

國立臺灣師範大學管理學院管理研究所

碩士論文

Graduate Institute of Management

College of Management

National Taiwan Normal University

Master Thesis

Study on Clients' Perceived Service Quality between Local
and Non-Local Customer Care Representative in Call Centers

客服中心當地以及非當地客戶服務代表的服務質量

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中華民國 103 年 7 月

July, 2014

Abstract

Providing a good quality Customer Care has become vital for companies in order to succeed on the market and differ from competitors. Running call center is example of the service which companies offer to customers. However, in many cases companies distinguish running call centers as extra expenditure and as such in some cases outsource/offshore those to lower labor rate countries. As a result, Customer Care is regularly provided by non-local speakers.

The aim of this thesis was to determine whether customers perceive service in a different manner hearing that employee is not a local speaker. Additionally, study examined which non-local speech characteristics are important for the service quality perception. Besides that, study looked for differences in the service quality perception between respondents under 30 years (so called Generation Y) and older respondents.

Theoretical framework focused on three core areas – call center specifics, the service quality perception and the role of language in call centers in particular. Literature review helped to summarize factors characterizing non-local speech (accent, vocabulary, rhythm of speech, cognitive language frame and syntax) and determine suitable measure item scale for empirical part.

The empirical study consisted of the pilot study and consequent survey study. Pilot study was based on customers´ and Customer Care representatives´ interviews. All Customer Care representatives had experience with conducting calls in their non-local language(s). Based on the pilot study, hypotheses were formed and consequently tested by survey realized in two countries, Taiwan and Philippines. Questionnaires with imaginary scenarios were used to gain data.

A series of analyses on evaluating the measures as well as the testing of the hypotheses will be processed following the procedure of data collection.

Keywords: Call center, outsourcing, offshoring, perceived service quality, customer expectations

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Chapter 1 Introduction

1.1. Background and Motivation

In the world of high rivalry it has become a need for companies to offer good quality Customer Care for clients. Customers anticipate company to be easily reachable and reacting rapidly to answer client's questions. Companies went a long way towards these conditions, for instance by allowing clients to provide themselves with the help of easy to navigate web pages. With the growing amount of technology surrounding the world, customers frequently feel that our society is "dehumanizing" (Duchene, 2008). Nonetheless, some services are not likely to handle without human communication. Customer Care, especially call center, is measured as such example.

Call center is defined "as a telephone service facility system to handle a large number of both inbound and outbound calls" (Businessdictionary.com). Word inbound refers to calls coming from customers, for example orders or help desk requests. Outbound calls are initiated by employees aggressively contacting customers with e.g. voicemail & callback. The combination of telephone and other technology (computers, faxes) is usual for call centers. Lately, additional technologies, like the inter-active voice response (IVR) and automatic call distribution (ACD) has been exploited (Robinson and Morley, 2006).

As said by "Aggravating Circumstances: A Status Report on Rudeness in America" survey (2004), calling Customer Care has become very horrible situation for clients to go through. Although customers regularly whine about having to pay attention to

automatic recording rather than human their dissatisfaction does not end with communicating to AGENT. Clients normally disagree that AGENTs do have a lack of topical information, try to disconnect the call quickly and it is overall difficult to get a solution to a problem. Alterlocally, AGENTs mention that they have to regularly deal with stubborn clients, impoliteness and swearing. (Yellin, 2009). With some call centers being situated in foreign countries; language problems together with nationalism often strengthen antipathies towards calling a Customer Care.

Call centers are in numerous cases seen as a further expenditure for a company instead of being taken as a chance for income gaining and customer relationships building. With the aim of cut costs for managing a call center companies had diverse strategies. With existing phenomena, outsourcing and offshoring, when the Customer Care is situated outside of country, fresh challenges have appeared. Cultural, geographical and language barriers make the contact between company and customer very sensitive issue in advance a lot of public and academic attention (Stringfellow, 2007). Stringfellow also submit to above-mentioned obstacles as hidden costs pointing out that these hidden costs have not yet been further explored although they should be robustly considered by companies when deciding about offshoring a call center.

It has been proved that language plays a key role in services (Holmqvist, 2009). As Holmqvist (2009) notes, language is perceived as consequential in service encounters and customers do not mind paying extra in order to receive service in the language they prefer. Nevertheless, what remains unrevealed is to what extent language, and especially language verbalized by non-local verbalizers, contributes to the perceived accommodation quality. Language is crucial factor for successful interaction between

client and AGENT. The way employee verbalizes the language (tone, accent, wording) probably influences not only the one concrete communication episode but additionally company's image, which client engenders among others on the substructure of these communications. The interaction between customer and employee is so-called "the moment of truth" exhibiting company's posture towards customers' enquiries.

1.2. Research Purpose

The purpose of this thesis is to establish whether clients perceive service in a dissimilar manner knowing that Customer Care representative is not a local speaker. Additional research objective is to distinguish the non-local communication characteristics vital for the service quality perception

Chapter 2 Literature Review

Call center management is a wide-ranging area, which cannot be defined broadly in this study. Yet, consideration should be specified to vital topics associated to the thesis purpose. Consequently, the next segment explains terms stated in the introduction, outsourcing and offshoring, concerning the call center service division. Short outline of the call center placement in Asia follows. In this study only the word offshoring is used in situations where it is secondary whether call center was outsourced or offshored.

2.1 Outsourcing

Outsourcing has grown on attractiveness during the 1980s when it was presented as a cost-cutting technique to many companies. Nonetheless, it has its roots in Roman times when government assigned the tax collection to the accredited citizens (Kakabadse and Kakabadse, 2005). In the widest meaning, outsourcing comprehends the allocating or distributing of some industry activity with the third-party merchant centered abroad (Ramarapu and Parzinger, 1997) Concerning the spot, outsourcing can be said “among associates within the same country (onshore outsourcing), between associates of the same region (nearshoring), or between associates from any site (international sourcing)” (Stare and Rubalcaba, 2009). Hence, if an Asian company assigns part of the business tasks to another Asian based associates, term nearshoring concerns. Nearshoring produces benefits in the form of geographical and cultural closeness; however, there are certain negatives too, for example the language gap.

2.2 Offshoring

Offshoring is an equally alike custom to outsourcing in terms of the service division to another country. Detail differentiate offshoring from outsourcing is the non-existence of the third-party merchant. The assigned service stays “in-house” so business maintains running the operations on its own though situated overseas. The drive of offshoring does not differ from outsourcing; it is executed so as to reduce the expenses. Offshoring does not differ among whereabouts, therefore no matter where to the Customer Care is located, the term offshoring is used. Offshoring and outsourcing typically take an advantage of a comparatively low-cost and well-educated workforce in such countries like India, Latin America, Philippines, or Eastern Asia (Le Bon and Hughes, 2009)

There are numerous purposes for the services outsourcing/offshoring. Gilley and Rasheed (2000) call attention to that three most usual aims are saving expenditures, refining the service quality by assigning the activity to the specialized firm or focusing on the vital business while outsourcing the other business related responsibilities.

2.3. Service quality perceptions in the call center context

The following segment inspects the content linked to service quality perception in the situation of call centers taking customers’ opinion. Terms as customer expectations and total perceived quality are justified at first. Aspects as company and country image correspondingly are considered in detail at the same time as other potential influencing issues are recommended and explained concisely. A brief debate on the cultural differences follows as the thesis purposes for comparing between two

different nations. On the related note, as study goals for finding the variances in sensitivity of non-local speakers between people less than 30 years, so called Generation Y, and people being over 30 years old, the chapter 2.3.2.4 examines Generation Y personalities. Conclusively, current frameworks for service quality perception and customer satisfaction measurement are presented. Part 2.3.4 is devoted to the role of language in the call center setting. Primarily, the role of language in service confronts, particularly in call centers is examined. Then, the view of language representing the part of belonging to a nation is presented. Because of the thesis purpose, the focus is on the second language acquisition and its key attributes. In chapter 2.3.4.4, the most shared features of the second language use are examined fully.

2.3.1 Service quality perception framework

Because of the service quality perception being a comprehensive term, debate is limited to two features with the respect to the study's purpose. Initially *customer's expectations* concerning the service encounter are deliberated and subsequently the concept of *total perceived service quality* is presented.

2.3.1.1 Customer expectations

This study emphasize on *expectancies* and service perception towards Customer Care. In this matter, it is secondary whether customer's call concerns on the services or goods acquired. Consequently, no dissimilarity is made regarding the fact if service or goods were acquired prior to communication.

Zeithaml, Berry and Parasuraman, (1993) describe expectancies as “needs or wants of consumers, i.e., what they feel towards a service provider should provide rather than would provide”. Although the knowledge can be new for client prior to interaction, s/he holds at least some image of what should occur. Expectancies are formed based on many influences, i.e. customer’s earlier occurrence and company’s marketing message. Obviously, expectations differ differing on the type of service. For instance Ojasalo (2001) varies among three key types of prospects customers may have. Primarily, the condition when customer is unsure what would precisely occur and which way are called fuzzy prospects. It is the job for the company to recognize and subsequently resolve the exact difficulty. The identification happens through the conversation. As Ojasalo (2001) further call attention to just as fuzzy prospects can be concentrated, implicit prospects can be discovered and discussed over. Lastly, the prospects of customers may be as well obvious meaning that they have a well-defined picture about the service progress. Clients regularly listen to the service content and consequently whether their expectancies are fulfilled.

In the call center setting, there occurs some unfairness regarding customer expectations. Dean (2004) recommends that clients have very high anticipations prior to calling. High anticipations in this context meaning to the capability of call center to resolve all customer problems and response potential queries within one call. This assumption is also supported by Monger, Rudick and O’Flahavan (2004) affirming that the customer fulfillment will be 5 to 10 percent lower in case that in excess of one call is needed so as to resolve the issue. Dean (2004) further varies between expected expectation level and satisfactory level of expectations. Expected expectations are based on the earlier experiences together with customer’s prediction of communication course.

As stated above, clients' expectations are created in very individual ways and are outcome of person's own experiences and manners. Next parts deliberate furthermore the effect of firm image, country where Customer Care is outsourced, cultural dissimilarities and age on the expectancies and total perceived quality. Other aspects (attitude, demographical variables) included in the chapter.

2.3.1.2 Total perceived service quality

Total perceived quality is dissimilarity between what client projected and what really practiced (Grönroos, 2007). The total perceived qualities of service is prejudiced by many features such as earlier and present service incidents, prospects towards on the whole this sort of service and emotions from both customer and service provider areas.

Clients identify two kinds of qualities. The technical value is the result of the course, in other words what clients obtain as result of service. Functional quality includes the service course, so how clients receive a service. To achieve high customer fulfillment both functional and technical values should be exceptional meaning that customer obtains a great service in a good way. (Grönroos, 2007).

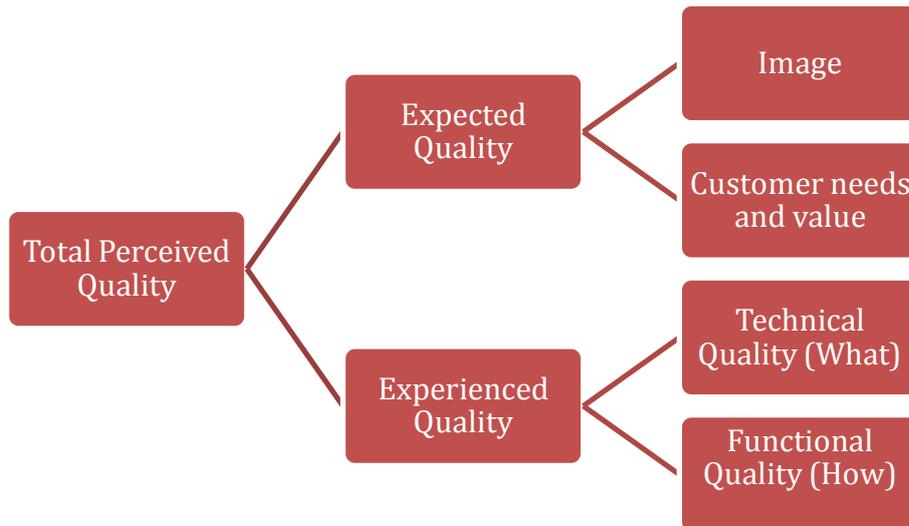


Figure 1 Total Perceived Quality (Gronroos, 2007)

The Figure 1 provides an outline of aspects influencing the total perceived quality listing individually features of anticipated and skilled quality. Significant role of emotions is recommended by sorting out this feature from the two others. As stated in the figure 1, predictable service quality image contains of many features, like marketing communication and customer desires. Alter locally, experienced quality is formed by two vital features, technical and functional process quality, as mentioned above.

Through physical and visual mechanisms missing in the call center setting, clients frequently perceive the whole company's quality based on the communication with AGENT (Burgers, Ruyter, Keen and Streukens, 2002). As Barker and Härtel (2004) states once the communication is finalized both parties go through a process of attributing effects to outcomes and satisfaction. Additionally, some researches point to that the competence measurement used in some call centers does not take to account the customer satisfaction (Feinberg et al., 2000; Miciak and Desmarais, 2001 *all cited in Keiningham et al., 2006*).

2.3.2 Factors causing the service quality perception

In many cases service quality perception is not formed on the basis of expectations towards service encounter and subsequent real experience. Regularly there are side aspects influencing one concrete service episode. In the next part some of those aspects are talked about with highlights on the company image, image of country where service is offshored, cultural and age dissimilarity.

2.3.2.1 Company image

Company image plays a role during service episode. Consequently, interacting with company influences its company's image in the client's eyes. Many companies are getting aware of the influence which offshoring may have on their representation. The fact that call center is situated in different country and calls handled by non-local speakers can change customer's perception of a firm. Company's concerns are often related to brand image, property rights; lower customer satisfaction and as consequences increased clients' complaints and lower brand loyalty (Sharma et al., 2009). It has been proved that service quality and customer satisfaction correlate (Selnes, 1993; Sharma et al., 2009). Therefore, low quality service has a negative influence on the customer fulfillment. On the other hand, service of a first-class influences positively customer's satisfaction and as an outcome, business image.

Roggeveen, Bharadwaj and Hoyer (2007) have carried out a study aiming to find out how location and reputation influence on customer's expectations regarding upcoming service encounter. Based on their findings call center location does not affect the expectations prior to interaction if the firm has a good image and reputation. This is, however, not the case for less known companies when clients predict lower level of service. (Roggeveen et al., 2007). The suggestion is based on the fact that if

the company is lesser known, customers will expect poorer service from call center offshored than in case of good reputation firm which, as Roggeveen et al. (2007) state out, will guarantee the quality service regardless where the call center located. This discovery is somewhat supported by Sharma (2009) stating that” the more reputed or well known a service company is, the less likely are its clients to criticize against its offshored call centers and more likely to continue using its services.”

Furthermore, if company emphasizes its origins being in a certain country, this fact possibly influences customer’s expectations towards the Customer Care being also provided from this country. The truth that call center is located to a different location may cause more negative reactions than in case of firms not basing their image on a country.

2.3.2.2 Country Image

Findings point out that many countries are allocated various images by the clients. As a result, this fact also causes on the service quality perception (Huber and McGann, 1982; Thelen et al., 2010). Huber and McGann (1982) recommend that in case that customers are incompetent to identify the service quality on the source of own experiences, they are subject to estimate it on the basis of their attitudes towards countries. Consequently, the country image is significant determinant of service quality.

Thelen et al. (2010) have conducted a study where customers were asked to estimate the imaginary service quality on the basis of the country service was offshored to. As Thelen et al. (2010) completed “the most preferred countries to American consumers

for services offshoring are not vitally the ones with the highest trained labor, lowest cost, or geographic closeness to the origin country.” From the chosen countries (India, China, Canada, Philippines & Pakistan), customers anticipated to obtain quality service respectively, with Canada receiving the highest and Pakistan the lowest preferences (Thelen et al., 2010). Roggeveen et al. (2007) based on the research concluded that call center location influences callers’ expectations only for slighter known firms having no contact on the expectations from well known firms with a good reputation. On the contrary, Barker and Härtel (2004) point out that customer have low prospects towards the quality of service provided by AGENT with different cultural and ethnic background.

Thelen et al. (2010: 196) recommends that companies should be conscious of customers’ country perceptions prior to offshoring. Nevertheless, it is uncertain to what extent the country perception varies within Asian/Asian countries and as a result, to what Asian/Asian countries the service can be offshored without damaging the company’s image. Nonetheless, a Asian/Asian country sensitivity may differ from one country to another and as a result, conducting the research is advantageous prior to offshoring.

2.3.2.3 Cultural differences

Hofstede (1997) describes culture as “collective programming of the mind which differentiates the members of one group or category of people.” Cultural differences are numerous of the aspects explaining differences in customers’ behavior. As this report is conducted in Philippines and Taiwan, variance in manners based on the cultural behavior may come into view. In case countries’ cultures are similar they are referred to as low cultural distances countries (Stringfellow et al., 2008).

Hofstede (1997) provides four dimensions of cultural classification

(1) Power distance

As Hofstede (1997) stated, the power distance is “the extent to which the less powerful members of institutions and organizations within a country anticipate and believe that power is scattered unequally.”

(2) Collectivism versus individualism

The degree of collectivism and individualism points out how human distinguishes himself – as a part of the society or individual.

(3) Femininity versus masculinity

Based on IBM company study, Hofstede (1997) projected a set of characteristics normally perceived as masculine (earnings, challenge) and feminine (cooperation, employment security). Taking the studies into account, Hofstede finished off that some country’s citizens are likely to act more masculine or feminine than it is usual in other countries.

(4) Uncertainty avoidance

Some nations appear to accept higher level of impulsiveness while others like to manage the forthcoming (by technology, laws). (Hofstede, 1997).

For achieving in a different way in the above mentioned features, countries (and subsequently cultures) do not need to be located geographically distant. Regardless of Asia being relatively small area on the globe, many cultural variations can be found even in neighboring countries.

2.3.2.4 Age dissimilarity

It has been recommended that typical personalities are shared by customers born in a certain time (Yoon and Niehm, 2006). Generations have dissimilar life approaches and value. Heaney (2007) reviews key personalities of three generations. Although in the table 1 generation Y refers to those born after 1977, some studies note that Generation Y covering people born between 1977 and 1994 (Yoon and Niehm, 2006) or 1995 (Barlett, 2004)

Table 1. Generational characteristics Heaney (2007)

Context	Baby Boomers 1946 – 1964	Generation X 1965 – 1976	Generation Y after 1977
Economy	Economic prosperity	Downsizing economy	Capitalism rules
Cohort	Vietnam War	Death of socialism	Rise of China and high technology
Experience	Cold War		
Core values	Idealistic, individuality	Pessimistic, diversity	Positive, globalization
Buying habits	Spend a lot, brand loyalty	Very skeptical consumers	Products with cool images are important

This study focuses for responding the question whether members of generation Y identify service performed by non-local speaker in a different way compared to other age groups. As stated in the table 1, Generation Y is distinguished by their experience with use of media and high technology (computers, mobile phones). Members of this

generation are personalized to globalization and they are more likely to learn foreign languages (Ramirez, 2008). Thus, it may be supposed that their approach towards non-local speakers is more positive compared to other generations. This assumption is based on the fact Generation Y members are more likely to interact with foreigners and consequently also with non-local speakers (through the use of technological devices). Taking this assumption to account, it may be supposed that they may perceive non-local speakers in call centers in a different way compared to other generations.

2.3.2.5 Other factors

As stated above, there are many aspects both on the customers and AGENT´S sides influencing the service encounter. Barker and Härtel (2004) stated out that prior to communication, both parties bring with them their exclusive “makeup” containing demographic variables such as race and gender as well as knowledge, dispositions, beliefs, attitudes and previous experiences. The present mood and customer´S and Customer Care representative´S (AGENT´S) personalities also determine to a definite scale on how well the communication will be. Customer´S expectations towards service whether with or without previous experiences affect the service encounter´S way as well. It is AGENT´S task to focus fuzzy expectations, reveal inherent expectations and debate over with customer possible too high or low expectations towards service (Ojasalo, 2001). All this should happen in a pleasant and calm manner. In addition, Sharma et al. (2008) states that “negative attitudes towards offshored call centers result in feelings of dissatisfaction, raise in complaints and decrease in purchases”. With customers experiencing the negativity with some call center their attitude towards all call centers may be negative.

2.3.3 Service quality perception measurement

Multiple methods to measure service quality perception (from the customer's point of view) have been recommended. In forthcoming chapters attention is given to those being applied in call center related research, SERVQUAL and RECOVSTAT.

2.3.3.1 Service Quality (SERVQUAL)

Parasuraman et al. (1988) developed a service quality evaluation tool using a multi-item scale called SERVQUAL, a 22-item instrument that includes five service dimensions of responsiveness, empathy, tangibles, assurance, and reliability (Badri, Abdulla and Al-Madani, 2005). SERVQUAL represents the gap between the service performance level expectations and actual perceptions (Jaishwal, 2008). As Badri et al. (2008) further point out SERVQUAL has been tested and used to measure service quality in various contexts such as professional services, telecommunication, retailing or hospitality. Naturally, each service has its particular meaning that SERVQUAL elements and aspects should be modified accordingly prior to current study. In the call center setting Keiningham et al. (2006) projected to use four SERVQUAL with leaving out the tangibles (physical) item.

Jaishwal (2008) disagrees that SERVQUAL does not pleasingly clarify whether high expectations towards the service result in positive service estimation while low expectations indicate a high quality service evaluation. In addition, opponents of this measurement tool, Cronin and Taylor (1992) suggested that service performance evaluations are directly linked to the service quality and therefore use of SERVQUAL is inadequate. On the basis of this argument Cronin and Taylor (1992) projected SERVPERF framework for evaluating the service performance. However, SERVPERF has not been widely used in the call center context.

2.3.3.2 Recovery Quality (RECOVSTAT)

Boshoff (1999) projected a scale tool called RECOVSTAT in order to establish the customer satisfaction with the observe to the service recovery. (Boshoff, 1999). In later study Boshoff (2005) removes 4 items leaving the scale instrument to consist of 6 dimensions and 13 items. Given that call centers regularly play significant role in the service recovery the RECOVSTAT scale is very popular in this background. Burgers et al. (2000) projected to assess call center performance on the basis of following 8 attributes suggested by Boshoff (1999): “reliability, time, communication style, perceptions of commitment to service quality and customer satisfaction; empowerment; staff attitude; and explanation” included within the four-scale model including dimensions of adaptiveness, assurance, empathy, authority. (Burgers et al, 2000)

Regardless of which scale instrument is used for service quality perception dimension, researchers should constantly keep in mind to adapt the items with regard to research question. For instance, when applying SERVQUAL in call center associated research, tangible item is frequently missing due to its irrelevance in this particular setting.

2.3.4 The role of language in the call center context

In this section the content related to the function of language within the call center setting is presented. Initially, the role of language in service encounters, especially in call centers is reviewed. The concept of language representing the part of belonging to a nation is introduced subsequently. Due to the thesis topic, the focus is on the second language acquisition and its main attributes. In this respect, chapter 2.3.4.3. presents the most common characteristics of the second language use are discussed.

2.3.4.1 Language in service encounters

Language is the very important part of any communication. In call centers it is mainly noticeable, lack of visual features makes both, customers and agents rely on the language skill only. If the company and customer lack the common language, interaction is naturally more problematic than in case of using the same local language. Currently, large numbers of studies state out at the increasing customer disappointment with offshored call centers originating from the communication insufficiency (Compass, 2007; Sharma et al., 2009). In addition to cultural and geographical distance related barriers, the language distance forms another potential challenge to successful interaction. The language may be explained as a difficulty created by the condition when customer and agent do not share the same language (Stringfellow, 2008).

Among factors related to language distance are considered among others accent, speech understandability and vocabulary used. Naturally, geographical and cultural factors play important role as well. With outsourcing raises the likelihood of technical difficulties such as difficult telephone lines making the communication even harder.

2.3.4.2 Language as expression of belonging to the nation

Isaacs (1975) states out, the role of a person and its belonging to the nation has been often discussed. It has been suggested that language is the vital part of national distinctiveness (Isaacs, 1975; Sonntag, 2009).

Many people have tough emotional bonds to their language connecting it to their own uniqueness and are affected by their cultural uniqueness also in the role of clients (Holmqvist, 2009). For instance Sonntag (2009) notes that American customers consider speaking American English as an equivalent to being American and therefore thinking that “if you’re not American, then you don’t speak English”. Language is professed as the vital aspect when it comes to the national cohesion and the perception of job loose contributes significantly to rising of such attitude (Poster, 2007). In the Asian context Holmqvist’s study (2009) also confirmed the importance of local language in the service setting assigning the preference for local language functional and also emotional aspects. The perception of non-local speakers may be influenced also by these issues. As Barker and Härtel (2004) further note, prior to interaction, both parties bring with them their unique “makeup” comprising demographic variables such as race and gender as well as dispositions, beliefs, knowlege, attitudes and past experiences. ”

While agents are asked to familiarize to Western culture by posing like Americans and they are also given English names (Poster, 2007; Sonntag, 2009), there are no trace of similar requirements towards call center employees in Asia. One of the reasons behind this may be the cultural proximity within Asia. India, the country where Customer Care for United States of America is often offshored to, has no cultural, geographical

neither language proximity to America.

On the other hand, the non-local speakers' perception within Asian context remains fairly unexplored area. There seem to be so far no study dealing with meaning and importance of the national language to Asians and consequently their perception of non-local speakers. Researches have confirmed that the person's perception by listener differs by accent (Magen, 1998; Wang et al., 2009). Thelen et al. (2010) have recommended that the perception is affected by the speaker's country of origin since different countries have different images.

2.3.4.3 Second language acquisition

The term second language acquisition relates to the way in which people learn a language other than their mother tongue. As Ellin (2003) points out, phrase the second language does not necessarily need to apply to one language studied but refers also to third or fourth language acquisition. For instance, if person speaks besides own language three other languages, the term "second language" applies to all of them. In addition, the term "second language" is often confused with "foreign language". The second language may be spoken in a person's local country and cannot be, therefore, called foreign.

A second language can be acquired in a variety of ways, differing among others in the extent of mastering the language and purpose of studying it (Klein, 2003). The success of language mastering depends on many factors such as social conditions, person's intelligence, language aptitude (a disposition for learning a language), motivation or age, just to mention a few. (Ellin, 2003; Klein, 2003). There have been many studies regarding the fact to what extent is a person capable to manage the

second language and whether it is possible to master the language on the local level (Sleve and Miyake, 2006). Every language has own specifics which are not easy to bear for non-local speakers.

The next chapter discusses in detail some common mistakes non-local speakers make. These languages aspects are those indicating that a person uses the second acquired language.

2.3.4.4 Common differences between language spoken by local and non-local speakers

It has been recommended that second language acquisition is relatively complicated process with many factors influencing the final output. It is, however, debatable to what extent the output is final since language studying is in many cases life lasting process. It has been proved that local speakers can recognize a foreign accent from the very short speech samples (Flege and Hammond, 1982; Flege, 1984 in Magen, 1998). In the following subchapters some of typical features differing non-local from local speakers are presented.

The forthcoming aspects form a basis for the thesis´s empirical study. Since one of the thesis aims is to identify language factors contributing to the perceived quality, the following aspects are important part of empirical research.

1. Accent

The second language acquisition has been gaining the research interest within the field of psychology and social psychology for decades (Derwing, 2003). Accent as the important aspect of the second language use has been given attention as well. Topical research has focused on the communication from both parties, local speaker's (Magen, 1998; Cargile, 2000) and non-local speaker's (Derwing, 2003; Gluszek and Dovidio, 2010). Sociolinguistics literature (Lippi-Green, 1994; Giles and Powesland, 1975) considers accent as important indicator of person's ethnicity, regional association and social background. This fact suggests that non-local speakers are assigned certain characteristics formed apart of their appearance by the way they speak the language. In personal encounters the total impression is created by both physical appearance and spoken language together with non-verbal signals.

As noted above, customers can recognize the non-local speakers already after a couple of exchanged sentences. Depending on pre existing attitudes, established and enforced throughout an individual's life experiences clients evaluate AGENT and the company (Barker and Härtel, 2004). As accents are often connected with certain status (e.g. social and cultural background) people tend to react differently on various accents (Magen, 1998; Cargile, 2000). As a consequence some non-local speakers are perceived more positively than others. The accent indicates in many cases the non-local speaker's probable country of origin. Some researchers (Thelen et al., 2010) suggest that this association of Customer Care being located in a particular country significantly influences the perceived service quality. Chapter 2.3.2.2. Country Image further examines this concept.

Wang et al. (2009) have conducted a study where respondents listened to the short conversation samples from call centers. The conversation content was indistinguishable in all cases; manipulation factor was Customer Care employee's accent. On the basis of the research Wang et al. (2009) conclude that customer satisfaction is strongly affected by the service outcome. In case that clients are not satisfied they tend to reflect this fact on the employee personality. Thus, Indian English has received the least positive feedback out of offered options (Wang et al., 2009).

Nevertheless, the researches mentioned above were carried out in the United States of America and it is debatable whether their findings relate also in Asian setting differing from Anglo-Saxon culturally.

2. Vocabulary

Customer Care representative needs to master language to such extent that communication with client makes no problems to any side. A sufficient vocabulary is a core condition for a successful interaction. However, as far as it concerns the second language acquisition, there may appear challenges related to vocabulary. Typically, non-local speakers face four kinds of problems:

(1) Insufficient vocabulary

It is very difficult to determine the proficiency level which can be considered as a sufficient. Generally, Customer Care employee has to be familiar with the second language vocabulary at least to such extent that enables understanding customer's requirements and providing an understandable good-proficiency answer in a fluent manner. Naturally, the vocabulary sufficiency depends on the kind of Customer Care. Vocabulary proficiency requirements are different for the employee accepting and confirming simple order by phone and employee advising customer how to set up a computer program.

(2) Use of words in a wrong context

This problem is strongly related to language incompetence. Employee has learnt to use a word in a wrong context changing the sentence meaning. Consequently, this influences the customer's image of employee and the company in a negative manner.

(3) Unfamiliarity with idioms

To understand idioms, usually specific in every language; non-local speaker has to be on the advanced language level. Various languages express idioms in various ways often leaving non-local speakers confused about the meaning.

(4) Vocabulary confusion

When using the second language, people are likely to bring cognitive frames from mother tongue and so ultimately use improper wording (Marcella and Davies, 2004). Commonly these mistakes include word confusion such as using a word from a one language in another language. Additionally, non-local speakers may not be aware of words possible other meanings.

3. Syntax

Syntax is defined as the study of the principles and processes by which sentences are constructed in particular languages (Chomsky, 1971). Naturally, this process varies from language to language. In some of them free word order applies while in others fixed word order needs to be kept. The basic rules of second language syntax need to be studied by non-local speakers already at the very beginning of second language acquisition. The knowledge of syntax is crucial for a sentence forming.

For instance, question form in some languages is formed by switching the pronoun and verb position in the sentence. Leaving this out, a person does not ask question but instead states a sentence. Alter locally, especially in free word order languages manipulating with a word order changes noticeably the sentence meaning. Non-local speakers may not be aware of the shifted sentence meaning.

4. Rhythm of speech

Rhythm of speech significantly influences the understandability of message. Therefore, both client and agent should adjust the speech pace so that interaction makes no problem to any of them. However, if they communicated grammatically correctly and their speeches are otherwise understandable, listeners are not very sensitive to voicing differences (Magen, 1998).

2.3.4.5 Language factors influencing the service quality perception

Chapter 2.3.4.4. Common differences between language spoken by local and non-local speakers identified the main factors distinguishing local and non-local speech. The figure 2 summarizes the language factors contributing to the call center interaction between customer and agent.

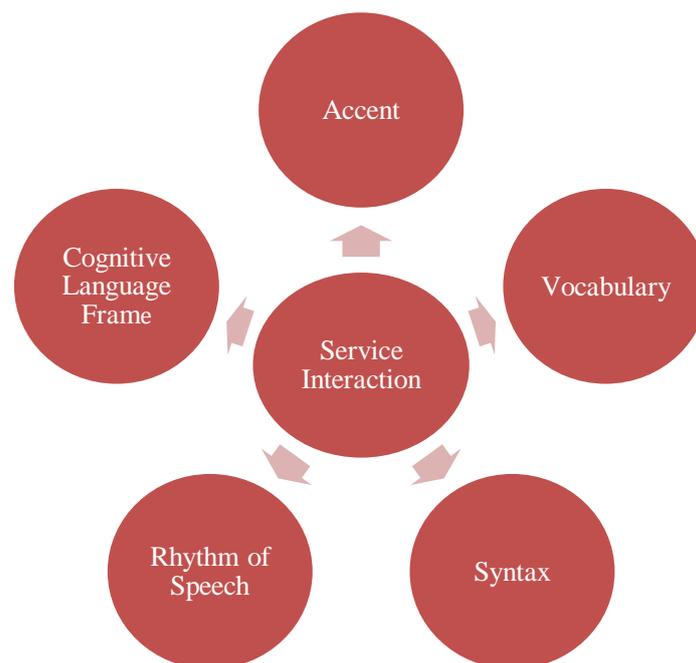


Figure 2 Aspects affecting the call center service interaction with non-local speaker
(Flege and Hammond, 1982; Flege, 1984 in Magen, 1998)

Even though the above mentioned factors are affecting the service interaction, their contribution does not need to be equal. For instance, the accent may be perceived more significantly than rhythm of speech by customer (local speaker). The perception of these factors depends on the concrete customer and concrete service encounter episode.

SERVQUAL and RECOVSTAT measurement scales were discussed in the section 2.3.3. Service quality perception measurement. Both tools were used in the call center settings and therefore, this study as well, takes advantage from them.

2.3.5 Summary

Theoretical part centered on the three major areas, the call center essentials, service quality perception and image in the call center context and the role of language in the call center context.

Studies indicate that countries are assigned a certain image in the client's eyes and this fact also influences on service quality (Huber and McGann, 1982). Therefore, the company and country image aspects were discussed as vital pointers of customer's service evaluation.

Due to thesis focus, attention was given to the role of language in service interactions. The language is the very vital part of any interaction, especially in call centers where the other visual components are missing. The language defined as a fence created by the circumstances when customer and agent do not share the same mother tongue (Stringfellow et al. 2008) can make the interaction more challenging. For offshored call centers the significant percentage of non-local speakers is typical. The situation when client and agent do not come from the same country spaced out from language also cultural and geographical distance related barriers (Stringfellow et al., 2008). Since the language is a significant part of local uniqueness (Isaacs, 1975; Sonntag, 2009), the role of language as a local aspect was discussed. As Holmqvist (2009) states out many people love their language that represents their identity and being

affected by their own cultural as consumers. Speaking the language is by some people perceived as a belonging to the nation.

Due to thesis theme the second language acquisition was given the attention. Ongoing research aims for determining whether a non-local speaker is capable to master the language at the local level (Robert and Miyake, 2006). Due to the fact that local speakers recognize non-local speech in a short time (Flege and Hammond, 1982; Flege, 1984 *all cited* in Magen, 1998), the subsequent chapters discussed in detail common characteristics of non-local speech: accent, vocabulary, syntax, rhythm of speech and different cognitive language frame.

2.4 Hypotheses

Based on the literature review, five hypotheses were recommended. H1 and H2 were formed based on the findings related to offshoring awareness and call center allocation abroad and company's perceived trustworthiness respectively. H3 is directly connected to the thesis aim; exploring the influence of non-local speech on the perceived quality. H4 and H5 support H3 trying to further explain the role of accent (H5) in the interaction and non-local speakers perception (H4).

H1: Interacting with non-local speaker, customers are more likely to suppose that call center is located outside of country

H2: Customers perceive non-local Customer Care representative as less trustworthy compared to local speaker

H3: Customers perceive lower service quality when interacting with non-local Customer Care representative

H4: Non-local Customer Care representative is perceived as less competent

H5: Customers perceive higher probability of misunderstanding when interacting with non-local speakers

Chapter 3 Methods

This chapter presents the general idea of selected research methods and explains the incentive behind these choices. The need for pilot study is justified, with the main aspects of the chosen survey approach of the empirical study.

3.1 Selection of research method

The intention of this thesis is to determine whether clients perceive communication differently if service is provided by non-local agent. Moreover, this thesis also plans for determining the part of respondents' age in the service quality perception. The selection of research method is very significant decision in regard to thesis. When choosing the most appropriate research method, the thesis seek, especially the research question, need to be taken to account. At first, researcher has to make a decision whether to use qualitative or survey methods or eventually their mixture. Even as survey methods deal with impartially measurable data, qualitative focus on deep analysis of issue. In marketing, the survey methods used to be chosen to qualitative since they base on the statistics and are therefore easily provable (Hunt, 1994). Qualitative methods intend in prior for understanding a certain phenomenon than to simplify the truth (Patton 2002). While Reichardt and Cook (1979) put it, the primary difference between survey and qualitative methods is in the measurement of verification versus discovery. Survey techniques are frequently used to prove or validate theories whilst qualitative methods are used in theory creating and developing.

3.2 Research design

This part deals with the research design of the pilot study and survey. Regarding the first mentioned, the methods used for the interviews are justified and the interview guides are offered. In the survey part, source of data and questionnaire and general research design are explained.

3.2.1 Pilot study

The pilot study was derived from the interviews with two collections of informants, clients and Customer Care agents.

3.2.1.1 Participants of pilot study

10 respondents (5 answered the local speaker version and 5 respondents filled the non-local speaker version questionnaire) were conducted in order to determine possible unfairness. To reduce error it was aimed for made scenario to be realistic and clear.

Customer

Participant	Age	Nationality	Language
A	45	Taiwan	Chinese
B	51	Taiwan	Chinese
C	24	Taiwan	Chinese
D	28	Taiwan	Chinese
E	34	Taiwan	Chinese
F	28	Philippines	Tagalog/English
G	35	Philippines	Tagalog/English
H	26	Philippines	Tagalog/English
I	28	Philippines	Tagalog/English
J	62	Philippines	Tagalog/English

Customer Care Representatives:

Participant	Nationality	Language	Language Customer Care Provided in
A	Taiwan	Chinese	Chinese
B	Taiwan	Chinese	Chinese
C	Taiwan	Chinese	Chinese/English
D	Taiwan	Chinese	Chinese/English
E	Philippines	Tagalog/English	Tagalog/English
F	Philippines	Tagalog/English	Tagalog/English
G	Philippines	Tagalog/English	Tagalog/English

3.2.1.1 Interviews with clients

When taking qualitative approach interview is a literally standard tool to obtain information. They are interviewed by researcher in order to get information that is unobservable, like feelings, thoughts and intentions (Patton, 2002). During interviews researcher has chance to discover a person's behavior and value (Silverman, 2006). However, interviews are normally not practiced in the survey methods mostly due to time and financial demand.

The thesis centers on exploring the power of language on the perceived service quality in the context of Asian countries and languages with emphasizes on the Chinese and Tagalog language. Due to the thesis being conducted in two countries, ten interviews with customers were carried out with five respondents of Taiwanese nationality and five of Filipino nationality. The major reason for carrying out the interviews with clients was to gain a pre-understanding on the topic prior to the survey study and then search for likeness and dissimilarities with non-Asian research.

Hypotheses were recommended after the pilot study findings.

Interviews with Taiwanese informants were conducted during March, 2014 in Taipei, Taiwan. Five face-to-face interviews lasted about 10 minutes each. Likewise, five interviews with Filipinos were carried out with around same duration but interviewed conducted via Skype. These interviews took a place in March/2014 in Taipei.

Several methods may be taken in regard to case selection. For example, Patton (2006) varies among sixteen different techniques within two categories – random probability and purposeful sampling. In qualitative interviews the number of informants is rather small with the study aim being to obtain in-depth insight to a problem. Therefore, as Eisenhardt (1989) stated, cases selection is vital for creating theory. In this study the purposeful sampling was used leaving on the researcher to choose the cases for own research purposes.

Informants were selected in regard to the purposive sampling, where it is the researcher choosing respondents on the beginning of their suitability with the study aim. As Patton (2002) states it the information-rich cases are to be selected. Therefore, within the purposive sampling a criteria selection has been applied. The informants had to complete the condition of at least one communication with a call center prior to interviews.

3.2.1.2 Interview guide for clients

Interview guide is used when researcher performed the interview guide method when the interview proceeds on the basis of a set of predefined questions. In this case, researcher may follow exciting way in conversation returning later back to the guide process. Aside from the open ended questions, they were described a short scenario of calling to a call center and then asked to answer some questions. The incentive for including this short scenario was for researcher to get a real picture of their attitude towards one specific situation.

3.2.1.3 Interviews with Customer Care agents

The interviews with the agents were significant part of this these since these employees, all non-local speakers, communicate or communicated with clients – local speakers on the daily basis. In this situation, the criteria sampling was used as well and prior to the interview informants had to have a work experience as Customer Care agent in a call center. It was very valuable to get an insight from this and the interviews were source of great information on the non-local speakers. Agents were chosen to represent maximum variety of Asian languages and countries. The interviews were conducted during March 2014 in Taipei. Seven face-to-face interviews lasted approximately 20 minutes each.

3.2.1.4 Interview guide for Customer Care agents

The interview guide for agents includes to a high extent similar questions as the interview guide for clients. However, there are some differences too. Firstly, it takes

the agent's opinion and it is based rather than on scenario on individual experiences. Additionally the background questions are expanded by the set of enquires concerned with the second language acquisition.

3.2.1.5 Questions design for interview

As stated above, the interviews with clients and agents formed the base for determining the aspects used in the survey part. Thus, categories found by the pilot study analysis were developed when designing a questionnaire.

Questionnaire has been chosen as the most suitable method for the data gaining. Questionnaire has a multiple use often being utilized in experiments and case studies. Due to the fact that one of the study purpose was to explore whether perception of non-local speakers differs between two countries, Taiwan and Philippines, the questionnaire was distributed in two geographically different locations and moreover in two language versions.

Scenario experiment was used as the most suitable choice for the study aim. Saunders et al. (2009) stated that experiments are considered to explore whether there is a relationship between two variables. In experiments respondents are normally assigned into two groups, experimental and control. Assigning to groups occurs on the random basis. In this thesis, respondents receiving "non-local speaker" version of scenario are members of experimental group whilst those getting "local speaker" version are considered as a control group. Roggeveen et al. (2007) used in the similar study the scenario based questionnaire with the own research scale items developed. As they point out scenario based technique allows controlling the independent variables and guarantee that all respondents are given the same treatment. The classical form of

questionnaire with questions and answers based on the respondent's knowledge did not go well with this study aims since prior to the survey study a comprehensive inquiry would have to be carried out to find only respondents having a prior experience with the non-local speakers in call centers. Furthermore, the types of call centers would most likely significantly vary making experiences of respondents non-comparable. Thus, the scenario experiment when respondent is presented with a story and asked to imagine being the part of it seems to be the most suitable selection. Once scenario was presented, a set of follow up questions was introduced after the play. The scenario was printed in two versions distinguishing only in the characteristic of call center employee being and not being the language's local speaker. The presented scenario (purchasing a membership and later making complaint in Customer Care) received a positive feedback during the pilot study with respondents stating that scenario was easy to imagine and represented a type of situation most of the people have already experienced. The fact that all respondents base their answers on the same text can be seen as the advantage of Scenario Experiment. However, the scenario is only a made-up and respondent's answer does not need to necessarily reflect their real behavior when it comes to the situation.

3.2.2 Survey study

3.2.2.1 Samples

In the survey section, a total 280 questionnaires were submitted and a total of 241 questionnaires returned. Nevertheless, respondents marking "Other" as their mother tongue were excluded due to thesis purpose being narrowed to comparison between Filipinos and Taiwanese. Thus, after exclusion of 15 questionnaires, the sample consisted of 226 respondents, 91 (40.3%) males, 135 (59.7%) females. The local

language being used is Taiwanese (114, 50.4%) and Tagalog (112, 49.6%), respectively. The age groups of respondents are drawn in the figure 3.

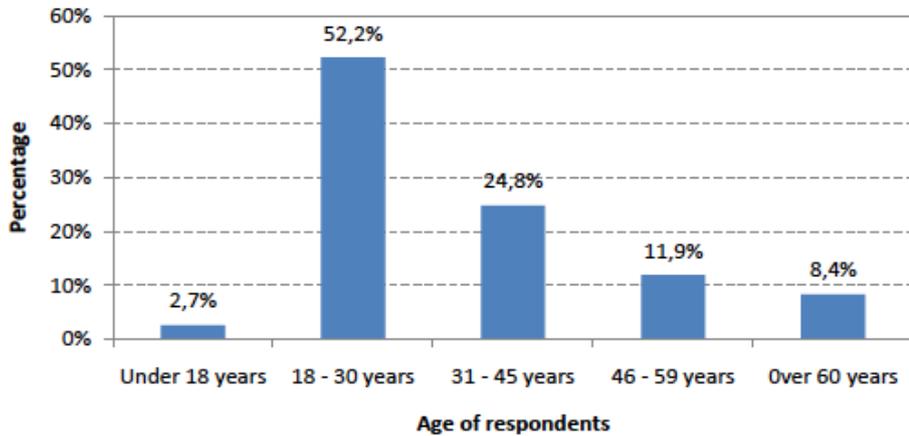


Figure 3. The average age of participants

Respondents submitted information concerning the highest education they have reached. In this case, the sample consisted predominantly of people obtaining university/polytechnic degree (54 %).

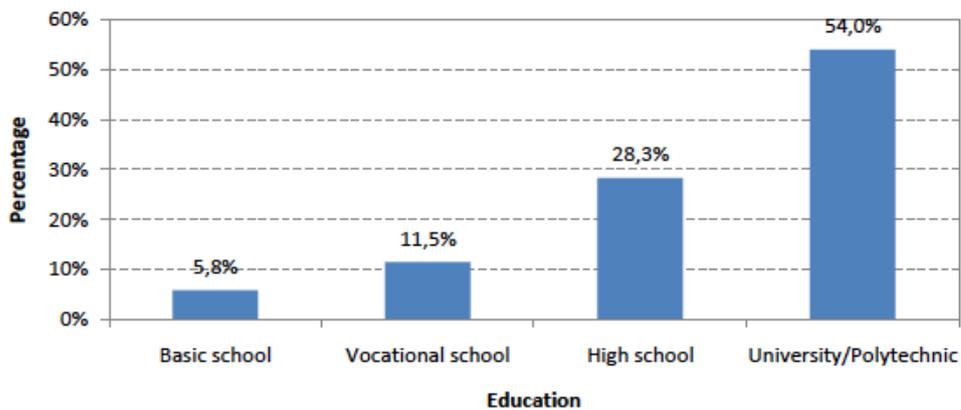


Figure 4. The education level of participants

3.2.2.2 Instruments

As recommended in the theoretical part, service quality perception in the call center background was most regularly deliberated by two tools, SERVQUAL and RECOVSTAT (Jaishwal, 2008). Statements contained in the questionnaire reflect categories of SERVQUAL. As stated in previous chapter. SERVQUAL, SERVQUAL contains of five service dimensions (tangibles, reliability, responsiveness, assurance, and empathy). Tangibles item was left out because of its irrelevance for the thesis. A 7-point Likert-type scale (completely disagree – completely agree) was chosen because it gives respondent enough variety for expressing opinion. Table 2 presents SERVQUAL categories and example statements in the questionnaire.

Table 2. SERVQUAL categories reflected in the questionnaire

SERVQUAL	Example question
RELIABILITY	My overall impression from the service is good
RESPONSSIVENESS	I am satisfied with the way my complaint was handled
ASSURANCE	I believe that Customer Care person did her best to help me
EMPATHY	In my opinion Customer Care person was polite

The purpose of thesis was to determine whether service provided by non-local speaker is perceived differently compared to the one conducted by local speaker. Therefore, two questionnaire´s version were developed differing in the one detail:

(1) In scenario respondents were supposed to read prior to question´s answering (non-local speaker) was added following sentence “You can clearly hear that she [Customer Care employee] is not a local speaker of your language because she has a foreign accent”

After reading a short scenario respondents were asked to express their opinion on the seven-item Likert-type scale (1= completely disagree, 7= completely agree). Below are the questions from the questionnaires. Negatively worded questions were reversed prior to statistical analysis. Statements marked with (r) are the reverse coded items. Example questionnaires may be found in Appendix 4. (Local speaker version) and 5. (Non-local speaker version). The statements were preliminary divided into following 4 categories.

(1) Perceived service quality (4 items)

I am satisfied with the way my complaint was handled

The solution Customer Care person offered was customer-friendly

I will purchase from this company also in the future

My overall impression from the service is good

(2) Opinion on the AGENT´ s competence and behavior (5 items)

I think that Customer Care person was competent

I am satisfied with behavior of Customer Care person towards me

I wonder why call center employed exactly this person (r)

I felt annoyed by need to repeat my sentences (r)

There was a high probability of misunderstanding during this call (r)

(3) Opinion on the AGENT´ s helpfulness and politeness (3 items)

In my opinion Customer Care person was polite

I believe that Customer Care person did her best to help me

I believe that other Customer Care person would serve me better (r)

(4) **Opinion on the AGENT's trustworthiness** (2 items)

I wonder why Customer Care person complained about poor lines when I heard her well (r)

I think that poor phone connection was just an excuse for her not really understanding me (r)

One statement was not preliminary placed into any category because it did not particularly suit to any cluster. Statement "*I think that call center is located outside of country*" was intended to test whether customers perceive higher probability of service being allocated abroad when interacting with a non-local speaker.

3.2.2.3 Procedures

Questionnaire, originally developed in English, was translated into English and Chinese. Both versions were reviewed by local speakers to ensure that content is grammatically correct and wording is as similar as possible. Both Taiwanese and Filipino respondents were told that the purpose of thesis is to determine call center function influence on the company's image.

Chinese version was obtained via networking. Asking friends and acquaintances to fill and distribute the questionnaires could have affected the final results (57 valid answers) [respondents marking "Other" as their mother tongue were omitted from the study). Unfortunately, no company was interested to participate in questionnaires' distribution and later benefit from the results.

The English sample answers were obtained in two ways. 56 valid answers were obtained via networking. Asking friends and acquaintances to fill and distribute the

questionnaires could have affected the final results. Unfortunately, no company was interested to participate in questionnaires' distribution and later benefit from the results.

Prior to questions answering, respondents were briefly explained the nature of research and its purpose (master thesis). After reading a short scenario, respondents answered a set of questions directly related to the text. Firstly, they were asked to evaluate the company performance and satisfaction with the complaint handling. Finally, after filling the questionnaire, respondents were kindly asked for information regarding their sex, age, education and mother tongue. Since the thesis purpose is comparison between Taiwanese and Filipinos, only questionnaires where respondent marked Chinese or English as a mother tongue were included.

3.2.2.4 Analyses

As Hair et al. (2010) point out MANOVA is suitable for assessing group differences across multiple dependent variables simultaneously. In this study MANOVA was used for hypotheses testing as well as for assessing differences in cross-national comparison in case of more variables involved. Additionally, t-test was conducted in case of single dependent variable. Hair et al. (2010) define t-test as a "test to assess the statistical significance of the difference between two sample means for a single dependent variable." When comparing only two means, t-test for independent samples and ANOVA gives identical results (www.experiment-resources.com). Thus, t-test was performed when possible.

Prior to the analysis, gained data was examined for not violating the basic assumptions. Firstly, checking for missing data was performed. As Pallant (2005)

points out it is hardly the case that complete data would be obtained from all respondents. In this study, the check showed that 11 values were, indeed, missing. Nevertheless, the number did not exceed three responses per item and mostly one answer per question was reported. Table 10 lists the missing answers per item. However, since the sample was rather large (N=217), the amount of data missing did not threaten the analysis course. Participants with missing responses were not excluded from the analyses.

Next, the normality of the data was assessed. This process was done in order to test basic assumptions requested by method used for hypotheses' testing. Normality of the data may be assessed by multiple ways. In this study it was screened by skewness and kurtosis scores which are described below. Additionally, the PASW analysis was run (By using "Explore" option). For data to be considered as normal, the Kolmogorov – Smirnov statistics should be non-significant (over .05). In this study all items were significance of .00 which is considered as normality assumption violation (Pallant, 2005). However, as Pallant (2005) states this is fairly ordinary in bigger samples. Skewness and kurtosis were checked next. In the perfect case both values would be 0 but as Pallant (2005) states out this is rather strange in social sciences. Out of 15 items checked for skewness, 8 items scored positive values and 7 items reached negative skewness. These values indicate whether the mean deviations for items are going to be positive or negative. Regarding kurtosis, all items were assigned negative values suggesting the flat distribution.

According to Pallant (2005) this fact indicates that many cases fall into extreme values. Nevertheless, with larger samples ($N \geq 200$) skewness and kurtosis values are not of high difference (Tabachnick and Fidell, 2000 in Pallant, 2005). Therefore, it may be supposed that even though data is not distributed normally, it is not an obstacle for this study. Moreover, data suitability for the particular method was monitored prior to concrete analysis (MANOVA and t-test).

Chapter 4 Results

In this chapter the study's results are presented. Initially, the pilot study is studied, compared and contrasted to already existing topical research.

4.1 Results of pilot study

In this part findings from conducted interviews are presented. Subsequently, the set of hypotheses derived from the pilot study is introduced. The obtained data was examined with the respect to the theoretical framework presented.

4.1.1 Findings on the offshoring awareness

Interview guide included three questions whose purpose was to get knowledge on the offshoring awareness and perception. (1) In case that employee is a non-local speaker would you have concerns on service being located outside of the country? (2) In case that employee is a non-local speaker would you have concerns on theft or misuse of your personal data? (3) In case that employee is a non-local speaker would you have concerns on reliability and trustworthiness of the company? Table 3 presents questions asked together with summary of findings contrasted and compared to the literature evidence. The last column, "comments" further explains the findings gained.

From findings it can be concluded that awareness towards offshoring varies by the age with younger informants possessing higher level of offshoring consciousness.

Table 3. Findings on the offshoring awareness and perception

Factor	Question	Literature evidence	Pilot study findings	Comments
Service allocation	In case that employee is non-local speaker would you have concerns on service being located outside of the country?	If customers are aware of service being located abroad they become more critical towards the interaction outcome (Sharma et al., 2009; Wang et al, 2009).	5 informants have expressed these thoughts; 5 informants did not connect the non-local speakers with the service being allocated abroad. Interestingly, 4 of these 5 informants were over 30 years old.	This finding may indicate lower offshoring awareness among Asian customers in comparison to U.S. customers
Theft or misuse of personal data	In case that employee is non-local speaker would you have concerns on theft or misuse of your personal data?	Nationalistic tendencies may grow into doubts about AGENT 's moral qualities (Sonntag, 2009)	No informant has agreed with this statement. This fact is also supported by AGENTs stating that customers have never expressed these concerns	This finding may suggest that Asians posses higher level of trust towards companies compared to U.S. customers
Reliability and trustworthiness of the company	In case that employee is non-local speaker would you have concerns on reliability and trustworthiness of the company?	Risks of outsourcing are among others descending company 's image and consequently reduced brand loyalty (Sharma et al. 2009)	No informant has agreed with this statement. This fact is also supported by AGENTs stating that customers have never expressed these concerns. Nevertheless, 4	Based on the pilot study informants do not seem to directly link AGENT to a firm.

			informants stated that they would possibly have doubts of AGENT 's trustworthiness in case of him/her having insufficient language knowledge	
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4.1.2 Findings on the perception of non-local speakers

Three questions whose purpose was to gain understanding on the perception of non-local speakers were integrated into the interview guide: (1) On the basis of what it can be recognized that employee is a non-local speaker? (2) In your opinion why do companies employ foreigners in call centers? (3) In your opinion, do foreigners provide worse service because of them being non-local speakers?

In two cases pilot study findings directly supports the literature evidence. Analysis confirmed that local speakers can indeed recognize non-local speech within couple of sentences. The recognition is somehow intuitive since informants had troubles to express which factors make speech sounded as non-local. Similar to previous findings, informants considered labor costs to be the most important reason for employing non-local speakers in call centers. Even though informants did not directly support the statement that service provided by non-local speakers is of poorer quality, they indirectly expressed it by adding the condition of very good language capacity of AGENT.

4.2 Results of survey study

4.2.1 Factor analysis of the questionnaire

In this section the study results are presented. Firstly, factor analysis was used to create summed scales and their reliability was consequently tested. The variables' correlation between scale items follow. Hypotheses were tested by techniques for exploring relationships among variables, by MANOVA and T-test. When possible, same methods were used while comparing values cross-nationally or alter locally, Mann Whitney U-Test was conducted as the non-parametric test option.

Factor analysis is performed in order to find similarities between set of variables. It helps to identify correlating factors and their shared variances. In this study the factor analysis was conducted in order to determine number of items forming dimensions for data analysis. It was preliminary recommended that four following dimensions help explaining the data variance. Nevertheless, conducting factor analysis was necessary to verify this supposal. Additionally, since some dimension included rather high number of items (i.e. 5 statements in case of Opinion on the AGENT's competence and behavior), the purpose of the analysis was to determine whether smaller number of items may explain the data variance.

At first, data needed to be assessed for the factor analysis suitability. In this regard, Bartlett's test of sphericity and Kaiser-Meyer-Olkin measure of sampling adequacy, both generated by PASW program, are those determining the appropriateness of factor analysis. For data being considered as suitable, Bartlett's test of sphericity should be significant ($p < 0.05$) and Kaiser-Meyer-Olkin measure ranging from 0 to 1 should reach value of .6 in minimum. (Pallant, 2005). In this study Bartlett's test of sphericity was of $P = .000$ significance and Kaiser-Meyer-Olkin measure reached .810

suggesting the factor analysis appropriateness.

In total, 15 items were selected for the principal component analysis (PCA). PCA recommended the suitability of 4 items all exceeding Eigenvalue of 1 explaining 62 % of variance. Eigenvalues reached values of 4.46; 2.35; 1.44 and 1.08. Next, the Varimax rotation was performed in order to enable their interpretation. Consequently, Oblimin rotation was run to determine whether another alterlocal to the component grouping exists. Oblimin rotation offered fairly same solution as the Varimax. Finally, 12 variables in total were divided into 3 components. 3 items (Other AGENT would serve me better - S8, wonder why the AGENT was employed - S9 and call center located abroad - S14) were deleted due to two reasons – loading in multiple factors and additionally their contribution to variance explanation was relatively low (less than .300). The summated scales as recommended by factor analysis are presented in the table 4.

The factor analysis recommended to group components slightly differently than it was proposed in previous chapters (Perceived service quality - 4 items, opinion on the AGENT ´s competence and behavior - 5 items, opinion on the AGENT ´s helpfulness and politeness - 3 items, opinion on the AGENT ´s trustworthiness - 2 items). The analysis grouped together 2 items (opinion on AGENT ´s politeness - S6, AGENT did her best to help me - S7) originally intended to measure helpfulness and 2 items supposed to determine competence (satisfaction with AGENT ´s behavior - S4, perception of AGENT ´s competence - S5). The scale was renamed to Attitude since it included four items forming attitude towards customer (behavior, qualification for the task, politeness and helpfulness). The next cluster contained statements related to competence and ability to handle call. The third component was identical to the

originally recommended 4 items for service quality perception measuring; thus, it has confirmed that statements are well-connected and form a solid group. Therefore, scales were reorganized as follows:

Table 4. Results of factor analysis of 12 items

		Attitude	Competence	Service Quality Perception
S6	In my opinion Customer Care person was polite	.865		
S4	I am satisfied with behavior of Customer Care person towards me	.812		
S5	I think that Customer Care person was competent	.755		
S7	I wonder why call center employed exactly this person	.676		
S10	I felt annoyed by need to repeat my sentences		.806	
S12	I wonder why Customer Care person complained about poor lines when I heard her well		.689	
S13	I think that poor phone connection was just an excuse for her not really understanding me		.682	
S11	There was a high probability of misunderstanding during this call		.625	
S2	The solution Customer Care person offered was customer-friendly			.795
S1	I am satisfied with the way my complaint was handled			.751
S15	My overall impression from the service is good			.654
S3	I will purchase from this company also in the future			.542

(1) Attitude

I am satisfied with behavior of Customer Care person towards me (S4)

I think that Customer Care person was competent (S5)

In my opinion Customer Care person was polite (S6)

I believe that Customer Care person did her best to help me (S7)

(2) Competence

I felt annoyed by need to repeat my sentences (S10)

There was a high probability of misunderstanding during this call (S11)

I wonder why Customer Care person complained about poor lines when I heard her well (S12)

I think that poor phone connection was just an excuse for her not really understanding me (S13)

(3) Service quality perception

I am satisfied with the way my complaint was handled (S1)

The solution Customer Care person offered was customer-friendly (S2)

I will purchase from this company also in the future (S3)

My overall impression from the service is good (S15)

Based on the results from Factor analysis items were grouped into clusters. The internal consistency of scales is one of the most important aspects of the study's reliability (Pallant, 2005). In this regard, Cronbach's Alpha is the most suitable indicator. For scale to be considered as reliable Cronbach's Alpha should be above .7 (Hair et al., 2010)

Table 5 presents overview of reliability statistics for each scale. All scales reached values above .7. They are considered as internally consistent and therefore, according to Cronbach's Alpha, reliable. The four items of Attitude have received the highest value of .838. This suggests good internal consistency of items. Nevertheless, values for Competence and Perceived service quality components .742 and .763 respectively suggest a good consistency as well.

Table 5. Correlation coefficients and reliability of factors

	Attitude	Competence	Perceived Service Quality
Attitude	.838		
Competence	-.193*	.742	
Perceived Service Quality	.312**	-0.13	.763

Value in the diagonal is Cronbach's α

* $p < 0.05$ ** $p < 0.01$ (2-tailed)

4.2.2 The correlation between factors 'components

The factor analysis has identified 3 groups within variables used in the research. Next, the analysis was performed to further determine relationships and correlations between components. The value of Pearson correlation (r), varying between 0 and 1, is important indicator of strength of variables' relationship (Pallant, 2005).

Firstly, the analysis was conducted for the factors of *Attitude* and *Service quality perception*. The test showed positive small and medium correlation. All correlation coefficients are significant, suggesting that the items are suitably grouped. This implies that items of these two clusters are positively related, thus, the positive value for variable in one cluster suggests that as a consequence also variables in the second

cluster are positive. Additionally, the relationships between all items in two clusters are significant, thus their relationship may be considered as rather strong.

Table 6. Correlations between Attitude and Service quality perception

	S1	S2	S3	S15
S4	.409**	.212**	.299**	.426**
S5	.436**	.231**	.206**	.398**
S6	.313**	.203**	.185**	.334**
S7	.355**	.276**	.315**	.399**

** $p < 0.01$ (2-tailed)

Next, the correlation between *Competence* and *Attitude* was examined. However, with the one exception (S6 and S11) negative correlations may be seen from the table 7. Negative correlations mentions to the case when high results of one variable links with low results of the other (Pallant, 2005). This implies that items do not measure the same aspect. As for instance high values on satisfaction with AGENT's behavior (S4) shows that this item is not positively connected to AGENT complaining about poor phone connection (S13).

Table 7. Correlations between Attitude and Competence

	S10	S11	S12	S13
S4	-.228**	-.053	-.335**	-.267**
S5	-.125	-.079	-.298**	-.212**
S6	-.126	.032	-.302**	-.184**
S7	-.224**	-.127	-.321**	-.235**

** $p < 0.01$ level (2-tailed)

Lastly, the correlation scores between Service quality perception (satisfaction with complaint handling - S1, solution was customer-friendly - S2, likeliness of future purchase - S3, overall good service impression - S15) and Competence (need to repeat sentences - S10, high probability of misunderstanding - S11, complaining about poor connection - S12, poor connection as excuse - S13) are presented. In case of all variables correlation reached negative values, thus variables correlate negatively (high scores for one variable imply low scores for the other one and vice versa). Similarly to table 15, also these values point out on the negative relationship among variables in two categories. High values for S13 (poor connection as excuse) correlate negatively with the items of Service quality perception (likeliness of future purchase - S3 and overall good service impression - S15). To conclude, the fact that AGENT complains about the poor quality of phone connection indicates low values for service quality satisfaction. The output of the correlation analysis is presented in the table 8.

Table 8. Correlations between Competence and Service quality perception

	S1	S2	S3	S15
S10	-.117	-.035	-.299**	-.205**
S11	-.174*	-.062	-.123	-.102
S12	-.114	-.076	-.181**	-.198**
S13	-.079	-.023	-.140*	-.144*

* $p < 0.05$ ** $p < .01$ (2-tailed)

The most significantly correlating items may be found between the groups of Attitude and Service quality perception where all correlations are significant at the 0.01. Instead, Competence and Service quality perception link somewhat negatively and plus Pearson correlation is small (-0.10 to- 0.29).

4.2.3 The hypotheses testing

It was recommended that when “interacting with non-local speaker, customers are more likely to suppose that call center is located outside of country” (H1). This hypothesis has been tested by t-test, because it enables to examine means of two different groups (Pallant, 2005). The answer of the item S14 (I think that call center is located outside of the country) were examined. The t-test recommended rejecting null hypothesis (for both local and non-local speaker customers equally suppose that service is located abroad). Therefore, when interacting with non-local speaker customers (mean=4.42) more likely supposed that call center is located outside of the country (mean=3.82). There was a significant difference ($p < .05$) between the location of the call center when interacting with local and non-local speaker ($p = 0.009$).

Next, the testing of trustworthiness perception level for local and non-local speaker was conducted. H2 was proposed as follows: Customers perceive non-local Customer Care representative as less trustworthy compared to local speaker. Nevertheless, the null H2 was tested (Customers perceive non-local Customer Care representative on the same level of trustworthiness compared to local speaker). Hypothesis was tested by t-test measuring the differences in means for the reversed item S13 “I think that poor phone connection was just an excuse for the not really understanding me”. According to the means, local speaker was considered as more trustworthy. People were more likely to trust local speaker (mean = 4.23) that she does not hear what they say whilst when interacting with non-local speaker (mean = 3.44) customers predominantly supposed that she does not understand them but at the same time does not admit it loudly. There was a significant difference ($p < .05$) between trustworthiness when interacting with local and non-local speaker ($p = 0.003$). Therefore, the null

hypothesis was rejected and H2 was supported.

It was proposed that customers perceive lower service quality when interacting with non-local Customer Care representative (H3). For the purpose of analysis null hypothesis was recommended “customers do not perceive different service quality when interacting with non-local Customer Care representative”. Therefore, the influence of service quality perception factors (satisfaction with complaint handling - S1, solution was customer friendly - S2, likeliness of future purchase - S3, overall good service impression - S15) on the local or non-local speaker version was examined. Hypothesis was tested with MANOVA. There was no significant difference in the service quality perception of encounter provided by local or non-local speaker. Tests of between subjects’ effects confirmed non-significant values for items. Therefore, the null hypothesis has not been rejected. The summary of the results can be seen in the table 9.

Table 9. Hypothesis 3 testing

		Mean Value	P Value
S1	Non-Local	3.600	.09
	Local	3.243	
S2	Non-Local	3.105	.210
	Local	2.847	
S3	Non-Local	2.800	.744
	Local	2.739	
S15	Non-Local	3.457	.684
	Local	3.369	

S1 - satisfaction with complaint handling

S2 - solution was customer-friendly

S3 - likeliness of future purchase

S15 - overall good service impression

It has been proposed that non-local Customer Care representative is perceived as less competent compared to local speaker (H4). For the purpose of analysis, null hypothesis supposing that there are no differences in perceived competence was tested. The questionnaire included the item designed for measuring the perceived level of competence – S5 “I think that Customer Care person was competent”. There was a significant difference ($p < .05$) between perception of local and non-local speaker’s competence ($p = 0.039$). According to the means, local speaker (mean = 4.42) was considered as more competent than non-local speaker (mean = 3.97). Thus, null hypothesis was rejected.

T-test was performed to assess 5th hypothesis (Customers perceive higher probability of misunderstanding when interacting with non-local speakers). At first, null hypothesis (Customers do not perceive higher probability of misunderstanding when interacting with non-local speakers) was recommended. T-test compared means for item S11 “There was a high probability of misunderstanding during this call.” There was no significant difference ($p < .05$) between perception of probability of misunderstanding when interacting with local (mean = 3.51) and non-local speaker (mean = 3.17) ($p = 0.127$). Based on this, null hypothesis was retained.

4.2.4 Cross – national comparison

One of the aims of this study was to compare the service quality perception in one concrete situation between two nations. For this purposes, Taiwanese formed group 1 while those marking Tagalog as their mother tongue were grouped into cluster called Filipinos. MANOVA was performed to determine the influence of nationality on the service quality perception (satisfaction with complaint handling - S1, solution was customer-friendly - S2, likeliness of future purchase - S3, overall good service impression - S15). The test showed that there is a significant difference of the service quality perception for 3 out of 4 items. The only item being of non-significant values was S2 (the solution Customer Care person offered was customer-friendly). MANOVA pointed out on the significant differences in service quality perception between nations. The results are presented in table 10.

Table 10. Cross-national comparison in service quality perception

	Nationality	Mean	<i>p</i> -Value
S1	Taiwanese	3.092	.002
	Filipinos	3.748	
S2	Taiwanese	3.055	.417
	Filipinos	2.888	
S3	Taiwanese	2.284	.000
	Filipinos	3.262	
S15	Taiwanese	3.174	.025
	Filipinos	3.654	

S1 - satisfaction with complaint handling

S2 - solution was customer-friendly

S3 - likeliness of future purchase

S15 - overall good service impression

Next, nationalities were compared in the regard of their opinion of AGENT ´s attitude (satisfaction with AGENT ´s behavior - S4, perception of AGENT ´s competence - S5, opinion on AGENT ´s politeness - S6, AGENT did her best to help me - S7).

MANOVA was run to find whether there is a significant difference in perception of AGENT's attitude. The test's output is presented below. As seen from the table 11 the significant variance was found only in case of one item, S7 (AGENT did her best to help me). All other items retained null hypothesis.

Item S7 was proposed as follows: I believe that Customer Care person did her best to help me. Comparing the means, it can be deducted that difference is noticeable. Filipinos considered AGENT as helpful while Taiwanese believed she could have done more in order to provide higher service quality (Means were 5.47 for Filipinos and 4.69 for Taiwanese).

Table 11. Cross-national comparison for opinion about AGENT's attitude

Item	Null Hypothesis	<i>p</i> -value	Result
S4	Taiwanese and Filipinos perceive the same level of satisfaction with AGENT's behavior	.340	Retained H ₀
S5	Taiwanese and Filipinos perceive the same level of satisfaction with AGENT's competence	.961	Retained H ₀
S6	Taiwanese and Filipinos perceive the same level of satisfaction with AGENT's politeness	.223	Retained H ₀
S7	Taiwanese and Filipinos believe that AGENT did her best to help them	.000	Rejected H ₀

S4 - satisfaction with AGENT's behavior

S5 - perception of AGENT's competence

S6 - opinion on AGENT's politeness

S7 - AGENT did her best to help me

Table 12. Cross-national comparison for opinion about AGENT's competence

Item	Null Hypothesis	Significance	Result
S10	Taiwanese and Filipinos perceive the need for repeating sentences as equally annoying	.000	Rejected H ₀
S11	Taiwanese and Filipinos perceive equally high probability of misunderstanding	.093	Retained H ₀
S12	Taiwanese and Filipinos equally wondered why AGENT complained about poor connection	.894	Retained H ₀
S13	Taiwanese and Filipinos equally perceived poor connection as an excuse for not understanding	.000	Rejected H ₀

S10 - need to repeat sentences

S11 - high probability of misunderstanding

S12 - complaining about poor connection

S13 - poor connection as excuse

Finally, nationalities were compared in the regards of their opinion of AGENT's competence (need to repeat sentences - S10, high probability of misunderstanding - S11, complaining about poor connection - S12, poor connection as excuse - S13). MANOVA was run to find whether there is a significant difference in perception of AGENT's attitude.

Table 13. Hypotheses testing summary

Hypothesis	Results
H1-Interacting with non-local speaker, customers are more likely to suppose that call center is located outside of country	Supported
H2-Customers perceive non-local Customer Care representative as less trustworthy compared to local speaker	Supported
H3-Customers perceive lower service quality when interacting with non-local Customer Care representative	Not Supported
H4-Non-local Customer Care representative is perceived as less competent	Supported
H5-Customers perceive higher probability of misunderstanding when interacting with non-local speakers	Not Supported

Comparing the means for items S10 (I felt annoyed by need to repeat my sentences) and S13 (I think that poor phone connection was just an excuse for her not really understanding me) revealed that Taiwanese perceived as very annoying that they had to repeat sentences (means 5.01 and 4.23 for Taiwanese and Filipinos respectively). Additionally, Taiwanese were more likely to believe that the true reason for need to repeat a sentence was that AGENT did not understand and not the poor phone connection as she stated (means 4.61 and 3.67 for Taiwanese and Filipinos respectively).

In this section descriptive statistics together with data analysis was presented. In Table 13 the testing for hypotheses is summarized. The data served as the basis for comparison between two nations, Taiwanese and Filipinos. The comprehensive discussion of results is to be found in the next chapter.

Chapter 5 Discussion

In this chapter the core findings from empirical part are discussed. Subsequently, conclusion summarizes the most important aspects of the thesis. Additionally, the theoretical and managerial implications follow together with recommendations for further research and limitations of this study.

5.1 Local and non-local speaker perception

Numerous studies point out at the increasing customer dissatisfaction with offshored call centers originating from the communication deficiencies (Compass, 2007; Sharma et al., 2009). Research indicates that customers tend to be less satisfied when interacting with offshored call centers and consequently with non-local speakers (Sharma et al., 2009). As confirmed by the statistical analysis, local and non-local speaker are perceived differently in the same situation. Even though it was supposed that service provided by non-local speaker is perceived more negatively compared to the one conducted by local speaker, data confirmed opposite. Questionnaire included 4 items concerned with service quality perception (satisfaction with complaint handling - S1, solution was customer-friendly - S2, likeliness of future purchase - S3, overall good service impression - S15). Comparing means for all items, non-local speaker received more positive evaluation compared to the local. Nevertheless, difference was not significant for any item. Wang et al. (2009) note that customer satisfaction is strongly affected by the service outcome. Looking for overall scores for perceived service quality, it can be noted that customers were in common not satisfied with this service. All 4 items received relatively low evaluation ranging from 2.73 to 3.60. In this scenario, even though AGENT solved customer's problem, she advised

the solution bringing additional effort to client (writing a description of why book is returned). Subsequently, in this regard, the research's finding (relatively low perceived service quality) is in accordance with Wang et al. assumption.

Review of the literatures indicated two types of qualities customers perceive. To recall, the technical quality is the process outcome, what customers receive as the result of service. Functional quality embraces the service course, how customers receive the service. As Grönroos (2007) notes to reach high customer satisfaction both functional and technical qualities should be excellent meaning that customer receives a great service in a great way. In this scenario, the service quality was considered as rather low by respondents (4 items measuring service quality perception received relatively low evaluation varying from 2.73 to 3.60). These 4 items (satisfaction with complaint handling - S1, solution was customer-friendly - S2, likeliness of future purchase - S3, overall good service impression - S15) measured predominantly technical quality, the level of service itself. Instead, components concerned with functional quality, the way how service was delivered (such as, satisfaction with the AGENT - her politeness and helpfulness) scored higher values (means ranging from 4.2 to 5.3), therefore, functional quality of service was perceived as higher compared to the technical one.

Since the scenarios were identical, the finding of higher perceived service quality in the service conducted by non-local speaker may indicate that customers may possess higher expectations towards service provided by a local speaker. While Barker and Härtel (2004) states out clients have lower expectations towards the quality of service provided by AGENT with different cultural and ethnic background. This assumption is supported by means AGENT's scored for following items. When stating "I believe

that Customer Care person did her best to help me”, non-local AGENT was awarded higher scores (5.36 compared to 3.57 for local speaker” but when respondents were asked next to evaluate statement “I believe that other Customer Care person would serve me better” they were predominantly of opinion that other than this non-local AGENT would help them more (3.57 versus 3.39 for local speaker). Therefore, it can be recommended that the provided service may be perceived as sufficient when conducted by non-local speaker but expectations towards service provided by local speaker are to some extent higher and thus, customers were not satisfied with this concrete service encounter. Nevertheless, in the terms of service quality perception, the differences in means were rather small and not statistically significant. Thus, no other conclusions can be drawn apart from the fact that in this concrete situation there were no significant differences in the service quality perception for the local and non-local speaker.

Sharma et al. (2009) state out that non-local speakers are often perceived as less competent. In this research, even though there were no significant variations in terms of service quality perception, the perceived competence was significantly different. When designing questionnaire, it was intended to include one item directly measuring competence (perception of AGENT’s competence, S5) and one item to evaluate trustworthiness (poor connection as excuse, S13). According to Pearson’s test these items negatively correlate on the significant level ($r = .002$). T-test rejected null hypotheses in both cases and it was recommended that non-local and local speaker was assigned different level of competence with non-local speaker being perceived as less competent. On the similar note, non-local speaker was perceived also somewhat less trustworthy. In this research, trustworthiness was connected with the need for repeating sentences which AGENT explained by poor phone connection. Respondents

were asked to evaluate whether they perceive poor connection as a true reason for this situation or could the problem have been caused by AGENT simply does not understanding them. In case of the non-local speaker people predominantly believed that the poor phone connection was just an excuse and AGENT did have problems with understanding all what customer said. Nevertheless, this item is very dependent on the concrete context. Even though the differences in competence and trustworthiness were confirmed in this concrete scenario, they are subject to variation in dependence to the sketched situation. Additionally, as noted in pilot study findings, presence of non-local speaker did not seem to impact on the company's reliability and trustworthiness as it rather affected customer's opinion of employee.

It has been recommended that accent forms obstacle in communication and as a result raises likelihood of misunderstanding (Stringfellow et al., 2008). Based on this recommendation, gained data was tested for the difference in level of perceived misunderstanding during the call. Even though customers perceived slightly higher risk of misunderstanding when interacting with non-local speaker (means 3.17 and 3.51 for reversed S11 "There was a high probability of misunderstanding during this call"), t-test recommended retaining null hypothesis meaning that there were no significant differences in this regard. One explanation for this result may be the scenario itself where the customer's problem was solved. Since client received clear answer to his/her problem, this may have affected the level of the perceived misunderstanding during the call. It would be interesting to see whether significant differences in perception would be obtained when manipulating with the scenario so that customer's problem is not solved.

As proved, customers are aware of service being located abroad they become more critical towards the interaction outcome (Sharma et al., 2009; Wang et al., 2009). In this scenario customers were no aware of service being located abroad prior to interaction. Nevertheless, it has been recommended by hypothesis that when interacting with non-local speaker, customers are more likely to suppose that call center is located outside of country (H1). Consequent empirical analysis has proved that there are significant differences in connecting presence of local and non-local speaker with offshored call centers (Means for reversed S14 “I think that call center is located outside of the country” were 3.82 and 4.42 for non-local and local speaker respectively). However, higher likelihood of supposing that call center is being located abroad when interacting with a non-local speaker seems to be rather intuitive. Taking into account only local speaker’s presence in call center, customer has no reason assuming that the service is offshored. Since pilot study findings indicated rather low awareness of offshoring Customer Cares abroad, it can be recommended that it was presence of this statement in the questionnaire which affected respondent’s opinion about the call center being offshored.

5.2 Cross-national comparison

Finally, the data was analyzed in terms of cross-national comparison. No hypothesis was proposed prior to the data analysis because contrasting two nations was not the main aim of this study. Even though both countries are located in Asia, analysis has pointed that differences in the service quality perception between Taiwanese and Filipinos exist. Comparing the means for service quality perception items (satisfaction with complaint handling - S1, solution was customer-friendly - S2, likeliness of future purchase - S3, overall good service impression - S15) it can be noted that the two nations vary significantly in this aspect. With the one exception (solution was

customer-friendly - S2), Taiwanese were significantly less satisfied with the experienced service. This was rather surprise finding, since it could be supposed that due to different political and economical development Filipinos are more demanding customers.

There was also a significant difference in how nations perceived AGENT's helpfulness. Taiwanese believed that AGENT could have done more to help them (Means were 5.47 for Filipinos and 4.69 for Taiwanese). The means for other items of Attitude component were not of significant difference but still indicated higher AGENT's evaluations from Filipinos customers. Comparing the means for the component of Competence (need to repeat sentences - S10, high probability of misunderstanding - S11, complaining about poor connection - S12, poor connection as excuse - S13) revealed that Taiwanese considered AGENT as less competent and trustworthy compared to Filipinos. For instance, Taiwanese customers were more likely to believe that the true reason for need to repeat a sentence was that AGENT did not understand and not the poor phone connection as she stated (S13 – "I think that poor phone connection was just an excuse for her not really understanding me").

Overall, findings indicate that Taiwanese respondents were somewhat more suspicious towards the AGENT, no matter was she a local or non-local speaker, resulting in evaluating her competence, attitude and trustworthiness with lower marks than Filipinos respondents. This may be explained by the fact that Taiwanese perceive stronger linkage between service quality and AGENT's personality. Thus, complicated internal processes causing inconvenience to customers (including written explanation why the book is being returned) may have been perceived as the AGENT's incompetence to help customer. On the other hand, Filipinos customers

may have perceived company's rules and AGENT as two different factors and evaluated them separately. Nevertheless, since no additional research was conducted in order to explain these varieties in behavior, no definite explanation may be recommended.

5.3 Conclusion

This study has proved that differences between perception of local and non-local Customer Care representative exists.

The theoretical framework contributed to the identification of important factors regarding the non-local speech's perception. Unfortunately, possibility of their verification in this study was quite limited since the scenario experiment was used to gain the data. In order to confirm the significance of these factors (accent, vocabulary, syntax, rhythm of speech, cognitive frame) audiovisual techniques such as recorded speech samples would have to be applied. Conducting the pilot study was important factor in relation to hypotheses forming. Additionally, it contributed to finding similarities and discrepancies between already conducted researches in other geographical areas than Asia.

The survey study realized in the forms of questionnaires brought interesting findings concerning the perceived quality of service provided by the local and non-local speaker. Important role in the service encounter is played by customer's expectations. In this study, expectations seemed to be higher towards the local speaker resulting into the lower level of service satisfaction based on the service encounter course. Customer Care person was partly evaluated on the basis of her behavior, nonetheless, the fact she could not influence (company's internal rules) impacted on her final evaluation probably as well. Contrary to what is often thought, non-local speaker is not perceived more negatively compared to local speaker if s/he delivers a good quality service. Nevertheless, non-local speaker received slightly more negative evaluation in the competence and the trustworthiness. Since Customer Care offshoring awareness among Asian customers is somewhat lower compared to U.S.,

for many customers talking to non-local speaker is a fairly new experience, which can rise insecurity about the way they should treat the non-local AGENT (rephrasing, simplifying own speech, etc.)

The study found no evidence of different perception of non-local speakers by various age groups. This shifts personal characteristics (character, experiences, attitudes, etc.) above the factor of age. Additionally, translated to two language mutations, research were conducted in two countries, Taiwan and Philippines, indicating that there are significant differences in some aspects between these two. While Filipinos tend to be overall more satisfied with the service itself and the AGENT personality, Taiwanese have more reserved attitude towards both resulting in lower evaluation of service and AGENT.

5.4 Theoretical Implications

The theoretical framework contributed to broadening academician knowledge by identifying important factors regarding the non-local speech perception - accent, vocabulary, syntax, rhythm of speech, cognitive frame. These factors may possibly serve as a base for developing a framework concerned with the service quality evaluation in case that service is to be provided by non-local speakers.

This study indicates that customers have different expectations towards service provided by local and non-local speaker. Therefore, local speaker is evaluated on the basis of stricter standards compared to non-local. Current literature (see e.g. Stringfellow et al., 2008; Sharma et al., 2009) does not discuss expectations as a service quality evaluation component but in this study they tend to be relatively significant factor.

As Sharma et al. (2009) note customers tend to be less satisfied when interacting with offshored call centers and consequently with non-local speakers. The results of this study, however, imply that there are multiple factors influencing the employee-customer interaction (the final outcome, behavior of AGENT, etc.). Even though interacting with non-local speaker does not necessarily bring along lower perceived service quality compared to a local speaker, research results imply that non-local speakers are assigned lower level of competence. This finding is in accordance to Sharma et al. (2009) concluding that non-local speakers are perceived as less competent. Additionally, study highlighted another factor connected with competence - trustworthiness. Perceived level of competence influences the perceived level of trustworthiness making these components additional factors to take to account when evaluating overall quality of service provided by non-local speaker.

The study has also pointed out on the influence of cultural background on the service quality perception. Even though Asia is geographically small compared to other continents, significant differences in Asian customers' thinking and behaving may be found. This fact makes difficult for scholars to generalize studies' findings and calls for the need to verify findings in various settings..

5.5 Managerial implications

Since many Asian companies decide to offshore their Customer Care to a different country, employing non-local speakers in call centers is no longer rare. This study focused on the perception of non-local speakers in call centers. Findings indicate that service provided by non-local speaker does not necessarily need to be perceived negatively, reversely, based on the research conducted for thesis, a non-local speaker can be evaluated more positively compared to a local speaker. At the same time, non-

local speakers may be perceived as less competent and trustworthy. Customers also suppose higher risk of misunderstanding due to employee being non-local speaker. Thus, when recruiting, companies should be aware of these facts and comprehensively test future Customer Care employee's language capacities prior to hiring him/her for the call center work position. Thesis identified five areas of possible non-local speech's shortcomings - accent, vocabulary, syntax, rhythm of speech, cognitive frame. Thus, it is desirable that future employee's language capacities are tested in multiple ways.

Study indicates that customers have lower expectations of service quality when they hear that employee is a non-local speaker. However, when the service is of good quality and thus, expectations are met (or even exceeded), the perceived service quality may be even higher than in case of interacting with local speaker.

Nevertheless, research pointed out that cultural background plays its role during the service encounter as well. In this study, significant differences between two nations, Taiwanese and Filipinos, in perception service quality were found. Filipinos evaluated service quality in the research scenario more positively compared to Taiwanese, with higher scores for non-local speaker in both nations. Even though Taiwanese were more satisfied with non-local speaker (compare to local speaker scores) in the research scenario, received customer satisfaction scores were significantly lower compared to Filipinos. Thus, the country's specifics need to be taken to account when hiring non-local speakers to call center work positions.

5.6 Limitations

This study has limitations related predominantly to two aspects. Firstly, the way data was collected probably affected the outcome of the study. Even though maximum effort was taken for obtaining data from various groups of respondents, most of the responses came from 18-30 year old people, women in prevail. Additionally, percentage of respondents having university degree (54%) could have also had an impact on the study results.

Secondly, research design using scenario as a tool of gaining information has limited the possibility to generalize results. Since responses related to one concrete scenario, manipulating with its text would probably bring quite different results.

5.7 Further research suggestions

It would be interesting to see how different scenarios impact on the perceived service quality. For instance, conducting research with scenario including differences of local and non-local speaker AGENT providing extremely good or bad service. Alterlocally, propose the scenario so that it distinguishes significantly between local and non-local speaker. In addition, scenario could also manipulate with non-local speaker's perceived country of origin or with the image of company (well known versus lesser known). Different results would be obtained by exposing respondents to the audio sample of example service encounter. Apart from that, study identified factors influencing the perception of non-local speech (accent, vocabulary, rhythm of speech, syntax, cognitive language frame). Even though they were given attention of linguisticians, their exact contribution to the perceived service quality is not yet exactly known.

Additionally, the setting of the service encounter could be changed to the face-to-face interactions in order to determine differences in non-local speaker's perception during the phone call interaction and the face-to-face conducted service. It would be beneficial to determine the role of visual components during the service encounter.

Finally, including more countries into study would help gaining more comprehensive picture of possible similarities and differences among nations. The study would enlighten perception of non-local speakers in various countries and enable also comparison of other factors such as perceived service quality or competence of AGENT.

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Appendix 1

Interview guide for dialogues with consumers

Abbreviations

CS= Customer Care

AGENT: Customer Care representative

(Informal greetings, prefatory statement)

1. Demographical questions (age, education, place of living)

2. Have you ever been calling a Customer Care?
 - Follow up – if so what kind of? Please, describe your experience. Was the call conducted in your local language? Was the AGENT person the local speaker? Why do you (or don't) think so?

3. Have you ever been calling a Customer Care with a particularly technically difficult question?
 - Follow up – if so what kind of? Please, describe your experience. Was the call conducted in your local language? Was the AGENT person the local speaker? Why do you (or don't) think so?

4. In your opinion why do companies employ foreigners in call centers?

5. Please answer questions concerning following situation:

A. Imagine that you want to activate roaming on your mobile phone as well as ask about the price offers related to roaming because you are going to call home from abroad quite often. This process is not technically nor timely demanding. You call CS and hear that your call is answered by a non-local speaker.

Would you have concerns related to:

 - Reliability and trustworthiness of the company?
 - Theft or misuse of your personal data?
 - Service being located outside of the country?
 - Communication?

Communication follow up – Please evaluate on the scale 1-7 (1= completely disagree, 7= completely agree) and comment your decision

- My local language spoken with accent by AGENT makes me feel uncomfortable about the company
- I cannot completely concentrate on the content of speech because of the person's accent
- I feel like correcting the person when s/he says something wrong or uses improper wording
- I am considering the wording of my speech carefully (avoiding the difficult words)
- I try to repeat my requirements also in other words so that I can be sure that CS person understands me
- I am thinking what could be company's reasons to employ foreigner and not local speaker
- I feel that the probability of a misunderstanding is higher than when interacting with local speaker
- I try to prevent misunderstanding by careful articulation of my problem
- I am willing to change wording and way of my speech because of this CS person

6. If you speak with non-local speaker which of following factors do you consider as the most noticeable? Please, evaluate from the most to the least noticeable.

- Accent
- Limited vocabulary
- Syntax (does not create sentences correctly)
- Different speech rhythm
- Using the words in a wrong context, e.g. non existing comparisons or sayings

7. From the customer's point of view - do you think that employing foreigners in technically non-demanding services (simple order placing) is more acceptable than in technically demanding services (e.g. computer set up, program installation)? If so, why?

8. In your opinion, do foreigners provide worse service because of them being non-local speakers?

Appendix 2

Interview guide for dialogues with current or former Customer Care representatives

(Informal greetings, prefatory statement)

1. Demographical questions (age, education, place of living)
2. What is your local language and in which language do you provide the CS?

Questions: How have you learned the language in which you provide CS?

How many years have you been studying the language? Have you obtained any certificates regarding the language knowledge?

Have you lived in the country where the language is spoken? Have you been working or studying in that country? If so, how long? When being in the country have you experienced any negative comments or behavior regarding your accent or overall way to speak the language?

3. How would you evaluate the knowledge of the language you speak in CS on the scale 1-10 (1= not at all, 10= completely)?
4. Please describe the call center you are or were working in. (The type of service, technical demandingness, active versus passive call center). How long have you been working there? If you quit your job, what were the reasons behind it?
5. In your opinion why companies employ foreigners in call centers?
6. Please describe your duties as AGENT. How many percent of your work time do you use email and phone in contact with customer (approximately)? Follow up – do you feel more comfortable when emailing or calling? Why?
7. Have you ever experienced any difficulties related the language (e.g. not understanding the customer)? If so, how often? How have you solved them?
8. When customers call, do they ever express concerns regarding:
 - Reliability and trustworthiness of the company?
 - Theft or misuse of their personal data?
 - Service being located outside of the country?
 - Communication?

Communication follow up – Have you ever experienced following situations? If so, please comment further.

- The way I speak the language make customers express doubts about the trustworthiness and reliability of the company
- I feel that customers do not completely concentrate on the content of speech because of my accent; I have to repeat my statements multiple times
- Customers correct me when I say something wrong or use improper wording
- Customers start to consider the wording of their speech carefully (avoiding the difficult words)
- Clients ask what are the company's reasons to employ foreigner and not local speaker
- Customers try to prevent misunderstanding by careful articulation of their problem
- I notice that clients are willing to change wording and way of their speech because of me being non-local speaker
- Customers try to end up the call quickly and I think that it was because they did not feel comfortable about me being non-local speaker

9. Do you think that employing foreigners in technically non-demanding services (simple order placing) is more acceptable than in technically demanding services (e.g. computer set up, program installation)? If so, why?

10. In your opinion, do foreigners provide worse service because of them being non-local speakers? Why?

11. Imagine that you call CS in your local language. Would you feel uncomfortable talking with a foreigner employee (non-local speaker)?