

Strategic Services Marketing
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Week – 09

Lecture - 45

Cross-cultural Communication and Customer Relationship Management

Hello everyone. In this session, let's explore the role of cross-cultural communication and customer relationship management with respect to services. Let's start with defining what is cross-cultural communication. Cross-cultural communication refers to the exchange of information, ideas, and emotions between individuals or groups from different cultural backgrounds. Effective cross-cultural communication is essential for service firms operating in diverse markets to understand, connect with, and serve customers from various cultural contexts. Cross-cultural communication involves navigating differences in language, communication styles, non-verbal cues, values, and norms to facilitate understanding and collaboration across cultures.

Let's understand what are the different types of cross-cultural communication can be. The first here is verbal, then non-verbal, and high-context versus low-context. Verbal communication is nothing but differences in language, dialects, accents, and vocabulary. Non-verbal cross-cultural communication involves variances in body language, gestures, facial expressions, and personal space.

And high-context versus low-context cross-cultural communication involves variation in communication styles based on cultural context and reliance on implicit versus explicit messages involved. The first example can be with respect to gestures. Each gesture might have different meanings across different cultures. So let's have a look at this particular video that talks about how gestures around the world are different and unique as well. It's well known that some gestures mean different things in different parts of the world.

In some places such as Britain, this means everything's okay, while in Brazil and other

places it's considered obscene. And in still other places such as Japan, it means money. In Italy, they might make this sign to emphasize a point, while in Jordan, it can mean wait a second. Certain things often have gestures for them. For instance, in most places where drinking alcohol is popular, there's a sign for drinking or getting drunk.

In the US, it's this, while in France, they grab and twist their nose, and in Russia, they flick their throat. On the other hand, some places have more or less unique gestures. In Russia, to say you're making things too complicated, you scratch your ear by going around the back of your head. Among the most common and probably oldest gestures are nodding for yes and shaking the head for no. But even this isn't universal.

Bulgarians are famous for shaking their head to mean yes and nodding with a click of the tongue to mean no. And in South Asia, they have a third option, which involves tilting the head from side to side. It's used to acknowledge the person speaking to you, although in some contexts, it can also mean approval or even uncertainty. After going through gestures, let's understand how greetings around the world are different with this particular video. Have a look at this video.

With 196 countries in the world and a different greeting in almost all, it's worth learning a few if you like to travel. Being able to greet a local in their own language is a fantastic way to break the ice and earn their respect. But it's not only about the words. For some, it's about their customs or rituals. Handshakes, kisses, hugs, bows, nods, fist bumps, and they all depend on the situation. Is it a more formal or casual setting? Of course, we cannot talk about greetings without mentioning the dreaded COVID-19 pandemic and how it changed the world's thinking on unnecessary physical contact. People, though mainly strangers, are less likely to bother with handshakes nowadays and accept more of a nod or gesture towards each other. And this seems to have been welcomed as the new normal. Whereas pre-pandemic, it would be considered rather rude if a business meeting did not kick off with handshakes or pats on the back all around.

The Brits are quite famous for their awkward greetings and not only when making new acquaintances, even within their own families. It's all about keeping a stiff upper lip and maintaining boundaries. So often a firm handshake or just a nice to meet you is enough. Although the younger generation are much more huggy kissy types than ever before. In America, Canada, and Mexico, this is also the norm where physical contact is an essential part of communication.

Hugs and kisses are a way of showing affection, warmth, appreciation, or congratulations, especially if there has been a significant length of time between meetings. In most European countries, a kiss or two or sometimes even three on the cheek is the norm regardless of familiarity. On the other side of the world, most Asian countries are known for their formal greetings. A handshake, a nod, or a bow. And in most company meetings, a very specific way of exchanging and handling a business card.

The angle and duration of a bow is meaningful depending on social status and the relationship between two people. And hugs are almost unheard of in Japan, especially amongst family members where they are viewed as highly inappropriate. Don't even go there with a kiss. In India, within the Hindu community, the most common greeting involves joining the hands in front of the chest and bowing the head slightly whilst reciting Namaste, literally greetings to you. This is also common in Thailand and is a polite and respectful way to greet, though there are many variations in India, some which involve touching the feet of elders or those in authority to show respect.

In a similar gesture, Filipinos take the hands of their elders and press it to their foreheads as a show of respect upon meeting. Possibly the most unique greeting award goes to Tibetans who stick their tongue out to greet people. In conclusion, it is impossible to learn all the languages of the world. So next time you're thinking of travelling or meeting someone from a different background, take a moment to learn about their greetings customs. It will go a long way to building respect and communication and maybe even help to forge new friendships.

Now let's understand why cross-cultural communications are important for service firms. They're important because first, they enhance customer experience. Effective cross-cultural communication enables service firms to engage with diverse customers in a meaningful and respectful manner, leading to enhanced customer satisfaction and loyalty. Secondly, cross-cultural communication also builds trust and rapport. Simply sensitive communication fosters trust, empathy and rapport with customers, strengthening the relationship and increasing the likelihood of repeat business and positive referrals.

Now let's understand how cross-cultural communication impacts customer relationships. It can impact positively as well as negatively. In a positive sense, successful cross-cultural communication builds trust, empathy and mutual understanding leading to strong and enduring customer relationships. By acknowledging and respecting cultural differences, service firms can create personalized and relevant experiences that resonate with

customers' cultural identities and preferences. When it comes to negative associations, ineffective cross-cultural communication can lead to misunderstandings, misinterpretations and conflict.

Damaging customer relationships and reputation. Cultural insensitivity or ignorance may result in unintentional offense or alienation of customers leading to loss of trust, loyalty and business opportunities. Now let's understand the impact of cross-cultural communication on customer relationship management with some case studies. The first case here that we are going to discuss is about Marriott International's Golden Rule Moment campaign. Marriott International implemented cultural training programs for its employees worldwide, equipping them with the skills and knowledge to effectively engage with diverse guests.

Let's understand about the campaign in much detail. Marriott International launched this particular Golden Rule Moments campaign highlighting acts of kindness and cultural understanding by its employees worldwide. The campaign featured real-life stories of Marriott staff going above and beyond to accommodate guests from diverse cultural backgrounds showcasing empathy, respect and inclusivity. One notable example that you can see in this particular video that is coming is the story of a Marriott employee in Japan who learns sign language to communicate with a Deaf guest, exemplifying Marriott's commitment to cross-cultural communication and customer service excellence. Now let's have a look at this particular video campaign that is from Marriott's Golden Rule Moments.

Have a look at this particular video. It would be great if human beings were great at being human and if all of mankind were made up of kind women and kind men it would be one wonderful if common knowledge was knowledge commonly known and if the Light from being enlightened into every heart was shown it would be glorious if neighbours were neighbourly and indifference a forgotten word it would be awesome if we shared everything and being greedy was absurd it would be spectacular if the golden rule was golden to every man and the good things that we ever did was everything that we can treating others like we'd like to be treated has always been our guiding principle.

Next case that we're going to discuss is about IKEA. IKEA's Home is Where it all begins campaign is a testimony of understanding the role of cross-cultural communication and CRM. IKEA adapted its product offerings, store layouts and marketing strategies to cater to the preferences and lifestyles of customers in different countries and cultural contexts.

By prioritizing cultural relevance and understanding IKEA strengthen its brand connection with diverse consumers and achieved success in international markets. Let's discuss little bit more about this Home is where it all begin campaign. IKEA release Home is where it all begins campaign celebrating the universal concept of home and showcasing how IKEA products cater to the needs and lifestyles of people from diverse cultural backgrounds. The campaign featured heartwarming stories of families around the world using IKEA furniture and home decor to create comfortable and functional living spaces. Through its inclusive messaging and relatable storytelling, IKEA effectively communicated its brand values of affordability, accessibility and cultural relevance resonating with consumers globally.

Have a look at this particular commercial from IKEA. When it comes to new roles, Home is where it all begins. There is one more, have a look at this commercial as well. When it comes to change, Home is where it all begins. IKEA make everyday brighter.

IKEA adapted its product offerings, store layouts and marketing strategies to cater preferences and lifestyle of customers in different countries and cultural context. By prioritizing cultural relevance and understanding, we can say that IKEA was successful in terms of communicating with their customers in their own cultural context. Now let's understand what are the challenges in cross cultural communication. The first challenge is of course language barriers. Differences in language proficiency, dialects, accents and idiomatic expressions can hinder effective communication and lead to misunderstandings or even misinterpretations.

The second challenge deals with non-verbal communication. Variances in body language, gestures, facial expressions and personal space norms may convey different meanings across cultures leading to confusion or even unintended offence. Third challenge is with respect to cultural stereotypes and bias. Pre-conceived notions, stereotypes and cultural biases can influence perceptions and interactions creating barriers to open and respectful communication. The fourth challenge deals with communication styles.

Variations in communication styles such as direct vs indirect communication or even high context vs low context communication may result in miscommunication or cultural clashes. Fifth challenge deals with different cultural norms and values. Divergent cultural norms, values and beliefs regarding hierarchy, authority, time management and social etiquette can affect communication dynamics and expectations. Sixth challenge talks about lack of cultural awareness and sensitivity. Insufficient understanding or awareness of cultural

differences and sensitivities may lead to unintentional cultural gaffes, offence or even alienation of individuals from diverse backgrounds.

Next challenge deals with power dynamics and hierarchies. Power differentials and hierarchical structures within organizations or even societies may impact communication dynamics. With individuals from marginalized or minority groups facing barriers to expressing themselves openly. Next challenge deals with ethnocentrism and cultural superiority. Ethnocentric attitudes or beliefs of cultural superiority can hinder empathy, openness and acceptance of diverse perspectives, embedding effective cross-cultural communication.

Next challenge is about contextual misinterpretation. Differences in contextual cues, social norms and situational awareness may lead to misinterpretations or misjudgments of intentions or even meanings in cross-cultural communication contexts. And finally there is a challenge of lack of training and resources. Inadequate cross-cultural communication training, resources or support systems within organizations may hinder employees ability to navigate cultural differences effectively. Now let's understand some best practices for improving cross-cultural communication in service firm.

The first best practice talks about having cultural sensitivity trainings. Provide employees with training and workshops on cultural awareness, sensitivity and competence to enhance understanding and appreciation of diverse cultural norms, values and communication styles. Second best practice is about active listening. Encourage active listening and empathy to understand the perspectives, needs and concerns of individuals from different cultural backgrounds, fostering mutual respect and trust. Next best practice is to have clarification in terms of assumptions and intentions.

Clarify assumptions, intentions and expectations in cross-cultural interactions to avoid misunderstandings or even misinterpretations and promote clear and transparent communication. Another best practice is to adapt communication styles. Adapt communication styles, language and delivery methods to align with the preferences and cultural norms of diverse individuals or groups. To ensure effective and respectful communication. Another best practice is to go for fostering open dialogue.

Foster open dialogue and encourage questions, feedback and even discussions to promote cross-cultural understanding, collaboration and problem solving in multicultural

environments. Next best practice is to seek cultural mentors or even guides. Pair employees with cultural mentors or guides from diverse backgrounds to provide insights, guidance and support in navigating cultural nuances and building cross-cultural relationships. Another best practice is to embrace diversity and inclusion. Foster a culture of diversity and inclusion that values and celebrates differences, creating an environment where all individuals feel respected, included and empowered to contribute.

And then practice cultural humility as well. Practice cultural humility by acknowledging one's own cultural biases, limitations and areas for growth and demonstrating a willingness to learn, adapt and bridge those cultural gaps. Another best practice is to use visual aids and non-verbal cues. Utilize visual aids, illustrations and non-verbal cues to supplement verbal communication. And then enhance understanding across language and cultural barriers. Next best practice is to solicit feedback and reflection.

Solicit feedback from diverse stakeholders and reflect on communication experiences to identify areas for improvement, refine strategies and even continuously enhancing cross-cultural communication skills. So in this session we try to explore the role of cross-cultural communication and its impact on not just business but also customer relationship management in the context of services marketing. Thank you.