

Marketing study shows ethnically diverse workforce may improve customer experience

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Service-oriented businesses that want to succeed with minority customers should consider hiring frontline employees who represent those ethnic groups, particularly when the business caters to Hispanics or Asians, a recent UT Arlington study contends.

The paper, "Shared ethnicity effects on service encounters: A study across three U.S. subcultures," was authored by Elten Briggs, associate professor of marketing, and Detra Montoya, clinical associate professor of marketing at Arizona State University's W.P. Carey School of Business. It was published in the *Journal of Business Research*.

The researchers analyzed the influence of shared ethnicity on consumer behavior using an experiment and a survey. The experiment focused on 112 Hispanic customers of a financial services firm in a major U.S. metropolitan area. The survey asked 285 Asians, Hispanics and Caucasians in a major U.S. city about marketplace experiences that could be attributed to their ethnicity.

The team said that members of Asian and Hispanic cultures are more "collectivist" in the way that they emphasize the social self and connectedness to others than members of Western cultures. For this reason, they may be more susceptible to the effects of shared ethnicity in the marketplace.

"The study showed that culture plays an important role in the interaction between businesses and customers," said Briggs, who joined the UT

Arlington in 2006. "Customers may feel like they have some common ground with the service representative or sales person if there is a shared ethnicity."

The influence of culture on interactions between contact employees and customers is becoming an ever-important consideration as marketplaces worldwide continue to diversify. Though recent research emphasizes the drawbacks of individual cultural differences, such as marketplace discrimination (Baker et al., 2008, Crockett et al., 2003 and Harris et al., 2005), this research largely overlooks potentially positive effects of congruency between contact employees and customers of services.

Rachel Croson, dean of the UT Arlington College of Business, said Briggs' research points to the fact that the future of business is multi-cultural.

"The future of business will involve an increasing diversity of the customer base of many firms, both within the U.S. and internationally. The businesses that succeed will be those that understand how to customize the experience they give these customers," Croson said. "Dr. Briggs' work identifies how to do this effectively, and will have important implications for both the practice and theory of marketing."

Briggs said he hopes his research will help businesses improve marketing outreach.

"The study shows that if I work for a service or sales company, my company should reflect the audience I am seeking," Briggs said. "When customers share the same ethnicity with their salesman or customer service agent, they generally have a more favorable perception of the business."

Briggs noted that with Asian and Hispanic customers, the relationship

between customers and agents was even tighter because they often were linked through a common language.

The experiment demonstrated that expectations among Hispanic customers increased when they thought their [customer service](#) or sales representative would be of the same ethnicity, which increases the chances of the customer patronizing the [business](#). Hispanic and Asian survey respondents reported having better retail and service experiences with employees of the same ethnicity, often perceiving that they were receiving preferential treatment from the employee.

Provided by University of Texas at Arlington

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