880 respectively, $p<0.01$). This fact leads to the conclusion that, despite the very low switching costs in bars and the impact of cost on customers' satisfaction elasticity, overall customer satisfaction always functions as a prerequisite for customer retention.

CONCLUSION

The present survey, using an international sample of 1,263 multinational customers of 100 bars in northern Crete in Greece, identified two service features, determined overall satisfaction and provided their relevant satisfaction scores. Customers used physical environment and employee services as key components of their experience. Previous studies in hedonic services have led to the same conclusion, the two dimension perspective. Specifically, the use of a two-factor structure (tangibles and intangibles) is recommended by Reimer and Kuehn (2005), who tested their model in two service industries (retail banking and restaurants). A survey by Nadiri and Hussain (2005) assessed the hospitality industry in North Cyprus and supported the notion that service quality consists of two dimensions (tangibles and intangibles). Previous studies in the tourism field have led to the same

conclusion — that the service quality has two dimensions (Ekinci et al., 2003; Karatepe and Avci, 2002).

It has been argued that in order for companies to succeed, service encounters should be customized. Thus, this paper discriminated among four types of customers based on their satisfaction scores (enthusiastic, apathetic, peripheral and kinetic). The importance of the interactive features in shaping moderate or low satisfaction and the strong correlation between satisfaction and loyalty are among the most important implications of the present work for the bar industry.

Finally, a very interesting extension of the present survey will be the inclusion of loyalty as a distinct component of the satisfaction model and the analysis of its role as a direct outcome of the quality-satisfaction dyad, together with the price considerations of the average customer in bars. Thus the bar managers may better address their customers' requirements by choosing whether to invest in refurbishing the establishment or better train their personnel to maximise patron satisfaction and loyalty (Pratten, 2004).

As with any research, this study has certain limitations that should be taken into consideration when interpreting the results. First and foremost, the study was restricted to one sector only, so that a verification of the findings in other hedonic services is desirable. In addition, all of the constructs were measured at one point in time, essentially from a static perspective. It may be worthwhile to study the proposed hypothesis over time in order to take into account the dynamics of personal values and consumer perceptions.

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