We use the SERVPERF mail survey data from Parasuraman, Grewal, and Krishnan (1991) collected from a random sample of 1000 policyholders of the National Insurance Company. First, participants answered questions regarding the five service quality dimensions of SERVPERF via the 22 questionnaire items shown in earlier Table 1 (independent variables). Second, they answered an overall service quality question (dependent variable) “How would you rate the overall service quality of National and its employees?” on a 1-10 scale, from *Extremely Poor* to *Extremely Good*. Third, participants answered general questions about their relationship with the company (“Would you recommend National Insurance to your friends?”, “How long have you been using the services of the company?”, “Have you had problems and were they resolved to your satisfaction?”), and finally provided their demographic information (gender, marital status, age, income, and education). One hundred ninety one surveys were returned and used for our analyses.

Before we turn to identifying the drivers of overall service quality evaluation and heterogeneous response patterns, we list the correlations between the 22 SERVPERF items and the dependent variable in Table 3 to illustrate the problems present in this type of service quality data. We note that out of the 253 pairwise correlations, 247 are significant at *p* <.05, and that *all* of the 22 independent variables are highly positively correlated with the dependent variable. The large number of positive correlations amongst the independent variables often suggests the presence of severe multicollinearity, and is quite typical in such service quality applications.

**Questionnaire**

servqual - How would you rate the overall quality of service provided by National?

Q01- [Reliability 1] When National promises to do something, it does so

Q02-[Reliability 2] When you have a problem, National shows a sincere interest in solving it

Q03-[Reliability 3] National performs the service right the first time

Q04-[Reliability 4] National provides its services at the time it promises to do so

Q05-[Reliability 5] National maintains error-free records

Q06- [Empathy 1] National treats you with care

Q07-[Empathy 2] National has operating hours convenient to all its policyholders

Q08-[Empathy 3] National has employees who give you personal attention

Q09-[Empathy 4] National has your best interests in mind

Q10-[Empathy 5] Employees of National understand your specific needs

Q11- [Tangibles 1] National has modern-looking equipment

Q12- [Tangibles 2] National's physical facilities are visually appealing

Q13- [Tangibles 3] National's employees are neat-appearing

Q14- [Tangibles 4] Materials associated with service are visually appealing at National

Q15- [Responsiveness 1] Employees of National tell you exactly when services will be performed

Q16- [Responsiveness 2] Employees of National give you prompt service

Q17-[Responsiveness 3] Employees of National are always willing to help you

Q18-[Responsiveness 4] Employees of National are never too busy to respond to your requests

Q19-[Assurance 1] The behavior of employees of National instills confidence in you

Q20-[Assurance 2] You feel safe in your transactions with National

Q21-[Assurance 3] Employees of National are consistently courteous with you

Q22-[Assurance 4] Employees of National have the knowledge to answer your questions