Control and Participation at the Service Encounter: A Cultural Value-Based Perspective

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Abstract
Cultures that vary in value orientations should also vary in the level of control and participation individuals seek in a service encounter. This paper proposes that an individual's orientation to tolerance of ambiguity, or uncertainty avoidance as a trait of individual cultural values, has implications on the need for control and the preference for participation at the service encounter. It argues that individual orientation toward coping with ambiguity and uncertainty will influence one's cognitive, decisional, and behavioral perception of risk, need for control, and therefore willingness to participate in the service. It conceptually relates uncertainty avoidance at the individual level to increased perceived risk, control and participation at the service encounter in cross-cultural service encounters. Finally, it proposes future development of cultural value related measures that are directly relevant to the model to further validate its theoretical underpinning.

Key words: Culture, values, service encounters; uncertainty avoidance, perceived behavioral control, risk, perception.

1. Introduction
In a truly global marketplace, managers working in cross-cultural interactions need a better understanding of the impact of cultural orientation on an individual’s expectations at the service encounter. Given individual level differences in cultural values related to ambiguity and uncertainty, what are customer preferences regarding service production and delivery? Complex relationships among internationalized firms with blurred boundaries in organizational structures place participating individuals as vendor (provider) and client (customer) in interactions that are very often cross-cultural in nature. With more business conducted in a global marketplace, the frequency and scope of interactions in cross-cultural contexts has dramatically increased. Arguably, these interactions between individuals within the firm or across firms, i.e., either internal or external to the firm, are essentially cross-cultural service encounters. As firms negotiate the unfamiliar landscape of cultural differences, there is an increasing need for better understanding of how culture affects the way firms and customers interact with each other. A better understanding of cultural differences across, as well as, within multicultural markets at the individual level has therefore become increasingly critical due to globalization. Indeed, large multicultural markets such as the US, the EU and the Latin American region are microcosms of the multicultural global marketplace. Prominent scholars of services have called for research on the impact of culture at the service encounter (cf. Fisk, Grove and John 1999).
In tracking the development of the research in the field of services marketing, Fisk, Brown and Bitner (1993) envisioned a broader role for frontline service employees assuming relationship management responsibilities. In order to perform this broadened role, frontline employees would theoretically need to be proactive in assessing and more thoroughly meeting each customer's preferences and expectations.

More recently, there has been an increasing amount of research pertaining to aspects of the customer-provider dyad in service delivery. For example, Faranda (2001) developed a scale to measure cognitive control in service encounters; Varki and Wong (2003) placed customer involvement in the center of their study on relationship marketing in services; Vargo and Lusch (2004) emphasized the role of the customer as co-producer and Meuter et al. (2005) studied customer trial of self-service technologies. Svensson's (2006) call for innovative approaches to studying service encounters emphasizes the centrality of the customer-provider dyad and the criticality of the interactive nature of the service encounter. Even more recently, Ibrahim and Najjar (2008) assessed the effects of self-congruity, attitudes, and customer satisfaction on behavioral intentions in the retail environment. They concluded that by improving value based self-congruity in the retail experience, companies can bring about positive behavioral intentions in consumers.

Cross-culturally, Chan, Kin and Lam (2010) recently studied customer participation in value creation across cultures. Their research focused on cultural value orientations and customer participation in the delivery of financial services. It found that increased customer participation in the service encounter increases strengthens relationship bonds between customers and employees. However, it also found that this increased interaction between customer and employees increases job stress and reduces employee satisfaction. The study also implied that matching customers and services employees with similar cultural value orientations can facilitate the creation of value. Kong and Jogaratnam (2007) recently explored customer perceptions of the service encounter in the divergent cultures of the USA and Korea to assess the underlying behavioral dimensions of customer satisfaction. They found a difference in American customer perceptions of satisfaction as they related to personalization, but concern was more significant to Korean customers. Courtesy and civility were significant to both cultures. Patterson and Mattila (2008) examined the impact of cultural orientation and familiarity in service counter evaluations and found that an individual's cultural orientation has an impact on perceptions and post-purchase evaluations of both successful and unsuccessful service encounters.

A review of services related literature reveals that there is increasing attention to cross-cultural differences in consumption. However, the underlying explanation for cross-cultural differences in individual predispositions at the service encounter is lacking. As noted by Chan, Yim, and Lam (2010), a contingency based approach that incorporates potential antecedent or moderating cultural value orientations is essentially missing. This manuscript proposes an examination of an individual's cultural value-orientation specifically related to ambiguous or uncertain situations contributes to a customer's expectations at the service encounter through the manifestation of a need for control and participation.

2. Cultural Values Research in Services

According to Triandis (2004), Hofstede's (1980) theoretical framework related to values orientation within national cultures provided a significant basis for interdisciplinary cross-cultural value based study. While dated, it is clear that Hofstede's seminal cross-national study spawned numerous interdisciplinary studies over the past thirty years exploring and validating that cultural values drive the cognitive, emotional and motivational patterns leading to behavior in organizations. Scholars have found Hofstede's framework useful in distinguishing amongst cultures not only at the national level as Hofstede originally proposed, but also at the individual level (Dorfman and Howell 1988; Clugston, Howell, and Dorfman 2000).

In service encounters, several scholars have confirmed that culture plays a significant role in customer evaluations (Kong and Jogaratnam 2007, Patterson and Mattila 2008), Stauss and Mang 1999, Tansik and Chase 1988, Winsted 1997). For example, Malhotra et al. (2005) confirmed that there were significant multi-country and cross-cultural differences in the dimensions of service quality. In Australia, interviews of recent immigrants revealed that as customers they had a different set of expectations and perceptions of service quality (Barker and Hartel 2004). Not surprisingly, scholars (cf. Raven and Welsh 2004, and, Smith and Reynolds 2001) have warned that measurement of service quality must take into account cultural differences when scales were used in different countries. Scholars studying cross-cultural differences in service have found Hofstede’s framework to be useful in discussing such differences. For example, Yoo and Donthu (1998) found that Hofstede’s dimensions influenced customer expectations of banking services.

While the aforementioned studies have confirmed that there are cross-cultural differences in customer evaluations of services, the question remains: What is the underlying explanation for these differences and how do we manage them to improve service performance? Especially in high contact service encounters, a service encounter is a social normative moderated encounter. Both provider and customer have role expectations (Arnould, Price and Tierney, 1995) and satisfaction with the service encounter is seen as a function of the congruence between perceived and expected behavior pertaining to both the process and the outcome of the customer-provider interaction. Thus, as Vargo and Lusch (2004) have enunciated, customer participation is central to the production and consumption of services. Individual traits of cultural values and differences will therefore be significant antecedents and moderators of customer participation in the service encounter (Patterson and Mattila 2008). Next, we focus on cultural distance and service consumption.

Riddle (1986) was one of the first to suggest that cultural value dimensions can influence the interaction between the provider and the consumer of services in service delivery. She argued that cultural differences in uncertainty avoidance can be discussed under the extent to which the customer expects variables in the service encounter to be controlled, prefers to exercise control of the service encounter, and holds the service provider responsible for consequences. The premise here is that just as there are systematic variations in an individual's (or across societies) value-orientations, there are concomitant variations in the expectations at the service encounter. As an illustration, in a cross-country study on the practice of tipping, an activity associated with the consumption of services, Lynn, Zinkhan and Harris (1993) offered the explanation that tipping reduces uncertainty by giving consumers a sense of control over service delivery. They found higher levels of the tendency toward avoiding uncertainty associated with a greater prevalence of the practice of tipping. Well established early cultural value research by Klukhohn and Strodtbeck (1960) frame the issue of uncertainty and control in the value dimension of an individual's relationship to his/her environment. What is the relationship of people to their environment? Do they seek to control it or do they consider it impossible or inappropriate to control? The dominance-over-nature orientation is somewhat similar to the concept of locus of control. This dimension reflects the view on control and mastery of nature with respect to destiny and fate.

The divergent views are thus that people see themselves as a natural extension of nature and must live in harmony with the environment. Adler and Jelinek (1986) contrast the American dominant-over-nature orientation vs. other cultures' harmony or subjugation to nature orientation in the following illustration. The dominant value orientation among Americans exhibits an internal locus of control to see situations as problems to be solved. Americans frequently use the expression: "Can do!", while in cultures exhibiting an external locus of control, one might say - "Que sera, sera" (what will be, will be) or, "En shah Allah" (God willing) or, "Ayorama" (can't be helped). Fatalism seems to be related to an uncertainty avoidance value dimension (Raven and Welsh 2004). Variation in value orientation toward uncertainty therefore has implications on the cross-cultural service encounter in the business context. Table 1 provides a summary of the general relationship of this value dimension in business service situations. Research has shown that individuals from different cultures vary in their need for control to deal with uncertainty (Clugston, Howell, and Dorfman 2000), and, therefore, in their participation at the service encounter. The conceptual model therefore proposed in this paper recognizes the difference in terms of cultural distance as defined first by national scores on Uncertainty Avoidance and secondarily by individual levels of Uncertainty Avoidance affecting customer participation preferences at the service encounter.
Table 1: Business Service Implications of the Uncertainty Avoidance Dimension

<table>
<thead>
<tr>
<th>High Uncertainty Avoidance</th>
<th>Low Uncertainty Avoidance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customers like more structure and organization and don't like open ended consumption situations</td>
<td>Wider range of interpretation of rules and flexibility in preference for structure</td>
</tr>
<tr>
<td>Service Providers are seen as experts</td>
<td>More prepared to give the provider the benefit of doubt in case of service failure</td>
</tr>
<tr>
<td>Precision and punctuality are emphasized to avoid uncertainty</td>
<td>Unknown situations people and ideas are not uncomfortable</td>
</tr>
<tr>
<td>Lower tolerance of deviation from the norm and general discomfort with new situations</td>
<td>Innovations and uncertain new situations are generally not bothersome as there is a greater tolerance of deviant ideas</td>
</tr>
<tr>
<td>Implementation plans need detail and specifics</td>
<td>Implementation is embarked on with less detail and specifics</td>
</tr>
</tbody>
</table>

Adapted from: Hofstede, G. (1980; 2001)

3. Cultural Value Influenced Perceived Risk, Need for Control and Participation at the Service Encounter

3.1 Perceived Risk

Extreme uncertainty creates anxiety. Anxiety is the state of being uneasy or worried about what may happen (Hofstede 1991). Uncertainty is acquired and learned, and leads to collective patterns of behavior in a society. In cultures that exhibit a strong tendency to avoid ambiguity, the uncertainty inherent in life is seen as a continuous threat associated with a subjective feeling of anxiety. In other cultures, uncertainty is accepted as a normal feature. In strong uncertainty avoidance cultures, familiar risks are accepted, but, ambiguous situations are feared and avoided. Individuals in cultures with such a value orientation are not willing to take unfamiliar risks or encourage ideas and behavior that deviate from the norm. In general, the ability of individuals to cope with uncertainty varies and determines the level of risk perceived in the consumption of services. Since services are often associated with a great degree of perceived risk, one's orientation toward tolerance of ambiguity can explain and predict the level of perceived risk in the service. We can therefore make two propositions with regard to perceived risk at the service encounter.

Individuals who are inclined toward high uncertainty avoidance will exhibit:

P1a: a higher degree of perceived risk at the service encounter than others; and,

P1b: a greater propensity for the need to control uncertainty in the service encounter than others.

3.2 Need for Control

When individuals feel uncomfortable with uncertain situations, they seek to reduce the uncertainty by exercising control over the variables that can affect the predictability of the process and the outcome (Riddle 1986). This control might be achieved in services through more information, structure and greater choice. In a cross cultural study on the information content of service advertising, Tai and Chan (2001) found that more information on performance, content, availability and service guarantees was expected by consumers with high uncertainty avoidance. Similarly, Zahir, Dobing and Hunter (2002) found weak uncertainty avoidance cultures to adopt a less controlled approach, in their study of cross-cultural differences in internet portals. In Hall’s (1984) classification, low context cultures preferred communications to be explicit, direct and unambiguous. Uncertainty avoidance, or conversely, tolerance of ambiguity (Cyert and March, 1963) reflects a need for the predictable and a need for written and unwritten roles. Uncertainty avoidance cultures shun ambiguous situations; they look for structure which makes events clearly predictable (Hofstede 1980; 2001).

In weak uncertainty avoidance cultures, individuals dislike more rules than necessary. Strong uncertainty avoidance cultures emphasise structure and precision to avoid ambiguity in situations (de Mooij 1998; Hofstede 2001). Individuals with strong uncertainty avoidance prefer greater structure for behavior. The more complex the situation, the greater the need for detail in rules of process and structure. In her study on crowding in retail services, Dion (2004) suggested that choice and exercising the choice, as a form of personalization, could give customers a sense of control in service encounters.
These individuals expect service providers to be the experts, and are reluctant to accept mistakes from them. They expect precision in process and behavior and are more inclined to attribute service failures to the service provider (Riddle 1986). Four propositions can thus be offered with regard to preference for control.

The tendency to avoid uncertainty influences an individual’s need for control of the service encounter is manifested in:

the cognitive need for more information from the service encounter.
the cognitive and decisional need for structure at the service encounter.
the decisional need for choice at the service encounter.
P2d. the behavioral tendency to attribute service failure to service provider if control remains with service provider.

3.3 Participation

Certain individuals are willing to participate in the production of the service because the involvement provides the sense of control that is sought in uncertain situations. Following the definition suggested by Chan, Yim, and Lam (2010) Customer Participation (CP), is defined as a behavioral construct that measures how much information customers share, provide suggestions, and participate in decision making. Such individuals exhibit greater decisional and behavioral participation. Participation preferences might be manifested in the extent of information shared, involvement in making choices, co-production of the service, and other participative behaviors. Therefore, three propositions can be offered with regard to participation. The tendency to avoid uncertainty influences an individual’s willingness to participate at the service encounter manifested in:

P3a. the willingness to share more information at the service encounter.
P3b. the need to decide amongst the choices at the service encounter.
P3c. the extent of participation in the production of the service.

4. Discussion and Managerial Implications

Across as well as within cultures, groups or subgroups that variant in individual value orientations will also vary in their expectations of the service encounter. This is particularly true as it relates to the level of individual control and participation expected in a service encounter. This argument is based on the fundamental premise that cross-cultural differences in customer expectations, preferences, and behavior reflect cross-cultural differences in values. An individual's orientation to tolerance of ambiguity or uncertainty avoidance has implications on the need for control. Customer willingness and preference for the level and type of participation at the service encounter can be better understood by examining orientation to (control of) uncertainty. Service encounters are performed within the context of the cultural background of the participants: the client and the service provider. Culture plays a critically important, if sometimes unconsciously recognized role in the service encounter (Patterson and Mattila 2008). An understanding of culturally related influences on individual level customer expectations of service providers is crucial for the effective management of the service encounter.

The conceptual model proposed within this manuscript suggests that managers will find that the level of the customer's need for information, structure, and choice will be manifested in the desire for perceived control at the service encounter. This can be anticipated with knowledge of the individual's tendency to accept and cope with uncertainty. Consequently, with an understanding of individual level orientation toward uncertainty and a corresponding understanding of groups that share common individual traits toward uncertainty avoidance. With that knowledge, managers can better determine customer desire to participate in decision making and production of the service.
It should be noted that assessing the cultural orientation of customers is easier when a longer term relationship with the customer provides the opportunity for the assessment. In the case of customers who are new to the service provider, it is advisable to assess the cultural orientation of the individual toward uncertainty with a service specific measurement construct. Specifically, this construct can be captured with questions asking for preferences pertaining to issues that relate to the structure and specificity of detail of the service delivery. Questions that help assess the customer’s risk perception and related concerns of service performance and quality help determine the benefits of pursuing the customer’s need for more control in the form of more information, choice and decision-making prerogative in the service delivery. Various opportunities for customer participation can be written into the service design to be offered as choices for the customer.

Table 2 presents a framework for assessing the appropriate participatory mode for different individual orientations to uncertainty avoidance. Three types of participatory control can be used to view the managerial options available. At the cognitive level, customers who have a strong tendency to avoid uncertainty can be better handled with more information, detail and structure in the interaction. At the decisional level, these same customers would prefer greater choice of options in service features and in participatory roles. They would also prefer to be making or helping to make the decisions on the choice. At a behavioral level, these customers who shun ambiguous situations and who need control over uncertainty would prefer the greatest possible level of active participation or a greater degree of co-production role in the process during service encounters.

Table 2: Managerial Implications of Cultural Influences on Control and Participation at the Service Encounter

<table>
<thead>
<tr>
<th>Type of control</th>
<th>Participation mode</th>
<th>Cultural Influence</th>
<th>Managerial Implication</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cognitive</td>
<td>Information sharing and customer education</td>
<td>Need for full information and uncertainty-reducing detail and structure</td>
<td>Assess customer need for information on service process and customer role</td>
</tr>
<tr>
<td>Decisional</td>
<td>Choice and decision making prerogative among choices</td>
<td>Need for choice and making decision among alternatives</td>
<td>Provide choices in service design with option to customize product bundles and prices</td>
</tr>
<tr>
<td>Behavioral</td>
<td>Active participation and involvement as an overt co-producer</td>
<td>Need for control through co-production</td>
<td>Design customer participation activity in the entire service production process</td>
</tr>
</tbody>
</table>

Moderating contexts are worth noting here. The opportunity and ability for the service provider to accommodate variations in uncertainty avoidance will be greater in a) high contact services, b) in services where service characteristics are or can be customized, and c) where customer contact personnel exercise judgment in meeting individual customer needs. Some examples of these services are medical care, financial planning or tax preparation services. Among individuals with high uncertainty avoidance, more experienced customers familiar with the service will desire greater participation in the service. Each service encounter is variable by definition and situational influences should be taken into consideration as well. It is important to acknowledge that variables such as available and customer mood prior to the encounter will moderate participation and control inclinations. When short of time, or inability and unwillingness to participate due to mood, customers may seek the convenience of full service with very little active participation in the actual production of the service. Even under these circumstances, however, customers with strong uncertainty avoidance will still theoretically seek the structure, detail and decision-making choice to ensure that uncertainty is reduced.

5. Future Research Directions
Cultural values are deep rooted at the individual level. They are often non-rational, reflecting collectively held values leading to collective patterns of behavior in a society. In an increasingly global marketplace where there is a wide diversity of individual level value orientations, it is useful to study these differences in relation to service encounter expectations. In as much as individuals’ participation and need for control can be explained by their cultural orientation toward uncertainty, such research would be very enlightening and useful in service design. A necessary first step for future research is the development of scales to measure an individual’s value orientation toward uncertainty specifically related to the service encounter. Cultural measurements related to uncertainty avoidance have been developed and validated at the national level and subsequently adapted to the individual level (Hofstede 2001; Dorfman and Howell 1988; Clugston, Howell, and Dorfman 2000; Baker and Carson 2011). None, however, have been developed to date specifically related to the service encounter.
Additionally, other antecedents such as need for control and customer participation at the service encounter have been developed and measured within specific contexts. More adaptation and development is necessary on these measurements in order to use them in a cross-cultural setting. Next, an appropriate study using a scenario-based experiment could allow manipulation of the level of uncertainty in the nature of the service encounter to determine participant preferences for control and participation. Although more challenging, an interesting method of inquiry might include a comparative ethnographical approach as used in anthropological studies. To validate the propositions presented conceptually within this paper, moderating factors such as those previously discussed become important potential, often varying from service to service. Comparisons made across services along a dimension or set of dimensions such as those used in Lovelock's (1983) classification schemes are needed. For example, under what moderating conditions do the degree of perceived risk, need for control, and willingness or ability to participate differ? Could variation in service products be greater or less in professional services compared to other services. Conversely, would that depend on the degree of customization that can be exercised by the frontline personnel? Customer expertise and product familiarity should have a moderating effect as well. As the level of customer experience improves customers may be more capable and willing to participate and the level of perceived risk might be lowered.

Finally, other cultural value dimensions can be used to investigate customer expectations and preferences at the service encounter. Hofstede’s (1980; 2001) power distance dimension and the individualism dimension may help explain individual differences in client relationship management preferences. Time Orientation is also a promising area for future research related to the service encounter. Bearden et al. (2006) recently developed and validated a measurement related to time orientation at the individual level that has potential to be applied into research related to the service encounter. Other researchers have identified cultural values suggesting further investigations at the individual level related to the service encounter. Trompenaars and Hampden-Turner (1997) identified seven cultural dimensions that could be a basis for further research into cultural values, the service encounter, and corporate culture. They proposed a dimension identified as rules versus relationships that relates directly to individual level uncertainty avoidance. Schwartz and Bilsky (1987), Schwartz and Sanjiv (1995) and Schwartz (1996) also identified three cultural domains at the individual level that include embeddedness versus autonomy, hierarchy versus egalitarianism, and mastery versus harmony. All three of these cultural value domains warrant further research as they relate specifically to the service encounter.

In summary, individual orientation toward coping with ambiguity and uncertainty influences one's perception of risk, need for control, and therefore willingness to participate in the service. Service managers will find it useful to assess and understand the orientation of consumers toward coping with uncertainty. The level of perceived risk and the ensuing customer propensity to reduce the uncertainty causing the perception of risk is likely predictable with that information.

References


