

Intercultural Service Encounters (ICSEs): Challenges and Opportunities

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Journal of Knowledge Management

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Journal of Business Research
Journal of Services Marketing

7th SGBED International Research Symposium
Society For Global Business And Economic Development
Dubai, 17-19 Dec 2018

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Intercultural Service Encounters (ICSEs): Challenges and Opportunities

How to identify, create and manage a new research
stream to help build your academic career?

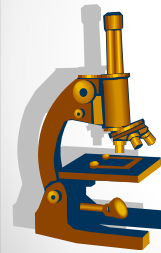


Background

- **Dr. Piyush SHARMA**
 - Professor of Marketing, Curtin University, Perth, Australia
 - Taught in Singapore, Hong Kong, France and Australia
- **30+ years professional experience**
 - Engineer, Manager & Professor
 - BEng (Electrical), MBA (Marketing), PhD (Marketing)
- **Traveled around the world (40+ countries)**
 - North America, Europe, Oceania, Africa and Asia
 - Lived in India, Singapore, Hong Kong & now Australia

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Research Areas



- **Consumer (Mis)behavior**
 - Self-regulatory failure
 - Counterfeit Purchase Behavior
- **Services Marketing**
 - Service Encounters & Evaluation
 - Intercultural Service Encounters
- **International Business**
 - Culture & its impact on consumers
 - Developed vs. Emerging Markets
- **Inter-disciplinary Research**
 - Marketing & Finance
 - Marketing & OB/HR
 - Marketing & Business Strategy

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Editorial Roles

- Regional Editor (Asia) – Journal of Knowledge Management
- Associate Editor (Marketing) – Journal of Business Research
- Associate Editor – Journal of Services Marketing
- Member – Editorial Review Board
 - Journal of the Academy of Marketing Science, Journal of International Business Studies, Journal of Service Research
 - European Journal of Marketing, Journal of Service Theory and Practice, International Journal of Emerging Markets
- Past Roles
 - Co-editor – Marketing Intelligence and Planning (2014-15)
 - Area Editor – Marketing, Journal of Indian Business Research (2009-12)

Introduction

- **Definition & Scope**
 - Interactions among customers and employees from different cultures (Stauss & Mang 1999) in terms of nationality, ethnicity, language, religion, customs etc.
 - Increasing importance with rapid increases in international travel, tourism and migration - almost 250 million immigrants (United Nations 2018) and 1.2 billion tourists (World Tourism Organization 2018)
- **Motivation**
 - Understand the unique challenges posed by differences in the perceptions, expectations and evaluations of culturally diverse customers and employees (Sharma et al., 2009)

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Background

- **Early research mostly descriptive in nature**
 - Culture shock (Stauss and Mang, 1999), perceived discrimination (Barker and Härtel, 2004), and behavioral biases in the employees' responses (Martin and Adams, 1999; McCormick and Kinloch, 1986)
- **Subsequent studies go deeper into the process**
 - Cross-cultural interaction comfort (Paswan and Ganesh, 2005), ethnocentrism (Javalgi and Martin, 2007; Sharma, 2005a; Ueltschy et al., 2007), ethnic/cultural dissimilarity (Etgar and Fuchs, 2011), reactions to service failure and recovery (de Matos et al., 2011; Wang and Mattila, 2011)
 - Intercultural sensitivity of employees (Sizoo, 2006; Sizoo et al., 2005) and emotional stress and coping strategies for employees Wang and Mattila, 2010)

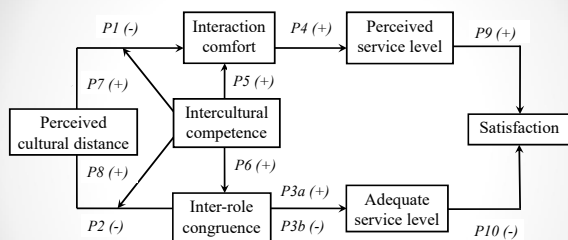
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Original ICSE framework (Sharma et al. 2009, JSR)

- **Scope**
 - Introduces perceived cultural distance (PCD) as a key driver of interaction comfort and inter-role congruence
 - Highlights the focal role of intercultural competence (ICC) in intercultural service encounters
 - Examines key customer outcomes e.g. adequate and perceived service levels and satisfaction
 - Focuses on both customers and employees
- **Methodology**
 - Qualitative (50 In-depth interviews) with both customers and employees in five service categories (F&B, Retailing, Entertainment, Hospitality and Transportation)

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Original ICSE Framework



Sharma, Piyush, Jackie L. M. Tam, and Namwoon Kim (2009), "Demystifying Intercultural Service Encounters: Toward a Comprehensive Conceptual Framework", *Journal of Service Research*, 12 (2), 227-242.

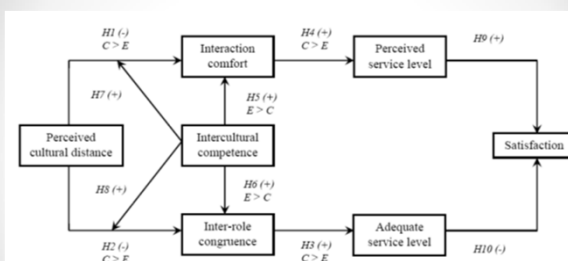
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Modified ICSE framework (Sharma et al. 2012, JSM)

- **Scope**
 - Incorporates differences between customers and employees in the relationships among various constructs
- **Methodology**
 - Field-experiment using between-subjects design with 241 customers and 204 restaurant employees
 - Used imaginary scenario of a service failure in a restaurant setting with photos of waiters to manipulate PCD
- **Results**
 - Found support for most hypothesized relationships
 - PCD and ICC have unexpected effects on interaction comfort

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Modified ICSE Framework



Sharma, Piyush, Jackie L. M. Tam, and Namwoon Kim (2012), "Intercultural Service Encounters (ICSE) Framework: Extension and Empirical Validation", *Journal of Services Marketing*, 26 (7), 521-534.

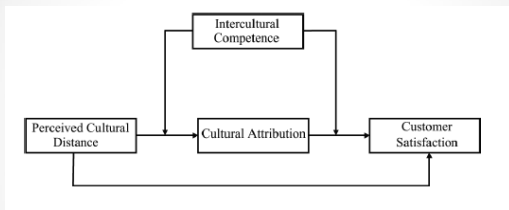
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Role of cultural attributions (Tam et al. 2014, JSM)

- **Scope**
 - Examines the role of cultural attributions and intercultural competence to predict customer expectations and evaluations in intercultural service encounters.
- **Methodology**
 - Field-experiment using between-subjects design with 236 actual customers using mall-intercept
 - Used imaginary scenario similar to Sharma et al. (2012)
- **Results**
 - Cultural attributions partially mediate the influence of PCD on customer satisfaction in intercultural service encounters
 - ICC moderates this mediating role of cultural attributions
 - Explains the unexpected findings in Sharma et al. (2012)

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Role of Cultural Attributions



Tam, Jackie L. M., Piyush Sharma and Namwoon Kim (2014), "Examining the Role of Attribution and Intercultural Competence in Intercultural Service Encounters", *Journal of Services Marketing*, 28 (2), 159-170.

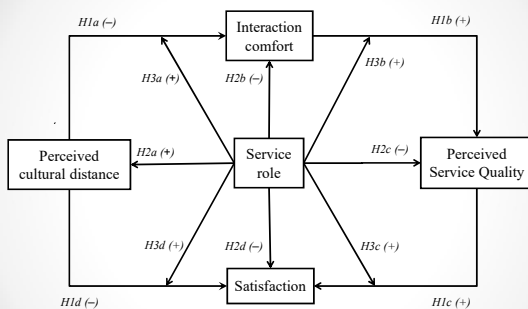
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Extended ICSE Framework (Sharma et al. 2015, JOSM)

- **Scope**
 - Explores moderating effects of service role (customer vs. employee) and service outcome (success vs. failure)
 - Direct and indirect effects of perceived cultural distance on interaction comfort, service quality and satisfaction
- **Methodology**
 - 2 X 2 X 3 between-subjects experiment with undergraduate students to manipulate service role, outcome and PCD, using imaginary scenarios
- **Results**
 - Customers show higher PCD, lower interaction comfort, service quality and satisfaction, and stronger negative moderating effect of perceived cultural distance
 - Service failure leads to lower interaction comfort, service quality and satisfaction, and these effects are stronger for customers

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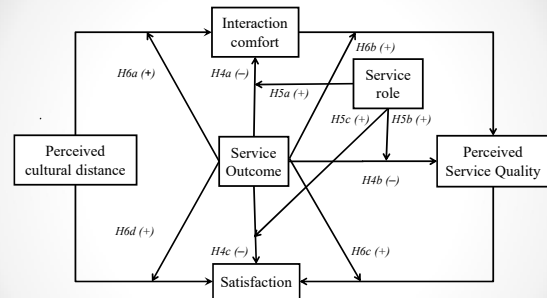
Extended ICSE Framework (A)



Sharma, Piyush, Jackie L. M. Tam, and Namwoon Kim (2015), "Service Role and Outcome as Moderators in Intercultural Service Encounters", *Journal of Service Management*, 26 (1), 137-155

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Extended ICSE Framework (B)



Sharma, Piyush, Jackie L. M. Tam, and Namwoon Kim (2015), "Service Role and Outcome as Moderators in Intercultural Service Encounters", *Journal of Service Management*, 26 (1), 137-155

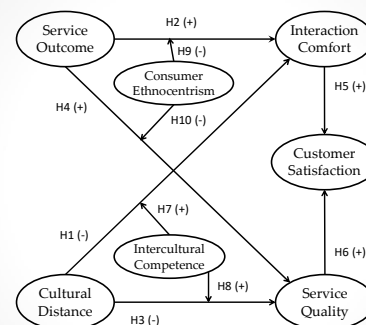
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Revised ICSE framework (Sharma and Zhan 2015, JSM)

- **Scope**
 - Explores the contrasting moderating effects of consumer ethnocentrism and intercultural competence on the impact of service outcome and perceived cultural distance
- **Methodology**
 - 2 X 2 between-subjects experiment with university students in Australia, using imaginary scenarios to manipulate service outcome (failure vs. success) and PCD (low vs. high)
- **Results**
 - Consumer ethnocentrism (Intercultural competence) negatively (positively) moderate the effects of service outcome (failure vs. success) on interaction comfort and perceived service quality, which in turn drive customer satisfaction

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Revised ICSE Framework



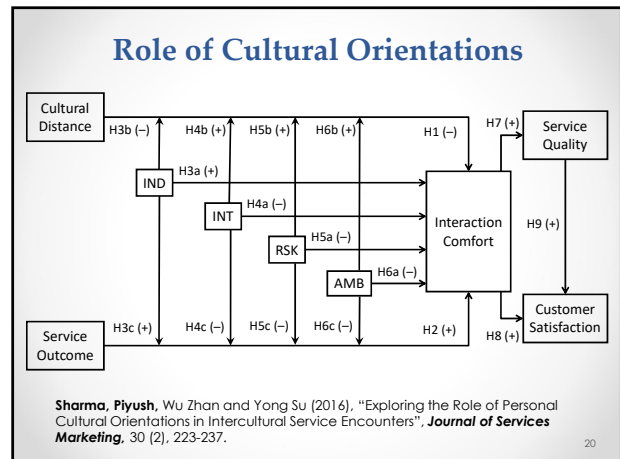
Sharma, Piyush and Wu Zhan (2015), "Consumer Ethnocentrism vs. Intercultural Competence as Moderators in Intercultural Service Encounters", *Journal of Services Marketing*, 29 (2), 93-102.

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PCO Framework (Sharma, Zhan and Su 2016, JSM)

- Scope**
 - Investigates the moderating effects of personal cultural orientations (e.g. independence, interdependence, risk aversion and ambiguity intolerance) on customer expectations and evaluations in intercultural service encounters
- Methodology**
 - 2 X 2 between-subjects experiment with 160 customers each in two countries (Australia and China) using imaginary scenarios
- Results**
 - Independence (Interdependence, risk aversion and ambiguity tolerance) lead to higher (lower) interaction comfort, service quality and satisfaction, and reduce (increase) the negative effects of high PCD and service failure

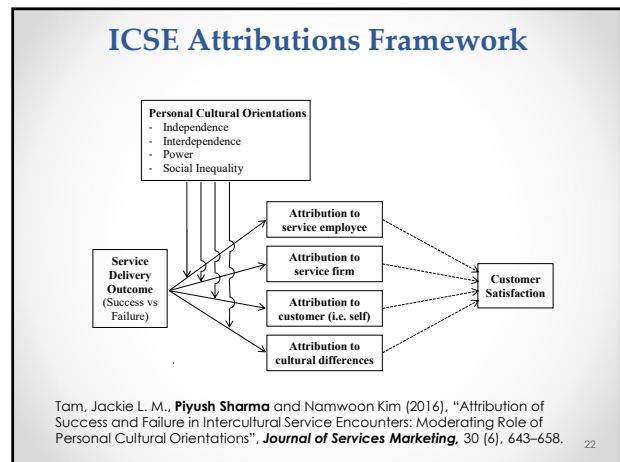
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ICSE Attributions Framework (Tam et al. 2016, JSM)

- Scope**
 - Investigates the mediating roles of four types of attributions (employee, firm, self and cultural differences), and
 - Moderating roles of four personal cultural orientations (independence, interdependence, power and social inequality)
- Methodology**
 - Scenario-based field-experiment with 640 Chinese and Western customers using mall-intercept
- Results**
 - Both cultural and non-cultural attributions mediate the impact of service outcome on customer satisfaction
 - Personal cultural orientations moderate many of these effects
 - Extends prior work by Tam et al. (2014) on cultural attributions

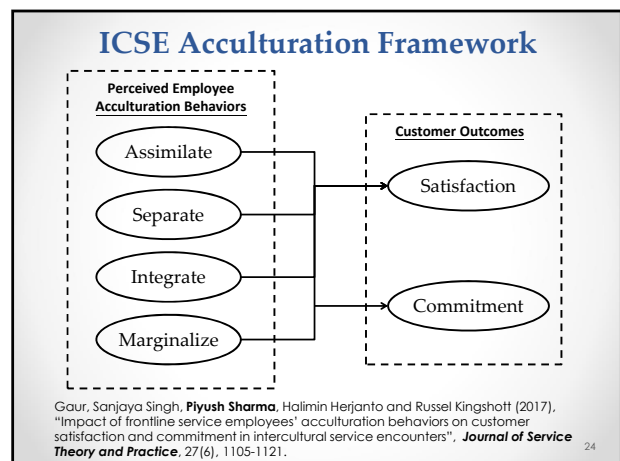
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ICSE Acculturation Framework (Gaur et al. 2017, JSTP)

- Scope**
 - Impact of four types of acculturation behaviours (assimilation, separation, integration, and marginalization) of frontline service employees on customer satisfaction and commitment in ICSE
- Methodology**
 - 377 ethnically diverse retail banking customers in New Zealand
- Results**
 - Assimilation and integration have positive effects on both customer satisfaction and commitment.
 - Marginalization has a negative effect on both customer satisfaction and commitment
 - Separation has a negative effect only on customer satisfaction and not on customer commitment.

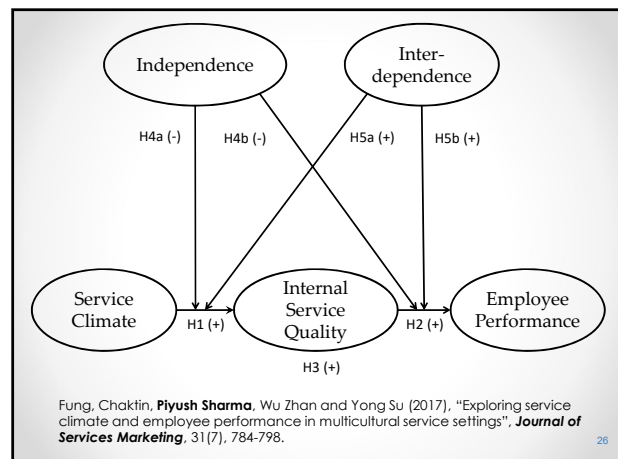
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SC-ISQ-EP Framework (Fung et al. 2017, JSM)

- Early research focused on the direct effect of Service Climate (SC) on External Service Quality (ESQ) ignoring Internal Service Quality (ISQ) (e.g. Schneider et al. 1998)
- Others use Internal Service Quality as a moderator of the link between Service Climate and External Service despite a strong correlation between SC and ISQ ($r=0.36$) (Ehrhart et al. 2011)
- More recent research suggests that a good service climate encourages employees to provide high service quality to each other, which then leads to a higher level of overall internal service quality (e.g. Mokhtaran et al. 2015)
- Therefore, we consider Internal Service Quality as a mediator of the link between Service Climate and External Service in a cross-sectional perspective.

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SC-ISQ-EP Framework (Fung et al. 2017, JSM)

- People with higher levels of independence prefer to act on their own unlike those with high levels of interdependence who are more likely to depend on each other and prefer working as a team (Oyserman et al. 2002).
- In a low service climate,
 - Employees with higher level of independence may not expect or rely on support from others or support others and this would have an adverse impact on their perceptions of ISQ, whereas
 - Employees with higher levels of interdependence may not take the initiative to provide a high level of service quality and instead, depend on others to perform their roles
- In a high service climate,
 - Difference between employees with high vs. low levels of independence and interdependence may not be high.

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Summary

- Identify an important research gap, ideally a theoretical gap and not just an empirical replication in yet another context
 - Use an existing theory to explain a phenomenon
 - Modify an existing theory to explain a phenomenon
 - Develop new theory to explain a broader phenomenon
- Use the most rigorous method available but don't be a slave to a particular methodology, tool or technique
- Present your research idea to a diverse group of colleagues and reviewers to get critical feedback
- Take reviewers comments very seriously and address each one meticulously – attach a separate response document
- Choose your title very carefully – avoid narrow, contextual descriptions and make them crisp, to-the-point
- Choose your co-authors even more carefully – build long-term mutually beneficial relationships with like-minded people!

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References

1. Sharma, P., Tam, J. L. M. & Kim, N. (2009) Demystifying Intercultural Service Encounters: Toward a Comprehensive Conceptual Framework. *Journal of Service Research*, 12(2), 227-242.
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9. Fung, C.T., Sharma, P., Wu, Z. and Su, Y. (2017). "Exploring service climate and employee performance in multicultural service settings", *Journal of Services Marketing*, 31(7), 784-798.

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Thank You!

Questions?
Suggestions?