

QATAR UNIVERSITY

COLLEGE OF BUSINESS AND ECONOMICS

THE EFFECT OF PERCEIVED PRIVACY ON CONSUMERS' BEHAVIORAL  
INTENTIONS: AN APPLICATION TO RESTAURANT SETTINGS IN QATAR

BY

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## ABSTRACT

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Title: The Effect Of Perceived Privacy On Consumers' Behavioral Intentions: An Application To Restaurant Settings In Qatar

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The topic of atmospherics and how they impact consumer behavior has been studied extensively in marketing literature within retailing contexts. However, the impact of perceived privacy on consumer responses has not been thoroughly examined. The aim of this study is to examine the impact of perceived privacy on behavioral intentions in restaurant settings. The moderating effect of personal cultural orientation and mediating effect of emotions are examined. This study is conducted in restaurant settings within Qatar, an Arab-Islamic country with a significant privacy ethos. Data is collected from 129 Qataris and analyzed using PROCESS. Theoretically, this study sets a precedent for the consideration of privacy as an important determinant in the service setting. This study also provides valuable managerial implications about the effect of perceived privacy on repurchase/revisit intentions. Through utilizing the knowledge obtained here, managers can cater to and trigger positive emotions that lead to favorable behavioral responses.

## DEDICATION

*I would like to dedicate this thesis to my best friend Amal Alzaeem who's love and support is the reason I have made it this far.*

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## CHAPTER 1: INTRODUCTION

Atmospherics and the impact they have on consumer behavior has been a widely researched topic for many years. In many service and retail settings, understanding how such environmental cues can impact consumer behavior has been significant in benefitting managers and marketers. One of the earliest works on the topic defines atmospherics as “the effort to design buying environments to produce specific emotional effects in the buyer that enhance his purchase probability” (Kotler, 1973, p. 50). Based on this definition of atmospherics, a variety of concepts and aspects are then studied to investigate their impact on increasing purchase probability. When considering store atmosphere, the role that privacy plays in impacting consumer behavior has been largely overlooked in past research. Store atmosphere has instead been studied with a focus on a variety of different aspects about a store such as store layout (Burstiner, 1986), lighting (Mattila & Wirtz, 2006; Areni & Kim, 1994), sounds or background music (Vida, 2008), colors (Crowley, 1993; Bellizzi & Hite, 1992), smells (Mitchell, Kahn & Knasko, 1995; Spangenberg, Crowley & Henderson, 1996), customer crowding (Hui & Bateson, 1991) and more. Other researchers have also factored in a combination of multiple atmospheric cues at a time and noted their impact on store image (Baker, Grewal & Parasuraman, 1994) and consumer behavior (e.g. Grayson & McNeill, 2009; Matilla & Wirtz, 2006). Conclusively, it has been proven through many different studies that store atmosphere can impact consumer perception of quality, consumers’ mood and even their desire to return back to the store (Wakefield & Blodgett, 1999).

It is worth noting that the contexts in which these types of studies have been conducted differ greatly as well. Most of the research attempted to understand the impact

of store environment on consumer behavior in the retail setting (e.g. Baker, Levy & Grewal, 1992; Sherman, Mathur & Smith, 1997; Berman & Evans, 1992) with fewer studies considering the hospitality field, particularly restaurants (e.g. Liu & Jang, 2009; Milliman, 1986; Jang & Namkung, 2009). In the case of restaurants, as with any store environment, a variety of environmental cues can affect customers' experiences. For example, the placement of tables can convey to the consumer a sense of privacy, provide desired functionality and even act as a boundary (Lin, 2004). Privacy as an aspect of store atmosphere remains largely understudied in the field, especially in the context of restaurants. To consumers, privacy can be of great value and significance since the lack of adequate privacy in restaurants or cafes can affect their mood, satisfaction, approach-avoidance behavior and behavioral intentions. Consequently, perceived privacy can be one of the main determinants of consumer responses which makes it an important topic to delve into to contribute to research about the topic of atmospherics and provide valuable managerial implications.

In an attempt to ground this research in a sound theoretical framework, the model created by Mehrabian and Russell (1974) is used and expanded on to examine the impact of perceived privacy on emotions which in turn affects behavioral intention. Mehrabian and Russell (1974) conducted a study in the context of environmental psychology wherein they suggested that environmental stimuli causes an emotional reaction which in turn results in driving consumer behavior. Their work is based on a Stimulus-Organism-Response (S-O-R) paradigm and has been applied in a variety of different contexts wherein different environmental stimuli were tested to see how they can predict emotional responses such as pleasure or arousal and approach-avoidance behaviors or

behavioral intention responses (e.g. Donovan & Rossiter, 1982; Jang & Namkung, 2009; Wakefield & Blodgett, 1994).

### 1.1 Background of the Study

While the topic of privacy in the context of retail or service settings has not been a major focus in past studies, the impact of privacy has been considered in other contexts. One of the main settings in which privacy has been studied is office spaces (e.g. O'Neill & Carayon, 1993; Marquardt, Veitch & Charles, 2002; Block & Stokes, 1989; Burgess, Lai, Eisner, & Taylor, 1989; Sundstrom, Burt & Kamp, 1980). In the context of open-plan offices, studies consider the existence of a positive correlation between perceived privacy and overall satisfaction with the employee's environment (Sundstrom, Burt & Kamp, 1980). There are both visual and acoustic aspects of privacy such that "open-plan offices" are perceived to have a lower level of privacy than "enclosed offices" and are subject to a higher tendency of noise and distractions (Block & Stokes, 1989; Burgess, Lai, Eisner, & Taylor, 1989; Cangelosi & Lemoine, 1988; Hedge, 1982; Marans & Spreckelmeyer, 1982), which can negatively affect satisfaction (O'Neill, 1994). The "partition shape and height, degree of enclosure and workstation size" of such office spaces may then be a participating factor to the attainment of privacy needs and effect of satisfaction in the environment (Marquardt, Veitch & Charles, 2002, p. 9). As such, studies in this field provide evidence for how perceived privacy can impact behavior and satisfaction with the environment.

Beyond office spaces, the widespread adoption and use of the Internet has resulted in online privacy emerging as a topic of interest in recent years. The

advancements made through technology have provided individuals with the ability to access a plethora of information and converse and share with others even while on the go. As a result of this constant connectedness with others, online privacy has become a huge focus in the literature. Jabeur, Zeadally and Sayed (2013) discussed how greatly people's privacy is invaded by applications such as Facebook, location-based applications, Bluetooth and more. The ability to have immediate access to users' personal information poses risks and can affect the level of adoption and engagement consumers have with these services. Beyond that, other concerns such as attacks from "malicious users" have become much more probable and have discouraged users from sharing their personal information, including both their identity and location (Jabeur, Zeadally & Sayed, 2013, p. 78). Consequently, privacy can impact consumers online behavior, attitudes and adoption of services.

To date, the impact of privacy in retail or hospitality settings has not received much attention. Robson (2008) looked at how stress can affect a person's need for privacy in a restaurant dining setting. Robson (2008) found that in low stress situations, consumers chose a table with a single architectural anchor such as a wall or a window. Such positioning gives them the ability to regulate the level of privacy and reduce the chances of their space being invaded by strangers (Altman, 1975). In more stressful situations, Robson (2008) noted that consumers often opted for corner tables or more secluded seating positions so as to limit the chances of invasion of privacy. Even in situations where they went with friends or with family, there were differences in table preferences. This study shows the importance of considering the role of privacy, the physical setting and consumer comfort in impacting satisfaction (Charles & Veitch,

2002), and in providing financial benefits to restaurants and other service environments (Kimes & Robson, 2004). If guests perceive the level of privacy as adequate and in line with their needs, they could display approach behaviors leading to favorable assessments of their setting as well as increases in purchasing (Wakefield & Blodgett, 1996).

Culture can play an important role in the value and significance that consumers assign to privacy. It is commonly believed that the same stimuli can lead to different reactions based on one's culture (Davis, Wang & Lindridge, 2008). So, when it comes to assessing consumers' experience in a restaurant setting, different norms and cultures determine how consumers perceive the restaurant environment and the extent it provides them with the needed level of privacy. Considering that context of this present study is Qatar, it is important to take into account the significant need of privacy in the Qatari culture. Privacy in the Qatari culture and in the Gulf region as a whole is highly valued wherein both private and sometimes public spaces are gender segregated (Sobh & Belk, 2011; Sobh, Belk, & Wilson, 2013). Some restaurants in the region also support this type of segregation to meet Qatari consumers needs. While little is known about perceived privacy and its impact on consumer behavior in restaurant settings, the moderating role personal cultural orientation can play has not been considered in this context either.

## 1.2 Motivation for the Study

Much of the research done on the impact of atmospherics on consumer behavior has highlighted the importance of factoring in these aspects in building satisfaction, shaping the store image, encouraging store patronage and beyond. While privacy can be respected through store layout and could be considered an integral part of the store

atmosphere, it has not been the focus of past research in the field. Privacy has been an important area of study in office spaces and online, but there remains a gap in the literature about perceived privacy in restaurants and the impact it can have on consumer behavior. More specifically, investigating how the perception of privacy in restaurants affects customers' emotions and their behavioral intentions has not been previously explored. In addition to its expected contribution to theory about the topics of atmospherics in marketing, a better understanding of consumer behavior in this context promises to have important managerial implications. If the privacy needs of restaurant consumers are met, managers can benefit from increased loyalty and approach behaviors. This leads to a financial benefit for the restaurant as it indicates revisiting intentions and increased exposure. Moreover, these findings can be generalizable because privacy is an essential aspect to all consumers. However, its perception and its level of importance can differ from consumer to consumer. Managers can also benefit from knowing that emotions can mediate the relationship between the stimulus and the response. Due to the rate at which restaurants are flourishing and the influx of investments within this industry, differentiation and instilment of loyalty in consumers is of critical importance. It is then largely important for managers to better understand how to positively impact consumer behavior within their restaurants.

### 1.3 Aim of the Study and Research Questions

The main aim of this study is to provide insight about how perceived privacy in restaurants impacts the behavioral intentions of word-of-mouth, willingness to pay more and repurchase intentions through the moderated mediation effect of emotions. Building

on the Mehrabian-Russell model (Mehrabian & Russell, 1974; Donovan & Rossiter, 1982), this study considers perceived privacy as the environmental stimuli under investigation. In an attempt to ascertain the impact of positive and negative emotions on behavioral intentions, the emotions of arousal and stress will be considered as the emotional states under investigation. As such, this research aims to answer the following research questions:

RQ1: What is the impact of perceived privacy on consumers' behavioral intentions related to a restaurant?

RQ2: Do emotions mediate the relationship between perceived privacy and behavioral intentions?

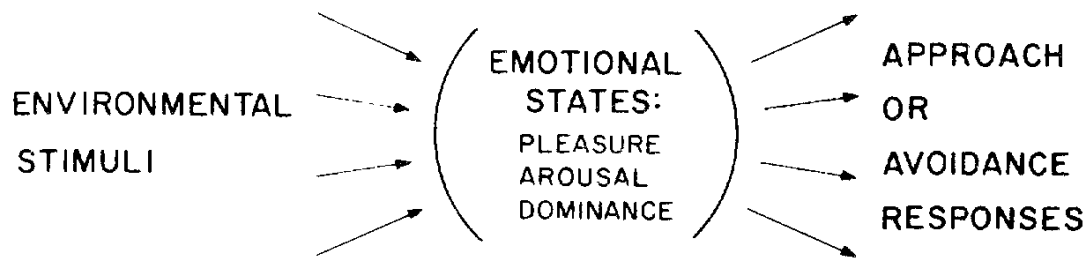
RQ3: What is the moderating effect of personal cultural orientation on the relationship between perceived privacy and emotions?



## CHAPTER 2: LITERATURE REVIEW

### 2.1 The Mehrabian- Russell Model

The Mehrabian-Russell model was put forth by researchers aiming to investigate how external stimuli such as environmental aspects influence emotional states and in turn impact an individual's responses (Mehrabian & Russell, 1974). To this end, the authors suggest that various atmospheric elements can act as external stimuli and result in causing internal processes that intervene between the stimuli and the actions or responses taken by the individual (Bagozzi, 1986). As a result, the implication is consumer emotional states are mediating the relationship between the stimulus or atmosphere and consumer behavior. Mehrabian and Russell (1974) considered the emotional states of pleasure, arousal and dominance in their study and looked at how they impact consumers' desire to stay, communicate with others or explore the environment or partake in opposing behaviors wherein they avoid the environment and others in it. The following figure displays this M-R model, which will also be adopted and expanded on in this present study.



*Figure 1.* The Mehrabian-Russell Model. Source: Donovan & Rossiter, 1982, p. 42.

This model has thus been applied in a variety of contexts. In a pioneering study carried out by Donovan and Rossiter (1982), the authors test the environmental psychology model put forth by Mehrabian and Russell (1974), but they apply this model to a retail setting. While they agree that there is an effect of store atmosphere on store patronage, they suggest that this impact is likely to happen at an unconscious level and be more influential on behavior within the store. As such, they suggest the importance of adopting the same Stimulus-Organism-Response (S-O-R) paradigm as the Mehrabian-Russell model (1974) that includes a stimulus, a set of mediating variables and a taxonomy of responses. In their study, they considered the environmental stimuli as store atmosphere, the mediating variables as the emotional states of pleasure, arousal and dominance and the behavioral response of approach-avoidance behavior. They find support for the mediating effects of pleasure and arousal, but dominance was not found to be related to in-store behaviors. This presence of non-significance for dominance was found in other research as well (e.g. Russell & Pratt, 1980; Donovan et al., 1994).

Many other researchers also adapted the M-R model in their investigation of store atmosphere and its impact on behavioral intentions (e.g. Jang & Namkung, 2009;

Wakefield & Blodgett, 1994; Baker, Levy & Grewal, 1992). For example, Baker, Levy and Grewal (1992) studied how ambient cues and social cues of a store's environment influence pleasure and arousal. They found that this impact on emotions does in turn have a positive relationship with consumers' willingness to buy. Beyond this, other research has further supported how atmospherics can impact consumers such as the work of Wakefield and Baker (1998) who studied how the design and décor of a mall can drive excitement among consumers. Expanding on the model and the work of Donovan and Rossiter (1982), Jang and Namkung (2009) take into account other product and service stimuli and consider how perceived quality will impact behavioral intentions in the context of restaurants. Their employment of perceived quality as an important aspect and expansion to the original model sets the basis for the consideration of perceived privacy in this study and the role it plays in the same context. Perceived privacy and its impact on consumer emotional states and their behavior within a restaurant setting has yet to be studied. As such, this research will build on the M-R model and add to the literature through the consideration of perceived privacy as the stimuli, stress and arousal as the emotional states, and the behavioral intentions of willingness to recommend the restaurant to others (WOM), willingness to pay more and willingness to repurchase or revisit as the behavioral responses.

## 2.2 Store Atmospherics as Stimuli

The concept of stimulus involves the process of something inciting action or increased action and it has been studied extensively in the literature (e.g. Bagozzi, 1986; Kelly, 1955). Bagozzi (1986) points out that through depicting consumer behavior using

the paradigm of Stimulus-Organism-Response, the stimuli are considered “external to the person” and will consist of environmental inputs as well as marketing mix variables (p. 46). As such, stimuli can come to refer to a variety of atmospheric aspects about a store’s environment. While not all research in the field of atmospherics has adopted this S-O-R paradigm, this present study builds on it in an attempt to synthesize the literature and provide a solid theoretical basis. Atmospherics have been the focus of many research studies such that consumers are likely to make judgements about a store through relying on atmospheric cues (Levitt, 1981). The seminal work of Kotler (1973) puts forth the definition of atmospherics as “the effort to design buying environments to produce specific emotional effects in the buyer that enhance his purchase probability” (p. 50). As a result, the term atmospherics has come to refer to a variety of store elements such as store layout (Burstiner, 1986), lighting (Mattila & Wirtz, 2006; Areni & Kim, 1994), sounds or background music (Vida, 2008), colors (Crowley, 1993; Bellizzi & Hite, 1992), smells (Mitchell, Kahn & Knasko, 1995; Spangenberg, Crowley & Henderson, 1996), customer crowding (Hui & Bateson, 1991) and beyond. According to Kotler (1973), physical environments do in fact influence consumption and purchase behavior. As a result, store environment can then be used as a marketing tool to help attract, retain and impact customers (Baker, Levy & Grewal, 1992) or even cause them to exhibit approach behaviors (Gilboa & Rafaeli, 2003).

Consequently, the impact that atmospherics have on consumer behavior such as store image (Baker, Grewal & Parasuraman, 1994), consumer perception of quality, mood and even their desire to return back to the store (Wakefield & Blodgett, 1999) has been supported in various areas of the literature on atmospherics. Other findings in the

field suggest that interior design influences consumers' willingness to stay in the store (Wakefield & Blodgett, 1996) and their satisfaction with the service (Andrus, 1986). Other atmospherics such as color work to draw consumers' attention and stimulate their emotions (Bellizzi & Hite, 1992), lighting and its harmony with décor and color increases the pleasantness of the experience (Steffy, 2002), and music can even stimulate emotions and behavior (Baker, Levy & Grewal, 1992). While privacy in retail or service settings has not been the focus of many studies, the literature on atmospherics provides a theoretical foundation for the consideration of privacy in this context.

Although the term atmospherics has been adopted by many studies in this field, researchers have categorized atmospherics or environmental cues in a variety of ways. In the work put forth by Bitner (1992), a conceptual framework was developed wherein atmospherics was replaced with the term "servicescapes" and was used to describe the effect physical environments have on consumers and employees in the context of the services industry. Bitner (1992) divided these servicescapes into the following three categories: ambient conditions, spatial layout and functionality, and signs, symbols and artifacts. Other studies have considered atmospherics as being grouped into the following categories: external variables, general interior variables, layout and design variables, point-of-purchase and decoration variables (Berman & Evans, 1992) and human variables (Turley & Milliman, 2000). The inclusion of human variables by Turley and Milliman (2000) sheds light on the importance of considering factors such as crowding, customer characteristics, privacy, employee characteristics and uniforms when looking at the impact of environmental cues. It is crucial to consider such human variables as both employee and customer characteristics are important in shaping customer emotions and

behavioral intention (Ryu & Jang, 2008). Customer characteristics can be especially important as variations in demographics will have an effect on the user's perception of the atmosphere (Heide & Grønhaug, 2006). The following table summarizes some of the important studies in the field and their findings.

Table 1

*Summary of Store Atmospheric Studies*

<b>Reference</b>	<b>Environmental Stimuli</b>	<b>Context</b>	<b>Methodology</b>	<b>Findings</b>
Donovan & Rossiter (1982)	Store atmosphere	Retail	Questionnaire	Found support for the mediating effects of arousal and pleasure but not dominance on approach-avoidance behaviors.
Park, Iyer & Smith (1989)	Store environment	Grocery stores	Controlled field experiment	“While exploring the effects of store knowledge and time available for shopping, these two factors have an impact on such shopping behaviors as failure to make the intended purchases, unplanned buying, brand and product class switching, and purchase volume deliberation.” “Ambient cues interact with social cues to influence respondents’ pleasure and the social cues influence arousal in the store environment. These affective states are in turn found to have a positive relationship with respondents’ willingness to buy. Finally, the results provide initial support that arousal and pleasure may mediate the effects of store environment on respondents’ willingness to buy.”
Baker, Levy & Grewal (1992)	Ambient and social factors	Retail	Experiment	“The results reinforce the conclusion by Donovan and Rossiter (1982), and others, that the M-R model (in its modified form using only the pleasure and arousal dimensions) is useful for the study of store behavior. Shoppers’ emotional states within the store predict actual purchase behavior—not just attitudes or intentions. Moreover,
Baker, Grewal & Parasuraman (1994)	Store environment (ambient, design and social factors)	Retail	Questionnaire	This research finds that ambient elements in the store environment provide indications that consumers use for their quality deductions.
Donovan, Rossiter, Marcoolyn, & Nesdale (1994)	Store atmosphere	Discount department stores	Store interception	“The results reinforce the conclusion by Donovan and Rossiter (1982), and others, that the M-R model (in its modified form using only the pleasure and arousal dimensions) is useful for the study of store behavior. Shoppers’ emotional states within the store predict actual purchase behavior—not just attitudes or intentions. Moreover,

Bloemer & De Ruyter (1998)	Store image	Department stores	Questionnaire	<p>the contribution of the emotional variables to store behavior is independent of cognitive variables such as perceptions of quality and price. More specifically, pleasure induced by store environments appears to be a strong cause of consumers spending extra time in the store and spending more money than intended.”</p> <p>“The relationship between store satisfaction and store loyalty does indeed depend on the type of satisfaction. The positive impact of manifest satisfaction on store loyalty is stronger than the positive impact of latent satisfaction on store loyalty. The amount of satisfaction has a positive effect on store loyalty, whereas both involvement and deliberation have a negative effect on store loyalty. It should be noted that the direct negative effect of deliberation is even more pronounced than the direct negative effect of involvement.”</p>
Eroglu, Machleit & Davis (2003)	Website atmospherics	Online shopping	Questionnaire	<p>“There is a significant effect of site atmospherics on shopper attitudes, satisfaction, and various approach/avoidance behaviors. Findings also support the moderating effects of involvement and atmospheric responsiveness.</p> <p>“In low stress situations, consumers picked tables that had a single architectural anchor such as a wall or a window. This allowed them the ability to regulate the level of privacy and reduce the chances of privacy invasion. In more stressful situations, the research found that consumers chose more secluded tables such as ones located in corners. Whether the consumer was visiting the restaurant with friends or family also impacted their table preferences.”</p>
Robson (2008)	Stress	Restaurant	Questionnaire	<p>“This research found that perceived quality of atmospherics and the service act as stimuli that increase positive emotions while product attributes, (food quality), act to mitigate negative emotional responses. It was also found that positive emotions mediate the relationship between perceived quality of atmospherics and services and future behavioral outcomes.”</p>
Jang & Namkung (2009)	Perceived quality of atmospherics, product and service	Restaurants	Questionnaire	



### *2.2.1 Store Layout*

As previously established, atmospherics can refer to a variety of different aspects of a store's environment. When it comes to privacy however, it is the literature on store layout that is most important to consider, as the specific positioning of tables and the layout within the store can enhance consumer perception of privacy and impact consumer behavior. Store layout could refer to a variety of dimensions from the positioning of the tables of the shelves to the location and placement of the cashier. Store layout encompasses different elements inside the store. Research in the field studies how these dimensions can impact consumer patronage and consumer perception. According to Baker, Grewal and Parasuraman (1994), the level of physical attractiveness that a store is believed to have has a higher association with patronage intentions than the quality of the actual products for sale. Moreover, they also stated that images of the interior of a store was the most important, after the brand name, to determine product quality (Baker, Grewal & Parasuraman, 1994). They discuss the importance of the visual aspect of environmental factors as well as the functional elements of design factors such as comfort, layout, and privacy. Research shows that design factors affect customers' assessments of people and products and influence both their attitudes and perceptions towards that service (Baker, Grewal & Parasuraman, 1994).

Other specific design elements of the store layout can result in conditioned or even subconscious responses from consumers. Lam (2001) looks at the way that human beings respond to the specific layout of the store and discusses this hard-wired nature of the human brain. The author states an example of this by saying that if the store layout were in the form of a racetrack, then it would influence consumers to unnoticeably follow

the pathway without being affected by it (Lam, 2001). Moreover, De Mozota (2003) agrees with this by saying that the layout of a specific space indeed has an impact on the behaviors of the shoppers. Most of the popular fast food chains such as KFC and McDonalds have similar store layouts that promote and support the purpose of fast food restaurants. The way these stores are designed do not encourage consumers to spend extended amounts of time there or even feel the urge to dine in. Kivela, Inbakaran & Reece (1999) further support the importance of store layout and state that a customer's experience and satisfaction with dining in at a restaurant depends on the characteristics of the store such as the décor of the store, its lighting, and many other characteristics. As such, the layout of a store can in fact support the purpose and functionality of the restaurant or even add an edge to it and garner return patronage. Kim and Jin (2001) further support this by explaining that, for example, the store layout of an international discount store may be one of the aspects that gave the store a competitive advantage.

While other atmospherics are important to consider, research revealed that store layout is one of the most significant factors impacting behavior. Bäckström & Johansson (2006) state that while retailers put more effort into establishing "exciting consumer experiences" by for example trying to affect several consumer senses, investing in creative displays for their products, and coming up with new ways to merge different products, these attributes in fact showed little effect on customers. This is not to say that the in-store experiences that retailers are trying to enhance are not important. However, it is important to note that aspects such as store layout must be taken into consideration first (Bäckström & Johansson, 2006). One of the characteristics of store layout is the extent of

privacy provided to customers. In the next section, the concept of privacy is defined and its role in influencing consumer behavior is discussed.

### *2.2.2 Perceived Privacy*

The concept of privacy has been discussed in many disciplines such as psychology, sociology, anthropology, political science, design and law. The meaning of privacy can also differ across cultures. According to Solove (2008), privacy is the “freedom of thought, control over one’s body, solitude in one’s home, control over personal information, freedom from surveillance, protection of one’s reputation, and protection from searches and interrogations” (p. 1). Many different countries highly value the right to privacy and include laws protecting it in their constitution. Within the US constitution for example, privacy is highlighted and explicitly protected. Beyond the US, most other nations value the protection of privacy such as in Brazil where it is proclaimed that “the privacy, private life, honor and image of people are inviolable”, or South Africa where “everyone has the right to privacy”, and even South Korea believes that “the privacy of no citizen shall be infringed” (Solove, 2008, p. 3).

In the past, the definition of privacy was meant to enhance “autonomy”, allow “self-evaluation” and “protected communication” (Westin, 1968, p. 166). Comparing this definition with a more contemporary one, privacy was initially defined as individual and subjective decision making without undesired intervention and regulation of information (Morgan, 2016). However, to prevent confusion between the right to privacy and the right to autonomy, another definition of privacy was proposed encompassing the aspects of privacy that have to do with “information protection,” “privacy as a cluster of other

rights” and “privacy as restricted access” (Morgan, 2016, p. 48). The meaning of privacy in the Arab-Islamic culture is different than its meaning in Western cultures. For Westerners, privacy is related to individualism and the right to non-intrusion. However, in Islamic cultures, the best translation for the word privacy is *hurma*, which is what is sacred and should be guarded (Campo, 1991). In this context, privacy relates to the “inviolable and sacred” that should be guarded and protected like women, the home and religious spaces (Sobh & Belk, 2011, p. 322). Its respect through the existence of gendered spaces at home and even in public spaces like schools, hospitals, banks, etc. is instrumental to the assertion of ethnic identity. The significant need for gender differentiated spaces in Qatar for instance is related to the requirement of physical modesty for both women and men in Islam. Sobh and Belk (2011) found that women’s respected privacy at home is instrumental to her good reputation and honor, which is in turn critical to the reputation of her family and clan. The authors argue that the men’s space at home, the *majlis*, is the public face of such a reputation. As such, privacy in Arab Gulf counties becomes relational and collectivist in nature.

In the work of Altman (1976), the concept of privacy is studied through considering its role as both a control process as well as an interpersonal boundary. Altman (1976) highlights the mechanisms and functions of privacy and posits that privacy is a regulatory process that can be considered from two perspectives: “(1) desired privacy, or a subjectively defined ideal state which reflects what a person or group desires regarding social interaction; (2) achieved privacy, or the outcome of social input and output” (p. 13). As Altman (1976) explains, when achieved privacy is equal to desired privacy, the ideal level of control regarding privacy is met. However, when

achieved privacy falls below the desired level of privacy, the individual then feels there is an invasion of privacy. In the event that achieved privacy is actually greater than desired privacy, Altman (1976) notes that an individual will then talk about feeling bored, lonely or isolated. As such, it can be incredibly important for one's physical environment to aid in achieving an adequate level of control over the interaction they are involved in and exposed to and as a result, obtain the desired level of privacy that would comfort them.

As a result of these discrepancies between achieved and desired privacy, individuals will then exhibit different mechanisms of behavior so as to alleviate this conflict (Altman, 1976). Altman (1976) proceeds to discuss the types of either verbal behavior, nonverbal behavior, territorial behavior and culturally based customs and norms that individuals will take part in to achieve their desired privacy level. This then supports the importance of the role of privacy in impacting consumer mood and the types of behaviors consumers will partake in for privacy regulation. Coinciding with the notion of privacy as a control process, Marquardt, Veitch & Charles (2002) define privacy as the level to which a person's social collaborations are controlled. Consequently, perceived privacy has been assessed as the level to which individuals are able to be seen in the office space, the level of interruptions, privacy of speech, and "visual privacy" (Marquardt, Veitch & Charles, 2002). Other researchers have also exhaustively studied the context of office spaces when considering the impact of privacy (e.g. O'Neill & Carayon, 1993; O'Neill, 1994; Block & Stokes, 1989; Burgess, Lai, Eisner, & Taylor, 1989; Sundstrom, Burt & Kamp, 1980). Much of the research considered the layout of office spaces as "open-plan" with a lower level of privacy and a higher tendency for noise and distractions (Block & Stokes, 1989; Burgess, Lai, Eisner, & Taylor, 1989;

Cangelosi & Lemoine, 1988; Hedge, 1982; Marans & Spreckelmeyer, 1982) usually leading to reduced satisfaction with the employee's environment (O'Neill, 1994). O'Neill & Carayon (1993) found that having control over the environment, specifically control over visual exposure, in fact resulted in perceived privacy. As supported by the work of Altman (1976) and others in the literature done on privacy, it is important to reaffirm that when it comes to the topic of privacy, different people have different perceptions of private versus not private. The discrepancy between each individual's standards for privacy is part of the reason why privacy preferences cannot be generalized amongst a large group of people.

Beyond office spaces, online privacy has garnered interest more recently due to the widespread adoption and use of the internet. For instance, Häkkinä and Chatfield (2005) have looked into perceived privacy when it comes to mobile phones. Their study focused on trying to understand perceived privacy with regards to text messaging and to understand how private the people believe their mobile phones are. Because of mobile phones, all kinds of location-based services have become more popular and have led to privacy being at risk such that users have become discouraged from sharing their personal information, identity and location out of fear and worry for their safety and privacy (Jabeur, Zeadally & Sayed, 2013). In line with this, Xu, Teo & Tan (2005) looked at perceived privacy risk and estimated how much losses will be incurred once the customer's personal information is accessible by location-based service providers. Past these new threats to privacy, other studies, such as the one done by Chellappa (2008), have also looked at perceived privacy when it comes to online transactions, and what level of privacy these transactions are believed to have. While the common perception of

all these online services is that they both ease and contribute to the convenience of people's everyday lives, those who perceive the need for a higher level of privacy are less likely to have a favorable attitude towards these services or even adopt them. As a result, perceived privacy can then be a very important factor in shaping attitudes and impacting consumer behavior.

In the service and retail settings, privacy has only been mildly studied with regards to perceptions of retail crowding (Greenbaum & Greenbaum, 1981) and how the need for privacy impacts atmospherics responsiveness (Grossbart, Hampton, Rammohan & Lapidus, 1990). As Grossbart et al. (1990) found, a high need for privacy indicates that consumers want to be isolated from stimuli and free from distraction. People with a high need for privacy are then far more likely to base their patronage intentions and decisions based on the store physical environment. A negative evaluation of the environment with regards to their perceived privacy will then impact their responsiveness to the physical design and to their perception of crowding within the store (Grossbart et al., 1990). Other research supports such findings by discussing how spatial influence due to the presence of other customers has an impact in the servicescape (Tombs & McColl-Kennedy, 2010). It was found that individual customers or couples chose to be spatially close to others. Customers meeting on business on the other hand tend to choose to be spatially apart from other consumers (Tombs & McColl-Kennedy, 2010). Somewhat similar findings were found in the context of restaurants and privacy as well.

In restaurants, the concept of privacy has received little attention. A study carried out in a restaurant dining setting explored how different levels of stress impact a person's choice of seating and the level of privacy they are pursuing (Robson, 2008). While in low

stress situations, Robson (2008) found that consumers picked tables that had a single architectural anchor such as a wall or a window. This allowed them the ability to regulate the level of privacy and reduce the chances of privacy invasion (Altman, 1975). In more stressful situations, Robson (2008) noted that consumers chose more secluded tables such as ones located in corners. Whether the consumer was visiting the restaurant with friends or family also impacted their table preferences. As such, studies in the retail and service settings then show the importance of considering privacy, the store layout and consumer comfort as factors that can affect satisfaction (Charles & Veitch, 2002) and purchase behavior (Kimes & Robson, 2004). If a consumer's perception of the level of privacy is in line with their needs, they could display approach behaviors leading to favorable assessments of their setting as well as increase purchasing (Wakefield & Blodgett, 1996).

### 2.3 Organism or Consumer Emotions

According to Bagozzi (1986), the organism aspect of the S-O-R paradigm refers to “internal processes and structures intervening between stimuli external to the person and the final actions, reactions, or responses emitted. Notice that the intervening processes and structures consist of perceptual, physiological, feeling, and thinking activities” (p. 46). In line with this definition, it is in fact emotional states that are used as the conceptualization of this organismic variable. Research in the field also considers the impact that environmental cues have on the mood or the emotional state of consumers. Emotions are essential for gaining a clearer understanding of how consumers behave in retail environments (Penz & Hogg, 2011). Scholars have already previously established the impact that feelings or emotions have on what and how people do things (Mehrabian



& Russell, 1974; Donovan & Rossiter, 1982) with other studies (Spies, Hesse & Loesch, 1997) supporting this and mentioning that a “pleasant store atmosphere” has a positive effect on the mood of customers visiting the store. Spies, Hesse & Loesch (1997) go on to mention that store layout in specific has been found to have critical effects on a customer’s mood. As previously mentioned, the theoretical model proposed by Mehrabian and Russell (1974) provides the theoretical base of this present study as it looks at the effect that the physical environment has on emotions and how these emotions impact behavioral intentions. This model has received ample support from past studies carried out in malls, retail outlets, hotels (Donovan & Rossiter, 1982; Baker & Cameron, 1996; El Sayed, Farrag & Belk, 2004) and even restaurants (Ryu & Jang, 2007; Jang & Namkung, 2009). As previously noted, the Mehrabian-Russell model claims that the environment will result in causing consumers to feel either pleasure, arousal or dominance and that these emotional states will mediate the relationship between the environmental stimuli and approach-avoidance responses. The research of Donovan and Rossiter (1982) builds on this by analyzing how a customer’s approach-avoidance reactions in a retail setting can be forecasted by their described emotional states. With relation to approach-avoidance behavior, past studies have found that dominance did not have a significant effect (Russell & Pratt, 1980; Donovan & Rossiter, 1982), but pleasure and arousal did (Donovan & Rossiter, 1982). Much other research has found the significance of pleasure and arousal in this context (e.g. Walsh et al., 2011; Ryu & Jang, 2007), but little is known about different types of emotional states and their role in the Mehrabian-Russell model. Other research considering arousal, pleasure and other emotions such as enjoyment and ambivalence and their mediating effect between market

related, product related, personal factors and approach-avoidance has also been considered (Penz & Hogg, 2011). These mixed emotions work to show proof of emotions as mediators and the variety of emotional states that can be studied within the M-R model (Penz & Hogg, 2011).

While much research has employed the M-R model, Jang and Namkung (2009) expanded on the model by factoring in other service stimuli and carrying their study out in the context of restaurants. Therefore, the researchers provide further evidence and support for the M-R model by stating that spatial perception stemming from atmospherics can in fact have an ultimate effect on the customer's emotional state. Generally, when shoppers feel positive emotions during shopping, they tend to implement approach behavior. On the other hand, negative emotions while shopping tend to cause avoidance behavior (Yalch & Spangenberg, 2000). This holds true in the case of restaurant dining as well (Jang & Namkung, 2009; Ryu & Jang, 2007). This expansion to the original Mehrabian-Russell model sets the precedent for the inclusion of the concept of perceived quality and how it impacts behavioral intentions based on the positive or negative emotions the restaurant diner is experiencing. The scale employed by Mehrabian and Russell (1974) was bipolar and therefore supposed that consumers would fall somewhere along the continuum of pleasantness to unpleasantness or arousal to non-arousal. This offers a very limited scope on consumer emotions and is incapable of capturing the fact that negative emotions do not necessarily preclude the existence of positive emotions (Babin, Darden & Babin, 1998). As a result, it has been suggested that a unipolar view is more suitable in indicating that consumers can experience feelings of happiness and unhappiness concurrently. Within such a unipolar framework, each emotion can have a

specific influence on behavior. It is therefore important to consider how both positive and negative emotional states work to impact behavior. While Jang and Namkung (2009) did not find a significant relationship between negative emotions and behavioral intentions, this could be due to the way that they measured negative emotions. Jang and Namkung (2009) considered negative emotions like anger, fear and shame, but other research highlights how stress can have an effect on consumer behavior in a restaurant setting (Robson, 2008). The interesting finding of the work of Robson (2008) is the consideration of how stress impacts the level of privacy consumers feel they need. This sets the precedent for the consideration of stress as an emotional state worthy of studying in the context of the M-R model. As such, the stress and arousal scale developed by King, Burrows and Stanley (1983) is the chosen measurement of emotional states for this study as it can be used to assess the positive emotion of arousal as well as the negative emotion of stress within one measurement scale.

Since arousal and stress will be the main emotions focused on in this study, it is important to better conceptualize them. Generally, emotional arousal refers to the extent to which someone feels excited, stimulated, alert or lively in a situation (Mehrabian & Russell, 1974). Arousal has been found to impact approach-avoidance behavior (Donovan & Rossiter, 1982; Donovan et al., 1994; Fiore, Yah & Yoh, 2000), money and time spent in the store as well as the number of items purchased (Sherman, Mathur & Smith, 1997), willingness to buy (Baker, Levy & Grewal, 1992), purchase intention (Penz & Hogg, 2011), store satisfaction and loyalty (Walsh et al., 2011) and even behavioral intention (Ryu & Jang, 2007). In many of these studies, there has been support for the mediating effect of arousal on the relationship between the stimuli and the

response (e.g. Baker, Levy & Grewal, 1992; Penz & Hogg, 2011; Fiore, Yah & Yoh, 2000; Sherman, Mathur & Smith, 1997). This past research provides support for the likely mediating effect arousal will have on the relationship between perceived privacy and behavioral intentions in this study. On the other hand, stress has to do with increased heart rates and can result in feelings of worry, tenseness or anxiety (King, Burrows & Stanley, 1983). Stress can be a result of a loss of control over the environment or over a situation. This loss of control can then result in individuals clinging to regaining control through privacy regulation (Robson, 2008). While to my knowledge, stress has not previously been considered as one of the emotional states in the Mehrabian-Russell model, other similar negative emotions have (e.g. Jang & Namkung, 2009; Liu & Jang, 2009). Mixed results in the field suggest the importance of testing stress in restaurants with regards to privacy.

## 2.4 The Response

The final aspect of the Stimulus-Organism-Response paradigm refers to the outcome or final action, reaction, attitude or behavioral reaction of the stimuli and affective emotional states (Bagozzi, 1986). It is important to note that another way to classify actions as a result of “mood and environment evaluation” is by approach or avoidance responses (Sherman, Mathur, & Smith, 1997, p. 366). Approach or avoidance behavior was suggested by Donovan and Rossiter (1982) to include the volume of items bought, length of time spent in the actual store, amount of money the customer spent in the store, and whether the customer liked the environment in the store or not. Within the Mehrabian-Russell model and the S-O-R paradigm, many researchers considered

response in terms of approach-avoidance (e.g. Donovan et al., 1994; Penz & Hogg, 2011) while others looked at willingness to buy (e.g. Baker, Levy & Grewal, 1992), behavioral intentions (e.g. Ryu & Jang, 2007; Jang & Namkung, 2009; Ha & Jang, 2012; Ali & Amin, 2014) or even marketing outcomes such as store satisfaction and loyalty (e.g. Walsh et al., 2011; Ryu & Han, 2011). There is an overlap in some of the aspects of these studied responses. For example, behavioral intentions, which encompasses such properties as willingness to recommend the store, to spend more and to repurchase or revisit the store, overlaps with the concept of loyalty.

Behavioral intentions are often explored by many researchers due to the fact that they “signal whether customers will remain or defect from the company” (Zeithaml et al., 1996, p. 33) and are a “stated likelihood to engage in a behavior” (Oliver, 1997, p. 28). As such, measuring behavioral intentions provides a good indication of behaviors that consumers are likely to perform in the future (Shim et al., 2001). Past marketing studies have employed behavioral intentions as a surrogate indicator of consumers’ actual behavior (Fishbein & Ajzen, 1975) and so it is fitting to consider the response in this study as behavioral intentions. While behavioral intentions have been incorporated in the Mehrabian-Russell model by many and have been studied as willingness to pay more, willingness to recommend the store and willingness to repurchase or revisit the store (e.g. Jang & Namkung, 2009; Baker et al., 2002; Macintosh & Lockshin, 1997; Ali & Amin, 2014) few researchers appear to consider these dimensions separately. Behavioral intention then tends to include at least one item to represent repeat purchase, one item for recommendation or WOM (Liu & Jang, 2009) and one item for willingness to pay more (Jang & Namkung, 2009). In grouping these three variables under the unidimensional

variable of behavioral intentions, then little is known about how each emotional state will impact these dimensions separately.

Conceptually, willingness to pay more could be simplified as the extent and likelihood that a customer is prepared to pay more for a product, based on his or her level of attained satisfaction. Satisfied customers who are enjoying a service have a higher tendency to pay more for the product (Finkelman, 1993). As such, through experiencing positive emotions, consumers could then be interested in paying more to obtain this experience and feeling again. As for word-of-mouth, it refers to the process of customers spreading their perception or views of a product or service to those around them, therefore generating a higher awareness of the product or service. Word-of-mouth is equally important to consider as it is believed to in fact have a stronger impact than advertising does, and therefore reduces the essentiality of marketing expenses (Reichheld & Sasser, 1990). As for the last behavioral intention, repeat purchase intention can be described as the extent to which a customer is willing and prepared to buy from the same product or pay for the same service again in the future. As explained by Kuo, Hu & Yang (2013), it is essential for competitive advantage to ensure that major acts of switching to other products are limited, and that repeat purchases from existing customers continue into the future. Studying behavioral intentions through considering these different dimensions separately would then fill a gap in the research and provide valuable insights. As such, this study aims to explore how the emotional states of stress and arousal impact WOM, willingness to pay more and repurchase intentions. Consequently, based on the aforementioned review of the literature on atmospherics and on perceived privacy in other settings and the impact that these factors can have on mood and behavioral

intentions, a connection has been made between the likely relationship between perceived privacy, emotions and behavioral intentions.

Table 2

*Relevant Past Studies on Emotions and Behavioral Intentions*

<b>Reference</b>	<b>Emotions</b>	<b>Behavioral Intentions</b>	<b>Context</b>	<b>Findings</b>
Baker, Levy & Grewal (1992)	Pleasure and arousal	Willingness to buy	Retail store	Pleasure and arousal had a positive relationship with willingness to buy, wherein the emotional states also mediated the effects between store environment and willingness to buy
Sherman, Mathur & Smith (1997)	Pleasure and arousal	Purchase behavior	Retail	Emotional states are important determinants of purchase behavior and act as mediators. Pleasure was associated with amount of money spent and affinity for the store while arousal was associated with money spent, time spent and the number of items purchased.
Wakefield & Blodgett (1999)	Excitement (affect)	Repatronage intentions and willingness to recommend	Service setting	Excitement was related to consumer repatronage intentions and willingness to recommend
Fiore, Yah & Yoh (2000)	Sensory, affective and cognitive pleasure	Approach responses (such as attitude toward the product and purchase intention)	Retail	Sensory and cognitive pleasure were found to mediate the relationship between atmospherics and attitude toward the product and purchase intention.



Ryu & Jang (2007)	Pleasure and arousal	Patronage, recommendation, staying longer and spending more	Restaurants	Pleasure and arousal were found to significantly influence behavioral intentions with pleasure being the more influential emotion of the two
Ladhari, Brun & Morales (2008)	Positive and negative emotions	Recommendation, loyalty and willingness to pay more	Restaurants	Positive emotions had more of an impact on satisfaction than negative emotions, which in turn had a significant impact on recommendation, loyalty and willingness to pay more
Mattila & Ro (2008)	Negative emotions (anger, disappointment, regret and worry)	Direct complaining, negative word-of-mouth and switching intentions	Restaurants	Findings suggest negative emotions result in various dissatisfaction responses such as complaining, negative word-of-mouth and switching.
Jang & Namkung (2009)	Positive and negative emotions	Behavioral intentions	Restaurants	Positive emotions were found to impact behavioral intentions but negative emotions did not
Liu & Jang (2009)	Positive and negative emotions	Behavioral intentions	Restaurants	There was a relationship between emotions and behavioral intentions but the strongest impact on behavioral intentions was found through perceived value

Penz & Hogg (2011)	Arousal, pleasure, dominance, enjoyment, return and explore and ambivalence	Intention to purchase	Retailing online and offline	Mixed emotions (ambivalence) were found to mediate the impact between some factors and intention to purchase
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## 2.5 Culture and Consumer Behavior

The application of this present study will be in Qatar, a country in the Arab Gulf. Qatar offers an interesting context due to the fact that Qatar is a society with a strong adherence to both social norms and traditional values (Sobh & Belk, 2011). Beyond that, due to the high per capita incomes of Qataris, Qataris often partake in luxurious consumption. As noted by Sobh and Belk (2011), Qataris only make up about 20 percent of the residents of Qatar, while the remaining 80 percent includes residents from other Arab countries, from south Asian countries and from Western countries. Since it is nearly impossible to obtain a Qatari citizenship, the Qatari citizenship then becomes an important marker of both identity and status in the country (Sobh & Belk, 2011). Due to the status of Qataris as minorities in their own country, they end up clinging more dearly to traditional values and to cultural and social norms. Due to this unique setting, it is important to consider culture and the role it could play in impacting consumer behavior.

Culture can have a huge impact on consumer preferences, decisions and even purchasing behavior (Chiu et al., 2014). As stated by Kacen and Lee (2002), culture impacts the means of interpretation of an individual's environment, otherwise referred to as "feeling rules," and which emotions are articulated and the method they are articulated in, otherwise known as "display rules." In Chinese culture, since the number 4 is considered an unlucky number while the number 8 is considered a lucky one, a Chinese consumer may opt to buy the same cup of coffee priced at 28 yuan rather than a cheaper one costing 24 yuan (Chiu et al., 2014). Moreover, Western culture orientated people put emphasis on noticeable objects and utilize "rules and categorization for purposes of organizing the environment", whereas East Asian culture oriented people emphasize

more “holistically” on relationships and likenesses between objects when organizing the environment (Nisbett and & Miyamoto, 2005, p. 1).

Understanding the specifics of one’s culture can then allow marketers to positively impact consumer behavior. While all people place an importance on privacy, it is important to understand it in the specific context of Qatar. According to Altman (1976), all societies have mechanisms for the regulation of boundaries so as to achieve desired privacy levels. While some cultures could appear to require little privacy, Altman (1976) states that this is due to the traditional belief of viewing privacy as in relation to only physical and environmental mental processes rather than a complex behavioral system that involves numerous levels of functioning. It is then important to understand exactly how the mechanisms of privacy work in different cultures. In Qatar, there is a significant need for privacy that impacts different aspects of consumer behavior. The privacy that Qatar values is the general gender separation of spaces, whether at home or in malls and restaurants. It is part of the Qatari culture to maintain a split between the males and females when it comes to resting areas, shopping areas, education campuses, restaurant areas, prayer areas, and even within the household as well. To further elaborate on this, Sobh, Belk, & Wilson (2013) mention that in Gulf countries, privacy is treated differently than anywhere else. They mention that hotels and restaurants offer a higher than normal level of privacy for their customers. Examples of this would be designated entrances and sections of hotels and restaurants for families, spas and swimming pools for females only, individual and covered tents for eating tables, segregated halls for events and parties, and even segregated service staff for both male and female guests (Sobh, Belk, & Wilson, 2013).

The increased inflow of foreigners into the country of Qatar puts Qatar in a position of being pressurized to “preserve local identity” and “embrace the modern” at the same time. As such, privacy is perceived as a significant anchor of the Qatari identity and by maintaining such an anchor, Qataris are able to resolve the cultural tensions they are subjected to (Sobh & Belk, 2011). Sobh, Belk, & Wilson (2013) mention that the citizens of Qatar are in fact now minorities in their own country. Three quarters of the residents in Qatar are non-nationals and so it may feel to Qataris that their culture is being threatened and as a result, they cling to it for comfort (Sobh & Belk, 2011; Sobh, Belk, & Wilson, 2013). Knowing that privacy is an important aspect of the consumer experience in Qatar, it then stands to reason that culture could play a moderating role in strengthening or weakening the relationship between perceived privacy and emotions. Multinational corporations within the tourism sector that were trying to enter the GCC markets, as mentioned by Sobh, Belk and Wilson (2013), found difficulty in factoring in this heightened need for privacy in order to win customers over as patrons of their stores. As such, privacy can play an even larger role in Qatar and is in need of further study. Since the main focus of this study is on Qatari people, it is important to consider how each person’s own cultural orientation will have an effect on their mood and consumer behavior in this context.

### *2.5.1 Personal Cultural Orientation*

The majority of past studies have measured cultural differences among consumers by the operationalization of personal cultural orientation through the use of Hofstede’s (1980; 1991) five dimensions. As argued by Sharma (2010), this way of measuring

personal cultural orientation conceptually and empirically differs from how personal cultural orientation should truly be measured. Relying on Hofstede's (1980; 1991) cultural dimensions of masculinity, individualism, long-term orientation, power distance and uncertainty avoidance does not necessarily factor in the individual differences that can exist among citizens who all share similar cultural characteristics. As a result, Sharma (2010) saw the need for coming up with a specific, validated measure of personal cultural orientation by considering ten different dimensions.

Personal cultural orientation encompasses shared cultural norms and values. Personal cultural orientation also refers to the personal beliefs individuals have based on their own unique experiences and such, there is a conceptual link between the individual and national level of cultural values (Oyserman, Coon & Kemmelmeier, 2002). Sharma (2010) proposed a 40-item scale to properly and accurately measure personal cultural orientation. Through carrying out two studies and comparing between Chinese and Western participants, the author validated the dimensions of independence, interdependence, power, social inequality, risk aversion, ambiguity intolerance, masculinity, gender equality, tradition and prudence. Based on Hofstede's (1980) individualism-collectivism dimension, it was proposed by other researchers that people may have both independent as well as interdependent senses of self that both activate in different circumstances (Markus & Kitayama, 1991). Others have employed the terms idiocentrism and allocentrism to show how individuals can represent interdependent selves while also considering communal norms and duties (e.g. Triandis et al., 1985). These individual differences then show the importance of considering both independence and interdependence as multi-dimensions of individualism (Sharma, 2010). As for power

distance, Sharma (2010) notes that considering the two factors of power and social inequality provide a more accurate representation of the kinds of individual differences that can be related to power distance. Power is then defined as how individuals relate to authority while social inequality pertains to hierarchy vs. egalitarianism (Shwartz, 1994). With regards to risk aversion and ambiguity tolerance, these two dimensions are related to Hofstede's (2001) uncertainty avoidance dimension of culture. Past research has come to define risk aversion as being related to the extent to which people are hesitant to make risky decisions or take risks while ambiguity tolerance has to do with the level of tolerance people have towards uncertain or ambiguous situations (Grenier, Barrette & Ladouceur, 2005).

The next two dimensions of masculinity and gender equality put forth by Sharma (2010) are encompassed in the masculinity-femininity cultural dimension of Hofstede (2001). Shwartz and Rubel-Lifschitz (2009) thus define masculinity as the expression of self-confidence, ambition, assertiveness and even aggression while gender equality refers to the perception people have of the level of equality that exists between men and women. Finally, the last national cultural dimension to consider is long-term orientation, which through the work of Sharma (2010), has been said to include the sub-dimensions of tradition and prudence. As such, tradition is defined as a personal cultural orientation that refers to one's respect for traditional values, benevolence, morality and respect for one's own heritage (Bond, 1988). Prudence on the other hand has to do with perseverance, planning and future orientation (Puri, 1996). Based on the above definitions of each of Sharma's (2010) ten dimensions, the dimension that has the most relevance in impacting the relationship between perceived privacy and emotions in this

study is tradition. The need for privacy among individuals from the same culture would differ based on the extent one is conservative and attached to traditions versus liberal and more lenient. Tradition is the most relevant theoretical lens to look at personal cultural orientation due to the nature of this study and the focus on perceived privacy. To properly examine how the relationship between perceived privacy and emotions can be affected by a cultural dimension, tradition is expected to be the most relevant.

The issue with most studies that have attempted to study the moderating effects of personal cultural orientation is that most research considers Hofstede's (1980) national cultural dimensions as individual-level dimensions. Some studies have considered personal values as a moderator that impacts repurchase intention through focusing on individualism vs. collectivism (e.g. Frank, Enkawa & Schvaneveldt, 2015), but there is still an overwhelming lack of understanding in the field on the role personal cultural orientation can play. Beyond that, even less is known about how other specific dimensions of personal cultural orientation could act as moderators though, especially in a context such as this. This study hopes to provide some insight then on how the personal cultural orientation dimension of tradition could moderate the relationship between perceived privacy and emotions. As previously established, culture can impact how consumers react and perceive different stimuli and so it is expected that a cultural dimension such as tradition will enhance this interaction.



## 2.6 Research Gaps and Research Questions

The literature review has revealed the presence of three main gaps in the literature. First, the analysis shows that limited efforts have been made to understand the concept of privacy within a restaurant setting. While as previously mentioned, achieving different levels of privacy than desired can have an impact on one's behavior and regulation processes (Altman, 1976), there is a clear lack of research about privacy in retail or hospitality settings. While the perception of privacy can be conveyed through the store layout, the literature on atmospherics has examined perceived privacy as an important predictor of consumer behavior. Some of the research in the field that has been carried out in the context of restaurants (e.g. Robson, 2008; Jang & Namkung, 2009) has supported the presence of a relationship between environmental stimuli and behavioral intentions. There remains very much to be explored when it comes to the impact of privacy in restaurants and how it affects behavioral intentions. Therefore, the first research question proposed in this thesis is:

RQ1: What is the impact of perceived privacy on consumers' behavioral intentions related to a restaurant?

To further summarize and synthesize the findings in the literature, the second gap involves the role that emotions will play between perceived privacy and behavioral intentions. While emotions can be an indicator of the types of behaviors consumers will partake in (e.g. Jang & Namkung, 2009; Penz & Hogg, 2011), not much is known on the role perceived privacy plays in affecting mood. Through adopting a similar model to the Mehrabian-Russell model, emotions are then expected to act as a mediator. In the original model, the two emotional states that were found to be significant were pleasure and

arousal (Donovan & Rossiter, 1982). While other researchers have explored how different dimensions of emotions such as positive or negative emotions (Jang & Namkung, 2009) or mixed emotions (Penz & Hogg, 2011) impact behavior, understanding how perceived privacy fits into this context is equally important. Since Robson (2008) found that in the context of restaurants, stress can be an important indicator of consumer behavior with regards to privacy regulation, it is important to consider the mediating role of stress as the negative emotional state to be studied in this model. Through the adoption of a stress and arousal scale (King, Burrows & Stanley, 1983), the following research question is put forth:

RQ2: Do emotions mediate the relationship between perceived privacy and behavioral intentions?

Finally, considering the context of the study, previous research has stressed the importance of privacy to the region (Sobh & Belk, 2011; Sobh, Belk & Wilson, 2013). While all societies have mechanisms for the regulation of boundaries so as to achieve desired privacy levels (Altman, 1976), it is important to understand the impact that culture might have in this specific context. Qataris tend to place a huge importance on privacy through the need of gender segregated spaces at home or in public spaces (Sobh & Belk, 2011; Sobh, Belk & Wilson, 2013). As such, the role that culture can play in how perceived privacy affects emotions has not been studied. Additionally, past research has resorted to measuring culture using Hofstede's (1980; 1991) measures. Since this study aims to understand the individual differences that exist within a group of people belonging to the same culture, personal cultural orientation will be employed to answer the following research question:

RQ3: What is the moderating effect of personal cultural orientation on the relationship between perceived privacy and emotions?

## 2.7 Conceptual Development

### *2.7.1 Conceptual Model*

The model used in this research represents the relationships between perceived privacy, emotions, personal cultural orientation, and behavioral intentions. This paper hypothesizes that the relationship between perceived privacy and behavioral intentions is mediated by emotions and moderated by personal cultural orientation. The research proposes that high levels of perceived privacy in a restaurant result in positive emotions, which would lead to positively impacting their willingness to recommend the store to others, willingness to pay more and their repurchase intentions. On the other hand, lower levels of perceived privacy would result in experiencing negative emotions, which would negatively impact behavioral intentions. The following figure shows the model that will be tested in this study.

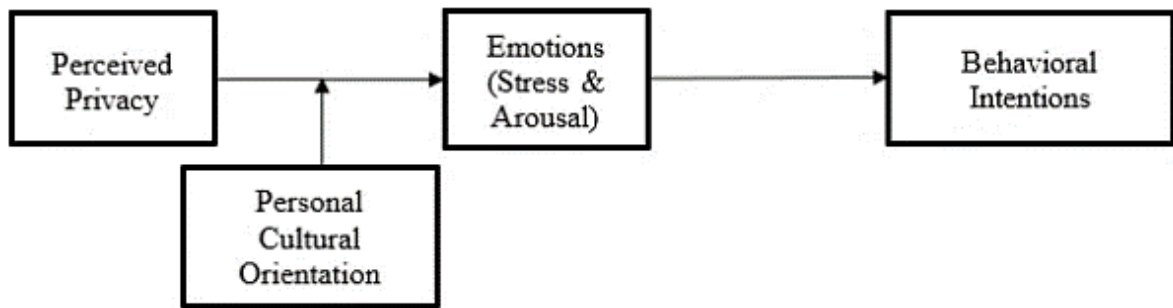


Figure 2. Proposed Conceptual Model

### 2.7.2 Perceived Privacy and Emotions

Scholars have found that customers use atmospherics as cues to make judgements about the store (Levitt, 1981). The interior design of a restaurant could work to influence the amount of time spent dining there (Wakefield & Blodgett, 1996) and even affects consumer’s emotions (Jang & Namkung, 2009). Jang and Namkung (2009) found a positive relationship between perceived quality and consumers’ emotions such that the perceived quality of the product was found to “relieve negative emotional responses” (Jang & Namkung, 2009, p. 451). The relationship between atmospherics and emotions has been established in other contexts too such as grocery stores (Gilboa & Rafaeli, 2003) and online (Eroglu, Machleit & Davis, 2003). Gilboa and Rafaeli (2003) found that their participants exhibited signs of low pleasure once they were shown pictures of a grocery store, perhaps due to the “complexity of the settings” (Gilboa & Rafaeli, 2003). As such, a more in depth understanding of the relationship between a store’s environment and the customers’ emotions can help store owners establish the precise setting that will “elicit desired emotions and therefore desired behaviours” (Gilboa & Rafaeli, 2003). Consistent

with research about physical stores environments, Eroglu, Machleit and Davis (2003) found a significant relationship between online store atmospherics and emotions.

With regards to privacy, when achieved privacy falls below the desired level of privacy, individuals then feel there is an invasion of privacy (Altman, 1976), which will result in them exhibiting negative emotions. As such, it can be incredibly important for one's physical environment to aid in achieving the appropriate level of perceived privacy so as to comfort the consumer and positively impact their mood and behavior. In service and retail settings, privacy has only been lightly touched upon (Greenbaum & Greenbaum, 1981; Grossbart et al., 1990). As Grossbart et al. (1990) found, a high need for privacy indicates that consumers want to be isolated from stimuli and free from distraction. People with a high need for privacy are then far more likely to base their patronage intentions and decisions on how the physical environment of the store is made up. A negative evaluation of the environment with regards to their perceived privacy will then impact their responsiveness to the physical design (Grossbart et al., 1990). Based on the findings in the field on how atmospherics impact consumer emotions and on studies on privacy as an important predictor of different consumer reactions, this research proposes the following hypotheses about the relationship between perceived privacy and emotions:

*Hypothesis 1a:* High perceived privacy will lead to arousal

*Hypothesis 1b:* Low perceived privacy will lead to stress

### *2.7.3 Emotions and Behavioral Intentions*

The link between emotions and their impact on approach or avoidance responses has been established in many studies. Donovan and Rossiter (1982) found evidence of how pleasure and arousal obtained from the physical environment influences consumers' retail outcomes such as how much time they spend browsing the store, how likely they are to spend more money than they had set out to spend and the probability of them returning to the store. In line with this, Baker, Levy and Grewal (1992) also similarly found support for both pleasure and arousal in affecting consumers' willingness to buy. In the context of online shopping, Eroglu, Machleit and Davis (2003) illustrate that there is in fact a substantial effect of emotions on approach and avoidance behavior when shopping online. The same pattern of results were revealed by other researchers as well (Gilboa & Rafaeli, 2003). As such, there is an agreement in the literature that emotions play a role in influencing the behaviors of consumers in a variety of contexts and environments as a result of different stimuli (e.g. Mehrabian & Russell, 1974; Donovan & Rossiter, 1982; Baker, Levy & Grewal, 1992; Jang & Namkung, 2009). Past researchers have examined behavioral intentions such as willingness to make recommendations about a store, pay more and repurchase within the M-R model (Jang & Namkung, 2009, Baker et al., 2002; Macintosh & Lockshin, 1997). It is important to note that in marketing studies, researchers have proven that the intention to perform a behavior is the root cause of that behavior and can be an indication of future behavioral patterns (Shim et al., 2001; Fishbein & Ajzen, 1975). As such, in line with Jang and Namkung (2009), behavioral intentions will be looked at as the outcome that will be affected by emotions.

Since behavioral intentions include aspects of repurchase intentions, recommending the store and willing to spend more money at the store, it is important to primarily look at how positive and negative emotions have impacted these dimensions in past research. Past studies have found support for the relationship between positive emotions and patronage intentions or making favorable recommendations (Wakefield & Blodgett, 1999). Arousal and positive emotions in general have also been found to impact behavioral intentions (Ryu & Jang, 2007; Jang & Namkung, 2009; Liu & Jang, 2009; Ladhari, Brun & Morales, 2008). With regards to negative emotions on the other hand, while stress has not been studied in this context thus far, other negative emotions have been found to impact negative word-of-mouth, for example (Mattila & Ro, 2008). In restaurant settings, some researchers found support for the impact negative emotions have on behavioral intentions (Liu & Jang, 2009; Ladhari, Brun & Morales, 2008) while others found no support for their impact (Jang & Namkung, 2009). Such mixed results in the field suggest the importance of considering other negative emotions such as stress and how it could impact behavioral intentions. Since Jang and Namkung (2009) looked at negative emotions such as anger, distress, disgust, fear and shame and found no support for their relationship with behavioral intention, it is important to try and identify what type of negative emotions will make sense in this context. The work of Robson (2008) shows that stress can be an important predictor of the type of privacy consumers require in a restaurant setting. As such, building on both the work of Robson (2008), Jang and Namkung (2009) and other research that has found support for positive and negative emotions' impact on behavioral intentions, the following hypotheses are proposed in this study:

*Hypothesis 2a:* Arousal will positively impact behavioral intention

*Hypothesis 2b:* Stress will negatively impact behavioral intention

As for the possible mediating effect of these emotions on behavioral intentions, some past studies have considered how emotions mediate the relationship between a stimulus and the response. In many of these studies, there has been support for the mediating effect of arousal on the relationship between the stimuli and the response (e.g. Baker, Levy & Grewal, 1992; Penz & Hogg, 2011; Fiore, Yah & Yoh, 2000; Sherman, Mathur & Smith, 1997). This past research provides support for the likely mediating effect arousal will have on the relationship between perceived privacy and behavioral intentions in this study. While it is not clear if stress will act as a mediator in this context, emotions have generally been proven to have a mediating effect on the relationship between a stimulus and the response (e.g. Donovan & Rossiter, 1982; Sherman, Mathur & Smith, 1997). It is then expected that stress will also have a mediating effect on the relationship between perceived privacy and behavioral intentions. As such, the following hypotheses are then proposed:

*Hypothesis 3a:* Arousal will mediate the relationship between perceived privacy and behavioral intention

*Hypothesis 3b:* Stress will mediate the relationship between perceived privacy and behavioral intention



#### *2.7.4 The Moderating Role of Personal Cultural Orientation*

Culture is an important indicator of consumer preferences, decisions and purchasing behavior (Chiu et al., 2014). Culture is extensively employed as a moderating variable in a variety of research contexts (e.g. Kacen & Lee, 2002; Erdogan, Liden, & Kraimer, 2006; Pandey & Moynihan, 2005). For example, Kacen and Lee (2002) found that culture affects the understanding of a consumer's environment and the emotions they express. Even research in the context of websites considered the moderating effect of culture on the relationship between website design factors and purchase intention (Ganguly, Dash, Cyr & Head, 2010). Research has shown that using culture as a moderator can drastically affect the results. It is then important to expect that a match between the physical environment and a person's cultural preferences will have a positive effect on their mood and vice versa. In the context of Qatari culture, privacy is of utmost importance (Sobh & Belk, 2011; Sobh, Belk & Wilson, 2013). Gender segregated spaces tend to be preferred among Qataris and thus their availability will most likely enhance their moods and in turn affect their behavioral intentions. As such, if an individual's desired privacy is not achieved, they could feel that their privacy is being invaded which will negatively affect their mood (Altman, 1976). This suggests that in the context of the research at hand, the extent to which a person adheres to traditions and to their own heritage can have a strong moderating effect on the relationship between their perceived privacy and emotions.

While few past studies have considered how individual differences in cultural orientation can strengthen or weaken a relationship (e.g. Frank, Enkawa & Schvaneveldt, 2015), there is still an overwhelming lack of understanding in the field on the role

personal cultural orientation can play. Since Qatari people tend to cling to their traditional norms and beliefs (Sobh & Belk, 2011), it is expected that this will affect their mood based on their perception of privacy within a public setting. As previously established, culture can impact how consumers react and perceive different stimuli and so it is expected that a cultural dimension such as tradition will enhance this interaction. Consequently, it is important to assess culture from individual perspectives through the use of the personal cultural orientation sub-dimension of tradition. Therefore, the following hypothesis is proposed:

*Hypothesis 4:* The relationship between perceived privacy and emotions will be moderated by personal cultural orientation

## CHAPTER 3: METHODOLOGY

### 3.1 Data Collection Instrument

The data collection instrument employed in this study is a questionnaire (see Appendix A). The reason a questionnaire was chosen was due to its ease of use, generalizability of the results, its efficiency and the conservation of time. Participants completed an online survey to measure their perceived privacy acquired in restaurants they visited recently along other dependent, moderating and demographics variables. The survey was prepared using previously established and validated measures. Ethics approval was obtained from Qatar University Ethics Committee before administering the questionnaire (see Appendix B). The survey was translated to Arabic. Respondents received a Qualtrics link to the questionnaire wherein they were informed that their participation in the survey is optional and that the data collected is for academic purposes only.

The questionnaire consisted of five main sections. In the first section, participants were asked to name a restaurant they had recently dined at and when they dined there. Respondents were asked to note how often they visit the named restaurant and with whom. In the second section, they were asked questions about their behavioral intentions towards the restaurant. Participants were then asked questions to assess their personal cultural orientation. Next, participants were introduced to the concept of privacy in restaurants and three levels of privacy were described (low, medium and high). They were then asked to indicate the privacy level that applies to the restaurant they named. In the following section, participants were asked questions to assess their perceived privacy in the restaurant. Demographic questions were asked last.

The clarity and accuracy of the survey was assessed by administering a pre-test to 10 participants. This pre-test was done to ensure that all the elements in the survey were clear and that there were no potential problems in the translations or wording of the survey. Based on the pre-test, a few suggestions were made to improve the structure and clarity of the Arabic version of the survey. Once the questionnaire was finalized, the questionnaire link was sent to the larger sample using Qualtrics.

### 3.2 Sample

The target sample for this study is Qatari nationals residing in Qatar. The reason this study focuses on Qatari nationals was because privacy is known to be an essential aspect of the Qatari culture. In order to quantify the impact, the most effective way was to target Qataris. As such, Qataris from all over Qatar were included in this study. To ensure that those responding to the survey are Qataris, an initial screening question was asked. Participants were selected through convenience sampling methods. This was chosen due to the limited resources and limited accessibility, and because of its ease of use. A link to the online survey was sent to participants through email and posted on several different social networking sites such as Facebook and Twitter. Participants were asked to share the link with other Qataris of their circle of acquaintances in an attempt to obtain a diverse group of respondents. Of the 254 completed questionnaires, 129 were retained for further analysis. Incomplete or invalid responses were excluded. The sample characteristics are described in the results section.

### 3.3 Measures

All measures used in this thesis were adopted from past studies and slightly adjusted to suit restaurant settings. The scale used to measure perceived privacy is developed based on O'Neill and Carayon's (1993) measure of perceived privacy in an office setting and the pioneering work of Altman (1975). Participants were asked to indicate on a five-point Likert scale the extent to which they disagree or agree with the statements about their perceived privacy in the restaurant they indicated. King, Burrows and Stanley's (1983) work on validating a measurement for stress and arousal is used to develop a measure for emotions. Once again, a five-point Likert scale from strongly disagree to strongly agree was employed to assess how participants felt sitting at the restaurant they mentioned.

As for behavioral intentions, the measures of word-of-mouth, willingness to pay more and repurchase intention were adopted from the work of Zhang and Bloemer (2008). A total of three items were used to measure their willingness to recommend the restaurant to others, two measured their willingness to continue to do business with the restaurant even if the price increases and three items measured their intention to revisit the restaurant in the future. Participants were asked on a 5-point Likert scale the extent to which they disagree or agree with each statement. Finally, Sharma's (2010) measure of personal cultural orientation is used. Items such as "I am proud of my culture" and "Respect for tradition is important for me" were included and asked using a five-point Likert scale from strongly disagree to strongly agree. Finally, demographic data on age, gender, education and employment status were also included. The list of all the measures and items adopted in this study are displayed in Table 2 below.

Table 3

*Operationalization of Constructs*

<b>Construct</b>	<b>Items</b>	<b>Scale</b>	<b>Source</b>
Perceived Privacy	I had a considerable amount of privacy for conversation in this restaurant	5-point Likert type scale	O'Neill & Carayon (1993)  Altman (1975)
	I was too open to the view of others in the restaurant		
	Overall, I experienced a considerable amount of privacy		
	I felt exposed sitting at my table		
	I felt I was being watched while sitting at my table		
Emotions	I was overheard by other diners while sitting at my table	5-point Likert scale	King, Burrows & Stanley (1983)
	<i>Sitting at this restaurant made me feel:</i>		
	Bothered		
	Contented		
	Uptight		
	Active		
	Comfortable		
	Vigorous		
	Distressed		
	Lively		
Word-of-Mouth	Tense	5-point Likert scale	Zhang & Bloemer (2008)
	Passive		
	Crowded		
Willingness to Pay	Worried	5-point	Zhang &
	In control		
	Influential		
	I say positive things about this restaurant		
	I recommend this restaurant to people who seek my advice		
	I encourage friends and relatives to do business with this restaurant		
	I am willing to continue to do business with this restaurant, even if its prices		

More	increase	Likert scale	Bloemer (2008)
Repurchase/Revisit Intention	I am willing to pay a higher price than other restaurants charge for the benefits	5-point Likert scale	Zhang & Bloemer (2008)
	I currently receive from this restaurant		
	I consider this restaurant as my first choice for restaurants of its kind		
	I will visit this restaurant more often in the next few months		
Personal Cultural Orientation	If I had to do it over again, I would make the same choice	5-point Likert scale	Sharma (2010)
	I am proud of my culture		
	Respect for tradition is important for me		
	I value a strong link to my past		
	Traditional values are important for me		
	I care a lot about my family history		

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### 3.4 Data Analysis

The data gathered was analyzed with the quantitative statistical software SPSS and AMOS. First, data cleaning and factor analysis were carried out in SPSS before proceeding with testing the measurement and carrying out the mediation and moderation analyses. In the first stage of the data analysis, invalid or incomplete responses were excluded from the data file. Respondents who failed to name a restaurant were considered to have created an invalid response. Once the data was cleaned and reverse items were recoded, descriptive analyses were run on the data. Bartlett's test of sphericity and the Kaiser-Meyer-Olkin Measure of Sample Adequacy were assessed to measure the appropriateness of the data. Then factor analysis was carried out wherein the resulting factors were used to run a CFA and then test the hypotheses through PROCESS. The reason SPSS and PROCESS were chosen was because of the functionality and wide range of options available for use. The bootstrapping method PROCESS uses is best to run in this study as it does not require the data to be normally distributed and fits smaller sample sizes (Hair et al., 2016). As for AMOS, it is the standard software used among researchers to conduct CFA. The results of this data analysis approach are displayed in the following section.



## CHAPTER 4: RESULTS

### 4.1 Descriptive Results

The target population of this study is Qataris. The ages of most of the participants ranged from 16 to 30. About 79% of the participants were females while 21% were male. Most responses came from undergraduate students, which consisted of 76% of the sample. The table below shows the demographic characteristics of the sample used in this study. As shown, about 67% of restaurants that participants mentioned had low privacy, which could be defined as open and mixed tables. Following this was the medium privacy setting which amounted to around 21%. The rest of the responses recorded high privacy settings and amounted to around 12%.

Table 4

*Sample Demographics (n = 129)*

<b>Measure</b>	<b>Frequency</b>	<b>Percentage</b>
<b>Gender</b>		
Male	27	20.9%
Female	102	79.1%
<b>Age</b>		
16-20	32	24.8%
21-25	61	47.3%
26-30	20	15.5%
31-35	8	6.2%
36-40	5	3.9%
41 and above	3	2.3%
<b>Education</b>		
High school	22	17.1%
Undergraduate	98	76%
Master's	8	6.2%
PhD	1	0.8%
<b>Employment</b>		
Full-time	34	26.4%

Part-time	5	3.9%
Unemployed	5	3.9%
Student	84	65.1%
Retired	1	0.8%
<b>Privacy Setting</b>		
Open, mixed tables (Low privacy)	87	67.4%
Women only, family only and mixed (Medium privacy)	27	20.9%
Tables separated by curtains or enclosed in rooms (High privacy)	15	11.6%
<b>Dining Date</b>		
This week	74	57.4%
1-3 weeks ago	45	34.9%
1-2 months ago	5	3.9%
More than 2 months ago	5	3.9%
<b>Dining Frequency</b>		
First time	37	28.7%
Once a week	11	8.5%
More than once a week	9	7%
2-3 times a month	12	9.3%
Once a month	27	20.9%
Once every three months	15	11.6%
Rarely	18	14%
<b>Visited Named Restaurant With</b>		
With friends of the same gender	32	24.8%
With friends of both genders	2	1.6%
With close family members (parents, siblings)	40	31%
With family and other relatives	29	22.5%
With a significant other (fiancé, spouse)	9	7%
With spouse and kids	13	10.1%
Alone	4	3.1%
<b>Usually Visits Restaurants With</b>		
With friends of the same gender	33	25.6%
With friends of both genders	2	1.6%
With close family members (parents, siblings)	41	31.8%
With family and other relatives	30	23.3%
With a significant other (fiancé, spouse)	10	7.8%
With spouse and kids	12	9.3%
Alone	1	0.8%

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A variety of restaurants were mentioned by participants, in which their privacy settings ranged from high to medium to low. Most responses mentioned dining at The Cheesecake Factory and Triangle. Other restaurants mentioned were Basta, Tea Club, Nandos, McDonalds, TGI Friday's, Burger Boutique, Crave Nation, Applebee's, Tandoor, Sasso and more. Results of data collection convey that most participants, 31% to be exact, visited their named restaurant with close family members, whether their parents or siblings. Likewise, measuring who they usually visit restaurants with, similar results were found with around 32% usually visiting restaurants with their close family members.

#### 4.2 Exploratory Factor Analysis

Exploratory Factor Analysis, as referred to by Pallant (2011), is a “data reduction technique” (p. 181). EFA is mostly incorporated in the beginnings of researches with the intent of exploring the interrelationships of a number of variables. EFA's main function is to take a vast number of variables and attempt to find a way for it to be portrayed using less factors (Pallant, 2011). The researcher starts with a large number of items, in which they then use EFA to remove unnecessary items and keep the essential ones. Then these more realistic and controlled number of variables can be used in different types of data analysis (Pallant, 2011). In an attempt to explore if the suitability of the data for factor analysis, the sample size is looked at. According to Costello and Osborne (2005), the ideal sample size would be a 10 to 1 ratio of items. Pallant (2011) supports this by mentioning that it is recommended to be “ten cases for each item to be factor analyzed” (p. 183). However, according to Hair et al. (2014), research has found that the minimum

satisfactory sample size would be the number of measurement items used in the research multiplied by 5. An even better sample size would be to multiply the number of items by 10, and the ideal sample size would be to multiply it by 20 (Hair et al., 2014). While the sample size of 129 used in this study is relatively low, other researchers have highlighted that smaller sample sizes can still work if there are numerous 0.8 and above loadings in the EFA (Tabachnick & Fidell, 2007).

Beyond this, it is also important to examine the scores for the Bartlett’s test of sphericity and the Kaiser-Meyer-Olkin (KMO) to further assess the suitability of the data for running the EFA. Bartlett’s test and KMO also assist in analyzing the factorability of the data (Pallant, 2011). According to Pallant (2011), Bartlett’s test should yield a result of ultimate significance, which would be  $p < 0.05$ , and KMO should yield a result of above 0.6 for the data to be classified as suitable. In reference to the table below, both of the requirements are met, with Bartlett’s test results being 0.000 and KMO’s test results being 0.845. As a result, it is concluded that the data is suitable and the EFA was conducted.

Table 5

*KMO and Bartlett’s Test of Sphericity Results*

<b>Test</b>	<b>Result</b>
Kaiser-Meyer-Olkin Measure of Sampling Adequacy	0.845
Bartlett’s Test of Sphericity	0.000

Several different extraction and rotation methods were employed to assess the EFA matrices. Since researchers agree that the use of oblique approaches allow for the correlation between factors, Maximum Likelihood extraction with Promax rotation were employed so as to avoid considering the constructs as independent as researchers inaccurately assume when using orthogonal approaches (Tabachnick & Fidell, 2007). After conducting the EFA, some items were found to be problematic and had to be removed. Some emotions items were found to be particularly problematic such as Bothered, Contented and Crowded. Bothered yielded a low loading score, and as a result, was removed. Contented yielded a negative loading score and also loaded within the category of stress emotions. Crowded had a negative cross loading and was subsequently dropped. Moreover, the items of “In control” and “Influential” loaded as a completely different factor and were subsequently dropped. Finally, the third Word of Mouth item (I encourage friends and relatives to visit this restaurant) was loading with the Willingness to Pay More items and was also removed. In the end, a total of 6 factors were found to explain 62.10% of the variance. As seen from the following pattern matrix table, most items had high loadings above 0.7. As noted before, according to Tabachnick and Fidell (2007), small sample sizes can still be deemed acceptable if there are several above 0.8 loadings, which was found to be the case in this study. As such, the sample size appears to be acceptable. Building on these results, CFA was then conducted.

Table 6

*Exploratory Factor Analysis Pattern Matrix<sup>a</sup>*

<b>Items</b>	<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>
I had a considerable amount of privacy for conversation in this restaurant	.429					
I was too open to the view of others in the restaurant	.833					
I felt exposed sitting at my table	.922					
I felt I was being watched while sitting at my table	.814					
I was overheard by other diners while sitting at my table	.505					
Overall, I experienced a considerable amount of privacy	.589					
Uptight		.570				
Distressed		.885				
Tense		.891				
Passive		.789				
Worried		.749				
Active			.640			
Comfortable			.468			
Vigorous			.790			
Lively			.811			
I say positive things about this restaurant				.953		
I recommend this restaurant to people who seek my advice				.533		.371
I am willing to continue to do business with this restaurant, even if its prices increase					.574	
I am willing to pay a higher price than other restaurants charge for the benefits I currently receive from this restaurant					.988	
I consider this restaurant as my first choice for restaurants of its kind						.690
I will visit this restaurant more often in the next few months						.825
If I had to do it over again, I would make the same choice						.828

Extraction Method: Maximum Likelihood.

Rotation Method: Promax with Kaiser Normalization.

a. Rotation converged in 7 iterations.

### 4.3 Confirmatory Factor Analysis

Following the Exploratory Factor Analysis, the results were used to create a Confirmatory Factor Analysis model in AMOS. The model was estimated using Maximum Likelihood and the model fit indices were investigated to ensure a good model fit. Model fit is related to the acceptability of the model and indicates how accurately the data fits the model, with researchers agreeing on several model fit indices as important to look at (e.g. Kline, 2015; Hu & Bentler, 1999; Hair et al., 1998). In this study, the model fit indices of Chi-Square (CMIN), CMIN/DF, Comparative Fit Index (CFI), Goodness of Fit Index (GFI), the Tucker-Lewis Index (TLI), Root Mean Square Error of Approximation (RMSEA) and the Standardized Root Mean Square Residual (SRMR) were evaluated. When it comes to the CMIN/DF, which adjusts the Chi-square with regards to the degrees of freedom, values below two are considered best although values between two and five are considered acceptable (Kline, 2015). The Comparative Fit Index is also an important measure as sample size does not affect it. While the CFI measures the null model and compares it with the proposed model, the GFI on the other hand tests the fit between the covariance matrix and the hypothesized model. For CFI, GFI and TLI, scores above 0.9 are best, with most researchers recommending that scores of 0.95 and above are ideal for the CFI (Hu & Bentler, 1999; Hair et al., 1998). As for RMSEA and SRMR, Hu and Bentler (1999) note that scores of 0.08 or lower signify the presence of a good model fit. It is ideal for RMSEA to be below 0.05.

The model fit indices of the initial model were assessed in AMOS, with most falling within the ideal or acceptable ranges. To slightly improve the model fit, items with low standardized loadings such as the last perceived privacy item and the third arousal

item (Comfortable) were removed and the modification indices were explored to see if there were any other problematic items (Hair et al., 1998). The following table displays the model fit indices of the initial model and the model fit indices of the re-specified one.

Table 7

*CFA Model Fit Indices*

<b>Index</b>	<b>Initial Model Values</b>	<b>Re-specified Model Values</b>
<b>CMIN</b>	275.727	213.669
<b>CMIN/DF</b>	1.421	1.379
<b>GFI</b>	0.844	0.864
<b>TLI</b>	0.932	0.946
<b>CFI</b>	0.943	0.956
<b>RMSEA</b>	0.057	0.054
<b>SRMR</b>	0.070	0.061

All model fit indices fall within the ideal range except for GFI which is slightly below the 0.9 mark. The standardized regression weights were also looked at to ensure all estimates were above 0.5. All standardized regression weight scores were above 0.5 and so no more items required deletion. The CFA model is also displayed in the following figure.



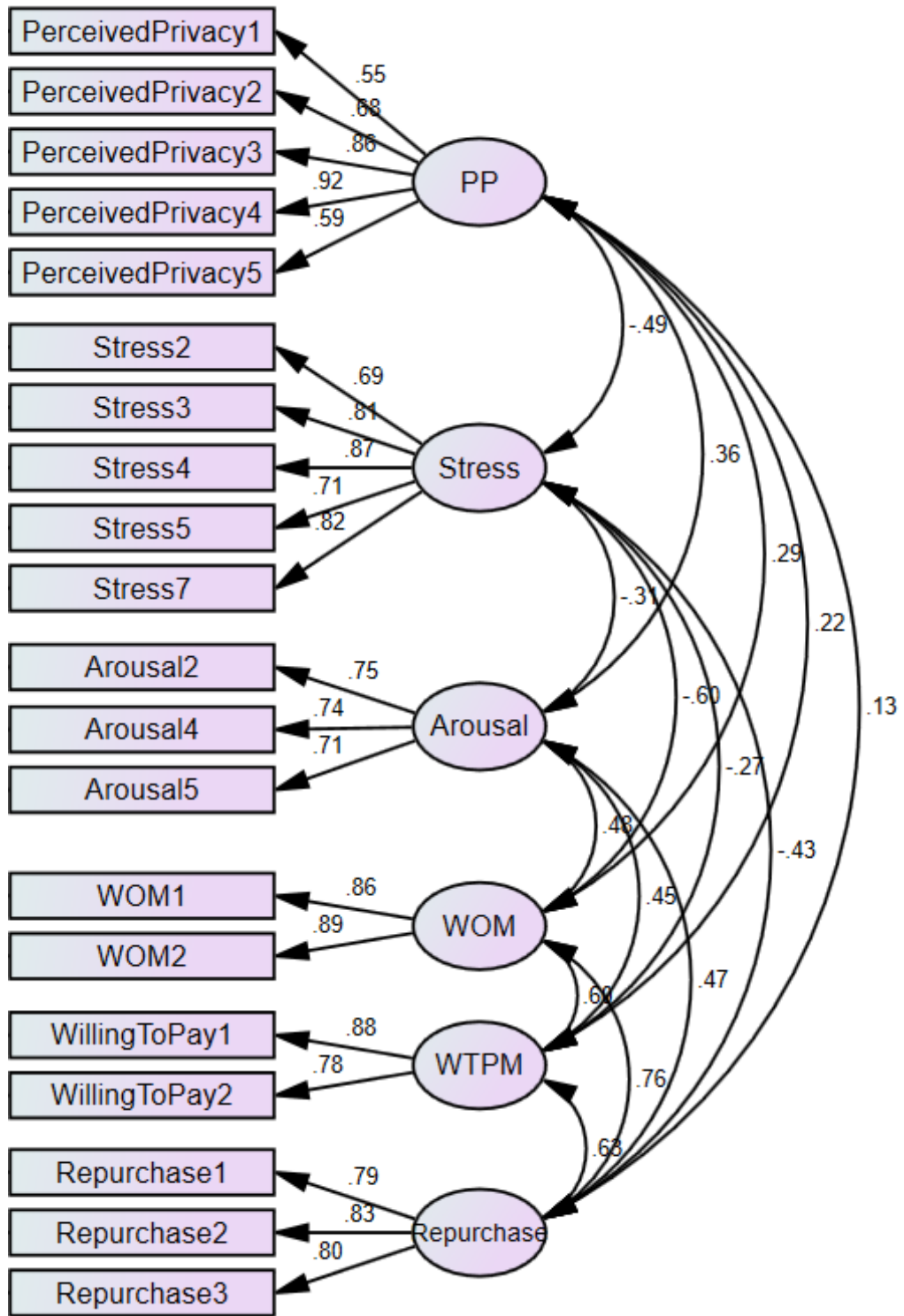


Figure 3. CFA Model

With acceptable model fit achieved, the next step is to make sure of the reliability and validity of the measures in this study. According to Pallant (2011), reliability is related to making sure that the items of a construct are all measuring the same thing and are internally consistent and free of random error. There are several important measures of reliability to consider such as the Cronbach's alpha, the composite reliability (CR) and the Average Variance Extracted (AVE). The Cronbach's alpha is required to be above 0.7 to be considered acceptable. The following table shows the Cronbach's alpha wherein all were above 0.7 for each construct.

Table 8

*Construct Reliability*

<b>Construct</b>	<b>Number of Retained Items</b>	<b>Cronbach's Alpha</b>
Perceived Privacy	5	0.842
Stress	5	0.885
Arousal	3	0.779
WOM	2	0.861
Willingness to Pay More	2	0.809
Repurchase Intentions	3	0.843
Personal Cultural Orientation	5	0.813

Establishing validity is necessary before conducting further analysis. As Pallant (2011) notes, validity is related to the extent to which a scale is measuring what is supposed to be measured. Construct validity encompasses two important aspects of validity, convergent and discriminant. To test convergent validity, the composite reliability and Average Variance Extracted were measured. Composite reliability must be

above 0.7 while AVE needs to be above 0.5. Table 8 below displays that all constructs have satisfied the convergent validity standards.

Table 9

*Convergent Validity Results*

<b>Construct</b>	<b>Composite Reliability</b>	<b>Average Variance Extracted</b>
Perceived Privacy	0.850	0.541
Stress	0.887	0.612
Arousal	0.779	0.540
WOM	0.863	0.760
Willingness to Pay More	0.812	0.685
Repurchase Intentions	0.846	0.647

While convergent validity indicates the similarity of measures to other related constructs, discriminant validity is related to the presence of a distinct difference between each construct and the other constructs of the study. The way discriminant validity was established in this study falls in line with past research (e.g. Hair et al., 1998) wherein the AVE is compared with the square of the estimated correlation between constructs (MSV). The following table displays the discriminant validity results. As shown in the table, all MSV scores fell below that respective construct's AVE score. As such, discriminant validity was supported. With acceptable model fit achieved and with both reliability and validity established, the mediation and moderation hypothesis can be tested using PROCESS.

Table 10

*Discriminant Validity Results*

	AVE	MSV	Perceived Privacy	Stress	Arousal	WOM	Willingness to Pay More	Repurchase Intentions
<b>Perceived Privacy</b>	0.541	0.245	<b>0.735</b>					
<b>Stress</b>	0.612	0.360	-0.495	<b>0.783</b>				
<b>Arousal</b>	0.540	0.227	0.365	-0.305	<b>0.735</b>			
<b>WOM</b>	0.760	0.579	0.294	-0.600	0.476	<b>0.872</b>		
<b>Willingness to Pay More</b>	0.685	0.402	0.219	-0.272	0.449	0.600	<b>0.828</b>	
<b>Repurchase Intentions</b>	0.647	0.579	0.125	-0.435	0.466	0.761	0.634	<b>0.805</b>

Before proceeding to the hypothesis testing, it could be important to note the means and standard deviations of the constructs in the proposed model. As such, the means and standard deviations are displayed in the following table.

Table 11

*Means and Standard Deviations*

<b>Construct</b>	<b>Mean</b>	<b>Standard Deviation</b>
Perceived Privacy	1.6011	0.65577
Stress	1.1607	0.69022
Arousal	2.7911	0.64413
WOM	3.0549	0.76796
Willingness to Pay More	3.2671	1.06594
Repurchase Intentions	3.3364	1.01569
Personal Cultural Orientation	4.2698	0.71443

#### 4.4 Hypothesis Testing

This section discusses the data analysis of this research and portrays the results of the tests of the hypotheses. The following table displays a summary of the hypotheses that will be tested in this study. These hypotheses were justified based on the literature review and the conceptual development.

Table 12

*Research Hypotheses*

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<b><i>Hypothesis 1a:</i></b>	High perceived privacy will lead to arousal
<b><i>Hypothesis 1b:</i></b>	Low perceived privacy will lead to stress
<b><i>Hypothesis 2a:</i></b>	Arousal will positively impact behavioral intention
<b><i>Hypothesis 2b:</i></b>	Stress will negatively impact behavioral intention
<b><i>Hypothesis 3a:</i></b>	Arousal will mediate the relationship between perceived privacy and behavioral intention
<b><i>Hypothesis 3b:</i></b>	Stress will mediate the relationship between perceived privacy and behavioral intention
<b><i>Hypothesis 4:</i></b>	The relationship between perceived privacy and emotions will be moderated by personal cultural orientation

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Based on the CFA measurement model, an SPSS file with the imputed data was created. Through the use of SPSS and a macro named PROCESS (Hayes, 2009), mediation, moderation and the hypotheses were all tested. To assess the significance of the hypotheses, the p-values were looked at. P-values below 0.05 are considered significant. Almost all the tested hypotheses were found to be significant except for the moderating effect of personal cultural orientation. The following table displays all the hypothesis results. In the case of the mediation hypotheses, the indirect effects and their significance levels are reported here.

Table 13

*Results of Hypothesis Testing*

	<b>Hypothesis</b>	<b>Coefficients</b>	<b>t</b>	<b>p</b>	<b>Result</b>
<b>H1a</b>	Perceived Privacy $\Rightarrow$ Arousal	0.411	5.186	***	Supported
<b>H1b</b>	Perceived Privacy $\Rightarrow$ Stress	-0.556	-7.174	***	Supported
	Arousal $\Rightarrow$ WOM	0.606	6.271	***	
<b>H2a</b>	Arousal $\Rightarrow$ Willingness to Pay More	0.864	6.304	***	Supported
	Arousal $\Rightarrow$ Repurchase Intentions	0.923	7.158	***	
	Stress $\Rightarrow$ WOM	-0.767	-8.486	***	
<b>H2b</b>	Stress $\Rightarrow$ Willingness to Pay More	-0.402	-2.565	0.012	Supported
	Stress $\Rightarrow$ Repurchase Intentions	-0.853	-6.238	***	
	Perceived Privacy $\Rightarrow$ Arousal $\Rightarrow$ WOM	0.249	-	***	
<b>H3a</b>	Perceived Privacy $\Rightarrow$ Arousal $\Rightarrow$ Willingness to Pay More	0.355	-	***	Supported
	Perceived Privacy $\Rightarrow$ Arousal $\Rightarrow$ Repurchase Intentions	0.380	-	***	
	Perceived Privacy $\Rightarrow$ Stress $\Rightarrow$ WOM	0.427	-	***	
<b>H3b</b>	Perceived Privacy $\Rightarrow$ Stress $\Rightarrow$ Willingness to Pay More	0.224	-	0.017	Supported
	Perceived Privacy $\Rightarrow$ Stress $\Rightarrow$ Repurchase Intentions	0.475	-	***	
<b>H4</b>	Perceived Privacy*Personal Cultural Orientation $\Rightarrow$ Arousal	0.009	0.438	0.662	Rejected
	Perceived Privacy*Personal Cultural Orientation $\Rightarrow$ Stress	-0.025	-1.214	0.227	

The results of the hypothesis testing indicate that perceived privacy did in fact affect emotions and in turn, emotions impacted word-of-mouth, willingness to pay more and repurchase intentions. Arousal had the strongest positive impact on repurchase

intentions, closely followed by its impact on willingness to pay more. Stress also had the strongest impact on repurchase intentions, but was followed by word-of-mouth.

Surprisingly, personal cultural orientation was not found to have a significant effect on the relationship between perceived privacy and emotions. Although the PROCESS macro model employed was the one for testing moderated mediation, both personal cultural orientation and the interacting variable had no significance on the relationship between perceived privacy and emotions. These findings could be due to the fact that mean for personal cultural orientation was really high ( $\bar{x} = 4.2698$ ) and that there was not enough variation in the subjects' reported personal cultural orientation ( $SD = 0.71443$ ).

Mediation was also assessed using the method put forth by Hayes (2009) and through the use of his SPSS macro named PROCESS. This bootstrapping method that was developed by Preacher and Hayes (2004; 2008) is best to run in this study as it does not require the data to be normally distributed and fits smaller sample sizes (Hair et al., 2016). According to Hayes (2009), "Bootstrapping generates an empirical representation of the sampling distribution of the indirect effect by treating the obtained sample of size  $n$  as a representation of the population in miniature, one that is repeatedly resampled during analysis as a means of mimicking the original sampling process" (p. 7). This process of resampling can be done at least 1,000 times but Hayes (2009) recommends bootstrapping at least 5,000 times. As such, this non-parametric resampling technique can aid in the determination of mediation with certainty and therefore has an advantage over the Sobel test, for example.

Since this was the method of mediation analysis chosen, it is first important to examine the direct, indirect and total effects of arousal as a mediator between perceived



privacy and the three behavioral intention variables. There was a significant indirect effect of perceived privacy on WOM through arousal with an effect of 0.249,  $p < 0.00$  and a confidence interval of 0.13, 0.41. The ratio of indirect to total effect had an effect size of 0.654. The direct effect of perceived privacy on WOM (0.312) was found to be insignificant but the total effect (0.382) was found to be significant ( $p < 0.00$ ). Similar results were obtained for willingness to pay more wherein the significant indirect effect was 0.355,  $p < 0.00$  with a confidence interval of 0.20, 0.56. The ratio of indirect to total effect was found to be 0.887. Once again, the direct effect was not found to be significant but the total effect, probably due to the indirect effect, was found to be significant ( $p < 0.00$ ). Finally, the indirect effect for repurchase intentions was 0.380,  $p < 0.00$  with a confidence interval of 0.22, 0.62. This indirect effect was found to be significant ( $p < 0.00$ ) although the total and direct effects of perceived privacy on repurchase intentions were not. The following figure shows the results of the mediation analysis.

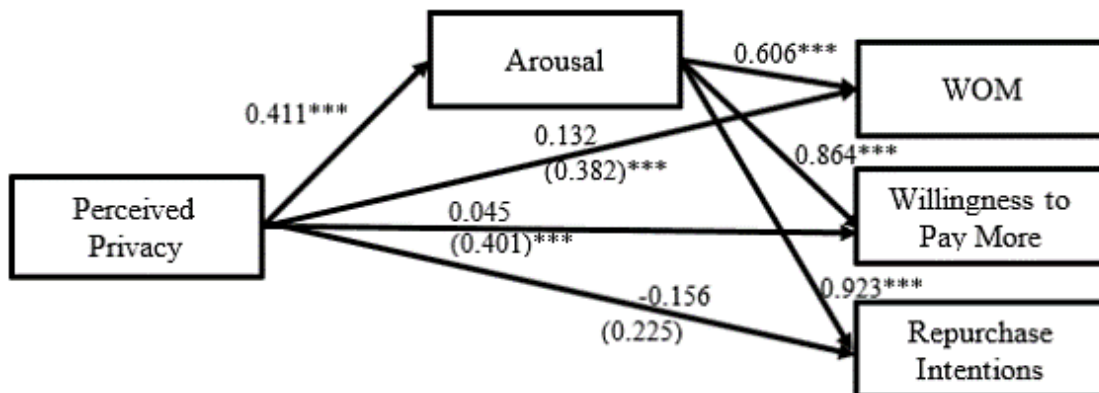


Figure 4. Mediation Analysis of Arousal

These results suggest that arousal mediates the relationship between perceived privacy and the behavioral intentions as the direct relationship between perceived privacy and each behavioral intention was not found to be significant when arousal was included. When arousal was included in the relationship, its inclusion makes the relationship between perceived privacy and the behavioral intentions insignificant. As for the analysis of stress as a mediator between perceived privacy and behavioral intentions, the following figure displays the results.

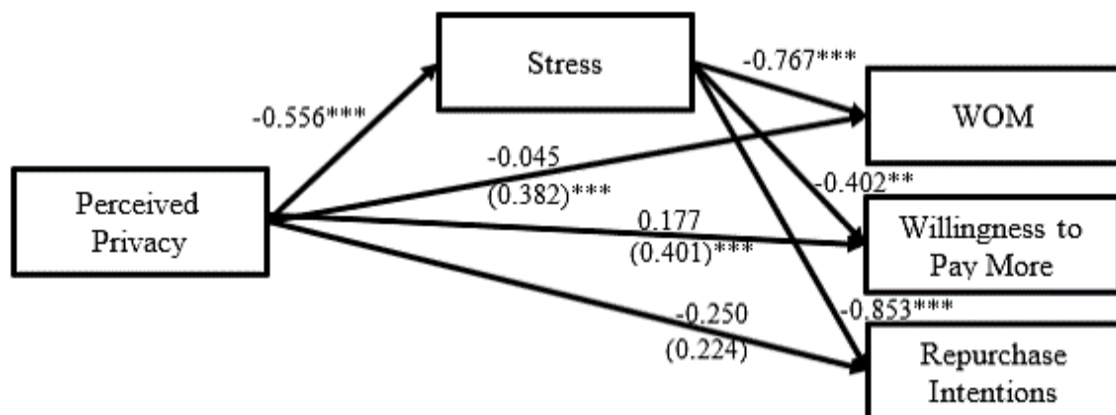


Figure 5. Mediation Analysis of Stress

There was a significant indirect effect of perceived privacy on word-of-mouth through stress with an effect of 0.427,  $p < 0.00$  and a confidence interval of 0.29, 0.62. As for the ratio of indirect to total effect of perceived privacy on WOM, the effect size was found to be 1.118. The direct effect of -0.045 was not found to be significant while the total effect of 0.382 was significant ( $p < 0.00$ ). As for willingness to pay more, the indirect effect was significant as well at an effect size of 0.224,  $p = 0.017$  with a

confidence interval of 0.05, 0.42. The ratio of indirect to total effect was 0.558. The direct effect of 0.177 of perceived privacy on willingness to pay more was once again insignificant while the total effect of 0.401 was significant ( $p < 0.00$ ). Regarding repurchase intentions, the indirect effect size was found to be 0.475,  $p < 0.00$  with a confidence interval of 0.29, 0.70. The ratio of indirect to total effect was 2.113 and both the direct and total effects were insignificant. This suggests similar findings as with arousal. As such, stress acts as a mediator between perceived privacy and behavioral intentions such that its inclusion makes the relationship between the independent and the outcome variable insignificant.

## CHAPTER 5: DISCUSSION AND CONCLUSIONS

### 5.1 Discussion

The main aim of this study was to investigate how perceived privacy in restaurants would impact the emotions of consumers and in turn, affect their behavioral intentions. Results revealed that perceived privacy did in fact have an impact on consumers feelings of stress or arousal. Arousal was found to impact all outcome variables, falling in line with much of the past research that employed the Mehrabian-Russell model (e.g. Donovan & Rossiter, 1982; Baker et al., 2002; Jang & Namkung, 2009). Stress was also found to be related to all three behavioral intentions and provides valuable insight to the literature. Overall, findings of this study are consistent with previous research that looked at the impact of atmospherics on emotions (Harris & Ezeh, 2008; Lin & Liang, 2011) and behavior (Jang & Namkung, 2009; Wakefield & Blodgett, 1994; Ha & Jang, 2012; Ali & Amin, 2014).

The operationalization of behavioral intentions as having the dimensions of word-of-mouth, willingness to pay more and repurchase intentions provided interesting results. Past research has often referred to behavioral intentions as a one-dimensional variable (e.g. Jang & Namkung, 2009; Liu & Jang, 2009). By applying the Mehrabian-Russell model in this way, this study has expanded on the literature through showing that arousal had the strongest impact on repurchase intentions followed by willingness to pay more. While experiencing such a positive emotion during a restaurant visit also does impact a consumer's willingness to recommend the restaurant to others, it is more likely to more significantly drive their revisiting intentions and willingness to spend more at the restaurant. Similarly, stress had the strongest negative impact on repurchase intention as

well. Stress was also found to strongly impact WOM and had the weakest relationship with willingness to pay more. These findings suggest the importance of looking at behavioral responses within the M-R model through using several different dimensions instead of just one. Managers can then benefit from this knowledge about which emotions more significantly drive what types of behavior. By knowing that achieving an adequate level of perceived privacy while dining will positively impact emotions and will mainly drive repurchase intentions, managers can then benefit financially. If consumers revisit the restaurant, this causes more business for the restaurant and helps them grow. Inversely, if managers fail to adhere to consumer needs, this will result in experiencing negative emotions which will mainly drive consumers to avoid returning to the restaurant.

While much research has found that emotions do in fact mediate the relationship between a stimulus and the behavioral response (e.g. Donovan & Rossiter, 1982; Mehrabian & Russell, 1974; Baker, Levy & Grewal, 1992), these findings suggest that the same is true in the case of perceived privacy and behavioral intentions. While pleasure and arousal are often the two studied emotional states (e.g. Baker, Levy & Grewal, 1992; Donovan et al., 1994; Ryu & Jang, 2007), little is known about if stress would also mediate the relationship between a stimulus and the response. This study shows that in the case of perceived privacy within restaurants, both the positive emotions of arousal and the negative emotions of stress mediate the relationship between perceived privacy and the behavioral intentions. While Jang and Namkung (2009) also attempted to expand on the M-R model much like this study has tried to do, they were unable to find support for the significant relationship between negative emotions and behavioral

intentions. This is likely due to their measurement of negative emotions through asking respondents if they felt angry, shameful, distressed and so on. This study indicates that in the context of privacy within restaurants, stress is a more relevant resulting emotion and a better predictor of behavior (Robson, 2008).

The most surprising result of the data analysis was the fact that personal cultural orientation did not actually moderate the relationship between perceived privacy and emotions. It was believed that the extent to which subjects adhere to their traditional norms and values would play a significant role in moderating the relationship between perceived privacy and emotions. Qatar places a significant importance on respecting privacy and gender segregation (Sobh & Belk, 2011; Sobh, Belk & Wilson, 2013) and so it was expected that variations in the extent of this adherence to tradition and culture would moderate the relationship between their perceived privacy and the emotional states experienced. This surprising result might be due to a social desirability bias that compelled participants to express pride for their Qatari traditional and conservative values in line with societal norms and beliefs. It is also important to consider the current political climate in Qatar and the role it could have played in heightening participants' patriotism and identification with their culture. When Saudi Arabia, UAE and other nearby countries cut ties with Qatar in the summer of 2017, the residents and nationals of Qatar banded together in support of Qatar and the Qatari Emir (Finn, 2017). As such, Qataris' connection to their culture might have been intensified by these political events, which has resulted in heightened cultural identification and patriotism. The likely result of these events is that Qataris felt even more proud of their culture and held on to their traditions more strongly. Most participants in this study reported high scores on the

personal cultural orientation scale as shown by a mean of above 4. As a result of this, the sample did not really account for enough score variations on the personal cultural orientation scale.

## 5.2 Theoretical Contributions

This thesis offers several contributions to the literature on atmospherics. To my knowledge, the current study is the first to examine the role of perceived privacy on consumers' responses in the context of restaurants. Most of the research on atmospherics examines aesthetic details such as lighting, music, architecture, seating arrangements, and much more. This research expands on the atmospherics literature by considering the significant role of privacy as a predictor of negative or positive emotions and behavioral intentions. Besides, this research expands on the research of Jang and Namkung (2009) through conceptualizing and operationalizing behavioral intentions as a multi-dimensional consisting of the three dimensions of word-of-mouth, willingness to pay more and repurchase intentions unlike previous research that considered it as a unidimensional construct.

Another crucial contribution of the study at hand is a new application of the Mehrabian-Russell model. In this research, the original use of the Mehrabian-Russell model is expanded by the use of perceived privacy as a new characteristic of a servicescape. The way that perceived privacy is incorporated in the Mehrabian-Russell model is likely to inspire other researchers to consider other types of stimuli's effect on behavioral intentions. Besides, most research that has employed the Mehrabian-Russell model used the emotions of pleasure and arousal (e.g. Donovan & Rossiter, 1982). As such, a third contribution of this study is the employment of not only negative and

positive emotions but the concept of stress instead of pleasure. The M-R model highlights that emotional states mediate the relationship between stimuli and the behavioral response, but since most studies have found support for the role pleasure and arousal play, it is important to consider other emotional states in this context as well. The inclusion of stress as an indicator of behavior was examined in the context of restaurants by Robson (2008). Robson (2008) found that depending on stress, consumers made different table choices. In more stressful situations, consumers opt for tables in corners so as to be more secluded. Such findings suggest the importance of considering stress as a determinant of consumer behavior. This present study establishes a relationship between stress and behavioral intentions.

### 5.3 Limitations

The first limitation of this study relates to the sample size. Most researchers agree that the sample size should be decided by multiplying by 10 the number of measurement items (e.g. Costello & Osborne, 2005; Pallant, 2011). Smaller sample sizes can still be acceptable if EFA produces several loadings above 0.8 (Tabachnick & Fidell, 2007), which was the case in this study. While it appeared that the sample size was acceptable for conducting the data analysis, a larger sample size would have been more ideal to claim generalizability of the results. However, all efforts to increase the response rate and encourage the completion of more questionnaires within the available time frame failed due to competing requests by other graduate students coupled with locals' general reluctance to complete questionnaires.



#### 5.4 Managerial Implications

In addition to its theoretical contributions, this study has important implications to managers. Since this study revealed that perceived privacy does in fact affect both negative and positive emotions such as stress and arousal, adhering to the privacy needs of consumers would then lead to increasing their willingness to recommend the restaurant to others, their willingness to pay more and their repurchase and revisit intentions. Thus, the ideal situation would be to abide by the customers' desired level of privacy in restaurants and other hospitality settings which would lead to positive behavioral intentions. Offering adequate levels of privacy to consumers will then positively impact their emotions and encourage them to do more business with the restaurant. Since Qatar is made up of only about 20 percent Qataris with the remaining 80 percent being residents from other Arab countries, from south Asian countries and from Western countries (Sobh & Belk, 2011), it is important to accommodate consumers from different cultural backgrounds. The findings of this study then prove to managers the significance of considering perceived privacy as a determinant of consumer behavior. While different cultures place different importance on privacy, this study has proven that a consumer's perception of the privacy within a restaurant impacts their mood and their behavior. Such results can then be generalizable to all cultures, not just Qatari people. While restaurants should provide different levels of privacy to accommodate all consumers, it is important to assess how consumers perceive the privacy within the restaurant.

Using the knowledge obtained from this study, managers can then ask restaurant diners about their satisfaction with the level of privacy provided through the restaurant layout and table seating. Many restaurants provide restaurant diners with a short survey

asking about their satisfaction with the food, service and experience. Due to the importance of perceived privacy as a determinant of behavioral intention, managers could incorporate questions in these short surveys to ask about consumers' perceived privacy. Based on the feedback they obtain from consumers, managers will then know if they are meeting the privacy needs of their customers and how to best influence their willingness to recommend the restaurant to others, their willingness to pay more and their willingness to repurchase and revisit the restaurant. Since the study revealed that both positive and negative emotions have the strongest significant impact on repurchase/revisit intentions, it is of the utmost importance that managers utilize this information to their advantage. By triggering positive emotions in the consumers visiting their restaurant and avoiding stress obtained from a low perception of privacy, managers can then benefit from the increased repurchase and revisit intentions that consumers will exhibit. Simple changes can be made to the placement of tables and chairs or the space and seclusion allotted to consumers so as to give consumers a higher perception of privacy while dining. Depending on the feedback obtained from consumers, partitions could also be added or other changes can be made so as to give consumers a heightened perception of privacy. Overall, factoring in perceived privacy will lead to consumers returning back to the restaurant, spending more at the restaurant and spreading positive word-of-mouth, which all translates to a financial gain and growth for the establishment.

## 5.5 Future Research

The current research sheds light on the role of perceived privacy in influencing consumer behavior in restaurants settings and inspires further research in this area. First,

future research could examine the role of different moderators of the relationship between perceived privacy and emotions. For example, future research could explore how variables such as value congruence or promotion and prevention foci could moderate the relationship between perceived privacy and emotions. Understanding the role of values and other personality variables could help in enhancing consumers' experiences in restaurants.

Future research could also consider measuring different positive and negative emotions than arousal and stress. Arousal has been supported in many studies but it would be interesting to see how other positive emotions could have a more significant impact on willingness to pay more, WOM and willingness to repurchase or revisit a restaurant. Another possible avenue for future research is to study the role of perceived privacy in other hospitality settings like hotels as well as other servicescapes like banks and retail stores where perceived privacy may be needed by customers.

## 5.6 Conclusion

The main aim of this study was to investigate the role of perceived privacy in influencing behavioral intentions in a restaurant setting. In line with past research that employed the Mehrabian-Russell model (e.g. Donovan & Rossiter, 1982; Jang & Namkung, 2009), this research found support for the significant impact perceived privacy can have on stress and on arousal and how this impacts behavioral intentions. In both cases of arousal and stress, there was support for their significant impact on all the studied behavioral intentions. Since it was found that both negative and positive emotions most significantly impact a consumer's willingness to repurchase or revisit the restaurant,

managers can then attempt to enhance consumer perception of privacy while dining by making changes to the table arrangements or having more secluded seating areas. A higher perception of privacy will trigger positive emotions and lead to favorable behavioral intentions that provide a financial gain and benefit to any establishment. Through employing a different emotional state such as stress within the M-R model and the different dimensions of behavioral intentions, this study makes an important contribution to the literature about the role of atmospherics in influencing consumer responses and behavior and has insightful managerial implications. Future research should expand on these findings by considering other types of emotions, different moderators and more settings to further explore the role of the critical concept of perceived privacy in influencing consumer responses.

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## APPENDIX

### Appendix A: English Questionnaire

Dear Participants,

My name is Randa Sheik and I am a student enrolled in the Masters of Science program at Qatar University. You are cordially invited to participate in this questionnaire about consumers experience with restaurants. Any help you can offer me would be much appreciated.

Your participation is optional and not an obligation. You are welcome to withdraw at any moment if you feel uncomfortable. The information collected from this questionnaire will be used for academic purposes only. Any information given will remain anonymous and confidential, and the data will be secure and password protected.

The survey should take a maximum of 10-15 minutes of your time. Kindly fill it honestly and accurately and complete it until the end for optimal results.

For any questions, please contact me or my supervisor:

Randa Sheik

Email: [randa.sheik@hotmail.com](mailto:randa.sheik@hotmail.com)

My supervisor:

Dr. Rana Sobh

Associate Professor of Marketing

Phone: +974 4403 5033

Email: [r.sobh@qu.edu.qa](mailto:r.sobh@qu.edu.qa)

Thank you for your time.

\*Are you Qatari?

- Yes
- No

*\*The survey ends if they answer "No."*

Kindly write the name of a restaurant you have recently dined at in Qatar:

---

1. When did you dine in this restaurant?

- This week
- 1-3 weeks ago
- 1-2 months ago

- More than 2 months ago
2. How often do you dine in this restaurant?
- First time
  - Once a week
  - More than once a week
  - 2-3 times a month
  - Once a month
  - Once every three months
  - Rarely
3. I visited this restaurant...
- With friends of the same gender
  - With friends of both genders
  - With close family members (parents, siblings)
  - With family and other relatives
  - With a significant other (fiancé, spouse)
  - With spouse and kids
  - Alone
4. In general, I visit restaurants...
- With friends of the same gender
  - With friends of both genders
  - With close family members (parents, siblings)
  - With family and other relatives
  - With a significant other (fiancé, spouse)
  - With spouse and kids
  - Alone
5. Please indicate to what extent you agree with the following statements about your visit to the named restaurant:

	Strongly Disagree		Strongly agree		
I say positive things about this restaurant	1	2	3	4	5
I recommend this restaurant to people who seek my advice	1	2	3	4	5
I encourage friends and relatives to do business with this restaurant	1	2	3	4	5
I am willing to continue visiting this restaurant, even if its prices increase	1	2	3	4	5

I am willing to pay a higher price than other restaurants charge for the service I currently receive from this restaurant	1	2	3	4	5
I consider this restaurant as my first choice for restaurants of its kind	1	2	3	4	5
I will visit this restaurant more often in the next few months	1	2	3	4	5
If I had to do it over again, I would make the same choice	1	2	3	4	5

6. Sitting at this restaurant made me feel:

	Strongly disagree				Strongly agree
Bothered	1	2	3	4	5
Contented	1	2	3	4	5
Uptight	1	2	3	4	5
Active	1	2	3	4	5
Comfortable	1	2	3	4	5
Vigorous	1	2	3	4	5
Distressed	1	2	3	4	5
Lively	1	2	3	4	5
Tense	1	2	3	4	5
Passive	1	2	3	4	5
Crowded	1	2	3	4	5
Worried	1	2	3	4	5
In control	1	2	3	4	5
Influential	1	2	3	4	5

7. Please indicate to what extent you agree with the following statements:

	Strongly Disagree				Strongly Agree
I am proud of my culture	1	2	3	4	5
Respect for tradition is important for me	1	2	3	4	5
I have a strong link to my past	1	2	3	4	5
Traditional values are important for me	1	2	3	4	5
I care a lot about my family history	1	2	3	4	5

8. Restaurant layouts in Qatar tend to have three different levels of privacy: low, moderate and high. By low level of privacy, we mean there is no segregation of gender spaces and all areas are mixed. By moderate level of privacy, we mean that there is a “Women only” section, a “Family only” section, and a “Mixed” section. By high level of privacy, we mean that visitors at their tables are not visible to one another. The tables are separated by curtains or enclosed in rooms and no one but the server can access your table. **Which of these levels of privacy applies to the restaurant you named?**

- Open, mixed tables (Low privacy)
- Women only, family only and mixed sections (Moderate privacy)
- Tables separated by curtains or enclosed in rooms (High privacy)

**9.** Please indicate to what extent you agree with the following statements about your recent visit to the named restaurant:

	Strongly disagree			Strongly agree	
I had a considerable amount of privacy for conversation in this restaurant	1	2	3	4	5
I was too open to the view of others in the restaurant	1	2	3	4	5
I felt exposed sitting at my table	1	2	3	4	5
I felt I was being watched while sitting at my table	1	2	3	4	5
I was overheard by other diners while sitting at my table	1	2	3	4	5
Overall, I experienced a considerable amount of privacy	1	2	3	4	5

**10.** Please select your gender

- Male
- Female

**11.** Please select your age bracket:

- 16-20
- 21-25
- 26-30
- 31-35
- 36-40
- 41 and above

**12.** What is your education level?

- Primary school
- High school
- Undergraduate
- Master's Degree
- PhD

**13.** What is your employment status?

- Full-time employee
- Part-time employee



- Unemployed
- Student
- Retired

## Appendix B: QU-IRB Approval



### Qatar University Institutional Review Board QU-IRB

March 20, 2017

Ms. Randa Sheik  
CBE Graduate Student Project  
Qatar University  
Tel.: 33836284  
Email: [randa.sheik@hotmail.com](mailto:randa.sheik@hotmail.com)

Dear Ms. Randa Sheik,

Sub.: Research Ethics Review Exemption / CBE-Graduate Student Project  
Ref.: Project titled, "How Level of Restaurant privacy Affects Loyalty and Approach-Avoidance Behavior: A Case Study of Qatar"

We would like to inform you that your application along with the supporting documents provided for the above proposal, is reviewed and having met all the requirements, has been exempted from the full ethics review.

Please note that any changes/modification or additions to the original submitted protocol should be reported to the committee to seek approval prior to continuation.

Your Research Ethics Approval No. is: **QU-IRB 740-E/17**

Kindly refer to this number in all your future correspondence pertaining to this project.

Best wishes,

Dr. Khalid Al-Ali  
Chairperson, QU-IRB

