Effects of Cultural Diversity and Intercultural Communication on the Quality of Service and Customer Satisfaction in Hospitality and Tourism Settings in Brazil

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Abstract
Purpose: The study sought to analyze the effects of cultural diversity and intercultural communication on the quality of service and customer satisfaction in hospitality and tourism settings.

Methodology: The study adopted a desktop methodology. Desk research refers to secondary data or that which can be collected without fieldwork. Desk research is basically involved in collecting data from existing resources hence it is often considered a low cost technique as compared to field research, as the main cost is involved in executive’s time, telephone charges and directories. Thus, the study relied on already published studies, reports and statistics. This secondary data was easily accessed through the online journals and library.

Findings: Cultural diversity in Brazil's hospitality and tourism sector enriches customer experiences despite communication challenges. Effective strategies like language training and cultural sensitivity programs improve service quality, fostering an inclusive environment and personalized service. Investing in staff cultural competence training provides a competitive edge, attracting diverse clientele and ensuring customer satisfaction and loyalty.

Unique Contribution to Theory, Practice and Policy: Cultural intelligence theory (CQ), Social identity theory & Communication accommodation theory (CAT) may be used to anchor future studies in the effects of cultural diversity and intercultural communication on the quality of service and customer satisfaction in hospitality and tourism settings. Implement cultural awareness training programs for hospitality and tourism staff to enhance their understanding of different cultures, communication styles, and customer preferences. Advocate for the development of industry-wide standards and guidelines for promoting cultural diversity and intercultural communication in hospitality and tourism settings.

Keywords: Cultural Diversity, Intercultural Communication, Quality Service, Customer Satisfaction, Hospitality, Tourism Settings

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INTRODUCTION

Quality of service and customer satisfaction are important factors for the success and competitiveness of service providers in different economies. Customer satisfaction is influenced by the perception and expectation of service quality, which may vary across cultures and regions. This text will describe the quality of service and customer satisfaction in developed, developing, and sub-Saharan economies, using examples and statistics from the banking sector. In developed economies, such as USA, Japan, or UK, customers have high expectations for service quality and demand reliable, responsive, courteous, and secure services from their banks. According to a study by Malhotra (2005), customers in developed economies rated reliability, access, understanding of the customer, responsiveness, competence, courtesy, communication, credibility, security, and tangible considerations as the most important dimensions of service quality. However, customer satisfaction with these dimensions was relatively low, indicating a gap between expectation and perception of service quality. For example, a survey by J.D. Power (2019) found that only 36% of US retail banking customers were highly satisfied with their primary bank's problem resolution process.

In developing economies, such as India, Philippines, or Ghana, customers have lower expectations for service quality but higher sensitivity to price and value. According to Malhotra (2005), customers in developing economies rated reliability, access, understanding of the customer, responsiveness, competence, courtesy, communication, credibility, security, and tangible considerations as less important than customers in developed economies. However, customer satisfaction with these dimensions was higher, indicating a smaller gap between expectation and perception of service quality. For example, a study by Kumasey (2014) found that service quality and customer satisfaction were positively related in the Ghanaian public service sector.

In developed economies like the USA, Japan, and the UK, the quality of service and customer satisfaction in the hospitality and tourism sector is often measured through various metrics such as customer feedback, ratings, and repeat business. For example, in the USA, the American Customer Satisfaction Index (ACSI) regularly evaluates customer satisfaction across different industries, including hospitality and tourism. According to a study by Smith, Sparks, and Kowalczyk (2016), customer satisfaction in the US hospitality industry has been steadily increasing over the past decade, with hotels and restaurants witnessing higher ratings and positive feedback from customers. Additionally, the use of online review platforms like TripAdvisor and Yelp provides valuable insights into customer satisfaction levels, enabling businesses to improve service quality based on real-time feedback.

Similarly, in Japan, the hospitality industry places significant emphasis on customer satisfaction, considering it essential for maintaining competitive advantage and fostering repeat business. According to data from the Japan Tourism Agency, customer satisfaction levels in the country's hospitality sector have shown a consistent upward trend in recent years, with visitors rating their experiences positively across various accommodation and service providers. For instance, a study by Nakata and Sivaramakrishnan (2017) highlights the correlation between customer satisfaction and the likelihood of repeat visits to Japanese hotels, indicating the critical role of service quality in sustaining long-term business growth. Such trends underscore the importance of continuous
improvement in service standards and the integration of customer feedback mechanisms to enhance overall satisfaction levels.

In developing economies, such as Brazil and India, the quality of service and customer satisfaction in the hospitality and tourism sector is also a crucial factor for business success. For instance, in Brazil, a study conducted by Oliveira, Vargas-Sánchez, and Vareiro (2018) found that customer satisfaction levels in the hospitality industry have a significant impact on the likelihood of repeat business and positive word-of-mouth recommendations. The research indicates that improving service quality, particularly in areas such as responsiveness, reliability, and empathy, can lead to higher levels of customer satisfaction and loyalty among both domestic and international visitors. Furthermore, the proliferation of online review platforms like Booking.com and Google Reviews has enabled travelers to share their experiences more easily, influencing the reputation and performance of hospitality businesses in emerging markets.

Similarly, in India, where the tourism industry has experienced rapid growth in recent years, customer satisfaction has emerged as a key determinant of competitive advantage for hospitality establishments. According to a report by the Indian Tourism Statistics, the country witnessed a significant increase in foreign tourist arrivals in the past decade, with satisfaction levels among visitors playing a pivotal role in shaping destination preferences and travel behavior. Research by Singh and Banerjee (2019) highlights the importance of personalized service delivery and cultural sensitivity in enhancing customer satisfaction in the Indian hospitality sector. By focusing on aspects such as staff training, service customization, and infrastructure development, businesses in developing economies can strive to meet the evolving needs and expectations of diverse customer segments, thereby fostering loyalty and positive brand perceptions.

In Sub-Saharan Africa, countries like Ghana and Tanzania are experiencing significant growth in their hospitality and tourism sectors, making the quality of service and customer satisfaction increasingly vital for industry success. In Ghana, a study by Amoako, Nyuur, and Oteng-Abayie (2015) explored the relationship between service quality and customer satisfaction in the hotel industry. The research highlighted the importance of factors such as reliability, tangibles, and responsiveness in influencing guests' overall satisfaction levels. Moreover, the study emphasized the need for continuous staff training and development to meet the diverse needs of both domestic and international travelers, ultimately enhancing the competitiveness of Ghana’s tourism sector on the global stage.

In sub-Saharan economies, such as Kenya, Nigeria, or South Africa, customers face challenges such as poor infrastructure, low literacy levels, corruption, and political instability that affect their access and trust in banking services. According to a study by Narteh (2013), customers in sub-Saharan economies rated tangibility (physical facilities and equipment), reliability (ability to perform the promised service dependably and accurately), assurance (knowledge and courtesy of employees and their ability to inspire trust and confidence), empathy (caring and individualized attention to customers), responsiveness (willingness to help customers and provide prompt service), convenience (ease of access to services), cost (price of services), innovativeness (introduction of new services), reputation (image of the bank), and social responsibility (contribution to social welfare) as the dimensions of service quality. However, customer
satisfaction with these dimensions varied depending on the country context and the type of bank (local or foreign).

Similarly, in Tanzania, where tourism is a significant contributor to the economy, ensuring high standards of service quality is essential for attracting and retaining visitors. Research by Mwankemwa, Ernest, and Hilary (2016) examined the impact of service quality on customer satisfaction and loyalty in the hospitality industry. The findings indicated that factors such as cleanliness, safety, and personalized service significantly influenced guests' perceptions of service quality and overall satisfaction. Moreover, the study underscored the importance of government support and industry collaboration in promoting service excellence and sustainable tourism development in Tanzania, contributing to the country's economic growth and poverty reduction efforts.

Cultural diversity and intercultural communication play a pivotal role in shaping the quality of service and customer satisfaction within hospitality and tourism settings. Firstly, the diversity of the workforce enables organizations to cater to a broader range of cultural preferences and needs among their clientele. A diverse team brings forth varied perspectives and approaches to problem-solving, leading to more innovative and inclusive service delivery (Sarkar et al., 2018). Secondly, language proficiency among staff members is essential for effective communication with guests from different linguistic backgrounds. Staff who can communicate fluently in multiple languages can provide a more personalized and seamless experience for guests, leading to higher satisfaction levels and positive feedback (Cruz, 2017).

Additionally, cultural awareness training equips hospitality and tourism professionals with the knowledge and skills needed to navigate cultural differences and adapt their service accordingly. Training programs focusing on cultural sensitivity and understanding help staff members develop empathy and respect towards diverse cultural practices and norms, fostering positive interactions with guests (Gursoy & Kendall, 2006). Moreover, intercultural communication competence enables staff to build rapport and establish trust with guests from different cultural backgrounds, leading to enhanced customer satisfaction and loyalty. Effective communication fosters a sense of belonging and recognition among guests, resulting in increased repeat business and positive word-of-mouth recommendations (Li, 2019).

In additional developing economies like Vietnam and Kenya, the quality of service and customer satisfaction are critical factors shaping the hospitality and tourism industry. In Vietnam, a study conducted by Nguyen and Pham (2019) investigated the relationship between service quality dimensions and customer satisfaction in the hotel sector. Findings revealed that factors such as responsiveness, empathy, and reliability significantly influenced guests' perceptions of service quality and overall satisfaction. Moreover, the study highlighted the role of employee training and empowerment in enhancing service delivery, emphasizing the need for continuous improvement efforts to meet evolving customer expectations and maintain competitiveness in the market.

Similarly, in Kenya, where tourism is a key contributor to the economy, ensuring high levels of customer satisfaction is paramount for attracting and retaining visitors. Research by Kariuki and Mberia (2018) examined the impact of service quality on customer satisfaction and loyalty in the hospitality industry. The study found that aspects such as cleanliness, safety, and personalized service significantly influenced guests' satisfaction levels and intentions to revisit or recommend
the destination. Furthermore, the adoption of digital technologies and online review platforms has enabled Kenyan hospitality businesses to solicit feedback from customers, facilitating continuous performance monitoring and service improvement initiatives to enhance overall guest experiences.

Statement of Problem

The effects of cultural diversity and intercultural communication on the quality of service and customer satisfaction in hospitality and tourism settings are multifaceted and warrant further investigation in contemporary contexts. As globalization continues to shape the tourism landscape, hospitality businesses are increasingly diverse in terms of both workforce and clientele. However, the extent to which cultural diversity positively or negatively influences service quality and customer satisfaction remains unclear. Moreover, the role of effective intercultural communication in mediating these effects is not well understood. While studies have explored the impact of cultural diversity on organizational performance in various industries, there is a paucity of research specifically addressing its implications for the hospitality and tourism sector (Kim & Jogaratnam, 2019).

Kim and Jogaratnam (2019) highlighted the importance of cultural diversity management in the hospitality industry, emphasizing the need for businesses to develop strategies that leverage cultural differences to enhance service quality and customer satisfaction. Furthermore, recent studies by Lee and Xiong (2021) have underscored the significance of intercultural communication competence among hospitality professionals in ensuring positive guest experiences and fostering cross-cultural understanding. However, gaps in the literature persist regarding the specific mechanisms through which cultural diversity and intercultural communication influence service quality and customer satisfaction in hospitality and tourism settings, necessitating further empirical research to address these gaps and inform industry practices.

Theoretical Framework

Cultural Intelligence Theory (CQ)

Developed by Earley and Ang in the early 2000s, Cultural Intelligence Theory proposes that individuals and organizations can develop capabilities to effectively function and interact in culturally diverse settings. The theory suggests that cultural intelligence encompasses the ability to understand and adapt to different cultural norms, values, and behaviors. In the context of hospitality and tourism, high levels of cultural intelligence among staff can lead to better intercultural communication and improved service quality, ultimately enhancing customer satisfaction (Ang & Van Dyne, 2008).

Social Identity Theory

Originated by Tajfel and Turner in the 1970s, Social Identity Theory posits that individuals derive their self-concept from their membership in social groups, which influences their behavior and interactions with others. Applied to hospitality and tourism settings, this theory suggests that both customers and service providers bring their cultural identities into their interactions. Understanding and respecting customers' cultural identities can lead to more personalized and satisfactory service experiences, fostering positive perceptions of service quality and customer satisfaction (Tajfel & Turner, 1986).
Communication Accommodation Theory (CAT)

Developed by Giles and colleagues in the 1970s, Communication Accommodation Theory explores how individuals adjust their communication styles to adapt to others in intercultural encounters. CAT suggests that accommodation strategies such as convergence (adopting the communication style of the other) or divergence (emphasizing differences) can influence the quality of communication and relational outcomes. In hospitality and tourism settings, effective intercultural communication, characterized by accommodation and sensitivity to cultural differences, can lead to better service interactions and enhanced customer satisfaction (Giles & Coupland, 1991).

Empirical Review

Chen & Chen (2016) intricated the relationship between cultural diversity among hotel staff and customer satisfaction in the Chinese hospitality sector. Adopting a mixed-methods approach, the researchers combined quantitative surveys with qualitative interviews to gain a comprehensive understanding. The findings underscored a significant positive correlation between perceived cultural diversity among staff and elevated levels of customer satisfaction, highlighting the pivotal role of intercultural communication competencies in delivering superior service. As a practical recommendation, the study advocated for the implementation of diversity training programs aimed at enhancing cultural awareness and communication effectiveness among staff, thus augmenting overall customer satisfaction and loyalty.

Kim & Baker (2017) explored the nuanced impact of intercultural communication competence (ICC) among hotel employees on customer satisfaction within the context of international hotels. Employing a robust quantitative methodology, the study collected data through structured surveys administered to both employees and guests. The results unveiled a compelling positive association between employees' ICC levels and guests' satisfaction with service quality. In light of these findings, the study advocated for strategic investments in training programs aimed at bolstering employees' intercultural communication skills, thereby enabling them to better cater to the diverse needs and preferences of international guests, ultimately enhancing overall customer satisfaction and fostering repeat business.

Nguyen & Le (2018) endeavored to shed light on the nuanced dynamics between cultural diversity among tourist guides and service quality perceptions of international tourists visiting Vietnam. Employing a rigorous quantitative research design, the study meticulously collected data through structured surveys administered to tourists. The findings illuminated that tourists perceived heightened service quality when guided by individuals hailing from culturally diverse backgrounds. In response to these findings, the study advocated for concerted efforts to promote cultural diversity in the recruitment and training of tourist guides, positioning it as a strategic lever to enhance service quality and elevate the overall tourist experience in Vietnam.

Smith & Johnson (2019) investigated the impact of cultural diversity among frontline employees on customer satisfaction in Australian hotels. Utilizing a qualitative approach, the study conducted in-depth interviews with hotel managers and guests. The findings unveiled that hotels with culturally diverse frontline staff tended to receive higher customer satisfaction ratings due to improved intercultural communication and understanding. In response, the study recommended
fostering a diverse and inclusive workplace culture to enhance service quality and customer satisfaction in the Australian hospitality sector. Additionally, the study underscored the importance of recruitment practices that prioritize cultural diversity and the provision of ongoing training to empower employees with effective intercultural communication skills.

Garcia & Rodriguez (2020) influenced of intercultural communication skills among hospitality employees on service quality perceptions of tourists in Spain. Employing a mixed-methods approach, data were collected through surveys and focus group discussions with tourists. The findings revealed a positive relationship between employees' intercultural communication competencies and tourists' perceptions of service quality, highlighting the pivotal role of effective cross-cultural communication in enhancing the tourist experience. As a result, the study advocated for investing in language and cultural training programs for hospitality staff to improve service delivery and customer satisfaction in Spanish tourist destinations. Moreover, the study emphasized the importance of fostering a supportive organizational culture that values diversity and promotes intercultural understanding among employees.

Wong & Wong (2021) compared the impact of cultural diversity on customer satisfaction between luxury hotels in Hong Kong and Singapore. Employing a quantitative approach, data were collected through structured surveys administered to hotel guests. The results indicated notable differences in the perception of service quality between the two destinations, with cultural diversity playing a more significant role in guest satisfaction in Singapore. Consequently, the study recommended tailoring cultural diversity management strategies to the specific context of each destination to optimize service quality and customer satisfaction. Additionally, the study highlighted the importance of creating inclusive work environments that celebrate diversity and promote intercultural collaboration among hotel staff to enhance the overall guest experience.

Gupta & Sharma (2022) influenced of intercultural communication on service quality in boutique hotels in India. Utilizing a qualitative research design, data were collected through semi-structured interviews with hotel staff and guests. The findings revealed that effective intercultural communication positively impacted guests' perceptions of service quality, leading to increased satisfaction and loyalty. In response, the study recommended investing in cultural diversity training and fostering a culture of openness and inclusivity to enhance service delivery and guest experiences in boutique hotels in India. Furthermore, the study emphasized the importance of integrating cultural sensitivity and awareness into daily operational practices to create welcoming and inclusive environments for guests from diverse cultural backgrounds.

**METHODOLOGY**

This study adopted a desk methodology. A desk study research design is commonly known as secondary data collection. This is basically collecting data from existing resources preferably because of its low-cost advantage as compared to field research. Our current study looked into already published studies and reports as the data was easily accessed through online journals and libraries.
**FINDINGS**

The results were analyzed into various research gap categories that is conceptual, contextual and methodological gaps

**Conceptual Research Gap:** While several studies (Chen & Chen, 2016; Kim & Baker, 2017; Smith & Johnson, 2019; Garcia & Rodriguez, 2020; Wong & Wong, 2021; Gupta & Sharma, 2022) have explored the relationship between cultural diversity and customer satisfaction within the hospitality sector, there appears to be a gap in research focusing specifically on the mechanisms through which cultural diversity influences service quality and customer satisfaction. While these studies have identified a positive association between cultural diversity among staff and customer satisfaction, there is limited understanding of the underlying processes and mediating factors that drive this relationship. Future research could delve deeper into the specific intercultural communication competencies and strategies employed by culturally diverse staff to enhance service delivery and customer experiences, thereby bridging this conceptual gap in the literature.

**Contextual Research Gap:** The studies by Chen & Chen (2016), Kim & Baker (2017), Smith & Johnson (2019), Garcia & Rodriguez (2020), Wong & Wong (2021), and Gupta & Sharma (2022) have predominantly focused on exploring the influence of cultural diversity on customer satisfaction within specific national contexts, such as China, Vietnam, Australia, Spain, Hong Kong, Singapore, and India. However, there appears to be a gap in research examining how cultural diversity manifests and influences customer perceptions in multicultural environments. Given the increasingly globalized nature of the hospitality industry, understanding how cultural diversity manifests and influences customer perceptions in multicultural contexts is essential for developing nuanced strategies to cater to diverse customer segments. Therefore, future research could explore the dynamics of cultural diversity and customer satisfaction in settings characterized by cultural heterogeneity, thereby enriching our understanding of this phenomenon across diverse contexts.

**Geographical Research Gap:** While existing studies Gupta & Sharma (2022) have provided valuable insights into the relationship between cultural diversity and customer satisfaction in various national contexts, there seems to be a gap in comparative research examining cross-cultural differences in the impact of cultural diversity on customer satisfaction. Specifically, there is limited research comparing how cultural diversity influences customer perceptions and service quality across different geographical regions or between countries with distinct cultural backgrounds. By conducting comparative studies across diverse geographical contexts, researchers can identify region-specific factors and cultural nuances that shape the relationship between cultural diversity and customer satisfaction. This would facilitate the development of tailored strategies and best practices for leveraging cultural diversity to enhance customer experiences in different global regions, thereby addressing this geographical research gap.

**CONCLUSION AND RECOMMENDATIONS**

**Conclusion**

The effects of cultural diversity and intercultural communication on the quality of service and customer satisfaction in hospitality and tourism settings are profound and multifaceted. Cultural
Diversity within hospitality and tourism establishments brings about a rich tapestry of perspectives, traditions, and practices, which can enrich the overall customer experience. When employees from diverse cultural backgrounds are properly integrated into the workforce, they bring unique insights and skills that enable them to connect with customers from different cultural backgrounds more effectively. This can lead to enhanced levels of customer satisfaction as guests feel valued and understood, and their cultural needs and preferences are respected.

Intercultural communication plays a pivotal role in facilitating positive interactions between staff and guests in hospitality and tourism settings. Effective communication across cultural boundaries fosters mutual understanding, reduces misunderstandings, and promotes empathy and respect. It allows employees to adapt their communication styles and service delivery approaches to cater to the cultural sensitivities and preferences of guests, thereby enhancing the quality of service provided. Furthermore, intercultural communication competence enables hospitality and tourism professionals to navigate diverse cultural norms and practices with sensitivity and awareness, fostering a welcoming and inclusive environment for all guests.

Overall, the effects of cultural diversity and intercultural communication on the quality of service and customer satisfaction in hospitality and tourism settings are closely intertwined. Embracing cultural diversity and promoting intercultural communication competence among employees can lead to more personalized and authentic guest experiences, ultimately contributing to higher levels of customer satisfaction, repeat business, and positive word-of-mouth recommendations within the industry.

Recommendation

Theory

Conduct research to develop a comprehensive theoretical framework that integrates cultural diversity, intercultural communication, and service quality in hospitality and tourism settings. This framework should consider various dimensions of cultural diversity, such as nationality, ethnicity, language, and customs, and their impact on service delivery and customer experiences. Explore the role of cultural intelligence (CQ) and intercultural competence in facilitating effective intercultural communication and enhancing service quality. Investigate how training programs can be designed to improve CQ among hospitality and tourism professionals, thereby fostering cultural sensitivity and adaptability in diverse environments.

Practice

Implement cultural awareness training programs for hospitality and tourism staff to enhance their understanding of different cultures, communication styles, and customer preferences. Provide employees with practical tools and strategies for effectively engaging with diverse clientele and delivering personalized services. Foster a culture of inclusivity and diversity within hospitality and tourism organizations by promoting teamwork, collaboration, and mutual respect among employees from diverse backgrounds. Encourage cross-cultural interactions and knowledge sharing to facilitate cultural exchange and learning among staff members.

Policy
Advocate for the development of industry-wide standards and guidelines for promoting cultural diversity and intercultural communication in hospitality and tourism settings. Encourage regulatory bodies and industry associations to incorporate diversity and inclusion initiatives into their accreditation criteria and certification programs. Collaborate with government agencies and policymakers to implement policies that support diversity and intercultural communication in the hospitality and tourism sector. This may include initiatives to attract and retain a diverse workforce, promote cultural exchange programs, and enhance accessibility and inclusivity for travelers from all backgrounds.
REFERENCES


