

CHAPTER 8
CONCLUSIONS

The study is carried out in that state of Assam that boasts of a wide diversity of tribes and minority ethnic groups. The study is exploratory in nature and seeks to answer the research question whether the cultural background affects the behavior and perception of consumers of services in the state of Assam. For the selection of the services, three diverse services of retail, insurance and health are selected. The objectives of the work have already been discussed in the section 3.3 of Chapter 3 of the thesis.

As cross cultural research tend to be complex, a detail literature review has been carried out to determine the research gap in chapter 2 and chapter 4 of the thesis helps determine the methodology. The gaps have been found to be present in the present day knowledge repository. The subject of service encounter with culture has not been studied in the context of Assam though the same subject has been extensively studied in many other regions across the world. The use of CIT is also new addition in methodology in the context of such work. Also for a growing economy like India with a vast diversity in culture, a better understanding of the service encounter in such a diverse cultural setting hold enough scope for better service delivery. The study uses both the qualitative and quantitative methods of collecting the data. For the customers, a questionnaire using five service encounter variables and eight demographic variables was circulated among customers of retail, health and insurance industry. The responses were categorized into three cultural groups namely respondents speaking dominant language, speaking non dominant language and tribals. Similarly, using CIT responses were collected from service contact persons involving incidents of service delivery of both satisfying and dissatisfying nature. These incidents were further categorized into the above mentioned customer cultural groups. Chapter 5 and 6 elaborates the relationship between the service encounter variables and the cultural variables exploring single relationships as well as interactions among cultural and demographic variables. Chapter 7 highlights the major findings of the study that suggest that cultural variable does affect the customer's expectations of the service encounter. This chapter (Chapter 8) offers a conclusion of the study along with its implication and scope for future research.

8.1 Conclusion

Penaloza and Gilly (1999) reported that consumers of one culture do interact and adapt to marketing practices of marketers from another culture. It is observed that mainstream

as well as ethnic minority consumers do interact and adapt to each other while both are informed by the different sets of agents aligned with mainstream as well as the ethnic minority consumer cultures. Mayadas and Elliot (1992) and Sayegh & Lasry (1993) argued that research should consider the interaction between both the mainstream and the ethnic minority consumers. This work has used the mother tongue (language) and community of the consumers to define the cultural groups. The study has also empirically establishes that the cultural background plays a significant role on the outcome of service encounter. It is also established that when comparison are made among three industries, the results vary and inter-sector differences are visible. Chase and Tansik (1983) observed that for high contact services the interactions that take place between the customer-employee dyad are key to successful relationship building. Present work shows that the service encounters are dependent on cultural background of the service customer for the sample of respondents in the state of Assam, India. This study also reveals that the cultural variables alone may influence the service encounter less but when considered in unison with the demographic variables of age, education, income and family life cycle stage stronger influence is observed. Thus with the interaction of cultural and demographic variables the same respondent may behave in a different manner in a service encounter. In relation to the first objective, the study reveals that cultural background does indeed play a role in the service encounter with special emphasis to two service encounter variables of effectiveness and rituality showing distinct influence of cultural variables. It is also found that among the three cultural groups, the tribal consumers show more sensitivity to the two variables than the other two groups. Thus a tribal customer's expectations from the outcome of the service encounter may be different from the other two cultural groups. A tribal customer may also give more importance to the courtesy and welcoming way of the service provider. Further the same customer may give more weightage on competence and confidence of the service provider compared to the other groups.

For the second objective, a sectorwise comparison has been made. In the retail sector, the three cultural groups show influence on effectiveness and rituality with the Tribals showing more sensitivity to the components of effectiveness and rituality in a service encounter compared to the other two groups. In the Insurance sector, all the three groups showed influence over effectiveness with the tribal respondents again found to be more sensitive to effectiveness compared to the other two study groups. For the health sector,

once again the three cultural groups show influence on effectiveness. However, in this sector it is observed that two groups namely tribals and speakers of non dominant language show similar sensitivity towards effectiveness. Thus the customers belonging to the two groups may perceive differently and give more importance to the outcome of the service interaction.

As for the third objective, the findings reveal that when demographic variables are considered along with cultural variables, the influence on service encounter variables show different results compared to when only the influence of cultural variables are considered. Thus variables of age, family income, qualification and life cycle stage influences the thought process of an individual of different cultural group resulting in interesting interaction that might not be visible if observed alone with cultural variables. The findings reveal that using the classification of customers into the three mentioned cultural groups, customer segments with different needs could also be identified. It is seen that whereas materiality is high for the non dominant language speakers, effectiveness seems to be more important for the tribal customer. The variable of accessibility exerted less influence on single customer while the influence increased with marriage and the advance of life cycle stages. For interactivity, the sensitivity is seen to decrease with age and beyond 40yrs, the sensitivity increases. Thus a customer belonging to the non dominant language speakers will give more importance to the service employee appearance and overall physical facilities in the service outlet. On the other hand, a tribal customer may give importance to the perceived outcome of the service encounter. In case of accessibility, across the three cultural groups, an unmarried customer tends to remain unaffected by the distance of the service outlet.

To reemphasize the findings of the first objective, the results from the CIT helped in the process of supporting the findings of the customers' viewpoint. It is observed that the tribal consumers are reported to be more considerate resulting in satisfying incidents for the CCP, and they also tend to be more patient and considerate resulting in the lesser occurrence of dissatisfying incidents in the three sectors among the study groups.

Inorder to reemphasize the findings of the 2nd objective, it is observed that for the given sample, the occurrence of both satisfying and dissatisfying incidents cannot be attributed to chance only and the cultural background of the respondent do play a role in the occurrence. For the insurance sector, a customer of the dominant language speaking

consumer has more chance of causing both satisfying and dissatisfying incidents. The same may be the case of health and retail sectors also. But for health sector in occurrence of satisfying incidents, all the three cultural groups may have similar chance. Same is the case in dissatisfying incidents for the retail sector. Here again it may be noted that due to differences in population size of the three cultural groups in the universe, there could be representation biasness as more number of dominant language speakers have been seen to avail the three services among the given samples compared to the other two groups.

Snow et al. (1996) observed that ethnic background is just one of the demographic factors that might affect the service expectations while demographic factors may also provide insights into successful service delivery. Laroche et al. (1997) also agreed that ethnicity is a powerful predictor of consumer attitudes and behaviors. They also propose that ethnicity involves ethnic identity and is complemented by socioeconomic status (including educational level and occupational status) and cultural awareness. This research also has findings in the same line of thought where demographic factors play an active role among the respondents of ethnically diverse group during service encounter. The study is exploratory in nature and suffers from inherent problems associated with the type of research. The sample frame could not be identified and thereby 'outliers' may unknowingly crop in the samples. Moreover the use of CIT technique totally rely on the memory of the respondent thus biasness in remembrance is beyond. However, the qualitative aspect of CIT has been useful in exploratory research. The findings and results from the customer's and service provider's perspectives are similar in the line of the findings of Jamal (2003). He had observed that identification of ethnic groups within a culturally diverse nation is important as ethnicity helps to explain both seller-buyer and consumer behavior. He further suggested in identification of similarities and differences between such groups as well as identifies changes that occur over time. Thus it can be concluded that a culturally diverse society may benefit economically from that diversity (Stanton *et al.*, 1992; Stanton & Lee, 1995). Gentry et al.(1995) observed the fact that culturally diverse society where different unwritten rules of social conduct may result in friction or increase in cost due to communication problems and inefficiencies caused by the lack of fit between the cultures.

8.2 Implications of the study and contribution to the body of Knowledge

Tansik and Chase (1988) advocated that as culture plays an important role in determining how customers expect services to be delivered, today's service managers are aware of both their ability to leverage culture-driven expectations and of the costs of ignoring cultural norms. The importance and accommodation of national differences received attention from Lovelock(1999) concluded that the "... combination of a globally standardized core product and customized supplementary services may offer service firms the opportunity to achieve the benefits of both system-wide efficiency and local market appeal".

This work has established the existence of different perceptions of consumer with respect to service encounter (thus on quality of service consumed) based on his/ her cultural background in the state of Assam. Thus service marketer as well as operation managers can have significant practical insight from this work. It has used the emic approach that has identified miniscule differences among a population who has been sharing the same location for residing since centuries. The use of critical incident method for the study has yielded results that cannot be ignored. The findings of the study highlight the fact that cross cultural studies may not be limited to comparing between communities of two countries. The findings emphasize the fact that even with a country or region (state in this case), the presence of relatively small culturally different groups, tribes and ethnics groups provide ample opportunity for conducting cross cultural studies.

Further the research also contributes to the service marketing approach in the region. The findings emphasize the fact that marketers who seek to segment customers may also consider ethnic segmentation as the findings of this study give an insight that expectations of the small group of tribal customers, constituting only 12.4 % of the total population of the study area perceive and behave differently compared to the mainstream consumers. As per 2011 census, the overall Tribal population of India constitutes 8.6% of the total population. The decadal population growth of the tribal's from census 2001 to 2011 is also high at 23.66% against 17.69% of the entire population. Moreover this population is seen to be more concentrated in central India and north east India. Therefore, from marketing viewpoint, this is a growing population whose needs may be different from the mainstream customers. Also, the findings of the interaction between demographic and cultural variables may also be of importance. Thus with the increase in

education and purchasing power of service consumers, their thought process may also undergo a change which eventually affects the perceived service delivery. Thus the overall effort is a nascent exploration to identify the influence of cultural variables on the service interaction across different sectors for the state of Assam and the region of north east India. Thus the findings reveal interesting relations and interaction emphasizing that cultural variable cannot be ignored in service marketing. The research is an empirical effort to highlight Christopher Lovelock's observation of accommodating national differences (1999). The findings also reiterate the observation of Alden et al. (1999) that a global consumer culture may be emerging based on increasing interconnectedness, but not all consumers may relate to that segment. Some of such consumers may need to be addressed with a strategy associated with local culture. One important practical implication of this work is the successful grouping of service consumer across the variables, which are plausible to the customer contact personnel from facial cue, language spoken, and other externally recognizable demographic features. This grouping is, therefore, more practical than of other methods of customer segmentation. This knowledge may also serve some purpose in training employees.

7.3 Recommendations for Future study

The present study is based on the premise that as the population is placed in the same geographic location since time immemorial, chance of cultural contamination and the effects of globalization cannot be overruled. The study has yielded interesting results as the viewpoint of both the service provider and the service taker are taken into consideration. Such an understanding and insight may be adopted by companies while designing and delivering their services in a culturally diverse market.

This study uses the cultural variables of language and ethnography in classifying the cultural groups. Culture as such is very dynamic, and therefore, future studies could include more aspects and components of culture. The study was carried out in a small Indian state of Assam having diverse tribal presence. Moreover, the whole classification of several tribal populations residing in the study area has been adopted from secondary literature and has been grouped under a single umbrella of 'Tribals'. Though literature has emphasized that each tribe may have unique traits and character, yet due to the society's long standing endeavour of grouping them under a single concept of tribal community has been mostly accepted due to functional and operational perspectives. Thus future studies may include other states and proceed to make an interstate

comparison. The tribal community could however be divided into different tribes as the presence of certain tribe like Bodo is quite considerable and the influence of culture on the service encounter may be studied. This study as stated is exploratory in nature and thus needs further inquiry and validation. However the findings from this research can provide a preliminary foundation for future research on cultural variables and its impact on services encounter.

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