

## **Challenges and Opportunities in Intercultural Service Encounters (ICSEs) Research**

### **ABSTRACT**

With a rapid rise in the globalization of the world economy in the last few decades, the number of people traveling to other countries has grown exponentially (Sharma, Zhan, & Su, 2016; Tam, Sharma, & Kim, 2016). For example, there were 243.7 million international migrants by middle of 2015, accounting for 3.3 percent of the World's population (United Nations, 2015), with more than half of these (140.5 million) in the developed countries (11.2 percent of their population), led by the United States with 46.6 million migrants. At the same time, number of international tourists has reached a record 1.2 billion in 2015, who contribute about US\$1.4 trillion in receipts and account for about 10% of global GDP and 6% of the world's total exports (UNWTO, 2016).

All these figures indicate an unprecedented increase in the number of interactions among people from different cultures (Etgar & Fuchs, 2011; Teng, 2011; Wang & Mattila, 2010). While past research shows that such intercultural interactions help people experience other cultures, it also poses a big challenge for them if they are not aware of other cultures, willing to learn and accept their cultural differences and adapt their own behavior. Hence, it is important to understand the process of acculturation for the permanent migrants such as immigrants (Berry, 1974, 2005) or cross-cultural adjustment for the temporary visitors such as students, expatriate workers, tourists or business travelers (Ward & Kennedy, 2001; Ward & Rana-Deuba, 2000).

Intercultural interactions may lead to ethno-cultural identity conflict (Leong & Ward, 2000; Ward, 2008), misattributions, communication gaps, stereotyping, ethnocentrism, prejudice and discrimination (Stening, 1979), intolerance, confrontation and even violence ethnic minorities (Johnson, Meyers, & Williams, 2013). Intercultural service encounters also lead to greater

emotional labor, need for surface acting and inter-group anxiety by frontline service people (Chuapetcharasopon, 2014). Hence, it is not surprising to see a growing research interest on intercultural service encounters (ICSEs) in which customers and employees from different cultures interact with each other (Sharma, Tam, & Kim, 2009, 2012, 2015; Sharma & Zhan, 2015; Sharma et al., 2016; Tam, Sharma, & Kim, 2014; Tam et al., 2016).

In this context, both academics and managers recognize intercultural service encounter as inevitable outcomes of globalization and necessary elements of an increasingly diverse global Servicescape (Demangeot, Broderick, & Craig, 2015; Tam et al., 2014). There has also been an increasing recognition of the need to study and learn from the challenges posed by differences in the way customers and employees from diverse ethnic, cultural, national and socio-economic profiles expect, perceive and evaluate their experiences in intercultural service encounters (Chuapetcharasopon, 2014; Sharma et al., 2015; Sharma & Zhan, 2015).

Notwithstanding the useful contributions of these studies, there are still many research gaps and unanswered questions about intercultural service encounters. In this paper, the author reviews the extant literature and conceptual frameworks on intercultural service encounters to identify important research gaps and propose many useful directions for future research to address those gaps in a meaningful manner. Besides reviewing and extending the current research on intercultural service encounters, and raising some important questions for future research, this paper also paves the way toward a comprehensive framework that can be used by both academics and managers interested in the study of intercultural service encounters.

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