

AN INTEGRATIVE VALUE-BASED CONSUMER
BEHAVIOR MODEL IN THE RESTAURANT
INDUSTRY:
ASPECTS OF REGULATORY FOCUS THEORY AND COGNITIVE
APPRAISAL THEORY

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Submitted to the Faculty of the
Graduate College of the
Oklahoma State University
in partial fulfillment of
the requirements for
the Degree of
DOCTOR OF PHILOSOPHY
MAY, 2011

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ACKNOWLEDGMENTS

I dedicate this dissertation to my five-year-old son, Youngho Luke Jin. You are the reason I have woken every morning for the past few years with hope. Thank you for growing up so bright, healthy, nice, lovely, and smart without me in Korea. I look forward to the day that you become a big boy and understand your mom's work, and discuss it with me. I also dedicate this dissertation to my husband, Dr. Byoungjae Jin. Without your sacrifice, trust, and love I never would have finished this work. You are the only person who sincerely understands my intellectual and emotional Odyssey.

Special gratitude goes to my mother-in-law, Byounggi Noh, and my mother, Yangja Lim, who take care of my Youngho in my absence. Is there anything in the world that can repay their sacrifice for me? I also thank my older sisters, Bonghee, Bongok and Suphee, who consider my boy as their own and show great affection to him. Without them, this work would have lasted forever. I express my gratitude to my father, Byoungmoon Sun, and my late father-in-law, Chansik Jin, for their trust in me.

No Ph.D. would ever be earned without teachers' help. I thank the chair of my dissertation, Dr. Hailin Qu, and committee members, Dr. David Nijite, Dr. Christine Johnson, Dr. Richard Ghiselli, and the late Dr. Bill Warde. Thank you all for your encouragement, friendly support and constructive comments. I am honored to work with you. I also acknowledge friends, colleagues, and other faculty members in the School of Hotel and Restaurant Administration at Oklahoma State University, the OSU Library System and OSU.

*Alles Gescheite ist schon gedacht worden.
Man muss nur versuchen, es noch einmal zu denken.*

-Johann Wolfgang von Goethe, from Wilhelm Meister's Wanderjahre -

*All intelligent thoughts have already been thought
What is necessary is only to try to think them again*

This is the reason I have pursued the Ph.D., to ponder the intellectual thoughts again and to search for their meaning. Obviously, my present thought in this dissertation spawned from past intellectual thoughts. I thank all precedent scholars for devoting themselves to their noble works. I wish this humble dissertation to become a little part of "Gescheite," even if it is an atom of the whole universal truth.

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CHAPTER I

BACKGROUND

Restaurant Industry

Historically, the restaurant industry has been regarded as a relatively strong sector, and it has performed better than others during economic downturns (Glazer, 2008). However, recent reports indicate that the restaurant industry has begun facing challenges in the current US economic recession. According to the National Restaurant Association's (NRA) annual forecast in 2009, the sales volume of the restaurant industry had declined by 1.3 percent from 2008. Such a decline is the largest shrinkage since the NRA began tracking industry sales nearly 40 years ago. During the time frame of 2008 to 2010, not only did store sales for nearly all restaurants slow, but the total number of locations decreased as well. Further, according to Technomic, "the U.S. restaurant landscape will have contracted 3.8 percent, reflecting the closure of 21,425 units between 2008 and 2010" (Lockyer, 2009, p. 8). Technomic also expects that sales for restaurants will not be positive until late 2011 or early 2012 (Jennings, 2009).

However, consumers still want to dine out, regardless of their financial situation. One of three Americans states they are not eating out as often as they wish, and 35 percent of adults say that on a weekly basis, they are not purchasing takeout foods or having restaurant food delivered as often as they would like (NRA forecast, 2009). This means that the craving for consumers' food consumption in restaurants does not disappear, even in sluggish economic situations. This challenging economic condition has not cooled the consumer's passion for dining out. Additionally, the recession is pushing more people back into the workforce; therefore, some people have less time to cook at home, which probably drives more people to use restaurant services (Lockyer, 2009). Consumers have become accustomed to the benefits that restaurants provide, such as saving time, a service environment, convenience, and socializing, so it would not be easy to change this aspect of their lifestyles.

The above two paragraphs invoke an intriguing question for the restaurant industry. While the industry is experiencing difficulties affected by a worldwide economic recession, the desirability of consumers to dine out or to purchase foods has never decreased, even if they actually do not eat in restaurants due to financial constraints. So, the question is, what do restaurateurs need to do to attract these potential consumers? Many practitioners (Elan, 2009; Frumkin, 2009; Jennings, 2009; LaFave, 2009; Ravenberg, 2009) answer this question with response, "providing value." For consumers, the primary reason to plan to dine out is value (Lockyer, 2009). Especially in a strained economic situation, consumers are very cautious in their spending to maximize the value of every single dollar. Further, after this great recession, restaurants will compete more aggressively than before for survival in this red ocean industry because consumers have become smarter through experiencing the

recession (Flumkin, 2009). Therefore, a value driven strategy is a necessity for attracting customers.

Value

In the postmodern market condition where there is a growing cultural unwillingness to commit to a single brand (Williams, 2002, p. 196), the critical role of value to customers for the success of a business has been emphasized more now than at any other time. Customers are always looking for something of value to them, independent of whether they are repeat purchasers or new customers or even loyal customers. In the current global economic situation in which there is steep regional and global competition so that customers are easily attracted by new products featuring improvements, customers have a high tendency to switch their preference to follow the offer that seems to be more valuable (Oliver, 1999). Especially in the middle of the current economic downturn, consumers' demands for valuable products have been increasing.

The restaurant industry is considered a mature market and a typical red ocean industry in which the entrance barrier is very low. Restaurant customers tend to switch their choice of restaurants very easily because restaurant service is easily evaluated and cost is very low compared to other service sectors such as banking, medical, or hotels (McDougall & Levesque, 2000). Thus, in the restaurant industry, providing value seems to be quite important. According to a report from the NRA in 2009, the top trend that operators of quick service and casual-dining restaurants needed to focus on in 2009 was value. In response, operators are providing value to the restaurant customer by discounting prices or serving larger portions.

However, different people want different things from the same product (Rossman, 1994, p. 21). Even if customers are provided the same product by restaurants, people perceive different degrees of value. Based on the variety of human experiences, products and their values can obviously have different meanings for different persons (Oliver, 1997). The outcome value can influence people or even the same person subjectively at different times (Higgins, 2002). Ultimately, people show different behaviors based on the perceived value they receive.

Value affects people's behaviors by motivating them in the decision making process. A classic definition of value is derived from "utility" (Blaug, 1978). Firms' resources are allocated in a way that maximizes consumers' satisfaction with the utility that they derive from it. The basic assumption of this utility is that people behave invariantly to maximize it in the same condition because they are rational (Tversky & Kahneman, 1986). According to this assumption, a rational consumer would value to the same degree on the same products if a firm provided the products with maximized utility.

However, the utility maximization theory has been challenged because it provides only limited insight into the processes by which decisions are made (Slovic, 2000). A recent approach to value for understanding consumer behavior emphasizes the process of elicitation of the value (Slovic, 2000). Value would mean nothing until people perceived it rightly. Therefore, the definition of value focuses on the aspect of a consumer's perception. In that aspect, a generally accepted definition of value in literature on consumer research is "... the consumer's overall assessment of the utility of a product based on perceptions of what is received (gain) and what is given (loss)" (Zeithaml, 1988). Depending on individual, the evaluation of utility provided will be different. Researchers have identified these differences

as “cognitive operations and representations” (Higgins, 2002). Then, how can we explain why these individual differences occur?

Theory of Regulatory Focus on Value

One theory that can explain these differences is regulatory focus (Higgins, 1997, 1998). Higgins argues that value matters when people make their decisions. Regulatory focus theory describes the individual differences when people face decision making situations. The assumption of regulatory focus theory is based on the basic human instinct that can be explained as “approach pleasure and avoid pain” or “approach desired end states and avoid undesired end states,” which are phrases that explain the hedonic principle. This principle is the fundamental motivational principle that makes a person behave in a particular way. However, this hedonic principle operates in different ways based on individuals’ fundamentally different needs for survival-nurturance or security (Higgins, Grand, & Shab, 1999). Regulatory focus theory distinguishes two different types of regulatory focuses when people operate their goals to obtain their needs; prevention focus (security related regulation) versus promotion focus (nurturance related regulation) – called regulatory foci. According to the theory, people orient their behaviors toward their desired end state (approaching pleasure or avoiding pain) depending on those two main focuses. Individuals with a promotion focus are those who regulate their behaviors toward positive outcomes (gain – pleasure with presence of a positive outcome), and those with a prevention focus are those who regulate their behaviors away from negative outcomes (loss –pleasure with absence of a negative outcome) in order to achieve their desired end states. Therefore, people who have a different

regulatory focus approach to the value provided in different ways and finally the outcome value can influence their behavior subjectively.

Cognitive Appraisal Theory and Emotion in Consumer Behavior

What are consequences of right regulation of peoples' behaviors? If people experience right value from a provided product or service, they will feel emotions such as pleasure, joy or happiness with the presence of the outcomes or with the absence of negative outcomes. Perceived value is the main cognitive variable through which such emotions are elicited. Most emotions are aroused by events that are relevant to one of an individual's concerns. However, these emotions have to be appraised through some cognitive variables that determine the aroused emotion by given events, which cause individual differences even from the same events (Frijda, 1993). The theory that emphasizes the cognitive dimension in emotional response is characterized as cognitive appraisal theory (Lazarus, 1991). This theory explains that the cognitive process of emotion largely depends upon the individual's expectations and his/her appraisal of difficulties in dealing with the event (Frijda, 1993).

For the last few decades, since Holbrook and Hirshman (1982) introduced hedonic consumption to consumer behavior, the emphasis of the role of emotion in judgmental processing has been increasing in consumer behavior research. This new perspective for understanding consumer behavior leads consumer research in a different way than traditional perspectives such as reasoned action (Fishbein & Ajzen, 1975) or the theory of planned behavior (Ajzen, 1985) in that it is more consistent across individuals and more predictive of the number and valence of peoples' thoughts (Pham, Cohen, Pracejus, & Hughes, 2001). Additionally, in a traditional consumer decision making process model, such as the Howard

and Sheth Model (1969), the cognitive aspect of the processing, such as need recognition, search, evaluation, purchase and post-purchase evaluation, is too formal to figure out entire individual differences in the decision making process (Hansen, 2005).

The emotional perspective in the decision making process has been viewed as a key motivator for consumption. Emotion is an important factor in human decision making (Damasio, 1995). Emotion influences consumer behavior in areas such as interest, choice, purchase intention, and decision making (O'Shaughnessy & O'Shaughnessy, 2003). Thus, it is reasonable to consider emotion as a critical aspect of the consumer's decision making process.

Problem Statement

The recent trend of consumer behavior in the restaurant industry is that consumers show greater tendencies toward looking for restaurants that deliver value to them. According to a survey of the National Restaurant Association, even while consumers are concerned about their financial situation in times of economic downturn, they remain strongly desirous of continued – even increased – use of restaurants. Considering that forty-five percent of adults say they consider restaurants to be part of their lifestyle, value creation in the restaurant industry is vital for business success. In this postmodern market condition, where every restaurant tries to retain its customers as well as to attract new customers while consumers are losing commitment to a certain brand, it is particularly important to conduct an investigation to identify the causes of value for customers, both for marketers and academic researchers.

Practitioners in the restaurant industry are trying to provide value by discounting meals, issuing coupons, providing larger portions, or adding a side dish to a main entree. However, not every customer feels satisfaction to the same degree with these created values. For some customers, less can be more. These customers prefer a small portion to a large portion that will be thrown away later.

‘Value creation’ has been a hot topic in marketing literature for the last few decades. Both practitioners and academic researchers have recognized that without value creation for consumers, there is no sustaining a competitive advantage for firms (Wang, Lo, Chi, & Yang, 2004). The academic literature of value is prolific: conceptualization of perceived value or identifying the antecedents of the consumer value (Babin, Darden, & Griffin, 1994 ; Dodds, Monroe, & Grewal, 1991; Khalifa, 2004; Holbrook, 1999; Mathwick, Malhotra, & Rigdon, 2001; Park & Rabolt, 2009; Sinha & DeSarbo, 1998; Cronin, Brady, Brand, Hightower, & Shemwell, 1997; Woodruff, 1997; Zeithaml, 1988), developing measurement of consumer value and examining consequences of customer relationship marketing created value (Agarwal & Teas, 2002; Brady & Robertson, 1999; Cronin, Brady, & Hult, 2000; Hartline & Jones, 1996; Lappierre, Filiantrault, & Chebat, 1999; Sweeney & Soutar, 2001).

Of this research, Cronin et al.’s (1997) study is worth attention because they conceptualized the service value as the information integrated function between service quality and sacrifice. Based on the value function which was developed by Kahneman and Tversky in their prospective theory (1979), Cronin et.al drew a service value model in which sacrifice and quality function interactively, which in turn influence purchase intention. The logic of the information integrated function is based on the proposition that a consumer’s mental accounting in a choice situation is the sum of acquisition and transaction utilities.

Cronin et al. (1997) tested the comparison of the multiplicative and the integrated value function of the service value model, and they found that the integrative function of service value is better than the multiplicative (or division) in that it increases the variance to explain for the purchase intention in the consumer decision making process (In Chapter II, their work is discussed in detail).

Cronin et al.'s (1997) study is significant in that they figured out the modern consumer's complicated value assessment very well in consumer decision making. However, further investigation is needed for understanding consumer behavior in various ways. First, their model is tested only on overall service value. Value is more than price and has more to do with the "experience" of dining out (Frumkin, 2009) in the restaurant industry. In academic development, researchers have emphasized the importance of the multidimensional consumption value in understanding consumer behavior in a deeper way, so that one can observe the differential effect on multi-dimensional service value. Therefore, when regarding the recent development of consumption value, the other aspect of value, such as hedonic value, should be considered. Further, one needs to test it to observe that it is still better performance than multiplicative when the service value is multi dimensionalized.

Second, Cronin et al.'s (1997) model examined the direct impact of service value on behavior intention. Perceived value is the consequence of mental processes, and it is the development of human's integrative cognitive function. Is that all for implicating human behavior for a final decision about whether or not first choice or repeated choice in same product and brand? As Hansen pointed out (2005), the cognitive aspect in consumer behavior is too formal to figure out entire individual differences. Further, the cognitive evaluation would be only good for research projects (Hansen, 2005). Consumers may choose some

brands or products not only because they satisfy their cognitive needs, but because the brands or products elicit positive emotions when consumers look at them. Emotion is an affective response to consumers' perceptions of stimuli in the environment (Bagozzi, Wong, & Yi, 1999). Positive emotion may affect the consumer purchase behavior or may limit the number of alternatives for which more information is required (Hansen, 2005). Thus, it is reasonable to think that emotion is the other important issue and to consider it as an important part, along with perceived value, in the decision making process of consumer behavior.

Finally, given that the integrated information processing model emphasized the mental accounting of service value in consumers' decision making process, the psychological aspect should be considered in order to appreciate consumer behavior in a deeper way. Mental processing could be a product of individual characteristics. Further, value assessment is a cognitive process of consumers, in which individual characteristics can be involved in depth. Therefore, the psychological aspect could be a more important driver for behavior than product's concrete and abstract attributes when consumers face decision making. Thus, an examination of which psychological aspects can make consumers' behaviors different is critical. Regulatory focus theory, which has been given attention by researchers for the past decade, explains the variation of the individual differences on perceived value in consumer judgment and decision making behavior. Understanding the psychological aspect of creating consumer value is imperative. Since people put different values on the same products or brands, without taking those psychological variations caused by consumers into consideration, marketing efforts would be futile. Therefore, the identifying the reason for these differences is a critical issue for both marketing researchers and practitioners in order to determine consumer behavior related to value in a fundamental way.

Taken together, an integrative model that embraces the spectrum of consumers' psychological aspects to emotion is needed for understanding consumer behavior in value assessment. Incorporating all those aspects into one conceptual model has not been fully tested yet in marketing literature. Due to this lack of literature and incompleteness, an understanding of the psychological aspects affecting multi-dimensional consumption value is rare. Therefore, an attempt to try integrating those aspects should be made. Specifically, this research aims to provide an integrative model of consumer decision making behavior by investigating the influence of the regulatory focus in a consumer's psychological aspect on emotion in the restaurant industry.

Research Questions

To understand consumer restaurant choice behavior, this study focuses on service value: how consumers' psychological aspects influence consumers' service value, and, further, on how this value ultimately affects consumer behaviors. Based on the problem statement described above, the following research question is suggested.

- 1) Is the integrated information processing model in value still better than multiplicative when examined with the multi dimensional value aspect in the restaurant industry?

The second research question is about the theoretical models of emotion related to value, which is deduced from the second problem statement. More specifically, two models regarding emotion should be examined first to better understand how consumers' emotional

processes influence purchase behavior. The traditional research model to explain emotion has been based on the Mehrabian-Russell (MR) paradigm (Babin & Darden, 1995; Dawson, Bloch, & Ridgway, 1990; Babin, Darden, & Griffin, 1992; Darden & Babin, 1994; Eroglu & Machleit, 1990). This model suggested that environment stimuli (S) influence emotional state (O), which leads to an individual's behavioral response (R) – the so-called SOR framework. However, researchers challenged the SOR framework because of its negligence of the process of emotion (Chebat & Michon, 2003). That is, SOR focuses on just the direct relation of environmental stimuli to emotion. The model disregards the aspect of the *how* and *why* of emotional response. Lazarus (1991) argued that appraisal (why and how) for emotional elicitation should be included when explaining emotion because it describes the phenomena that people have different emotional responses to the same event because they evaluate and interpret the same stimuli differently, which the MR model lacked. The stream that conceptualized the appraisal as an important dimension for causing emotion is called *cognitive appraisal theory*.

However, little literature currently exists that compares the two paradigms. To better understand consumer emotion, the examination of the two models should be conducted. Therefore, the second research question is as follows:

- 2) Does cognitive appraisal theory explain better the consumer emotion process than does the Mehrabian-Russell model in the restaurant industry?

Finally, the psychological aspect regarding value is suggested as the third problem statement. Regulatory focus theory is expected to explain the psychological aspect of the

decision making process in choice of consumption. Therefore, the following research question is proposed.

- 3) Does regulatory focus (promotion focus and prevention focus) independently influence service value in the restaurant industry?

Research Objectives

To achieve answering the questions above, the following objectives are specified.

- 1) This study investigates the difference between the multiplicative and the additive multi dimensional service value model.
- 2) This study examines the difference between the Mehrabian-Russell and the Cognitive Appraisal paradigms for consumer emotions.
- 3) This study investigates the effect of regulatory focus on service value.

Contributions

Theoretical Contributions

This study is expected to make several contributions to the academic aspect. First, this research is expected to extend additive service value research, which is based on Cronin et al.'s (1997) model. By testing multi dimensional service value instead of overall service value, the service value literature is broadened. Second, this study will provide consumers' service value research with an emotional framework to explain individual perceived value differences. In addition, as Resenzein and Hofmann (1993) argue, additional appraisal dimensions may be provided in order to understand an individual's emotions by including

service value as an appraisal dimension in cognitive appraisal theory, this study is expected to enrich the theory of cognitive emotion literature. Third, this research is based on regulatory focus theory (Higgins, 1997, 1998) for investigating service value in a deeper way. This theory contains relatively new concepts, even in the psychological area. Recent attempts to adopt this theory to marketing literature have been providing new insights into understanding consumer behavior. Therefore, this study provides additional insight into regulatory focus theory.

Finally, one recent research development of consumer behavior is orienting toward 'self' and 'personal differences' to figure out social phenomena in more depth. Even if the importance of psychological factors and individual differences for understanding consumer behavior have been well recognized by researchers, this area has been abandoned for a long time in favor of a situational approach, known as the social learning approach or theory of reasoned action or theory of planned behavior (Bosnjak, Bratko, Galesic, & Tuten, 2007). Recently, however, the area of individual differences has been invigorated for understanding consumer behavior in deeper and broader ways. Therefore, the present research contributes to the consumer literature by suggesting a hybrid model that incorporates the psychological and emotional aspect, as well as the cognitive aspect.

Managerial Contributions

This research is expected to contribute to several practical aspects. First, the results of study can be applied to segmentation based on decision making orientation: those who have a prevention orientation, who are more concerned more about loss when they make decisions, and those who have a promotion focus, who concentrate on what they gain from their

decisions. Given that people who have almost the same budget for eating out, there is a different process, depending on prevention vs. promotion orientation, when they choose a restaurant. People who have prevention orientation will try to choose a restaurant that they can feel minimize their loss, while people who have promotion focus will look for a restaurant that they feel can maximize the gain for the same amount of money. Therefore, marketers can advertise their restaurants according to local characteristics. For example, people in Asian countries show tendencies for prevention orientation, while people in western countries have tendencies for promotion orientation.

Second, this study contributes to brand extent literature in a practical way. For example, when a company considers brand extension to other countries, they need to differentiate their advertising, even for the same product. Consumers perceive differently on the same products, depending on their orientations. For example, companies advertise new menu items considering aesthetics, price, charitable activities, socializing, or convenience. People who have promotion orientation have more interest in a company's charitable activities than do consumers who have prevention orientations. From this aspect, this study will provide practical applications for advertising strategies for marketers.

Third, marketers can use the results of this study for predicting value creation for consumers. Perceived value used for this study is multi-dimensional, so marketers can predict which dimension of value can be more important for those who have different regulatory orientations.

Finally, since the proposed model is a hybrid one incorporating psychological, emotional, and cognitive aspects, marketers can use the results of this study for understanding general aspects of consumers' behavior.

Definition of terms

Consumption value or Service value : Consumer's overall assessment of the utility of a product based on perceptions of what is received for what is given. Though what is received varies across consumers (i.e., some may want volume, others high quality, still others convenience) and what is given varies (i.e. some are concerned only with money expended, others with time and effort), value represents a tradeoff of the salient give and get components.

Hedonic value: A subjective and personal value resulting from fun and playfulness in the service provided. It reflects the entertainment and emotional worth of experience of service and non-instrumental, experiential and affective.

Utilitarian value A situational involved consume collecting information out of necessity rather than recreation. Therefore, it is instrumental, task-related, rational, functional, and cognitive and a means to end.

Multiplicative model / Divisional model: Service value is treated as a ratio with service quality as the numerator and an sacrifice as the denominator. The terms, multiplicative and divisional model are interchangeable.

Value added model / Information processing model/Additive model : Compensatory tradeoff between service quality and sacrifice in service value is modeled as an additive. The terms, value added, information processing and additive model are interchangeable.

Cognitive Appraisal: Personal evaluation of stimuli such as events, situations and objects.

Regulatory focus : A theory describing the individual differences when people face decision making situations; It distinguishes two different types of regulatory focuses when people operate their goals to obtain their needs; promotion and prevention.

Promotion focus : An orientation describing people who regulate their behaviors toward positive outcomes (gain) - they have tendency to feel pleasure with presence of positive outcome and pain with absence of positive outcome) for their goal attainment.

Prevention focus : An orientation describing people who regulate their behaviors away from negative outcomes (loss) - they have tendency to feel pleasure with absence of negative outcomes and pain with presence of negative outcome for their desired end state.

Organization of the Study

This dissertation consists of five chapters. Chapter I describes the background of the study and the significance of the research. Chapter II reviews the literature related to the study objects and proposes the conceptual model with developed hypotheses. Chapter III presents the methods and the procedure of the research. Measurement items, sampling and data collection, and statistical analysis of the sample are described. Chapter IV reports the empirical findings of the study. The characteristics of the sample and the results of the hypothesis testing are also presented. Chapter V provides a summary of the study, theoretical and managerial implications, and limitations. Directions for future research are also discussed.

CHAPTER II

REVIEW OF LITERATURE

This chapter consists of four sections. The first section reviews the literature related to consumption value/service value and hypothesis 1. The second section presents the decision making model, models of emotion and hypothesis 2. The third section introduces regulatory focus theory and further development of the hypotheses that describe causal-effect relationships for the integrative proposed model. Finally, the fourth section explains the summary of the proposed model based on the theoretical framework discussed in the literature review and hypotheses development.

CONSUMPTION AND SERVICE VALUE

Consumers derive some form of value from their consumption, which is differentiated from personal values in life sought by all individuals (Oliver, 1996). Customer value plays a central role that governs other values such as shareholder value and stakeholder value in a firm's management (Khalifa, 2004). Researchers have argued that value is difficult to define because it is subjective (Zeithaml, 1988), ambiguous (Lapierre, 2000), and multi-faceted (Babin et al., 1994), and even the meaning of value has changed over time (Naumann, 1995; Parasuraman & Grewal, 2000; Woodruff & Gardial, 1996).

Some definitions are generally accepted when discussing consumption value literature. For example, Holbrook (1999) defined consumer value as "... an interactive relativistic preference experience." Woodruff's (1997) definition of value is "... customer's perceived preference for an evaluation of those product attributes, attribute performances, and consequences arising from use that facilitate achieving the customer's goal and purposed in use situation." Even though there are various definitions of value and researchers maintain that value in consumption is difficult to define, there is a generally accepted concept pertaining to it, which is that value is a customer's perception of consumption experiences, not merely the product attributes themselves. Consumers evaluate product or service attributes in their own ways. Therefore, value is a higher level construct that is more individualistic and personal than attributes (Zeithaml, 1988). For this reason, the process of eliciting value is considered important to understanding consumers. Gutman and Reynolds (1979) maintain that since consumers are interested in more the consequences of product/service uses than in its attributes, the value of attributes depends on consumers' cognitive processes by which they perceive it. This implicates that products and services do not have any intrinsic value per se.

One of the theoretical models that draw the concept of individualistic meaning of value is the means-ends model. Means are products or services, and ends are personal values considered important to consumers. The means-ends theory proposes that linkages between product attributes, consequences produced through consumption, and personal values of consumers motivate their decision-making processes (Gutman, 1991). This model is able to explain why customers attach different meanings to various benefits in evaluating alternative products and services. Accordingly, the concept of individual value

led the researcher to extend the concept of value to more complex dimensions in which various views of meaning in products are all embedded.

Multi dimensional consumption value

Value has been multidimensionalized in order to explore different meanings of the same products; functional value, social value, emotional value, epistemic value and conditional value (Seth, Newman, & Gross, 1991) are such examples. Functional value is derived from the perceived utility of the object in the choice situation and is generally related to such attributes as performance, reliability, durability and price. Emotional value is related to various affective states of consumers. Social value refers to its association with one or more distinctive social groups. Epistemic value is derived from its capacity to provide novelty, arouse curiosity, and/or satisfy knowledge-seeking aspirations, and, finally, conditional value is related to the fact that some market choices are contingent on the situation or set of circumstances faced by the consumers. Seth et al.'s (1991) study of value dimensions has been adopted in various literatures for developing scales in various contexts (Sweeney & Soutar, 2001; Williams & Soutar, 2000; Pura, 2005).

Holbrook's typology of consumer value (1996, 1999) is another example. The author's conceptualization of value emphasizes the 'interactive relativistic preference experience,' which includes the assumption that consumers purchase products and services because they want to achieve value-related goals or benefits. Regarding interactive, Holbrook describes it as the interaction between some subject (a consumer) and some object (a product). Relativistic refers to comparative, personal, and situational. Preference means that consumer value is represented by predisposition (positive-

negative), attitude (favorable-unfavorable), opinion (pro-con), directional behavior (approach-avoidance), valence (plus-minus), judgment (good-bad) and evaluation (liking-disliking). Finally, experience is characterized as consumption experience derived therefrom.

The typology elaborates a consumer's essential criteria for forming value judgments in the psychological aspect and focused on human emotion and motivation for judgments. Thereby, the author asserts that the outcome of the emotion and judgments should be valued by consumption. The typology is based on three dimensions: i) extrinsic versus intrinsic (whether the outcomes are valued for their relation to another goal or are valued as an end in themselves), ii) self-oriented versus other-oriented (whether the outcomes are judged with reference to the self or others) and iii) active versus reactive (whether the outcomes are actively accomplished or are reactions to the accomplishment of others).

Among those arguing the multi-dimensionality of value, hedonic and utilitarian values are more generalized concepts of value, from which Babin et al. (1994) developed a value scale for assessing a consumer's evaluation of a shopping experience. Utilitarian value results from a situational involved consumer collecting information out of necessity rather than recreation. Therefore, it is instrumental, task-related, rational, functional, and cognitive and a means to an end. Compared to utilitarian value, hedonic value is more subjective and personal and results from fun and playfulness rather than from task completion. Thus, it reflects the entertainment and emotional worth of shopping – non-instrumental, experiential and affective.

Adopting these hedonic and utilitarian values, Park (2004) assesses consumer values of fast food restaurant consumption. The author defines consumer values of eating out as the value that a consumer derives from food service and restaurants when eating out. Consumers pursue these values to satisfy their hunger and need for convenience, pleasure, entertainment, social interaction and mood transformation. The study examines the relationship between consumer values of eating out attributes and buying behaviors in fast food restaurants in Korea. The results shows that hedonic value has a significant correlation with mood, quick service, cleanliness, location, promotional incentives, taste of food, variance of menu, employee kindness, reputation, and facilities, while the utilitarian value is significantly correlated with price, quick service and promotional incentives.

Another research investigating consumer values among restaurant customers is the study of Jensen and Hansen (2007). Through their exploratory research based on grounded theory, they conceptualize restaurant consumer value as several dimensions. They categorize two hierarchy levels of restaurant consumer value, thirteen values in the lower level and these thirteen levels of value are further categorized by five dimensions: excellence, emotional stimulation, acknowledgement, harmony and circumstance value.

Service value

In definitions of service value, the most commonly cited characterization of value is Zeithaml's (1988) definition that conceptualizes value as the consumer's overall assessment of utility of product based on perceptions of what is received and what is given. This definition has been used generally for defining consumption value, as well.

Consumption or consumer value is generally understood as perceived value (Oliver, 1997). Further, the concept of consumer value and service value are not different, and they actually stem from the same conceptualizing. Therefore, in this study the terms of consumption value or consumer perceived value and service value are used interchangeably. The next section focuses on discussing value function and service value more specifically, and is followed by hypothesis 1.

Development of Hypothesis 1

Value Function

Thaler (1985) criticizes traditional utility function developed from the normative principle of expected utility theory saying that it has disregarded all marketing variables and only focuses on the exchange of feasible goods in consumers' decision making (fungibility). Utility function is aimed at solving the problem about how to maximize the utility of goods under the given prices and constrained income. In the utility function, people choose a better option, regardless of their taste or preference (dominance), and people behave invariantly to show the same preferences, even if a different representation of the same choice is suggested (invariance) (Tversky & Kahneman, 1986). This assumption is based on the rationality of decision making under a certain situation. However, the utility function fails to explain various choice situations in the behavior of a consumer, which is subjective and uncertain. In those situations, the normative economic theory is violated and it is descriptively invalid (Tversky & Kahneman, 1986). For an alternative to this utility function, Kahneman and Tversky suggests value function in their prospective theory (1979).

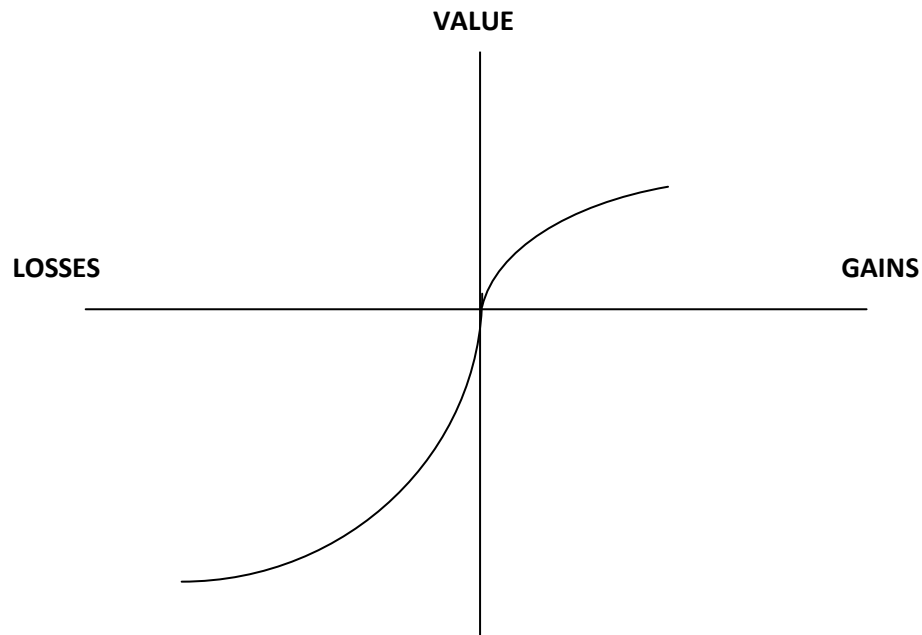


Figure 1. Value Function

Figure 1 illustrates value function as suggested by Tversky and Kahneman. Unlike the traditional utility function, in which it is defined over total wealth or consumption, this function is characterized as perceived gains and losses at the same time, reflecting that people appear to respond more to perceived changes than to absolute levels (Thaler, 1985). The basic assumption of this function is that people do not evaluate prospects by the expectations of their monetary outcomes, but rather by the expectations of the subjective value of these outcomes (Kahneman & Tversky, 1984). As Figure 1 shows, the function is assumed to be concave for gains and convex for losses. Further, this function captures the phenomena that losses loom larger than gains.

The value function is very meaningful in that it is the cornerstone that clarifies the complex consumer behavior based utility. Before this value function, the normative economic theory has been trying to predict people's behavior under the condition that people are rational; therefore, they will choose one product if it is cheaper than another brand. Thus, a human being is called 'homo economicus.' However, under the new paradigm of utility, which is in the value function, psychological value is considered as an important determinant in predicting peoples' behaviors. The value is determined by the balance of product advantages and disadvantages in relation to the reference stage. This function provides a foundation for the definition of perceived value that has been developed recently in the academic literature.

Perceived value

As described in the previous section, the definition of customer value is diversified. From the value function by which loss and gain are conceptualized, there is a general agreement of conceptualization of service value, which is

... consumer's overall assessment of the utility of a product based on perceptions of what is received for what is given. Though what is received varies across consumers (i.e., some may want volume, others high quality, still others convenience) and what is given varies (i.e., some are concerned only with money expended, others with time and effort), value represents a tradeoff of the salient give and get components... (Zeithaml, 1988, p. 14).

This definition from Zeithaml conceptualizes perceived value. Zeithaml's definition emphasizes that perceived value is subjective and individual, and therefore

varies among consumers. Zeithaml (1988) elucidates the definition of value more specifically such as 1) low price, 2) getting what is wanted, 3) quality compared to price and 4) what is received for what is sacrificed. Researchers have generally agreed with the definition in that quality has typically been identified as the salient “get” characteristics, whereas the sacrifice made to acquire or consume the “gets” has been identified as the relevant “gives” component (Cronin et al., 1997). The get side has been considered benefits, including tangible and intangible attributes of the products and services, while the gives components have been regarded as costs such as monetary and nonmonetary factors. Nonmonetary factors have included time costs, search costs, learning costs, emotional costs and risks (Zeithaml, 1988). In this framework, benefits and sacrifices are types of consequences of products and services (Flint, Woodruff, & Gardial, 2002). Benefits are termed as service quality and costs are termed as sacrifice in the service value literature.

The following equation (Cronin et al., 1997) is formed when the generally agreed definition regarding service value is simplified with an equation,

$$SV=f(SQ, SAC)$$

where SV = Service Value, SQ = Service Quality and SAC = sacrifice. This model describes service value as a function of service quality and sacrifice (Day, 1990; Leszinskiy & Marn, 1997; Woodruff & Gardial, 1996). Past literature has revealed that two specific functions of service value have been developed under the above function.

Perceived value –ratio of service quality to sacrifice

First, perceived service value is identified as the ratio of service quality and sacrifice ($SV=SQ/SAC$ or $SV=SQ \times (1/SAC)$), which is named as a multiplicative model or a divisional model (Cronin et al., 1997). This concept is meaningful in that it considers the loss side of service characters. The ratio model considers the difference between sacrifice and service quality (Day, 1990). In this respect, the sum of service value occurred by service quality is reduced by cost (Horovitz, 2000; Treacy & Wiersima, 1995). They regard service value as the sum of benefits received minus the costs incurred. In a more strict way, Monroe (1991) defines customer perceived value as the ratio between perceived benefits and perceived sacrifice.

$$CPV=PB/PS \quad \text{or} \quad CPV=PB \times (1/SAC)$$

Where CPV is customer perceived value, PB is perceived benefit and PS is sacrifice. The perceived benefits include physical attributes, service attributes and technical support available in relation to the particular use of the products, while sacrifice embraces all the costs the buyer faces when making a purchase such as purchase price, acquisition cost, transportation, installation, repairs and maintenance, order handling, risk of failure or poor performance. This model explains that the perceived value is balanced by benefits and sacrifices. Ravald and Crönroos (1996) specify the ratio model of perceived value in their relationship aspect. For example, they define total episode value as the ratio of (episode benefits + relationship benefits) to (episode sacrifice + relationship sacrifice).

In their definition, relationship includes both a supplier-customer single encounter (episode) and their continuous, long-term relationship. This definition explicates that a poor episode value can be balanced by a positive perception of the relationship as a whole. Woodruff and Gardinal (1996) insists that the judgments of value result from a pure trade-off in positive consequences or of desired outcomes and negative consequences or costs. The point in these ratio models is that increasing the benefits and reducing the sacrifices is the key to increasing service value, which in turn affects purchase intention. Figure 2 illustrates the ratio model influencing purchase intention.

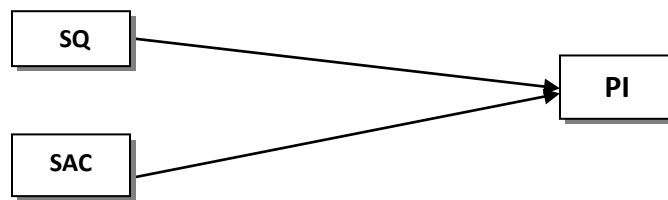


Figure 2. Ratio (Multiplicative) value model in purchase intention, Cronin et al. (1997)

Even if ratio models are persuasive and supported by the literature, they seem to be static, to lack the linkage between benefits and sacrifice with customer ends, and to not pay much attention to the significance of sacrifice (Khalifa, 2004).

Perceived value –integrative information processing between quality and sacrifice

Dodds et al. (1991) describes service value as a cognitive tradeoff between perceptions of quality and sacrifice. Monroe and Krishman (1985) develop a perceived value model comprised of price, perceived quality, perceived sacrifice, perceived value and willingness to buy. Price is an indicator of the amount of sacrifice needed to purchase

a product and an indicator of the level of quality as well. Higher prices cause higher perceived quality and, consequently, a greater willingness to buy. At the same time, the higher price represents a monetary measure of what must be sacrificed to purchase the good, leading to reduced willingness to buy (Dodds et al., 1991).

Meanwhile, from the basic function and description of value, Cronin et al. (1997) suggests a value added consumer behavior model. Figure 3 illustrates service value, which consists of service quality and sacrifice; consequently, through this service value, consumer purchase intention occurs. This view is different from Dodds et al. (1991), even if both researches basically capture the same variables comprising perceived value. As described above, Dodds et al. (1991) characterize perceived value as the cognitive tradeoff between service quality and sacrifice. However, they explain that the tradeoff is such that just reducing sacrifice is the only way to improve service value as it increases service quality, similar to the ratio model.

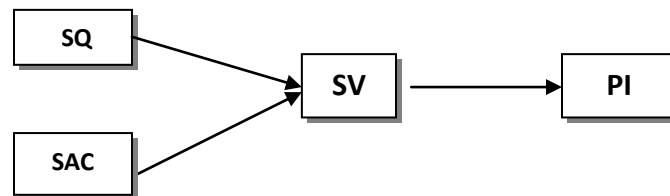


Figure 3. The value added model in purchase intention, Cronin et al. (1997)

Cronin et al. (1991) argue that since service assessment by customers is an information integrating process in which multi attribute evaluation is involved, a service value model can be drawn on the basis of the difference between service quality and

sacrifice perception. However, they characterize the difference as a compensatory function in which sacrifice and service quality balance for each other. Unlike the ratio value model in which perceived value is treated as a division of service quality and sacrifice, in their model, Cronin et al. describe value as ‘added one’ by multiple attributes based on the *sum* of acquisition and transaction utilities (Thaler, 1985). Acquisition utility refers to the value of the good received compared to the outlay, while transaction utility depends on the perceived merits of the deal (Thaler, 1985).

The multiplicative model indicates that the less sacrifice, the more service value the customer has. Therefore, even if the ratio model and the additive value model both consider service value as a tradeoff between give and get, in the additive model the tradeoff is modeled as an mutual interface in which sacrifice and service quality/benefit compensate for each other so that the tradeoff causes purchase intention. That is, just reducing sacrifice does not mean increasing service value as in the ratio model. The model with an additive function is called a “value added model.” This value added model is described by the following equation.

$$SV = SQ + SAC$$

Equation 1. Cronin et al. 1997, the value added model in purchase decision

Perceived value is an additive cognitive process of consumers rather than a complex mathematical process such as multiplication. Cronin et al. (1997) examined the difference between the multiplicative value model and the value added model. Through the empirical study, they successfully demonstrate that adding a perceived process of service value to a consumer decision making process based on service quality and

sacrifice increase the ability of the model to explain variance in a consumer's purchase intentions. Thus, their study provides the evidence that adding service value to the model is substantial.

Then, how can multi dimensional service value work instead of overall service value? People attach different meanings to various benefits in evaluating products and services (Gutman, 1991). Value is the evaluation of the linkage between product attributes and consequences produced through consumption, which influence the decision making process and (Gutman, 1991). Perceived value is subjective and individual, and therefore it varies among consumers (Oliver, 1996; Zeithaml, 1988). Thus, value should be viewed in various ways depending on the situation. As the previous section described, researchers have identified several different consumption values. These various consumption values indicate that even across the service industry, price value is important for consumers, while other values that differ among consumers play important roles for perception of service value. Therefore, in order to establish a more sophisticated value strategy, service, quality of product and experience should be considered separately so that marketers can develop more attractive strategies to consumers who may put different degrees of value on the same products. In the restaurant context, service value can be viewed as having two aspects: hedonic and utilitarian (Park, 2004). Thus, the function of service value for this study is suggested as below.

$$[SV (HV, UV)]=SQ+SAC$$

Equation 2. Multi value added function suggested in this study

HV is hedonic value and UV is utilitarian value. This function explains that each service value is an outcome of integrated information processing of service quality and sacrifice. Each dimension can be regarded as outcomes of the sum of acquisition utility and transaction utility; further, this influences behavioral intention.

If the additive service value assessed on the whole is better for explaining a consumer's behavioral intention than the multiplicative process, it is assumed that service value, which is divided into two dimensions, can elucidate the variance as well. Further, it is assumed that the service value model with two dimensions performs better than the multiplicative model, as Cronin et al. (1997) proved in their overall value model. Therefore, the following hypothesis can be posited. Figure 4 describes hypothesis 1.

H1: A value added model with a multi-dimensional construct increases the variance of explanation in consumers' behavior intentions in the restaurant industry

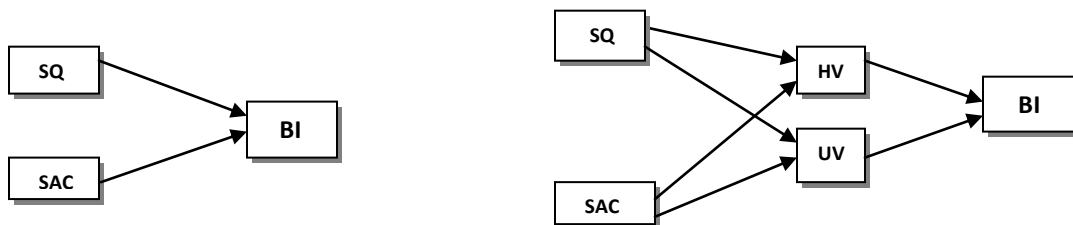


Figure 4. Multiplicative Model vs. Value Added Model with two dimensions (Hypothesis 1)

DECISION MAKING MODEL

The making of decisions is often difficult because of uncertainty and conflict, regardless of whether the decisions are big or small. Decision makers seek reasons in resolving the conflict and to justify their choices. Social behavior models such as the theory of reasoned action (TRA) and the theory of planned behavior (TPB) have been broadly adopted in order to explain consumer behaviors based on reasons. According to TRA, attitude and subjective norm are precursors for intention, which in turn affects actual behavior. In the TPB model, perceived behavioral control is included as an antecedent of intention. TRA (Ajzen & Fishbein, 1980) and TPB (Ajzen & Madden, 1986) are the models that have been widely adopted for predicting consumer behaviors.

In the marketing respect, the final decision of product and service purchase is determined by “her/his intention to purchase or use it” (Ajzen & Fishbein, 1980, p. 159). This intention is characterized as behavioral intention. Behavioral intention refers to people’s beliefs about what they intend to do in a certain situation (Ajzen & Fishbein, 1980). Recommending a company or service to others (Reichheld & Sasser, 1990), saying positive things about the company to others (Boulding, Kalra, Staelin, & Zeithaml, 1993), and remaining loyal to the company (Rust & Zahorik, 1993) are examples of behavioral intention.

Several researchers have confirmed the predictive power of the models (Armitage & Conner, 2001; Godin & Kok, 1996). According to TPB, attitude toward the behavior, subjective norms and perceived behavioral control influence intention by which people act. However, Bagozzi (1992) points out the lack of some variables and, regardless of its proven predict power, argued that TPB needs to be broadened and deepened by

incorporating additional variables in order to predict consumer behavior more precisely. Bagozzi suggests that desire should be included between attitude and intention in order to better predict people's behaviors. Perugini and Bagozzi (2001) propose the Model of Goal-Directed Behavior (MGB) and its extension, which is the Extended Model of Goal-Directed Behavior (EMGB) (2004). In these models, they included desire to perform as an additional predictor of behavior. Richetin, Perugini, Adjali, and Hurling (2008) compared the predictive power of the three models and showed that MGB and EMGB have better predictive power than TPB.

A recent aspect of decision making theory that has been paid attention in the literature is to include feeling in the decision making process. 'Emotional marketing' is aiming to motivate consumers' behaviors by stimulating their emotions when they face the decision making process.

Previous researches have suggested that feeling is an important aspect of judgment and decision making (Bagozzi et al., 1999; Holbrook & Hirschman, 1982; Holbrook & Batra, 1987; Pham, 1998; Pham, 2004). The feelings associated with a target are often incorporated into a summary evaluation of the target. The premise of this aspect is that consumers look for new experiences via consumption; therefore, their goal for consumption is to fulfill their desires and to obtain pleasure in life. Emotion is a part of satisfaction. Therefore, to understand the consumer consumption experience, the role of emotion should be seriously investigated (Oliver, 1997).

Emotion and Consumption Emotion

Consumers may experience a variety of emotional arousals during service or product consumption (Oliver, 1993; Westbrook & Oliver, 1991). Emotion refers to specific types of feelings that occur in response to particular events (Frijda, 1993), or it is defined as “specific internal mental states that are focused primarily on affect” (Ortony, Clore, & Foss, 1987, p. 325). Consumer emotion is characterized as the affective response resulting from consuming a product. More specifically, consumption emotion refers to “the set of emotional responses elicited specifically during product usage or consumption experience, as described either by the distinctive categories of emotional experience and expression...” (Westbrook & Oliver). Consumer may experience a variety of emotional arouse during service or product consumption (Oliver, 1993; Westbrook & Oliver, 1991).

Emotions and consumption emotions are internal and affective states rather than external and cognitive. However, these two emotions are a little bit different in terms of range and intensity. Richins (1997) maintains that consumption emotions are much more specific and unique, but they are less intense. However, consumers may simultaneously experience several consumption emotions or they may experience the consumption emotions in sequence, such as other emotions caused by interpersonal relationships (Ontes, Lowrey, & Shrum, 1997).

For example, consumer can feel some happiness and joy when they are dining out with their friends of family in a nice restaurant. By dining out, consumer may feel some excitement (i.e, visiting a recently opened new restaurant), joy (i.e, visiting the new restaurant with friends), or refreshment (i.e. eating some delicious food after daily

working or between lunch time at the restaurant). Yet, these emotion could disappear soon just after finishing their meals.

Various researches were conducted in order to investigate consumer emotion in consumer decision making (e.g. Gardner, 1985; Holbrook & Batra, 1987; Inman & Zeelenberg, 2002; Shiv & Fedorikhin, 1999).

Development of Hypothesis 2

Mehrabian-Russell Paradigm in Emotion

A great deal of research on emotion has been conducted based on the Mehrabian-Russell (MR) model (Babin & Darden, 1995; Dawson et al., 1990; Babin, Darden, & Griffin, 1992; Darden & Babin, 1994; Eroglu & Machleit, 1990). Mehrabian and Russell (1974), who are environmental psychologists, suggested that environment stimuli (S) influence emotional state (O), which leads to people's behavioral response (R). This stream of emotion research is conceptualized as the Stimulus (S)-Organism (O)-Response (R) framework. Organism refers to the internal processes and structures bridging external stimuli with responses (Bagozzi, 1986). Therefore, this model explains that stimuli are direct antecedents of emotion that cause a certain behavior. Yet, researchers argued that the SOR framework neglects the process of emotion (Chebat & Michon, 2003). That is, SOR focuses on just the direct relationship of environmental stimuli to emotion. The MR paradigm pays no attention to the aspects of the *how* and *why* of emotional response.

Cognitive Appraisal Theory in Emotion

Lazarus (1991) contends that emotion arises when individuals recognize that they *lose* or *gain* something or when the outcome of a transaction is relevant to their goals. Particularly, Lazarus emphasizes the role of appraisal for emotional elicitation, which the MR model lacks. Appraisal has been characterized as an evaluation of stimuli (e.g., Smith & Ellsworth, 1985; Lazarus, 1991). Particularly, it is referred to as an evaluation of the significance of knowledge about what is happening for our personal well-being. The stream that has conceptualized appraisal as an important dimension for causing emotion is called cognitive appraisal theory (CAT). This theory asserts that people evaluate (appraise) a stimulus such as an event, situation, or object, and then through this evaluation (cognitive process), certain emotions are elicited (Lazarus, 1991; Roseman, 1991; Smith & Ellsworth, 1985). Cognitive appraisals comply with the cause of emotion rule in which the cognitive occurs first and the emotion second (Oliver, 1997, p. 310). Further, cognitive appraisal theory explains the phenomenon that people have different emotional responses to the same event because they evaluate and interpret the same stimuli differently.

Researchers have identified different dimensions of appraisals across their studies:

agency – the existence of a person (self or other) or object that is responsible for or in control of the situation (Frijda, Kuipers, & Shure, 1989; Tesser, 1990)

certainty – the degree to which the outcome is known or certain (Frijda, 1989; Roseman, Wiest, & Swartz, 1994)

relevance – the extent to which the stimuli are important (Scherer, 1982, 1988; Lazarus, 1991; Frijda, 1993)

congruence – the extent to which the stimuli meet expectations or approximate the desired state (Smith & Ellsworth, 1985; Roseman, Spindel, & Jose, 1990; Lazarus, 1991; Clore & Ortony, 2000; Roseman & Smith, 2001)

Fairness- the degree to which one perceives an event to be morally (Frijda, 1986; Scherer, 1988, Smith and Ellsworth, 1985)

normative/moral comparability – evaluation of morality and the probable evaluation of the situation by significant others (Lazarus, 1991; Roseman, Antouniou, & Jose, 1996; Scherer, 2001)

These five dimensions have been broadly recognized as appraisals through which stimuli are evaluated to be elicited as emotion and finally differentiated as individual responses to them.

However, Resenzein and Hofmann (1993) argue that additional appraisal dimensions may be provided in order to offer an understanding of an individual's emotions. In the service industry, such as the restaurant sector, service value can be a critical dimension for understanding consumers' emotions. Further, sacrifice and service qualities are stimuli for service value in that these are personal experiences; therefore, researchers have encouraged investigation on the antecedents of the appraisal dimensions (Bagozzi et al., 1999; Johnshon & Stuart, 2004).

So, which model more completely explains behavioral intention – MR, in which stimuli such as service quality and sacrifice directly influence emotion, or CAT, service value in which sacrifice and service quality are stimuli identified as a cognitive

dimension? Bagozzi et al. (1999) argue the advantages of CAT over the MR paradigm in that cognitive appraisal theory may account for most emotions, such as joy, anger, pleasure, and happiness, whereas the MR paradigm explains only two emotional dimensions, pleasure and arousal. Therefore, it is assumed that the model of cognitive appraisal theory (CAT) in emotion is expected to explain more clearly the variance of behavioral intention than the model of Mehrabian-Russell (MR). Thus, the following hypothesis is posited. Figure 5 illustrates hypothesis 2.

H2: A cognitive appraisal model with the multi dimensional value as appraisal increases the variance of explanation in emotion and behavioral intention.

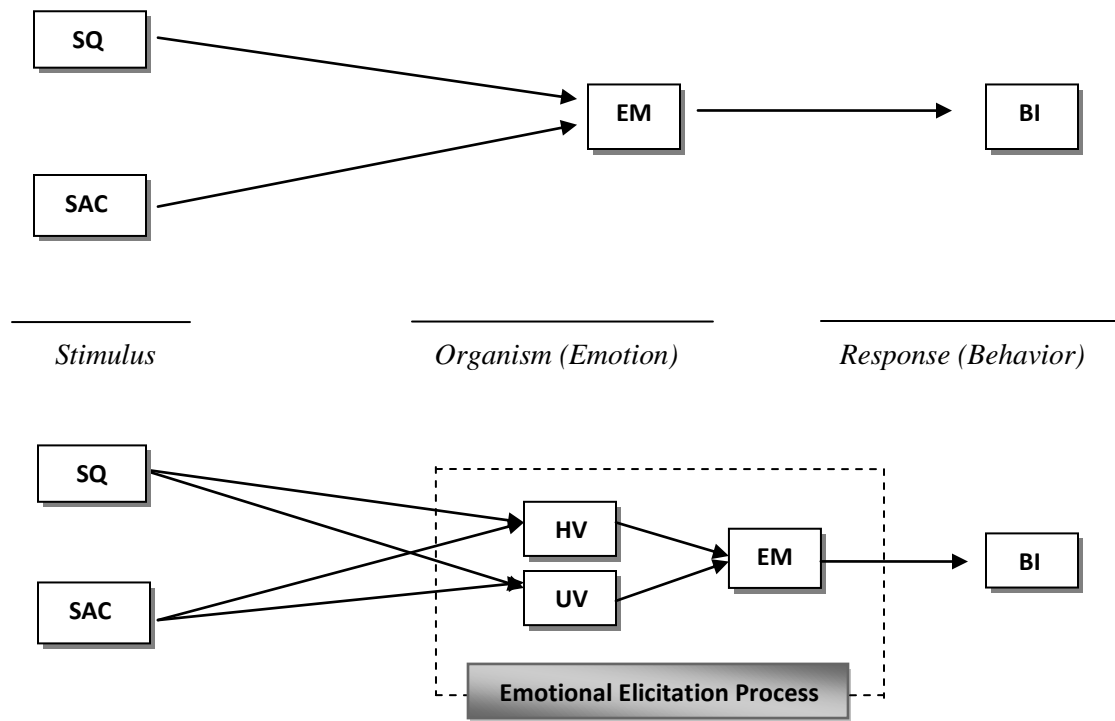


Figure 5. Comparison of MR and CAT as discussed in this study

MOTIVES AND REGULATORY FOCUS IN THE DECISION MAKING PROCESS

Motives

As Oliver argues (1996), the same products are evaluated differently and provide different meanings to customers based on the variety of human experiences. The outcome value can have different influences on people subjectively or on the same person at different times (Higgins, 2002). Then, from where arise these differences? Howard and Sheth (1969) give the answer as motives.

While TRA, TPB, and EMGBs were originally developed for explaining general social behaviors and they do lend considerable support to consumer behavior research for predicting, Howard and Sheth's (1969) model was developed for elucidating consumer/buyer behavior and has been used exclusively for consumer researches for the last four decades. Howard and Sheth's consumer decision making model (Figure 6) describes the buying process of consumers. This model explains that buying behavior phenomena are the interactions between the marketing/social environment of buyers (input) and their internal states (central rectangular box – perceptual constructs and learning constructs). So, output variables are the classification of buying behavior phenomena. This model is parsimonious in that it includes only the necessary variables for describing and explaining the consumer behavior.

The heart of this model is the learning subsystem – hypothetical constructs (Howard & Sheth, 1969, p. 94). This subsystem represents the decision making *process* in consumer behavior. This process is very important because it alters the neat and simple “marketing stimulus-consumer response” relationship (Nicosia, 1966). Of the three basic

items (Motives, Choice criteria and Brand comprehension) in the learning constructs (see Figure 6), motives are the most important in that “they play a central role not only in learning and behavior but also in regulating the input of information” (Howard & Sheth, 1969, p. 99). Motives serve a vital role in describing purchase behavior. Howard and Sheth (1969) argue that motives serve three functions: first, they affect choice criteria; second, they influence short-term fluctuations in the consumer’s intensity, which affects intention; and, finally, they affect the perceptual process. Therefore, identifying the motives in the consumer decision making process is critical.

In the decision making process, the most important factor that directs people to a certain behavior is value (Higgins, 1997). Consumers are motivated by the value they are provided. Value is the principal motivator in decision making. The role of value has been paid attention in the study of consumer decision making (Bolton & Drew, 1991; Cronin et al., 1997; Dodds et.al, 1991; Sheth et al., 1991; Zeithaml, 1998). Cronin et al. (1997) argue that value is the ‘crucial unifying construct’ in the consumer decision making process model. Decision is motivated by value, which matters to people (Higgins, 2000). In other words, value plays a central role in decision making and is the ultimate goal of the decision making process. Thus, value is the motivator, and at the same time it is the goal of consumers’ behaviors.

Recently, researchers contend, however, that depending on a decision maker’s value orientation, the same outcome of a choice alternative will be assigned different importance as a function of the relevance of the outcome to his/her orientation (Higgins, 2002). At this point, the customer’s value orientations toward a desired goal in the

process come into play for understanding consumer behavior more profoundly. What are the drivers that differentiate peoples' approaches to value by regulating the information process? Regulatory focus theory, which is discussed in the next section, is one explanation of the subject.

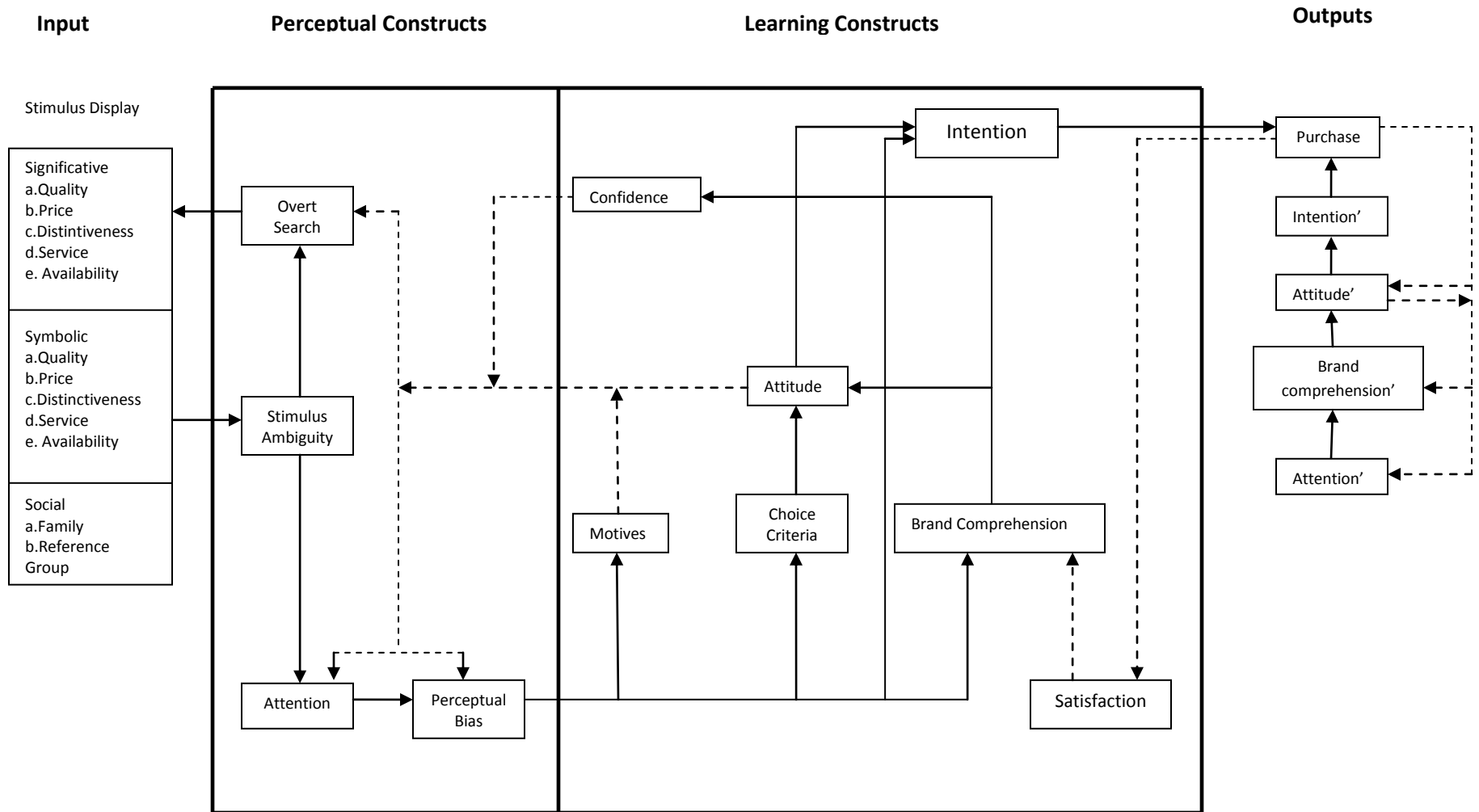


Figure 6. A simplified description of the theory of buyer behavior, Howard & Sheth (1969)

*Solid Lines: Flow of Information, Dashed Lines: Feedback effects

Regulatory focus theory: an extension of self-discrepancy theory

Individuals pursue the same goal with different orientations and different means to attain the goal. Consider, for example, restaurant consumers who choose the same restaurant for dinner. Even if people go to the same restaurant, they choose it with different goals and reasons. Some people go to the restaurant for a social relationship and to enjoy an amusing environment. On the other hand, some people go to the same restaurant because their kids or their dating partners or friends like it, regardless of their own favorability of the restaurant. Therefore, the value they perceive will be different even though they experience the same restaurant. Perceived value is subjective. Different people perceive different value from the same event or stimuli. Higgins (1997, 1998) argued that these individual differences of perceived value depend on fulfillment of the individual's goal orientation. What an individual feels good or bad about is the extent to how much his/her goal can be achieved by the event or stimuli. Generally, people are making their decisions according to the hedonic principle in which people approach pleasure and avoid pain (Atkinson, 1964; Bandura, 1986; Kahneman & Tversky, 1979). This hedonic principle is broadly applied not only to social behavior (Atkinson, 1964; Bandura, 1986; Carver & Scherer, 1990), but to biological analysis (Lang, 1995) in order to understand humans' basic motivations.

Self-discrepancy theory

Regulatory focus theory extends self-discrepancy theory (Higgins, 1997), which proposes that self-regulation is guided by the ideal self guide versus the ought self guide. The ideal self guide refers to an individual's representation of someone's hopes, wishes,

or aspirations for the individual, while the ought-self guide is an individual's representation of someone's belief about the individual's duties, obligations and responsibilities. Self-discrepancy theory proposes that congruency occurs if the ideals represent the presence of a positive outcome (match), whereas discrepancy occurs when the ideal self is guided by the absence of positive outcomes (mismatch). In the same vein, the theory explains the congruency for the ought self by representation of the absence of negative outcomes (match) and the discrepancies representing the presence of negative outcomes (mismatch).

Regulatory focus theory

Regulatory focus theory (Higgins, 1997, 1998), an extension of self-discrepancy theory, is based on the hedonic principle, which is to approach pleasure and avoid pain. When transforming the hedonic principle into self regulatory terms (Higgins, 2000), it becomes approaching a *desired end state* (pleasure) vs. avoiding an *undesired end state* (pain). The basic assumption of regulatory focus theory is that self-regulation functions differently when seeking fundamentally different needs such as the distinct survival needs of nurturance and security (Higgins, 2002). Therefore, regulatory focus regulates goal-directed behavior, and thus it is a motivational condition that induces people to use different strategic means.

Regulatory focus theory distinguishes between two major categories of desired goals – promotion focus and prevention focus as explained in self-discrepancy theory. Promotion focus relates to attaining positive outcomes such as advancement, achievement, and aspirations. Prevention focus relates to avoiding negative outcomes

such as failing to meet responsibilities, obligations, and security. Because of the different foci, the same goal will be conceptualized differently depending on a promotion focus versus a prevention focus. People in a promotion focus conceptualize the goal as a hope or aspiration (an ideal self-regulation), whereas people in prevention focus conceptualize the goal as a duty or obligation (an ought self-regulation). Individuals who are in a promotion focus pursue accomplishment and growth, and thus they are sensitive to the pleasurable presence of positive outcomes (gains) and the painful absence of positive outcomes (non-gains). In contrast, individuals who are in a prevention focus struggle to achieve safety and security and, therefore, are sensitive to the pleasurable absence of negative outcomes (non-losses) and the painful presence of negative outcomes (losses). Idson, Lieberman and Higgins (2000) tested the feelings about choice when participants considered positive outcomes and negative outcomes. As described earlier, individuals with a promotion orientation are more concerned about positive outcomes (gain and non-gain), while individuals with a prevention orientation are concerned about negative outcomes (loss and non-loss). As predicted, Idson et al. (2000) found that good feelings about participants' choices were higher for individuals in a promotion orientation (gain) than for individuals in a prevention orientation (non-loss) when they imagined positive outcomes, whereas bad feelings about participants' choices were higher for individuals in a prevention focus (loss) than for participants in a promotion focus (non-gain). Regarding the above example of restaurant choice, the former have promotion orientation toward the goal, a gain, whereas the latter are oriented toward prevention against complaining. Figure 7 illustrates the summary of the characteristics of promotion focus and prevention focus.

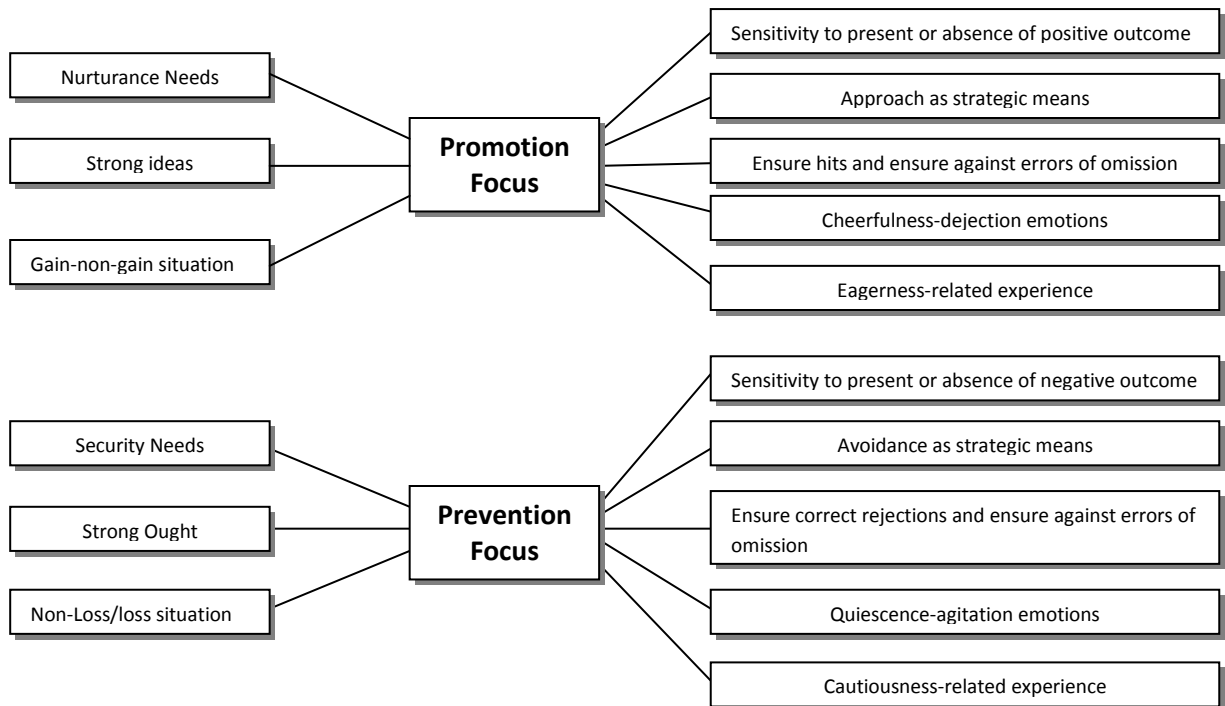


Figure 7.

Psychological Variables with Distinct Relations to Promotion Focus and Prevention Focus
(excerpt from Higgins, Grant, & Shab, 1999, p. 254)

Regulatory focus in consumer behavior research

Due to the relatively short period since regulatory focus theory was developed by Higgins in psychological areas, it is still new. Researches on regulatory focus theory in consumer behavior, therefore, are few. Especially, it is difficult to classify which works belong to which area because some psychology researchers designed their experimental method using consumer contexts and some consumer researchers employed their experimental design using psychological contexts. However, the intensive work of some researchers has made significant contributions to the literature of consumer behavior, as

well as to regulatory focus theory. For example, Jennifer Aaker and Angela Lee are two of the main contributors to this literature. By co-working on the subject, they have produced significant results in consumer behavior literature related to regulatory focus. Their first work, featured in *Journal of Consumer Research* in 2001, investigated the role of self-regulatory goals in information processing and persuasion. Their study is interesting in that they used self-regulatory orientation not for identifying individuals' natural orientations but for framing information. That is, they provide promotion focused information and prevention focused information to participants and used these two frames for observing how the participants are persuaded depending on the self-view, which is independent self-view versus interdependent self-view. As they predicted, the results implicate that participants with independent self-view are more persuaded by promotion focused information that is consistent with an approach goal, while participants with interdependent self-view are more persuaded by prevention focused information that is consistent with an avoidance goal. Further, they found that individuals recall the message more easily when the information orientation fits their self-view. They extended this study in 2004. Even though this research was published in *Journal of Personality and Social Psychology*, the experimental method they employed was similar to the study conducted in 2001. In the latter study, they investigated the persuasion process in more concrete ways by adapting people's goals associated with regulatory focus. They show that a promotion-focused message is more appealing in a gain frame, whereas a prevention-focused message is more appealing in a loss frame. Another article by these two researchers, working with Garner, on the information process was in *Journal of Personality and Social Psychology* in 2000, working. Aaker and Lee (2006)

argue that regulatory focus theory can be sustained by two distinct approaches, which are process based and outcome based. The process-based approach entails the interaction between regulatory orientation and the decision-making process (affective response vs. cognitive response, reason vs. feeling), while the outcome-based approach involves interaction between regulatory orientation and framed outcomes (gain-/non-gain vs. loss/non-loss). Further, they emphasized the applicability of regulatory fit theory for future study focused on health and subjective well-being.

In addition to Aaker and Lee's prominent works, several studies have adapted regulatory focus theory to consumer behavior. Pham and Avnet (2004) examine consumers' persuasion processes reacting to advertising. They distinguish two types of individuals according to goal motivation: ideal versus ought. These two types of goal orientation were compatible with promotion focused versus prevention focused goal orientation. The researchers found that in persuasion processing, ideal oriented goal consumers (hope, wishes and aspirations) are more appealed by their subjective affective responses, while ought oriented goal consumers (duties, obligations and responsibilities) are more appealed by the substance of the message when they evaluated a brand. That is, promotion focused people are more susceptible to their feelings relative to reason, while prevention focused people are more susceptible to reason, relative to feelings, when they are persuaded by a message.

In summary of the literature, regulatory focus has been sustained by numerous researchers and has been largely adopted in various literatures. Based on the review of this literature, a conceptual model is proposed. In the following section, the proposed model, with relevant hypotheses development, is discussed.

Development of Hypotheses

The primary objective of this research is to understand from where consumers' service value can be formatted, and to figure out what the consequences are of this formatted service value in restaurant consumers. To achieve these research goals, the following hypotheses are developed from the relevant literature regarding the components in the model. This study anticipates that each regulatory focus (promotion and prevention) independently influence a consumer's service appraisal in terms of service quality and service sacrifice, which are antecedents of value.

Regulatory focus, service quality/sacrifice and service value

The hypotheses are basically developed from the value added model (Cronin et al., 1997). As discussed above, service quality and sacrifice have been considered to be major components of service value, which has been considered an important antecedent to predict the consumer decision making process. Quality has typically been identified as the salient "get" characteristic, while the sacrifice made to acquire or consume the "gets" has been identified as the relevant "give" component.

Service quality is regarded as the *gain* to the customer. Oliver (1997) reviews the quality literature and identified three categories of quality: attainment, desirability and usefulness. Attainment concerns the achievement of a high level of unspecified dimensions. Desirability refers to a more personal level of attractiveness to the consumer, and, finally, usefulness refers to the ability of the product or service to service the

consumer. In service quality, on the other hand, Grönroos (1984) categorizes service as two aspects, function and technical. Functional service quality refers to the process or the way in which service is delivered, while technical service quality concerns the outcome, or what is received from the service. Service quality thus can be conceptualized as the *subjective expectation of gain*.

While service quality is considered a gain, sacrifice is regarded a *loss*. Cronin et al. (1997) argue that sacrifice can be operationalized as a composite of perceived monetary price, perceived non-monetary price (such as time and effort) and perceived risk. These represent the relative ‘give’ components to acquire the service. Therefore, sacrifice can be conceptualized as the *subjective expectation of a loss* (Sweeney, Soutar, & Johnson, 1999). Therefore, taken together, sacrifice is specified as an antecedent of value, which accounts for the “loss” side of the value integration process. Service quality is also specified as an antecedent to value, but as the *gain* side of value integration (Brady et al., 2005).

Recalling that regulatory orientation is based on a person’s particular concerns or interests that guide his or her behavior (Higgins, 2002), regulatory theory distinguishes between two major categories of desired goals – promotion focus and prevention focus. Individuals who are in promotion focus pursue accomplishment and growth, and thus they are sensitive to the presence of positive outcomes (gains). In contrast, individuals who are in prevention focus struggle to achieve safety and security, and therefore they are sensitive to the presence of negative outcomes (losses). When considering the literature regarding the characteristics of quality (gain) and sacrifice (loss), thus, the following hypotheses are proposed:

H3a: Promotion focus positively relates to service quality in the restaurant experience

H3b: Prevention focus positively relates to sacrifice in the restaurant experience

An interesting thing about promotion and prevention focus is that the reverse relationship should be seriously regarded when considering risk, specifically risk aversion. Risk aversion refers to the observation that people favor a certain outcome to any risky prospect with expected value (Kahneman & Tversky, 1984). Risk aversion is in nature surely related to gain and loss in the decision making process. People are always trying to weigh between losses and gains when facing choice situations. However, people exhibit their risk preference in different ways depending on whether the choice situation is a loss or a gain. That is, people show risk aversion in the domain of gains and risk seeking in the domain of losses (Quarttrone & Tversky, 2000)

The above argument is somewhat consistent with Howard and Sheth's "motive argument," which is that different motives for some needs are regulating the input of information (Howard & Sheth, 1969, p. 99). Further, in theory, it is agreeable with cognitive tuning in that people who have different motivational orientations adjust their information process styles to meet the demand of the environment (Friedman & Föster, 2002).

Regulatory focus can be understood more clearly when considering "cognitive tuning" (Friedman & Föster, 2002). According to their argument, since promotion and prevention differ in terms of cognitive information processing, individuals adjust their decision making situations in different ways. For those in promotion orientation, they

adopt a more explorative processing style, whereas prevention focused people prefer a secure information processing style. Therefore, when it comes to making a decision in a certain situation, they show different behaviors.

Friedman and Förster (2002) further maintain that promotion and prevention foci individuals show different behaviors because they develop different cognitive processes when they see the world. Promotion individuals see the signal from the environment as benign, but it needs to be explored; thereby they adopt riskier and more explorative processing. However, prevention people regard the signal from the environment to be threatening so they need to be safe, adopt a more risk averse position and a vigilant process style.

Therefore, promotion focus individuals are willing to accept their sacrifices in order to get good service, while prevention focus individuals favor more secure and safe information, such as service quality. Thus, the hypotheses below are posited.

H3c: Promotion focus has a positive impact on sacrifice in the restaurant
experience

H3d: Prevention focus has a positive impact on service quality in the
restaurant experience

Promotion focused individuals treat promotion-relevant outcomes as more important in their decisions than prevention-relevant outcomes, whereas the reverse is true for decision makers in a prevention focus (Higgins, 2002). He further argues that when people judge some product, individuals with promotion focus will value more the

luxury that reflects accomplishment and the innovation that reflects advancement, while individuals with a prevention orientation will value more some attribute that reflects safety and reliability – service that reflects security.

How, then, will individuals with the different foci perceive when it comes to multi dimensional value? Will they be different in their perceptions of the restaurant experience? In the informational processing aspect, Zhu and Meyers-Levy (2007) argue that promotional focus individuals prefer the type of relational information process that is abstract, ambiguous, and imaginative, while prevention focus individuals tend to prefer more item-specific information that is very concrete and unambiguous. Utilitarian value results from a situational involved consumer collecting information out of necessity rather than recreation. Therefore, activities are instrumental, task-related, rational and functional and a means to an end (Babin et al., 1994). Compared to utilitarian value, hedonic value is more subjective and personal and results from fun and playfulness rather than from task completion. Thus, it reflects the entertainment and emotional worth and non-instrumental, experiential and affective (Babin et al., 1994). In restaurant value, utilitarian value refers to a specific aspect of the service such as menu, food proportion or cost, while hedonic value is characterized as the mood or aesthetic aspect. From these arguments, the hypotheses below are posited:

H3e: Individuals with promotion focus have a positive effect on hedonic
value of restaurant consumption

H3f: Individuals with prevention focus have a positive effect on utilitarian
value of restaurant consumption

Service quality/sacrifice, service value and emotion

Service quality and sacrifice are the main components of service value. As discussed above, the relationship between consumption value and service quality/sacrifice have been well documented (Athanassopoulos, 2000; Brady, et al., 2005; Chang & Wildt, 1994; Cronin, et al., 1997; Cronin, Brady, & Hult, 2000; Ostrom & Iacobucci, 1995; Sirohi, et al., 1998; Sweeny, Soutar, & Johnson, 1999). Especially, Brady et al.'s work (2005) provide comprehensive insights into the relationship between value and sacrifice/service quality. Through their comparative research across different countries, they found that service quality and sacrifice are significant antecedents of service value. Cronin et al. (1997) found that in the fast food restaurant case, service quality has a positive impact on service value, while sacrifice has negative impact on service value. Therefore, the following hypotheses are posited:

H4a: Service quality has a positive effect on both hedonic (H4a-1) and utilitarian values (H4a-2)

H4b: Sacrifice has a negative effect on both hedonic (H4b-1) and utilitarian values (H4b-2)

Emotion plays an important role in the understanding of consumer behavior because it leads to decision making more efficiently and more thoroughly (Isen, 2001). In the decision making perspective, Shiv and Fedorikhin (1999) argue that consumer decision making can be characterized as interplay between cognition and emotion.

Decision makers utilize numerous signals of decision making such as attributes, reasons, affect, benefits and so on (Hansen, 2005).

Value is one of the most important appraisal dimensions for the emotion elicitation process, which differentiates individual responses to the stimuli and event (Scherer, 1997). That is, even the same stimuli, depending on the perceived value of the individual, will elicit different emotions. At present, there is little literature examining the direct relationship between service value and emotion. However, when regarding the general rule of “cognition first, emotion second,” which embraces a large number of consumption situations (Johnson, Olsen, & Andreassen, 2009), it is assumed that there is a relationship between service value and emotion. Since perceived service value is a cognitive process, it is presumed that it elicits a certain emotion. The current study identified service value as a cognitive dimension in which people appraise their experience and from which positive emotion will be drawn. Therefore, the following hypothesis is proposed:

H5a: Hedonic value has a positive effect on positive emotion

H5b: Utilitarian value has a positive effect on positive emotion

Emotion and behavioral intention

Behavioral intention is defined as “the degree to which a person has formulated conscious plans to perform or not perform some specified future behavior” (Warshaw & Davis, 1985, p. 214). People often make their judgments about external events on the

affective reactions they are experiencing at the time of the judgments (Schwarz & Clore, 1996). The effects of emotion on behavioral intention have been widely investigated and broadly confirmed regarding the relationship in consumer literature.

For example, Jang and Namkung (2009) examine the mediating role of emotion between specified restaurant stimuli, such as atmosphere, service and quality and future behavioral intention. They found that positive emotion influence positive behavioral intentions. A similar study conducted by Kim and Moon (2009) identify environmental stimuli as service escape and observed how the stimuli affected feeling, which, in turn, influenced revisit intention in a theme restaurant setting. They reveal that pleasurable emotion has a significant impact on revisit intention. A similar study by Han, Back and Barrett (2009) conducted in a full-service restaurant setting found that emotions significantly affect customer satisfaction, which mediated the effect of emotion on revisit intention. Therefore, from these arguments the following hypothesis is posited:

H6: Consumer emotion has a positive influence on behavioral intention

SUMMARY OF INTEGRATED CONCEPTUAL MODEL

This study employs regulatory focus theory as a theoretical framework for explaining the extended antecedents of service value. The proposed model (Figure 8) suggests how these antecedents induce consumer behavior through emotion. Based on the service value model suggested by Cronin et al. (1997), which consists of sacrifice, service

quality, value, and behavioral intention, the proposed model tries to explain where consumer value arises in a deeper way by extending the area of antecedents. The existing service value researches have focused only on service quality, price and sacrifice as antecedents of service value (Brady et al., 2005; Cronin, Brady, & Hult, 2000). In addition, traditional decision making models such as TRA, TPB and MGB have not included distinct individual goal orientations, which can potentially cause significant statistical variations of behavior intention. However, to understand and predict consumer behavior in a deeper and broader way, individual orientation and emotion in choosing a certain service should be examined. This study proposes a conceptual model including regulatory focus as an extended antecedent of service value.

Figure 8 describes the proposed model for this study, which consists of five causal paths: Regulatory focus → service quality/sacrifice, regulatory focus → service value (hedonic/utilitarian), service quality/sacrifice → service value (hedonic/utilitarian), service value (hedonic/utilitarian) → emotion, and emotion → purchase intention. The first path indicates the relationship between two regulatory orientations and service quality/service sacrifice. This study proposes that two distinctive regulatory orientations (promotion and prevention) act as antecedents to influence consumers' experiences of restaurant service. At the same time, each regulatory orientation influences individual consumption value, which is the second path. The third path indicates that service quality/sacrifice influence service value, which affects consumer emotion (fourth path). Finally, the fifth path shows that emotion influences behavioral intention.

The summary of the proposed conceptual model is that regulatory focus affects consumer behavioral intention through service value and emotion. The hypotheses proposed previously are tested.

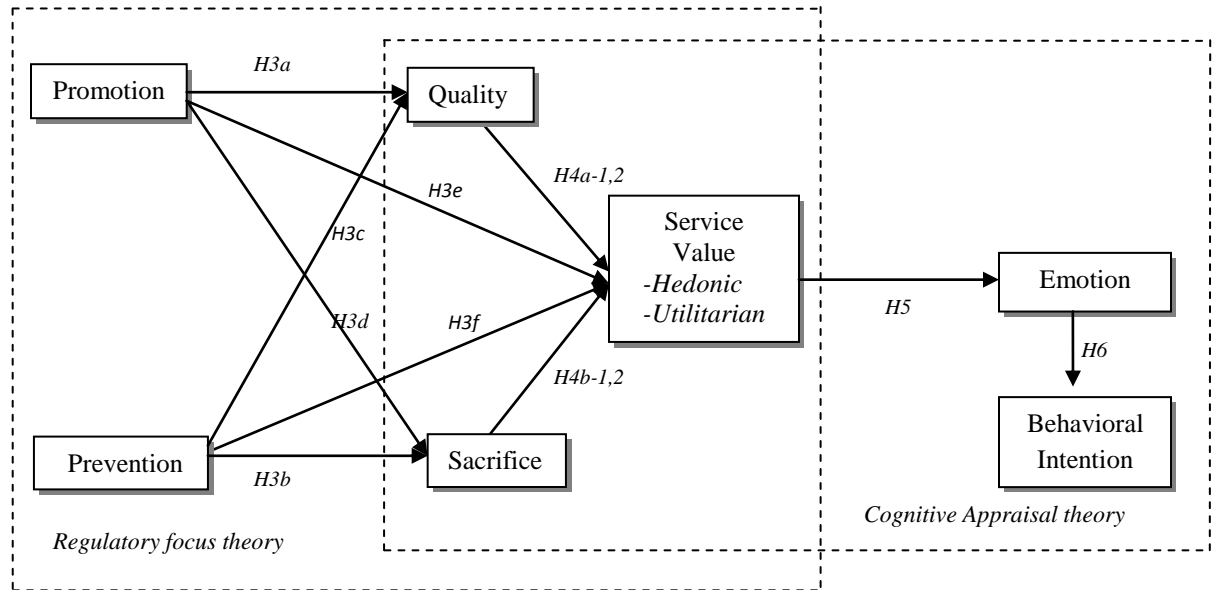


Figure 8. The extended value based model proposed by this study

CHAPTER III

METHODOLOGY

This chapter represents the methods used in this study. First, survey instrument development is explained. Second, pilot study, sampling and data collection are discussed. Finally statistical data analysis to test the hypotheses is addressed.

Instrument

This study employed a self administered questionnaire. The questionnaire consisted of two main parts. First parts of questionnaire consisted of eight main sections that measured the proposed constructs: sacrifice, service quality, service value (hedonic and utilitarian), emotion, behavioral intention, and regulatory focus (promotion and prevention) . The items of questionnaire were developed on the base of literature review.

In the first section of the first part, items were presented for assessing the restaurant experience such as quality, sacrifice, value, emotion, and behavioral intention. Items of service quality (four) were borrowed from Brady and Robertson (2001) and items (three) to assessing sacrifice were borrowed from Cronin et.al. (2000). Restaurant service values were assessed by using the items from Ha and Jang (2010) which measured hedonic value (four items) and utilitarian value (three items).

For the measure of emotion, this study employed Jang and Namkung (2009) scale which measured different emotional description (such as joy and excitement). To assess behavioral intention, five items of Zeithaml et. al (1996) study were borrowed. In the second section of the first part, items of regulatory focus were presented. In order to assess regulatory focus, Regulatory Focus Question (twelve items) was used (Arnold & Reynolds, 2009). Therefore, the total items for the eight constructs were thirty seven. In part two, questions about demographic information were presented. All items except regulatory focus were measured on a seven-point likert-type scale range from 1 strongly disagree to 7 strongly agree. For the regulatory focus items, the semantic scale was given such as 1 for seldom or certainly false, 5 for very often. Table 1 shows the summary of instrument.

Table 1. Summary of Measurement Items

Construct	Items
<p><i>Sacrifice</i> Cronin et.al. (2000)</p>	<p>The price at this restaurant is low The time needed to dine at this restaurant is low The effort required to dine at this restaurant is low</p>
<p><i>Service Quality</i> Brady and Roberson(2001)</p>	<p>The restaurant serves my food exactly as I ordered it Employees are always willing to help me The behavior of employees instills confidence in me The restaurant has my best interest at heart</p>
<p>Service Value Ha & Jang(2010) <i>Hedonic value</i></p>	<p>The atmosphere and interior design of this restaurant are important to me when eating out I prefer eating out at this restaurant to have a good time Even though cost is the main factor, it is necessary to eat out a good place like this restaurant Layout and facilities aesthetics of this restaurant is fun and pleasant to me</p>
<p><i>Utilitarian Value</i></p>	<p>The cost of food is reasonable in this restaurant The foods I have are tasty, so I enjoyed Food portion in this restaurant is enough, satisfying my hunger I like variety of menu choices in this restaurant I like healthy food options in this restaurant</p>
<p><i>Emotion</i> Jang & Namkung(2009)</p>	<p>When I think of eating out at this restaurant, I feel <i>Joy</i> When I think of eating out at this restaurant, I feel <i>Excitement</i> When I think of eating out at this restaurant, I feel <i>Peacefulness</i> When I think of eating out at this restaurant, I feel <i>Refreshment</i></p>
<p><i>Behavioral Intention</i> Zeithaml et al (1996)</p>	<p>I will return to this restaurant in the future I will absolutely consider coming back to this restaurant I will increase my spending at this restaurant in the future I will recommend this restaurant to my friends or others I will say positive things about this restaurant to others</p>

<p>Regulatory Focus Arnold & Reynolds, (2009) <i>Promotion focus</i></p>	<p>How often have you accomplished things that got you "psyched" to work even harder? Do you often do well at things that you try? I feel like I have made progress toward being successful in my life Are you a fanatic when you are trying to realize your goals? Are you someone who looks forward to situations in which you expect to have success? I often try to reach that in life in which I believe</p>
<p><i>Prevention Focus</i></p>	<p>Growing up, would you ever "cross the line" by doing things your parents would not tolerate? Did you get on your parents' nerves often when you were growing up? Growing up, did you ever act in ways that your parents thought were objectionable? Not being careful enough has gotten me into trouble at times. Do you find that there are things that you have not thought about when you make choices? Do you break rules to reach your goals?</p>

Pilot Test

Pilot test was conducted to ensure the reliability of each construct, using a convenient sample of 35 OSU students. The results of the scale test were satisfactory. Alpha coefficient of the scales ranged from .72 to .92, which were well above the suggested cutoff of .70 (Nunally, 1978). For sacrifice, alpha coefficient was .72, for service quality .90, for hedonic value .81, for utilitarian value .85, for emotion .75, for behavioral intention .90, for promotion .92, and for prevention .82. These results indicated internal consistency of each construct.

Sampling and data collection

Population

The population of this study was US restaurant customers. Target population was US consumers who have experienced casual dining restaurant. Casual dining restaurant segment was selected for this study. When compared to quick service restaurant, the sale of restaurant of full service, especially the casual dining segment is hurt by sluggish economic situation because people have less disposable income. Customers are trading down from casual to fast food restaurant because of fear and price (Hartford, QSRmagazine.com). What's worse, the future of the casual dining restaurant after recovering from the economic downturn is not bright because of excessive supply and lack of differentiation among the restaurant. Further, they are threatened by upscale fast casual restaurant such as Panera Bread and Chipotle, Therefore, more sophisticated marketing strategy is needed for that sector.

Sample Size

General equation used for sample size used in marketing research is confidence interval approach (Burns & Bush, 1995). That is,

$$n = \frac{z^2 (pq)}{e^2}$$

Where, n=sample size

z=standard error associated with chosen level of confidences (95%)

p=estimated variability in the population 50/50

q= (1-p)

e=acceptable error ±5%

This formula is to obtaining $\pm 5\%$ accuracy at the 95% level. According to Burns and Bush (1995), the amount of variability in the population is estimated to be 50%, which is widely used in social research. Further, they argued that most researchers will decide on the 50% level of p because even if it is the worst possible case, but it does not dramatically impact the sample size. Therefore, the estimated sample size when following that formula is 385 ($1.96^2 (50*50)/5^2$).

Another approach for estimating sample size is the ratio of cases to number of parameter. This approach is especially used for SEM data analysis. There are several arguments for estimating sample size for SEM. For example, Stevens (2002) recommends that sample size be 15:1, which represents the ratio of the number of cases to the number of free parameter. Kline (2005) suggests the minimum sample size in terms of the ratio of case to free parameter as 10:1. This recommendable sample size is to avoid Heywood case, such as negative variance estimates. This Heywood case causes nonconvergence or improper solutions (Kline, 2005). However, Bentler and Chou (1987) recommend that the ratio of 5:1 is enough to avoid Heywood case. If calculated this method, the present needs 500 responses ($100*5$); one hundred parameters in the proposed structure model (twelve LXs, twenty-seven LYs, twelve TDs, twenty-seven TEs, six GAs, seven BEs, three PHs and six PSs). Yet, researcher argued that some statistic index are highly sensitive to sample size so models that fit the data reasonably well are often rejected due to large samples (Bentler & Bonett, 1980 ; Gerbing & Anderson, 1992). Therefore, based on those two arguments above, 500 of the sample size are proper for this present study.

Data collection

Data were collected from US consumer across USA. Online survey was employed for this study. The specialized website for online survey, surveymonkey.com, was used for administration of the survey questionnaire. There are some advantages of using web-based online survey over the traditional paper-based survey. First, the cost of online survey is lower than paper based survey. Second, it is less time consuming (faster response). Third, it is easier to execute and finally, researcher can distribute the questionnaire geographically unrestricted (Koh & Kim, 2004). To summary, researchers have greater flexibility by employing web based online survey.

A database purchased from internet was used. The database consisted of over five million email addresses of US consumers. Total 936,559 emails were randomly selected and were sent through OSU IT system for two months (from June 1, 2010 to July 31, 2010). However, 459,846 out of them were not deliverable. Therefore, 476,713 were contacted. 544 responses were collected, resulting in 0.1percent response rate. There are some arguments about response rate problem when using email for survey. Wilson and Laskey (2003) argue that responses to Internet surveys tend to vary according to the study, ranging from 6 percent to high 75 percent. Generally, result of online surveys in response rate is worse than other modes (Evans & Mathur, 2005). Especially, in case that sample is heterogeneous such as US consumer group or large sample size, the response rate is usually lower than homogenous group such as employees of single company or university professors (Sheehan & McMillan, 1999). According to the record at the Center for Hospitality and Tourism Research at Oklahoma State University, the average response rate is 0.3 percent when they used a similar consumer data set to this study.

Data analysis

Data Examine

97 out of 544 returned questionnaires were discarded because they missed a lot of key values in the items. 447 were identified for usable for data analysis. Further, through data cleaning process, 41 cases were found as outliers. Thus, 406 cases were secured for the final data analysis.

Multivariate normality was examined. This is requirement of the underlying statistical theory (Hair et.al. 2006). SEM assumes multivariate normality :1) all the univariate distributions are normal, 2) the joint distribution of any pair of the bivariate normal, and 3) all bivariat scatterplots are linear and homoscedastic (Kline, 2005). However, since it is impractical to examine all joint frequency distribution and can be difficult to assess all aspects multivariate normality (Kline, 2005). Basically, establishing univariate normality among a collection of variates helps gain and through inspection of univariate distributions multivariate nonnormality are detectable (Hair, et.al, 2006; Kline, 2005). Therefore, as test of normality assumptions for multivariate analysis, examining univariate normality is recommended (Kline, 2005). Skewness and kurtosis were examined as univariate normality test. Kurtosis refers to “peakeness” or “flatness” of the distribution compared with the normal distribution. Kurtosis with a value below 10 is conventionally considered a normal distribution (Kline, 2005). Skewness is used to describe the balance of the distribution (right or left). If a distribution is unbalanced, it is skewed. Conventionally, it is considered extremely skewed if the value is above three (Kline, 2005). Kline also argues that deletion of outliers may also contribute to multivariate normality.

Descriptive Statistics

Descriptive statistics was employed to profile the respondents' characteristics. Respondent's demographic information includes age, gender, education and annual household income. One way Analysis of Variance (ANOVA) with Tukey and LSD post hoc tests was conducted to examine the differences between the mean values of each construct in terms of demographic characteristics. ANOVA was used to determine whether samples from two or more groups come from population with equal means, when the number of dependent variables is one (Hair et.al., 2006). T-statistics provided the statistical significance between a numbers of groups on a single dependent variable. Post hoc test were employed in order to systematically examine all possible pairs of group differences. Tukey and LSD post hoc method were employed for this study.

Data Analysis for the Hypotheses – CFA and SEM

This study employed SEM analysis to test hypothesis. Anderson and Gerbing (1988) recommend two step approaches for SEM analysis: first step is confirmatory factor analysis (CFA) for the measurement model and then structural equation model (SEM) test to investigate the casual relationships among the variables.

Confirmatory Factor Analysis (CFA)

A measurement model was first tested using CFA to confirm the measurement reliability and validity. The measurement model provides the link between the measurement items and underlying construct they intend to measure. The purposes of the measurement are twofold: 1) to specify the indicators for latent variables and 2) to assess

the reliability of latent variables for estimating the casual relationships (Hair, Black, Babin, Anderson, & Tatham, 2006). CFA provides a more rigorous and systematic test of factor structure than is possible within the framework of exploratory factor analysis (Jöreskog & Sörbom, 1984). CFA is primarily employed to test a pre-specified relationship between observed/manifest variables and their corresponding latent constructs because SEM requires well-specified measurement and conceptual model based on theory (Hair et.al., 2006). From CFA, convergent validity and discriminant validity were evaluated for measurement reliability and validity.

Convergent validity and discriminant validity: Convergent validity refers to sharing a high proportion of variance in common among indicators of a specific construct. (Hair et.al., 2006). To assess convergent validity, factor loadings, composite reliability (CR), average variance extracted (AVE) were examined. Hair et.al (2006) argued that all factor loadings should be statistically significant because high loadings on a factor would indicate that they converge on some points. Ideal recommended cut off level is higher than 0.7. Composite reliability was examined. Recommended value of CR is higher than 0.7. Average variance extracted (AVE) is a summary indicator of convergence among a set of construct items. AVE was above .5 indicating that the variance captured by the respective construct was larger than the variance due to measurement error (Fornell & Lacker, 1981), and suggesting that each scale captured a significant amount of variance in these latent dimensions.

Discriminant validity is inferred when the measure of each construct converges on its particular facet which is distinguished from the facets of other construct. Simply to say, it is the extent to which a construct is truly distinct from other construct (Hair, et.al,

2006). Discriminant validity is strongly inferred when AVE for each construct (Φ) is greater than the squared correlation between any of construct (Φ^2) (Bagozzi, Yi, & Phillips, 1991). This indicates that the items shared more common variance with their respective construct than any variance the construct shares with other construct (Fornell & Larcker, 1981).

Structural equation model (SEM) for testing hypotheses

The second step that Anderson and Gerbing (1988) suggests after testing measurement model is testing structural causal relationship among the variables (SEM). Structural equation model estimates a series of separate, but interdependent, multiple regression equation simultaneously by specifying the structural model (Hair et.al. 2006). There are several advantages of using SEM. First, compared to other technique such as multiple regression by which only separate tests of components are conducted on equation by equation basis, SEM provide global fit that can provide a summary evaluation of complex model that involve a large number of linear equation (Tomarken & Waller, 2005). Second, SEM allows researchers to compare models for data analysis. For example researchers can comparatively assess the fit of alternative models that differ in complexity through nested chi-square test or other means (Judd, MacClelland, & Culhane, 1995). Those two are main advantages of using SEM. Besides these, it allows to test coefficients across multiple between-subjects groups (Kline, 2005), to reduce measurement error by having multiple indicators per latent variables (Duncan, Duncan, Strycker, Li, & Alpert, 1999), and to embed assessments of change in more complex

causal models that assess predictors, mediators, and consequences of change (Curran & Husson, 2003).

In general, SEM provides a variety of benefits for analysis of data.

Model Assessment for CFA and SEM

Several model fit indexes were used in order to assess the overall fit of the model. Kline (2005) argues that there are still a few problems of the availability of so many different fit indexes, and state of knowledge of fit indexes in the SEM literature is continuously changed. However, the author further argues that a minimal set of fit indexes should be reported and interpreted when reporting the result of SEM analyses, which is currently accepted in the state of practice and recommendation in the literature. Such are (1) The model chi-square, (2) RMSEA (root mean square error of approximation) with its 90 % confidence interval, (3) CFI (comparative fit index), and (4) SRMR (standardized root mean square residual).

Table 2. Minimal Set of fit Indexes suggested by Kline (2005)

Fit measures	Recommended range
<i>The model of chi-square</i>	A large value Chi-square indicates a poor fit of the model to the data, and a small value indicates a good fit
<i>Root Mean Square Residual (RMSEA)</i>	0 and .05 a good fit, .05 and .08 a reasonable fit, over .10 poor fit
<i>Comparative Fit Index (CFI)</i>	Exceed the minimum level of 0.90.
<i>Standardized Root Square Residual (SRMR)</i>	A value the SRMR less than .10 indicates reasonable fit.

First of all, Chi-square (χ^2_M) test statistic represents the deviation of the covariance matrix reproduced by estimated model from the sample covariance matrix. This value represents the differences between the actual observed and estimated covariances (Hair et.al. 2006). It assumed that if $\chi^2_M=0$, the model perfectly fits the data (Kline, 2005). With χ^2_M test in SEM, the smaller the p-value, the greater the chance that observed sample and SEM estimated variances are not equal. However, due to the highly sensitivity to sample size, so models that fit the data reasonably well are often rejected due to moderate to large sample size (Bentler & Bonett, 1980, Gerbing & Anderson, 1992). Therefore, additional fit index were used for assess the model.

RMSEA (root mean square error of approximation) is an estimate of the discrepancy per degree of freedom between the original and the reproduced covariance. It estimates the amount of error of approximation per model degree of freedom and takes sample size (Kline, 2005). Value of RMSEA between 0 and .05 indicates a good fit, values between .05 and .08 reflect a reasonable fit, and value that is over .10 suggests poor fit (Browne & Cudeck, 1993).

Comparative fit index (CFI) represents the relative improvement in fit of the hypothesized model over the base line model. A value of .90 or higher indicates as adequate fit (Bentler & Bonett, 1980). Finally, SRMR (standardized root mean square residual) is used for assess the model fit. SRMR is the overall difference between predicted and observed variances and covariance in the model based on standardized residual. A value the SRMR less than .10 indicates reasonable fit. Table2 shows the summary of the fit indices.

CHAPTER IV

FINDINGS

This chapter presents results of the preliminary data examine for measurement scale first. Next, findings from the data analysis are reported: demographic profile and the results of the measurement model test (CFA). Finally, the results of the proposed hypotheses test are presented.

Preliminary Data Examine

Table 3 shows the means and standard deviations of each item related to the construct of interest in this study: Sacrifice (SAC), Quality (QUAL), Hedonic value (HV), Utilitarian Value (UV), Emotions (EM), Behavioral Intention (BI), Promotion (PRO) and Prevention (PRE). The univariate normality test showed that the skewness and kurtosis values of each variable did not exceed the conventional criteria of normality, ensuring the normality assumption. For all variables under the eight constructs, the value of skewness was lower than three and that of kurtosis was lower than ten (Kline, 2005).

Table 3. Preliminary data analysis

Variables	Mean ± SD	Skewness	Kurtosis
SAC1	4.14 ±1.32	.117	.064
SAC2	4.43±1.36	-.168	-.127
SAC3	5.01±1.38	-.566	.050
QUAL1	5.38±1.25	-.627	-.113
QUAL2	5.50±1.30	-.805	.086
QUAL3	5.28±1.40	-.691	.029
QUAL4	4.73±1.53	-.299	-.430
HV1	5.04±1.26	-.372	.025
HV2	4.89±1.37	-.367	-.169
HV3	4.77±1.49	-.429	-.238
HV4	5.07±1.18	-.153	-.397
UV1	5.22±1.15	-.332	-.319
UV2	5.65±1.09	-.687	.393
UV3	6.01±0.98	-.844	.109
UV4	5.70±1.13	-.757	.196
UV5	5.05±1.42	-.348	-.537
EM1	4.36±1.55	-.323	-.372
EM2	4.11±1.55	-.134	-.411
EM3	3.99±1.52	-.115	-.342
EM4	4.38±1.56	-.297	-.426
BI1	5.98±1.14	-1.065	.646
BI2	5.90±1.24	-1.120	.681
BI3	4.17±1.48	.046	-.225
BI4	5.35±1.47	-.553	-.584
BI5	5.49±1.36	-.676	-.210
PRO1	4.21±0.71	-.498	-.331
PRO2	4.32±0.65	-.434	-.713
PRO3	4.32±0.60	-.290	-.615
PRO4	3.44±1.02	-.207	-.521
PRO5	4.25±0.73	-.777	.397
PRO6	4.34±0.63	-.440	-.663
PRE1 ^r	2.87±1.28	.233	-1.025
PRE2 ^r	3.10±1.22	-.085	-.957
PRE3 ^r	3.15±1.20	-.075	-1.023
PRE4 ^r	3.16±1.18	-.069	-.923
PRE5 ^r	2.96±1.36	-.049	-.628
PRE6 ^r	4.01±1.01	-.713	-.481

Items for SAC, QUAL, HV, UV, EM, and BI were measured on a 7-point likert scale

Items for PRO and PRE were measured on a 5 semantic scale

^rReverse coding items

Demographic Characteristics

Of the 406 respondents, female accounted for 53.5 % (215) and females for 46.5 % (187). The majority of the respondents were between 45 to 54 (33.7%) and 55 to 64 years old (33.1%). The group of age above 65 (15.5%) was followed. 18.6 percent of respondents consisted of age group between 25 to 44. Only 0.5 percent of the sample made up of the age group 18 to 24. Regarding education, over half of respondents had a bachelor's degree or higher (59.6%) and only 9.6 percent of respondents had a high school education or less. In terms of annual house hold income, all other age groups above \$ 25,000 were evenly distributed from 11.1 to 20.1percent. Generally, the respondents of this study were well educated, middle-aged and had above median household income.

The total number of gender was not same as usable data which was 406 because even if the respondents filled out the items in the questionnaire, they did not respond in the demographic information. In age, education and house income, they have same reason why total usable number of the cases was not equal to each demographic part. Details of the respondents' characteristics are presented in Table 4.

Table 4. Demographic Characteristics in the study sample

Profile		Frequency	%
Gender	Male	215	53.5
	Female	187	46.5
	<i>Total</i>	<i>402</i>	<i>100</i>
Age	18-24	2	0.5
	25-34	25	6.2
	35-44	50	12.4
	45-54	136	33.7
	55-64	128	31.7
	65 and Over	63	15.5
	<i>Total</i>	<i>404</i>	<i>100</i>
Education	Less than High School	3	0.7
	High School Degree	36	8.9
	Associate Degree	15	3.7
	Vocational Degree	41	10.2
	Some College Credits	68	16.9
	Bachelors Degree	114	28.2
	Graduate Degree	127	31.4
	<i>Total</i>	<i>404</i>	<i>100</i>
Annual Household Income	Under \$ 18,000	12	3.1
	\$18,000 to \$24,999	7	1.8
	\$25,000 to \$49,999	57	14.9
	\$50,000 to \$74,999	69	18.0
	\$75,000 to \$99,999	77	20.1
	\$100,000 to \$149,999	71	18.5
	\$150,000 to \$200,000	46	12.0
	Above \$200,000	44	11.5
	<i>Total</i>	<i>383</i>	<i>100</i>

Demographic Differences

Gender

One –way ANOVA tests was employed to identify the statistical differences in each variable in terms of demographic variables including gender, age, education and age. As shown in table 5, the One-way ANOVA test showed that utilitarian value, emotion and prevention focus are significant difference between males and females. Female group rated significantly higher in those variables than male did.

Table5. One-way ANOVA by Gender

Variables	Male (M±S.D)	Female (M±S.D)	t-value
Sacrifice	4.49 ±1.03	4.56±1.11	0.502
Quality	5.17±1.14	5.29±1.16	0.319
Hedonic Value	4.90±1.08	5.00±0.98	0.370
Utilitarian Value	5.41±0.89	5.67±0.84	0.002**
Emotion	4.07±1.35	4.37±1.41	0.029*
Behavioral Intention	5.29±1.13	5.49±1.08	0.066
Promotion Focus	4.11±0.48	0.20±0.54	0.087
Prevention Focus	3.07±0.83	3.37±0.86	0.000***

Note M± S.D = Mean ± Standard Deviation: ***p<0.001, **p<0.01, *p<0.05

Age

To determine whether age was related to all variables, one-way ANOVA with LSD was used to identify specific group differences. Age group was reorganized as young age, middle-aged, and old age (Petry, 2002). Young age was ranged from 18 to 35 (N=27), middle-aged adults was ranged from 36 and 55 (N=186), and older adults was above 55(N=191). As table 11 showed, emotion is significant different between young age group and older age group. Young age group (Group 1) scored much higher in positive emotion than other groups, but significant higher than older age group (Group3). Other variables have no significant differences between age groups. Table 6 presents the results of the test.

Table 6. One-way ANOVA by Age

Variables	Group1 (M±S.D)	Group2 (M±S.D)	Group3 (M±S.D)	t-value	LSD
Sacrifice	4.91±1.10	4.48±1.03	4.50±1.09	0.147	NA
Quality	5.35±1.08	5.20±1.19	5.24±1.13	0.793	NA
Hedonic Value	5.08±1.07	5.04±0.99	4.84±1.07	0.149	NA
Utilitarian Value	5.63±0.81	5.47±0.83	5.58±0.93	0.431	NA
Emotion	4.68±1.42	4.32±1.37	4.05±1.38	0.036*	1 >3
Behavioral Intention	5.53±1.07	5.43±1.07	5.33±1.17	0.565	NA
Promotion Focus	4.14±0.61	4.17±0.50	4.13±0.51	0.795	NA
Prevention Focus	2.97±0.80	3.17±0.90	3.28±0.81	0.143	NA

Note M± S.D = Mean ± Standard Deviation: ***p<0.001, **p<0.01, *p<0.05

Group 1(N=27)=young-age,18 to 35, Group 2(N=186)= middle-aged 36 to 55, Group 3 (N=191)=older adults above 55

Education

Education level had been categorized as secondary, tertiary and higher education. Secondary education includes from preschool to high school graduation. Tertiary embraces college, some vocational school, and association degree. Higher education includes all degrees above bachelor's degree. As table7 presents, no significant differences are detected between educations.

Table 7. One way ANOVA by Education

Variables	Group1 (M±S.D)	Group2 (M±S.D)	Group3 (M±S.D)	t-value
Sacrifice	4.61±1.04	4.49±1.12	4.52±1.04	0.845
Quality	5.36±1.31	5.34±1.11	5.15±1.14	0.236
Hedonic Value	5.17±1.56	5.07±1.01	4.85±1.03	0.054
Utilitarian Value	5.67±0.93	5.62±0.90	5.46±0.85	0.168
Emotion	4.25±1.43	4.43±1.37	4.10±1.38	0.103
Behavioral Intention	5.73±0.93	5.43±1.16	5.31±1.11	0.081
Promotion Focus	4.12±0.53	4.11±0.51	4.18±0.51	0.391
Prevention Focus	3.23±0.94	3.13±0.91	3.24±0.81	0.510

Note M± S.D = Mean ± Standard Deviation: ***p<0.001, **p<0.01, *p<0.05

Group 1(N=39)= secondary, Group 2(N=124)= tertiary , Group 3 (N=241)=above undergraduate degree

Income

Income group was reshaped according to the report of US Census Bureau (2009). According to this report, median house hold income in the US was 52,029. Arbitrarily, below \$ 50,000 was grouped as low income (group1), between \$ 50,000 to \$99,999 was grouped as middle income (group2), and above 100,000 was grouped as upper middle income (group3). The result of ANOVA with Tukey post hoc test shows that there are significant mean difference between group 2 and group 3 in terms of hedonic value, utilitarian value, emotion and behavioral intention. Across these variables, middle income group rated significantly higher than upper middle class. Table 8 shows the results of ANOVA test by income.

Table 8. One-way ANOVA by Income

Variables	Group1 (M±S.D)	Group2 (M±S.D)	Group3 (M±S.D)	t-value	Tukey
Sacrifice	4.57±1.22	4.51±1.11	4.53±0.96	0.916	NA
Quality	5.33±1.13	5.35±1.14	5.08±1.17	0.097	NA
Hedonic Value	5.04±1.12	5.10±1.00	4.78±1.01	0.017*	2 >3
Utilitarian Value	5.70±0.86	5.64±0.92	5.36±0.85	0.005**	2 >3
Emotion	4.52±1.48	4.41±1.39	3.95±1.31	0.002**	2>3
Behavioral Intention	5.49±1.07	5.56±1.10	5.21±1.14	0.018*	2>3
Promotion Focus	4.01±0.53	4.17±0.50	4.17±0.51	0.052	NA
Prevention Focus	3.19±0.80	3.24±0.90	3.16±0.85	0.727	NA

Note M± S.D = Mean ± Standard Deviation: ***p<0.001, **p<0.01, *p<0.05
 Group 1(N=76)= low median, Group 2(N=146)=middle income, Group 3 (N=161)=upper middle income

Hypotheses 1 and 2

Value Models-Hypothesis 1

The hypothesis 1 stated that value added model with multi-dimensional construct increases the variance of consumers' behavior intention in the restaurant industry. Figure 2 illustrates the hypothesis1. The difference of the two models in Figure 4 was the introduction of direct measures of two dimensional service values. Confirmatory factor analysis was employed for assessing the measurement model for the five constructs. The fit index showed an acceptable fit. $\chi^2_{179df}=833.47$, $P= 0.0$, $RMSEA=0.096$ [90% CI: 0.089-0.10], $SRMR=0.064$, $CFI=0.95$, $NFI=0.93$. Table 9 presents the result of the CFA.

Convergent validity was evaluated. All factor loadings were statistically significant at $p<.01$ in the range of 9.33 to 25.38 of t-value, providing construct validity for the measurement. Internal consistency was also reported with value of composite reliability (CR), average variance extracted (AVE). CR for this model ranged from .71 to .91 and AVE ranged from .46 to .67. All value for CR exceeded the recommendation levels of .70 (Fornell & Larcker, 1981). AVEs of sacrifice and hedonic value showed slightly lower than recommended level of 0.50 (Fornell & Larcker, 1981). However, researchers have suggested that such thresholds are conservative and that lower variance estimates are acceptable, particularly for newer scales (Arnold & Reynolds, 2009; Hansen, 2005; Netemeyer, Brasher-Alejandro & Boales, 2004). Therefore, convergent validity of this measurement model was acceptable.

Discriminant validity between model constructs was reported. To provide evidence of discriminant validity, the average of AVEs for two constructs is to be greater than the square of the correlation between them (Φ^2) (Fornell & Larcker, 1981). As

shown in the Table 10, the averages of each paired constructs were all greater than the squares of the correlation between them except service quality and utilitarian value, indicating the measurement model has adequate discriminant validity. Additional analysis was conducted for those two constructs. Discriminant validity on those constructs was evaluated by conducting χ^2 difference test on models in which the relationship between service quality and utilitarian value was free and fixed. The model test in which service quality and utilitarian value were fixed to unit resulted in $\chi^2 = 247.98$, $df=27$. The fit of the model was significantly worse ($\Delta \chi^2 = 131.17$, $df=1$, $p < 0.001$) when compared to the fit of the theoretically specified two factor model ($\chi^2 = 116.81$, $df=26$). Therefore, this test showed support for discriminant validity for service quality and utilitarian value. Table 10 summarizes the results of discriminant validity for the five constructs.

Structure model was estimated. The results indicate that both structural models appear to fit the data well. (For basic model: $\chi^2_{51df} = 490.18$, $P = 0.0$, $RMSEA = 0.14$ [90% CI: 0.13-0.15], $SRMR = 0.064$, $CFI = 0.91$, $NFI = 0.90$, for value added model: $\chi^2_{182df} = 868.39$, $P = 0.0$, $RMSEA = 0.096$ [90% CI : 0.089-0.10], $SRMR = 0.070$, $CFI = 0.94$, $NFI = 0.93$). Although for basic model, $RMSEA$ surpassed the generally favored level of .10 (Kline, 2005), $SRMR$, CFI and NFI satisfied the recommended levels.

Squared multiple correlation (SMC) showed that the basic model explains 45 % of variance of behavioral intention, while the value added model explain 62 % of the variance. The variance accounted for by the multi dimensional value added model was increased by 17 %. Therefore, hypothesis 1 which was that value added model with multi-dimensional construct increases the variance of consumers' behavior intention in the restaurant industry was supported. This result is consisted with Cronin et.al (1997)'s

study in terms of that value added model accounts for more variance in behavioral intention than basic value model. The table 11 presents the result of hypothesis.

This result indicates that multi dimensional value added model has more predictive power than multiplicative model in terms of behavioral intention in the restaurant industry. Each service value is outcome of integrated information processing of service quality and sacrifice. This indicates that service quality and sacrifice are not independent function influencing directly behavioral intention, but compensatory function affecting each of service value through which they are weighted and having an impact on behavioral intention.

Table.9. The Result of Measurement Model Test for Hypothesis 1

Latent	Indicator	CSS(<i>t-value</i>)	SMC	CR	AVE	α
Sacrifice	SAC1	.51 (9.33)	.26	.71	.46	.69
	SAC2	.83 (14.02)	.69			
	SAC3	.66 (11.69)	.43			
Quality	QUAL1	.71(15.77)	.51	.86	.61	.86
	QUAL2	.82(19.19)	.67			
	QUAL3	.80(18.43)	.63			
	QUAL4	.80(18.62)	.64			
Hedonic Value	HV1	.55(11.05)	.30	.79	.49	.77
	HV2	.75(16.23)	.56			
	HV3	.65(13.47)	.42			
	HV4	.81(18.11)	.66			
Utilitarian Value	UV1	.63(13.42)	.39	.82	.50	.82
	UV2	.87(21.36)	.76			
	UV3	.64(13.91)	.42			
	UV4	.78(17.99)	.61			
	UV5	.55(11.42)				
Behavior Intention	BI1	.81(19.48)	.65	.91	.67	.90
	BI2	.82(20.00)	.67			
	BI3	.52(11.14)	.28			
	BI4	.93(24.50)	.87			
	BI5	.95(25.38)	.90			

$\chi^2_{179df}=833.47$, P= 0.0, RMSEA=0.096 [90% CI : 0.089-0.10], SRMR=0.064, CFI=0.95, NFI=0.93

CSS: Completely Standardized Solution, SMR: Squared Multiple Correlations,
 CR: Construct Reliability=(Square of the summation of the factor loadings)/{(square of the summation of the factor loadings)+(summation of error variances)
 AVE: Average Variance Extracted=(summation of the square of the factor loadings)/{(summation of the square of the factor loadings)+(summation of error variances)

Table 10. The Result of Discriminant Validity of Hypothesis 1

Pairs of Constructs	Average of AVE	Φ^2	Φ
Sacrifice-Service Quality	.54	.06	.25
Sacrifice-Hedonic Value	.48	.00	.00
Sacrifice-Utilitarian Value	.48	.04	.20
Sacrifice-Behavioral Intention	.57	.02	.13
Service Quality-Hedonic Value	.55	.34	.58
Service Quality-Utilitarian Value	.56	.58	.76
Service Quality-Behavioral Intention	.64	.45	.67
Hedonic Value-Utilitarian Value	.50	.42	.65
Hedonic Value-Behavioral Intention	.58	.34	.58
Utilitarian Value-Behavioral Intention	.59	.59	.77

Average of AVE is computed as (AVE of the first construct+ AVE of the second construct)/2

Table.11 The Result of Comparison of Multiplicative Value Model and Value Added Model

	Multiplicative	Value Added
SAC→BI	-.06(-.88)	
QUAL→BI	.68(12.23)	
SAC→HV		-.25(-2.84)
SAC→UV		-.02(-0.34)
QUAL→HV		.66(8.67)
QUAL→UV		.57(11.26)
HV→BI		.18(3.69)
UV→BI		.95(9.95)
SMC		.43(HV)
		.61(UV)
	.45(BI)	.62(BI)
Overall fit	$\chi^2_{51df}=490.18$, P= 0.0, RMSEA=0.14 [90% CI:0.13-0.15], SRMR=0.064, CFI=0.91, NFI=0.90	$\chi^2_{182df}=868.39$, P= 0.0, RMSEA=0.096 [90% CI : 0.089-0.10], SRMR=0.070, CFI=0.94, NFI=0.93

Emotion Models- Hypothesis 2

Hypothesis 2 stated that the cognitive appraisal model added multi dimensional value as appraisal dimension increases the variance of emotion and behavioral intention. Two step approaches were employed for data analysis. First, result of CFA of six constructs showed reasonable index ($\chi^2_{260df} = 1069.45$, $P = 0.0$, $RMSEA = 0.089$ [90% CI; 0.084-0.095], $SRMR = 0.063$, $CFI = 0.96$, $NFI = 0.94$ and $NNFI = 0.95$). Table 12 shows the result of confirmatory factor analysis.

Convergent validity and discriminant validity were examined. All factor loadings were statistically significant at $p < .01$ in the range of 9.35 to 25.40 of t-value, providing construct validity for the measurement. Internal consistency was also reported with value of composite reliability (CR) and average variance extracted (AVE). CR for this model ranged from .71 to .92, and AVE ranged from .46 to .74. All value for CR exceeded the recommendation levels of .70. (Fornell & Larcker, 1981). AVEs of sacrifice and hedonic value showed slightly lower than recommended level of 0.50 (Fornell & Larcker, 1981). This result was same as the CFA case of hypothesis 1.

Discriminant validity between model constructs was reported. To provide the evidence of discriminant validity, the average of AVEs for two constructs is to be greater than the square of the correlation between them (Φ^2) (Fornell & Larcker, 1981). As shown in the Table 6, average of each paired constructs was all greater than the squares of the correlation between them except service quality and utilitarian value, indicating the measurement model has adequate discriminant validity, which was same result in hypothesis 1. Additional analysis needed to be conducted for those two constructs. Discriminant validity on those constructs was evaluated by conducting χ^2 difference

test on models in which the relationship between service quality and utilitarian value was free and fixed. The model test in which service quality and utilitarian value were fixed to unit resulted $\chi^2 = 247.98$, $df=27$. The fit of the model was significantly worse ($\Delta \chi^2 = 131.17$, $df=1$) when compared to the fit of the theoretically specified two factor model ($\chi^2 = 116.81$, $df=26$). Therefore, this test showed support for discriminant validity for service quality and utilitarian value. Table 12 and table 13 summarize the results of CFA and discriminant validity for the six constructs.

The results of the path analyses of the two models are presented in Table 14. The results show that both structural models seem to fit the data (For mehrabian: $\chi^2_{100df} = 738.69$, $P = 0.0$, $RMSEA = 0.13$ [90% CI: 0.12-0.13], $SRMR = 0.094$, $CFI = 0.93$, $NFI = 0.92$, for value added model: $\chi^2_{267df} = 1258.27$, $P = 0.0$, $RMSEA = 0.096$ [90% CI : 0.091-0.10], $SRMR = 0.11$, $CFI = 0.95$, $NFI = 0.93$). Squared multiple correlation (SMC) showed that the MR model explain 45% of variance of emotion and 39 % of behavioral intention, while the value added model explain 60 % of emotion, and 41 % of behavioral intention of the variance. The variance accounted for by the multi dimensional value added model as appraisal was increased by 15 % in emotion and 2 % of behavioral intention. Therefore, hypothesis 2 was supported. The results indicates that cognitive appraisal model with service value explain more variance in emotion than MR accounts for. This finding supported the hypothesis 2 that cognitive appraisal model added multi dimensional value as appraisal dimension increases the variance of emotion and behavioral intention

The result of this study confirmed that cognitive appraisal is advantageous to explaining more diverse human emotion such as joy, pleasure or happy over mehrabian-

russell model which explaining only two dimensions (Bagozzi, 1999). This result indicates that more positive emotion in restaurant experience can be induced by cognitive process than induced by directly personal events such as sacrifice and service quality. Obviously, the higher the positive emotion, the more behavioral intention. Therefore, cognitive appraisal dimensions through which emotion is elicited are regarded a significant task to handle consumers' emotion.

Table.12. The Result of Measurement Model Test for Hypothesis 2

Latent	Indicator	CSS(<i>t-value</i>)	SMC	CR	AVE	α
Sacrifice	SAC1	.51(9.35)	.26	.71	.46	.69
	SAC2	.83 (14.06)	.32			
	SAC3	.66 (11.69)	.95			
Service Quality	QUAL1	.71(15.68)	.51	.86	.61	.86
	QUAL2	.81(18.83)	.66			
	QUAL3	.79(18.37)	.63			
	QUAL4	.82 (19.15)	.65			
Hedonic Value	HV1	.55(11.14)		.78	.49	.77
	HV2	.77(17.18)	.58			
	HV3	.65(13.71)	.42			
	HV4	.79(17.65)	.62			
Utilitarian Value	UV1	.63(13.42)		.82	.50	.82
	UV2	.87(21.39)	.80			
	UV3	.64 (13.91)	.42			
	UV4	.78(17.96)	.61			
	UV5	.55(11.41)				
Emotion	EM1	.87(21.82)	.76	.92	.74	.92
	EM2	.90(23.09)	.82			
	EM3	.84(20.60)	.71			
	EM4	.83(20.10)	.69			
Behavioral Intention	BI1	.80(19.39)	.65	.90	.67	.90
	BI2	.82(19.95)	.67			
	BI3	.53(11.18)	.28			
	BI4	.93(24.56)	.87			
	BI5	.95(25.40)	.90			

$\chi^2_{260df} = 1069.45$, $P = 0.0$, $RMSEA = 0.089$ [90% CI: 0.084-0.095], $SRMR = 0.063$, $CFI = 0.96$, $NFI = 0.94$ and $NNFI = 0.95$

CSS: Completely Standardized Solution, SMR: Squared Multiple Correlations,
 CR: Construct Reliability = (Square of the summation of the factor loadings) / {(square of the summation of the factor loadings) + (summation of error variances)}
 AVE: Average Variance Extracted = (summation of the square of the factor loadings) / {(summation of the square of the factor loadings) + (summation of error variances)}

Table 13. The Result of Discriminant Validity Test of Hypothesis 2

Pairs of Constructs	Average of AVE	Φ^2	Φ
Sacrifice-Service Quality	.54	.06	.25
Sacrifice-Hedonic Value	.48	.00	.00
Sacrifice-Utilitarian Value	.48	.04	.20
Sacrifice-Emotion	.60	.01	.12
Sacrifice-Behavioral Intention	.57	.02	.13
Service Quality-Hedonic Value	.55	.34	.58
Service Quality-Utilitarian Value	.56	.58	.76
Service Quality-Emotion	.68	.41	.64
Service Quality-Behavioral Intention	.64	.45	.67
Hedonic Value-Utilitarian Value	.50	.42	.64
Hedonic Value-Emotion	.62	.50	.71
Hedonic Value-Behavioral Intention	.58	.34	.58
Utilitarian Value-Emotion	.62	.38	.62
Utilitarian Value-Behavioral Intention	.59	.59	.77
Emotion - Behavioral Intention	.71	.37	.61

Average of AVE is computed as (AVE of the first construct+ AVE of the second construct)/2

TABLE.14. The result of comparison of MR and CAT

	Mehrabian –Russell	Cognitive Appraisal
SAC → EM	-.07(-0.75)	
QUAL → EM	.91(12.63)	
EM → BI	.47(12.13)	
SAC→ HV		-.24(-2.73)
SAC →UV		-.01(-0.12)
QUAL →HV		.67(8.77)
QUAL →UV		.57(11.16)
HV →EM		.71(7.93)
UV →EM		.67(6.58)
EM → BI		.48(12.31)
SMC		.44(HV)
		.59(UV)
	.45(EM)	.60(EM)
	.39(BI)	.41(BI)
Overall fit	$\chi^2_{100df}=738.69$, P= 0.0, RMSEA=0.13 [90% CI:0.12-0.13], SRMR=0.094, CFI=0.93, NFI=0.92	$\chi^2_{267df}=1258.27$, P= 0.0, RMSEA=0.096 [90% CI : 0.091-0.10], SRMR=0.11, CFI=0.95, NFI=0.93

Hypotheses 3, 4, 5, and 6: Integrative proposed model

Reliability and validity of the items

The measurement model of the proposed model was estimated by using confirmatory factor analysis (CFA) to test reliability and validity of the research instrument. Series of CFAs for eight constructs were conducted for keeping the best items for each variable. One item from the measurement of prevention focus showed low factor loadings, and low SMC. Therefore, it was removed for the purpose of increasing average variance extracted (AVE). Final CFA was conducted without the removed item showed an acceptable fit ($\chi^2_{566df} = 1529.74$, p-value = 0.0, RMSEA=0.067[90% CI for RMSEA=0.064-0.071], CFI=0.96, SRMR=0.057, NFI=0.93). Squared multiple correlations (SMC), which indicates item reliability, ranged from .22 to .90.

Convergent validity was assessed. All factor loadings were statistically significant at $p < .01$ in the range of 9.30 to 25.39 of t-value, providing construct validity for the measurement. Composite Reliability for this model was ranged from .71 to .92, which exceed recommended level, .70 (Fornell & Larcker, 1981). AVEs of the construct were ranged from .41 to .74. Some of constructs showed lower AVE than recommended level, .50 (Fornell & Larcker, 1981). As previously described, researchers have suggested that such thresholds are conservative and that lower variance estimates are acceptable, particularly for newer scales (Arnold & Reynolds, 2009; Hansen, 2005; Netemeyer, Brasher-Alejandro & Boales, 2004). Therefore, convergent validity of this measurement model was acceptable. Table 15 summarizes the results of CFA for the eight constructs.

Discriminant validity between model constructs was supported. The average of AVEs for two constructs were greater than the square of the correlation between them (Φ^2) (Fornell & Larcker, 1981) except utilitarian and service quality constructs. Additional chi square difference test to ensure discriminant validity for utilitarian value and service quality was conducted. The test in which service quality and utilitarian value were fixed to unit resulted in $\chi^2_{27df}=247.98$. The fit of the model was significantly worse ($\Delta\chi^2 =131.17$, $df=1$) when compared to the fit of the theoretically specified two factor model ($\chi^2_{26df}=116.81$). Therefore, this test showed support for discriminant validity for service quality and utilitarian value. Table 16 summarizes the results of discriminant validity.

Table15. The Result of the Measurement Model Test for Proposed Model

Latent	Indicator	CSS(<i>t-value</i>)	SMC	CR	AVE	α
Sacrifice	SAC1	.51(9.39)	.26	.71	.46.	.69
	SAC2	.84 (14.27)	.71			
	SAC3	.65 (11.66)	.42			
Service Quality	QUAL1	.71(15.68)	.50	.86	.61	.86
	QUAL2	.81(18.84)	.65			
	QUAL3	.79(18.40)	.63			
	QUAL4	.81(19.13)	.66			
Hedonic Value	HV1	.55(11.18)	.31	.78	.49	.77
	HV2	.77(17.16)	.60			
	HV3	.65(13.70)	.42			
	HV4	.79(17.70)	.63			
Utilitarian Value	UV1	.63(13.40)	.39	.82	.50.	.82
	UV2	.87(21.29)	.76			
	UV3	.65(13.97)	.42			
	UV4	.78(18.01)	.61			
	UV5	.55(11.50)	.30			
Emotion	EM1	.87(21.80)	.76	.92	.74	.92
	EM2	.90(23.08)	.82			
	EM3	.84(20.62)	.71			
	EM4	.83(20.11)	.69			
Behavior Intention	BI1	.80(19.41)	.65	.90	.67	.90
	BI2	.82(19.95)	.67			
	BI3	.53(11.98)	.28			
	BI4	.93(24.56)	.87			
	BI5	.95(25.39)	.90			
Promotion	PRO1	.58(11.49)	.33	.80	.41	.76
	PRO2	.61(12.25)	.37			
	PRO3	.63(12.70)	.39			
	PRO4	.55(10.78)	.30			
	PRO5	.73(15.90)	.56			
	PRO6	.68(13.95)	.46			
Prevention	PRE1	.67(14.28)	.44	.83	.51	.84
	PRE2	.78(17.96)	.63			
	PRE3	.89(20.30)	.75			
	PRE4	.69(15.69)	.51			
	PRE5	.47(9.30)	.22			

CSS: Completely Standardized Solution, SMR: Squared Multiple Correlations,
 CR:Construct Reliability=(Square of the summation of the factor loadings)/{(square of the summation of the factor loadings)+(summation of error variances)
 AVE:Average Variance Extracted=(summation of the square of the factor loadings)/{(summation of the square of the factor loadings)+(summation of error variances)

Notes: PRE6 were deleted based on cronbach coefficient and the series of the CFA analysis. ($\chi^2_{566df} = 1529.74$, p-value = 0.0, RMSEA=0.067[90% CI for RMSEA=0.064-0.071], CFI=0.96, SRMR=0.057, NFI=0.93

Table 16. The Results of Discriminant Validity for the Proposed Model

Pairs of Constructs	Average of AVE	Φ^2	Φ
Sacrifice-Service Quality	.51	.06	.24
Sacrifice-Hedonic Value	.46	.00	.02
Sacrifice-Utilitarian Value	.48	.04	.19
Sacrifice-Emotion	.60	.01	.12
Sacrifice-Behavioral Intention	.57	.01	.12
Sacrifice-Promotion	.44	.03	.17
Sacrifice-Prevention	.49	.00	.00
Service Quality-Hedonic Value	.55	.34	.58
Service Quality-Utilitarian Value	.56	.58	.76
Service Quality-Emotion	.68	.41	.64
Service Quality-Behavioral Intention	.64	.45	.67
Service Quality-Promotion	.51	.05	.23
Service Quality-Prevention	.56	.00	.04
Hedonic Value-Utilitarian Value	.50	.41	.64
Hedonic Value-Emotion	.62	.50	.71
Hedonic Value-Behavioral Intention	.58	.34	.58
Hedonic Value-Promotion	.45	.06	.24
Hedonic Value-Prevention	.50	.00	-.02
Utilitarian Value-Emotion	.62	.38	.62
Utilitarian Value-Behavioral Intention	.59	.59	.77
Utilitarian Value-Promotion	.46	.08	.29
Utilitarian Value-Prevention	.51	.00	.03
Emotion-Behavioral Intention	.71	.37	.61
Emotion-Promotion	.58	.02	.15
Emotion-Prevention	.63	.00	.00
Behavioral Intention-Promotion	.54	.03	.17
Behavioral Intention-Prevention	.59	.00	.05
Promotion-Prevention	.46	.00	.00

Average of AVE is computed as (AVE of the first construct+ AVE of the second construct)/2

To test the hypotheses of the proposed model, structural model was estimated with Lisrel 8.80. The overall fit of the structural model indicated an acceptable level of fit ($\chi^2_{580df}=1739.06$, $P= 0.0$, $RMSEA=0.072$ [90% CI: 0.068-0.076], $SRMR=0.088$, $CFI=0.95$, $NFI=0.92$). Squared multiple correlation (R^2) for sacrifice was .03, for quality .06, for hedonic value .47, for utilitarian value .59, for emotion .62 and for behavioral intention .41. Table 17 and figure 9 represented the results of the test. Specific results of the test were discusses below.

The effect of Regulatory focus on Service quality/sacrifice and Service value

The results of testing of relationships between regulatory focus (promotion/ prevention) and service quality /sacrifice revealed that promotion focus has a significant positive impact on service quality ($\gamma_{12} = .25$, $t=4.29$), while prevention focus has no significant impact on sacrifice ($\gamma_{21} = -.01$, $t=-.24$). This result implicate that people who have promotion focused orientation concern service quality from restaurant experience. The higher people have promotion focused, the more they think that service quality is important

Regarding the reverse relationships which were the ones indicating relationships between promotion and sacrifice, and prevention and service quality, the result showed that promotion focus has positive relationship with sacrifice ($\gamma_{11} = .17$, $t=2.70$). That is, individuals with promotion focus perceive the time or effort to receive the service to be not important. No significant relation has been found in link between the prevention and service quality ($\gamma_{22} = .03$, $t=.55$). The revealed significant relationship between promotion focus and sacrifice partly support the cognitive tuning theory in that promotion

focused people perceive environment benign, therefore they have tendency to perceive it explorative (Friedman & Förster, 2002). This indicated that even if under sacrifice situation, promotion focused individuals are less sensitive to their sacrifice for getting what they want from the restaurant service.

When regarding the test of impact of regulatory focus on value, the result indicated that there is no significant effect on the relationship between regulatory focus and service value (coefficient for promotion to hedonic value (γ_{13}) is .09 ($t=1.64$), and .00 for prevention to utilitarian (γ_{24}), $t=.08$). This result is partly contrary to the Arnolds and Reynolds (2009)' study in which in shopping context, prevention has positive relation to utilitarian shopping value, while promotion focus has no significant relation to hedonic value.

The effect of Service quality/sacrifice on Service value

The effects of service quality on hedonic value and utilitarian value were significant ($\beta_{23}=.63$, and $\beta_{24}=.79$, respectively), supporting H4a-1 and H4a-2 which are service quality has positive effect on both hedonic (H4a-1) and utilitarian values (H4a-2). This result implied that a good service quality is a good indicator for drawing high service value (both hedonic and utilitarian).

Regarding the influence of sacrifice on service value, the hypothesis that sacrifice has a negative impact on hedonic value was supported (H4b-1, $\beta_{13} = -.13$). This implied that the more people experience sacrifice for visiting the restaurant, the lower they perceive hedonic value. There is no negative influence on utilitarian value ($\beta_{14} = .02$), which is failing to support H4b-2. The result is consistent with Cronin et.al (1997) 's

study , in which service quality has positive impact on service value, and sacrifice has negative influence on sacrifice in the restaurant setting expect there is no significant result found in the relationship between sacrifice and utilitarian value.

Table 17.The result of the Structural Model Test for the Proposed Model

Hypotheses	Path	Coefficient (t-Value)	Results
Hypothesis 3			
H3a	Promotion→ Service quality	.25(4.29)	Supported
H3b	Prevention→ Sacrifice	-.01(- .24)	Not supported
H3c	Promotion →Sacrifice	.17(2.70)	Supported
H3d	Prevention→ Service quality	.03(0.55)	Not supported
H3e	Promotion →Hedonic value	.09(1.64)	Not supported
H3f	Prevention→ Utilitarian value	.00(.08)	Not supported
Hypothesis 4			
H4a-1	Service quality → Hedonic value	.63(8.14)	Supported
H4a-2	Service quality →Utilitarian value	.79(10.25)	Supported
H4b-1	Sacrifice → Hedonic value(-)	-.13(-2.54)	Supported
H4b-2	Sacrifice → Utilitarian value(-)	.02(.36)	Not supported
Hypothesis 5			
H5a	Hedonic value →Emotion	.53(7.99)	Supported
H5b	Utilitarian value →Emotion	.36(6.52)	Supported
Hypothesis 6	Emotion→ Behavioral intention	.64(12.36)	Supported
$\chi^2_{580df}=1739.06$, P= 0.0, RMSEA=0.072 [90% CI: 0.068-0.076], SRMR=0.088, CFI=0.95, NFI=0.92			

The effect of Service value on Emotion

The influence of service value on positive emotion was significant ($\beta_{35}= .53$ for hedonic value, and $\beta_{45}= .36$ for utilitarian value on emotion), therefore, both of

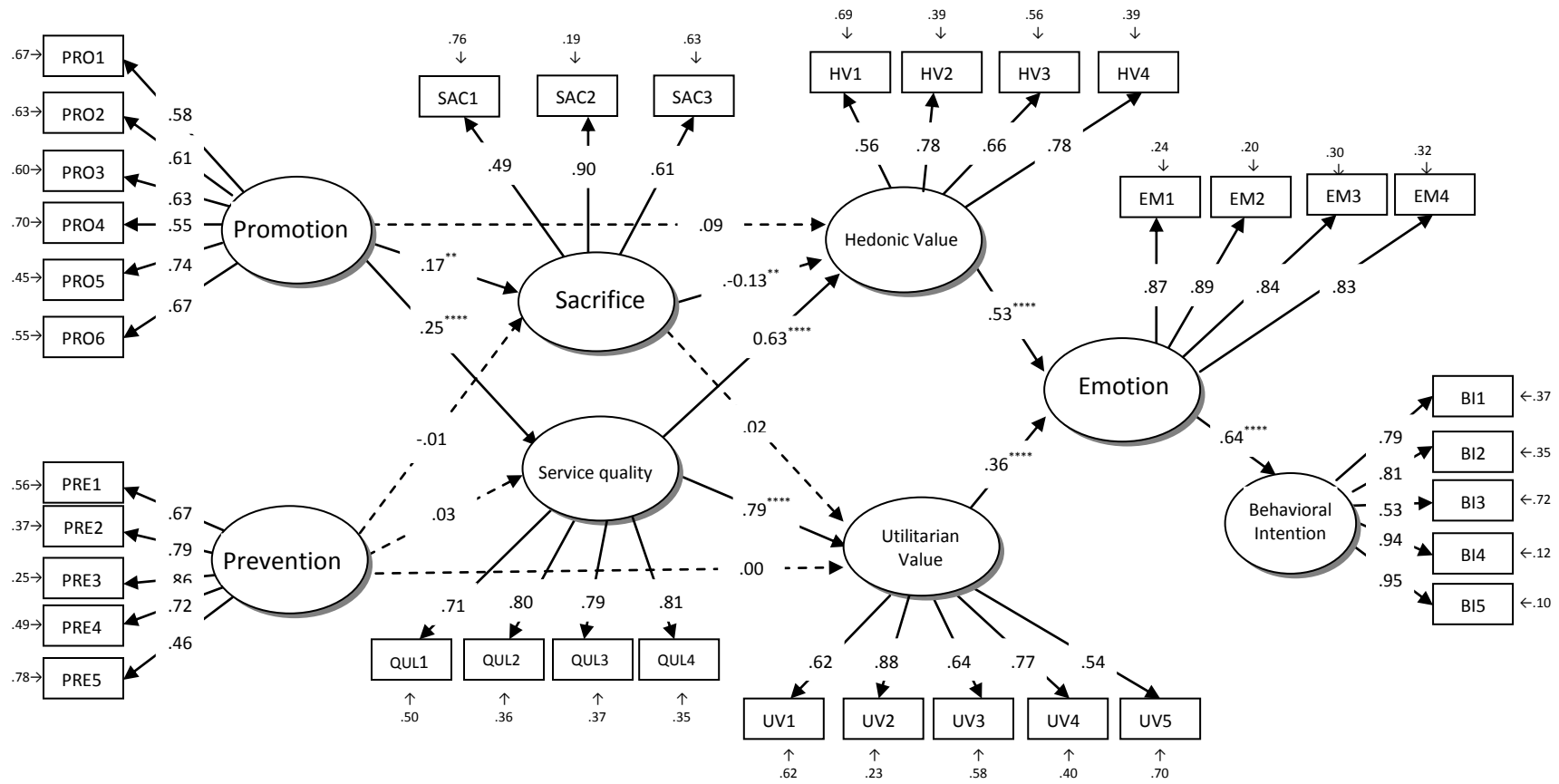
hypothesis 5 were supported. The more people evaluate service value (utilitarian and hedonic), the more positive emotion that is elicited toward the restaurant. This result implied that positive emotion is outcomes of hedonic and utilitarian value. Both utilitarian value which is task related/function and hedonic which is subjective/ personal perception in restaurant service experience are excellent predictors of positive emotion.

The effect of Emotion on Behavioral Intention

The hypothesis 6 was supported by being found that the effect of positive emotion on behavioral intention was significant ($\beta_{56} = .64$). That is, the more the positive emotion toward the restaurant, the higher the positive intention of the restaurant. This result is consistent with previous researches (Kim & Moon, 2009; Han, Back & Barrett, 2009). Strong positive behavioral intention result from strong positive emotion.

Figure 9. the Result of Structural Model Test of the Study

————> Statistically significant
 - - - - -> Statistically not significant



* $p < .05$, ** $p < .01$, *** $p < .001$, **** $p < .0001$

$\chi^2_{580df} = 1739.06$, $P = 0.0$, $RMSEA = 0.072$ [90% CI: 0.068-0.076], $SRMR = 0.088$, $CFI = 0.95$, $NFI = 0.92$

CHAPTER V

CONCLUSION

This chapter presents the conclusion of this study. First, the summary and discussion of major findings are explained. Second, the theoretical and managerial implications of this study are discussed. Finally, the limitations and recommendations for the future research are suggested.

Summary and Research Findings

Sales in the US restaurant industry have experienced an unprecedented decline during the recent economic recession. Yet, people still are desirous of dining out, regardless of their financial constraints. Value, which has always been a great concern for customers, is considered to be a more critical criterion than any other for restaurant consumption during this time. Restaurants try to provide value to attract customers. However, people perceive different degrees of value based on their experiences. How then can the restaurant industry examine these differences in order to attract more people? The present study made an attempt to answer this question.

This study proposed three distinct objectives by systematically reviewing the existing models in the literature related to value. Then, it proposed a model in which perceived value plays a central role for consumer behavior regarding restaurants.

The first objective was to investigate the comparison between multiplicative value and additive multi service value model. Service value is a function of sacrifice and service quality ($SV=f(SQ, SAC)$). Service value has been regarded as the multiplicative function of sacrifice and service quality ($SV=SQ/SAC$). In this model, service attributes such as quality and sacrifice work separately to influence consumer purchase intention. This traditional model has been elaborated by including a hypothetical service value variable into the model to develop the 'value added model' (Cronin et al., 1997). In this value added model, the perceived service attributes are additive functions in which the service attributes (service quality and sacrifice) compensate for each other. Through service value, in which perceived information such as service quality and sacrifice function interactively, those attributes affect purchase intention. Thus, the variance explained by service value is increased.

This present study attempted to diversify the service value variable from the added value model, hedonic and utilitarian value, and to observe that the multi dimension service value performs better in explaining the variance of behavioral intention in comparison with the basic multiplicative model, which was hypothesis 1. The path analysis results presented in Table 5 offer substantial supports for the first hypothesis. The addition of direct measures of service value with multi dimension to models, which are characterized as service quality and sacrifice, increase the ability of the model to explain variance in the consumers' behavioral intentions (by 17%). This result suggests

that service value with multi dimension account for a unique portion of the variance in the behavioral intentions, which is not explained by separately by either service quality or sacrifice perceptions.

The second objective was to examine the Mehrabian-Russell (MR) and cognitive appraisal (CAT) paradigms for consumer emotion. Traditional research conducted on emotion borrowed its study framework from the MR paradigm in which environment stimuli (S) influence emotional state (O), which leads to people's behavioral responses (R) – the so-called SOR framework. However, this framework has been criticized in that it disregards the individual process of how and why emotion is elicited (Chebat & Michon, 2003). Consideration of the process of the how and why in emotion is important because it explains the phenomenon that people have different emotional responses to the same events. Cognitive appraisal theory makes up for the deficiency of the MR paradigm by adding appraisal dimensions between stimuli and emotion. Through those appraisal dimensions, individual emotion can be better understood. Several appraisal dimensions have been identified in past literature (i.e., agency, certainty, relevance, and congruence). Bagozzi et al. (1999) argued the superiority of CAT to MR in that it may account for most emotion.

This present study identified service value as another appraisal dimension through which emotion is elicited. Specifically, it introduced the multi dimensional service value (hedonic and utilitarian) as new appraisal dimensions, and observed which theory (MR or CAT) works better in terms of explaining emotion and, consequently, behavioral intention (Hypothesis 2). Table 6 illustrates the support of the second hypothesis. The addition of the new appraisal dimension to the MR model increases the explanatory

power of both emotion (by 15%) and behavioral intention (by 2%). These results suggest that multi dimensional service value explains a unique portion of the variance in emotion, which is not accounted for by stimuli (sacrifice and service quality). Further, it indicates that the introduction of multi dimensional service value as new appraisal dimensions is successful.

The third objective was to inspect the effect of regulatory focus as a psychological aspect in the decision making process on service value and to test the hypotheses developed on the basis of the past literature. This study employed regulatory focus theory in an attempt to explain the variance of perceived value that differs depending on people's motivation. The regulatory foci, which are promotion and prevention, are the basic motivations that control people's behaviors. This study proposed a conceptual model in which three theoretical frameworks were embraced: regulatory focus for explaining personal motivation, multi dimensional service value as an additive function, and cognitive appraisal theory as elucidating for the emotional process, thereby, influencing behavioral intention.

Thirteen hypotheses were developed in the proposed model. Among them, eight were supported by empirical data analysis. As Table 7 presents, only two hypotheses were statistically significant out of the six stating the relationship between regulatory focus and service quality, sacrifice and service value. Promotion has a positive relationship with service quality and sacrifice. This result indicated that a restaurant customer with high promotion focus might recognize more service quality in a restaurant experience. This result supports the assumption of regulatory focus, which is that promotion focus concerns the gain side of the fact when they make decisions (Higgins,

1997). Conversely, a customer's regulatory focus may influence sacrifice by "tuning their cognition when searching for the service." This result partially supports Friedman and Förster's (2000) argument, which states that promotion focused individuals who see the signal from the environment as benign and worthy of exploration "adopt riskier and more explorative cognitive processing." That is, even if the same sacrifice, such as time and effort are required, promotion-focused individuals have a tendency to consider the sacrifice as being low. However, there is no significant relationship with hedonic value as hypothesized. This result is to some extent consistent with Arnold and Reynolds' (2009) finding in which there is no significant relationship between promotion focus and hedonic shopping value. Disappointingly, the effects of sacrifice on other variables as hypothesized were found to be insignificant.

Three hypotheses out of four in H4 were supported. Service quality positively influenced hedonic and utilitarian value in restaurant consumption, and sacrifice had a significant negative impact on hedonic value. These results are somewhat consistent with Cronin et al.'s (1997) study. Even if these researchers did not test the model as multi-dimensional value, they found that there is a positive relationship between service quality and service value, while sacrifice has a negative impact on sacrifice in the restaurant industry. However, it is surprising for this study to find there was no relationship between sacrifice and utilitarian value.

The two hypotheses in H5 were supported. Both hedonic value and utilitarian value had significant impact on emotion. This result implicates that it is critical for restaurant customers to perceive value to elicit positive emotions. The more people perceive hedonic and utilitarian value, the more they elicit positive emotions. Finally, H6

was strongly supported. The emotion elicited through perceived value positively influenced behavioral intention. This finding is consistent with previous literature in the restaurant industry.

Theoretical Implications

This study employed two theories so as to propose an integrative service value model in the restaurant industry: cognitive appraisal theory to explain emotions and regulatory focus theory for the motivation in decision making value. Before adopting those two theories, the added value service model developed by Cronin et al.(1997) was introduced , on which the proposed model was extended in this study. The first theoretical implication is that this study widens the overall service value to multi dimensional service value in order to observe the consumer's purchase intention. This is a new attempt, as far as the service value consisting of sacrifice and service quality is concerned. There is little literature demonstrating that service value is considered to be multi dimensional and influenced by service quality and sacrifice at the same time. Further, this study provided evidence that multi dimensional service value increases the variance explaining purchase intention compared to the basic service value. Therefore, the implication of this attempt is that it provides another aspect of service value. In addition, this study provides another support that the additive function of service value with multi dimension (hedonic and utilitarian value) is theoretically substantial to understanding the service value model.

The contribution to cognitive appraisal theory is the second theoretical implication for this study. This study systematically approaches emotion in order to understand the emotion elicitation process of restaurant consumers by employing cognitive appraisal theory. Previous consumer research on emotion has primarily used the MR paradigm on which the SOR framework is based. However, the SOR framework lacks an aspect of why and how people elicit different emotions toward the same stimuli. This study is able to explain how the same stimuli elicit different emotions by employing the cognitive appraisal theory. Further, this study suggested a new appraisal dimension, which is service value. In the past literature, five dimensions, which are agency, certainty, congruence, relevance, and normative/moral comparability, have been identified as the appraisal dimensions through which emotion is elicited. By adding new appraisal dimensions (hedonic and service value), this study enriches the literature of cognitive appraisal theory. Along with adding service value as an appraisal dimension, another contribution is that service quality and sacrifice are identified as stimuli based on the personal experience. Developing new appraisal dimension and investigating stimuli are encouraged by cognitive appraisal theorists (Bagozzi et al., 1999; Johnson & Stuart, 2004; Resenzein & Hofmann, 1993). The findings of this study confirmed that two dimensions of service value are suitable appraisal dimensions through which emotion is elicited and service quality and sacrifice are appropriate stimuli as antecedents of the new appraisal dimensions.

Finally, the regard to regulatory focus theory is the third theoretical implication. The heart of regulatory focus theory is the concept of gain and loss. This theory is based on the hedonic principle of human behavior, which is ‘approach pleasure and avoid pain.’

It is a natural phenomenon that people feel pleasure with the gain of something valuable and feel pain with the loss of something valuable. The theory assumes that the cause of feeling pain and loss is from the decision making process in which people are motivated by value. This theory, however, assumes that the decision making process is cognitively different, depending on to which regulation people belong. Therefore, the value they put on the same situation would be different. The regulation is either a promotion or a prevention focus. Promotion individuals are concerned more about the gain or non-gain aspect in order to approach pleasure and avoid pain when making decisions, while prevention individuals are concerned more about the loss or non-loss side to achieve the hedonic principle. By adopting this assumption of regulatory focus theory, the present study tried to explain the model of service value consisting of quality and sacrifice in a deeper way. The gain side of service value, which is service quality, was assumed to be related to promotion, while the loss side of service value, which is sacrifice, was presumed to be related to prevention. Further, the multi dimension of service value, which are hedonic and utilitarian, were connected to the regulatory focus on the basis of each of the characteristics of regulatory focus. What's more, cognitive tuning theory was also explained in order to elucidate the reverse relationship between regulatory focus and service quality/sacrifice. These efforts are relatively new attempts in the service literature, as well as in regulatory focus literature. Therefore, the findings tested empirically in this study enrich regulatory focus studies.

Managerial Implications

The findings of this study provide meaningful implications for marketers. First, from the test of Hypothesis 1, the result provides empirical evidence to suggest that multi-dimensional service value is the main decision criterion for customers' behavioral intentions. The perception of sacrifice and service quality is an integrative process of customers' cognition. When dividing the two dimensions of value, which are hedonic value and utilitarian value, customers still cognitively integrate their perceptions of each side of value so as to arrive at a decision on whether or not to behave positively toward restaurant service. Therefore, for the marketer, distinctive information about both hedonic and utilitarian value should present to the customer. Information about what is received and what is given up from both utilitarian and hedonic aspects must be provided to encourage a customer's positive behavior toward restaurant service. As discussed earlier, the hedonic side of restaurant value is based on fun, playfulness and, therefore, it is entertainment and more subjective, while utilitarian value is from the rational, functional aspect of restaurant service. Thus, marketers need to consider each of the characteristics of value when they are planning marketing activities such as advertising. Further, as this empirical study suggested, each service value is an additive process of information rather than service quality and sacrifice functioning separately. This implies that restaurant consumer do not go to the restaurant just for the quality. They consider their costs such as gasoline or price of the menu, travel time to get there or time to get the food and other efforts to receive the good service. Especially, this study implied that from the hedonic value, sacrifice could be a critical role that people resist going the restaurant again. This

indicates that the consumers who consider hedonic value as important attributes for service, their time, or other efforts would be vital factors for making decision about restaurant choice. Thus, marketers should consider cost and benefit for the consumers together rather than just focusing on service quality when they establish a marketing strategy for multi service value.

Second, this study revealed that each service value is main domain that elicits customer's positive emotion, which consequently draw consumers' positive behavioral intention. Therefore, this result requires a restaurant marketer to focus on improving each factor of value. For example, atmosphere, interior design, and the aesthetic aspects of the restaurant are the hedonic points to appeal to the customer; the utilitarian aspects, providing reasonable cost, taste, and various menu choices, will be the tips for attracting them. 'Emotional marketing' aims to stimulate consumers' emotions when they face the purchase decision making process. The result of this study implicates that the success of emotional marketing in the restaurant industry can be achieved through value. Thus, marketers manage these values very carefully so that consumer's positive emotion is elicited from them. In marketing efforts such as adverting in TV, Radio, or Internet, managers can use the findings of this study. For example, managers can plan to advertise the benefits of their interior design, good atmosphere, or social factor to provide positive emotion to consumers who consider hedonic value mostly. For utilitarian consumers, managers can focus on food portion, healthy food option or variety of food choice when they advertise their restaurant.

Finally, this study revealed that individuals with a promotion focus are positively evaluating both service quality and sacrifice. This is an interesting implication in

practically. Without question, good service quality is an important criterion for every restaurant customer. It is easily understood that people with a promotion focus will perceive service quality highly, so restaurateurs need to focus on providing good service. But what about sacrifice, which refers to any kind of loss or efforts (time, money, or other costs) that people give up for the service? This study revealed that people with a promotion focus evaluate their efforts for getting the service as low. This is helpful to managers because sacrifice is not a big deal for promotion focus individuals. This result implies that promotion people are willing to sacrifice in order to receive their desired service. Marketers need to identify which area exhibit promotion character in their target market. When the target market is identified with promotion character, then, they set up the marketing strategy according to their character.

For example, regarding the characteristics that promotion focused people are willing to sacrifice for their desired service, a marketer can consider incorporating charitable or nonprofit activities into the marketing plan. An example of this practice is the case of Panera Bread located in Clayton, MO. This restaurant has practiced “you can pay what you want” since May 2010. The restaurant started this practice with the hope that charitable customers would donate more money than the menu’s requested amount to provide funds for discounted meals for those who really are in need. The restaurant’s motto is “We encourage those with the means to leave the requested amount or more if you’re able. And we encourage those with a real need to take a discount.” The restaurant plans to use its net income for community programs. The result of this practice is that overall revenue is flat; consumers pay 90% of the retail price on average, but total transactions are up 5% to 10%. However, even if the foot traffic at the store has increased

only modestly, the brand image of Panera Bread will become elevated due to its charitable activity. Good brand image is a future asset for the company, and this example charitable activity implies that promotion focus individuals, who are motivated by positive outcomes, will sacrifice their efforts gladly for charitable contributions to the community.

This practice illustrated above is a good example of blue ocean strategy (Kim & Mauborgne, 2004) in the restaurant industry. In blue oceans, demand is created rather than fought over, which is described as red ocean. By creating an uncontested market space and capturing new demand (i.e., the demand for charitable activity through individuals' everyday consumption), Panera Bread differentiates itself and makes the competition irrelevant. The result of the current study implicates that restaurant marketers should consider quality and sacrifice at the same time for a market that shows promotion focus characteristics.

Limitations and Future Studies

Several limitations of this study provide direction for future studies. First, the response rate is low, which can cause a non-response bias because non respondents might have different opinions. Improved survey techniques to improve the response rate are needed for future study. Sending personal birthday cards prior to administrating the questionnaire, providing incentives for encouragement, and follow-up reminders to encourage completion of the survey are examples of actions that could increase responses.

Second, this study selected national chain casual dining restaurants for observing the phenomenon. Therefore, when applying the results to other segments, such as fast/quick service restaurants, careful interpretation is needed because hedonic value and utilitarian value could have different meanings for those restaurants, depending on the geographic area. For example, Park's (2004) research used slightly different items in order to define the value for fast dining restaurants in Korea. For Koreans, foreign fast/quick service restaurant are regarded as providing exotic and playful service. Thus, a cautious consideration of the segment, along with the cultural aspect, is required for application of the results.

Third, regarding the emotion elicitation process, even though this present study discovered a new dimension of appraisal, it did not include other appraisals that cognitive appraisal theorists have found in past literature (i.e., congruence, relevance, agency, etc.). Cognitive appraisal theorists have argued that different appraisal dimensions result in different emotions. Therefore, it is encouraged that this study be expanded so that future research can examine other appraisal dimensions. Further, this research focused only on positive emotions. A stimulus such as sacrifice could elicit negative emotions, such as disappointment. As with positive emotions, negative emotions can increase the predictive power for behavioral intent. Therefore, for future research, it is suggested that negative emotions be included in the model.

Fourth, two distinguished regulatory focuses were used to predict service quality, sacrifice and service value. It could be argued that a more precise measure could have been used. Therefore, it is possible that the results might slightly underestimate the influence of regulatory focus on the variables. However, it is reasonable to expect that

two distinguished regulatory focuses provide a unique situation related to service value, and it is quite unlikely that a different cause of motivation by personality would have any substantial impact on the variables, especially in terms of sacrifice and quality. However, it is recognized that it is future researchers' task to investigate an improved measure of regulatory focus so that it can account for more variance of sacrifice and service quality. Further, it is a little bit frustrating to see that there were no significant relationship found between prevention focus and other variables. However, different results would be produced if different sample such as Asian area were used.

Fifth, this study used regulatory focus theory as a personality effect to investigate the whole consumer behavior model. Regulatory focus theory has been applied to consumer behavior research for the past few years, but most of this research adopted the theory in order to explain the framing effect for the consumer's information process rather than for the personality effect. The past research successfully demonstrated that the two regulatory focuses work for elucidating different information processes for different situations (i.e., Aaker & Lee, 2001, 2004, 2006; Pham & Avnet, 2004). Therefore, future research could be directed to the application of the theory as a framing effect along with chronicling personality in the restaurant industry.

Finally, the application of this model to another service industry sector, such as banking, hotels, or airlines is recommended for future study. The model suggested in this study is a comprehensive service value model. Given that most industries have become more service oriented, application of the model to other sectors could provide meaningful insights.

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APPENDICES

Oklahoma State University Institutional Review Board

Date: Friday, March 12, 2010
IRB Application No HE1016
Proposal Title: An Integrative Service Value Model in the Restaurant Industry

Reviewed and Exempt
Processed as:

Status Recommended by Reviewer(s): Approved Protocol Expires: 3/11/2011

Principal

Investigator(s):

Bongran Jin Sun	Hailin Qu
1210 HES	220 HES
Stillwater, OK 74078	Stillwater, OK 74078

The IRB application referenced above has been approved. It is the judgment of the reviewers that the rights and welfare of individuals who may be asked to participate in this study will be respected, and that the research will be conducted in a manner consistent with the IRB requirements as outlined in section 45 CFR 46.

The final versions of any printed recruitment, consent and assent documents bearing the IRB approval stamp are attached to this letter. These are the versions that must be used during the study.

As Principal Investigator, it is your responsibility to do the following:

1. Conduct this study exactly as it has been approved. Any modifications to the research protocol must be submitted with the appropriate signatures for IRB approval.
2. Submit a request for continuation if the study extends beyond the approval period of one calendar year. This continuation must receive IRB review and approval before the research can continue.
3. Report any adverse events to the IRB Chair promptly. Adverse events are those which are unanticipated and impact the subjects during the course of this research; and
4. Notify the IRB office in writing when your research project is complete.

Please note that approved protocols are subject to monitoring by the IRB and that the IRB office has the authority to inspect research records associated with this protocol at any time. If you have questions about the IRB procedures or need any assistance from the Board, please contact Beth McTernan in 219 Cordell North (phone: 405-744-5700, beth.mcternan@okstate.edu).

Sincerely,



Shelia Kennison, Chair
Institutional Review Board

COVER LETTER

Dear Participant:

Hello! I am Lucia, a doctoral student in Hospitality Administration at Oklahoma State University. I am conducting a research survey as part of my doctoral dissertation.

The purpose of my study is to understand the customer's decision making process for choosing a restaurant. Results of the study will help restaurateurs provide maximum value to customers.

Since I only sent this survey to a limited number of people, your response is valuable to the success of the research. It may take about only 10 to 15 minutes to complete this survey. Your participation is greatly appreciated. **Your participation is strictly voluntary.** There is no penalty for refusal to participate, and you are free to withdraw from the survey at anytime without penalty. **Your responses will remain confidential.** You must be at least 18 years of age to participate.

If you have any further questions about this study, please contact me at bongran@okstate.edu or phone (405) 744-2355. For information on subjects' rights please contact Dr. Shelia Kennison, IRB Chair, 219 Cordell North, Stillwater, OK 74078, USA, 405-744-7355. Thank you for your valuable time.

Sincerely,

Lucia Sun
Doctoral student
School of Hotel and Restaurant Administration
148 HES
Oklahoma State University
Phone:(405)744-2355
E-mail:bongran@okstate.edu

PART I

Please think about the casual dining restaurant (ex. Apple Bee's, Chilli's, Olive Garden, On the Border, Romano's, Macaroni Grills etc...) you visit most often, and answer the following question.

How often do you visit this restaurant?

- Twice a Week
 Once a Week
 Once a Month
 Other

Please indicate the extent to which you agree or disagree with each of the following statements

	Strongly Disagree							Strongly Agree						
The price at this restaurant is low	1	2	3	4	5	6	7	1	2	3	4	5	6	7
The time needed to dine at this restaurant is low	1	2	3	4	5	6	7	1	2	3	4	5	6	7
The effort required to dine at this restaurant is low	1	2	3	4	5	6	7	1	2	3	4	5	6	7
The restaurant serves my food exactly as I ordered it	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Employees are always willing to help me	1	2	3	4	5	6	7	1	2	3	4	5	6	7
The behavior of employees instills confidence in me	1	2	3	4	5	6	7	1	2	3	4	5	6	7
The restaurant has my best interest at heart	1	2	3	4	5	6	7	1	2	3	4	5	6	7

	Strongly Disagree							Strongly Agree						
The atmosphere and interior design of this restaurant are important to me when eating out	1	2	3	4	5	6	7	1	2	3	4	5	6	7
I prefer eating out at this restaurant to have a good time	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Even though cost is the main factor, it is necessary to eat out a good place like this restaurant	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Layout and facilities aesthetics of this restaurant is fun and pleasant to me	1	2	3	4	5	6	7	1	2	3	4	5	6	7
The cost of food is reasonable in this restaurant	1	2	3	4	5	6	7	1	2	3	4	5	6	7
The foods I have are tasty, so I enjoyed	1	2	3	4	5	6	7	1	2	3	4	5	6	7
Food portion in this restaurant is enough, satisfying my hunger	1	2	3	4	5	6	7	1	2	3	4	5	6	7
I like variety of menu choices in this restaurant	1	2	3	4	5	6	7	1	2	3	4	5	6	7
I like healthy food options in this restaurant	1	2	3	4	5	6	7	1	2	3	4	5	6	7

	Not at all						Very Strongly
When I think of eating out at this restaurant, I feel <i>Joy</i>	1	2	3	4	5	6	7
When I think of eating out at this restaurant, I feel <i>Excitement</i>	1	2	3	4	5	6	7
When I think of eating out at this restaurant, I feel <i>Peacefulness</i>	1	2	3	4	5	6	7
When I think of eating out at this restaurant, I feel <i>Refreshment</i>	1	2	3	4	5	6	7

	Strongly Disagree			Strongly Agree			
I will return to this restaurant in the future	1	2	3	4	5	6	7
I will absolutely consider coming back to this restaurant	1	2	3	4	5	6	7
I will increase my spending at this restaurant in the future	1	2	3	4	5	6	7
I will recommend this restaurant to my friends or others	1	2	3	4	5	6	7
I will say positive things about this restaurant to others	1	2	3	4	5	6	7

This section is about your thought in your life

Please indicate your feelings about each of the following statement in your life

	Never or Seldom				Very Often
How often have you accomplished things that got you "psyched" to work even harder?	1	2	3	4	5
Do you often do well at things that you try?	1	2	3	4	5
I feel like I have made progress toward being successful in my life	1	2	3	4	5
Are you a fanatic when you are trying to realize your goals?	1	2	3	4	5
Are you someone who looks forward to situations in which you expect to have success?	1	2	3	4	5
I often try to reach that in life in which I believe	1	2	3	4	5
Growing up, would you ever "cross the line" by doing things your parents would not tolerate?	1	2	3	4	5
Did you get on your parents' nerves often when you were growing up?	1	2	3	4	5
Growing up, did you ever act in ways that your parents thought were objectionable?	1	2	3	4	5
Not being careful enough has gotten me into trouble at times.	1	2	3	4	5
Do you find that there are things that you have not thought about when you make choices?	1	2	3	4	5
Do you break rules to reach your goals?	1	2	3	4	5

PART II. Information about yourself

1. Please indicate your Gender

- Male Female

2. Please Indicate your Age

- 18-24years
 25-34years
 35-44 years
 45-54 years
 55-64 years
 65 and over

3. Please Indicate the highest Educational Level you have completed

- Less than High School
 High School Degree
 Associate/Vocational Degree
 Some College Credits
 Bachelors Degree
 Graduate Degree

4. Please indicate your Annual Household Income

- Under \$18,000
 \$18,000 to \$24,999
 \$25,000 to \$49,999
 \$50,000 to \$74,999
 \$75,000 to \$99,999
 \$100,000 to \$149,999
 \$150,000 to \$200,000
 Above \$200,000

VITA

SUN, BONGRAN (LUCIA)

Candidate for the Degree of

Doctor of Philosophy

Thesis: AN INTEGRATIVE VALUE BASED CONSUMER BEHAVIOR MODEL IN
THE RESTAURANT INDUSTRY: ASPECTS OF REGULATORY FOCUS
THEORY AND COGNITIVE APPRAISAL THEORY

Major Field: HUMAN ENVIRONMENTAL SCIENCES

Biographical:

Education:

Completed the requirements for the Doctor of Philosophy in Human environmental sciences at Oklahoma State University, Stillwater, Oklahoma in December, 2010.

Completed the requirements for the Master of Science in Human environmental science at Oklahoma State University, Stillwater, OK in 2004.

Completed the requirements for the Bachelor of Arts in German literature and language at Ewha Womans University, Seoul, Korea in 1996.

Experience: Worked at Seoul Art Center, Korea (1997-1998), Euro Event, Seoul, Korea (1996)

Professional Memberships: Member of the International Council on Hotel, Restaurant, and Institutional Education (ICHRIE)

Name: Sun, Bongran (Lucia)

Date of Degree: May, 2011

Institution: Oklahoma State University

Location: Stillwater, Oklahoma

Title of Study: AN INTEGRATIVE VALUE BASED CONSUMER BEHAVIOR
MODEL IN THE RESTAURANT INDUSTRY: ASPECTS
OF REGULATORY FOCUS THEORY AND COGNITIVE APPRAISAL
THEORY

Pages in Study: 144

Candidate for the Degree of Doctor of Philosophy

Major Field: Human Environmental Sciences

Scope and Method of Study: The topic of this study was service value in the restaurant industry. The study made an attempt to explain service value based on two relevant theories, regulatory focus theory and cognitive appraisal theory. The purpose of the study was 1) to investigate the differences between the multiplicative and the additive multi dimensional service value models, 2) to examine the differences between the Mehrabian-Russell and the cognitive appraisal paradigms for consumer emotions, and 3) to explore the effect of regulatory focus on service value. Data were collected from US consumers from across the country by using a web-based email survey. SPSS and Lisrel 8.80 were used for data analysis.

Findings and Conclusions: The findings of this study indicated that behavioral intention of the consumer in the restaurant industry can be predicted more clearly when two dimensions of service value (hedonic and utilitarian) are added in the decision making model. Further, this study provided empirical evidence that the two service value dimensions are significant cognitive appraisal elements from which positive emotions are elicited. Regarding regulatory focus, only promotion-focus affected sacrifice and service quality. This study implied that positive emotion is a critical antecedent to explain consumer behavior intention.

ADVISER'S APPROVAL: Dr. Hailin Qu
